

Memorandum

To: Programs, Projects and Operations Subcommittee

Subject: Elkhorn River IPA – Operation and Maintenance Assessment

Date: February 1, 2011

From: Gerry Bowen

When the Elkhorn River IPA was constructed in 1990, the District's engineering consultants estimated that future operation and maintenance costs over the projected 50-year life of the project would be approximately \$500,000. Based on that, \$10,000 was collected annually from the benefitted landowners through a special assessment from 1989-1999. The funds collected were placed in an interest-bearing account to be used for O&M on the project. The current balance in the Elkhorn River IPA Operation and Maintenance Fund is approximately \$80,000.

The Tetra Tech, Inc. damage estimates from their investigation following the high water event this past June are approximately \$2 million. As a result, the staff believes, the Elkhorn River IPA O&M Fund needs to be maintained at a minimum level of \$250,000. Therefore, it is proposed that the Board levy a special assessment against properties in the IPA in the amount of \$15,000 per year to achieve and retain that amount. The attached assessment schedule shows the apportionment of this amount between and among the various properties. Landowners were notified of this possible reestablishment of the O&M assessment in an October 1, 2010 letter (attached).

Over the following months, staff will evaluate, and possibly recommend an adjustment to the amount to be assessed in 2012 and following years.

- **It is recommended that the Subcommittee recommend to the Board that a special assessment for operation and maintenance of the Elkhorn River Bank Stabilization Project be levied in the amount of \$15,000 per year to achieve and maintain a minimum balance of \$250,000 in the Elkhorn River IPA Operation and Maintenance Fund.**

2/1/2011

Papio-Missouri River Natural Resources District
Elkhorn River Improvement Project Area
PROPOSED
2011 Assessment Schedule

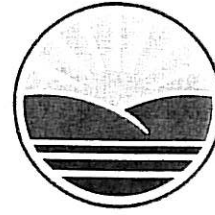
Section/Twp/Range	Parcel Key Number	Units	Assessment
9-16-10	1219-0000-01	206.2	\$ 258.31
9-16-10	1221-0002-01	332.3	\$ 416.27
9-16-10	1223-0000-01	317.0	\$ 397.11
9-16-10	1224-0004-01	269.9	\$ 338.10
9-16-10	1229-0004-01	92.6	\$ 116.00
9-16-10	1232-0002-01	105.4	\$ 132.03
10-16-10	1313-0000-01	519.3	\$ 650.53
15-16-10	1314-0000-01	208.6	\$ 261.31
15-16-10	1315-0000-01	329.5	\$ 412.76
15-16-10	1317-0000-01	127.5	\$ 159.72
15-16-10	1320-0002-01	435.2	\$ 545.18
15-16-10	1320-0001-01	5.2	\$ 6.51
16-16-10	1322-0001-01	1.0	\$ 1.25
16-16-10	1330-0005-01	60.0	\$ 75.16
16-16-10	1324-0000-01	48.0	\$ 60.13
16-16-10	1326-0000-01	148.1	\$ 185.52
16-16-10	1328-0006-01	567.3	\$ 710.66
16-16-10	1328-0008-01	116.0	\$ 145.31
16-16-10	1329-0000-01	107.8	\$ 135.21
16-16-10	1330-0006-01	322.2	\$ 403.62
16-16-10	1330-0008-01	86.0	\$ 107.73
16-16-10	1330-0004-01	97.7	\$ 122.39
16-16-10	1336-0001-01	108.9	\$ 136.42
16-16-10	1332-0000-01	52.1	\$ 65.27
16-16-10	1334-0002-01	90.8	\$ 113.75
16-16-10	1334-0008-01	104.3	\$ 130.66
16-16-10	1336-0002-01	287.9	\$ 360.65
21-16-10	1378-0030-01	579.5	\$ 725.94
21-16-10	1378-0023-01	20.9	\$ 26.18
21-16-10	1378-0004-01	817.1	\$ 1,023.58
21-16-10	1378-0008-01	287.7	\$ 360.40
21-16-10	1378-0009-01	73.6	\$ 92.20
21-16-10	1378-0010-01	216.8	\$ 271.59
21-16-10	1378-0031-01	134.5	\$ 168.49
21-16-10	3066-0106-05	26.1	\$ 32.70
21-16-10	1378-0021-01	4.0	\$ 5.01
21-16-10	1378-0022-01	225.2	\$ 282.11

Papio-Missouri River Natural Resources District
Elkhorn River Improvement Project Area
PROPOSED
2011 Assessment Schedule

Section/Twp/Range	Parcel Key Number	Units	Assessment
21-16-10	1378-0024-01	104.3	\$ 130.66
21-16-10	1415-6066-22	5.3	\$ 6.64
21-16-10	1415-6002-22	1.0	\$ 1.25
21-16-10	1415-6013-22	8.7	\$ 10.90
21-16-10	1415-6012-22	1.6	\$ 2.00
21-16-10	1415-6014-22	1.6	\$ 2.00
21-16-10	1415-6016-22	2.1	\$ 2.63
21-16-10	1415-6018-22	1.6	\$ 2.00
21-16-10	1415-6020-22	2.2	\$ 2.76
21-16-10	1415-6030-22	4.3	\$ 5.39
21-16-10	1415-6032-22	4.1	\$ 5.14
22-16-10	1382-0002-01	265.8	\$ 332.97
22-16-10	1383-0002-01	227.8	\$ 285.37
22-16-10	1383-0004-01	74.3	\$ 93.08
22-16-10	1388-0000-01	520.5	\$ 652.03
27-16-10	1432-0002-01	345.3	\$ 432.56
27-16-10	1432-0008-01	505.7	\$ 633.49
27-16-10	1433-0000-01	306.1	\$ 383.45
28-16-10	1415-6022-22	2.0	\$ 2.51
28-16-10	1415-6024-22	2.0	\$ 2.51
28-16-10	1415-6026-22	2.0	\$ 2.51
28-16-10	1415-6028-22	1.0	\$ 1.25
28-16-10	1435-0002-01	142.3	\$ 178.26
28-16-10	1437-0000-01	37.2	\$ 46.60
28-16-10	1439-0000-01	26.1	\$ 32.70
28-16-10	3066-0104-05	11.8	\$ 14.78
28-16-10	1440-0002-01	557.0	\$ 697.75
28-16-10	1441-0002-01	409.8	\$ 513.36
28-16-10	1443-0004-01	60.9	\$ 76.29
28-16-10	1443-0008-01	25.5	\$ 31.94
28-16-10	1445-0000-01	56.3	\$ 70.53
28-16-10	1447-0000-01	24.7	\$ 30.94
28-16-10	1449-0000-01	154.2	\$ 193.17
28-16-10	1450-0000-01	173.8	\$ 217.72
28-16-10	1451-0000-01	372.9	\$ 467.13

Totals	11,974.0	\$ 15,000.00
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PAPIO-MISSOURI RIVER
NATURAL
RESOURCES
DISTRICT



October 1, 2010

Re: Elkhorn River Bank Stabilization Project

8901 S. 154TH ST.
OMAHA, NE 68138-3621
(402) 444-6222
FAX (402) 895-6543
www.papionrd.org

Dear Landowner:

As you may recall, the Papio-Missouri River Natural Resources District installed limestone rip rap protection on the banks of the Elkhorn River in Northwest Douglas County to address a severe streambank erosion problem. The project was undertaken through the NRD's Improvement Project Area (IPA) authority. The landowners petitioned the NRD to solve the streambank erosion problem on the river.

Prior to approval and construction, a consulting engineering firm completed a feasibility study that determined the project to be financially, environmentally, and economically feasible. The approximate project boundaries are shown on the attached Fact Sheet and are approximately two miles wide between Nebraska Highway 36 on the north and just upstream of King Lake on the south. The project was completed in 1988 at a total cost of \$1.4 million dollars. Approximately 75% of this amount was supplied by the Nebraska Resources Development Fund (state funds), 15% by the NRD, with the landowners providing the remaining 10%. Future operation and maintenance (O&M) expenses of the project are to be paid by the landowners through a special assessment. The O&M costs were estimated to be \$500,000 over the 50 year life of the project.

The feasibility study also predicted the boundaries of potential river migration if the project were not constructed. This provided the basis for determining the land benefitted by the project, and thus establishing an assessment schedule. Zone 1 were parcels in the 50 year migration area receiving rip rap protection; Zone 2 were areas in the 50 year migration area not receiving riprap protection; and, Zone 3 were areas in the maximum migration area for the river. Benefit units were assigned to each parcel of land in the improvement project area based on the following formula: 60% of the assessment applied to Zone 1 parcels, with the remaining 40% assigned to Zone 2 and 3, such that Zone 2 assessments would be twice Zone 3 assessments. The attached assessment schedule shows the benefit units for each parcel.

Based on this, the NRD started collecting a special operation and maintenance assessment from landowners based upon the benefits received for each protected parcel. The NRD Board of Directors voted to maintain at least \$75,000 in a separate, interest-bearing account to be used for that O&M purposes only. The NRD Board levied an annual assessment of \$10,000 from 1989 through 1999. The Douglas County Treasurer collected the annual assessment for the NRD. As of August 31, 2010, the account has a balance of \$99,417.45.

This past June, we were witness to a large volume of water in the Elkhorn River that caused significant flooding in the area peaking at one time just below the 50 year flood level at

Waterloo. Remarkably, the streambank protection installed in 1988 held up well. There are only a few minor areas where NRD crews will be making repairs in the coming months. This is a testament to the design and construction methodology used and the level of past maintenance.

The June rainfall and aftermath, however, also pointed out the project's O&M fund would not last long in the event of a catastrophe. Therefore, the Board of Directors is contemplating raising the minimum level in the project O&M fund to \$250,000 by collecting \$15,000 per year until that goal is accomplished. The attached assessment schedule, which reflects the original schedule developed for the project, shows how this amount would be apportioned among the various parcels of land.

The NRD has hired a consulting engineering firm to make an evaluation of the project following this year's flooding event. One of the items to be studied is whether additional treatment sites need to be added to the project, or expansion of the original seven treatment sites is warranted. The project O&M Fund will be used to finance these engineering costs estimated to be approximately \$20,000.

Your views on this proposal are requested either by telephone, written comments, or e-mail submitted to our office. The NRD Board of Directors, which meets monthly, will ultimately need to take formal action before any additional assessment can be levied. We will plan to keep you informed if when this item comes up on the agenda.

If you have questions, please contact Gerry Bowen of our staff at 402-444-6222, or e-mail at gbowen@papionrd.org.

Sincerely,



John Winkler
General Manager

cc: Rich Tesar, NRD Director – Sub-District 5
NRD Directors
Marlin Petermann, Gerry Bowen, NRD Staff

Enclosures

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