

Natural Resources Conservation & Development Board
Meeting Minutes

Tuesday, March 26, 2013 at 9:00 a.m.

This meeting was held at 400 Willoughby Avenue, 5th floor conference room, in Juneau, Alaska and by teleconference.

Board members in attendance:

George Woodbury
Cheryl Thompson
Carol Kenley
Bernie Karl

Others in attendance:

Dan Sullivan, Commissioner, DNR
Ed Fogels, Deputy Commissioner, DNR
Shana Joy, Executive Director, NRCDB
Bob Jones, State Conservationist, USDA
NRCS
Ken Marsh, AACD/ Upper Su SWCD
Darcy Etcheverry, Fairbanks SWCD

Dee Pond, CAO, AACD
Joni Scharfenberg, Fairbanks SWCD
Randy Scharfenberg, Fairbanks SWCD
Ryan Stencel, Anchorage SWCD
Rex Wrigley, Salcha Delta SWCD
James Marcus, SE SWCD

1. Call to Order – Determination of Quorum

It was determined that a quorum was present and the meeting was called to order by George Woodbury at 9:01 a.m.

2. Approval of Agenda

Shana Joy explained the purpose of the ‘tentative’ items on the agenda which is to introduce the topics (State Farm Conservation Plans and Wood Bison Reintroduction) and provide background or information. The board may choose to take up these items for action or recommendations at a future meeting. **Bernie moved to approve the agenda; Carol seconded the motion. The motion passed.**

1. Approval of January 22nd, 2013 Meeting Minutes

Bernie moved to approve the minutes as presented; Carol seconded the motion. The motion passed.

2. Executive Director Report

Shana Joy provided a verbal report to the board. The AACD spring conference will be April 18th -20th in Fairbanks. She is preparing to give a couple of training presentations at the conference. Shana has been working closely with Dee Pond from AACD and the agenda is coming together well. Shana also noted that the Southwest/Kenai Peninsula Alaska seat on the NRCDB is now vacant. Al Poindexter submitted a letter of resignation and did not choose to continue serving until a new board member could be appointed. Shana sent a notice to the districts in that area alerting them of the vacancy. The other NRCDB members were surprised that he resigned and hopeful that Al would change his mind and re-apply for appointment. Shana was asked to make sure the attending NRCDB members were provided with Al’s contact information so they could contact him about service on the board. Bernie would like to see the primary goal of the NRCDB for the next year to make

the state responsible; the districts should not be fighting for scraps but should be a line item in the department's budget.

3. Alaska Association of Conservation Districts Report

Ken Marsh, AACD President, offered a report. All of the districts are functioning and active. This time of year the focus is on funding. AACD sees some new things on the horizon which may mean more work and a need for additional funding to get it done. He is moving the association forward. There may be a greater need for districts to do farm conservation plans or other work for the state. The AACD spring conference will include a work session for the AACD board on the next year's budget and the potential for a staff group to form so they have more input. Dee Pond also pointed out that a face to face budget discussion should be beneficial to everyone. One of the best things that AACD has done is hire the accounting firm to come in and help.

4. USDA Natural Resources Conservation Service Report

Bob Jones provided a report. Chief Dave White has retired and there is an Acting Chief, Jason Weller. He was Chief of Staff for Dave White for several years. Bob says that Jason is very knowledgeable. NRCS is also under the current sequester. 25% of the state's NRCS employees retired in December. NRCS's permanent employee cap for Alaska is 50 and the agency is currently below this cap. Funding will not allow for all of the vacancies below the cap to be filled. Several soil scientist positions have been moved from reporting to the Alaska office. NRCS remote offices will not be staffed and they will continue to try and consolidate and be as efficient as possible. Cost-share money in various programs is still available. A 10% cut to funding will not result in furloughs for Alaska NRCS staff. Bob reported that standard background checks are required for all district staff working in office space provided by NRCS. This policy was not implemented consistently in the past but is now. The NRCS staff person for Southeast Alaska is located in Juneau; the staff person in Craig retired in December. The NRCS Chief reports to Ann Mills and Harris Sherman.

Bernie stated what a privilege it has been to work with Karen from NRCS on high tunnel projects. He appreciates the work NRCS is doing and that budgets are tight. The support to agriculture in the state has made a huge difference. Bernie is producing grow chambers for hay and barley and they are becoming popular in the state. Every rural community should be able to produce their own food.

Old Business

5. Executive Session

At 9:30 a.m. Bernie moved to enter executive session for the purpose of discussing a soil and water conservation district's former bookkeeper and accounting matters. Cheryl seconded the motion. The motion passed.

At 9:50 a.m. executive session ended and the regular board meeting reconvened.

6. Fairbanks SWCD Boundary Expansion

Bernie moved to approve the boundary expansion request for the Fairbanks SWCD. Cheryl seconded the motion. The motion passed.

New Business

7. Delta – Clearwater Flood Remediation Project

Bob Jones gave an update on this project. The project was initiated in the early 1990's in an early Southeast of Delta Junction. Runoff comes down off of the mountains, across pasture land, over the Alaska Hwy, over

private lands and deposits sediment in the Clearwater River. The river is a world-class salmon spawning area. NRCS, the Salcha Delta SWCD, DEC, ADF&G, and DNR sponsored a watershed project to try and correct this runoff/sedimentation problem. The project was going to be a 5-mile long levy with infiltration ponds behind the levy. \$5 million was spent to construct 1 mile of the levy. A rainstorm revealed that the infiltration ponds would not work because inflowing silt effectively sealed the pond. Work was halted. Bob noted that the Salcha Delta SWCD has provided excellent leadership on this project. A subsequent meeting of the project sponsors resulted in a decision to remove the constructed levy and return the area to a pre-construction condition for approximately \$13 million. Erosion is worse now than prior to construction. NRCS had secured funding through the Watershed Program to accomplish remediation but at the last minute the funding was lost because Congress defunded the program nationwide. The project area is state land and the Salcha Delta SWCD does hold a current permit from the state to complete the remediation work. No further work has been done.

George and Bernie commented on the glacial moraine material to be moved in that area. Bernie also said that the project shouldn't have been undertaken in the first place. Bob Jones admits that it's still an NRCS project. A lack of funding to finish the remediation is a project but everyone acknowledges that budgets are tight. Bernie offered to donate the use of a D-9 dozer towards completion of the remediation if a qualified operator could be found to run it. He also pointed out that grass-roots efforts to get it done will go much further than waiting for Congress or the state to provide funding – it's the way to get America's greatness back. George commented on a recent trip to Washington D.C. that there really isn't any chance of assistance there. Fuel for the equipment is needed but Bernie is committed to working with NRCS and the district to get something done. George pointed out that a PR campaign should be done to show how to get something done! Carol pointed out that the erosion could really impact salmon streams. Cheryl asked if re-vegetation would be necessary and Bernie offered to also donate a hydro-seeder. It was pointed out that school kids could participate in the project by planting willow starts.

8. State Farm Conservation Plans

Shana Joy provided an introduction to this topic. She has been working with the Division of Agriculture to provide some clear guidance on what a SWCD is expected to do in relation to state farm conservation plans required by state law. Shana also said that Franci Havemeister has recently prepared a letter to the SWCDs with additional information but no feedback or response to her letter has been received yet. The Fairbanks SWCD ran into this issue and what a district's role should be with respect to these plans recently. The NRCDB discussed the topic briefly with input from Randy and Joni Scharfenberg from the Fairbanks SWCD. A question remains about whether or not the districts might incur any liability by signing off on a plan. Also surveys of property can be expensive for complicated plans and funds are not provided to the districts for this service. Better alignment between state and federal versions of a conservation plan might be in order. Shana will continue to work on this issue and will bring it up again if board action is needed.

The board held a brief recess from 10:30 a.m. to 10:40 a.m. Ed Fogels joined the meeting during the recess.

9. Sand Lake Project Presentation

Ryan Stencil, Operations Manager for the Anchorage Soil and Water Conservation District provided an overview of this project and the district's methodology in their approach. The district is looking for a scientific basis for the designation of Elodea as a non-native species in Alaska and has been in contact with the Division of Agriculture for available information. Residents of the lake have reported to the district that the plant has been present in the lake for decades. Ryan said that analysis of core samples from Sand Lake would provide solid evidence one way or the other and the district may receive a private donation to fund the analysis. Such information could help inform a statewide approach to either eradicating or controlling Elodea and help guide the district's efforts in restoring Sand Lake.

Ed pointed out that invasive species issues are coming to the forefront in Alaska and he would like the NRCDB to take a look at the Division of Agriculture's draft regulations. Joni would like to see all of the districts' work that has been done considered by the NRCDB in recommendations made to the Commissioner.

➤ Commissioner Sullivan Comments

At 11:10 a.m. Commissioner Sullivan joined the meeting. He provided copies of three recent Powerpoint presentations to the legislature regarding federal overreach, commercializing North Slope natural gas, and Cook Inlet. He would like to see a better feedback loop between his office and the NRCDB and commits to working on establishing a closer relationship with the board. He described how DNR is 'walking point' on several bills before the legislature this session and on issues such as oil taxes, LNG trucking, gasline development, and permitting reform. He mentioned the guide concession program and also that he is working agriculture hard. The Commissioner thinks that the NRCDB is an underutilized asset.

Bernie thanked the Commissioner for his hard work and pointed out the issue of SWCD funding not in the operating budget. Ed Fogels said that inclusion in the operating budget isn't possible now and that DNR's budget in other areas is being cut – park ranger positions being lost. The CIP budget and grant opportunities are open to the SWCDs though. Carol would like to see networking between the districts improved to better their chances of getting grants. Ed brought up the creation of a prioritized list of SWCD capital projects that could be maintained by the NRCDB for quick match-up with available money. A tool listing federal and state funding resources might also be helpful to the SWCDs.

➤ Ed Fogels Comments

Ed let the board know that the state had submitted comments to the USFWS regarding the proposed 10(j) rule for the wood bison reintroduction. He will provide those comments to the board. An update regarding the Delta bison issue – Representative Feige will be introducing a bill to increase the hunting fees on the Delta bison with the intent that those funds could be used to assist farmers whose crops are damaged by the bison.

Ed suggested that the board hear division updates from the director's in DNR at their meetings. The board agreed that the Division of Mining, Land and Water and the Division of Oil & Gas should be invited to provide overviews at the next board meeting. **Carol moved to implement this suggestion at future meetings. Cheryl seconded the motion. The motion passed.**

Ed provided a legislative update. DNR has a few bills currently before the legislature. These are:

- HB 77 – a permitting reform bill. It would restrict in-stream flow water reservations to public agencies and would limit appeals of DNR decisions to those who can demonstrate they have been “substantially and adversely affected”.
- HB 79 - This bill would create the Susitna State Forest and relates to the sale of timber on state lands.
- HB 89 – This bill deals with invasive species and creates a state fund that could be drawn upon for rapid response to new aquatic invasive species.
- HB 129 – This bill would allow the Division of Oil & Gas to issue area-wide general permits.
- SB 27 – This bill would allow the state to negotiate for primacy of wetlands permitting under the Clean Water Act. This function is currently performed by the US Army Corps of Engineers. There may be opportunities for SWCDs to do wetlands mitigation projects in the future. More flexibility is needed with wetlands management in Alaska.

Ed let the board know that the Division of Agriculture is conducting two meetings in conjunction with the Farm Bureau on March 27th. The first meeting, held in the morning, will be about agricultural research needs. The second meeting, in the afternoon, will be about agricultural land issues.

10. DNR Division Interactions with SWCDs

Shana gave a brief introduction of this topic. Recent discussions with the Division of Mining, Land, and Water have revealed that some of the department's policies regarding interactions with the SWCDs on land sales are outdated; DNR processes have changed over time and the (1994) policies need to be updated to reflect that. Also, the most appropriate point in the land sale process to initiate the conversation with the local SWCD needs to be ironed out as well as how districts should receive notice (e.g. postal mail, electronic mail). A recent issue with a proposed subdivision in the Upper Susitna SWCD brought this to light. Shana will work on updating the policies and bring it back to the board for review at the next meeting.

11. Wood Bison Reintroduction

Shana reported that a comment period was recently held by the US Fish and Wildlife Service regarding the proposed 10(j) rule for this project. The Salcha Delta SWCD submitted comments – these were provided to the NRCDB. Because the comment period closed on March 19th it was not possible for the NRCDB to make recommendations to the Commissioner on this project during the comment period. This topic may be discussed further at a future meeting.

12. Board Comments

Carol pointed out that the big agricultural lands issue will be preserving farmlands. Compensating farmers for the development rights to the land or deferred tax incentives to remain in production might be ways to help accomplish this. George pointed out that the tax structure in Hawaii is way ahead on this issue and does defer at least a large portion of property taxes for lands in production. Agricultural zoning was mentioned and the debate between private property rights and incentives which are voluntary. George also said that forest lands are increasing in the U.S. especially in the eastern U.S. because farmland is reverting to forest; because farmland productivity is dynamic it might be difficult to decide on an agricultural land preservation program to satisfy future needs today. Bernie thanked the Commissioner's office for participating today and he is interested in increased information sharing with the board.

13. Public Comments

None were offered.

14. Next Meeting Date and Location

An in-person meeting in early June was suggested. The location will be Anchorage.

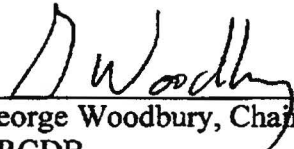
Carol moved to adjourn. Bernie seconded. The motion carried.

Meeting adjourned at 2:15 p.m.

Minutes taken by:

Minutes approved by:


Shana Joy, Executive Director
NRCDB


George Woodbury, Chair
NRCDB