

MINUTES

River Basin Natural Resource District Oversight Advisory Task Force



Kim Vanneman, Chair
Representative John Wiik, Vice Chair

**Third Meeting, 2016 Interim
Tuesday, September 20, 2016**

**Room 413 – State Capitol
Pierre, South Dakota**

The third meeting of the River Basin Natural Resource District Oversight Advisory Task Force was called to order by Ms. Kim Vanneman (Chair) at 10:02 a.m. (CDT), on Tuesday, September 20, 2016, in Room 413 in the State Capitol in Pierre, South Dakota.

A quorum was determined with the following members present: Senators Jason Frerichs (appearing telephonically) and Arthur Rusch; Representatives Steven McCleerey and John Wiik; Ms. Kim Vanneman; and Messrs. Paul Casper and Karl Jensen. Mr. Dennis Kiner was excused. Staff members present included David Ortbahn, Chief Analyst for Research and Legal Services; Amanda Jacobs, Research Analyst; Jessica LaMie, Research Analyst; Jason Simmons, Senior Fiscal Analyst; and Kris Schneider, Senior Legislative Secretary.

All material distributed at the meeting is attached to the original minutes on file in the Legislative Research Council (LRC). This meeting was recorded by South Dakota Public Broadcasting. The committee documents and archived recording are available at the LRC website at <http://sdlegislature.gov> under "Interim – Agendas, Minutes and Committee Documents." For the purpose of continuity, these minutes are not necessarily in chronological order.

Approval of Minutes

Representative Steven McCleerey moved, seconded by Senator Arthur Rusch, that the minutes of the August 16, 2016, meeting be approved. Motion prevailed on a voice vote.

Remarks from the Chair

Ms. Kim Vanneman, Chair, provided a brief overview of the agenda and her expectations for the task force.

Review of District and Subdistrict Boundaries

Mr. David Ortbahn, Chief Analyst for Research and Legal Services, and **Mr. Jason Simmons**, Senior Fiscal Analyst, reviewed the proposed River Basin Natural Resource Districts (NRD) maps that had been updated and posted on the LRC website ([Document 1](#)) and draft legislation entitled "An Act to revise the river basin natural resource district boundaries and to establish subdistricts for each district." ([Document 2](#)).

It was noted that the Pennington County Auditor voiced concern with using township boundaries for the Belle Fourche River and Cheyenne River Basin NRD. Pennington County voting districts do not follow

public land survey system (PLSS) township boundaries; three voting districts will be split if those township boundaries are used. Following a brief discussion, it was the consensus of the task force to leave the boundaries the same.

Public Testimony on Boundaries

Mr. Jay Gilbertson, Brookings, East Dakota Water Development District (EDWDD), noted a correction to the draft legislation – on page 2, line 19, delete "Brookings," because the description for Brookings County is correct on line 20.

Review of Draft Legislation

Mr. Ortbahn noted that in addition to the large bill draft regarding the boundaries, staff had drafted three additional bills. **Ms. Jessica LaMie**, Research Analyst, reviewed the following draft legislation.

Elections – "An Act to establish the initial procedures for election to river basin district councils in the 2018 general election." ([Document 3](#)). A few tweaks were made to the bill which included adding "governing council," "county official newspapers," and "river basin district councils," and changing "member" to "candidate." In response to questions on whether to include future elections in the bill draft or only the 2018 elections, Mr. Ortbahn stated the bill draft was written for the 2018 elections because future elections may be governed by the councils. It was the consensus of the task force to leave the bill draft as written for only the 2018 elections.

Vacancies – "An Act to establish procedures for filling a vacancy on a river basin natural resource district council." ([Document 4](#)). A brief discussion was held regarding the sentence on line 10, requirement for a nominating petition. Chair Vanneman asked the task force to think about it and a decision will be made at the November meeting. It was noted that the changes indicated above would be carried on throughout all of the proposed bill drafts.

Boundary Line Adjustments – "An Act to establish the procedure for boundary line adjustments to the river basin natural resource districts." ([Document 5](#)). Clarification of "legal" and "official" newspapers was discussed. It was the consensus to follow SDCL § 7-18-3 as publication of notices will be used for the general governance of the NRD, not just for this issue. It was also suggested to insert "A minimum of " and "registered voters" on page 1, line 10.

Public Testimony on Draft Legislation

Mr. Brad Preheim, Centerville, Manager, Vermillion Basin Water Development District and TLC Water Project District, stated that they require twenty-five signatures on a vacancy petition and they also publish a vacancy notice in the newspaper.

Mr. Gilbertson commented that EDWDD also requires twenty-five signatures on a vacancy petition. He noted that the auditors would do the public notice for the first election cycle. The water development district is responsible for publishing notices regarding any vacancies.

Ms. Kea Warne, Deputy Secretary of State, Election Services, commented that instead of each NRD holding their own election, it was the intent to have future elections on the general election ballot and petitions filed with the Secretary of State because there are multiple counties involved. The consumers power district, the water development districts, and the conservation districts all are on the general ballot.

Mr. Lorin Pankratz, Sioux Falls, South Dakota Association of County Commissioners and the South Dakota Soybean Association, asked if the counties will be responsible for the cost of the election and the notification in the newspapers for the first election.

In response to Mr. Pankratz' question, Mr. Ortbahn stated it is the intent that 2018 elections would be part of the general election and included in the overall cost. There is currently no seed money appropriated.

Mr. Karl Jensen commented when a conservation district holds a special election there is a cost involved.

Mr. Gilbertson commented that water development districts may be subject to a charge if their ballot information forces the ballot or notice to an additional page.

General Discussion regarding Natural Resource Districts

Chair Vanneman reviewed the tasks assigned to the task force by the 2015 legislation:

- Recommend specific boundaries of the districts;
- Recommend how to divide each district into three subdistricts of nearly equal size of population;
- Recommend a procedure by which initial terms of a district council shall be staggered; and
- Help establish a pilot water management plan for the Red River and Minnesota River Natural Resource District.

It was noted that the task force is in effective until January 1, 2019.

For discussion purposes, Chair Vanneman stated the next step will be to integrate the various entities working with natural resources in the state to work together with the NRDs. She proposed some options and asked for member's comments.

Senator Rusch commented that the task force should continue to move forward with establishing the boundaries and the elections for all of the natural resource districts. That would allow the local elected district members to have input and assist in establishing the guidelines for the water management plan.

Mr. Jensen agreed that the task force should continue to move forward. Farmers and ranchers have different issues, however, water issues are shared. He noted that the Department of Environment and Natural Resources (DENR) and the Natural Resources Conservation Service (NRCS) are looking for partners to achieve their objectives thru local partners. There may be funding available from these entities for projects. The Legislature may also need to provide some seed money.

Mr. Paul Casper commented that the task force needs to take it to the next level. Water quality and quantity are huge issues for everyone in the state whether it is agricultural or recreational. If we want to be good stewards of the ground, we will do this.

Representative McCleerey agreed with the comments made. The state benefits from water in many different ways. A pilot project could be beneficial.

Senator Jason Frerichs commented that the task force should move forward with establishing the boundaries and elections, knowing that the rest will need to be refined. He stated that we need to show what these NRDs can do; it will be different than Nebraska. The pilot program does not need to be a "turn the dirt project." A pilot program could show what a plan should look like. Natural resources are a broad term but water is the main focal point.

Following the discussion, Chair Vanneman stated it was the consensus to move forward with the legislation regarding the boundaries and elections in all of the NRDs.

Public Testimony regarding Natural Resource Districts

Mr. Paul Lepisto, Pierre, South Dakota Izaak Walton League of America, asked that LRC staff be directed to provide another option of maps that include the Class 1 municipalities because everyone in the state should be included in the NRDs.

Ms. Yvonne Taylor, Ft. Pierre, South Dakota Municipal League, spoke in opposition to the NRDs as not everyone will be represented and it will create another layer of government. She urged the task force to look at existing entities to accomplish the same water issues. She stated that municipalities want representation.

Mr. Michael Held, Huron, South Dakota Farm Bureau, stated that their organization has been following the task force meetings. They have questions regarding the taxing authority. At this point he thinks it is important for the task force to focus on one pilot program in one area and get it right.

Mr. Preheim commented that a hurdle for the upcoming legislative session will be dealing with the fear of more regulatory authority on drainage ordinances and more layers of government. Once the NRDs are up and running, he thinks some of the other entities could go away. He also stated that some of the ideas from the Milbank meeting are being done by the water development districts. He shared a brochure which explains what they do and their current map ([Document 6](#)). A map that was proposed in 1998 for water development district's boundaries was also shared ([Document 7](#)).

Mr. Bruce Toay, Ipswich, Regional Ducks Unlimited, expressed an interest in being a partner on projects as Ducks Unlimited has similar goals.

Mr. Lance Ekberg, Hamill, Hamill and Clearfield-Keyapaha Conservation Districts, expressed concern that the conservation districts are not being informed about the NRDs and have not been involved in the process. He questioned how the NRDs would affect the conservation districts.

In response, Mr. Jensen stated that he was also involved in the conservation district and sees the two entities coming together to do a better job.

In response to Mr. Lepisto's request, Senator Frerichs stated that the Class 1 municipalities are not part of the legislation. Joint power agreements can be a tool to involve the Class 1 municipalities.

Next Meeting Date

Chair Vanneman stated final action will be taken on the draft legislation at the next meeting which is set for Tuesday, November 22nd.

Adjournment

Mr. Jensen moved, seconded by Representative McCleerey, that the meeting be adjourned. The motion prevailed on a voice vote.

The Chair adjourned the meeting at 2:29 p.m.