Memorandum

Date: February 13, 2024

To: Board of Directors

From: David Potter, Assistant General Manager

RE: Land Resources Subcommittee Meeting Minutes.

The Land Resources Subcommittee met at 5:30 pm on Thursday, February 8, 2024, in the NRD Large Conference Room to take action on three items and discuss a few others. Subcommittee members present included Don Jacobson, Gary Aldridge, Tom Green, Seth Hawkins, Gary Hellerich, Chelsea Johnson, Susan Seacrest, and Ken Vogel. Others present included Tom Cowan, John Albert, Sean Loken, Lesli Lair, Donna Reid, Mike Sousek, and David Potter. Director Jacobson called the meeting to order, gave a brief welcome, and reviewed the agenda.

The first item was **consideration of the NRD/NSWCP 2024 LPSNRD Average Costs for the Surface Water Quality BMP Cost-Share Program**. Potter stated our District Conservationist, Tom Cowan finally received the DNR NSWCP Payment Schedule in mid-January. The payment schedule is an NRCS regional docket that identifies all the possible practices and recommended unit prices. These unit prices are not always indicative of what we are seeing within LPSNRD. Each year we prepare the annual LPSNRD Docket that identifies the common practices and scenarios used within our District with our recommended cost-unit rate. Cowan and our resources technicians met on January 22nd to discuss the average costs listed in the 2024 Docket. In review of the 2024 NSWCP Payment Schedule, our technicians noted a few average costs commonly used in our District were not correctly listed and the changes in unit costs were not reflective of what we have been seeing from contractors. The final draft of the 2024 LPSNRD Average Costs (or Docket) based on those discussions and input was presented and is attached. The 2024 NSWCP Payment Schedule (long list) was also provided to the subcommittee. Cowan and Potter then discussed the spreadsheet comparing the new 2024 cost-share numbers with those approved for the 2023 Docket (attached). It was noted that some unit costs have gone up while others have decreased. Discussion followed. It was also noted that if an uncommon project scenario that's not on the LPSNRD docket would occur, then the unit price listed on the DNR NSWCP Payment Schedule would be used.

It was moved by Vogel, seconded by Hawkins, and unanimously approved by the Subcommittee to recommend the Board of Directors approve the 2024 LPSNRD Average Costs for the Surface Water Quality BMP Cost-share Program.

The second item was to consider a change to the LPSNRD Surface Water Quality Cost-Share Program maximum cost-share dollar amount.

During FY24 LRIP meetings, the subcommittee and staff discussed the possibility of raising the maximum cost-share dollar amounts for the program and how it would affect conservation work. Staff felt that any new maximum dollar amounts should take effect after the first of the year to coordinate with the new docket and application period and avoid any confusion. In 2015, the Board changed the district-wide maximum from \$7,000 to \$10,000 and the summer conservation program maximum from \$10,000 to \$15,000. The most recent change took place in December 2020, when the Board approved an increase of \$2,500 in the maximum dollar amounts to the LPSNRD district-wide, targeted and summer surface water quality cost-share programs (district-wide maximum from \$10,000 to \$12,500, targeted maximum from \$12,500 to \$15,000, summer district wide from \$15,000 to \$17,500, and summer targeted from \$20,000 to \$22,500). Based on current prices, staff are again proposing to consider an increase of \$2,500 in the maximum dollar amounts to the LPSNRD district-wide, targeted and summer surface water quality cost-share programs. Copies of the land treatment cost-share program and summer conservation program brochures with the recommended changes to the 2021 maximum amounts (attached) were shared with the subcommittee. Potter, Cowan, and Albert discussed how the increases would help with larger projects and get more conservation work on the ground.

It was moved by Hellerich, seconded by Vogel, and approved by the Subcommittee (with Aldridge voting present and the others voting yes) to recommend the Board of Directors approve a \$2,500 increase in the maximum cost-share amounts for the LPSNRD Surface Water Quality BMP Cost-share Fall and Summer Programs.

The third item was to **consider a Farm Pond Cost-Share application.** Potter stated the district received one farm pond application for 2024. Resources Technician John Albert has reviewed the application from Andy and Dana Cotter and presented project information to the subcommittee. The project would be located on Lot 2 NW Section 2-12-6, Lancaster County, southwest of Ceresco near the county line. It was noted by Albert that the application meets the criteria of the farm pond cost share program and a dam in this location would stabilize the increasing head cut.

It was moved by Vogel, seconded by Seacrest, and unanimously approved by the Subcommittee to recommend the Board of Directors approve the farm pond application for Andy and Dana Cotter at a cost-share not to exceed \$14,400.

The next agenda item included updates of LPSNRD program and projects. Staff provided updates on the following items and the subcommittee discussed each.

- Status of Cost-Share Projects. Due to the 2023 drought and the recent snow and extreme cold, several fall land treatment projects have not been completed or even started. In some cases, NRCS would not allow construction due to lack of moisture and compaction issues. Only 13 fall cost-share applications of the 70 approved have been completed and paid so far (5 pd by NRD and 8 pd by NeDNR). With the recent precipitation and warmer temperatures, we're expecting more projects to be completed. NRCS will review fields on a case-by-case basis. All the 2023 summer cost-share jobs were completed, and all have been paid.
- Extension of Fall cost-share construction deadline. The construction deadline for fall cost-share applications is February 1st of each year. This date has been established to give the district an opportunity to evaluate the number of cost-share projects during the construction period with the remaining budgeted funds. For most years, this set date has worked well and prevents projects from being dragged out. With

some projects not completed or started due to the drought and construction restriction by NRCS and with money still in the budget, staff has extended that deadline to April 30, 2024. The District's Summer Conservation Program construction period begins May 1st, so this would complete those fall applications before the start of that program. Even if all the work is done with the outstanding applications, the district will still be within budget. This has been extended in past years when the current budget allows us to get more conservation practices completed. We extended the construction deadline last year to April 30th and it worked well.

• Cover Crop Program. The district currently has 33 approved cover crop cost-share applications for a total of 2,328.44 acres in the amount of \$69,600. With the drought conditions in 2023, we do expect a few cancellations from producers that did not want to plant cover crops by the November 1st deadline due to the lack of moisture. Resources technicians will be inspecting the current cover crop BMPs throughout the winter making sure they were seeded and are growing and then verifying termination of the crop in the spring. Cost-share payments are not made until the cover crop is verified and terminated.

Staff continues to promote the cover crop program (brochures, website, social media, newspaper, NRCS promotion, and direct mailings). LPSNRD also participated in UNL Extension Section 319 Highboy Cover Crop Program again this year and worked with two producers in our district to plant cover crops in standing corn.

Twin Lakes 319 Project. The district worked with Nebraska Game and Parks and with Nebraska Department of Environment and Energy to prepare and submit a 319 Project Implementation Plan (PIP) and funding request to EPA for the Twin Lakes Watershed. In June 2021 the District was notified by NDEE that EPA approved the Twin Lakes Watershed PIP. The LPSNRD Board approved the project agreement in July 2021. Since approving the agreement, staff has mailed a flyer to all of the property owners in the watershed, launched a watershed website (https://www.lpsnrd.org/programs/landowner-cost-share/twin-lakes-watershed), ordered project recognition signs, held an open house in Pleasant Dale to provide additional information, and received and approved several cost-share applications for BMPs. The Twin Lakes 319 Project is a three-year grant. Upon completion of the grant, the district will consider keeping the Twin Lakes Watershed as one of our identified targeted areas within the Salt Creek Watershed.

Due to the recent drought and construction restrictions, LPSNRD submitted a request to extend the 319-grant period. In January 2024, LPSNRD signed an agreement with NDEE to extend the grant for the Twin Lakes Watershed Target Area Implementation Project to April 2025. Due to the 2023 drought, most of these BMPs are expected to be constructed this spring and summer (with the construction deadline extension). Those projects that don't get constructed this spring are anticipated to be re-applied for summer or next fall. There are also currently four approved farm pond projects in the Twin Lakes Watershed. Due to the dry conditions and permitting process, these structures have not yet been constructed. Two of the four farm ponds are to be completed this fiscal year. LPSNRD is not currently taking any more BMP cost-share applications in the Twin Lakes Watershed until those approved cost-share projects are constructed or cancelled but will continue to publicize and correspond with interested landowners regarding the Twin Lakes Watershed Section 319 Project.

There being no further business, Jacobson adjourned the meeting at 6:38 pm.