

**Programs, Projects, and Operations Subcommittees  
Meeting Minutes  
January 7, 2003**

A meeting of the Papio-Missouri River Natural Resources District's Programs, Projects, and Operations Subcommittee was held at the Natural Resources Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska, on January 7, 2003. Public notice of the meeting was posted at all District offices and published in the Omaha World-Herald on January 2, 2003.

The meeting was called to order by Chairperson John Conley at 7:52 p.m.

**QUORUM CALL**

Quorum call was taken. The following subcommittee members were in attendance.

<b>Subcommittee Members Present</b>	<b>Subcommittee Members Absent</b>	<b>Other Directors Present</b>	<b>Others in Attendance</b>
John Conley	None	Barb Nichols	Laurie Carrette-Zook, HDR
Rich Jansen		Melissa Gardner	Paul Peters
Tim Fowler *		Fred Conley	Steve Oltmans
Joe Neary		Jim Thompson	Marlin Petermann
Rich Tesar		Peter Rubin	Paul Woodward
Dick Connealy **			Emmett Egr
			Trent Heiser
			Gerry Bowen

\* not voting

\*\* substitute voting member for Fowler

**ADOPTION OF AGENDA**

- It was moved by Neary, seconded by Jansen, that the agenda be adopted.

Roll call was taken on the motion. The motion carried on a vote of 4-0.

Voting Yea: Conley, Jansen, Neary Tesar

Voting Nay: None

Abstaining: None  
Not Voting: Fowler  
Absent: None

Chairperson John Conley appointed Dick Connealy as a substitute voting member of the subcommittee to replace Director Tim Fowler (not yet sworn in as a director).

**WETLAND MITIGATION BANK:**

Woodward described the process (see attached memo) the District followed to establish a Wetlands Mitigation Bank at Rumsey Station, located on the south side of the West Branch near 54<sup>th</sup> Street. He noted that construction was completed and outlined all of the costs attributable to the establishment of the bank. Included in these costs was an estimate of operation and maintenance for a period of 50 years into the future. These costs totaled \$349,238.32. The Corps of Engineers has allowed 10 credits to be placed in the bank; 15% available immediately, with the remainder available within three years.

He proposed that the District sell these credits for \$35,000 each.

The Subcommittee discussed this issue at great length. It was decided that no action would be taken at the meeting, but the issue would be reconsidered at the next subcommittee meeting in February. Prior to the next meeting, staff was to prepare a draft guidelines for using the bank, and also to prepare a draft application form.

**BIG PAPIO CHANNEL PROJECT LAND RIGHTS - SUNSET VALLEY FAMILY GOLF ASSOCIATION VS. P-MRNRD**

Peters described the final negotiations (see attached memo) with the attorney for the Sunset Valley Family Golf Association on the issue of attorney fees, expert witness fees, and additional interest. He recommended a final settlement on these costs at \$87,410.

- It was moved by Connealy, seconded by Jansen, that the Subcommittee recommend to the Board that the negotiated settlement in the amount of \$87,410, for interest and for Sunset's attorney fees, expert witness fees and costs, be approved.

Roll Call was taken on the motion. The motion carried on a vote of 5-0.

Voting Yea: Conley, Jansen, Neary, Tesar, Connealy  
Voting Nay: None  
Abstaining: None  
Not Voting: Fowler  
Absent: None

## **OUTLOOK FOR P-MRNRD**

Oltmans discussed various District programs and projects (see attached memo), highlighting the anticipated accomplishments for 2003.

## **ADJOURNMENT**

Being no further business, the meeting adjourned by acclamation at 9:39 p.m.

## II

**To:** PPO Subcommittee  
**From:** Paul Woodward, Water Resources Engineer  
**Date:** December 30, 2002  
**Re:** Wetland Mitigation Banking Update

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Construction of the District's first Wetland Mitigation Banking Program Site known as Rumsey Station is now complete. The site is located directly south of the West Papillion Creek between Papillion and Bellevue, approximately 54<sup>th</sup> to 62<sup>nd</sup> Street. The site is designed to create at least 10 acres of Wetland Bank credit that can be sold to parties that need to mitigate for disturbed wetlands. Fifteen percent (15%) of the total credits are available upon approval of the as-built plans and the remaining eighty-five percent (85%) are available when the site is established in approximately 3 years.

A summary of the District's expenses to create this wetland site has been prepared and is attached. Included in these expenses are anticipated future maintenance and monitoring costs, associated District personnel and equipment costs, along with previous engineering and land acquisition costs. A five percent (5%) rate of return was assumed over a 50 year service life for maintenance and during the following 3 years until the wetland bank is established.

The District needs to establish a fee schedule for credits available through our wetland bank. After researching and contacting other wetland banks nationally, it would seem that there are a couple of questions that need answered before a price per credit can be established for our bank. These questions are:

1. Should we set a price that applies only to credits from Rumsey Station, or should a set fee apply to all future wetland sites as well?
2. What should our price be based on? (Our expenses or the cost a buyer would incur if he/she had to mitigate for the wetlands)
3. What type of areas should we expect to mitigate wetlands? (rural or metropolitan)
4. Should we have different prices for different areas?
5. Should we even set a price, or should we initiate a system to solicit and/or negotiate bids?
6. Should costs vary based on the size of wetland mitigation needed?

Responses from other wetland mitigation banks in the Midwest have ranged in prices per credit of \$3,000 in rural areas to around \$80,000 in metropolitan areas such as Denver and Minneapolis\St. Paul. Most bank managers base their prices on either expected costs that a buyer would incur in order to mitigate for the wetland or on competitor's prices. Not many wetland banks exist in Nebraska, and those that do are operated by entities such as the Department of Roads and railroad companies and used primarily for their own mitigation.

Staff recommends that the subcommittee recommend to the Board that a minimum cost per credit be set at \$35,000 in order to sustain the District's expenses for the program per previous direction from the Board.

**EQUIPMENT**

District Equipment	\$21,594.78
Rental Equipment	\$21,000.00

<b>SUBTOTAL</b>	<b>\$42,594.78</b>
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**ENGINEERING**

Rumsey Station	\$19,964.00
Wetland Banking Instrument	\$19,200.00
Future Monitoring (3 years)	\$15,000.00

<b>SUBTOTAL</b>	<b>\$54,164.00</b>
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**MATERIALS**

Hancor Pipe	\$415.00
Fence	\$2,813.67
Seed	\$1,485.00

<b>SUBTOTAL</b>	<b>\$4,713.67</b>
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**PERSONEL**

<b>SUBTOTAL</b>	<b>\$33,568.85</b>
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**PROPERTY**

Westgate Plaza	\$21,450.00
Meisingers	\$51,816.00
Woodle	\$4,430.00

<b>SUBTOTAL</b>	<b>\$77,696.00</b>
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**MAINTENANCE**

Annual	\$2,000.00
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Assume 5.0% for annual inflation rate over 50 years

<b>SUBTOTAL</b>	<b>\$95,238.10</b>
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<b>TOTAL EXPENSE</b>	<b>\$307,975.40</b>
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ASSUME 10 ACRES OF WETLANDS IS 10 CREDITS AND THAT THE DISTRICT  
WILL RECEIVE 15% OF THE CREDIT THIS YEAR AND THE FOLLOWING 85% IN THREE YEARS.

15% of Total Expense	\$46,196.31
85% of Total Future Expense	\$303,042.01

<b>PRESENT WORTH OF WETLAND BANK</b>	<b>\$349,238.32</b>
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<b>COST PER WETLAND BANK CREDIT</b>	<b>\$34,923.83</b>
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## **WETLAND BANK CONTACT SUMMARY**

By Paul Woodward, P-MRNRD Water Resources Engineer  
January 7, 2003

- 1. City of North Platte, NE Wetland Mitigation Bank Program** – North Platte, Nebraska – January 3, 2003 - Service area within the Platte Basin

Bob Keller  
City of North Platte  
211 W 3rd ST  
North Platte, NE 69101  
(308) 535-6724 x 222

- Bob said that the city has currently created a 25 acre site in two phases. The first phase of 13 acres cost the city nearly \$346,000, and the second costs around \$258,000. He said that their prices will be based on their costs, along with monitoring and future maintenance. Bob didn't think that the city planned to make exceptions for larger mitigation needs or for rural land as opposed to urban. They are anticipating developing hundreds of acres with their new mechanical water treatment systems and they have used some of the available bank to mitigate for a Wal-Mart site.

- 2. G. William Coulthard Wetland Mitigation Bank** – Modale, Iowa – December 24, 2002 - 38 acres in service area that includes lands along the Missouri River basin in southwestern Iowa.

David Thien, Farm Manager  
Agent for Bank Sponsor  
Thien Farm Management, Inc.  
101 East Graham Ave. Suite 1  
Council Bluffs, IA 51503  
[tfminc@thienfarm.coxatwork.com](mailto:tfminc@thienfarm.coxatwork.com)

- David responded in via email and stated that their current price is \$30,000 per acre credit for developers and highway construction needs. He would also consider selling credits to farmers for agricultural development for around \$5,000 to \$6,000 per credit, but would prefer selling it at the higher rate. He also said that if a developer needs a large number of credits, a reduced price may be considered.

- 3. Warm Springs Wetland, LLC** – Park County, Colorado – December 31, 2003 - 200 acre wetland serving an area that includes the Upper South Platte and South Platte Headwaters.

Mr. Skyler DeBoer  
Warm Springs Wetland, LLC  
2730 Snowmass Creek Road  
Snowmass, CO 81654  
[biqsky@aspeninfo.com](mailto:biqsky@aspeninfo.com)

- ❑ Skyler responded via telephone and informed me that wetland prices in the Colorado area surrounding Denver were primarily based on competition. He quoted two nearby competitors at approximately \$85,000 per credit. He continued to tell me that his company was charging \$75,000 per credit for requests less than or equal to one (1) acre and around \$65,000 per credit for request more than one (1) acre. Skyler thought that these prices were probably based on the anticipated expenses that a consumer might incur having to mitigate for a wetland on-site.

**4. Minnesota Board of Water and Soil Resources – St. Paul, Minnesota – January 6, 2003 - State agency that manages numerous different wetland banks throughout Minnesota.**

Bruce Sandstrom  
Minnesota Board of Water and Soil Resources  
One West Water Street, Suite 200  
Saint Paul, MN 55107  
[bruce.sandstrom@bwsr.state.mn.us](mailto:bruce.sandstrom@bwsr.state.mn.us)

- ❑ Bruce informed me of the system set up in Minnesota for Wetland Banking. To summarize, the state registers and keeps track of wetland banks in separate areas throughout Minnesota. Every bank sponsor sets their own price for their wetland. However, Bruce did approximate that prices paid in the seven county metro area of Minneapolis\St. Paul have been running from \$18K to \$25 K per acre and prices outside the metro area go for about \$6,000 to \$10,000 per acre. He also generalized that credits usually run from 3 to 5 times the price of the underlying land value.

**5. Arkansas Wetland Mitigation Bank Program – Little Rock, Arkansas – January 6, 2003 - A state-wide government agency that creates, operates, and maintains a Wetland Mitigation Banking Program.**

Ken Brazil, Engineer Supervisor  
Arkansas Soil and Water Conservation Commission  
Attention: Water Management Division/Water Rights  
101 East Capitol Avenue, Suite 350  
Little Rock, Arkansas 72201  
Phone: (501) 682-3985  
E-mail: [ken.brazil@mail.state.ar.us](mailto:ken.brazil@mail.state.ar.us)

- ❑ Ken responded to me in an email message and I called him to follow up. In his message, Ken informed me that the state sets the price to cover their start-up, operation, and maintenance costs associated with the individual bank site. In my conversation with Ken, I discovered that they currently have one 330 acre site in SE Arkansas that is a mix of wetlands and uplands for which they receive 1 credit for every 4.2 of their 330 acres. He explained that their approximate costs for the site were approximately \$2500 an acre, or \$10500 per credit. We discussed price differences for urban versus rural land, and he said that the goal of the state was to simply recover their costs with a base fee, but they would sell it to anyone for this price.

**2003 “Outlook”**  
**Papio-Missouri River Natural Resources District**  
**By: Steven G. Oltmans, General Manager**

**Flood Control Efforts:**

- ➔ Dam Site 6 Bennington, NE – begin O&M responsibilities
- ➔ Continue efforts with private enterprise for additional flood control reservoirs in Papio Watershed (current emphasis on Dams # 13 and #19)
- ➔ West Branch Channel Improvements – finish design between Papillion, NE and Giles Road and begin ROW acquisition
- ➔ Western Sarpy/Clear Creek Flood Control Project (levees)
  - Achieve initial construction start dollars in federal FY 2003 budget for Corps of Engineers and construction \$’s FY 2004 federal budget
  - Finish Beacon View relocation of cabins (currently underway)
- ➔ Urban Drainageway Program (cost share with municipalities)
  - Primarily work with Omaha on Cole Creek Project
  - Achieve one additional site with private landowner providing land + 25% of construction cost
- ➔ Pigeon Creek Watershed Project (Dakota County)
  - Construct first flood control structure at Hubbard, NE
  - Construct first two (2) grade control

**Water Quality and Soil Erosion Efforts:**

- ➔ Monitoring continues on groundwater
  - The District contracts with US Geological Survey to conduct monitoring of nitrates in approximately 100 wells throughout the District. The wells are located in five groundwater regions: Missouri, Dakota, Upland, Platte and Elkhorn. Each well is sampled at least every five years.
  - The District contracts with US Geological Survey to sample ten well nests located throughout the District to sample each of the groundwater regions mentioned above. Each nest consists of two or three wells that sample the upper, middle and lower five feet of the aquifer. Each nest is sampled monthly throughout the year.
- ➔ Stormwater (Phase II of Federal Clean Water Act) - efforts with Metro Omaha area and South Sioux City/Dakota County will be a major emphasis in 2003. Initial study to be completed by March, 2003. [Includes water quality/hydrology] First Phase study a tool to do more target efforts in Phase II study to develop a specific recommendation for watershed management through 2040.
- ➔ Stormwater Legislation in 2003 – Unicameral is key part of financing implementation of Phase II stormwater efforts



- ➔ Conservation Cost-Share Program for agricultural land
  - Continue to provide technical (design/layout) to landowners throughout the NRD by NRCS/NRD staff
  - 75% cost-share rate on terraces, waterways and small dams. Sources of \$'s
    - federal, state and NRD providing approximately \$2 million annually in P-MRNRD
    - CRP contracts additional \$2 million in P-MRNRD.
- ➔ Bank stabilization of tributaries
  - Example: Approximately \$300,000 (P-MRNRD dollars) spent annually to stabilize bank erosion mostly in Papio watershed

### **Outdoor Recreation Facilities:**

- ➔ Continue development (minor) of Walnut Creek Lake (primarily trees)
- ➔ Final design and location of outdoor amphitheater at Walnut Creek Lake
- ➔ Complete rehab of entrance road to Chalco Hills
- ➔ Trails
  - Complete Big Papio Trail (Center to Blondo)
  - Begin construction of MoPac Trail (Springfield, NE to Platte River)
  - Begin construction of West Branch Papio (72<sup>nd</sup>/36<sup>th</sup> Street, Papillion to Bellevue)
- ➔ Complete reconnaissance study for trails in Western Douglas County (Valley, Waterloo, Elkhorn)
- ➔ Complete design of Missouri River Pedestrian Bridge with bid opening in November, 2003
- ➔ Complete reconnaissance study of public access points to Elkhorn River (Douglas/Washington Counties)
- ➔ Continue to cost share with communities on various recreation facilities (50/50) pursuant to P-MRNRD policy

### **Domestic Water Supply:**

- ➔ Dakota Rural Water Project (600 + customers)
- ➔ Thurston Rural Water Project (120 customers)
- ➔ Washington Rural Water Project (300 customers + City of Fort Calhoun)

### **Improvement of Fish and Wildlife Habitat and Forest Resources:**

- ➔ California Bend Project under construction (Washington County)
- ➔ Lower Decatur Bend Project land rights (Burt County)
- ➔ Complete Nathan Lake Project (Washington County)
- ➔ Complete ROW for hard surface road and limestone trail to Boyer Chute Refuge (Washington County line to Boyer Chute) [Lead on project is Washington County.]

### **Solid Waste Management and Recycling:**

- ➔ Bid and construct household hazardous waste collection and recycle center (120<sup>th</sup> and F Streets). Lead agency is the City of Omaha
- ➔ Develop position (policy) on solving tire disposal by incineration.