

# MEMORANDUM

TO THE BOARD:

SUBJECT: General Manager Report

DATE: February 2, 2007

FROM: John Winkler, General Manager

A. **INFORMATION/EDUCATION REPORT**: A copy of the I&E Report detailing Information and Education activities for the month of January, 2007, is attached for your review.

B. **MISCELLANEOUS/PERSONNEL ITEMS**:

1. **Paul Woodward**, Water Resources Engineer, has been notified that he passed his Professional Engineer examination. Congratulations on this outstanding achievement!

C. **REPORT ON PURCHASES – CONSTRUCTION SERVICES, PROFESSIONAL SERVICES, PERSONAL PROPERTY**: Pursuant to Board direction, attached is a report indicating construction services, professional services and personal property purchases for the month of January, 2007. Please review this report and contact me if you have any questions.

D. **CURRENT AND ON-GOING PROJECTS – P-MRNRD LEGAL COUNSEL**: Attached is a copy of the current and on-going projects for District Legal Counsel, Paul Peters, as of January 17, 2007. I would ask each Director to review this listing. If you have any questions, please feel free to contact me.

E. **LEGISLATIVE UPDATE**: The following information is attached for your information:

1. NARD Legislative Update
  - a. January 12, 2007
  - b. February 2, 2007
2. ACG Legislative Update – January 29, 2007
3. Report from Bob Weaver regarding January, 2007 Accomplishments and February, 2007 Anticipated Actions – Dated January 30, 2007

F. **NEWS CLIPS**:

- ✓ January 10, 2007, Wall Street Journal article – Blueprint/Omaha, NE – Condos, Office Buildings Increase Curb Appeal
- ✓ January 30, 2007, Omaha World Herald article – Kansas official criticizes Nebraska water use.

## **January 2007**

### **Information & Education Report**

#### **Information**

- ◇ Distributed a Request for Proposals related to Public Information assistance for the PCWP
- ◇ Continued work on the Chalco Hills Exhibit for the Visitors Center
- ◇ Began work on the First Quarter issue of SPECTRUM
- ◇ Developed ad for the Enterprise "Progress" supplement
- ◇ Coordinated media relations concerning potential King Lake buyout
- ◇ Began work on an update for the Metro Trails Brochure
- ◇ Provided information to the NE Dept. of Tourism
- ◇ Attended a meeting of the NARD I&E Staff Group ( Legislative Conference)
- ◇ Began planning for the Omaha Boat Sports and Travel Show.

#### **Education**

- ☐ Water Works Application Printed and Mailed to Do/Sarpy County 5<sup>th</sup> Grade Teachers
- ☐ Worked with Trent to get Water Works Web Registration up and running
- ☐ Up-dated Water Works Documents for 2007
- ☐ Attended Water Works 2007 Committee Meeting
- ☐ Attended Statewide I&E meeting—Elected President of the Group
- ☐ Trained 2007 Education Intern
- ☐ Sent out Metro Regional Envirothon Applications
- ☐ Started planning for Metro Regional Envirothon
- ☐ Sent out Tree/Seed Postcards
- ☐ Approved Outdoor Classroom Grants for St. Gerald's and Oak Valley Elementary
- ☐ Wrote year end report for Nebraska LEP
- ☐ Sent out registration flyers for the March 24 LEP workshop at Papio-Missouri River NRD
- ☐ Wrote Outdoor Classroom article for PF publication "Strides"
- ☐ Donated Education Materials to Gifford Farm
- ☐ Researched and approved 3 Geocache applications
- ☐ Started planning for LEP presentations at PF State Habitat Meeting
- ☐ Set up owl pellet presentation for all 4 graders at Benson West Elementary
- ☐ Set up Enviroscope presentations for all 3<sup>rd</sup> graders at LaVista West Elementary
- ☐ Presented NRD and Bird Information to Boy Scout Troup
- ☐ Continued planning for 2007 LEP workshops
- ☐ Attended World O! Water Planning meeting
- ☐ Continued planning/research for Rumsey Station Project

## January, 2007

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Updated: January 17, 2007

## **Current and On-Going Projects P-MRNRD Legal Counsel**

☼ = Top Priority

F = Future Work – No Assignment

N = New Assignment

O = Others Handling

W = Work in Progress

P = PFP's Portion Completed

- **Little Papio:** (Cleveland)
- **Big Papio :** (Cleveland)
- **West Branch** (Cleveland):
  - Land Exchange with Sarpy Co. (96<sup>th</sup> St.) (P)
  - UPRR Bridge (Boyer/Young ROW) Bill of Sale and Temporary Easement (W)
  - City of Papillion ROW (P)
- **Western Sarpy Dike** (Cleveland):
  - Bundy ROW preparation (potentially modify ROW/offer) (N)
  - Amended drainage ditch easements on Hickey (First National Property) (P)
  - Hansen ROW Condemnation (W)
  - Glasshoff levee easement (W)
- **Floodway Purchase Program** (Woodward):
  - Floodway Property Purchase Agreements as needed (F)
- **Trail Projects** (Bowen):
  - ☼ Mopac Trail (Hwy 50 to Lied Bridge – Purchase Agreements and easements (W)
  - ☼ Contract with Lamp Rynearson on Mopac Trail (Hwy 50 to Chalco) (N)
- **Missouri River Corridor Project** (Becic):
  - California Bend – Appeal District Court ruling on Wright's tenant (Arp) (W)
  - ☼ Mo. River Trail – Purchase Agreements and easements and Douglas County/NRD Interlocal Agreement for trail (W)
  - Response to COE (Chuck Troia) re L.D.B. right of way (N)

- **USDA P.L. 566 Projects, Silver Creek and Pigeon/Jones Watershed** (Puls/Cleveland):
  - Pigeon/Jones Creek Site Easements – as needed (F)
  - Silver Creek Site Easements– as needed (11 and 35 wetland bank ROW) (W)
  - Release of Site S-7 Easement (W)
  - ✳ S-27 Interlocal Agreement with SIDs on Dam Rehab/Trail Replacement (W)
  - ✳ Amendment of Silver Creek W/S design and professional services contract (N)
  - ✳ S-32 release of ROW agreement (N)
  - ✳ S-27, S31 and S-32 – Approval of appraisals and preparation of easement forms (N)
- **Papio Watershed Dam Sites** (Woodward/Petermann):
  - ✳ Shadow Lake ROW Closing (W)
  - ✳ DS-13 NDOR easement agreement (W)
  - ✳ Amend Omaha/Elkhorn Agreement for DS-13 (W)
  - ✳ WP-RB5 Pink Industrial Park Purchase Agreement (N)
- **Papio Creek Watershed Partnership (Stormwater)** (Woodward):
  - Review HDR Stage IV Contract (N)
- **Rural Water Projects:** (Sklenar)
- **Elkhorn River Public Access Sites** (Sklenar):
- **Other:**
  - Arlington Wastewater Interlocal Agreement (Bowen) (P)
  - Kennard Wastewater Interlocal Agreement (Woodward) (P)



# NEBRASKA ASSOCIATION OF RESOURCES DISTRICTS

601 S. 12<sup>th</sup> St. Suite 201  
Lincoln, NE 68508  
Web: [www.nrdnet.org](http://www.nrdnet.org)  
Email: [nard@nrdnet.org](mailto:nard@nrdnet.org)

January 12, 2007

**TO: NARD Board, NRD Managers and Conservation Partners**  
**FROM: Dean E. Edson, NARD Executive Director**  
**RE: January 12 NARD UPDATE**

**Middle Republican NRD Open Letter to the Public** – Attached in this update is an open letter to the public from Dan Smith, Middle Republican NRD Manager, which provides a summary of activities and facts about water management in the Republican River Basin. Please take the time to read the letter.

**Governor Gives State of the State Address:** Gov. Dave Heineman delivered his State of the State Address to the Legislature on Thursday, Jan. 11, focusing his efforts on income tax reform, property tax relief, and spending restraint. The Governor also emphasized water concerns and proposed the establishment of a new Water Resources Cash Fund. Beginning in FY 2009-10, the new fund would include \$2.7 million in general funds each year over the next 12 years, in addition to seeking \$300,000 each year from the Nebraska Environmental Trust. Beginning in October 2013, the corn check-off that currently goes to ethanol promotion would go to the new fund. The proposal also seeks \$1 million a year in federal funds for conservation programs.

Legislative Bill 321 outlines several of Governor Heineman's budget recommendations. Since the new water fund is not created until FY 2009-10, it is not included in the mainline appropriations bill. Below are funding of interest to the Natural Resources Districts.

## Funding for Natural Resources Programs

Program	FY 07-08	FY 08-09
State Aid to NRDs	1,545,502	1,545,502
Small Watersheds	500,000	500,000
Soil and Water Conservation Fund	3,193,454	3,193,454
Water Well Decommissioning	240,840	240,840
Resources Development Fund	3,638,368	3,638,368
Soil Survey Fund	143,051	143,051
Natural Resources Water Quality Fund	1,250,000	1,250,000
Water Resource Development	1,257,299	1,264,348
Interrelated Water Mgt Plan Program	2,500,877	2,501,773
Nebraska Water Rights	1,067,873	1,084,140

### Hearings this week:

**LB 7 – Open Meetings Act, Priestler.** Adds to the definition of new business to include any item not on the agenda of a meeting which is not of an emergency nature. The bill also outlines that if a citizen speaks on an item of new business, members of such body may engage in discussion with the citizen but shall not take any action on such business that requires a vote of the body at that meeting. Finally, the bill prohibits a public body from requiring members of the public to identify themselves as a condition for admission to the meeting or require that members of the public be placed on the agenda prior to such meeting in order to speak to the body regarding items on the agenda or any new business. **Hearing 1/18 Government Committee 1:30 Room 1507**

**LB 17, Prohibit NRD Dual Office Holding, Mines.** Adds NRD office holders to the list of high elective offices that would be prohibited from filing as a candidate for another high elective office. Current law defines higher elective office as a member of the Legislature, county, city, or school district. **Hearing 1/17 Government Committee 1:30 Room 1507**

**LB79 – Nebraska Litter Reduction and Recycling Act, Natural Resources Committee.** This bill eliminates some duplication by providing that NDEQ will report on activities under the act for the previous state fiscal year, and that this report shall be presented to the Governor as well as the Clerk of the Legislature. **Hearing 1/17 Natural Resources Committee 1:30 Room 1525**

**LB 80 – Safe Drinking Water Act Projects, Natural Resources Committee.** Extends and defines the ability of NDEQ to use the Administrative Cash Fund of the Safe Drinking Water Revolving Fund for drinking water projects involving public water systems operated by political subdivisions up to and including 10,000 residents. **Hearing 1/17 Natural Resources Committee 1:30 Room 1525**

**LB202 – Integrated Solid Waste Management Act, Louden.** Provides that, beginning January 1, 2008, a joint entity or joint public agency created pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act that provides services under the Integrated Solid Waste Management Act shall not place a lien on property for nonpayment of debt unless the agreement creating the joint entity or joint public agency provides or is modified to provide for a governing board that consists of elected officials. **Hearing 1/19 Natural Resources Committee 1:30 Room 1525**

**Confirmation Hearing – John Turnbull, Environmental Quality Council. Hearing 1/17 Natural Resources Committee 1:30 Room 1525**

### **Other New Bills of Interest**

**LB 105, Nebraska Forest Service, Louden.** Appropriates \$425,000 from the General Fund for FY2007-08 and \$425,000 from the General Fund for FY2008-09 to the Nebraska Forest Service for forest fuels management. It is intended that funds appropriated be used in conjunction with federal and private resources to reduce forest fuel loads.

**LB 224 – Well Drilling Moratorium, Kopplin (THIS BILL HAS BEEN WITHDRAWN)** Directs the Department of Natural Resources to not accept registrations for irrigation water wells on and after July 1, 2006, through June 30, 2008, unless the water well is a replacement water well.

**LB 272 – NRD Bonding Authority, Kopplin.** Allows the board of directors of a natural resources district encompassing a city of the metropolitan class to issue negotiable bonds and refunding bonds of the district, entitled flood control dam and reservoir bonds, with terms determined appropriate by the board of directors, payable from an annual special flood control dam and reservoir levy upon the taxable value of all taxable property in the district. The additional levy shall not exceed three cents on each one hundred dollars of taxable valuation of the district unless a majority of the registered voters of the district, at an election called by the board for such purpose, vote in favor of exceeding such limitation. Such levy is not includable in the computation of other limitations

**LB 197 – Political Subdivisions Tort Claims Act, Schimek.** Provides that, if a political subdivision is transacting business under a name other than the true name of the political subdivision and has not registered a trade name as required, the time period for beginning suit under the Act shall commence upon the registration of the trade name.

**LB 289 – Elections to Exceed Tax Levy Limit, Louden.** Provides that, at a meeting of a political subdivision for the purpose of exceeding established tax levy limits, a record shall be made of the registered voters residing in the political subdivision or village who are present at the meeting, and that the method of voting at the meeting shall protect the secrecy of the ballot.

**LB 295 – Irrigation and Water Wells, Natural Resources Committee.** This bill makes a number of changes:

- It includes the U.S. Bureau of Reclamation on the list of entities which may have appropriations terminated for nonuse.
- It provides that NDNR will issue an order of cancellation of a surface water right within sixty days after receipt of a voluntary unconditional relinquishment.
- It adds the following new language regarding wells that are entitled to spacing protection: (i) Registered irrigation wells unless (A) the water well's location is incorrect in the department's water well registration data base and the well's actual location cannot be determined or (B) the irrigation well is used to irrigate two acres or less; and (ii) Unregistered irrigation wells that have been constructed within the last sixty days.
- It prohibits irrigation from a well registered for another purpose until the well registration has been changed to irrigation and then only if the well is not within six hundred feet of an existing registered irrigation well or an irrigation well that has been constructed within the last sixty days.
- It extends the time period for nonuse of a permit under the Municipal and Rural Domestic Ground Water Transfers Permit Act from 3 to 5 years before revocation or modification by the director of NDNR.
- It prohibits increases in irrigated acres watered from an unconstructed water well that has been permitted prior to the stay once NDNR declares the area overappropriated.

**LB 322 – Establishment of Water Resources Cash Fund and Other Funds, Flood (at the request of the Governor).** – Appropriates \$2.7 million per year for FY2009-10 through FY2018-19 to create the Water Resources Cash Fund. The fund is to be expended by the Nebraska Department of Natural Resources to aid compliance efforts and reduction of consumptive uses of water in regards to programs dealing with those natural resources districts which are deemed overappropriated by the department pursuant to section 46-713 or are bound by an interstate compact or decree. The fund shall not be used to pay for administrative expenses or any salaries for the department or any political subdivision.

The bill also extends the sunset date for the 7/8ths of a cent/bushel check-off on corn for Ethanol Promotion from October 1, 2010 to October 1, 2012. After October 1, 2012 and until October 1, 2019, a ½ cent/bushel check-off will be imposed and directed to the Water Resources Cash Fund.

**LB 333 – Private Onsite Wastewater System Contractors Certification and System Registration Act, Johnson.** This bill makes a number of provisions, including clarification of the requirement of employing a certified professional for the abandonment of an onsite system and the issuance of permits and requirements necessary for operation and maintenance. It also authorizes NDEQ to adopt fee schedules for administration, enforcement, late fees, and special project, subdivision, and development area permit reviews. Finally, the bill provides that NDEQ may waive certification and examination fees for agency inspectors if that agency has adopted inspection and compliance programs that are at least as stringent as those in the Act.

**NARD Legislative Conference** – The NARD Legislative Conference will be at the Embassy Suites in Lincoln on January 23 & 24. NRD Delegates will discuss and take positions on the legislative bills pending before the Unicameral. Over 350 individuals involved in protecting the states natural resources are expected. Participants include Natural Resources Districts Board members, managers, and employees. Also involved are various state resources agencies. Conference highlights include a Tuesday night reception for senators to visit with conference attendees, and informational sessions provided by different agencies. Sessions include discussion of pending legislation, updates on both state and federal conservation programs and current projects which NRDs have undertaken. For registration information visit [www.nrdnet.org](http://www.nrdnet.org) or contact the association office.

*The Legislature will not be in session on Monday January 15, 2007 in recognition of Martin Luther King.*





220 Center Ave.  
PO Box 81  
Curtis, NE 69025

Phone: 800 -873-5613  
Fax: 308 -367-4285  
Email: kgall@mnrnd.org

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## **Middle Republican Natural Resources District**

January 4, 2007

### **An Open Letter To All Concerned About Nebraska Water Issues:**

I am Dan Smith, the General Manager of the Middle Republican Natural Resource District. The four Natural Resources Districts (NRDs) that cover the Republican River Basin have been the focus of much of Nebraska's water issues for several years. In fact, these four NRDs have been actively engaged in proactive water management for more than 30 years.

Recently we invited Governor Dave Heineman, Nebraska Department of Natural Resources (DNR) Interim Director Ann Bleed, the board members of the Republican River Basin NRDs, the surface water irrigation district board members and the general public to a meeting in McCook, Nebraska to discuss the dire situation Nebraska must address regarding water issues. This meeting was very informative, instructive and revealing to many individuals present in the following areas: 1) Previous management actions taken by NRDs; 2) Current management activities by NRDs; 3) Examples of what may be required of irrigators in the Republican River Basin in the future and the economic consequences; and, 4) Actions Governor Heineman is willing to take on behalf of the State of Nebraska to meet our State's obligations with Kansas.

I felt it was important – as the Manager of the Middle Republican NRD – to make sure everyone who attended the meeting had the same understanding of Nebraska's predicament, an accurate history of previous actions taken, and an agreement on what was said, what was offered, and what was promised. I am proposing, in this letter, to set down a record of understanding in a letter to all Nebraskans of the above. I welcome input, corrections and comments as we move forward together to address this issue that today may only be critical to a few parts of our state, but in the very near future, will be critical to all Nebraskans, whether they live in Scottsbluff or Omaha, Norfolk or McCook.

#### **Where we are and how we got here.**

It has been said that water is the "issue of the decade" for Nebraska. Water has been the "issue of a lifetime" for the residents of the Republican River Valley. Water is what makes life, farming, livestock, and even our communities possible. Without it, life here doesn't exist. Groundwater management in Nebraska started in the Republican Basin, and NRDs in

the Republican Basin are already in our second and third decades of responsible water management.

The statewide perception that the Republican River basin over-developed in the years since the lawsuit is influencing the debate over who should "pay" to solve the problem. As NRDs, we struggle in trying to help others understand that we have been active in the basin and that given time, our controls will have a positive benefit. We cannot get our story told if we are being misrepresented by those who are supposed to be working with us.

One common misconception is that 800 new wells were drilled in the basin after the summer of 1998. The actual number was much less, since most of these wells were replacement wells or existing unregistered wells. While these unregistered wells were not on the state's database, their uses were available through accounting methods used by the Farm Service Agency (FSA). In other words, the wells weren't known, but the acres were. Simply registering them did not represent any new development.

When given the opportunity and within the authorities provided by the statutes, the Republican River Basin NRDs have always taken the necessary action. Within 30 days after the passage of LB 108 in 1996 all four NRDs in the Republican Basin made requests for a determination from the Department of Water Resources. A preliminary determination was made in September of 1996. In this preliminary determination it was noted that conflicts between the use of ground water and surface water were an issue for the Republican River Compact. The Upper Republican NRD responded with a district wide moratorium on new irrigation wells and irrigated acres, in March of 1997. The LB 108 process was delayed by the fact that funding for studies necessary to make a final determination had not been provided by the legislature. While we waited for funding to be approved, the management districts procured over \$800,000 through a grant from the environmental trust to start our own studies contracting for a model with the USGS. Before the studies or the model could be completed, Kansas sued Nebraska. The only time ground water management has been slowed in the basin was in 1998 when, *at the request of the State of Nebraska*, the 4 NRDs asked DWR to stop the LB108 process while the lawsuit was ongoing. We were not comfortable doing that, but we obliged the State's request to do our part to help out. This process was on hold from May of 1998 till December of 2002. In the summer of 2001 the Middle Republican NRD proposed ground water controls and at a hearing held for consideration of those controls testimony was provided from DNR in opposition to the proposed rules. In 2002, both the Middle and Lower Republican NRDs adopted moratoriums on new development to correspond with the existing moratorium in the Upper Republican NRD.

Irrigation has been blamed entirely for the water shortage to Kansas, yet there are many factors determining how much water Kansas receives each year. Of the estimated 42,000 acre feet overused in 2005, 30,000 acre feet were lost to evaporation from reservoirs, a use that benefited no one, but still shows up in compact accounting. In addition, two-thirds of stream flow in the Republican basin comes from runoff, which has been reduced due to terracing of fields and other necessary conservation measures. According to Ann Bleed, Interim Director for the Nebraska Department of Natural Resources (DNR), some estimates

show that as much as 75 percent of the streamflow depletion results from conservation measures. The ongoing drought compounds the situation and these two conditions alone are significant reasons why Kansas is not getting the water it is obligated.

#### **Where we go from here.**

Ann Bleed presented a plan at the December 15, 2006 meeting that she felt would get the basin back in compliance with the Republican River Compact within five years. She recommended the following, which represents a 15 percent pumping reduction in upland areas and a 50 percent reduction in quick response areas: For upland wells, allocations of: 11.38" in the Upper Republican NRD; 9" in the Middle Republican NRD; and, 9.6" in the Lower Republican NRD. For quick response areas, allocations of: 2.8" – 5.7" in the Upper Republican NRD; 2.7" – 5.3" in the Middle Republican NRD; and, 2.4" – 4.8" in the Lower Republican NRD.

This plan proposed compliance within five years; however, compliance must be achieved by the end of 2007. Governor Heineman said if Nebraska continues to make good faith efforts, he is willing to go to Kansas and ask them to be good neighbors. His words and efforts are appreciated by the Republican River NRDs.

Troubling in all of this, however, is the fact that the allocations agreed to in 2004 by the NRDs and DNR were set at a level that should have maintained compliance with the settlement. The amount of these allocations was established by DNR using the accounting model. Our producers are to be commended for doing their part in conserving water; in some districts, average use was reduced by 30% or more. But now we are being told by DNR that our existing allocations, which DNR both established and agreed upon, need to be drastically reduced in order to achieve compliance.

We are concerned on two points: 1) That the formula being used to measure water allocations for this lawsuit settlement are flawed and are not giving Nebraska irrigators appropriate credit for groundwater savings; or, 2) That the Nebraska DNR does not really know what needs to be done in order to bring Nebraska into compliance. We hesitate to subject the irrigators in the Republican Basin to such drastic reductions – and the entire region to such economic hardship – based on a guess or an assumption that may not be accurate or true. As stated previously, water is the "issue of a lifetime" for the people of the Republican Basin, and we do not want to play games with this entire region.

Governor Heineman said at the December 15 meeting that Nebraska needs to achieve a balanced and sustainable framework for using the water it has available. We agree. Controversy remains, however, about how to achieve such a sustainable framework without jeopardizing the economic sustainability of the region. The Integrated Management Plans (IMP) of the basin, jointly written by the NRDs and DNR, have a goal to sustain a balance between water uses and water supplies so that the economic viability, social and environmental health, safety, and welfare of the Republican River Basin can be achieved and maintained for both the near term and the long term.

No one in the basin is arguing that consumptive use is not a factor in the current situation; however, drastic reductions in allocations will likely take a heavy toll on the region's economy. At the December 15 meeting, members of the public spoke out about the economic impact of existing programs such as CREP, and expressed concern about how further allocation reduction might impact small communities. State Senator-elect Tom Hansen (District 42) said that the communities in the basin are fragile, and if you take two inches of water out of the picture, then you take farmers, teachers and Coops out of the picture. Jasper Fanning, manager for the Upper Republican NRD, said, "The economic model of the basin is much more fragile than the hydrologic system."

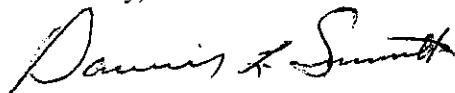
Republican Basin NRDs don't expect the state to fund all solutions in their entirety, but the NRDs alone can't solve the problem. Estimates for how much money would be required to get into compliance range from \$5 million to \$15 million per year for 10 years. These funds could be used to reimburse Nebraska irrigators for their losses due to reducing water consumption for crop production. Taxing authority for the Republican Basin NRDs is limited, and one penny levied across the basin does not raise even a half-million dollars per year.

The Governor said that funding for water management programs will be critical to the success of LB 962 and assured NRDs that the need for such funding would be reflected in his budget proposal come January. He will propose establishing a Water Cash Fund to begin setting aside money needed to fund these water challenges. He also said he was prepared to propose setting aside General Fund dollars to get the cash fund started. We applaud these efforts and the Governor's recognition that this is a state problem and not just a regional problem.

All agencies represented at the December 15 meeting agreed that no single solution would be found and no single entity alone would be able to solve this problem through implementation of regulations. It is only working together that progress will be made.

I welcome your comments regarding this document so our open and forthright discussion on this issue can continue. Time is important since our new Legislature begins a session where water will be one of the most serious issues debated.

Sincerely,

A handwritten signature in dark ink, appearing to read "Daniel L. Smith", with a stylized flourish at the end.

Daniel L. Smith  
General Manager  
Middle Republican NRD

# **NARD Bill Summary Tracking Sheet**

*Last Updated: 01.12.07*

Bill or CA	Description	Sponsor(s)	Priority	NARD POSITION	Committee	Hearing Date	Status	Amendments
7	New provisions for Open Meetings Act	Priester			Government	1/18/2007		
17	Prohibit NRD dual office holding	Mines			Government	1/17/2007		
20	Require public recreation access to NRD water projects	Mines						
79	NDEQ reporting under Litter Reduction & Recycling Act	Nat. Res. Comm.			Natural Resources	1/17/2007		
80	NDEQ funding of Safe Drinking Water projects	Nat. Res. Comm.			Natural Resources	1/17/2007		
105	Nebraska Forest Service funding	Louden						
187	Interlocal agreement prohibitions and rules	Mines						
197	Political Subdivisions Tort Claims Act	Schimek						
202	Liens under Integrated Solid Waste Management Act	Louden						
224	Well drilling moratorium	Kopplin					Withdrawn	
249	Cash Reserve Fund	Heidermann						
272	NRD bonding authority	Kopplin						
289	Records of elections to exceed tax levy limits	Louden						
295	Irrigation well spacing and permits	Nat. Res. Comm.						
322	Water Resources Cash Fund & other funds	Speaker Flood, at request of Governor						
333	Authorize fee schedule for Private Onsite Wastewater System Contractors Certification	Johnson						



## NEBRASKA ASSOCIATION OF RESOURCES DISTRICTS

601 S. 12<sup>th</sup> St. Suite 201  
Lincoln, NE 68508  
Web: [www.nrdnet.org](http://www.nrdnet.org)  
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February 2, 2007

**TO: NARD Board, NRD Managers and Conservation Partners**  
**FROM: Dean E. Edson, NARD Executive Director**  
**RE: February 2 NARD UPDATE**

**Schrader joins NARD** -- Kody Schrader will join the Nebraska Association of Resources Districts on February 5th as the Information and Education Director. Schrader is a recent graduate of Doane College, majoring in Political Science. Kody worked his way through college, recently employed by the Nebraska Restaurant Association and the Embassy Suites in Lincoln. Schrader graduated from Alma High School and played basketball for Doane College.

### Floor Action

**Drinking water grant program** - Introduced by the Natural Resources Committee, **LB 80** would expand a drinking water grant program to include communities of 10,000. The program currently provides up to \$2 million annually for drinking water projects and evaluation. The bill gained first round approval and is now on Select File.

**Livestock waste bill advances** - Introduced by the Natural Resources Committee, **LB 313** clarifies that livestock operations would be required to obtain a National Pollutant Discharge Elimination System permit and large livestock operations as defined in federal requirements are subject to the requirements of the Engineers and Architects Regulation Act. Small and medium size operations not required to obtain a National Pollutant Discharge Elimination System permit, would be exempt from the Engineers and Architects Regulation Act. The bill is now awaits Select File debate.

**Environmental Trust Board changes advance** – Senators advanced **LB 291** to Select File this week, which changes the district representation on the Nebraska Environmental Trust. Currently, the board consists of nine citizen members representing the three congressional districts and five members of the executive branch. Executive branch members include the department directors of Environmental Quality, Natural Resources, Agriculture and the secretary of the Game and Parks Commission. The bill, sponsored by Senator Tom Hansen of North Platte, **LB 291** would allow the governor to appoint eight citizens, one from each of the eight newly-created districts. The new districts would be by county and are similar to the districts of the Nebraska Game and Parks Commission. A pending amendment has been filed to provide a ninth at-large seat and also make the executive branch representatives to the board ex-officio, non-voting members.

### Committee Action

**LB 295** – Ron Bishop, Manager of the Central Platte NRD, testified on behalf of NARD in support of amendments to **LB 295** this week which makes changes to the Department of Natural Resources technical changes bill. A group of NRD Managers and Water Specialist met with the department last week to clarify the bill. One significant change offered to the bill would clarify that a landowner would have 180 days either prior to or after constructing a replacement well to properly abandon the old well. A process is still provided in law to convert replaced wells for other uses such as domestic or monitoring wells. The Natural Resource Committee advanced the bill to General File with the amendments to clarify that irrigation wells could be used for di minimis purposes such as watering livestock.

**LB 314** – Ron Bishop, Manager of the Central Platte NRD, testified on behalf of NARD in support of **LB 314**, allowing water pumped from dug pits that allows groundwater to seep in (such as a sandpit), to be regulated as wells. The bill does not impose well construction standards, nor does it apply to water reuse pits. The Natural Resource Committee took no action on the bill.

**LB 568** – NARD provided testimony in support of **LB 568**, a Natural Resources Committee bill to extend the grant program for recycling tires under the Waste Reduction and Recycling Incentive Fund from June 30, 2007 to June 30, 2012. The Natural Resource Committee advanced the bill to General File after the hearing.

**Hearings Next Week – All Hearings begin at 1:30 pm.**

**LB 78 – Recoverable Amounts, Nantkes.** This bill would increase amounts recoverable against any employee for claims filed pursuant to section 13-920 or under the Political Subdivision Tort Claims Act from \$1 million per occurrence and \$5 million aggregate to \$3 million per occurrence and \$12 million aggregate. **Hearing 2/7, Judiciary Committee, Room 1113.**

**LB 197 – Change the Political Subdivisions Tort Claims Act, Schimek.** The bill provides that, if a political subdivision is transacting business under a name other than the true name of the political subdivision and has not registered a trade name as required, the time period for beginning suit under the Act shall commence upon the registration of the trade name. **Hearing 2/7, Judiciary Committee, Room 1113.**

**LB 301 – Extend NETF Distribution, Janssen.** This bill would extend current distribution of NETF Lottery funds from Jan 1, 2008 until Jan 1, 2013. **Hearing 2/5 General Affairs Committee, Room 1510.**

**LB 448 – Change limitation of action provisions under the Political Subdivisions Tort Claims Act, Ashford.** The bill extends the time frame for claims to be filed against a political subdivision or an employee of a political subdivision permitted under the Political Subdivisions Tort Claims Act from 1 year to 2 years. **Hearing 2/7, Judiciary Committee, Room 1113.**

**LB 488 – Income Tax Credit for Perpetual Conservation Easement Donations, Wallman.** The bill provides an income tax credit for donated conservation easements on areas designated quick response water shortage areas in over appropriated basins and areas subject to interstate compacts, agreements, and decrees and on areas designated as biologically unique landscapes in the Nebraska Natural Legacy plan. **Hearing 2/8, Revenue Committee, Room 1524.**

**LB 530 – Change the allocation formula for the Storm Water Management Plan Program, Nantkes.** The bill adds a requirement that, for distributing grant funds to a county, the proportion shall be based on the county population, less the population of city applicants within that county. **Hearing 2/8, Natural Resources Committee, Room 1525.**

**LB 534 – Funding Storm Water Programs and Sewage, Schimek.** The bill allows cities, villages and counties in urbanized areas to issue revenue bonds to pay for development of storm water programs, including any storm sewer systems. **Hearing 2/8, Natural Resources Committee, Room 1525.**

**LB 652 – Mandatory Energy Audits, White.** The bill would require every agency, department, commission and every political subdivision of the State of Nebraska to conduct an audit of its energy usage. Such audit shall examine the following: (1) Methods of reducing energy usage by such agency, subdivision; (2) The costs of implementing such energy efficiency measures; (3) The projected benefits, including long-term cost reductions, from such energy efficiencies; and (4) Whether there are alternative energy resources that may be used in combination with energy efficiencies to provide further benefits.

A report of each audit conducted this act shall be provided to the Clerk of the Legislature on or before December 31, 2007. Entities required to conduct such an audit are authorized to seek technical assistance from public utilities, the Nebraska Energy Office, the University of Nebraska, and other available resources. **Hearing 2/7, Natural Resources Committee, Room 1525.**

NARD Bill Summary Tracking Sheet				Last Updated: 02.02.07				
Bill or CA	Description	Sponsor(s)	Priority	NARD POSITION	Committee	Hearing Date	Status	Amendments
7	New provisions for Open Meetings Act	Preister		Monitor	Government	1/18/2007		
13	New procedures and oversight for interlocal agreements under Interlocal Cooperation Act	Mines		Oppose	Government	1/19/2007		
17	Prohibit NRD dual office holding	Mines		Oppose	Government	1/17/2007	IPP pending	AM71
20	Require public recreation access to NRD water projects	Mines		Oppose	Judiciary	2/14/2007		
42	Change distribution of cigarette taxes	Hudkins		Monitor	Appropriations			
78	Recoverable amounts	Nantkes		Oppose	Judiciary	2/7/2007		
79	NDEQ reporting under Litter Reduction & Recycling Act	Nat. Res. Comm.		Monitor	Natural Resources	1/17/2007	Select File	
80	NDEQ funding of Safe Drinking Water projects	Nat. Res. Comm.		Support	Natural Resources	1/17/2007	Select File	AM30
105	Nebraska Forest Service funding	Louden		Support	Appropriations			
187	Interlocal agreement prohibitions and rules	Mines		Monitor	Government	1/24/2007		
197	Political Subdivisions Tort Claims Act	Schimek		Monitor	Judiciary	2/7/2007		
202	Liens under Integrated Solid Waste Management Act	Louden		Monitor	Natural Resources	1/19/2007		
224	Well drilling moratorium	Kopplin	Withdrawn	Withdrawn			Withdrawn	MO00003
272	NRD bonding authority	Kopplin		Support	Revenue	2/22/2007		
289	Records of elections to exceed tax levy limits	Louden		Monitor	Government			
291	Change membership on Nebraska Environmental Trust Board	Hansen		Monitor	Natural Resources	1/25/2007	Select File	AM123 - Adopted AM 156 - Pending
295	Irrigation well spacing and permits	Nat. Res. Comm.		Oppose as written	Natural Resources	1/31/2007	General File	
301	Extend NETF distribution	Janssen		Support	General Affairs	2/5/2007		
313	Clarify engineering requirements under Livestock Waste Management Act	Nat. Res. Comm.		Support	Natural Resources	1/24/2007	Select File	AM101- adopted
314	Add dug pits to definition of water well	Louden		Support	Natural Resources	1/31/2007		
321	Mainline appropriation bill	Speaker Flood, at request of Governor		Support	Appropriations			
322	Water Resources Cash Fund & other funds	Speaker Flood, at request of Governor		Support	Appropriations			
333	Authorize fee schedule for Private Onsite Wastewater System Contractors Certification	Johnson		Monitor	Natural Resources	1/24/2007	Select File	AM90
362	Interlocal agreements	Raikes		Oppose	Revenue	2/22/2007		
387	Require water meters on new construction	Langemeier		Oppose	Urban Affairs	2/27/2007		
391	Copies of records and speaking at public meetings	Mines		Oppose	Government	2/1/2007		
420	Change cigarette tax distribution and create funds	Erdman		Monitor	Appropriations			
448	Extend timeframe for filing lawsuits against political subdivisions	Ashford		Oppose	Judiciary	2/7/2007		
458	Integrated Management Plans and removing vegetation	Carlson et al.		Oppose as written	Natural Resources	3/1/2007		
477	Change insurance requirements	Wightman		Oppose	Government			
488	Income tax credit for perpetual conservation easement donations	Wallman		Support	Revenue	2/8/2007		
493	Change meetings of Water Policy Task Force and require review of UNL research	Langemeier		Monitor	Natural Resources	3/1/2007		
503	Change NRD board vacancy appointments	Mines		Oppose	Natural Resources	2/22/2007		
530	Change allocation formula for Storm Water Management Plan program	Nantkes		Support	Natural Resources	2/8/2007		
534	Funding storm water programs	Schimek		Support	Natural Resources	2/8/2007		
564	Add state and political subdivisions to those who receive recreational liability protection	Friend et al.		Support	Judiciary	2/14/2007		
566	Adopt Public Recreational Liability Act	Louden et al.		Support	Judiciary	2/14/2007		
567	Extend recreational liability protection to landowners that charge for access	Louden et al.		Support	Judiciary	2/14/2007		
568	Extend Scrap Tire Grant Program	Nat. Res. Comm.		Support	Natural Resources	1/31/2007	General File	
594	Temporary suspension of new well permits and surface water rights for irrigation	Kopplin		Reference policy statement	Natural Resources	3/7/2007		
622	Open Meetings Act training sessions	Pirsch		Monitor	Government	2/1/2007		
652	Mandatory energy audits	White		Oppose	Natural Resources	2/7/2007		
701	Create a basin-wide management authority & committee	Christensen		Reference policy statement	Natural Resources	2/28/2007		
704	Adopt Fishable & Swimmable Waters Act	Preister		Monitor	Natural Resources	3/8/2007		
11CA	Reduce funding to NETF & create a new Crime Fund	Flood		Oppose	General Affairs	2/26/2007		



**From:** Aubrianna Faustman [mailto:[afaustman@acgusa.net](mailto:afaustman@acgusa.net)]  
**Sent:** Monday, January 29, 2007 11:46 AM  
**To:** Petermann, Marlin; Winkler, John  
**Subject:** Legislative Update

MEMORANDUM  
January 29, 2007

TO: PAPIO Missouri NRD

FROM: Rich Lombardi and Julie Erickson, Registered Lobbyists

RE: Legislative Update

Rapid fire public hearings dominate the Nebraska Legislature this week. The Nebraska Legislature is one of the only Legislature in the country that requires a public hearing on each individual bill introduced. For Nebraska, that is over 700 hearings during the next two months. Public hearings provide a wealth of information from knowledgeable Nebraskans and a few humorous events. Such as last week when an individual brought his urine sample and placed it before the Legislative Committee during his testimony on a particular piece of legislation.

Here's what is happening this week.

A couple of other bills that may be of interest are: LB 697, bonding authority for Entertainment and Tourism. LB 704, Senator Preister's Water Quality Bill. It has a budget request of \$5 million - \$10 million. LB 652, relates to political subdivisions required to do energy audits.

On February 1<sup>st</sup>, LB 622, a bill which requires training courses on public records and open meetings will be heard before the Government, Military and Veterans Affairs Committee.

Aubrianna Faustman  
American Communications Group, Inc.  
1141 H Street, Suite B

LB	CA	Sponsor	Comte	Content	Hrg	General	Summary	Summary Cont'd
1		Preister	Executive Board	Constitutional amendment to change legislative salaries	2-8-07			
7		Kruse	Executive Board	Constitutional amendment to change legislative salaries based on inflation as determined by the Legislature	2-8-07			
65		Stulhman	Judiciary	Change the statute of repose for the Nebraska Hospital - Medical Liability Act			Increase from 10 to 20 years the timeframe that negligence action to recover damages for malpractice or professional negligence can be filed after the act.	
77		Nantkes	Business and Labor	Change workers' compensation disability compensation provisions				
85		Howard	Banking, Commerce and Insurance	Create the Nebraska Health Insurance Policy Coalition			Sets up a 21 member NE Health Insurance Policy Coalition, within HHSS, appointed by the Gov. to provide recommendations for legislation to expand health care coverage to employed individuals and their children.	
104		Eidman	Judiciary	Change age of majority from nineteen to eighteen			Reduce age of majority in NE from 19 to 18.	
112		Eidman	Judiciary	Provide for the judicial emancipation of minors			Minor at least 16, married or living apart from parents or legal guardian, may apply to county of residence for a judgement of emancipation.	
118		Banking, Commerce & Insurance	Banking, Commerce and Insurance	Change the Comprehensive Health Insurance Pool Act	1-22-07		Adds requirement to eligibility list for coverage under the Comprehensive Health Ins. Pool that the individual not be eligible for coverage under a group health plan.	Restricts initial or continued pool coverage if premium is paid for by any person not related by blood, marriage or adoption or does not provide records requested by administrator to determine eligibility.
185		Health & Human Services	Health and Human Services	Change provisions relating to health and human services	1-18-07		HHSS Clean-up bill - no direct impact at this time	
194		Pahis	Health and Human Services	Change disciplinary provisions of the Uniform Licensing Law	1-31-07		Provides a stronger role for professional boards within HHSS in requiring registration, licensure and temporary actions against members of the health profession of which that board has jurisdiction.	such actions require a unanimous vote of the professional board; must be notified of any new proposed health professionals rule or regulation by the department.
203		Gay	Health and Human Services	Provide an informal conference process for disciplinary action regarding health care facilities	1-19-07		*Check Statement of Intent	
220		Dierks	Judiciary	Provide for medical liens for chiropractors				
247		Johnson	Health and Human Services	Change provisions relating to pharmaceuticals				
253		Rogert	Transportation and Telecommunications	Adopt the Motorcycle Safety and Training Act and change motorcycle helmet provisions			Exempts individuals from the motorcycle helmet law in Nebraska if they are at least 21 years of age, have eye protection and completed a safety course;	Also exempts individuals born before January 1, 1987, had a Class M license prior to January 1, 2008 and has eye protection.
254		Aguilar	Judiciary	Change child passenger restraint system and occupant protection system provisions				

LB	CA	Sponsor	Comte	Content	Hrg	General	Summary	Summary Cont'd
292		Hansen	Health and Human Services	Provide for transfers of county funds for medicaid purposes			Allows co. board to transfer funds for public assistance to HHSS for provider payments to serve eligible medicaid recipients or low income uninsured persons that meet federal disproportionate share payment requirements.	
296		Johnson	Health and Human Services	Reorganize the Health and Human Services System	1-18-07		HHSS reorganization bill: collapses 3 existing departments into 1 code agency and six new departments: Public Health, Medicaid, Children & Family Services, BH, DD, Veterans Homes - heads all appointed by the Gov.	
309		Heidemann	Urban Affairs	Change provisions relating to handicapped or disabled parking permits	2-30-07			
316		Friend	Education	Create the Special Education Services Task Force	2-13-07		Special Education Task Force appointed partly by the Exec. Board and part by the Gov. to recommend policies by Dec. 31, 2007. Education Comte Chair is chair of the task force.	Task Force would be made up of 18 members including representative from HHSS with experience in state ward placement and one provider of special education services.
321		Flood	Appropriations	Appropriate funds for state government expenses			Mainline Budget Bill - planned \$14 million to community services with Norfolk moving to sex offender facility as of July 1, 2007. 1% across the board provider rate increase.	
322		Flood	Appropriations	Change provisions relating to certain funds and provide for transfers of funds and extend an excise tax			Creates new fund to support Governor's budget proposal and proposed transfers.	
323		Flood	Appropriations	Provide for transfers from the Cash Reserve Fund			Fund transfers from cash reserve supporting Governor's proposed budget.	
463		Johnson	Health and Human Services	Adopt the Uniform Credentialing Act	1-31-07		ULL, not Uniform Credentialing Act, proposed licensure changes that have been developed over a 4 year process. Legislation is 1,083 pages long and not yet available in hard copy; available online only.	
480		Johnson	Health and Human Services	Change provisions relating to the Nebraska Health Care Funding Act				
481		Johnson	Health and Human Services	Change requirements relating to criminal background checks for certain health care professionals				
506		Friend	Education	Provide an alternative method of reimbursement for special education and related services	2-13-07			
531		Nantkes	Revenue	Provide tax credits for employers providing health insurance	2-8-07		Allows small employers (25 employees or fewer) refundable credit against individual income tax, corporate income tax or franchise tax of \$5,000 if the employer provides health insurance for employees and pays a portion.	
536		Schmek	Appropriations	Appropriate funds to the Department of Health and Human Services Finance and				

LB	CA	Sponsor	Comte	Content	Hrg	General	Summary	Summary Cont'd
542		Synowiecki	Appropriations	Support Appropriate funds to the Department of Health and Human Services			Discontinue services at Hastings Regional Centers and move money to Program 365-Enhanced Services and Capacity Expansion Fund for Juveniles - including community based juvenile services (\$54 million in FY 07-08 and \$45 million in FY 08-09)	Mandates establishment of integrated system of BH services for children and families.
559		Ashford	Appropriations	Appropriate funds to the Department of Health and Human Services Finance and Support			General Fun appropriation to HHSS Program 38 (BH Aid) for 1 time infrastructures resources to community based agencies with contracts with VH Regions to deliver reform services under LB 1083. Intent language to increase rates to offset.	
586		Cornett	Judiciary	Change medical lien provisions				
650		Raikes	Education	Change provisions relating to early childhood education and the Special Education Act	3-6-07			
673		Lathrop	Judiciary	Modify the definition of malpractice or professional neglect to include sexual abuse, misconduct, or exploitation			Redefines health professional negligence to specifically include sexual abuse, misconduct or exploitation with patient	

**KELLY & WEAVER**  
*A Professional Corporation*  
11 Dupont Circle, N.W.  
Suite 700  
Washington, D.C. 20036  
202 797-7100, fax 939-6969  
[weaver@kellyweaver.com](mailto:weaver@kellyweaver.com)

**R E P O R T**

To: Glenn Johnson, John Miyoshi and John Winkler and Marlin Petermann  
From: Bob Weaver  
Date: January 30, 2007  
Subject: January 2007 Accomplishments and February 2007 Anticipated Actions

As with January, 2007, we will continue working on two appropriation cycles during February 2007, because the Congress failed to pass the FY'07 appropriations for the Corps of Engineers during 2006.

**January Accomplishments**

During January 2007, the firm:

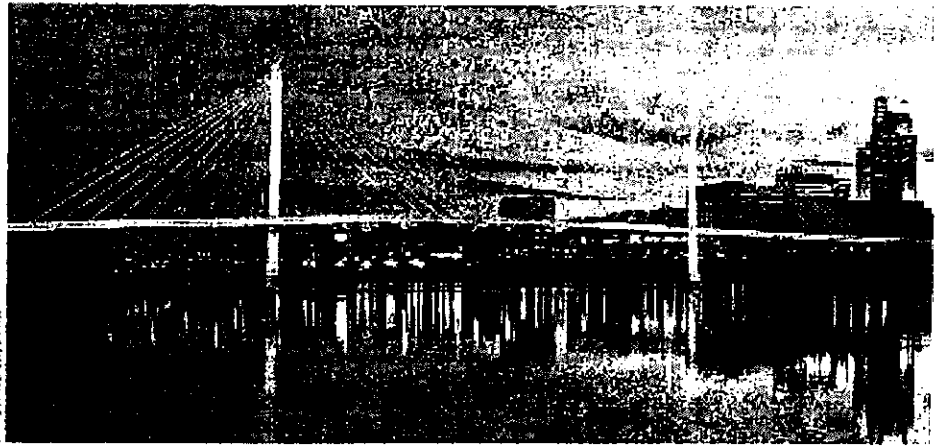
1. Conferred with Congressional Appropriations committee staff and reported on the new majority's plans for completing the FY'07 appropriations cycle for the three major projects and the LPR NRD strategy for obtaining FY'07 funds from the Corps of Engineers.
2. Identified and reported on way in which FY'07 construction funds and to be allocated and strategy necessary for the NRD projects.
3. Conferred with the Corps of Engineers on their actions to allocate construction general account funds.
4. Conferred with Congressional appropriations staff and other Washington sources and reported on prospects and schedule for completing the Water Resources Development Act of 2007 including amendments to the WRDA 2000 authorizations for the three major construction projects.
5. Monitored the Corps and Administration development of the President's 2008 budget request.
6. Conferred and reported on possible sources of Department of Agriculture funding for the LPR NRD monitoring and watershed management program and prospects and issues for the 2007 Farm bill.

## **February 2007: Planned, Potential and Anticipated Actions**

1. **FY'o8 Energy and Water Development Appropriations**
  - Further implement develop strategy for expanded funding in the FY'o8 appropriations.
  - Review and report on the Administration's FY 'o8 budget.
  - Complete request letters and forms for the FY'o8 appropriations requests for the three major projects and others.
2. **FY'o7 Energy and Water Development Appropriations**
  - Remain in close contact with Corps of Engineers Headquarters on its process for allocating Construction General funds from the Congressional Joint Resolution and Explanatory Statement and report to delegation on opportunities to strengthen the projects funding levels.
  - Prepare draft delegation support letters to USACE in support of project funding for the LPR NRDs which is to be allocated by USACE from the FY'o7 Construction General Account.
3. **Water Resources Development Act'o7**
  - Maintain contact with Congressional, USACE and other contacts on enactment of WRDA'o7.
  - Prepare draft delegation requests to the House and Senate Committees for amendments to the WRDA 2000 project authorizations and the Lower Platte River Watershed Restoration Program.
  - Continue to monitor House and Senate legislative progress and further confirm inclusion of all Lower Platte River NRD amendments in conference report.
  - Provide information to delegation and respond to information needs.
4. **Identify and report on other federal funding sources for watershed management including an NRCS project funding under the Conservation Security Program and others in the 2007 Farm Bill.**
5. **Prepare reports to the LPRNRDs.**
6. **Monitor and report other federal legislative and administrative developments that would support the LPRNRDs and watershed restoration such as reauthorization of the Clean Water Act funding programs such as Sec.319 nonpoint source.**

Anticipated budget to be billed: \$2,500.00 to \$3,000.00. Additional budget is based on preparation of request forms for FY'o8 and actions in support of FY'o7 funding.

## Condos, Office Buildings Increase Curb Appeal



Once better known for steaks and stockyards, Omaha has been adding a little size to its skyline. Since 2000, the unassuming birthplace of billionaire investor Warren Buffett and former President Gerald Ford has seen about \$2.5 billion in new development downtown and along the riverfront.

Among the additions to Nebraska's largest city by population is an approximately \$201 million arena and convention facility known as the Qwest Center that has hosted rock concerts, basketball games and the annual shareholder meetings of Mr. Buffett's Berkshire Hathaway Inc. Also added is the 45 story First National Tower, now the state's tallest building and the headquarters for First National of Nebraska Inc. The city's revitalized waterfront is soon to include a \$22 million pedestrian bridge linking Omaha across the Missouri River to Council Bluffs, Iowa, where several casinos are located.

"There's been a real effort to increase Omaha's curb appeal," says Ernie Goss, a professor of economics at Creighton University in Omaha. New condominiums are also part of the mix. Omaha-based Mutual of Omaha plans to begin construction this spring on a \$250 million project called Midtown Crossing at Turner Park near the insurance company's headquarters. It will include about 200,000 square feet of retail space and 600 residential units.

Omaha anchors a metropolitan region of more than 800,000 residents that includes parts of Nebraska and Iowa. Unlike some Midwestern areas where economies have been harder hit by a downturn in manufacturing, Omaha's affordable housing, corporate headquarters and associated professional-service firms have helped drive above average population growth and median income in recent years, which in turn have fueled commercial and residential construction. While the insurance, food-processing and transportation sectors remain important, a strong leisure and hospitality sector lifted by casinos in Council Bluffs also have boosted the economy in recent years, says Chris Lafakis, an associate economist at Moody's Economy.com.

Though job growth is beginning to slow, for now the office and retail markets have remained fairly strong despite significant build-

Construction is under way on a \$22 million pedestrian bridge over the Missouri River.

### By the Numbers

Omaha, Neb.	Fourth quarter	
	2006	2005
<b>CBD Office vacancy</b>	<b>14.4%</b>	<b>16.0</b>
Avg. asking rent/s.f.	<b>\$16.06</b>	<b>\$15.17</b>
<b>Suburban Office vacancy</b>	<b>15.7%</b>	<b>14.1%</b>
Avg. asking rent/s.f.	<b>\$19.21</b>	<b>\$13.96</b>
<b>Retail vacancy</b>	<b>8.8%</b>	<b>8.2%</b>
Avg. asking rent range/s.f.	<b>\$4.00- \$35.00</b>	<b>\$4.00- \$35.00</b>
<b>Industrial vacancy</b>	<b>7.8%</b>	<b>8.1%</b>
Avg. asking rent/s.f. for warehouse and distribution space	<b>\$4.10</b>	<b>\$4.59</b>

Third quarter	
<b>Median Home price</b>	<b>\$139,900 \$138,000</b>

Source: First City Bank Realty, National Association of Realtors

ing in recent years. Store vacancies are rising slightly but have held in the 8% to 9% range even as national retailers have sought to grow by expanding into such smaller markets as Omaha, says Scott Heider, president of Grubb & Ellis Pacific Realty in Omaha, a real estate services firm.

On average, investment sales prices in apartment and office properties trended higher in 2006, though industrial and retail prices fell and Omaha prices remained well below national averages, according to Real Capital Analytics, a New York-based real-estate research firm. Rental apartment units in the region sold for \$78,947 in 2006 through Dec. 29, up from \$60,308 in 2005, based on transactions of \$5 million or more surveyed by Real Capital. Investors paid an average of \$134 a square foot for Omaha area office buildings, up from \$75 in 2005. Nationally, apartment units sold for \$96,939 a unit in 2006 through late December, while office buildings fetched about \$221 a square foot.

"The outside investors who park money here...like the predictability and the affordability," says Mr. Heider.

—Maureen Wehner Saragovi

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DOWNTOWN

**Teer, Pat**

**From:** Dean E. Edson [dedson@nrdnet.org]

**Sent:** Tuesday, January 30, 2007 2:55 PM

**To:** Tom Moser; Stan Staab; Ron Cacek; Ron Bishop; Rod Horn; Teer, Pat; Nancy Brisk; Onnen, Mike; Mike Murphy; Mike Clements; Petermann, Marlin; Lyndon Vogt; Lower Niobrara NRD; Leon Butch Koehlmoos; Kent O. Miller; John Turnbull; John Thorburn; John Miyoshi; Jasper Fanning; Glenn Johnson; Duane Filsinger; Dennis Schueth; Deb Hayes; Dave Clabaugh; Dan Smith; Bob Hilske; Anna Baum; Winkler, John; Yvonne Austin; Tesar, Richard; Orval Gigstad; Mosel, Michael L.; Lyle Heinrichs; Keith Rexroth; Jim Meisner; Jim Johnson; Gerald Dillman; Doug Dickinson; Dean Rasmussen; Dean Johnson; Dean & Sharron Jochem; Dan Steinkruger

**Cc:** Jeanne Dryburgh; Dick Ehrman

**Subject:** News Article 013007

FYI

Published Tuesday | January 30, 2007  
Kansas official criticizes Nebraska water use  
BY DAVID HENDEE  
WORLD-HERALD STAFF WRITER

The top Kansas water official is scolding Nebraska's local water regulators for not doing enough to comply with an interstate pact on sharing Republican River water.

David Pope, chief engineer of the Kansas Department of Water Resources, said it is not clear whether Nebraska's natural resources districts fully understand their state's obligations to Kansas.

"Our impression . . . is there is concerted resistance by water users and perhaps NRDs (natural resources districts) about the need to take additional regulatory action on water use," Pope said in an interview Monday.

"We think it's time for those decisions to be made," he said.

Gov. Dave Heineman says Nebraska could be as much as 200,000 acre-feet of water short of its obligation to Kansas by the end of this year. An acre-foot of water covers an acre of land 12 inches deep.

Heineman says Nebraska's troubles in the Republican basin are part of statewide water challenges that could cost \$128 million during the next 12 years. He wants state taxpayers to contribute \$2.7 million annually to a water fund.

Kansas sued Nebraska in 1998, claiming that the proliferation and use of thousands of irrigation wells in the Republican basin took water from the river that should have flowed to Kansas under a 1943 compact. The states reached an out-of-court settlement in 2002 that didn't change the original compact but required Nebraska to factor in the impact of basin irrigation wells as it complies with the interstate pact.

Nebraska farmers and public officials in the basin say the impact of lower incomes and land values that would be caused by severe limits on the amount irrigators can pump could destroy their farms and communities.



"Nebraska's failure to reduce water use has and is significantly increasing the hardships experienced by Kansas water users and there is no end to these hardships foreseeable in the near future," Pope wrote last week to his Nebraska counterpart, Ann Bleed, director of the State Department of Natural Resources.

"This is unacceptable in my view and cannot continue," he wrote.

Pope said it is apparent that substantial curtailment and reductions in groundwater pumping are needed to limit Nebraska's water use. He said it's hard to imagine Nebraska providing Kansas with its share of the water without significant reductions in pumping, beginning this year.

"Yet, so far, we observe no discussion by the NRDs of pumping curtailment or reductions for 2007," he said.

He criticized NRDs for a number of "actions, omissions and misconceptions."

Among them were not making deeper cuts in pumping limits, shuffling pumping allocations from well to well and blaming land conservation measures for keeping rain and snowmelt on the land and out of the river.

Pope's letter arrived a day after Heineman appealed to NRD directors and managers at a conference in Lincoln for greater cooperation and collaboration in balancing and sustaining the state's underground water supply.

Two days later, Bleed met with NRD managers from the Republican River basin to begin discussing measures to reduce water use, including lowering the amount of water irrigators are allowed to pump.

Heineman is interested only in finding solutions, not pinpointing blame, a spokesman said.

"He has tried to reach out to the NRDs and will continue to do so. There's plenty of blame to go around. The past is past. We want to move forward," the spokesman said.

Blead said Pope's letter illustrates Kansas' concern.

"We take those concerns very seriously," she said.

Blead said the state and NRDs are working on ways for Nebraska to comply with the water agreement.

Dean Edson, executive director of the Nebraska Association of Resources Districts, said NRDs rely on the State Natural Resources Department for guidance on setting pumping restrictions.

The Republican basin NRDs set pumping allocations recommended by the state to bring Nebraska into compliance. The districts pumped 30 percent less water than allowed in 2005 and an estimated 15 percent to 20 percent less water last year.

Nebraska, however, continues to fall deeper into a water deficit with Kansas.

"I don't know what else we can do," Edson said.

Dean E. Edson  
Executive Director