

MINUTES

Nebraska Environmental Trust Board
First Quarter Meeting
Thursday, February 1, 2024
1:30 p.m.

1. Call to Order

Chair Hellbusch called the meeting of the Nebraska Environmental Trust Board (NET) to order at 1:32 p.m. in Suite 310 at 2077 N St, Lincoln, Nebraska.

Advanced notice of the meeting and public hearing was published in the Lincoln Journal Star on January 24, 2024. The agenda and documents to be considered at the meeting were provided. The Open Meetings Act was posted near the meeting room entrance and on the Nebraska Environmental Trust website.

Roll call was conducted, and a quorum was present.

Members Present (10):

District I: Mr. Jeff Kanger, Lincoln; Chair James Hellbusch, Columbus; Mr. Ted Vasko, Papillion.

District II: Mr. Mark Quandahl, Omaha; Mr. Roger Helgoth, Omaha.

District III: Mr. Josh Andersen, Edgar; Mr. Eric Hansen, North Platte.

State Agency Representatives: Mr. Jim Macy, Director, Nebraska Department of Environment and Energy; Mr. Tim McCoy, Director, Nebraska Game & Parks Commission; Vice-Chair Sherry Vinton, Director, Nebraska Department of Agriculture.

Members Absent (4):

District II: Mr. Felix Davidson, Valley.

District III: Mr. Rod Christen, Steinauer.

State Agency Representatives: Ms. Charity Menefee, Director, Nebraska Department of Health and Human Services; Mr. Tom Riley, P.E., Director, Nebraska Department of Natural Resources.

Staff Present: Mr. Karl Elmshaeuser, Executive Director; Ms. Holly Adams, Grants Administrator; Ms. Madison Moe, Grants Assistant; and Ms. Sandra Weaver, Administrative Specialist.

2. Consent Agenda

Background on Consent Agenda Items

The consent agenda included the January 4, 2024, Board Meeting Minutes, financial reports, approval to set financials aside for audit, the Grant Disbursement Report, Nebraska Lottery Proceeds Allocation Report, and the Grant Administration Report.

Motion by Mr. Kanger, seconded by Mr. Helgoth, "I move to approve the consent agenda."

Voting Aye: Quandahl, Helgoth, Andersen, Hansen, McCoy, Vinton, Macy, Kanger, Hellbusch

Abstaining: Vasko

Absent: Christen, Davidson, Menefee, Riley

9 Voted Aye. 1 Abstained. Motion carried.

3. Public Comment

No comment

4. Board Development – Informational Reviews

a. Accountability and Disclosure – Conflicts of Interest Statement & Reporting

Neb. Rev. Stat. § 49-1493 of the Nebraska Political Accountability and Disclosure Act requires Nebraska Environmental Trust Board members to file a Statement of Financial Interests on or before March 1st of each year. Members are also subject to the conflicts of interest provisions. A Potential Conflict of Interest Statement must be filed with the Accountability and Disclosure Commission when a situation with a potential conflict of interest arises.

5. Legislative Committee Report

Executive Director Elmshaeuser reported that 1,417 bills were introduced in the first and current Legislative session. Only 106 legislative bills in a session may be prioritized. No bills or constitutional amendment proposals appear to impact the NET directly.

Four bills were identified that may affect board activities if passed:

- LB302 would amend the Nebraska Political Accountability and Disclosure Act on how conflicts of interest for certain officeholders and public employees are reported.
- LB513 would amend the publication requirements for legal notices in the Open Meetings Act.
- LB637 would amend the Open Meetings Act to require the allowance of public comment at every meeting.
- LB1240 would mandate how state officials or employees of a state agency can testify at a public hearing before the Legislature.

Legislative bills will continue to be monitored.

6. Grant Modification Requests

a. Extension Request: 21-173

Motion by Mr. Quandahl, seconded by Mr. Macy, “I move to deny the Girl Scouts’ request to extend project 23-173 for one year.”

Discussion: Recent changes in grant project requirements, options for Board action, and the progress of the grant project were discussed. The Board previously granted two one-year extensions. The current contract for the project expires June 30, 2024. Comments about possible reasons for the project delay included restrictions on prescribed burning because of dry conditions over the last two years, and protection of bird nesting areas. It was noted that this grant project would be considered complete when the cash match is met.

Voting Aye: Quandahl, Andersen

Voting Nay: Helgoth, Hansen, McCoy, Vinton, Macy, Kanger, Vasko, Hellbusch

Absent: Christen, Davidson, Menefee, Riley

2 Voted Aye. 8 Voted Nay. Motion failed.

Motion by Mr. Kanger, seconded by Mr. Vasko, “I move to approve the Girl Scouts’ request to extend project 23-173 for one year.”

Discussion: A proposal was made by Mr. Macy to make this the last extension of the project.

Amended Motion by Mr. Macy, seconded by Mr. Helgoth, “I move to amend the motion to allow no further extension beyond this extension.”

Discussion: Mr. McCoy noted that the extension request letter indicated staffing shortages and difficulty finding a qualified candidate. A full-time position in the management department was recently filled. It was clarified that an extension would extend the contract to June 30, 2025.

Voting Aye: Helgoth, Andersen, Hansen, McCoy, Vinton, Macy, Kanger, Quandahl, Hellbusch

Voting Nay: Vasko

Absent: Christen, Davidson, Menefee, Riley

9 Voted Aye. 1 Voted Nay. Motion carried.

Original motion as amended by Mr. Quandahl, seconded by Mr. Macy, “I move to approve the Girl Scouts’ request to extend project 23-173 for one year, with no further extensions.”

Discussion: None.

Voting Aye: Quandahl, Helgoth, Andersen, Hansen, McCoy, Vinton, Macy, Kanger, Vasko, Hellbusch

Absent: Christen, Davidson, Menefee, Riley

10 Voted Aye. Motion carried.

7. Historical review and discussion on limiting survivability terms for insurance, property tax, and easements on grant-funded projects

Background on Agenda Item 7

Payment of taxes for real property is found in Title 137 and NET policy. Board Policy VI, F. Payment of Tax on Real Property was updated in 2023. Board Policy VI, B. Equipment Insurance was updated in 2022. These policies create survivability provisions in the grant contracts. Accountability issues are created by depreciation timelines and monitoring personal and real property. The term of the environmental benefit to the public needs to be addressed for the public funds invested.

Executive Director Elmshaeuser shared statistics with the Board for funded properties, a synopsis of NET’s real property policies from 1997 to 2021, and opinions from the Attorney General’s Office. Although the Board may set some parameters for survivability provisions, it has no means to enforce them. Once the grant contract ends, the Board’s options must be determined. The Board was asked to discuss how to proceed, how policy should address the term of environmental benefit, and how long it should be monitored.

Mr. Kanger asked how many of the 125,917.16 acres purchased with NET funds in the past are currently accessible to the public.

The Board took a break from 2:51 p.m. to 3:00 p.m.

After further discussion, Executive Director Elmshaeuser was directed to bring back policy proposals to the Board for review.

8. Directors Report

Executive Director Elmshaeuser reported he would be providing testimony on March 18, 2024, at the federal sentencing of a former grantee being charged with fraud. Additionally, testimony will be provided at the Appropriations Hearing on February 7, 2024, regarding the NET’s mid-biennium budget request for an additional five million dollars (\$5,000,000) to fund grant requests in the next grant cycle. Work is underway to prepare the 2025-2027 biennium budget request.

On February 12, 2024, a “Get to Know Your Grant” session will be available to all new grantees through Zoom.

9. Next Meeting

Thursday, May 2, 2024, Telegraph Lofts West, 2077 N St, Suite 310, Lincoln, NE 68510, 1:30 p.m.

10. Adjourn

Chair Hellbusch adjourned the meeting at 3:26 p.m.



Karl L. Elmshaeuser
Executive Director