MEMORANDUM

TO THE BOARD:

SUBJECT: General Manager Report

DATE: January 6, 2006

FROM: Steve Oltmans, General Manager

A. INFORMATION/EDUCATION REPORT: A copy of the I&E Report detailing Information and Education activities for the month of December, 2005, is attached for your review.

B. MISCELLANEOUS/PERSONNEL ITEMS: None

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 December, 2005. Please review this report and contact me if you have any questions.

D. CURRENT AND ON-GOING PROJECTS – P-MRN RD LEGAL COUNSEL: Attached is a copy of the current and on-going projects for District Legal Counsel, Paul Peters, as of December 12, 2005. I would ask each Director to review this listing. If you have any questions, please feel free to contact me.

E. UPDATE ON MISSOURI RIVER CORRIDOR/BACK TO THE RIVER RESTORATION PROJECTS: On December 30, 2005 the 670 acres of land (Nathan’s Lake, Rogers site and the Stratbucker properties) were turned over to the US Fish and Wildlife Service. On the Lower Decatur Bend Project - acquisitions of two of three ownerships have been successfully concluded (Tob-Isle and Olson). Williams is having his attorney review the documents and it is anticipated that this final property will be acquired in early 2006. It is hoped that the funding for the Lower Decatur Bend Project may be shifted from a Section 1135 project (requiring a 75/25% cost share) to the COE’s Missouri River Recovery Authority. If this is accomplished, 100% of the restoration project will be funded by the COE.

F. NEWS CLIPS:

- December 7, 2005, Lincoln Journal Star Article – Board puts moratorium on new irrigations wells. Vote by Central Platte NRD directors reveals concerns about groundwater pumping.
December 7, 2005, Omaha World Herald Article – NRD panel supports $622,000 dam study. Residents against the project call that a waste of money, since Washington County officials vow to block it.

December 8, 2005, Omaha World Herald Editorial – How not to do it. Nebraska can learn from Colorado’s water supply difficulties.


December 13, 2005, Omaha World Herald Editorial – Preventing trouble. NRD board did good job in approving massive study of flood control.

December 13, 2005, Omaha World Herald Article – Big Mac study: Recreation packs economic punch.

December 15, 2005, Omaha World Herald Editorial – Put up or shut up. District’s plan for using water from North Platte River an excellent way to prod debate.

December 16, 2005, Blair Enterprise Article – NRD to conduct new study of dams. Public input will be sought.

December 18, 2005, Omaha World Herald Public Pulse Letters regarding dam study:

- This isn’t the answer, by Mike Larimore
- Study is a waste, by LeMara Eicke
- Keep development out, by Dave and Gail Mooter
- Look for alternative, by Tim Dressen

December 20, 2005, Midlands Voices, Spring rise will help shape future of river by Chad Smith, Director, American Rivers’ Nebraska Field Office

December 21, 2005, Midlands Voices, NRD doesn’t charge for groundwater use, by John Thorburn, General Manager, Tri-Basin NRD.

December 22, 2005, Omaha World Herald Article – Drought’s impact seen in well tests.

December 23, 2005, Omaha World Herald Article – Growing Star City may eclipse O! With more room to grow, the capital city is on tract to surpass Omaha in population by 2055, an urban planners meeting is told.

December 28, 2005, Omaha World Herald Public Pulse Letters regarding water issues:

- Say no to irrigators, by Jason Connerley
- Find another solution, by Ted Thieman

December 29, 2005, Omaha World Herald Article – Sites set up to take trees to be recycled. Christmas decorations should be removed before drop-off.

December 30, 2005, Omaha World Herald Public Pulse Letter, Share the burden, by Tom Schwarz


January 3, 2006, Omaha World Herald Editorial – Find the money. State water resources agency, Republican River need new funding to plan future, pay for past mistakes.

December 2005
Information & Education Report

Information
◊ Finalized year as President of NE Chapter Public Relations Society and honored with 2005 Chapter Service Award.
◊ Continued work on Winter SPECTRUM
◊ Continued work on NRC Exhibit
◊ Attended Sarpy Chamber breakfast
◊ Began work on website ads
◊ Began preparations for 2006 Trade Show booths and booth staffing requirements
◊ Worked on photography file and camera needs
◊ Began work on media e-mail lists

Education
□ Continued to plan winter NRD programming
□ Continued working with Nebraska Pheasants Forever on Leopold Education Project workshops for 2006
□ Continued promotion of NRD outdoor classroom grants
□ Continued working on the NRD Display in the Visitor’s Center
□ Planned for LEP State Coordinators Meeting in Lansing Michigan in January
□ Edited Water Works 2006 Application
□ Met with ESU#3 on Workshop promotion/support
□ Held Project WILD and Leopold Education Project workshop for 15 College of St. Mary Pre-service Teachers
□ Presented Animal Adaptation program to all Benson West 1st Graders
□ Presented Envisoscape Program at Marrs Magnet School
□ Attended Earth Day Omaha 2006 planning meeting
□ Arranged for Benson West to sing at NRC Holiday Luncheon
□ Held interviews for Spring I&E Intern, hired Sonya Jungjohann, to start 1/4/06
□ Arranged for statewide I&E Meeting to be held at Papio-NRD in October
Papio-Missouri NRD Board,

Happy Holidays

Thank you for being champions of the environment with your support we can make our environment cleaner for our families; for our future!

Best Wishes in 2006!
Sierra Club 2006
Omaha
## Report On Purchases
### Construction Services, Professional Services, Personal Property

**December, 2005**

<table>
<thead>
<tr>
<th>Date</th>
<th>Project Name</th>
<th>Item / Task</th>
<th>Company</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/1/05</td>
<td>NRC Exhibit</td>
<td>25% down on construction for NRC exhibit</td>
<td>Bodnar Co.</td>
<td>$3,297.20</td>
</tr>
<tr>
<td>12/1/05</td>
<td>I&amp;E</td>
<td>Wildflower seed packets (35,000)</td>
<td>J. Michael Murphy</td>
<td>$4,886.75</td>
</tr>
<tr>
<td>12/6/05</td>
<td>I&amp;E</td>
<td>Plastic literature bags w/logo for giveaway at trade shows</td>
<td>J. Michael Murphy</td>
<td>$2,723.17</td>
</tr>
<tr>
<td>12/16/05</td>
<td>MoPac Trail</td>
<td>ROW negotiation</td>
<td>Midwest Right-of-Way, Inc.</td>
<td>$19,435.00</td>
</tr>
<tr>
<td>12/19/05</td>
<td>MoPac Trail</td>
<td>ROW appraisals</td>
<td>AgOne Appraisals</td>
<td>$12,250.00</td>
</tr>
</tbody>
</table>
Current and On-Going Projects
P-MRN RD 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. (96th St.) (P)
  - ▼ Purchase Agreements, deeds (90th to Giles) (Tr. 19 deed, Tr. 23 easement) (W)
  - ▼ Trib Crossing Contract with EGA (W)

- **Western Sarpy Dike** (Cleveland):
  - Closing with Bundy’s (potentially modify ROW/offer) (F)
  - Amended drainage ditch easements on Hickey (First National Property) (P)
  - Hansen ROW Condemnation (W)

- **Floodway Purchase Program** (Woodward):
  - Floodway Property Purchase Agreements as needed (F)

- **Trail Projects** (Bowen):
  - ▼ Western Douglas County Trail – Ehrhart Griffin professional services contract (W)
  - Mopac Trail – Purchase Agreements and easements (N)

- **Missouri River Corridor Project** (Becic):
  - California Bend – Appeal District Court ruling on Wright’s tenant (Arp) (W)
  - ▼ Lower Decatur Bend – Closings for Tobin, Williams & Olson (W)
• **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 (F)
  - Release of Site S-7 Easement (W)
  - Revise S-21 Easement Legal (N)

• **Papio Watershed Dam Sites** (Woodward/Petermann):
  - Dam Site 19 agreement (F)
  - DS 13 Agreement with Elkhorn and Omaha (P)
  - DS 13 Closing with Metro Community College (P)
  - Shadow Lakes Agreement with SIDs (W)
  - Dam Site 1 and 3c contract with HDR (N)

• **Papio Creek Watershed Partnership (Stormwater)** (Woodward):

• **Rural Water Projects**: (Sklenar)
  - Letter to Wells Fargo – NRD sales tax exemption (N)

• **Elkhorn River Public Access Sites** (Sklenar):

• **Other**:
  - Easement modifications for No-Name Dike (Lot 38 Sokol Camp) (Cleveland) (N)
NRD panel supports $622,000 dam study

Residents against the project call that a waste of money, since Washington County officials vow to block it.

By Nancy Gaarder
WORLD-HERALD STAFFWRITER
12-7-05
The scars on Julie Thacker’s hands are small ones — burns from soldering pipes in the century-old farmhouse in Washington County that she has called home for 11 years.

What wounds her now, though, is the thought that her home, along with dozens of other properties, could one day be at the bottom of a 2,000-acre lake so that Omaha-area residents are protected from flooding and have a first-class spot for recreation.

It is not fair, she said Tuesday, that she and others should suffer to protect metro area residents, whom she believes are squandering the floodplain in their own backyards by developing land prone to flooding.

And it’s a waste of taxpayer money, she said, for
See Dam: Page 2

Dam: NRD board member says study is essential

Continued from Page 1
the Papio-Missouri River Natural Resources District to spend $622,000 on a study of two massive flood control lakes in Washington County, when that county’s elected officials are blocking the effort. The NRD needs the county’s approval to flood roads, something the county has said it will refuse to do.

Regardless, while Thacker

and three others affected by the proposal watched silently Tuesday, an NRD board committee voted 5-0 to award the preliminary design contract to HDR Engineering Inc. The full board is to vote on the contract Thursday.

The HDR study will examine various alternatives, costs, impacts and financing mechanisms.

NRD board member Jim Thompson said the study is essential to making a sound decision on the $100 million-plus project.

“There is no other way to do this,” he said.

Steve Oltmans, general manager for the NRD, said the dam is needed to protect metro area residents.

In the event of a 100-year rainfall, he said, these dams would lower the flood level by 8 feet at 120th and Fort Streets.

The board has never voted on whether to build the two dams. Oltmans said the earliest such a vote will be made is in 2007.

Residents are worried that the NRD will condemn their properties and underpay them for the value of their land.

“I feel for them,” Oltmans said. “If and when the green light turns on, we’ll be as fair with them as we can be.”
Board puts moratorium on new irrigation wells

By Art Hovey
Lincoln Journal Star

Vote by Central Platte NRD directors reveals concerns about groundwater pumping.

In what could be another sign of Nebraska’s finite water future, the board of directors of the Central Platte Natural Resources District voted 16-4 Tuesday to ban new irrigation wells districtwide.

The board’s action in Grand Island puts a one-year moratorium in place Jan. 5. The affected area, stretching from Lexington to Columbus, already has nearly 18,000 irrigation wells, the most of any of the state’s 23 NRDs.

“I don’t know if it’s a historic occasion,” said Ron Bishop, the Central Platte’s executive director, when asked about the broader implications of Tuesday’s vote.

“It’s an effort, it’s a move the board has made in order to protect all the investments we have already made out here in irrigated agriculture.”

The latest evolution of Central Platte policy is tied to the uncertainties that go with the Legislature’s passage of LB962 last year.

A majority of the board, which manages groundwater at the local level, voted to impose a full-scale moratorium — at least for the next year — to respond to drought and the legal conflicts that go with the depleting effects that groundwater pumping has on the Platte River as well as other rivers and streams.

Both the Central Platte NRD and its western neighbor, the North Platte-based Twin Platte NRD, face a special dilemma in that they don’t know how much of their territory will be affected by a longer-term ban on new irrigation.

That means they might have to take land out of irrigation to accommodate a controversial new state standard meant to protect surface flows.

Before stepping down in August, state Natural Resources director Roger Patterson imposed a so-called 10-50 rule, meaning there could be no more wells inside a boundary where 50 years of pumping could be expected to diminish surface flows by at least 10 percent.

But the state is still mapping the hydrological consequences of that decision in the Central Platte and Twin Platte NRDs, and nobody knows yet where the boundary will be.

No matter where it’s drawn, things have definitely changed, Bishop said.

“Attitudes about water and the supply of water, the long-term availability of water have changed, I think. Drought has brought home that we don’t have an endless supply of water, whether it’s groundwater or surface water.

“It’s also brought home the point that you can overdevelop, as it appears may have occurred down in the Republic (River basin), in some cases.”

Farmers there face severe irrigation restrictions at a time when Kansas may sue to protect its share of water in the Republican. In the Central Platte, said Bishop, “I think there are a lot of people out there that think it’s the lesser of two evils” to stop new irrigation, as opposed to withdrawing more acres that are already being irrigated.

Kent Miller, Bishop’s counterpart at the Twin Platte NRD, said its board is scheduled to decide on Dec. 12 whether to hold hearings on a strategy for irrigation conservation.

“Our board is now considering establishing a districtwide groundwater management area,” Miller said Tuesday.

If the measure passes, it would apply to all of Arthur and Keith counties and the Twin Platte portions of Lincoln and McPherson counties.

Miller said permitting irrigation on just 25 percent of the land outside a fully appropriated area is one of a number of options the board is considering.

Reach Art Hovey at 523-4949 or at ahover@alltel.net.
Water worries

The number of irrigated acres that will be shut down because groundwater pumping is counted in the Republican River dispute is just the tip of the iceberg. There is another factor with an impact on stream flows — conservation and farming practices. The water-compact states are currently doing a study on these effects.

If Kansas sued Nebraska to also count this as beneficial consumptive use, how would the courts rule? Notice the similarities. Both are activities of man that deplete stream flows. But there is a big difference in the amount of beneficial consumptive use.

When you pump groundwater, the amount of stream flow depletion is a fraction of the amount pumped. But the amount of water that conservation and farming practices keep from the streams is like a direct diversion. The entire amount will be counted as beneficial consumptive use.

When the entire allocated beneficial consumptive use for Nebraska is exhausted by the beneficial consumptive use for conservation and farming practices, all irrigation will be shut down. The courts are being used to legally steal the water rights of irrigators. The precedent has been set.

Dale Helms, Holbrook, Neb.
Much of Colorado that sits east of the Rocky Mountains, specifically the north-east and the Denver metropolitan area, has been plagued by water problems—drought, shortages, waste, exorbitant prices. Nebraskans, for example, can find lessons in the Colorado experience.

Colorado has water, but it's on the west side of the Rockies. The mountains wring out the moisture in clouds as they pass, leaving little to rain down on the populous Front Range and farms of the eastern part of the state.

Officials there have sometimes tried to hide from the truth. In Denver, for instance, water used by residents and businesses was not metered until just a few years ago. David Dilling and Chuck Blankett, staff writers for the Denver Post, recently explored in a four-part series the area's water problems and their effect on agriculture and people.

The legal and practical background of water rights in Colorado and Nebraska are similar, but states have operated under the "first in time, first in right" system of seniority over surface water. Until recently, water regulators in both states permitted nearly unlimited drilling of irrigation wells. As both states found, farmers with senior stream irrigation rights get nothing new unless, while unlimited pumping upstream kept groundwater-irrigated farms productive.

Then, the Colorado Supreme Court, rapped on the door, ordering that surface irrigators with senior water rights had precedence over groundwater irrigators.

Now farms run by surface-water irrigators are green, lush, and valuable, while those owned by some groundwater irrigators are getting only a fraction of the water they need. Others, whose wells are totally shut down, got nothing and are going broke. The recent drought has made the problem much worse. That has not happened in Nebraska. The state Supreme Court ruled this summer that the state is not obligated to protect the holders of surface water rights from groundwater irrigators who might deplete flows. The decision came in a lawsuit brought by the Spear T Ranch near Gering against the state Department of Natural Resources over Pumpkin Creek, dried up by a groundwater irrigator.

But the issue is not settled. The court had ruled earlier that Spear T can use groundwater irrigators for developing area streams of too much water. This situation raises the prospect that many more groundwater and surface-water irrigators could do it out in court.

The Post series also explored how some of the communities surrounding Denver are obtaining water. Nebraska can take notice, since so many towns and small cities depend on a surface water supply. Some Denver-area settlements, in fact, spend many millions on water from the Big Thompson (42,000 population), and the underground aquifers, returning them to grasslands and dry water that had previously irrigated farms.

Some communities also are building or already depend on long pipeline systems to bring them distant water they have purchased elsewhere. Broomfield (42,000 population), for instance, spent many millions on water from the Big Thompson system and the Windy Gap area on the west side of the Rockies. Pipelines and tunnels carry the water through the mountains and a distribution system constructed by the Northern Colorado Water Conservancy District takes over.

In 1999, rights to the Windy Gap water cost Broomfield more than $9 million. It is spending more millions to build a reservoir to even out the supply of water. The reservoir won't be completed until at least 2011.

These towns are paying a tremendous price to keep their taps flowing. Many Nebraska communities, too, are worried. Sidney, for instance, has pointed to how the state's water law undermined the city's economic development potential in favor of irrigators. Sidney and some towns have been working with state regulators to ensure a continuing supply of water both for existing residents and to allow growth.

The uncertainties for irrigators and communities, the wild fluctuations in price, the drop-in-demand competition for supply—Colorado doesn't seem to have handled its resource fairly, wisely, or well. As Nebraskans work out this state's water future—through the efforts of state officials, economists, and politicians—such as the Nebraska Water Policy Task Force, the Department of Natural Resources and the Natural Resources Districts—perhaps they will display more wisdom.
Three-proposed plan presented to farmers

Proposal targets conflicts in the Plate basin

- Proposed water plan offered
Say no to subdivisions

I read with total shock, anger and sadness of the Sarpy County Board's recent decision to allow 3- to 5-acre lots in the newly created Schramm Park district.

Important regional natural resource issues demand regionally coordinated solutions. The Lower Platte River Corridor Alliance, a consortium of three natural resources districts and seven state agencies, offers excellent area-wide suggestions to meet the needs of the many and varied interests in the Platte corridor. Converting the Schramm district into an ordinary subdivision is not one of the alliance's suggestions.

The Schramm district just doesn't have the carrying capacity for 3- to 5-acre subdivisions.

The Sarpy County commissioners have dismissed requests for:

- A cost of community services study. These studies indicate that open-space lands are a net asset to a community. Agriculture/open space averages a 1-to-0.36 ratio. This means that for every dollar collected in taxes and non-tax revenue, only 36 cents needs to be returned in the form of local government services. Conversely, an average estimate for residential housing is a 1-to-1.16 ratio, making housing a net drain on the budget.

- A public opinion survey.

- Landowner petition. More than half of the district residents, who own nearly half of the land, signed a petition asking for 10-acre net density in conservation developments. The property owners in the area have indicated that permitting a density greater than this would destroy the very reasons this area of the county is so desirable.

Kimberly Stuhr, Springfield, Neb.
Preventing trouble

The Papio-Missouri River Natural Resources District board has done well by moving its long-term flood-control project to the next level, even over some objections.

Board members voted 7-2 last week to look at the feasibility of two large flood-control lakes in Washington County. The $622,000 study will be done by HDR Engineering Inc., which will assess various alternatives, potential costs, the impact on residents and surrounding land and possible ways the lakes might be financed. The entire project is expected to cost upwards of $100 million.

The aim is to take care of the water generated by a once-a-century storm. The project and the NRD's smaller ones are needed because Omaha growth brings with it more concrete and more rooftops, which sluice water into the Papio system rather than giving it time to sink into soil. The more development, the greater the threat of flooding.

Several residents of the areas in Washington County that might be flooded by the lakes ridiculed the expenditure because, they say, their county officials will block the project. The NRD must have the county's approval to flood roads, but county officials already have said they would refuse.

The study, however, is about alternatives and impacts. Some type of flood-control project on the Papillon Creek watershed is vital to protect the growing metropolitan Omaha region. NRD officials can always hope either that Washington County leaders relent or that there is a reasonable way around the roadblock.

Besides, not doing the study on a project so key to the area's future economic and residential development simply because there may be bumps in the road would be foolish.

Some residents of the area seem premature in their concerns: They have said they are afraid that the NRD would underpay them for the value of their land after condemning it for the lakes. The agency, however, has generally dealt fairly and forthrightly with property owners from past projects. Then, too, there is an appeals process.

But both proponents and opponents will be able to have their say. The NRD plans the first of many meetings in the area in late January or early February, according to Steve Oltmans, general manager of the agency.

No one should cheer that the project would force the dislocation of some people who may have lived in their homes for years and don't wish to move. But the bottom line seems clear. Move a relatively few residents or risk preventable flooding, potential loss of life and property destruction downstream.
Big Mac study: Recreation packs economic punch

By David Hendee
World-Herald Staff Writer

Releasing less water from Lake McConaughy for hydro-power one winter offers "the most attractive economic option" to improve lake levels for boating and fishing, a University of Nebraska-Lincoln agricultural economist has concluded.

UNL's Ray Supalla, in study results to be released today, found "plausible scenarios" in which keeping more water in Big Mac would provide a larger return to the area's recreation economy than it would cost to compensate irrigators and electricity producers.

Supalla cautioned, however, that further study of the possibilities is needed and that his conclusions don't mean that the reservoir's owner plans to cut back on irrigation releases. The World-Herald obtained a copy of Supalla's summary of the report.

Lake McConaughy is Nebraska's largest irrigation reservoir. On the North Platte River near Ogallala in western Nebraska, the reservoir fell to historic low levels in recent years despite significant reductions in the volume of water released for irrigation.

Central Nebraska Public Power and Irrigation District, which owns and operates the reservoir, says drought contributed to the decline but upstream groundwater use intercepts water that otherwise would have entered the lake.

The district's irrigators in south-central Nebraska were limited to 6.7 inches of water per acre this year, less than half of normal. The lake rebounded this year a bit and is now at 31 percent capacity. Irrigators are to receive 8.4 inches per acre next summer.

Supalla's study was requested nearly 15 months ago by Rep. Tom Osborne, R-Neb., who was

Big Mac

Lake McConaughy has been below 50 percent of capacity in only five of the past 61 years: 1956, 2002, 2003, 2004 and 2005.

Upstream irrigation has reduced flows into the lake by more than 100,000 acre-feet per year.

Of those using the lake for recreation, 60 percent are from out of state, primarily Colorado, and 9 percent are from the Omaha-Lincoln area.

60 percent of recreation users surveyed said they would be willing to pay something to keep more water in the reservoir.

20 percent of users said they visited another lake because of low water in McConaughy.

Source: Results of University of Nebraska-Lincoln study

economy.

Supalla found that a short-term strategy of holding back more water and making less available to irrigators or hydro-power interests could be economically justifiable. Holding back water for one year could increase the lake level for several years, depending on how quickly it refilled, he said.

Supalla's study considered three alternatives to keeping more water in the lake: a one-time 100,000 acre-foot reduction in irrigation releases; a one-time 200,000 acre-foot reduction in winter hydropower releases; and a one-time combined irrigation and hydropower reduction of 300,000 acre-feet.

He said the best economic option would be a one-time 100,000 acre-foot reduction in winter hydropower releases, instead of the 200,000 acre-foot reduction that was studied.

A program to keep water in the lake could include water purchases or water storage
Share the burden

Tri-Basin Natural Resources District general manager John Thorneburn (Dec. 21 Midlands Voices) may have been correct when he said irrigators do not pay the NRD to use groundwater from the mound beneath the Central Nebraska Public Power and Irrigation District’s service area.

But if Central’s irrigation customers who don’t have wells want to access that groundwater to supplement reduced surface-water deliveries, the NRD’s board has decided that these water users should incur potentially significant costs to offset “new depletions” to stream flows.

Why should the burden of offsets fall upon only surface-water users when the underground mound benefits so many? Central’s irrigation customers, like their fathers and grandfathers before them, paid for the delivery of water by Central’s system. That water built the mound that now benefits all of the area’s groundwater users, many of whom have not shared the cost of bringing water to this area.

We believe it is fair and equitable to ask all irrigators to help provide offsets. After all, without Lake McConaughy and Central, there would be no groundwater mound for the Tri-Basin NRD to be concerned with.

Tom Schwarz, Bertrand, Neb.
Vice president
Central District Water Users
Put up or shut up

By slapping a definite plan on the table for managing water in the North Platte River, the Central Nebraska Public Power and Irrigation District has done the state a favor.

There has been a lot of talk about what might be done, what should be done, what can't be done and what nobody wants done to the North Platte. It is cheap and easy and sometimes covers for substantive progress. The plan from Central, which includes proposals to rectify what its managers see as inequities in the existing system, simply won't be ignored.

The proposal springs from old roots. Central, which operates Lake McConaughy, has watched this prime water storage reservoir dwindle into a puddle of itself, containing, by the end of 2004, only 20 percent of capacity. This year, that is up to 25 percent. As a result, surface irrigators received only a portion of the water they were due this summer.

The drought is only part of the problem. The real difficulty, according to Anderson of Central, is that farmers upstream from McConaughy to the Nebraska border have drilled about 2,200 unregulated irrigation wells. So, Anderson said, the water allocation of irrigators below Lake McConaughy is cut sharply while upstream irrigators above the lake pump all they want, as long as they want. That situation, he contended, is inequitable.

It is hard to disagree. There is no longer a pretense in Nebraska that surface water and groundwater aren't interconnected. It seems only fair that the farmers upstream of Central's facilities, in the North Platte Natural Resources District, should not prosper at the expense of their downstream neighbors.

The North Platte has been overappropriated, meaning more water is allocated for irrigation or other uses than the stream contains, at least since 1929. Even then, the situation was acknowledged by R.H. Willis, chief of the state Bureau of Irrigation, Water Power and Drainage (precursor of the state Department of Natural Resources), according to Central. And that was long before all those hydrologically connected wells were drilled.

Central’s plan may seem hard on upstream irrigators, who would go from no restrictions to tight controls, from all the water they can pump to—in the district’s phrase—a “substantially reduced” allocation. Central would have the reallocation system imposed immediately, without a phase-in period, because downstream irrigators continue to suffer as long as the North Platte irrigators don’t control the amount of water they pump.

Central also would indicate, for the first time include in its contracts with downstream irrigators the stipulation that, if the amount of water in Big Mac falls below 14 percent of capacity, all surface irrigation water could be withheld. The plan sets limits on how many inches of irrigation water would be delivered based on how much water remains in the lake.

That leads up the third part of Central’s proposal: using the groundwater mound that has built up under Gosper, Kearney and Phelps Counties. The water came originally from Central’s irrigators, Anderson said, seeping from their fields and ditches to collect in the natural storage area. There is an estimated 7 million acre-feet of water in the mound; Big Mac, at capacity, holds 1.5 million acre-feet.

However, if Central’s irrigators want to tap the mound for water to supplement what they get from the river, the Tri-Basin NRD requires them to pay to replace the amount they withdraw. Other Tri-Basin groundwater irrigators don’t have to pay. Central sees that as another inequity to fix—every irrigator using the mound, Anderson said, should pay equally.

The mound could be like a bank account where the owner spends only the interest, according to Anderson. With proper management, the inflow could continue, as it does now, to match the outgo. Such an approach would maintain the amount in storage while still benefiting Nebraska irrigators.

With Central’s plan comes a challenge to the state Department of Natural Resources, to the NRCS in the Platte River watershed, to surface-water and groundwater irrigators: Cooperate. Achieve something positive. Use the ideas in the plan as a basis for working out a way to equitably and beneficially allocate and distribute the priceless but limited water resource.

But the goal of the discussions and counterproposals has to be the same: a water management plan that is integrated basin-wide and that restores the proper balance between water supply and water use. Anything less is unacceptable.
NRD to conduct new study of dams

By Jim Braden
Reporter

The Papio-Missouri River Natural Resources District is conducting a more detailed study about two potential and controversial dams in Washington County; one on the Big Papio Creek between Bennington and Kennard and the other north of Kennard, said Paul Woodward, water resources engineer for the Papio-Missouri River Natural Resources District.

In September 2004, the NRD did a larger study on the 14 remaining Papio Creek dam sites that were planned by the U.S. Army Corp of Engineers in the 1970s. The 2004 study dealt with a few of the impacts of the dams, including the effects on county roads, existing buildings and utilities, and recommending building only 10 of the 14 proposed dams.

It was just an overview of all of the potential sites, which had not been closely looked at since 1985 when the Corp recommended waiting on further construction for political reasons.

The new study – which will be done by HDR Engineering Inc., cost $600,000 and take 16 months – will look more closely at issues like the county roads, environmental aspects, flood control and dam design alternatives. It will also look at some recreation and economic development potential for the dams, as well as funding alternatives:

The purpose of the study is to answer the NRD’s and citizens’ questions about

DAMS: Public input will be sought

From page 1

the two dam projects, which could cost as much as $120 million. It is a necessary step to help the NRD decide how to proceed with the projects.

A large part of the new study will be public involvement. There will be input from landowners and other people potentially affected by the project to see if some of their concerns can be accommodated, Woodward said.

The ultimate goal is to control flooding downstream. The NRD is looking at other aspects of flood control, but the watershed is at the point where flash flood potential is fairly high.

Woodward said he does not see that diminishing by any other way than constructing reservoirs.

The NRD has been doing whatever it could to channel the water out of the urban area downstream. For most watersheds, the idea is to channel the water downstream and construct reservoirs upstream.

However, the study should reveal how the best way the NRD can diminish the chance of flooding downstream.

The study will also look at other flood control alternatives, such as channel improvements downstream, regional storm water detention areas, flood plain acquisitions. The NRD is updating their flood plain maps, which will give a better idea about what projects constructed in the past are no longer compliant due to explosive development in western Douglas County.

The NRD approved a contract with HDR to do the study at their meeting last week. The NRD would like to see more citizen involvement in the study, with a steering committee made up of landowners and county officials discussing issues with HDR.

Information will also be disseminated through public notices, newsletters and a website, none of which have been implemented yet, Woodward said.

SEE DAMS PAGE 3A
This isn’t the answer

The two proposed flood-control reservoirs in Washington County, just above Bennington, cannot guarantee downstream safety on the Papio Creek. If one or both of these structures were to fail during a catastrophic event, it would spell doom for anyone downstream. As we have seen in the Gulf Coast and most recently with a dam rupture in Lasterville, Mo., man-made structures can and do fail.

Channelization and dry dams are viable, cost-effective solutions. Some channelization has been done; more should take place.

If the Papio-Missouri River Natural Resources District attains the power of general obligation bonding from the Legislature (Legislative Bill 527), property owners within its boundaries would help pay for the two lakes.

The proposed reservoirs look nice on paper. Does anyone really believe the Papio Creek can sustain two large lakes? Evaporation and minimal flow rates would lead to much smaller, shallower lakes.

These lakes are no guarantee of saved lives or saved properties. What they do guarantee is the demise of an entire community, not just a few houses or some farmland.

Mike Lartmore, Bennington, Neb. 12-18-05 8:00

W-12-16-05

Study is a waste

In regard to the Dec. 13 editorial on the Papio-Missouri River NRD feasibility study, I agree that no one should cheer that the project would force some people out of their homes, as I and my family would be forced from our homes.

What the editorial didn’t mention is that about 80 percent of the village of Washington (about 150 people) would be in that group. I call that more than "a relatively few residents." It would kill our town.

The natural resources district is concerned that many people would be flooded by the Papilion Creek watershed if a 100-year flood were to hit the area. Why, then, were people allowed to build in the flood plain in the first place?

The flood of 1964 was caused not by a lot of rain in Washington County but by the rain in western Douglas County. These proposed reservoirs would not have helped in that case. And no one can do much about a 10- to 12-inch downpour in an hour's time, no matter how many dams are built.

The Papio-Missouri River NRD is wasting thousands of taxpayer dollars on this new study. But maybe it will tell the NRD that the two proposed flood-control lakes are not needed.

LeMara Elke, Washington, Neb.

Look for alternatives

It sure is funny how the Papio-Missouri River NRD keeps talking about the need for flood control in Washington County when all of the rooftops and concrete from development in Omaha would be below these proposed flood-control structures.

And please tell me this: If the NRD is worried about floods, why would it approve a flood structure like Dam Site 6 (a flood-control lake and residential development near Bennington) that seasonally pumps water out of the main branch of the Papio Creek to keep the lake full? That does not sound like flood control to me. It sounds like making developers and people with big money happy so they can go boating.

If Omaha wants great flood control, it should tell the NRD to consider a dry dam. You can’t get any safer than that.

Tim Dreessen, Bennington, Neb.

Keep development out

A Dec. 13 editorial implied that those of us who oppose the Papio-Missouri River NRD’s expenditure of $622,000 for a feasibility study of two flood-control reservoirs in Washington County are foolish. Quite the contrary.

I believe that we are looking out for the best interests of conservation and farming. The City of Omaha would do better to constrain development and put more effort into revitalizing the central part of the city.

As a taxpayer, I am not as excited as The World-Herald over the possibility of more development that would displace more than a "relatively few" landowners. And what about property values?

Increased property value is on paper only and cannot be spent. Increased property taxes will be real.

The people would be better served if the land is kept as it is.

David and Gall Mooter
Kennard, Neb.
Spring rise will help shape future of river

BY CHAD SMITH
The writer is director of American Rivers’ Nebraska field office in Lincoln.

Each fall, I spend much of my free time duck hunting on the central Platte River. My experiences as a waterfowl hunter in Nebraska during the last 30 years shape who I am and bind me to the place I call home.

I share this deep personal connection to the Platte with countless others. The passion and commitment people express when discussing Platte River issues exist because of similar ties to the river that originate not only from duck blinds but also from farms, businesses and communities.

For the Missouri River, the future lies in building these very connections, which I believe are now in too short supply.

The Missouri no longer looks or acts much like a river, the result of decades of river management that have fastened the loss of the river’s natural form and function. Failing to manage the river to balance uses like fish and wildlife and recreation with navigation and flood control has disconnected most people from the Missouri and left us with tremendous untapped economic potential.

For years, it has been clear that restoration of both habitat and flow is imperative to boosting the health and economic value of the Missouri River. During that time, debate has raged over how best to change our approach to managing Missouri River water.

The possibility of restoring a more natural flow pattern has been a chief issue of discussion. But, at its core, this debate is about change and whether we can embrace a new way of doing business to ensure the Missouri is a true economic engine for the basin. After doing things in a certain way on the river for decades, it is time for change.

Last summer, I was a member of a group of about 60 basin stakeholders that deliberated over how the U.S. Army Corps of Engineers should implement a so-called spring rise on the river. Though we did not come to a consensus recommendation, we worked well together, explored a host of ideas and concerns and came to some general agreements. The Corps listened, and now its Missouri River flow plan for 2006 includes a two-part spring rise, much as the basin stakeholder group began designing over the summer. The planned 2006 spring rise is just a first step toward restoring Missouri River flows, but it is an important step.

Concerns remain about flood risk, water intakes and the impacts on reservoir storage of implementing a spring rise during a drought. The proposed spring rise recognizes and addresses these concerns and strikes a fair balance between the biological needs of the river, the science behind making flow changes and the concerns of river users.

The 2006 spring rise is the result of many years of debate, litigation and study. Most importantly, it is the result of collaboration intended to engage basin stakeholders in river management decision-making.

Because farmers, navigators, power producers, conservationists and others worked together to develop an agreement on river flows, I believe we made more progress toward that end in three months than was made in three decades.

It is clear that our vision for the Missouri from the 1930s needs updating. We certainly benefit from flood control, hydropower and productive flood-plain farms, but the Missouri can be so much more.

For example, a National Academy of Sciences study concluded that Missouri River rehabilitation would “enhance the valuable fishery resources… increase waterfowl populations... increase the abundance of largemouth bass… attract more anglers to the region… and result in marked increases in user-days for recreational fishing, commercial fishing and hunting.”

It’s time to tap into that very potential. This is our opportunity to secure a better future for the Missouri River and the people who depend on it. More natural flows, flood-plain farming, navigation, hydropower and other uses of the river are not mutually exclusive.

As seen from my duck blind on the Platte, the Missouri River’s future could be more exciting.
NRD doesn't charge for groundwater use

BY JOHN THORBURN

The writer, of Holdrege, Neb., is general manager of the Tri-Basin Natural Resources District.

A Dec. 18 World-Herald editorial titled "Put up or shut up" discussed a proposal by the Central Nebraska Public Power and Irrigation District to manage integrated water resources in the Platte River basin.

The editorial explained that, as part of that proposal, Central wants its customers to pump groundwater to supplement reduced surface-water deliveries from Lake McConaughy.

The editorial stated, citing information from Tim Anderson of Central: "That leads up to the third part of Central's proposal using the groundwater mound that has built up under Gage, Kearney and Phelps Counties. However, if Central's irrigation wants to top the mound for water to supplement what they get from the river, the Tri-Basin NRD requires them to pay to replace the amount they withdraw. Other Tri-Basin groundwater irrigators don't have to pay."

This statement would lead World-Herald readers to believe that the Tri-Basin NRD discriminates against Central surface-water irrigators. One could even conclude that we are charging or taxing them when they pump groundwater. That is not the case.

No one has had to pay the Tri-Basin NRD to use groundwater supplies that we conserve and protect for the benefit of all our citizens. In fact, the Tri-Basin NRD has made special accommodations for Central and its irrigators as we implement state water law and our integrated water management rules.

The Tri-Basin NRD is a leader in groundwater management. We established a groundwater management area in 1989, initially focusing on groundwater quality protection. We were the first NRD in Nebraska to declare an integrated water management area. The intent of all of our management efforts is to conserve and protect all groundwater supplies within the district, including the groundwater mound, for the benefit of all our citizens.

When the Nebraska Department of Natural Resources declared the Platte River upstream of Kearney Canal "overappropriated," the state imposed a moratorium on well drilling and developing new irrigated acres. Many Central customers already had wells when the drilling moratorium took effect and weren't affected by it. (About 60 percent of Central's irrigated acres in the moratorium area can be irrigated with groundwater.)

The Tri-Basin NRD directors could have strictly enforced the state drilling ban. They decided instead to give all irrigators, including Central customers, the opportunity to drill additional wells with certain limitations, as we are allowed to do by state law. Now, any landowner who agrees ahead of time to limit the use of a new well can get a permit to drill.

Before we issue permits for new groundwater wells, landowners must agree to (1) limitations on irrigated acres, pumping rates and well spacing that are stricter than those mandated by state law; (2) install permanent flow meters to measure how much water they pump; (3) abide by all NRD, state and federal rules governing the use of permitted wells; (4) accept responsibility for any new depletions to stream flows of the Platte, Republican or Little Blue Rivers; and (5) maintain contracts with the irrigation district for the land that they intend to irrigate with newly permitted wells.

Central wants the Tri-Basin NRD to require landowners to maintain their canal water contracts. The Central district complaint, however, that Central customers shouldn't have to offset new depletions that result from use of their new wells because the water originally came from Central's irrigators.

The groundwater mound comes from water that leaked out of Central's canals and water applied by their irrigation customers. Recharge also comes from land treated with soil conservation practices like terraces.

Regardless of its origin, groundwater mound water recharges our aquifer incidentally, not as a result of an intentional recharge project. For that reason, under state law it is considered groundwater, which all landowners have a right to beneficially use on their land. Any Central customer who has a well in place before the moratorium has the same rights and privileges to that water as any other groundwater user.

Landowners who seek new well permits must now take individual responsibility for new depletions. But Central could provide water to offset stream-flow depletions due to their customers' new wells. The district wants all groundwater users, a group that includes most of their own customers, to collectively offset depletions that result from new wells used to supplement reduced surface-water supplies.

In contrast, the Tri-Basin NRD board of directors decided that we need to limit use of all new wells to protect investments made by all groundwater users, including Central customers.
Drought’s impact seen in well tests

BY DAVID HENDLE
WORLD-HERALD STAFF WRITER

Five years of drought have steadily diminished Nebraska’s supply of underground water, according to University of Nebraska-Lincoln researchers.

Large areas of the state show groundwater level declines of up to 8 feet. In some areas with the heaviest concentrations of irrigation wells, declines of up to 20 feet over the past five years are not uncommon, said Mark Burbach, an assistant geoscientist at UNL’s School of Natural Resources.

Many of the largest declines are in the heavily irrigated Panhandle’s Box Butte and Cheyenne Counties. A few isolated areas showed a minimal rise in groundwater, notably in Valley, McPherson and Gosper Counties.

“These persistent and growing declines in the aquifer over a large area of the state are due mainly to current drought conditions and resulting increases in groundwater pumping for irrigation,” Burbach said.

Nebraska is a water-rich state, yet declines in water underlying the state are becoming increasingly obvious, he said.

Burbach coordinates UNL’s statewide groundwater level monitoring program, which collects data from more than 5,400 wells. The data are used to produce annual maps of rises and declines in groundwater levels.

The maps typically show the changes from before the development of irrigation to the present, and over the past year.

Earlier this year, he published a map showing changes in aquifer levels from spring 2000 to spring 2005, the period of the state’s current drought.

Most of the wells monitored are natural resources district wells, but some belong to the U.S. Geological Survey, the Central Nebraska Public Power and Irrigation District, the U.S. Bureau of Reclamation and UNL.

Well readings used to produce the maps generally are taken between March 1 and May 1 each year, after the fall and winter recharge cycle and before the summer irrigation season.

Copies of the maps, including historical copies dating to 1984, can be seen at http://cad.unl.edu.
Growing Star City may eclipse O!

With more room to grow, the capital city is on track to surpass Omaha in population by 2055, an urban planners meeting is told.

By C. David Kotok
World-Herald Staff Writer

Mahoney State Park, Neb. — In 25 or 50 years, Nebraska's biggest city will be west of this popular park half-way between Omaha and Lincoln.

Lincoln will replace Omaha as the state's largest city. Omaha Planning Director Steve Jensen said without batting an eye or drawing an objection from the mixture of urban planners and officials gathered at the state park Thursday afternoon.

"It's inevitable," Jensen said.

Omaha the metro area will continue to dwarf Lincoln.

But Omaha the city is essentially trapped on all sides, with much of the metro area's future growth coming beyond the Douglas County limits. Within 20 years, the City of Omaha will be fully developed and have no more room to expand, Jensen said.

Lincoln faces no such barriers to its expansion, as the capital city is situated in the middle of Lancaster County.

Lancaster County is more than twice the geographical size of Douglas County.

Even within Douglas County, Omaha is blocked by the Elkhorn River on the west and the Ponca Hills to the north. Jensen said.

The difficulty of providing sewer and water services west of the Elkhorn River and up and down the Ponca Hills makes expansion in those directions impractical, Jensen said.

Omaha's 2004 estimated population of 409,416 makes up a little more than half the population of the Omaha metro area. Lincoln's population of 236,146 in the Census Bureau's 2004 estimate tops 85 percent of its metro area.

The Omaha World-Herald, Friday, December 23, 2005

Growth: No chance Omaha, Lincoln will be joined

Continued from Page 1

Continue to grow and expand, perhaps to 2 million people by 2050, Jensen said.

Managing the growth of rural areas around those developing metros brought the Omaha and Lincoln planners together Thursday at a meeting sponsored by the Joslyn Castle Institute for Sustainable Communities.

The fear is that vast development of acreages and other large lots in Washington, Saunders and Cass Counties could become obstacles to efficient growth and expensive for taxpayers.

The 34,000 people currently coming to Douglas and Sarpy Counties for work will swell to 282,000 by 2050, Jensen said. Unless towns and counties encourage suburban types of development around existing small towns, those workers will gobble up farmland and demand many more services, Jensen said.

Gretna is a model for small town development, Jensen said in an interview, with suburban-style subdivisions built along the edges of the town. The state needs to provide the money to expand sewer and water systems so small towns can afford to grow, he said.

Acreages and large lot developments are "obstacles to efficient growth," said Lincoln Planning Director Marvin Krout.

Krout and Jensen told the group gathered at the park that they do not see a time when the two cities will grow together.

For Omaha, Lincoln and their suburbs to form one urban area, they said, would mean sprawl of the worst kind.

The Omaha and Lincoln chambers of commerce have asked federal officials to lump the two areas together into one metropolitan statistical area on the theory that the resulting combined population of more than 1 million would be economically more attractive.

Jensen and Krout concentrated on housing patterns and managed growth, however, not on an economic alliance.
Say no to irrigators

Nebraska policy-makers are struggling with how to bring the state into compliance with the Republican River compact. Some feel it may be necessary to use funds from the current state sales taxes or increase the tax rate to pay possible damages to the State of Kansas because of Nebraska's overusage.

Water usage is not a new topic in this state. Northwest of the Republican River, the great disappearing act of Lake McConaughy continues.

The idea always advanced is that irrigators have an inalienable right to utilize the water stored behind the dam.

But increasing the sales tax or diverting current tax dollars from cities, roads or any other currently funded entity, which would preserve the mismanagement and overusage of our water resources, is not the answer.

Jason Connerly, Omaha

Find another solution

What is wrong with this picture?

The Nebraska Water Policy Task Force has said that the Republican River basin is running short on irrigation water, thus endangering the state's ability to comply with the 1943 Republican River compact.

Overuse and possibly abuse of this public resource may result in a multimillion-dollar settlement with the State of Kansas at the expense of Nebraska citizens. A drought cycle is having very predictable results, and otherwise reasonable consumption by towns and cities is being threatened.

Now the task force is recommending that the Legislature consider a ballot referendum to dedicate sales-tax revenue to water and environmental issues. Some have suggested that irrigators be compensated with tax dollars for stopping the questionable activity that has caused the problem.

All this in red-state Nebraska, where the government is made out to be the bad guy.

Ted Thieman, Petersburg, Neb.
Sites set up to take trees to be recycled

Christmas decorations should be removed before drop-off.

BY KRISTIN ZAGORSKI
WORLD-HERALD STAFFWRITER

Sites are open throughout the metropolitan area where people can take Christmas trees to be recycled. Volunteers will be on hand to help unload trees at Omaha’s five drop-off sites on Saturday, Jan. 7 and Jan. 8. Volunteers will be there from 10 a.m. to 4 p.m.

These drop-off sites are open in Omaha until Jan. 16:
- Tranquility Park, 120th Street and West Maple Road.
- Orchard Park, 66th Street and Hartman Avenue.
- F Street football field, 156th and F Streets.
- Brown Park, U Street between 15th and 18th Streets.
- Wehrspann Lake, Nebraska Highway 370 south of Interstate 80, south parking lot at the entrance to the wildlife management area.

Officials throughout the metropolitan area ask that all decorations, tree stands and plastic bags be removed before the trees are discarded.

Here’s where trees can be left in other area cities:
- Bellevue — Haworth Park, Nebraska Highway 370 and Payne Drive, until further notice.
- Bennington — City Park, 162nd Street and Bennington Road, until Jan. 15.
- Council Bluffs — Residents’ trees will be picked up curbside, on the regular garbage collection day, the week of Jan. 9. People also can drop off their trees at the Council Bluffs Recycling Center, 4441 Gifford Road, through Jan. 31. Hours there are 8 a.m. through 6 p.m. Monday through Friday and 8 a.m. to noon Saturdays.
- Elkhorn — Ta-Ha-Zouka Park, 701 Center St., at the Chamber of Commerce parking lot. Residents should drop off trees during daylight hours through Jan. 13.
- La Vista — The La Vista Soccer Complex parking lot, two blocks south of Harrison Street on 66th Street, and the Kelly West parking lot, 87th Street and Park View Boulevard, through Jan. 15.
- Papillion — Parking lot of Papio Bay Aquatic Center, 815 E. Halleck St., or the Papillion Senior Center, 1001 Limerick Road, through Jan. 9.
- Ralston — Crown and Wagner Softball Fields and Orval Smith and Pierson Fields, near 80th Street and Park Drive, through Jan. 15.
- Valley — City Park, 400 W. Vaas St., through Jan. 7.

World-Herald staff writer
Chris Olson contributed to this report.
What a mess.
Worse, it’s undoubtedly going to be an expensive mess.

Nebraska’s Water Policy Task Force is kicking around ideas on how to pay for the work and programs needed to protect the state’s water resources. Beginning this year and extending into the longer term, the Nebraska Legislature will face the prospect of finding money to implement the 2004 water law and solve water problems in the drought-dry Platte River basin.

But the roaring fire that lawmakers will confront when the session begins Wednesday, a fire that requires immediate and focused attention, is the Republican River.

After a suit between Kansas and Nebraska was settled in late 2003, Nebraska promised to take only the share of water in the Republican River that was allowed by a 1943 compact between the states. The point of contention was whether that share did (Kansas’ argument) or didn’t (Nebraska’s argument) include groundwater pumped by irrigators in the river basin. Kansas prevailed.

But Republican basin irrigators drilled hundreds more wells before the settlement took effect. Then they didn’t cut back enough after the settlement, perhaps because of the drought, to allow Nebraska to meet its promises. Both moves were legal and within state regulations. Whether it was right, and whether Nebraska taxpayers (who might have to pick up the tab for irrigators’ actions) will believe it so, remains unsettled.

From 2003 to 2005, Kansas has received an estimated 100,000 acre-feet of water less than it was entitled to under the original compact and as a result of the settlement. The shortfall is significant, and it apparently couldn’t be eliminated even if all irrigation wells were shut off next year.

So Nebraskans face two problems.

■ First, how to appease Kansas. Will officials there accept more promises instead of water? Not likely. Will they demand financial damages from Nebraska in federal court? Or a financial settlement outside the courtroom? Or the water to which they are entitled, no matter how many Nebraska irrigators fall into bankruptcy?

■ Second, how to reduce irrigators’ use of Republican River water so that Nebraska doesn’t face the same water overuse problem every year. The task force has been trying to figure out how to buy out irrigated acres. Since irrigators use some 96 percent of Nebraska’s surface water and groundwater, that seems like a reasonable approach.

But potentially costly. A preliminary figure suggested that, over 15 years, it could cost between $300 million and $375 million to do that, most of it paid to irrigators to retire irrigated acres. The task force hasn’t firmed up its initial estimate. But whatever the cost, it will be substantial.

Complicated decisions need to be made, and difficult balances struck, as Nebraskans work out a consensus on how the state should proceed.

Tomorrow: Possible funding sources. Should Nebraska earmark a portion of the sales tax for water issues?
Find the money

The Nebraska Water Policy Task Force, Gov. Dave Heineman, state legislators, water regulators and hundreds of irrigators are looking for the right road to water stability. Or, more exactly, how Nebraska can pay the toll on that road.

The costs could be steep for water protection programs and the financial burden posed by the water situation in the Republican River basin.

The Department of Natural Resources needs millions of dollars to implement the state’s 2004 water law and programs to preserve the state’s water resource. A sizable amount, perhaps hundreds of millions of dollars, will be needed to retire irrigated acres in the Republican and Platte River basins as well as fund other programs where water is scarce.

The problem of the moment is the Republican basin, where irrigators have consumed more water than Nebraska was entitled to under a 1943 interstate compact. Kansas, which came out on the short end, sued. A settlement requires Nebraska to stick to its obligations or face penalties.

The water task force and others have come up with a good list of ideas to raise the money for the DNR’s needs and the Republican crisis. Only one idea, a proposed sales-tax increase, even comes close to providing enough to cover the toll. The list includes:

- Redistributed receipts from the annual power lease fees paid by state utilities with hydroelectric plants. Those power lease fees are in thousands of dollars, not millions. For example, the Nebraska Public Power District pays $9,568 a year for its facilities at North Platte, Kearney and Spencer.


- Annual fees on property records. These would raise relatively little money.

- Reworking the Environmental Trust Fund.

The trust, funded by a portion of state lottery proceeds (in itself an unstable source), received and allocated less than $80 million between 1994 and 2004. Water would either compete with or shut out environmental projects such as land conservation purchases that already are supported by the trust.

- Equitable fees on all water use, presumably including municipalities, industries and other users as well as irrigators.

Critics ask why every Nebraskan should pay for a problem created by irrigators in one river basin.

Irrigation interests argue that when they drilled new wells and consumed water (without considering the consequences), Republican River irrigators were acting entirely within state law and regulations as well as in their own economic self-interest.

Their actions, though, exposed all the state to potential financial liability. Critics have suggested there be some penalty for irrigators who took advantage of a bad situation, even if it is only, say, a graduated rate for buying out irrigated acreage, with the most recent wells getting the least, if any, money.

A general fund appropriation, which could cover the DNR’s increased money needs, estimated by the task force at some $6.7 million annually. Water planning can be a difficult sell in the Legislature, and any appropriation would have to be renewed in each budget, subjecting it to political game-playing and economic downturns.

Perhaps the most compelling idea suggested by the water task force, and the only one with the potential to raise enough money to buy out the Republican, would have the Legislature dedicate one-quarter of 1 percent of the state sales tax to fund a broad range of water issues. Such a step would raise about $42 million a year.

Task force members didn’t recommend whether the quarter-percent should come from the existing tax or whether the sales tax should be increased. Nebraskans would vote on the proposal.

Legislators have jealously guarded the sales tax and have long opposed earmarking. Exceptions over the years have been few, though they exist. Among them: insurance company taxes that fund the Department of Insurance and tobacco taxes that fund cancer research and capital construction. Lawmakers might be persuaded to carve out another exception.

It won’t be easy to find a way to address existing water problems as well as proactively plan for future water issues. Nebraska leaders have serious work ahead as they weigh the options and decide how this toll should be paid.
WATER... GASP...
WATER...

NEBRASKA

MONEY... GASP...
MONEY...

Pan for...
"WATER-LAW SATTUERDAY?"