

NEBRASKA NATURAL RESOURCES COMMISSION

MEETING MINUTES – January 25, 2012

EMBASSY SUITES HOTEL - Lincoln, Nebraska

Those in attendance were:

Garry Anderson, Member	Dan Watermeier, Chair	Butch Koehlmoos, LLNRD
Kenneth Brockman, Member	Ladd Reeves, Member	Russ Callan, LLNRD
Tom Knutson, Member	Dave Kadlecek, Member	John Miyoshi, LPNDRD
Jeff Steffen, Member	Dan Nelson, Member	Mike Murren, LPNDRD
Dick Hadenfeldt, Member	Stan Clouse, Member	Nate Jenkins, URNRD
Joseph Hergott, Member	Craig Derickson, NRCS	Jill Richters, NDNR
Keith Rexroth, Member	Dave Clabaugh, LBBNRD	Ron Theis, NDNR
Dick Mercer, Vice-Chair	Marlin Petermann, PMRNRD	Rex Gittins, NDNR
Clint Johannes, Member	Cynthia Timmermier	Kent Zimmerman, NDNR

CALL TO ORDER & ROLL CALL

The meeting was called to order by Commission Chairman Watermeier at 1:30 p.m. at the Embassy Suites Hotel, Lincoln, Nebraska. The following members were absent: Beverly Donaldson, and Dave Deines.

NOTICE OF THE MEETING

Notice of the meeting was published on the State Public Meetings Calendar and on the Department's web site at www.dnr.ne.gov. A copy of Nebraska's public meeting statutes was available in the room.

INFORMATIONAL MATERIALS

The following informational materials were distributed at the Commission meeting. A copy of each is attached to the file copy of these minutes.

1. Commission Meeting Agenda
2. Selected Agenda Topics Explanation Paper
3. NRCS Report to the NRC
4. NRC-Related Legislative Bill Review
5. Expenditures Report
6. Resources Development Fund Status Reports as of 12/31/11 and 1/19/12
7. Small Watershed Flood Control Fund Status Report as of 1/1/12
8. Nebraska Soil & Water Conservation Fund Status Report as of 12/31/2011
9. Nebraska Water Quality Fund Status Report as of 12/31/2011
10. Water Well Decommissioning Fund Status Report as of 12/31/2011
11. Interrelated Water Management Planning Program:
 - Funding Needs & Available Balance Report Tables as of 1/1/12 and 1/24/12
 - FY13 Funding Distribution Meeting - Project Sponsors' Recommendation

MINUTES

Rexroth moved and Knutson seconded the motion to approve the minutes of the November 16, 2011 Program Committee Meeting; and the November 17 Commission meeting.

Motion Passed.

Aye: Anderson, Brockman, Reeves, Hergott, Hadenfeldt, Mercer, Rexroth, Johannes, Steffen, Watermeier, Knutson and Clouse
Nay: None
Abstain: Kadlecek and Nelsen
Not Present: Deines and Donaldson

EXPENDITURES REPORT

Fund expenditures reports showing financial activity and ending balances for November and December were distributed prior to the meeting. No unusual expenditures were reported.

ADVISOR REPORTS

NRCS

Craig Derickson, NRCS State Conservationist, distributed a report and noted the following:

- On January 9, 2012, Secretary of Agriculture Vilsack announced the closing of 250 offices nation-wide as the result of USDA budget reductions. Nebraska will only lose one soil survey office in Scottsbluff, and no impact on the joint work between NRCS & the NRDs is expected.
- The regional heads of NRCS and FEMA co-chair a task force established by the U.S. Army Corps of Engineers to deal with Missouri River flood recovery. Derickson is the team lead for the agriculture working group. A webinar held on December 14, 2011, provided a brief overview of programs and services available to assist with flood recovery efforts on agricultural lands. The information from this webinar is available on line at <http://flood.unl.edu/web/flood/FloodWebinar>.
- Conservation Stewardship Program sign up deadline is January 27, 2012. Nationally, the acreage limit has been reduced to 10.7 million acres. The program currently pays on 1,649 contracts within 91 of the 93 counties in Nebraska.
- Wetlands Reserve Program contracts in hand for 2012 cover 8,000 acres and staff anticipate sign-up of another 4,000 acres.
- Wetlands Reserve Enhancement Program has \$15 million set aside for special opportunities. An RFP is being compiled cooperatively by states in the Missouri River corridor.
- NRCS is working to expand the number of Technical Support Providers (NRD and other independently contracted people) in Nebraska to help accomplish components tasked in the Farm Bill.
- A National Watershed Coalition meeting in Oklahoma on December 6-7 focused on watershed projects funding sources other than federal. Several NRD, DNR, and NRCS employees participated.
- Nebraska received funding through the American Recovery Stimulus Act to build the Wilber Watershed Structure and construction will begin in 2012. Watershed structure rehabilitation work for both Blackwood and Medicine Creek was completed in 2011.

ENVIRONMENTAL TRUST

No report given.

UNL WATER CENTER

No report given.

DNR UPDATE

No report given

LEGISLATIVE & BUDGET UPDATE

Watermeier met with Senator Lavon Heidemann prior to this Commission Meeting to discuss the Commission's current funding constraints. Ron Theis also briefly reviewed three legislative bills which might affect the Commission. LB 975, known as the Fair Bidding Act, prohibits any terms in state-funded or state-assisted procurement of construction services that either favor or disfavor collective bargaining. LB 1076 increases governmental organizations' ability to control public meetings by limiting public comment to agenda items, but adds the requirement to provide for public recommendations for agenda topics in advance of meetings. LB 1134 would provide Legislature oversight on the use of eminent domain.

PROGRAM COMMITTEE

A separate Program Committee meeting was not held, so Chair Johannes led the discussion on agenda topics pertaining to program activities. No unusual activity was reported during discussion of the following funds.

Resources Development Fund

Status reports dated December 31, 2011 & January 19, 2012 were reviewed. The timing of reimbursements to sponsors has been constrained due to the strict schedule of quarterly allotments by the State Budget Office. Three project sponsors present at the meeting each briefly mentioned a few items of interest regarding their projects. Marlin Petermann, PMRNRD, reported that a USA COE 404 permit had been issued for the Pigeon-Jones Creek Project, and land right acquisition is underway with construction anticipated to begin this spring. John Miyoshi, LPNNRD announced that agreement (subject to Board approval) had been reached with the Nebraska Game & Parks Commission to operate the recreation component of the project. Dave Clabaugh, LBBNRD, announced four of the seven structures are complete, and a public land rights hearing for the fifth site is scheduled January 26, 2012, with construction planned to begin this spring.

Small Watersheds Flood Control Fund

The only activity in this fund since the last report was the addition of two months accrued interest.

Soil and Water Conservation Fund Program

Three NRDs have used their full funding commitment for FY 2012.

Natural Resources Water Quality Fund

The next distribution of available funds will be made in February.

Water Well Decommissioning Fund

Payments are being made as the requests come in.

Interrelated Water Management Plan Program Fund

Staff reviewed a January 24, 2012 report showing each project's available balance and the remaining funding needs of the six sponsors whose projects are not fully funded. Subsequent to the last Commission meeting, a project sponsor who was unable to attend the first FY 2013 funding distribution meeting requested that another meeting of project sponsors be held.

The second meeting was held on January 24, 2012, with all six sponsors in attendance. Discussion in this meeting focused on the section of the IWMPP Guidelines which states that preference in the distribution of funding will be given to projects in basins which have not been declared to be fully or over appropriated and that previously funded projects will have priority over new projects. As a result of the discussion, the group agreed to a revised recommendation for the distribution of FY 2013 funds as described in the motion below.

The group also stated that it may be prudent for sponsors of projects approved by the Commission but not yet fully funded to continue their work. They requested that the Commission formally acknowledge its intention to reimburse these sponsors for work performed using district funds prior to commitment of IWMPPF funding if and when funds become available. Commissioners asked staff to draft a motion to this effect for action at the next Commission meeting.

Johannes moved and Knutson seconded a motion to include the following funding recommendation for FY 2013 in the minutes which will supersede the recommendation as documented in the November 2011 Commission Meeting Minutes.

Preference (as described in the Commission's IWMPP Guidelines) will be given to those sponsors whose district is not designated as fully or over appropriated. The method and amount of preference is recommended by the project sponsors in the following manner;

1. Distribute 50% of the amount needed to fully fund the projects in basins not declared to be fully/over appropriated.
2. Distribute the remainder of the expected \$500,000 of FY2013 funding among the projects in the fully/over appropriated basins based each sponsor's proportional funding needs relative to the sum of all remaining needs of projects in the designated basins.
3. Allow project sponsors with more than one project to decide how FY2013 funding will be allocated among their projects. Sponsors must identify funding by specific project(s) to Department staff prior to the Commission's motion to award funding.
4. In the event that funding in addition to the FY2013 appropriation becomes available, split this amount among all sponsors based upon each project's remaining funding needs relative to the sum of all remaining funding needs.

Motion Passed.

Aye: Anderson, Brockman, Reeves, Hergott, Hadenfeldt, Mercer, Rexroth, Johannes, Steffen, Watermeier, Knutson, Clouse, Nelsen and Kadlecek
Nay: None
Abstain: None
Not Present: Deines and Donaldson

Butch Koehlmoos, LENRD, expressed his appreciation and thanked the Commission and staff for the opportunity to participate in further discussing the distribution recommendation. Chairman Watermeier attended the above described group's discussions and added that sponsors understand it will take two more years' appropriations at the current level to meet projected funding needs of the existing projects.

ELECTION OF OFFICERS

On behalf of the nominating committee, Johannes brought forward the following motions, noting that the nominating committee wanted to continue with the tradition of promoting the Vice Chairman and rotating leadership across the state from east to west.

Johannes moved and Anderson seconded a motion to cease nominations for chairman and cast a unanimous ballot for Dick Mercer.

Motion Passed.

Aye: Anderson, Clouse, Brockman, Reeves, Hergott, Hadenfeldt, Rexroth, Johannes, Steffen, Watermeier, Knutson, Kadlecek and Nelsen
Nay: None
Abstain: Mercer
Not Present: Deines and Donaldson

Johannes moved and Knutson seconded a motion to cease nominations for vice chairman and cast a unanimous ballot for Dave Kadlecek.

Motion Passed.

Aye: Anderson, Clouse, Brockman, Reeves, Hergott, Hadenfeldt, Rexroth, Johannes, Steffen, Watermeier, Knutson, Mercer and Nelsen
Nay: None
Abstain: Kadlecek
Not Present: Deines and Donaldson

COMMITTEE ASSIGNMENTS

Survey sheets were distributed to each Commissioner for their use in identifying preferences regarding committee assignments and willingness to serve as chairperson. The surveys were collected by staff, and results will be summarized and forwarded to Chairman Mercer for committee assignment.

DISCUSSION & ACTION ON MEETING DATES

Meeting dates for the fall NARD Conference and January NARD Legislative Conference were discussed. Commissioners prefer continuing to meet in conjunction with those activities. Mercer volunteered Central Platte NRD to host a June (third week) meeting if the

NRD's schedule will allow. Commissioners also discussed holding a November meeting the first or last week of the month.

Anderson moved and Kadlecsek seconded a motion to set four meeting dates: September 24th & 25th; January 29th & 30th, (2013); and authorized staff to work out specific dates and locations for June and November.

Motion Passed.

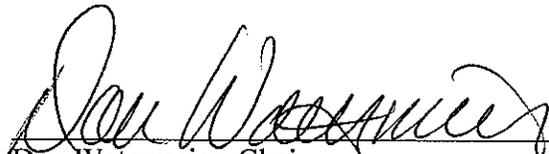
Aye: Anderson, Clouse, Brockman, Reeves, Hergott, Hadenfeldt, Rexroth, Johannes, Steffen, Kadlecsek, Watermeier, Knutson, Mercer and Nelsen
Nay: None
Abstain: None
Not Present: Deines and Donaldson

ANNOUNCEMENTS / OTHER BUSINESS

Johannes moved to enter into the record a sincere thank you to Chairman Watermeier for a job well done in his term as Chairman for the Commission this past year.

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The meeting was adjourned at 2:30 p.m.



Dan Watermeier, Chair



Brian P. Dunnigan, Director