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Natural Resources Committee
May 28, 2013

[CONFIRMATION]

The Committee on Natural Resources met at 8:45 a.m. on Tuesday, May 28, 2013, in Room 1525 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on gubernatorial appointments. Senators present: Tom Carlson, Chairperson; Lydia Brasch, Vice Chairperson; Annette Dubas; Jerry Johnson; Rick Kolowski; Ken Schilz; and Jim Smith. Senators absent: Ken Haar.

SENATOR CARLSON: Good morning and welcome to the Natural Resources Committee. I'm Tom Carlson, Chair of the Natural Resources Committee. And committee members here, we're all here but one. That's pretty good at this time of the day on a Tuesday morning. To my far left is Senator Kolowski, Rick Kolowski from Omaha, District 31; and then I would assume Senator Ken Haar will be joining us from Malcolm, District 21; then Senator Jim Smith from Papillion, District 14; Senator Ken Schilz from Ogallala, District 47; and then Laurie Lage, our legal counsel for the Natural Resources Committee; to my far right is Barb Koehlmoos, our committee clerk; next to her, Senator Lydia Brasch from Bancroft, District 16; then Senator Jerry Johnson from Wahoo, District 23; Senator Annette Dubas from Fullerton, District 34. And so, today we have confirmations on the Natural, Environmental Quality Council. I don't think I need to go into a lot of explanation. As you come forward to testify, if you don't have a green sheet, make sure you've got one and filled out. And then give that to Barb there in the box before you sit down at the chair. The microphone is very sensitive so you don't need to even touch that microphone. In fact, if you didn't want the microphone to pick you up and you backed up, it's going to pick you up anyway, so just leave it where it is. And we'll ask you to introduce yourself. Give your name and spell your name so that that's on the transcript and we've got an accurate record. And then tell us a little bit about yourself. And perhaps the first one that testifies, well, no, because Senator Johnson is going to...we won't put him on the spot, but the second one, tell us a little bit about the Environmental Quality Council and the function and what your duties are. And not every one of you needs to go through that, but it would be helpful for the committee if one of you would give us that information. When you've told us a little bit about yourself, we'll ask you some questions. We do have kind of a time limit here this morning because our session starts at 10 o'clock. So, with that, I think we're ready to begin our hearing and Senator Johnson, you're going to introduce for Robert Hall.

[CONFIRMATION]

SENATOR JOHNSON: (Exhibits 1 and 2) Good morning, Senator Carlson and committee. My name is Jerry Johnson, J-e-r-r-y J-o-h-n-s-o-n. I'm here presenting the information on Robert Hall. I've known Rob, as I know him, for about 25 years. He's from Wahoo. He owns some farm ground, so we have some common interest as we've talked across the alley. And also, he's been involved with environmental issues and concerns all of his life, not only from the ag standpoint but in his job. He's worked a lot in the asbestos industry and has been on the council, I believe, first appointment was

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2004. And he's a very outstanding individual, very conscientious about the environment, and does represent his union on the national level, as he's in D.C. a lot, and I know he has some connections there with the DEQ also. We've had some good conversations across, like I say, across the alley, so his story is written out in your packet. And I probably can answer some questions if there are any, but I would definitely recommend Robert Hall for reappointment. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you, Senator Johnson. Any questions of the committee? Yes, Senator Smith. [CONFIRMATION]

SENATOR SMITH: Thank you, Mr. Chairman. Senator Johnson, I take it Mr. Hall isn't here to testify, right? [CONFIRMATION]

SENATOR JOHNSON: Yeah, correct. [CONFIRMATION]

SENATOR SMITH: Okay. Do you know which of the 17 special interest positions on the council that he represents? [CONFIRMATION]

SENATOR JOHNSON: Is there ag and labor, would that...? [CONFIRMATION]

SENATOR SMITH: There is no labor. There's an ag. [CONFIRMATION]

SENATOR JOHNSON: Ag. Well, he represents labor in his profession. So, yeah, ag, would be one of them then, I'm sure. [CONFIRMATION]

SENATOR SMITH: Okay. So he's an ag representative. Okay. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other...Senator Kolowski. [CONFIRMATION]

SENATOR KOLOWSKI: Senator Johnson. Thank you, Mr. Chairman. What would you say would be Rob's item of great interest and success from his first term that he would probably talk about if you asked that question? What is he most proud of (inaudible)? [CONFIRMATION]

SENATOR JOHNSON: Well, I guess we've probably talked more about his involvement as far as his employment and through the labor union, the transitions that asbestos industry has gone through and the concerns. And I know he's physically, when he was moving up in their world, he was actually out doing the asbestos removal, and I think that's the subject we talk about the most. Ag would be second, probably. [CONFIRMATION]

SENATOR KOLOWSKI: Makes sense. Thank you. [CONFIRMATION]

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SENATOR CARLSON: Okay. Any other...yes, Senator Brasch. [CONFIRMATION]

SENATOR BRASCH: Thank you, Chairman. Just a brief question. Because he's not here, typically distance or a reason, is there a reason you're testifying in his place or...? [CONFIRMATION]

SENATOR JOHNSON: Okay. He is back in Washington periodically for his job, but last, I believe it was last Thursday they flew back for the weekend. They have a 3-year-old grandson back there and they weren't able to get a flight today and so they're not flying back until tomorrow. [CONFIRMATION]

SENATOR BRASCH: Very good. Thank you for doing his testimony. I have no other questions. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other questions? Oh, can you tell a little bit more about his profession as...with the union? What does he really do? [CONFIRMATION]

SENATOR JOHNSON: Well, he's...he represents the asbestos and heat, and I forget what area, and...but he grew up within the industry and labor in the asbestos industry. So that's where his main focus has been. [CONFIRMATION]

SENATOR CARLSON: That's where his expertise sits. [CONFIRMATION]

SENATOR JOHNSON: Expertise would be, right. [CONFIRMATION]

SENATOR CARLSON: All right. Thank you. [CONFIRMATION]

SENATOR JOHNSON: Right, as far as the job. And with that, I know he goes back when they have their national elections as far as the labor union. He goes back and monitors the election process for their union, which is aside from this, but. [CONFIRMATION]

SENATOR CARLSON: Okay. All right. Any other questions? All right, thank you, Senator Johnson. [CONFIRMATION]

SENATOR JOHNSON: You bet. [CONFIRMATION]

SENATOR CARLSON: And we'll go quickly through this process with each one now. Anyone to testify as a proponent for Mr. Hall or...? Loran, welcome. [CONFIRMATION]

LORAN SCHMIT: Thank you, Mr. Chairman. Members of the Natural Resources Committee, my name is Loran Schmit, L-o-r-a-n S-c-h-m-i-t. I testify here today and if the committee will allow me, I would like to testify in support of all of the appointees for

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reappointment. I know that time is important to you and rather than to make seven appearances here, I thought I would ask your permission, Mr. Chairman. But I do want to address the appointment of Mr. Hall, specifically. I've known him for many, many years. He is a labor man. Of course, I'm agriculture oriented, but I've worked with him many times on issues. He's a very excellent member of the council and I want to just comment that the members of the council who represent many areas, who are now a total of 17 members, work very well together. It's kind of interesting because they come from the broad background of interests and expertise and they have had, I believe, a really good exposure to the environmental interests of this state and they function very well. And it's interesting how they leave their own personal interests on the table, so to speak, and discuss issues of importance to the entire state. The council has functioned very well and I want to congratulate all of the members who want...who are up for reappointment for their past service and hope that they will be reappointed, and be glad to answer any questions. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you. Any questions of Senator Schmit? So you're giving as a proponent for all seven? [CONFIRMATION]

LORAN SCHMIT: Yes, I am. [CONFIRMATION]

SENATOR CARLSON: Okay. All right. Thank you. Thank you for your testimony. [CONFIRMATION]

LORAN SCHMIT: Thank you very much. You would prefer that I not come back six times, right, Senator? (Laughter) [CONFIRMATION]

SENATOR CARLSON: Yeah, that's a good idea. Good idea. We appreciate that. Anyone else as a proponent? Anyone as an opponent? Anyone in the neutral position? All right, that concludes the confirmation hearing for Robert Hall. And we'll go with the rest as I...we have them listed here for us, so Michelle, you'll be next. Welcome. [CONFIRMATION]

MICHELLE BUCKLIN: (Exhibit 3) Good morning. Thank you, Senator Carlson and the rest of the committee. Michelle Bucklin, M-i-c-h-e-l-l-e B-u-c-k-l-i-n, and I am here for my second term on the EQC. I was appointed in 2009 representing the food manufacturing industry. So, a little bit about myself. I moved to Nebraska in 1996. I've been working in the food manufacturing industry since then. I graduated from the University of Florida with a B.S. with high honors from the environmental engineering department. And I've been doing environmental work, among other things, in the food manufacturing industry since that time. I have a...let's see, when I was first eligible to take my test I did so for my professional engineering license in the state of Nebraska, so that was probably more than 12 years ago. And I also have my Class IV wastewater operator's license in the state of Nebraska. That's kind of the long and short unless you guys have any other

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questions. Other than that, it's been a really great opportunity working on the EQC, not to mention, you know, just the people, the other council members its been wonderful working with them and getting to know them and expanding that network, but just in general, the opportunity to partake in just the process of working through new legislation or new proposed rules with the DEQ on the EQC has been a great opportunity.
[CONFIRMATION]

SENATOR CARLSON: Okay. All right. Thank you for your testimony. Any questions of Michelle? Senator Smith. [CONFIRMATION]

SENATOR SMITH: Thank you, Mr. Chair. Ms. Bucklin, thanks for coming in. It's great to see another native Floridian that's migrated to Nebraska. (Laughter) [CONFIRMATION]

MICHELLE BUCKLIN: Oh, yeah. [CONFIRMATION]

SENATOR SMITH: I, too, attended the University of Florida, so... [CONFIRMATION]

MICHELLE BUCKLIN: Oh, excellent. [CONFIRMATION]

SENATOR SMITH: Yeah, it's a great campus. [CONFIRMATION]

MICHELLE BUCKLIN: It was a little tough at first, but I've acclimated.
[CONFIRMATION]

SENATOR SMITH: Yeah, the first three years are the hardest. [CONFIRMATION]

MICHELLE BUCKLIN: Yes. [CONFIRMATION]

SENATOR SMITH: Can you tell me of the 17-member-council, which of the interest areas you represent, do you know? [CONFIRMATION]

MICHELLE BUCKLIN: Food manufacturing. [CONFIRMATION]

SENATOR SMITH: Food manufacturing, okay. Thank you. Again, thanks for your service and welcome to Nebraska. [CONFIRMATION]

MICHELLE BUCKLIN: Thanks. [CONFIRMATION]

SENATOR CARLSON: Senator Brasch. [CONFIRMATION]

SENATOR BRASCH: Thank you, Chairman and thank you for your willingness to serve again. I'm wondering, since the time you started serving, have there been any industry changes that you would...improvements that you would attribute this council to being the

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moving agent, or do you see a direction you would like it to see a goal for?
[CONFIRMATION]

MICHELLE BUCKLIN: Well, in terms of...so the first part of your question in terms of, has it been a catalyst for any change? I wouldn't say it would, you know, specific to the food manufacturing industry, not so much a catalyst. I don't...that's not necessarily the intent. I mean, it's kind of more...it's not so much proactive as it is reactive because we don't...the EQC is not responsible for proposing or, you know, creating new rules. It's really just there to review and listen to ones that are proposed by the DEQ. So, again, more reactive than proactive. But I do think...this is getting a little off...change, so maybe I'll come back to that. In terms of the second part of your question which was more...I think maybe I should ask you to repeat it, but... [CONFIRMATION]

SENATOR BRASCH: No, you're doing fine. You know the catalyst, the oversight from your professional view and your education, and I see you're employed at Blair which is in my district, just if you have any insight to share with us on what the future could look like, or... [CONFIRMATION]

MICHELLE BUCKLIN: Yes, in terms of going forward, and I think there's already been a good direction towards...so just to give you a little history. So I think, you know, historically there maybe has been some gap with getting rules in front of the public in as timely a manner as some would like to see so that there's a good opportunity to get that input, you know, maybe tweak some things before it goes to final presentation or proposal to the EQC. And I think...one thing I've seen over the last few years while I've been on the EQC is we've really promoted and pushed for that kind of more timely review, and I've seen that change start to take place. And, for example, just last...early this month, actually, the DEQ did a public forum presenting some new proposals that they want to introduce and, you know, things like that have a really beneficial and value added. It allows both the regulated community as well as the public to take a strong look at something a little more up-front and provide input so that, hopefully, by the time it gets to the point where it's sitting in front of the EQC, it has been fleshed out a little...perhaps a little bit more than maybe some of the past have been, so.
[CONFIRMATION]

SENATOR BRASCH: Very good. I thank you again for serving... [CONFIRMATION]

MICHELLE BUCKLIN: Sure. Thank you. [CONFIRMATION]

SENATOR BRASCH: ...look forward to seeing you in the district at Blair.
[CONFIRMATION]

MICHELLE BUCKLIN: And it's been about a year and a half now. [CONFIRMATION]

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SENATOR BRASCH: Since I've been... [CONFIRMATION]

MICHELLE BUCKLIN Since...yeah. [CONFIRMATION]

SENATOR BRASCH ...this is my third year, starting my third year, but oh, the redistricting, you're right. [CONFIRMATION]

MICHELLE BUCKLIN: Right, but didn't...yeah, I mean they changed, they kind of redistricted and changed it, so, yeah. [CONFIRMATION]

SENATOR BRASCH: You're right. Yes, two years. [CONFIRMATION]

MICHELLE BUCKLIN: Two years, okay, I knew it was somewhere in that ballpark, so thank you. [CONFIRMATION]

SENATOR BRASCH: Very good. Thank you so much. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other questions? Seeing none, thank you for coming. [CONFIRMATION]

MICHELLE BUCKLIN: Thank you. [CONFIRMATION]

SENATOR CARLSON: Any...and we've had Senator Schmit as a proponent. Any other proponents? Any opponents? Anyone in the neutral position? All right, that concludes the confirmation hearing on Michelle Bucklin. I did fail to do this when we started. Our page today is Kaitlyn Evanko-Douglas from Montrose, Colorado, 14 hours away. She's a senior at UNL and so we appreciate her being with us and serving us today. All right, next, Joe... [CONFIRMATION]

JOE CITTA: Citta. [CONFIRMATION]

SENATOR CARLSON: Citta, Citta, okay. Welcome. [CONFIRMATION]

JOE CITTA: (Exhibit 4) Thank you, sir. Good morning Chairman Carlson and senators. My name is Joseph Citta, spelled J-o-s-e-p-h C-i-t-t-a. This will be...I'm seeking my third term on the council. I'm currently the chairman of the EQC. I work for NPPD. I represent the power generating section on the council. In my employment, I am 37 years with NPPD. I'm currently the corporate environmental manager for Nebraska Public Power District, so I manage all the environmental activities and permitting and regulatory affairs. Married, live in Columbus, Nebraska. I'm a graduate of Hastings College with a bachelor of arts in biology and chemistry. Like I say, I've been on the council. This will be my third term. I'm also very active in other groups. I'm a board of director for Lower Loup NRD and also president of the Todd Valley Wetlands Foundation and some other

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organizations So, I try to stay very active in environmental practices and pieces in the community. The council, I feel it's truly been a privilege to be a member of the council. Very excited to be appointed and confirmed and looking forward to my third term and the council is...I think plays a very, very important part in the regulatory setting in the state of Nebraska and real excited to work with the other 16 members that are on the council. Like Senator Schmit said, they come from various walks of life and representing various pieces and parts in the state, but I really don't see that in how they act together. They truly do have the purpose, the best purpose in mind for the state of Nebraska. So, with that, I'd certainly welcome any questions. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you for your testimony. Questions of the committee? Senator Brasch. [CONFIRMATION]

SENATOR BRASCH: Thank you, Mr. Chairman and I also wanted to thank you for your service and the willingness to serve and lead in this capacity... [CONFIRMATION]

JOE CITTA: Thank you, Senator. [CONFIRMATION]

SENATOR BRASCH: ...and I do see that you're also an Eagle Scout. [CONFIRMATION]

JOE CITTA: Yes, you bet. Very proud of that. [CONFIRMATION]

SENATOR BRASCH: ...so that falls right in line, so. (Laugh) I have no questions, thank you. [CONFIRMATION]

JOE CITTA: Okay. Well, thank you. Okay, thank you, Senator. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other questions? Senator Smith. [CONFIRMATION]

JOE CITTA: Yes, sir. [CONFIRMATION]

SENATOR SMITH: Thank you, Mr. Chair. Could you just give us a very quick overview. I know it's a 17-member-board, you meet to discuss proposed regulations that are before the DEQ. Can you just give a little bit of an overview of the council's responsibilities and mission? [CONFIRMATION]

JOE CITTA: Oh, certainly, certainly. Of course, we meet typically three to four times a year, and we actually run public hearings. Our meetings are actually, typically, a public hearing on a proposed regulation, so the proposed regulations are public-noticed for at least 30 days. As Michelle had mentioned, we have been encouraging the NDEQ to get more public input prior to the actual 30-day public notice. And then we run a hearing where we take testimony from various interested parties, and then we vote and whether

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to adopt the proposed regulation or whether to send it back to the NDEQ because there's certain areas that we would like to see them reconsider, and which happens quite often where after hearing the testimony and listen to the public, or other industry, where we see some areas of the proposed reg that...and if we can, you know, we cannot be less stringent than what the federal regulations are, but given that, we do have some variability on some things that we can do here in the state. So, we try to listen to the testimony and still make sure we're protecting the environment, but also trying to pass reasonable, flexible regulation as much as within our means.
[CONFIRMATION]

SENATOR SMITH: All right. Thank you. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you. Any other questions? Senator Johnson.
[CONFIRMATION]

SENATOR JOHNSON: Thank you, Senator Carlson and Mr. Citta. [CONFIRMATION]

JOE CITTA: Yes, sir. [CONFIRMATION]

SENATOR JOHNSON: I do have a question a little bit on the permitting process that it goes through. A situation that I've been made abreast of, aware of, anyway, where there's a...all there is is a comment period that's published and there's no hearing set for when an entity is looking for a permit. And the reason there's no hearing is because there's no county zoning. There would have been a hearing...a public hearing if there would have been county zoning in place. But in the case that I'm referring to, there was just a comment period. [CONFIRMATION]

JOE CITTA: Uh-huh. [CONFIRMATION]

SENATOR JOHNSON: Is there...would there be any...has there been any discussion about making sure that there is a public hearing on permitting process?
[CONFIRMATION]

JOE CITTA: Not that the council has been engaged in. And so it would be...of course, that's at a different level than what the council regulates. [CONFIRMATION]

SENATOR JOHNSON: Right. [CONFIRMATION]

JOE CITTA: But it's interesting. I was not aware that there were scenarios like that because typically on a lot of the permitting I know that I'm associated with, you can request a hearing from the regulator and they don't always have to grant it, but at least they're...one step in the permitting process is at least as part of the public comment period, you can request a hearing and sometimes you're granted it, sometimes not. But

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I'm interested...it's interesting that in this process it doesn't even sound like there's the opportunity for a hearing. [CONFIRMATION]

SENATOR JOHNSON: It appears that way. Would that be something that the council would be responsible to enact if that was the case, or is it...how that flows? [CONFIRMATION]

JOE CITTA: I don't know. I don't know, sir, if we could or not but I can certainly inquire upon that to see, but... [CONFIRMATION]

SENATOR JOHNSON: I can visit with you on it. [CONFIRMATION]

JOE CITTA: Sure. [CONFIRMATION]

SENATOR JOHNSON: It's fairly close to you. (Laugh) [CONFIRMATION]

JOE CITTA: Okay. I think I know where you're talking about, yes. [CONFIRMATION]

SENATOR JOHNSON: Okay. Thank you. [CONFIRMATION]

SENATOR CARLSON: Senator Kolowski. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you, Mr. Chairman. Mr. Citta, thank you for your work and I wanted to ask you about your work on the NRD board, how long you've been on that. [CONFIRMATION]

JOE CITTA: Yes, sir. I've been, I want to say, in excess of 25 years. [CONFIRMATION]

SENATOR KOLOWSKI: Excellent. Thank you. And how has that work on that board assisted you with the responsibilities of this office? [CONFIRMATION]

JOE CITTA: You get to see a lot. Of course, it's interesting, our board at the Lower Loup is a 21-member board and so...which is quite large, but it's interesting of all the...once again, all the interfacing. I've learned a lot more about groundwater, of course, about irrigation, the farming practices, production. Also protection of the groundwater. It's related, but it's a whole different piece than what we...what we're...you know, the NDEQ, a lot is, it looks at water quality and the NRD does also, but we're really getting into a lot of quantity issues and whether or not we have well moratoriums and fully appropriation and things like that. But it has been a very useful relationship. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you. Any other questions? You're chair of the

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council. [CONFIRMATION]

JOE CITTA: Yes, sir. [CONFIRMATION]

SENATOR CARLSON: And what's your term as chair? [CONFIRMATION]

JOE CITTA: A, two years. I'll be up for reelection...it will be this fall. It will be. It's a two-year term. [CONFIRMATION]

SENATOR CARLSON: Okay. And you don't have term limits? [CONFIRMATION]

JOE CITTA: No. (Laughter) Don't give them any ideas, okay? [CONFIRMATION]

SENATOR JOHNSON: We won't. [CONFIRMATION]

SENATOR CARLSON: Thank you. Any other questions? Okay, thank you for your testimony. [CONFIRMATION]

JOE CITTA: Thank you very much. [CONFIRMATION]

SENATOR CARLSON: Any proponents for Mr. Citta? Any opponents or anyone in the neutral position? Seeing none, that concludes the confirmation hearing on Joe Citta. Mark, you're next. Welcome. [CONFIRMATION]

MARK CZAPLEWSKI: (Exhibit 5) Thank you, Mr. Chairman and committee members. My name is Mark Czaplewski, M-a-r-k C-z-a-p-l-e-w-s-k-i. And no, that's not Irish. (Laughter) I'm a native Nebraskan. I grew up in Loup City, if you know where that is. I currently live in Grand Island where I am employed by the Central Platte Natural Resources District as a biologist. I have a bachelor's degree in biology and environmental studies from UNK, then Kearney State College, but I'm very proud of that. Have worked for Central Platte NRD as a biologist for just over 15 years now, principally working on water issues. As Mr. Citta mentioned, the water issues are really key to a lot of the business of NRDs in the state. I do a lot of endangered species stuff. Later this afternoon, my job will be to go out and monitor some endangered birds out on the Platte River, so that's a fun part of my job. Father of three. I have a beautiful wife of 30 years now, and grown and gone, kids off on their own. And my position, if you will, with the Environmental Quality Council is as biologist, something of a unique position, a fairly new position. I've served two terms. I'm currently vice chair. I consider my constituency, if you will, all Nebraskans as a biologist, it's...that's the way I take it. And that's really all I have. I really consider my service on the EQC as an honor. It's been an education. It's a great group of folks to work with. They take their job, I take my job there, very seriously. And really all I have unless you've got questions. [CONFIRMATION]

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SENATOR CARLSON: Okay, Mark, thank you for your testimony. Any questions of the committee? I saw in here, now you said it even, but how long have you been with Central Platte NRD? [CONFIRMATION]

MARK CZAPLEWSKI: Just over 15 years. [CONFIRMATION]

SENATOR CARLSON: Just over 15 years. [CONFIRMATION]

MARK CZAPLEWSKI: I've spent my entire professional career in the environmental field. I've worked for almost 20 years with Nebraska Public Power District working with Mr. Citta on a variety of issues, but I've always been involved in natural resources issues through my career, especially water, and...so. [CONFIRMATION]

SENATOR CARLSON: Well, I'm going to ask you a pointed question. [CONFIRMATION]

MARK CZAPLEWSKI: Sure. [CONFIRMATION]

SENATOR CARLSON: Do you think it's important from the standpoint of managing water in the state that we need a pretty accurate assessment of how much water we're using? [CONFIRMATION]

MARK CZAPLEWSKI: Absolutely. You've got to know what you're dealing with. I know LB517 is up for consideration here and I think that would go a long way to doing that. There's been a lot of work done. Water is just so critical to the ag business, to municipal use, to every Nebraskan, and to manage it appropriately for its multitude of uses, we've got to know where it is and where it's going. We've got to understand it and that's...to manage it properly, we've got to do that. [CONFIRMATION]

SENATOR CARLSON: I'll ask you another question. In the idea of water sustainability across the state, what's your concept of what it means if we're sustainable? [CONFIRMATION]

MARK CZAPLEWSKI: Not overusing, making the most out of what we've got. Nebraska is very blessed with surface water and groundwater and we've got to wisely use it, not overuse it for all purposes, municipal, industrial, certainly agriculture, and take care of a very precious and limited resource. [CONFIRMATION]

SENATOR CARLSON: Good. Good. Okay. Any other questions? Well, we appreciate the work you've done and your testimony this morning. [CONFIRMATION]

MARK CZAPLEWSKI: Thanks. [CONFIRMATION]

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SENATOR CARLSON: Thank you. And I'll even pronounce Mark's name. So with that, we close the confirmation hearing on Mark Czaplewski for the Environmental Quality Council. All right, Rod. Welcome. [CONFIRMATION]

ROD GANGWISH: (Exhibit 6) Good morning, Senator Carlson and members of the committee. My name is Rod Gangwish, R-o-d G-a-n-g-w-i-s-h. And thank you for the opportunity to appear before you this morning. I represent crop production on the Environmental Quality Council and I'm a farmer. Of the comments that I would make, I'm most proud of being a farmer. I grew up on the farm and we operate a family farm. Our oldest son farms with us. I'm from Shelton, Nebraska, and we raise corn, soybeans, and seed corn. Most of the corn that we raise is seed corn. And it turned out today that it rained and so I don't have to plant seed corn today because it's too wet. We have one field left and we're hoping to get that in yet. I guess it will be another day. I've been on the council for...this is my...another term that I'm applying for and have enjoyed being on the council. I tried to stay abreast of issues and things that affect farming and our farming operation and that's led to my involvement in trying to stay involved in farm organizations. And I've been involved in a number of farm organizations in a number of capacities and involved with the university. I have a bachelor of science degree in agronomy. We...I've been involved in an ethanol plant. I'm a member of KAAPA Co-op which is a group of farmers who are involved in bringing investments to its members in the Kearney area, and actually in central Nebraska area. And I'm involved in several capacities there and just try and stay abreast of things that are going on. So, with that, I would answer any questions. [CONFIRMATION]

SENATOR CARLSON: All right. Thank you for your testimony. Questions of the committee? You got to be a relative of Duane. [CONFIRMATION]

ROD GANGWISH: Duane and I are first cousins. His dad and my dad were brothers, yes. He's... [CONFIRMATION]

SENATOR CARLSON: Okay. Well, you look like you could be a brother, so I thought that. (Laughter) What's been your connection with Marge Lauer? She's on your list of references. [CONFIRMATION]

ROD GANGWISH: Marge is the executive director of KAAPA Co-op which is a group of about nearly 500 farmers, actually farmers and people involved in agribusiness in the central Nebraska area that are in the business of development and bringing investment opportunities to its members. We raised the money to build the KAAPA ethanol plant, which actually I serve as...I'm invested in KAAPA ethanol. I serve on the board of managers of KAAPA ethanol. We raised \$18 million back, eight, nine years ago to build that plant and since then we've raised another, I think, five, almost \$6 million among our members to invest in things such as a shrimp farm in Texas. We're currently working on

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two different projects that produce a plastic from dry distillers grains. We got about 25 different projects across our desk, across Marge's desk, every year that we evaluate and try and determine if it's a worthwhile investment for our members to make. And we bring those to our members and we're looking currently right now at two more projects, one for sure, possibly two, that we might invest in. So that's the connection with Marge Lauer. [CONFIRMATION]

SENATOR CARLSON: Well, she and Jim spent a lot of time in Holdrege so I got to know Marge real well. Now, I know what you spent on the original share. Would you sell me one of your shares for \$12,000? [CONFIRMATION]

ROD GANGWISH: Well, we split them one for ten and I'd sell you one of my ten for \$12,000. (Laughter) [CONFIRMATION]

SENATOR CARLSON: All right. Thank you. Thank you. Any other questions? What's the most satisfying thing that you've experienced as part of the Environmental Quality Council? [CONFIRMATION]

ROD GANGWISH: First of all, I probably shouldn't admit this to you, but I've learned much more about...much more from being a member of the Environmental Quality Council than I think I have ever contributed. But I think the satisfying...one of the satisfying things is that when we have an issue that has come before us--and there have been some interesting issues that have come before the council--that we have been able to talk through and talk around those issues, through those issues, and arrive at a consensus decision to...you know, I guess, we don't always all agree, but we've arrived at a consensus decision and have been able to, I think, be pleased with those results. And I've enjoyed being able to get to know the other 16 folks who represent a wide variety and a wide spectrum of our state, a wide variety of interests, and to be able to work with them and I found that satisfying. [CONFIRMATION]

SENATOR CARLSON: Good. Good. Thank you. Any other questions? Okay, thank you for your testimony. Anyone as a proponent for Rod Gangwish? Anybody as an opponent? Anyone in the neutral position? Then that concludes the confirmation hearing on Rod Gangwish. And I think we'll go to Mr. Zuhlke. Welcome. [CONFIRMATION]

ALDEN ZUHLKE: (Exhibit 7) I'm Alden Zuhlke. It's A-l-d-e-n, Zuhlke is Z-u-h-l-k-e. I've been on the council, I believe, this is my fourth term. I think I was appointed for a half term to start with. I've got a wife and five kids, four boys and a daughter. Three of the boys are active in our farming operation. I represent the livestock sector, I believe is what the sector is called. Been active in pork producers and other organizations. Serve on the local school board. Been there for quite a few years, too, already, so. Could go on, but I'd just as soon if you've got questions, I'd like to address them, I guess, so.

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[CONFIRMATION]

SENATOR CARLSON: All right. Thank you for your testimony. Questions of the committee? We can't let you off without any questions here. (Laughter) You were in the LEAD program, '93 to '95. I assume that was a good experience and you're supportive of that venture. [CONFIRMATION]

ALDEN ZUHLKE: Yes, that was an...yes, yep. You learn a lot about world environmental problems through that program and across the United States, so. No, it's a very good program. [CONFIRMATION]

SENATOR CARLSON: And I see you were president of the Pork Producers in 2001, was that? [CONFIRMATION]

ALDEN ZUHLKE: That's right. [CONFIRMATION]

SENATOR CARLSON: Okay. Well, what's been your most satisfying experience on the council? [CONFIRMATION]

ALDEN ZUHLKE: Working with the council members that are up for reappointment, and just the learning process of whether it's going to Omaha and seeing lead removed from, I believe it was the ground from a plant that existed 50 years ago. Just a lot of the environmental things that we've worked to improve on and, you know, it has changed dramatically over the years. Just in the manure applications from the livestock sector, you know, it was always considered waste. Now, really it's a by-product of the livestock industry and it has got value to it, so it has changed environmentally on how we handle those things. On the water side, you know, we still have to...no matter what happens, we have to keep that water under our forethought whether it's the country home that the cesspool needs replacing. And you hate to see somebody spend \$10,000 on a new cesspool because the house might only be worth \$5,000, but you still have to keep the interest of that resource of the water. So those are the rewarding things and they can be the challenging things as I just stated there basically with the house. [CONFIRMATION]

SENATOR CARLSON: Yes, Senator Brasch. [CONFIRMATION]

SENATOR BRASCH: Thank you, and I apologize. You did bring up some questions that I do have. I represent Cuming County and Burt County and Washington County and we have quite a few feedlots in Cuming County and Nebraska is the beef state. I've worked with some constituents regarding issues with the DEQ, policies, EPA, and then...and it's regarding lagoons, or...yeah, the lagoons. And have...does that cross on your radar, on your council at all? Are you aware of some of the...and their concerns were more on the state level than the national level, but I've...that's been brought to my attention as their representative. [CONFIRMATION]

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ALDEN ZUHLKE: Yes, I actually watched when it was debated in the Legislature, so.
[CONFIRMATION]

SENATOR BRASCH: You're familiar with it then? [CONFIRMATION]

ALDEN ZUHLKE: I'm familiar with you more than you with me probably. (Laughter)
[CONFIRMATION]

SENATOR BRASCH: Okay. [CONFIRMATION]

ALDEN ZUHLKE: Because there was...and I'm aware...I watched Senator Chambers and the other, the debate that went on in that. And, you know, it's hard to draw those lines. If you go back in...and I'll go back specifically to the hog industry. A lot of rules are set up to stop certain things, especially when it comes back to the local level. You know, if I could just keep this out of here, if I've got a rule, they can't do this here. So now, you've got to draw that line. As it's developed, EPA got more involved and if you're familiar on the national level, what we're concerned about is the fly-overs when EPA can just fly over. Because it could affect...you know, they're targeting certain people possibly, but I mean, it could affect somebody just doing something innocent at the time. The lagoon issue...actually your bill, if I remember, was a cost analysis you wanted...
[CONFIRMATION]

SENATOR BRASCH: It was a hearing...the cost, just a hearing with the cost and when they're making some policies for DEQ are independent of the EPA that we are making Nebraska law. And this particular constituent actually did come to visit with Chambers since...following that particular one. But there are certain things that this constituent had the EPA come and film their place and they got a five-star rating, but they could not meet the DEQ benchmark, I believe, so. [CONFIRMATION]

ALDEN ZUHLKE: Quite honestly, historically, Nebraska has had more regulations than the federal government. [CONFIRMATION]

SENATOR BRASCH: Okay. All right. [CONFIRMATION]

ALDEN ZUHLKE: Now, I'm not going to...you know, as a council member I'm not going to debate that, but... [CONFIRMATION]

SENATOR BRASCH: No, and that's fine. And that's your...I'm not going to debate it either... [CONFIRMATION]

ALDEN ZUHLKE: Yeah. [CONFIRMATION]

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SENATOR BRASCH: ...at this point, but I'm just curious if that comes to your council, matters like that, or your commission? [CONFIRMATION]

ALDEN ZUHLKE: Yeah, you know the council is in such a wide range of things, you know, so we haven't...you know, the council just takes the rules that virtually the Legislature gives us and we try to make sure everybody follows those rules. [CONFIRMATION]

SENATOR BRASCH: No, I commend you for serving and I know that everyone is doing an excellent job in serving again. But you, you... [CONFIRMATION]

ALDEN ZUHLKE: Give you an example on the cost analysis. I have a son that's applying to build a hog building right now, and I can tell him up-front that it's going to take two to three years for you to get that building built. So, if you want to do a cost analysis, you know, it's tough for us to...you can't even go apply for the loan for the building unless you know, if you're first off, you're going to get county approval for it to be built. And that's before we do the DEQ study, and then...nah, what's the third entity. Anyway there's three entities, but you have to pass all of that and then somebody brought up hearings. You have to go, if it's at a certain level it has to be this hearing, if it's another level, it's got to be, you know, different times. And so you could have your county hearings, you can have your DEQ hearings, and the big picture when it's all said and done, it should protect you. It should go both ways, you know. If you have the hearings and you go through the process, then somebody shouldn't be able to come back to you and say, well, I don't like this anymore. Well, you had your chance, you know. [CONFIRMATION]

SENATOR BRASCH: And I do want to give the DEQ a shout out because following that what you watched, we had an appointment and a follow-up and it's a work in progress, so they have been attentive. And I was curious about your crossover in that area and you were very thorough, so thank you so much. [CONFIRMATION]

SENATOR CARLSON: Senator Johnson. [CONFIRMATION]

SENATOR JOHNSON: Thank you, Senator Carlson. Thank you, Alden. I was involved...still involved with the bill that you were referring to, I think. My question leads more to, you know, there are at least 17 representatives on the council and there's more than 17 different environmental buckets, slots, whatever. How often does the federal...and it's probably hard for you to say, how often do we...do you act on federal regulations and come up with the ruling? Does it happen multiple times at each meeting, or, I mean, is it federal government constantly coming up with more regulation? [CONFIRMATION]

ALDEN ZUHLKE: I probably should bring Joe back up here with the coal plants and the

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nuclear plants because, you know...or even Michelle back up here was from Cargill, I mean, because those companies are really hit hard with the air deal, you know. And we've been fortunate in the livestock sector, they did try to bring that forward here the last couple years and, you know, it would really be tough to control the dust off of a feedlot or comes out of the back of a combine or...but those two areas, you know, Joe could go on and on about the mercury emissions and so it's brought...that comes to us on a regular basis because as their ability to monitor those things gets better, then, you know, the numbers for us, I mean we really have to study it pretty hard because what's one, one, one-thousandth? You know, is that too much or not? I know it's been frustrating for us to see similar to what the United States has to do, but you all see the stuff on China. You know, because you can go to another country and there's no regulation, you know, it...so that's the frustrating part. But they would, you know, like I said, those industries would have a better handle on how much...it's costing a lot. But, you know, hopefully, it's proactive, you know, so. [CONFIRMATION]

SENATOR JOHNSON: Yeah. Well, that's what I heard last year out in the campaigning was, you know, more controls all along and regulation and I know we can't stop it if it comes from the federal because we have to comply with that, but thank you. [CONFIRMATION]

SENATOR CARLSON: Okay. Thank you. Any other questions? Okay. Alden, thank you for your testimony. And that...any other proponents? Or any opponents or anyone in the neutral position? And that closes the confirmation hearing on Alden Zuhlke. All right, we have Lance Hedquist. You made it. Thank you. Welcome and you can go ahead and testify and then you can fill that out afterwards. Give us your name and spell it and then tell us a little bit about yourself and anything you want to tell us about the Environmental Quality Council. [CONFIRMATION]

LANCE HEDQUIST: (Exhibit 8) Be happy to. My name is Lance, L-a-n-c-e, Hedquist, H-e-d-q-u-i-s-t. I'm the city administrator of the city of South Sioux City, a position I've held for the last 33 years. I sit on the Environmental Council as a representative for the municipalities. I believe I have a good history in terms of great environmental projects within our community. We're the first paperless city council in the state of Nebraska. We do an arboretum, state of Nebraska. We've built straw-baled houses. We have a crumb rubber road. We've done arboretums. We've done a lot of very favorable environmental issues as a city in the state of Nebraska. We also work a lot with the industrial sector to help work to see business expand, but also expand in a positive manner for the environment and for our community. And we also work a lot with agricultural interests, as all parts of the state really rely on agriculture to be a mainstay for the economic growth and vitality of the state of Nebraska. So, I think I have a pretty good broad background to help sit on the board and help guide the state to do the proper environmental decisions. [CONFIRMATION]

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SENATOR CARLSON: All right. Thank you. Questions of the committee of Mr. Hedquist? How long did it take you to drive down here today? [CONFIRMATION]

LANCE HEDQUIST: Well, evidently, too long. (Laughter) [CONFIRMATION]

SENATOR CARLSON: You come a pretty good distance, so. [CONFIRMATION]

LANCE HEDQUIST: Yes. It takes just a little over two hours to get down here and I had the wrong time for the meeting today, so I'm glad I made it. (Laughter)
[CONFIRMATION]

SENATOR CARLSON: Well, you're fine. Senator Kolowski. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you, Mr. Chairman. Lance, it's good to see you again and congratulations and thank you for your work over all these years. The advantage...what would be the greatest advantage of being on this board of the council for you, as well as being a city administrator, as far as coordination of efforts and all the rest? What would stand out to you? [CONFIRMATION]

LANCE HEDQUIST: Well, one thing as being involved in government for the last 43 years, I think I have a really good background. And so I think this is a way for me to give back to the community and back to the state in terms of looking at ways to keep the environmental issues going and to help industrial development in the state and do that in a balanced fashion. And I think that's really what I like about the board and the activities. And the other thing I like is that it really is a way to learn a lot about what's going on in the state because we do have meetings throughout the state and we can hear environmental concerns and issues from all sectors. And so, I think that broad background, I think has been very beneficial for me. [CONFIRMATION]

SENATOR KOLOWSKI: Thank you. [CONFIRMATION]

LANCE HEDQUIST: Thank you. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other questions? Senator Johnson.
[CONFIRMATION]

SENATOR JOHNSON: Thank you. Thank you Mr. Carlson and Lance. Worked with you off and on on projects and through economic development, community improvement and whatnot. I'll just make a comment. Some of the things that you've been able to do in your community, if half of that can rub off on the (laugh) DEQ, it would be appreciated. I'm sure you're there to fight for the municipalities, but also the environment. So, just appreciate your service on both the municipal side and the council side.
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LANCE HEDQUIST: Very kind of you. Thank you. [CONFIRMATION]

SENATOR CARLSON: Okay. Any other questions? Well, you've said this a little bit, but what's the most satisfying part of being on the Environmental Quality Council?
[CONFIRMATION]

LANCE HEDQUIST: I think we're moving the state forward. I do think we're doing it in a positive fashion. I think we're listening to all those people who are concerned. I think there's lots of efforts to get the ideas from the different groups that are involved. And I think there's a good sense of everybody working together to make the right decisions. So, I feel it's good collaborative effort, even though I'm buzzing here. (Laughter)
[CONFIRMATION]

SENATOR CARLSON: Oh, that's you. Okay. [CONFIRMATION]

LANCE HEDQUIST: I don't know how to stop that, you know, in a polite manner here.
[CONFIRMATION]

SENATOR CARLSON: All right. Thank you. Any other questions? Well, we appreciate your drive down this morning and your service on the Environmental Council, and so, thank you for coming. [CONFIRMATION]

LANCE HEDQUIST: Thank you, Senator. [CONFIRMATION]

SENATOR CARLSON: That will conclude your testimony. Anyone testifying as a proponent? Anyone as an opponent? Anyone in the neutral position? All right, that concludes the confirmation hearing for Lance Hedquist. Now, I would ask you, folks, don't be in a big hurry to stand up and get away. We've got to start in the Chamber up there at 10 o'clock, but it could be that some of the members might want to talk to some of you individually, so we're not going to go into Executive Session right now. I want us to have an opportunity to talk with these candidates if you've got some individual questions, you might want to ask. And with that, we'll conclude our hearing and thank you for your part. [CONFIRMATION]