

## MINUTES

Nebraska Environmental Trust Board  
First Quarter Meeting  
Thursday, February 3, 2022  
6:00 PM

### 1. Call to Order

The first quarter meeting of the Nebraska Environmental Trust (NET) Board was called to order by Chairman Andersen at 6:01 PM in the LL Hearing Room 031, 245 Fallbrook Blvd, Lincoln, Nebraska.

Roll call was conducted and a quorum was present.

Advance public notice was published in the Lincoln Journal Star on January 24, 2022. The agenda and documents to be considered at the meeting were provided. The Open Meetings Act was posted in the meeting room.

#### **Members present:**

**District I:** Mr. Jeff Kanger, Lincoln. **District II:** Mr. Felix Davidson, Valley; Mr. Paul Dunn, Omaha; Mr. Mark Quandahl, Omaha. **District III:** Chairman Josh Andersen, Edgar; Mr. Rod Christen, Steinauer; Mr. Quentin Bowen, Humboldt. **State Agency Representatives:** Dr. Gary Anthone, Director, Nebraska Department of Health and Human Services; Vice Chairman Jim Macy, Director, Nebraska Department of Environment and Energy; Mr. Tim McCoy, Director, Nebraska Game & Parks Commission; Mr. Tom Riley, P.E., Director, Nebraska Department of Natural Resources; Mr. Steve Wellman, Director, Nebraska Department of Agriculture.

#### **Members absent:**

**District I:** Mr. Jim Hellbusch, Columbus; Mr. John Orr, Blair.

#### **Staff present:**

Mr. Karl Elmshaeuser, Executive Director; Ms. Holly Adams, Grants Administrator; Ms. Pam Deines, Grants Assistant; and Ms. Sandra Weaver, Office Specialist.

### 2. Consent Agenda

#### Background on consent agenda items

The consent agenda included the January 6, 2022, Board meeting minutes, financial reports, approval to set financials aside for audit, and the Grant Administration Report.

**Motion by** Mr. Davidson, seconded by Mr. Riley, "I move to approve the items in the consent agenda."

**Voting Aye:** Dunn, Quandahl, Davidson, Christen, Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

### 3. Public Comment

Mr. Detric Gill, Green Recycling Enterprises, LLC, commented on the status of the application for grant 22-120.

Ms. Kelsi Wehrman, Pheasants Forever, Inc. and Quail Forever, commented on the proposals for the modification request for grants 15-181-3 and 18-138-2, Corners for Wildlife.

Ms. Sandy Scofield, Friends of the Trust, commented on the grants eligibility scoring process.

Mr. Bob Wickersham, Friends of the Trust, commented on the grants eligibility scoring process.

Mr. John Denton, Ducks Unlimited, commented on the status of their grant submittals.

Mr. Andy Bishop, Rainwater Basin Joint Venture, commented on previous funded grant projects and the status of the application for grant 22-126 for the Watershed Restoration Initiative.

#### **4. Board Development – Informational reviews**

Executive Director Elmshaeuser reviewed requirements and procedures with the Board for the following items.

##### **a. Board Representation & Congressional Districts**

Congressional district boundaries were changed in the last legislative session. Pursuant to Neb. Rev. Stat. § 81-15,171, vacancies on the NET Board only occur “in the event of the death, disability, or resignation of a member.” The law does not specify that a vacancy will be created or that a member will be removed if they are no longer in their district. When a member is up for reappointment and no longer in the same district, they must be reappointed for the new district in which they reside. Executive Director Elmshaeuser reported NET staff is researching ways the public may best contact citizen members as their appointed representatives.

##### **b. NET Funding & Budget Overview**

The second year of the 2021-2023 Biennium will begin on July 1, 2022. Executive Director Elmshaeuser and staff will work with the NET Finance Committee and the Nebraska Game and Parks Commission to review and recommend the biennium budgets and annual reviews of expenditures for adjustments.

Mr. Davidson suggested addressing the Endowment Fund and options for its management at the next meeting.

#### **5. Legislative Committee Report**

The 107<sup>th</sup> Legislature, 2<sup>nd</sup> Session, convened on January 5, 2022. Legislative bills that will be monitored because of possible impact to the NET, were provided for Board review.

#### **6. Finance Committee Report and Recommendations**

##### **a. Finance Committee Report**

Mr. Quandahl, Chairman of the Finance Committee, reported the Committee met on January 25, 2022. Board action was recommended by the Committee on issues addressed in 6.b and 6.c.

##### **b. Fiscal policy for Executive Director authority**

Background on agenda item 6.b

A policy is not currently in place to authorize the Executive Director to expend funds on behalf of the Nebraska Environmental Trust.

NET policy recommended by the Finance Committee:

## **Section I: Budget**

### **D. Policy of Executive Director spending authority**

Nebraska statute 81-15,173 (4) provides the Nebraska Environmental Trust (NET) the power to contract to receive goods and services. This policy of the NET provides that the Executive Director shall have the authority to execute purchases and contracts on behalf of the NET for all goods and services under \$2,000 when such expenditures do not exceed the adopted budget and are reviewed by the NET Board when financial statements are provided.

The NET Board authorizes the Executive Director to execute service agreements for all contracts for services under \$25,000 annually that includes planning, programming and administrative services that do not exceed the adopted budget and are reviewed by the NET Board when financial statements are provided.

These limits are in keeping with the State of Nebraska Procurement Manual - Updated September 14, 2018. Purchases and contracts made by the Executive Director shall follow the most current Nebraska Procurement Manual as it is updated.

**Motion by** Mr. Quandahl, seconded by Mr. Macy, "I move to approve the Policy of the Executive Director spending authority for the Nebraska Environmental Trust as presented and recommended by the Finance Committee."

**Discussion:** None

**Voting Aye:** Dunn, Quandahl, Davidson, Christen, Bowen, McCoy, Anthon, Riley, Wellman, Macy, Kanger, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

### **c. Budget Adjustment/Deficit Spending for FY 2022-23 NET**

#### Background on agenda item 6.c

At its meeting on April 8, 2021, the NET Board passed a motion for staff to explore a comprehensive list of alternative locations and space for NET operations that may better facilitate the realization of the vision, mission, and purpose of the NET with a report to the full Board at the Third Quarter 2021 meeting. On January 25, 2022, the Finance Committee reviewed relevant documentation and passed a motion to recommend approval by the NET Board. As part of the April 8, 2021 motion passed by the NET Board, a budget modification was requested at the February 1, 2022, fiscal legislative hearing.

**Motion by** Mr. Quandahl, seconded by Mr. Davidson, "I move that the NET Board make budget adjustments as necessary to provide the NET Board the ability to continue to explore efficient and effective alternative office locations. These budget line items will not exceed \$64,920 for a lease agreement, \$35,000 for furniture, and \$3,500 for moving expenses. The total budget adjustments for these items in fiscal year 2022-23 would total \$103,420 and are subject to the Nebraska Legislature Appropriations approval for spending authority."

**Discussion:** Mr. McCoy clarified the motion would provide flexibility and any decision on a new location would be brought back to the NET Board for action. Executive Director Elmshaeuser stated the figures in the motion were based on estimated calculations from Building Division in 2021, based on needed square footage, number of staff, and moving costs.

**Voting Aye:** Quandahl, Davidson, Christen, Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

## 7. Grant Modification Requests

### Background on agenda item 7

Grantees can submit budget and project modifications and extension requests to be reviewed by the Board. These requests do not change the scope of the project. If approved, their letter of request and any attachments are a binding amendment to their grant agreement.

**Motion by** Mr. McCoy, seconded by Mr. Bowen, "I move that the NET Board approve Pheasants Forever's request to modify their payment schedule for their awarded projects: 15-181-3 and 18-138-2, Corners for Wildlife."

**Discussion:** The Board vetted Mr. Quandahl's concerns with prepaying services yet to be rendered and no repayment provision if the grant project conditions are not carried through by the grantee.

**Voting Aye:** Quandahl, Davidson, Christen, Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Dunn, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

**Motion by** Mr. Dunn, seconded by Mr. Riley, "I move that the Board approve OPPD's request for a one-year extension for project 20-130-2."

**Discussion:** None.

**Voting Aye:** Davidson, Christen, Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Dunn, Quandahl, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

## 8. Grants Committee Report and recommendations for eligibility

### Background on agenda item 8

Mr. Kanger, Chairman of the Grants Committee, reported the Committee used the eligibility criteria checklist process approved at the NET Board meeting on January 6, 2022. Using the checklist and information provided in Title 137, the Grants Committee reviewed 118 applications for eligibility. At its meeting on January 13, 2022, the Committee determined 82 out of 118 applications to be eligible. Grant projects deemed eligible by the NET Board will be referred back to the Grants Committee for scoring.

**Motion by** Mr. Kanger, "As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant applications on page 8-2 of the board book, as recommended by the Grants Committee: 22-147, 22-148, 22-150, 22-183, 22-209, 22-207, 22-145, 22-146, 22-155, 22-130, 22-132, 22-152, 22-157, 22-214, 22-174, 22-141, 22-216, 22-177, and 22-182."

**Discussion:** The Board discussed the grant application process and subjectivity of the technical and Grants Committee reviewers. Mr. Dunn noted he would vote against the eligibility motions because of a lack of consensus in the Grants Committee and unfairness to applicants this year and next year due to different reviewers. Mr. Kanger provided an overview of the Committee's work. He stated the Committee review was not an outcome-oriented process but focused on the process itself. Each member put bias aside and independently applied Title 137 to the best of their ability.

Mr. Davidson suggested that the Grants Committee conduct a debriefing next year with the new Committee members and explain how eligibility criteria is applied.

**Voting Aye:** Christen, Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Quandahl, Davidson, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**Motion by** Mr. Kanger, "As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant applications on page 8-3 of the board book, as recommended by the Grants Committee: 22-222, 22-160, 22-200, 22-153, 22-173, 22-217, 22-221, 22-202, 22-215, 22-102, 22-114, 22-178, 22-190, 22-193, 22-112, 22-111, 22-119, 22-123, 22-138, and 22-167."

**Discussion:** None.

**Voting Aye:** Bowen, McCoy, Anthone, Riley, Wellman, Macy, Kanger, Quandahl, Davidson, Christen, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**Motion by** Mr. Kanger, "As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant applications on page 8-4 of the board book, as recommended by the Grants Committee: 22-149, 22-179, 22-140, 22-175, 22-208, 22-137, 22-156, 22-158, 22-176, 22-197, 22-180, 22-122, 22-161, 22-107, 22-128, 22-144, 22-163, 22-205, and 22-139."

**Discussion:** None.

**Voting Aye:** McCoy, Anthone, Riley, Wellman, Macy, Kanger, Quandahl, Davidson, Christen, Bowen, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**Motion by** Mr. Kanger, "As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant applications on page 8-5 of the board book, as recommended by the Grants Committee: 22-188, 22-189, 22-115, 22-142, 22-172, 22-118, 22-121, 22-199, 22-194, 22-218, 22-206, 22-223, 22-154, 22-184, 22-201, and 22-101."

**Discussion:** None.

**Voting Aye:** Anthone, Riley, Wellman, Macy, Kanger, Quandahl, Davidson, Christen, Bowen, McCoy, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**Motion by Mr. Kanger,** “As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant application for City of Papillion, 22-162, Papio-Missouri River NRD, 22-159, Keep Alliance Beautiful, 22-109, and Robert J. Hamilton, 22-185, as recommended by the Grants Committee.”

**Discussion:** None.

**Voting Aye:** Riley, Wellman, Macy, Kanger, Quandahl, Davidson, Christen, Bowen, McCoy, Anthone, Andersen.

**Voting Nay:** Dunn.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**Motion by Mr. Kanger,** “As Chairman representing the Grants Committee, I move that the Nebraska Environmental Trust Board accepts and approves the grant applications for Nebraska Game and Parks, 22-143, 22-166, 22-170, and UNL, 22-181, as recommended by the Grants Committee.”

**Discussion:** None.

**Voting Aye:** Wellman, Macy, Kanger, Quandahl, Davidson, Christen, Bowen, Anthone, Riley, Andersen.

**Voting Nay:** Dunn.

**Abstaining:** McCoy.

**Absent:** Hellbusch, Orr.

**10 Voted Aye. 1 Voted Nay. 1 Abstained. Motion carried.**

## 9. Bylaws Amendments

### Background on agenda item 9

Article VII, Amendment of Bylaws, Section 1, states, “These bylaws may be amended at any regular meeting of the Board by action of the Board provided that the amendment has been submitted in writing at the previous regular meeting.”

#### a. Article III, Section 2, change who can place agenda items

Proposed language:

An agenda shall be developed and maintained by the Executive Director of the Nebraska Environmental Trust. Items may be placed on the agenda by the Chairperson, or the Executive Director ~~or at the request of any Board member~~. A tentative agenda shall be provided to all members at least ten days prior to the meeting. Except for items of an emergency nature, the agenda shall not be altered later than 24 hours prior to the commencement of the meeting.

**Discussion:** Chairman Andersen noted the proposed change brings NET into conformance with most other state boards. Typically, the chairperson and executive director work closely to prepare the agenda well in advance of the meeting. Board members may contact the

chairperson if there are any issues or wish to place an item on the agenda. Mr. Macy and Mr. Quandahl spoke in support of the proposed revision.

**b. Article III, Section 3, change to majority present and voting**

Proposed language:

A simple majority of the members of the Board shall constitute a quorum and a majority of the Board members present and voting shall be required to take action and make determinations.

**Discussion:** None.

**c. Article III, Section 4, change from 14 days to 10 days**

Proposed language:

A schedule for quarterly meetings of the Board shall be established when the Board establishes the annual grant calendar. Except for emergency situations, written notice of the time and place of all special meetings shall be made in advance to all Board members no less than ~~44~~ 10 days prior to the meeting.

A recommendation was made to clarify the policy by adding “calendar” or “consecutive” days for the advance written notice. Executive Director Karl Elmshaeuser will contact the Attorney General’s office to determine whether “calendar days” or “consecutive days” is preferable.

**Motion by** Mr. Macy, seconded by Mr. Riley, “I move to change the proposed language in Article III, Section 4, from “10 days” to “10 calendar days” or “10 consecutive days” as per recommendation from the Attorney General’s Office.”

**Discussion:** None.

**Voting Aye:** Macy, Kanger, Dunn, Quandahl, Davidson, Christen, Bowen, McCoy, Anthone, Riley, Wellman, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

**d. Article III, Section 5, Rescind, already in Open Meetings Act**

Proposed to rescind:

Public notice of all Board meetings shall be by legal notice published in a newspaper or newspapers of general circulation in the state. Except for emergency situations, all meetings shall have at least 10 days published notice.

**Discussion:** None.

**e. Article IV, Section 4, change to majority present and voting**

Proposed language:

A simple majority of the members of a committee shall constitute a quorum. ~~Action by the committee shall require a majority vote of the members present~~ A majority of the committee members present and voting shall be required to take action. Each committee shall meet at the call of the committee chairperson and any standing committee shall also meet at the call of two or more members. Except in case of an emergency, members shall

be given at least five (5) days notice of the time and place of the meeting. Committee members may participate in a meeting by telephone or electronic conferencing so long as each member may hear all other members who are participating.

A recommendation was made to clarify the policy by adding “calendar” days to the 5 days notice in the proposed language.

**Motion by** Mr. Riley, seconded by Mr. Christen, “I move to change the proposed language in Article IV, Section 4, from “five (5) days” to “five (5) calendar days.”

**Discussion:** None.

**Voting Aye:** Kanger, Dunn, Quandahl, Davidson, Christen, Bowen, McCoy, Anthon, Riley, Wellman, Macy, Andersen.

**Absent:** Hellbusch, Orr.

**12 Voted Aye. Motion carried.**

**f. Article VII, Section 1, change to any meeting of the Board**

Proposed language:

These bylaws may be amended at any regular meeting of the Board by action of the Board provided that the amendment has been submitted in writing at the previous regular Board meeting. Adopted by the Nebraska Environmental Trust Board this 8th day of September 1993.

A recommendation was made to remove the last sentence in the proposed language.

**Motion by** Mr. Macy, seconded by Mr. Wellman, “I move to strike the last sentence of the proposed language of Article VII, Section 1.”

**Discussion:** None.

**Voting Aye:** Dunn, Quandahl, Davidson, Christen, McCoy, Anthon, Riley, Wellman, Macy, Kanger, Andersen.

**Voting Nay:** Bowen.

**Absent:** Hellbusch, Orr.

**11 Voted Aye. 1 Voted Nay. Motion carried.**

**10. Trust 22 Committee**

Background on agenda item 10

At its meeting on April 8, 2021, the NET Board created an Ad Hoc Committee to focus on recruitment, procedures, policies, and efficiencies. The Committee shall consist of five members appointed by the chairman of the Board and shall meet monthly. The Committee is in place until January 1, 2023, or the Board dissolves the Committee, whichever comes first. The Committee has been working with the Nebraska Center of Excellence (COE) to improve the NET processes. The Trust 22 Ad Hoc Committee members include Mr. Andersen, Mr. Kanger, Mr. Davidson, Mr. Quandahl, and Mr. Macy.

**a. Performance Committee update**

Mr. Davidson, Chairman of the Performance Committee, reported work planned for issues found in the 2021 performance audit. The focus will be on ways to improve post grant project completion validation. The Committee will work with the COE and staff to do design work

around this issue. The first design meeting is scheduled on February 16. Board members were asked to let Mr. Davidson know if they are interested in participating. Performance Committee members include Mr. Davidson, Mr. Orr, Mr. Andersen, and Mr. McCoy.

**b. Grant Administration project update**

Mr. Kanger, Chairman of the Grants Committee, reported work is planned with COE to look at Title 137 regarding eligibility and scoring to determine what may be improved and clarified in the process. Work will be on hold until the grant recommendation for funding is completed on the current grant cycle. Grants Committee members include Mr. Kanger, Mr. Quandahl, Mr. Christen, Mr. Bowen, Mr. Macy and Mr. Wellman.

**c. Executive Green Belt training update**

Executive Director Elmshaeuser reported five board members are scheduled to begin Executive Green Belt training next week. Various project improvements are being addressed. Goals for the grant process will need to be implemented before the next grant cycle. Clarifying what is needed in grant proposals and grantee expectations will be an ongoing effort.

**11. Directors Report**

Executive Director Elmshaeuser reported an op-ed article published in the Omaha World Herald on January 23, 2022, mentioned the Environmental Trust. The article indicated a poll was taken, but there was no knowledge or participation in a poll from the staff or the Board. Another article on February 1 noted adverse financial implications for housing the NET in another location. The article did not correctly indicate expenditures for the lease and operational expenses of the Trust. Executive Director Elmshaeuser stated his promise to the NET Board, staff, grantees, and the public is to be fair, equitable, and transparent.

**12. Next Meeting**

Thursday, March 3, 2022, 1:00 PM at the Nebraska Department of Environment and Energy, LL Room 031, 245 Fallbrook Blvd., Lincoln, Nebraska.

**13. Adjourn**

Chairman Andersen adjourned the meeting at 8:15 PM.



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Karl L. Elmshaeuser  
Executive Director