

Natural Resources Conservation & Development Board
Meeting Minutes

Monday, March 5, 2012 at 9:00 a.m.

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

Board members in attendance:

George Woodbury
Cheryl Thompson
Carol Kenley
Al Poindexter
Bernie Karl

Others in attendance:

Shana Joy, Executive Director, NRCDB	Laura Allen, Upper Susitna SWCD
Ed Fogels, DNR Deputy Commissioner	Ryan Stencel, Anchorage SWCD
Franci Havemeister, Director Div of Ag	Bob Jones, State Conservation, NRCS
Ken Marsh, President AACD	Joan Hope, AACD
Steve Hicks, CAO, AACD	Dana White, AACD

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 9:08 a.m.

2. Approval of Agenda

Al moved to approve the agenda as presented; Carol seconded the motion. The motion carried.

3. Approval of December 6, 2011 Meeting Minutes

Al moved to approve the minutes as presented; Cheryl seconded the motion. The motion carried.

4. Deputy Commissioner's Comments

DNR Deputy Commissioner, Ed Fogels, offered some comments about the current priorities and projects going on at DNR. He said that this year has been very busy so far and that Franci has been working very hard on agriculture issues too. The Commissioner's Initiative is to get more oil into TAPS and do whatever it takes to keep the pipeline in operation. DNR held a successful lease sale in December and new interest was shown in Alaska. The debate regarding tax structure going on in Juneau will have an impact. Also the AK Strategic Minerals Initiative will help secure the nation's security and there is a lot of promise there. The Major Permitting Initiative to really scrub down the department's permitting processes is underway. The Div of Mining, Land & Water's (MLW) permit backlog of 2,500 permits has been reduced by 23% so far. The

Departments of Environmental Conservation and Fish & Game are also looking at their permitting processes. DNR is also looking at the large-project permitting office and interrelationships with the federal permitting processes; last fall's public outreach effort seemed to show that the feds and the EIS process are real drivers and the feds have pushed their authorities. The Governor did introduce legislation to tweak some of MLW's land and water statutes; it consists of the top 9 or so changes needed to clean-up the processes. Other active bills of importance are SB152 which would require any state permits for a large mine project in Bristol Bay be approved by the legislature and SB159 which is the creation of the Susitna State Forest.

5. Executive Director Report

Shana provided a brief overview and visual presentation of the new board website design. Al suggested that the tribal conservation districts be shown on the map on the homepage.

Some additional questions/discussion for Ed Fogels

- A. Al would like to add the DNR mission statement to the agenda. George offered to add this item after #10 regarding the statute discussion.
- B. Al asked if the permitting review will help or hinder the Pebble Project, a project that is so much in the public eye. Ed responded that the review is meant to increase efficiency of all of the permitting across the state, not just Pebble. Ed also remarked that the large-mine project coordinator reviews all state agency comments on such a project and coordinates any issues but the feds do not do this level of coordination. Bernie commented that industry is not moving to Asia for cheap labor because all of the labor is robotic there; they are moving because the permitting can be completed in 5 days. He recommends that the U.S. and AK adopt such a policy. Bernie further recommends that oil taxes on new development be 0% but keep the current tax structure on existing wells. Ed asked the NRCDB to keep an eye out for suggestions or issues with the permitting processes and to let him know about them.
- C. George asked Ed about the coastal zone permitting program. Ed responded that it was very hard to delete an entire division. Some say that the absence of this program is why SB152 came about. However, in instances where a project did not occur in the coastal zone, DNR still pulled in local public input. Unless the legislature passes a bill that is similar to the old program, it will be on the ballot for the public to vote on. A discussion began as to who should have the ultimate authority to make resource management decisions in the coastal zone – the local public or the state?
- D. Al asked if any tweaks to the grazing lease process was included in the Governor's bill. Ed will check on this.
- E. Al pointed out that natural resource education is so important in a state where natural resource conservation and development is the main economic driver.
- F. Al asked why there isn't any funding in DNR's FY13 budget for the soil and water conservation districts. Ed explained how the budget wish list is pared down first by the Commissioner's office and then by OMB/Governor's office. Ed pointed out that there was zero chance of getting anything into the budget this year. Al said that DNR should ask even if the chances are poor.

- G. Ken Marsh said that the contribution the districts make to all three of the natural resource agencies' missions never seems to equate to funding for the districts.
- H. Cheryl pointed out that administrative funding for the districts to remain open is vital if they are to seek out other available sources of money like grants.
- I. George commented that many funding sources don't want anything to do with resource development and shy away from awarding funds to districts under the assumption that they are not conservation minded as well. It's a catch 22.

6. AACD Report

Ken Marsh provided comments. Homer district has provided a board resolution in disapproval of the new DNR mission statement. AACD will consider such a resolution as well at the spring meeting.

7. NRCS Report

Bob Jones, the State Conservationist, offered some information and hand-outs regarding the State Technical Committee (STC) and Local Working Groups (LWG). The STC came from the 1985 Farm Bill to help NRCS implement the programs in that bill. Anyone with an interest in the Farm Bill programs can participate in the STC; it functions as an advisory group to the State Conservationist and meets twice a year.

The LWGs are organized at the district level and are usually more informal than the STC. Input can be directed from the LWG to the STC or even just by contacting the State NRCS office. Bob said that the input he receives is very helpful in guiding implementation of the Farm Bill programs in Alaska. George asked Shana to send something around to the districts encouraging them to collect local input, whether in a formal LWG meeting or just a regular district board meeting.

Bob also talked about the re-organization plan for the field offices in Alaska. He provided a hand-out and shared the 3 assumptions that he is working under for this plan: no more staff will be hired, probably isn't going to be any more funds available, and phase out of 1-person offices. This transition will take place over a 2-3 year period. From 14 service areas, the staff will be restructured into teams of expertise in 2 service area offices. Al is concerned that the lack of a District Conservationist in the outlying offices will result in disintegration of the relationship between districts and NRCS. Bob clarified that no offices are currently slated for closure but if funding restraints require it, it could happen in the future. Al commented that it doesn't make sense to have NRCS staff in an office where there is no local organized district and those staff might be better located with a district, for example Nome vs. Aniak.

Ken Marsh brought up a recent letter he received from the NRCS Chief White and Gene Schmidt, President of NACD. This letter calls for collaboration between NRCS State Conservationists and districts across the country to determine what the field office of the future should look like. Ken is hopeful that we can come to some agreement here in Alaska.

8. Tribal Conservation Districts

There are currently 4 tribal districts in Alaska: Tyonek, Kwethluk, Mountain Village, and Nunivak Island. Ahtna is also in the process of becoming a recognized district. Prince of Wales Island is interested as well. Bob sends the resolutions and other paperwork for tribal districts to the Secretary of Agriculture for processing. Tribal conservation districts don't have access to any more funds or have any more authority than state conservation districts. It is clear that Kenny Lake SWCD and Ahtna will overlap. Bob Jones has not heard any news about a possible tribal district where the proposed Susitna dam would be. Ken Marsh commented that including these new districts in AACD in some way could help avert conflicts. Ed asked if tribal conservation districts were doing projects exclusively on native lands; Bob Jones believes that is the case. Al explained the difference in boundaries between tribal conservation districts in the lower 48 and here in Alaska. In the lower 48 the boundary is a clear reservation boundary but here the land ownership is more of a patchwork and state and tribal districts overlap in some places. Al would like to know how conflicts between the two should be handled and if an MOU is necessary. NRCS is already spread thin to provide technical assistance to the current districts and now new tribal districts are forming up.

Bob Jones has asked a few times how the Secretary of Agriculture looks at tribal district boundaries but never got a clear answer. According to Bob, tribal districts are open to including other land owners within their boundaries in their membership and provide services to them as well.

9. AS 41.10 Work Session

Ed began this discussion with a recap of the length of time this project has been in the works and the work that has been completed. This work has been valuable but work still remains to be done. A firm definition of a soil and water conservation district needs to get nailed to the wall before funds can be requested by the department.

Al moved to issue an invitation to the districts for them to nominate a representative to participate in a statute working group. Carol seconded the motion. The motion carried.

George offered further direction for the working group. The desired result from this group is a description of what districts need or want to be able to do. Also, the working group needs to explain why it is unnecessarily burdensome for districts to work under the rules/procedures of a full state agency. The resulting document from this group will be provided to the Dept of Law and others for the drafting of a new soil and water conservation statute. Shana asked that, in addition to the SWCD representatives, that Joan Hope be invited to join the statute working group as well. There was no opposition from the board on this request.

10.DNR Mission Statement

Ed Fogels offered some comments on this item: The Commissioner intended to align the mission statement more fully with the Constitution. This (new mission statement) is entered into the budget documents which are public and available to the legislature and then the discussion began that a formal announcement had not been made about it. Rep

Seaton pointed out that the legislature has the authority to change the department's mission statement. The last mission statement was in 2003, set by the legislature. Then there was the 2003 mission statement on the letterhead which was different from the legislative one, so now there are 3 possible mission statements out there. The legislature can decide to give us a new mission statement but because the new one is embedded in the budget process, it will stay for now. If the board has recommendations on the mission statement, please let DNR know.

- A. Al said what does 'conserve' mean to us? Conservation vs. preservation. The NRCDB/SWCDs and BAC are negated when 'conservation' isn't part of the mission statement.
- B. Cheryl said that conservation and development should both be in the mission statement.
- C. George agrees with the new mission statement, emphasizing development in AK today.

Al moved that the board advise the Commissioner to include 'conserve' in the mission statement. Carol seconded the motion for discussion. Carol would rather the mission statement include the 'idea of conservation' but if other words can be found to convey that meaning that would be fine with her.

Al amended the motion to advise the Commissioner to use the terms 'develop and protect' rather than 'conserve' in the mission statement. Carol seconded the amended motion. The motion carried.

Carol moved to recess for lunch (@ 12:30pm) and to reconvene at 1:30 p.m. Al seconded the motion. The motion carried.

The Board reconvened at 1:35 pm.

11. Southeast Alaska Conservation District Formation

Joan Hope provided an input on the activities going on in the Alaska district. Southwest Alaska will have an invasive plants coordinator this summer. Also a USFS program to do sub-grants and other various projects around the state regarding invasive plants management are in the works.

Joan asked the board if they would be willing to allocate some of the state funds held in trust for a SE district for the hiring of a staff person to do the final research and paperwork to get the new district up and running. She would like to hire someone and send them to the NRCS conservation planning workshop at the end of the month. This would be a long-term investment on behalf of the new district. She is hiring Brian Maupin to do other work at AACD but since he will be in Juneau area, she would like to have him do the SE district work too and he may be able to transition into the district manager position with the new district if the new board approves of it.

The funds in question were discussed. Al remembered a discussion where those funds were supposed to be available to other districts doing work in the Alaska district. He also remembers that Shana and Steve were supposed to work out the process for this to

happen. Steve responded to Al, letting him know that the other districts doing work in the Alaska district have access to other funds to accomplish that work. Al also thinks that it is premature to consider hiring a district manager for a new district that is not formed yet and that it is important that hiring be done properly. Al also asked if anyone in SE Alaska was beating the drum for the district to get formed up. Joan responded that many people she had talked to were interested but uninformed.

Al is concerned that the existing districts aren't likely to get funding for the next fiscal year and pushing to form up a new district might not be a good idea if there won't be any funds for them either. Joan said that for the grants fund she currently has access to, it would be great to get a local person in SE trained to supervise the work in the area rather than she trying to supervise long distance. She also pointed out that a local contact would be able to continue with public education about SWCDs and keep enthusiasm up as well as interface with the NRCS staff in the Juneau office. Cheryl isn't sure the public demand for a new district is there and George commented that the oyster farmers and village corporations are not as interested as they used to be. There is no requirement to be a SWCD cooperator to gain access to NRCS services so they are simply working directly with NRCS.

Al moved to allocate up to but no more than \$4,000, including the remainder of the prior allocation, to finish up the remaining work on district formation. Carol seconded the motion. The motion carried.

Discussion turned to the funds Joan requested to support sending the new person to the NRCS conservation planning workshop. Al understands the importance of this training and that it is not offered very often; he doesn't mind supporting this expenditure of funds. George is concerned that the new district should be formed first. Carol pointed out that the in-trust funds of approximately \$33,000 is intended for work within the Alaska district and the training is a good staff capacity investment; any other district may also chose to have this person work in their district.

Carol moved to allocate \$1,000 for training of a new AACD employee at the NRCS conservation planning workshop. Cheryl seconded the motion. The motion carried.

12. Board Comments – None were offered.

13. Public Comments

Steve Hicks said that this was a good meeting.

Bob McFarlane suggested that the statute working group have an initial meeting before the next NRCDB meeting. Bob also suggested that topics at the first meeting should include how to handle funds and property.

14. Next Meeting Date & Location

The next meeting will be held the week of May 7th, tentatively. The morning is better than the afternoon for the majority of board members.


Cheryl moved to adjourn. Carol seconded. The motion carried.
Meeting adjourned at 10:23 a.m.

Minutes taken by:



Shana Joy, Executive Director
NRCDB

Minutes approved by:



George Woodbury, Chair
NRCDB