

NEBRASKA NATURAL RESOURCES COMMISSION

MEETING MINUTES – June 20, 2013

LOWER BIG BLUE NRD - Beatrice, Nebraska

Those in attendance were:

| | | |
|---------------------------|-----------------------------|-----------------------|
| Garry Anderson, Member | Mick Reynolds, Member | Liang Xiang, UNL |
| Tom Knutson, Member | Dave Kadlecek, Chair | Scott Sobotka, LBBNRD |
| Jeff Steffen, Member | Kevin Fornoff, Member | John Miyoshi, LPNNRD |
| Dick Hadenfeldt, Member | Darrell Rains, Member | Mike Murren, LPNNRD |
| Joseph Hergott, Member | Kasey Taylor, NRCS | Dean Edson, NARD |
| Keith Rexroth, Member | Dave Clabaugh, LBBNRD | Jill Richters, NDNR |
| Bev Donaldson, Vice-Chair | Margo Carlson | LeRoy Sievers, NDNR |
| Clint Johannes, Member | Laurie Lage, Nat Res Cmt | Rex Gittins, NDNR |
| Steven Sugden, Member | Sen. Tom Carlson, Dist. #38 | Kent Zimmerman, NDNR |

CALL TO ORDER & ROLL CALL

Dave Clabaugh welcomed everyone to the Lower Big Blue NRD. Commission Chairman Kadlecek thanked Clabaugh and Mike Onnen for planning and conducting the watershed tours the day before and for their hospitality. Kadlecek then called the meeting to order at 8:30 a.m. at the Lower Big Blue NRD office in Beatrice, Nebraska. The following members were absent: Stan Clouse, Dave Deines and Dick Mercer.

NOTICE OF THE MEETING

Notice of the meeting was published on the State Public Meetings Calendar and on the Department of Natural Resources' 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 Commission
3. Expenditures Report
4. Resources Development Fund (RDF) Status Reports as of 6/18/13
5. RDF Quarterly Report as of April 30, 2013
6. RDF Allocation Increase Requests
7. Small Watershed Flood Control Fund Status Report as of 6/1/13
8. Small Watershed Flood Control Fund Projected Funding Requests for FY14 & 15
9. Nebraska Soil & Water Conservation Fund (NSWCPF) Status Report as of 5/31/2013
10. Nebraska Water Quality Fund Status Report as of 5/31/2013
11. Water Well Decommissioning Fund Status Report as of 5/31/2013
12. Interrelated Water Management Planning Program Report as of 6/17/13
13. Tri-Basin NRD NSWCPF Request

INTRODUCTION OF NEW COMMISSIONERS

Chairman Kadlecik noted Commissioner Rains, elected to fill the unexpired term of Ken Brockman, had been introduced during the Program Committee the previous day.

MINUTES

Rexroth moved and Reynolds seconded the motion to approve the minutes of the January 30th, 2013 Commission meeting.

Motion Passed.

Aye: Anderson, Donaldson, Fornoff, Hadenfeldt, Hergott, Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden and Kadlecik
Nay: None
Abstain: None
Not Present: Clouse, Deines and Mercer

ADVISOR REPORTS

NRCS

Kasey Taylor, Acting NRCS State Conservationist, distributed a report and gave a brief update on the NRCS budget and personnel training needs relating to NRD activities in the state. Other comments included:

- Resource assessment and work load review: projected financial assistance needs of \$38 million were identified.
- State technical assistance budget needs: the national office is evaluating options.
- Sequestration: if continued in FY14 and 15, additional cuts are likely.
- Compliance issues: staff is trying to help land owners make informed decisions before they break out land with sensitive soil issues.

ENVIRONMENTAL TRUST

No report given.

UNL WATER CENTER

Lorrie Benson was unable to attend but asked that the following items be mentioned.

- There are a few openings for the Water and Natural Resources Tour on June 25-27^h, 2013. This tour will look at water management issues in an area between Kearney, Columbus and just west of Lincoln.
- Dates have been set and final details are being worked out for the Water Symposium on October 15 and the Water Law Conference on October 16. Both will be at the Cornhusker Marriott Hotel in Lincoln.

DNR UPDATE

Gittins noted the DNR budget request was submitted with no change from the prior biennium but adjustments were made by the Legislature's Appropriations Committee in two areas. The Interrelated Water Management Plan Program Fund budget was reduced by \$150,000 for each of the next two years and funding will stop after the 2013-2015 biennium. The department's operating budget was increased by \$150,000 per year with a requirement that those funds be used only for a contract with UNL to gather and disseminate weather related data.

EXPENDITURES REPORT

No unusual expenditures were reported.

PROGRAM COMMITTEE

The following actions were recommended by the Program Committee at its meeting on June 9, 2013, and brought forward as motions.

Resources Development Fund

Hadenfeldt moved and Johannes seconded the motion to authorize staff to modify project components as necessary for obligation of FY14 funds.

Motion Passed.

- Aye: Donaldson, Fornoff, Hadenfeldt, Hergott, Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden, Anderson and Kadlecek
Nay: None
Abstain: None
Not Present: Clouse, Deines and Mercer

Hadenfeldt moved and Knutson seconded the motion to obligate FY14 funds to projects effective July 1, 2013, as follows:

| | |
|--|--------------|
| Lower Turkey Creek Watershed Project | \$785,081.25 |
| Sand Creek Environmental Restoration (Wanahoo) | \$785,081.25 |
| Upper Prairie/Silver/Moores Creek | \$785,081.25 |
| Western Sarpy/Clear Creek Project | \$785,081.25 |

Motion Passed.

- Aye: Fornoff, Hadenfeldt, Hergott, Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden, Anderson, Donaldson and Kadlecek
Nay: None
Abstain: None
Not Present: Clouse, Deines and Mercer

It was noted for the record that any FY14 funding obligated to the Western Sarpy Project which is subsequently determined by the sponsor to exceed its needs for the year may be offered for Commission action to redistribute the surplus to the Wanahoo Project.

Subsequent to the Commission meeting, staff worked with each project sponsor to determine how obligated FY14 funds were to be broken out by project component. The break out was based upon project progress and work planned for the year. The following modifications to components were made:

| <u>NRD</u> | <u>Project</u> | <u>FY 14 Obligation</u> | <u>Component</u> | <u>Amount</u> |
|------------|----------------|-------------------------|------------------|---------------|
| LBB | Lower Turkey | \$785,081.25 | #2 Engineering | \$35,000.00 |
| | | | #3 Land Rights | \$600,000.00 |
| | | | #4 Construction | \$150,081.25 |
| CP | Upper Prairie | \$785,081.25 | #2 Land Rights | \$385,081.25 |
| | | | #4 Construction | \$400,000.00 |

| | | | | |
|-----|---------------|--------------|-----------------|--------------|
| LPN | Wanahoo | \$785,081.25 | #4 Construction | \$785,081.25 |
| PM | Western Sarpy | \$785,081.25 | #3 ROW | \$305,188.47 |
| | | | #4 Construction | \$479,892.87 |

Hadenfeldt moved and Donaldson seconded the motion to approve the following requests for allocation increases effective July 1, 2013:

| | |
|--------------------------------------|----------------|
| Lower Turkey Creek Watershed Project | \$ 625,000.00 |
| Upper Prairie/Silver/Moores Project | \$1,257,662.50 |
| Western Sarpy/Clear Creek Project | \$1,257,662.50 |

Motion Passed.

- Aye: Hadenfeldt, Hergott, Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden, Anderson, Donaldson, Fornoff and Kadlecek
- Nay: None
- Abstain: None
- Not Present: Clouse, Deines and Mercer

Due to the statutory \$18.5 million cap on project allocations in excess of obligated funding, the full allocation increase amounts requested by the Central Platte NRD and Papio-Missouri NRD could not be granted at this time. The unmet portions of these requests totaled:

- Central Platte NRD - \$6,166,641.68
- Papio-Missouri NRD - \$ 216,447.50.

Small Watersheds Flood Control Fund

Hadenfeldt moved and Knutson seconded the motion to establish the Revolving Fund Base for the Small Watersheds Flood Control Fund at \$668,935.18 for FY14.

Motion Passed.

- Aye: Hergott, Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden, Anderson, Donaldson, Fornoff, Hadenfeldt and Kadlecek
- Nay: None
- Abstain: None
- Not Present: Clouse, Deines and Mercer

Soil and Water Conservation Fund Program

The Tri-Basin NRD had submitted a request that the Commission modify NSWCP Practice NC-3 and/or NC-19 to allow cost share for modification or decommissioning of dams constructed in violation State statutes. Hadenfeldt reported that the Program Committee had tabled a motion to modify Practice NC-3 pending further information from legal counsel.

Fornoff moved and Reynolds seconded the motion to request Sievers review the legality of Tri-Basin NRD's request concerning whether or not this would be consistent with the statutes, rules and other practices, and to report finding at the September Commission meeting.

Motion Passed.

- Aye: Johannes, Knutson, Rains, Rexroth, Reynolds, Steffen, Sugden, Anderson, Donaldson, Fornoff, Hadenfeldt, Hergott and Kadlecek
- Nay: None

Abstain: None
Not Present: Clouse, Deines and Mercer

Natural Resources Water Quality Fund

No action.

Water Well Decommissioning Fund

No action.

Interrelated Water Management Plan Program Fund

No action. Due to a lower than anticipated funding level and uncertainty regarding projected needs for some projects, obligation of FY14 funding was deferred until the September Commission meeting. No significant impact on making reimbursements is anticipated, and the delay will allow staff and sponsors to work out a revised consensus for proposed allocations based on the reduced funding and more accurate projections of needs.

ANNOUNCEMENTS / OTHER BUSINESS

Staff discussed holding orientation sessions including policy review across the state. Due to anticipated schedule demands related to Commission members' participation on the Water Funding Task Force, no dates were set.

Donaldson requested that Commissioners set the 2014 meeting schedule at the September meeting to facilitate planning for personal activities. It was noted that the January and September meetings traditionally correspond with NARD conferences. Therefore, only the dates for the May/June meeting (usually out-state) and potentially a November/late fall meeting remain to be set. Miyoshi offered to host one of these meetings at the Lower Platte North NRD.

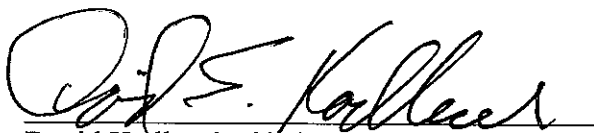
Edson announced that Pat O'Brien will become the next manager of the Upper Niobrara White NRD. Jennifer Swanson will replace O'Brien as the NARD liaison with DEQ. He also reported that Ron Cacek will be retiring later this year, and the North Platte NRD Board has selected John Berge to be the next manager for the North Platte NRD.

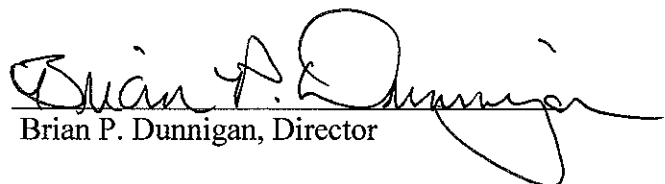
WATER FUNDING TASK FORCE (LB 517)

Senator Carlson briefed the Commission on his expectations for the Water Funding Task Force, created by LB 517 which he introduced. The senator discussed a tentative meeting schedule and stressed the importance of achieving sustainability of our water use to protect the resource for future generations.

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The meeting was adjourned at 9:58 a.m.


David Kadlecek, Chair


Brian P. Dunnigan, Director