

Platte Basin Habitat Enhancement Project

Meeting Minutes

North Platte, NE – Twin Platte NRD Office

October 5, 2009

Call to Order and Attendance – With a quorum present, Chairman Kent Miller called the meeting to order at 10:38 a.m. CDST. Those in attendance were: Jim Schneider and Jennifer Schellpeper (Nebraska Department of Natural Resources), Ron Bishop and Mark Czaplewski (Central Platte NRD), Kent Miller and Ann Dimmitt (Twin Platte NRD), Rod Horn and Kyle Liebig (South Platte NRD), John Thorburn (Tri-Basin NRD), Ron Cacek and Tina Kurtz (North Platte NRD), and T.J. Walker (Nebraska Game and Parks Commission). Miller reported that the PBHEP abides by the Open Meetings Act in conducting business and noted that a copy of the Act was displayed in the meeting room.

Meeting Notices – Chairman Miller reported that notice of the meeting had been published in the Grand Island, North Platte and Scottsbluff newspapers as required by law. Chairman Miller requested that proof of publications for PBHEP meeting notices be forwarded to Mark Czaplewski.

Agenda Modifications - No changes were made to the agenda distributed prior to the meeting.

Approval of Minutes – Motion by Ron Bishop, second by Jim Schneider to approve the minutes of the September 14, 2009, meeting as distributed prior to the meeting. Motion passed unanimously by roll call vote.

Committee Reports – Czaplewski reported on the activities of the Habitat Management and Monitoring Committee, including their September 18th conference call. A workgroup made up of Tim McCoy, James Huntwork and John Heaston has been formed to draft a management plan for conversion from irrigated cropland to grassland. The general plan will require tract specific details to be added, once known. It will attempt to appropriately incorporate any components related to “piggybacking” on federal program conditions such as CREP or EQIP.

Czaplewski reported on the business of the Education and Outreach Committee, including their conference call of August 20th. Much of their early work has focused on development of a PBHEP logo and general information brochure. Czaplewski presented the Committee’s recommendation for a logo and reviewed several earlier iterations developed by the Committee. The consensus of the administrators was to ask the Committee to bring back several logos for them to pick from at their next meeting with at least one of the draft logos to not include a picture of a bird. Czaplewski reviewed the Committee’s draft brochure which was distributed in advance of the meeting. Several comments were offered. Chairman Miller asked that any additional comments be provided to Czaplewski no later than October 8th for forwarding to the Committee.

The Water Tracking and Accounting Committee report was provided by Kyle Liebig. Liebig noted that the Committee met via conference call on August 28th and October 1st. The focus of the recent meeting was a discussion of the details of the action taken by the administrators regarding the calculation of water savings. Liebig noted some Committee members concerns regarding the details of the calculation of water savings. Doug Hallum and Duane Woodward were assigned the task of further developing those details. A key related criterion is the method of certifying irrigated acres, particularly given that each NRD involved has taken varied approaches. CREP and EQIP criteria for participation are believed to be that lands must be irrigated three of the previous five years. This understanding will be checked on in advance of the next meeting. The consensus of the group was to use the same criteria for eligibility used by the federal programs where PBHEP easements would “piggyback” on those federal contracts. In cases

where there are no existing federal contracts, the PBHEP will use eligibility criteria equal to the least number of years required by the Federal Programs, so there is no need to base definitions on any individual NRD's certification method.

DNR representatives are to bring to the group a written "straw dog" set of criteria regarding the calculation details of acre-feet of accretions to the river since 1997 and the conceptual means of calculating annual savings.

Review of Examples of Calculations of Water Savings – Jim Schneider provided a handout which included maps detailing irrigation development between July 1, 1997 and June 30, 2001. An attached table noted the DNR's calculation of 117,100 acres of gained groundwater irrigation from 1997 to 2005, and a total of 45,500 of lost acres during that same timeframe, for a net change of 71,600 acres. Schneider noted the DNR's position that while the PBHEP can move forward with a payment plan based on an SDF approach, it does not necessarily translate into water saved to the river. He noted the need to re-run models to better identify total accretions and estimated depletions based on a single node calculation in order to compare the accretions to depletions from 1997 levels noted in the basin IMP's. Motion by Ron Bishop, second by Rod Horn, to request the Water Tracking and Accounting Committee to review the 1997 baseline irrigation data and recommend to the administrators the best method to refine that baseline data. Motion passed by unanimous roll call vote.

Tri-Basin NRD Request for Funding Assistance for Water Lease – John Thorburn provided the group with a handout of an "Offset Water Service Agreement" the Tri-Basin NRD has executed with Central NPP&ID on September 8th. The Agreement lays out the details of a one year lease of up to 2,500 ac-ft of water from Central NPP&ID for a fee of \$70/ac-ft. Thorburn asked for support of the group for PBHEP funding. Thorburn noted the water would cover their fully and over-appropriated water requirements for one year, and characterized the lease as a "bridge to future compliance efforts". Thorburn noted that Central NPP&ID was breaking new ground in regards to water rights transfers. He hoped any future such agreements would be for longer terms and noted that Tri-Basin NRD's plans are likely to rely less on water leases in the future. Concerns were raised regarding the temporary nature of the water acquisition, the matter of the water right transfer process, and the price being paid for the water. The consensus of the group was to attempt to establish a set of criteria for such annual lease payment based on projections of payment of \$2,500/ac-ft for permanent retirement of irrigation. Given the somewhat precedence setting nature of possible PBHEP funding of this annual lease and in an attempt to better define the current cost of such water, the group asked for input regarding what other Central NPP&ID customers are paying for water as well as other surface water canals in the region, particularly below Lake McConaughy. HDR Engineering is already in the process of compiling some of this pricing data. NDNR representative agreed to provide the group with the HDR information before the next meeting. Twin Platte NRD and Central Platte NRD representatives will also try to compile costs paid by surface water customers in their districts. The group agreed to re-address the matter at its November meeting after review of this data.

NRCS Update on Status of Federal Programs – Czapski reported on information provided by James Huntwork including two handouts which explained the AWEP ranking process and the rationale for why the Platte Basin AWEP proposal was not funded in FY 2009. The report noted that the ranking criteria for FY 2010 will be modified and Steve Chick is a member of the national team organized to review the ranking process and make recommendations to improve the process. The national office has acknowledged there was confusion about the proposal for use of AWEP funds, especially with regard to permanent retirement of land from irrigated production so it will be important to make the distinction between use of AWEP funds and the local funds (added to AWEP funds for perpetual easements) in the 2010 AWEP proposal. Specific identification of conservation practices to be used may or may not be part of the FY 2010 Request for Proposals criteria and there may be a standard format requirement for proposals in an attempt to address items of confusion similar to what occurred with the

Platte Basin AWEP Proposal. At this time NRCS expects to operate under a Continuing Resolution for the beginning of FY 2010, which may delay the advertisement for FY 2010 AWEP Requests for Proposals, but it would be prudent to expect that to occur prior to the end of the 2009 calendar year.

Other – Czaplewski reported on various items related to the NET, including: 1) finalization of the NET contract on September 3rd, 2) meeting with NET scheduled for October 23rd related to valuation of land covered under PBHEP conservation easements, 3) application for year two funding, and 4) the October 12th deadline to submit to Czaplewski in-kind contribution documentation for the 2nd quarterly report. The group discussed the matter of land valuations and materials presented at the September 14th meeting. After a discussion of possible issues with using county assessor valuation data, particularly in the North Platte and South Platte NRDs, it was agreed that the proposal made to the NET would include a combination of 1) use of county assessor data as previously discussed and 2) the use of two appraisals per county as the basis for valuations as originally presented in the PBHEP application to NET. The use of PBHEP funds to supplement federal program contributions (e.g., CREP, EQIP and possibly future AWEP) would go a long way to making county assessor data on land values better track actual cost differentials between dryland and irrigated land prices. Each NRD representative is to provide Ron Bishop with information collected from banks, lending institutions, agri-business agencies, courthouses, etc. regarding comparisons of irrigated and dryland land values in advance of the October 23rd meeting with NET.

Miller reminded the group of meetings currently scheduled for the following dates: November 13, January 5, February 2, and March 2, all starting at 10:30 a.m. CDST or CST in North Platte at the offices of Twin Platte NRD.

The November 13th agenda will include a discussion of the PBHEP General Checklist of Activities. Ron Bishop will walk the group through the process Central Platte NRD currently uses for water banking.

Adjourn – The meeting was adjourned at 1:34 p.m.