

MEMORANDUM

TO THE BOARD:

SUBJECT: General Manager Report

DATE: January 4, 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 December 2006, is attached for your review.

B. **MISCELLANEOUS/PERSONNEL ITEMS**:

1. The Nebraska State Association of Secondary School Principals has honored **Director Rick Kolowski** as the recipient of the "Jack E. Halstrom Friend of Education" Award. The award recognizes exemplary leadership in promoting middle school and high school education. Congratulations!
2. Attached is a letter from Lynne E. Houtz, Associate Professor of Science and Math Education, Director of the Elementary Education Program at Creighton University. In her letter she commends **Christine Jacobsen**, Education/Volunteer Specialist, for her facilitation of the environmental projects with Creighton University preservice teachers.

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, 2006. 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 December 15, 2006. 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. Memo(s) from Rich Lombardi
 - a. 100th Legislature, First Session
 - b. 2007 Legislative Committees
2. Copy of LB 20, relating to public access to public lands, introduced by Senator Mines
3. Letter from Senator Ben Nelson updating the District on the status of the FY 2007 appropriations bill.
4. Report from Bob Weaver regarding December 2006 Accomplishments and January 2007 Anticipated Actions
5. January 5, 2007 NARD Update

F. **FLORENCE FUTURES DEVELOPMENT FUND STATUS REPORT:** Attached is a status report from Jim Suttle, Florence Futures Board, outlining progress made on the project to date. He has noted that as of November 23, 2006 they have cash and pledges totaling \$215,000 toward their goal of \$220,000. The District contributed \$25,000 for the feasibility study. Chairperson Thompson represents the District on the Florence Future Board.

G. **NEWS CLIPS:**

- ✓ December 8, 2006, Washington County Enterprise article – Owners question estimates. Washington Countians say dam study property value estimates too low.
- ✓ December 9, 2006, Omaha World Herald article – Gretna says yes to plan for dams.
- ✓ December 20, 2006, Omaha World Herald article – Audit of NRD sees errors, not crimes.
- ✓ December 26, 2006, Omaha World Herald editorial – Errors, not crimes.

/pt/GM Reports/2007/January

December 2006

Information & Education Report

Information

- Designed ads for phone books
- Designed ad for Sarpy County Guide publication
- Continued Web Site updates
- Continued work on PCWP
- Continued design and production of Chalco Hills Exhibit
- Published 4th Quarter SPECTRUM.
- Worked on I&E Planning for 2007

Education

- Concluded NRC Food Drive, and Toys for Tots Drive
- Trained 12 Creighton University Pre-Service Teacher in Leopold Education Project and Project WILD
- Continued working on transfer of Water Works material from ESU #3 to NRD
- Interviewed and Hired Spring Education Intern
- Arranged for Wild Encounters to present reptile program to Millard South Environmental Studies Class
- Trained 15 College of St. Mary pre-service teachers in Project WILD and Leopold Education Project
- Participated in Pheasants Forever conference call on Leopold Education Programming in Nebraska
- Continued providing staff with Workplace Wellness Tips
- Arranged for new Adopt-A-School art work and birthday cards for staff
- Continued working on Water Works Application revisions and printing

December 5, 2006

Mr. John Winkler
Papio-Missouri River NRD
8901 South 154th Street
Omaha, NE 68138

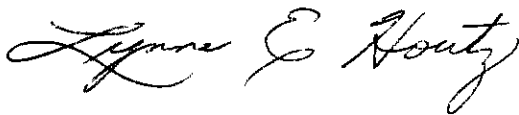
DEC - 7 2006

Dear Mr. Winkler:

I am writing to commend the superior performance of Mrs. Christine Jacobsen for her facilitation of the environmental projects with Creighton University preservice teachers. It is marvelous to have her come share her expertise and enthusiasm to offer future teachers certification in Projects WILD, WET, Learning Tree and Leopold! The presence of an outside presenter lends credibility to the importance of these national projects. Christine easily develops rapport with college students and responds well to all their learning styles. She is knowledgeable of environmental issues and the activities that lead from awareness to knowledge to skills towards responsible human action. Christine is always organized with all the necessary materials. She is flexible, patient, and even tolerant of Creighton's challenging parking situations! She provided a range of activities to suit the different levels at which the students will some day teach.

Thank you for sharing Christine with us. I look forward to working with her again next semester. I can relax and be confident that all will go well under her guidance.

Sincerely,



Lynne E. Houtz, Ph.D.
Associate Professor of Science and Math Education
Director of the Elementary Education Program

Updated: December 15, 2006

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. (96th 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 – Purchase Agreements and easements (W)
- **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)

- **Papio Watershed Dam Sites** (Woodward/Petermann):
 - Dam Site 19 agreement (F)
 - ✳ Shadow Lake ROW Closing (W)
 - ✳ DS-13 NDOR easement agreement (W)
 - ✳ Amend Omaha/Elkhorn Agreement for DS-13 (W)

- **Papio Creek Watershed Partnership (Stormwater)** (Woodward):
 - Amended Interlocal Agreement (F)

- **Rural Water Projects:** (Sklenar)
 - ✳ Pospichal Construction Claims Settlement on WCRW #2 (W)

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

- **Other:**
 - ✳ Arlington Wastewater Interlocal Agreement (Bowen) (P)
 - ✳ Kennard Wastewater Interlocal Agreement (Woodward) (P)

From: Aubrianna Faustman [mailto:afaustman@acgusa.net]

Sent: Tue 1/2/2007 4:40 PM

To: Petermann, Marlin; Winkler, John

Subject: Legislative Update from Rich and Julie

MEMORANDUM

January 2, 2007

TO: PAPIO Missouri NRD

FROM: Richard Lombardi & Julie Erickson, Registered Lobbyists
American Communications Group, Inc.

RE: 100th Legislature, First Session

The 100th Legislature, First Session will convene tomorrow, January 3rd at 10:00a.m. The agenda includes election of Speaker and Committee Chairs. Later in the day the Committee on Committees will meet and determine which Senators will be on the committees. From 5 to 7 p.m. tomorrow night there will be the annual first day legislative party hosted by Lincoln Senators at the Cornhusker Marriott in Lincoln. All interested parties including Senators and Staff are invited.

Please note:

- 1) The Legislature has a new web address this year: www.nebraskalegisature.gov
- 2) Senators email addresses have also changed: "name"@leg.ne.gov

We will be in touch with the results of tomorrow's elections, and as soon as room arrangements have been decided, we will send an updated senator contact list with room and phone numbers.

Thank you.

Links to recent new stories:

Lincoln Journal Star, December 30th

<http://journalstar.com/articles/2006/12/30/news/politics/legistature/doc45971063b5652719977449.txt>

Omaha World Herald, December 30th

http://www.omaha.com/index.php?u_pg=1636&u_sid=2305047

Omaha World Herald, January 2nd

http://www.omaha.com/index.php?u_pg=1636&u_sid=2306390

Teer, Pat

From: Petermann, Marlin
Sent: Friday, January 05, 2007 4:55 PM
To: Directors
Cc: Winkler, John; Teer, Pat
Subject: FW: Legislative Update
Attachments: 2007 LEGISLATIVE COMMITTEES.doc

FYI

From: Aubrianna Faustman [mailto:afaustman@acgusa.net]
Sent: Friday, January 05, 2007 4:39 PM
To: Petermann, Marlin; Winkler, John
Subject: Legislative Update

January 5, 2007

TO: PAPIO Missouri NRD
FROM: Rich Lombardi and Julie Erickson, Registered Lobbyists
American Communications Group, Inc
RE: Legislative Update

The 100th Legislature, First Session convened this week in Lincoln. Leadership was elected and committee assignments have been determined. The attachment to this note contains that new information. The Legislature has a new website and you should check it out:
www.nebraskalegislature.gov

As the week ends all of the Senators have moved to their new offices and communications to them should be fairly seamless. Between now and January 17th we anticipate over 500 pieces of legislation will be introduced. The Lincoln Journal Star and Omaha World Herald usually provide a daily look at the bills that have been introduced during the previous day. We encourage you to look at these lists and if any of these bills trigger your interest you can go on the Legislative website and read them in their entirety.

During this bill introduction phase our office will be reviewing every piece of legislation and providing you with a list of bills for your review. Please feel free to contact our office with any questions you might have on any of the newly introduced bills. Next week we will provide you our analysis of the first bills introduced.

Also, please note our new address: 1141 H Street, Suite B, Lincoln, NE 68508.

Thank you.

1/8/2007

**2007 LEGISLATIVE
COMMITTEES**

Agriculture

Erdman (C)
Chambers
Dierks
Dubas
KarpisekMcDonald
Preister
Wallman

Appropriations

Heidemann (C)
Engel
Fulton
Harms
Kruse
Nantkes
Nelson
Synowiecki
Wightman

Banking, Commerce and

Insurance

Pahls (C)
Carlson
Christensen
Gay
Hansen
Langemeier
Pankonin
Pirsch

Business and Labor (7)

Cornett (C)
Chambers
Lathrop
McGill
Rogert
Wallman
White

Education

Raikes (C)
Adams
Ashford
Avery
Burling
Howard
Johnson
Kopplin

Natural Resources

Louden (C)
Carlson
Christensen
Dubas
Fischer
Hudkins
Kopplin
Wallman

General Affairs

McDonald (C)
Dierks
Dubas
Erdman
Friend
Janssen
Karpisek
Preister

**Government, Military and
Veterans Affairs**

Aguilar (C)
Adams
Avery
Friend
Karpisek
Mines
Pahls
Rogert

Health and Human Services

Johnson (C)
Erdman
Gay
Hansen
Howard
Pankonin
Stuthman

Judiciary

Ashford (C)
Chambers
Lathrop
McDonald
McGill
Pedersen
Pirsch
Schimek

Nebraska Retirement Systems

Synowiecki (C)
Erdman
Heidemann
Karpisek
Louden
White

Revenue

Janssen (C)
Burling
Cornett
Dierks
Langemeier
Preister
Raikes
White

**Transportation and
Telecommunications**

Fischer (C)
Aguilar
Hudkins
Louden
Mines
Pedersen
Schimek
Stuthman

Urban Affairs (7)

Friend (C)
Cornett
Janssen
Lathrop
McGill
Rogert
White

LEGISLATURE OF NEBRASKA
 ONE HUNDREDTH LEGISLATURE
 FIRST SESSION
LEGISLATIVE BILL 20

Introduced By: Mines, 18
 Read first time: Jan 4, 2007
 Committee:

1 FOR AN ACT relating to public access to public lands; to amend
 2 sections 2-3290.01 and 18-1755, Revised Statutes Cumulative
 3 Supplement, 2006; to change provisions related to public
 4 access for recreational use at water projects; to harmonize
 5 provisions; and to repeal the original sections.
 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 2-3290.01 Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 (1) A district shall permit public use of those portions of
4 a water project located on lands owned by the district and on land
5 over which the district has a lease or an easement permitting use
6 thereof for public recreational purposes. All recreational users of
7 such portions of a water project shall abide by the applicable rules
8 and regulations adopted and promulgated by the board.

9 (2) The district shall provide public access for
10 recreational use at designated access points at any water project.
11 Recreational users, whether public or private, shall abide by all
12 applicable rules and regulations for use of the water project adopted
13 and promulgated by the district or the political subdivision in which
14 the water project is located. Public recreational users may only
15 access the water project through such designated access points.
16 Nothing in this subsection shall require public access when the
17 portion of the project cost paid by the natural resources district
18 with public funds does not exceed ~~twenty~~ five percent of the total
19 cost of the project.

20 (3) For purposes of this section water project means a
21 project with cooperators or others, as authorized in section 2-3235,
22 that results in construction of a reservoir or other body of water
23 having a permanent pool suitable for recreational purposes greater
24 than one hundred fifty surface acres, the construction of which
25 commenced after July 14, 2006. Water project shall not mean soil
26 conservation projects, wetlands projects, or other district projects
27 with cooperators or others that do not have a recreational purpose.

1 Sec. 2. Section 18-1755 Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 A city of the metropolitan, primary, first, or second class
4 or village acquiring an interest in real property by purchase or
5 eminent domain shall do so only after the governing body has
6 authorized the acquisition by action taken in a public meeting after
7 notice and public hearing. The city or village shall provide to the
8 public a right of access for recreational use to the real property
9 acquired for public recreational purposes. Such access shall be at
10 designated access points and shall ~~be equal to~~ meet or exceed the
11 right of access for recreational use held by adjacent landowners. ~~The~~
12 ~~right of access granted to the public for recreational use shall meet~~
13 ~~or exceed such right held by a private landowner adjacent to the real~~
14 ~~property.~~

15 Sec. 3. Original sections 2-3290.01 and

United States Senate

WASHINGTON, DC 20510-2706

E. BENJAMIN NELSON
NEBRASKA

December 8, 2006

Mr. Marlin J. Petermann
Acting General Manager
Papio-Missouri River Natural Resources District
8901 South 154th Street
Omaha, NE 68138

DEC 19 2006

Dear Marlin:

As the 109th Congress adjourns, I want to give you an update on the status of the Fiscal Year 2007 (FY07) appropriations bills. Unfortunately, Congress was unable to finalize most of the bills this year; thus, the status of most funding requests is unknown at this time.

Only two of the FY07 spending bills – Defense and Homeland Security – have been approved by Congress and signed into law. Congress has now approved a Continuing Resolution to fund other government operations through February 15, 2007. As a result, we will renew consideration of the remaining appropriations bills when the 110th Congress convenes in January. Unfortunately, this means that many funding requests are essentially in limbo for the time being.

It remains to be seen exactly how Congress will handle individual appropriations requests when we convene in January. Please know that my commitment to representing Nebraska's priorities – as articulated to me by you and other community leaders – remains the same. I hope we will move quickly to enact spending measures for FY07, so that we may then turn our focus to setting a budget and establishing priorities for FY08.

I will continue to keep you informed of any progress in upcoming weeks. Please do not hesitate to contact me or my staff if you have any questions or need additional information.

Sincerely,



E. Benjamin Nelson
United States Senator

EBN:bdb

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

REPORT

To: Glenn Johnson, John Miyoshi and John Winkler and Marlin Petermann
From: Bob Weaver
Date: December 26, 2006
Subject: December 2006 Accomplishments and January 2007 Anticipated Actions

Failure by the Congress to pass the FY'07 appropriations for the three major projects and the Water Resources Development Act of 2006 for the Lower Platte Watershed Restoration Project and amendments to the WRDA 2000 authorizations was unexpected. Legislative action on these bills and the Corps of Engineers allocation of the FY'07 appropriations will likely continue at least through March 2007.

December 2006 Accomplishments

During December 2006, 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 others and the administrative process and the LPR NRD strategy for obtaining FY'07 funds from the Corps of Engineers.
2. Conferred with the Corps of Engineers on their actions to allocate construction general account funds.
3. 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.
4. Monitored the Corps and Administration development of the President's 2008 budget request and prepared a draft letter for the governor to send to the White House.
5. 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.

The firm received payment for November services in an amount less than

services performed or billed as reflected in the November statement. It is the firm's understanding that fees paid and received for services by the end of November is the amount budgeted for the current NRD fiscal year.

January 2007: Planned, Potential and Anticipated Actions

1. FY'08 Energy and Water Development Appropriations
 - Monitor and review Administration's FY '08 budget process to support additional funding for the 3 major projects.
 - Prepare draft and final request letters and forms for the FY'08 appropriations requests for the three major projects and others.
 - Further develop strategy for expanded funding in the FY'08 appropriations and arrange for Washington meetings in February 2008.

2. FY'07 Energy and Water Development Appropriations
 - Continue support to delegation for project amounts that were included in the FY'07 Senate appropriations committee bill.
 - 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.

3. Water Resources Development Act'07
 - Maintain contacts with Congressional and other Washington contacts on status outlook and opportunities in WRDA'07.
 - Continue to monitor conference progress and further confirm inclusion of all Lower Platte River NRD amendments in conference report.
 - Provide information to delegation and respond to information needs.
 - Maintain contact with Congressional, USACE and other contacts on enactment of WRDA'07.

4. Identify and report on other federal funding sources for watershed management including NRCS funding and opportunities 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.

Anticipated budget to be billed: \$2,500.00

Winkler, John

From: Bob Weaver [weaver@kellyweaver.com]
Sent: Thursday, December 21, 2006 5:10 PM
To: 'Glenn Johnson'; 'John Miyoshi'; Winkler, John; Petermann, Marlin; mmurren@lpnrd.org; 'Rodney Verhoeff'
Subject: 2007 Legislation

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

R E P O R T

To: Glenn Johnson, John Miyoshi, John Winkler, Marlin Petermann, Mike Murren and Rodney Verhoeff
From: Bob Weaver
Date: December 20, 2006
Subject: 2007

Two-thousand seven will provide several opportunities for the Lower Platte River NRDs, some delayed from 2006. This report summarizes status of these and suggested strategies. The most significant change behind these opportunities is Senator Nelson's new majority membership on the Senate Appropriations Committee. This development will place even greater importance on the Senate for achieving legislative objectives.

1. Joint Resolution for FY'07 Appropriations

We will need to monitor legislative action and support the delegation for completion of the FY'07 appropriations cycle and work closely with the Corps to assure funding at least at the FY'06 funding levels for construction of the three major projects. Antelope Creek may be in line for a bump over the 2006 level reflecting the Administration's request for \$7.5 million in the FY'07 budget. The Corps, the Army and OMB will all have a role and we will rely on direct contacts and delegation contacts with USACE. Corps Headquarters has not yet begun to develop a funding process for the FY'07 money. Funding for the smaller flood control projects and for the Papio's flood plain management funding through the Corps Flood Plain Management Services program can remain part of our objectives.

2. FY'08 Energy and Water Development Appropriations

The FY'08 cycle should begin early to aid the delegation in developing their requests for the three principal projects and any smaller ones you all may want. I suggest

an early update briefing for the delegation in Washington prior to the NARD conference in March.

3. Water Resources Development Act of 2007

As I have been reporting, Congressman James Oberstar the new chair of the House Transportation and Infrastructure Committee intends to move WRDA '07 early in the session to completion. I have learned that the Senate Environment and Public Works Committee is planning to do the same. Word on the street today is that Chairwoman Barbara Boxer wants to markup a bill by March 31, 2007. I anticipate that both houses will try to begin where this past year's conference negotiations left off, though the exact procedure is not known. The Upper Mississippi lock and dam project and New Orleans levees remain driving forces behind WRDA'07

The Lower Platte Watershed Restoration Project was included in the draft conference report because Ben Nelson requested it and Chuck Hagel supported it. This combination should continue to have a major influence on WRDA'07 for enactment of the restoration authority as well as the amendments to the 2000 authorizations for the three major projects.

4. NRCS and 2007 Farm Bill

When I delivered the NRD letter to Merlyn Carlson (Deputy Under Secretary for Conservation) he said that we should contact, Lawrence Clark, the Deputy Chief of the NRCS to pursue the items in the letter including funding from the conservation innovation grant program. I anticipate that Clark is also working on the Administration's conservation recommendations for the 2007 Farm bill which will be part of hearings and the beginnings of legislation development during the coming year. I will followup with an initial contact with Clark and report back to you.

Two Farm Bill issues of developing interests are: (1) implementation of nutrient management plans particularly in the Mississippi drainage; and (2) herbicide/pesticide management. The Environmental Protection Agency recently interpreted the Clean Water Act ("CWA") and the Federal Insecticide, Fungicide and Rodenticide Act to exclude the spraying of such chemicals as a point discharge under the CWA which would make them subject to the NPDES permit program. In so doing, the Agency placed emphasis on best application management in accordance with manufacturer instructions to control pollution from these chemicals.

5. Clean Water Act Review

The new majority in both houses of Congress has expressed interest in reauthorizing the Clean Water Act ("CWA") state revolving fund ("SRF") loan program and considering other changes to the CWA. Incoming chairman of the House Transportation and Infrastructure Committee, James Oberstar (D-MN) has expressed interest in reauthorizing the SRF and then turning attention to the proposed Clean Water Trust Fund Act introduced in the 109th Congress as H.R. 4560. This bill also reauthorized the SRF loan program and would

have established a new program of construction grants, both funded by dedicated revenue.

Both the House and Senate committees are likely to consider new provisions to strengthen the watershed approach under the CWA. New funding authorizations will also be focused on watershed restoration much like the existing Chesapeake Bay, Great Lakes and National Estuary programs.

Senator Barbara Boxer, the new chair of the Senate Environment and Public Works ("EPW") Committee has chosen Eric Olsson of the Natural Resources Defense Counsel as Deputy Staff Director for clean water and drinking issues and the committee's general counsel. She has also chosen Ken Kopocis (Omaha Central HS), the principle minority clerk on the House Water Resources and Environment Subcommittee of Transportation and Infrastructure, as Deputy Director for of EPW for infrastructure. I have previously met with Olsson on the Clean Water Trust Fund proposal and Kopocis has staffed this issue in the last Congress for the Democratic members of the committee.

I have talked previously with Glenn about an early 2007 trip to Washington before the NARD meeting in order to maximize time with the delegation members and staff on appropriations and WRDA legislation. I suggest late February preceded by completion of forms for appropriation requests.

Congress of the United States

Washington, DC 20515

December 20, 2006

The Honorable George W. Bush
President of the United States of America
The White House
1600 Pennsylvania Avenue Northwest
Washington, DC 20500-0004

Dear Mr. President:

We respectfully request inclusion of three, ongoing water resource projects in your fiscal year 2008 budget for the U.S. Army Corps of Engineers. Together these projects are emblematic of your policies to protect vital infrastructure and communities from flood risk and to encourage a net gain in wetlands resources:

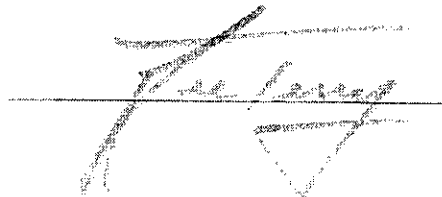

The Western Sarpy-Clear Creek Flood Damage Reduction Project will protect critical drinking water facilities for Lincoln and Omaha that together serve up to 50% of Nebraska's population, other community and national infrastructure, homes and farmland. This project also ties into a flood control levee already built with Military Construction funds to protect the Nebraska National Guard Camp serving Guard units in several states: without completion of Clear Creek levee segment, the guard camp levee remains ineffective. This project has been ready for construction completion for several years.

The Sand Creek Environmental Restoration Project will add to the nation's wetlands resources and specifically for migratory birds that use the North American Central Flyway. It will further improve water quality in the Lower Platte River drinking water basin and provide flood damage reduction to the City of Wahoo and the U.S. 77 Expressway that has been flooded twice in the past year.

The Antelope Creek Flood Damage Reduction Project, the flood control element of the Antelope Valley water resource, transportation and community improvement project is preparing to make major strides with the amount requested by the Administration in the 2007 budget and included in the House and Senate appropriations bills. A similar amount will further advance the remaining benefits, remaining costs ratio calculated for the last budget cycle.

These three projects, authorized in the Water Resources Development Act of 2000, represent water resource priorities for Nebraska in the coming budget and are supported by the Administration's policy review process. Enclosed is additional information. Thank you for your kind consideration of our requests.

Sincerely,





NEBRASKA ASSOCIATION OF RESOURCES DISTRICTS

601 S. 12th St. Suite 201
Lincoln, NE 68508

nard@nrdnet.org
(402) 471-7670

January 5, 2007

TO: NARD Board, NRD Managers and Conservation Partners
FROM: Dean E. Edson, NARD Executive Director
RE: January 5 NARD Update

Session Begins -- The Nebraska Legislature convened its 90-day work session on January 3, 2007 and is tentatively scheduled to end on May 31st. Days off for Holidays (H) and Recess (R) are as follows: Jan 15 (H); Feb 9 (R), 16 (R) and 19 (H); March 2 (R), 16 (R), 23 (R), and 26 (R); April 6 (R), 9 (R), 20 (R), 27 (H) and 30 (R); May 11 (R), 14 (R), 25 (R) and 28 (H). These are dates your senator(s) should be back in the district if you wish to schedule meetings with him or her.

Unicameral New Web Site -- The Nebraska Unicameral has a new website address which is www.nebraskalegislature.gov.

New Bills -- Introduction of legislative bills occurs in the first ten working days of the session. This is the beginning of a new session so there are no carry over bills from last year. The following are a few new bills of interest for the NRDs introduced in the first few days. Note, no bills were introduced on the first day. For more information on introduced legislation, visit the Nebraska Unicameral web-site at www.nebraskalegislature.gov.

- **LB 7 – Open Meetings Act, Priester.** 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.
- **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.
- **LB 20 – NRD Projects and Public Access, Mines.** Requires public recreation access to NRD water project properties and private lands under NRD easements if NRD contributions are 5 percent of the cost of the project. Current law, adopted in 2006, requires public access if the NRD cost is 20 percent of the total cost.

Bleed Appointed DNR Director -- Governor Dave Heineman appointed Ann Saloman Bleed as permanent director of the Nebraska Department of Natural Resources noting her 18 years with the department as state hydrologist, deputy director and, most recently, interim director since August 2005. Bleed is from New York, N.Y., has a Master's degree in ecology/zoology from Penn State and Ph.D. focused on ecology from the University of Wisconsin. Bleed holds a second master's in industrial engineering and systems management from the University of Nebraska-Lincoln

Committees -- First item on the agenda for the session is the election of the Speaker, committee chairs and committee assignments. In the Speaker race, Senator Mike Flood defeated Senator DiAnna Schimek 28-21. In contested committee chair races: Senator Levon Heidemann defeated Senator Loren Kruse 26-23 for Appropriations; Senator LeRoy Loudon Defeated Senator Chris Langemeier 26-23 for Natural Resources; Senator Ray Jannsen defeated Senator Mick Mines 30-19 for Revenue; and Senator Deb Fisher defeated Senator Arnie Stuthman 27-22 for Transportation. Other committee chair slots were not contested. The Standing Committee chairs and assignments are as follows:

Agriculture Committee. Meets: Tuesdays in Room 2102

Chairperson: Senator Philip Erdman. **Members:** Sens. Ernie Chambers, M.L. Dierks, Annette Dubas, Russ Karpisek, Vickie McDonald, Don Preister, and Norman Wallman.

Appropriations Committee Meets: Mondays and Tuesdays in Room 1524; Wed., Thurs. and Fridays in Room 1003

Chairperson: Senator Lavon Heidemann. **Members:** Sens. Pat Engel, Tony Fulton, John Harms, Lowen Kruse, Danielle Nantkes, John Nelson, John Synowiecki, and John Wightman

Banking Committee. Meets: Mondays and Tuesdays in Room 1507

Chairperson: Senator Rich Pahls. **Members:** Sens. Tom Carlson, Mark Christensen, Tim Gay, Thomas Hansen, Chris Langemeier, Dave Pankonin, and Pete Pirsch

Business & Labor Committee. Meets: Mondays in Room 2102

Chairperson: Senator Abbie Cornett. **Members:** Sens. Ernie Chambers, Steve Lathrop, Amanda McGill, Kent Rogert, Norman Wallman, and Tom White

Education Committee. Meets: Mondays and Tuesdays in Room 1525

Chairperson: Senator Ron Raikes. **Members:** Sens. Greg Adams, Brad Ashford, Bill Avery, Carroll Burling, Gwen Howard, Joel Johnson, and Gail Kopplin

General Affairs Committee. Meets: Mondays in Room 1510

Chairperson: Senator Vickie McDonald. **Members:** Sens. M.L. Dierks, Annette Dubas, Philip Erdman, Mike Friend, Ray Janssen, Russ Karpisek, and Don Preister

Government, Military & Veterans Affairs Committee. Meets: Wednesdays, Thursdays and Fridays in Room 1507

Chairperson: Senator Ray Aguilar. **Members:** Sens. Greg Adams, Bill Avery, Mike Friend, Russ Karpisek, Mick Mines, Rich Pahls, and Kent Rogert

Health and Human Services Committee. Meets: Wednesdays, Thursdays and Fridays in Room 1510

Chairperson: Senator Joel Johnson. **Members:** Sens. Philip Erdman, Tim Gay, Thomas Hansen, Gwen Howard, Dave Pankonin, and Arnie Stuthman

Judiciary Committee. Meets: Wednesdays, Thursdays and Fridays in Room 1113

Chairperson: Senator Brad Ashford. **Members:** Sens. Ernie Chambers, Steve Lathrop, Vickie McDonald, Amanda McGill, Dwite Pedersen, Pete Pirsch, and DiAnna Schimek

Natural Resources Committee. Meets: Wednesdays, Thursdays and Fridays in Room 1525

Chairperson: Senator LeRoy Louden. **Members:** Sens. Tom Carlson, Mark Christensen, Annette Dubas, Debra Fischer, Carol Hudkins, Gail Kopplin, and Norman Wallman

Nebraska Retirement Systems Committee. Meets: At the call of the chairperson in Room 1525

Chairperson - Senator John Synowiecki. **Members:** Sens. Philip Erdman, Lavon Heidemann, Russ Karpisek, LeRoy Louden, and Tom White

Revenue Committee. Meets: Wednesdays, Thursdays and Fridays in Room 1524

Chairperson: Senator Ray Janssen. **Members:** Sens. Carroll Burling, Abbie Cornett, M.L. Dierks, Christ Langemeier, Don Preister, Ron Raikes, and Tom White

Transportation Committee. Meets: Mondays and Tuesdays in Room 1113

Chairperson: Senator Debra Fischer. **Members:** Sens. Ray Aguilar, Carol Hudkins, LeRoy Louden, Mick Mines, Dwite Pedersen, DiAnna Schimek, and Arnie Stuthman

Urban Affairs Committee. Meets: Tuesdays in Room 1510

Chairperson: Senator Mike Friend. **Members:** Sens. Abbie Cornett, Ray Janssen, Steve Lathrop, Amanda McGill, Kent Rogert, and Tom White

For a complete list of all assignments, please visit the Unicameral Web-site www.nebraskalegislature.gov.

MEMO TO FLORENCE FUTURES DONORS

DEC - 7 2006

TO: Marlin Peterman, P.E.; Papio Missouri River Natural Resources District

FROM: Florence Futures Board

RE: Florence Futures Development Fund Status Report

Thanks to you, we have cash and pledges totaling \$215,000.00 as of November 23, 2006. Several requests are pending as we continue toward our goal of \$220,000.00.

Thanks to you, the Florence Futures Board has initiated the Florence Master Planning Process. Our status is as follows:

- We received nine consultant proposals
- We interviewed four consultants
- We selected Beringer Ciaccio Donnell Mabrey (BCDM) with Olsson Associates
- We have negotiated and signed a contract
- BCDM/Olsson will start the master planning study in January 2007.

The study process will be coordinated with Omaha Planning and Public Works, Omaha By Design, Greater Omaha Chamber of Commerce, MAPA, and Papio-Missouri Natural Resource District. There will be extensive public and business involvement in the study from both Nebraska and Iowa.

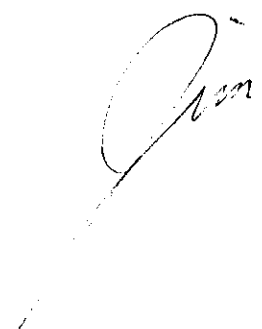
The completed study will provide:

- A master plan for Historic Downtown Florence Business District
- A master plan for the Gateway Historic Florence Visitor/Welcome Center
- Economic and pro-forma statements.

If you have questions or need further information, please contact Linda Meigs, Chair of Florence Futures (402-551-1233) or email (lmeigs@msn.com) or Councilman Jim Suttle (402-981-6601) or email (jim@jimsuttle.com).

Again, our special thanks to all of you!!

*Marlin,
 Thanks to the Board
 for helping to develop all of the dreams
 for Florence and the Missouri River Corridor
 into a reality.*



Owners question estimates

Washington Countians say dam study property value estimates too low

By Jim Brazda
Reporter

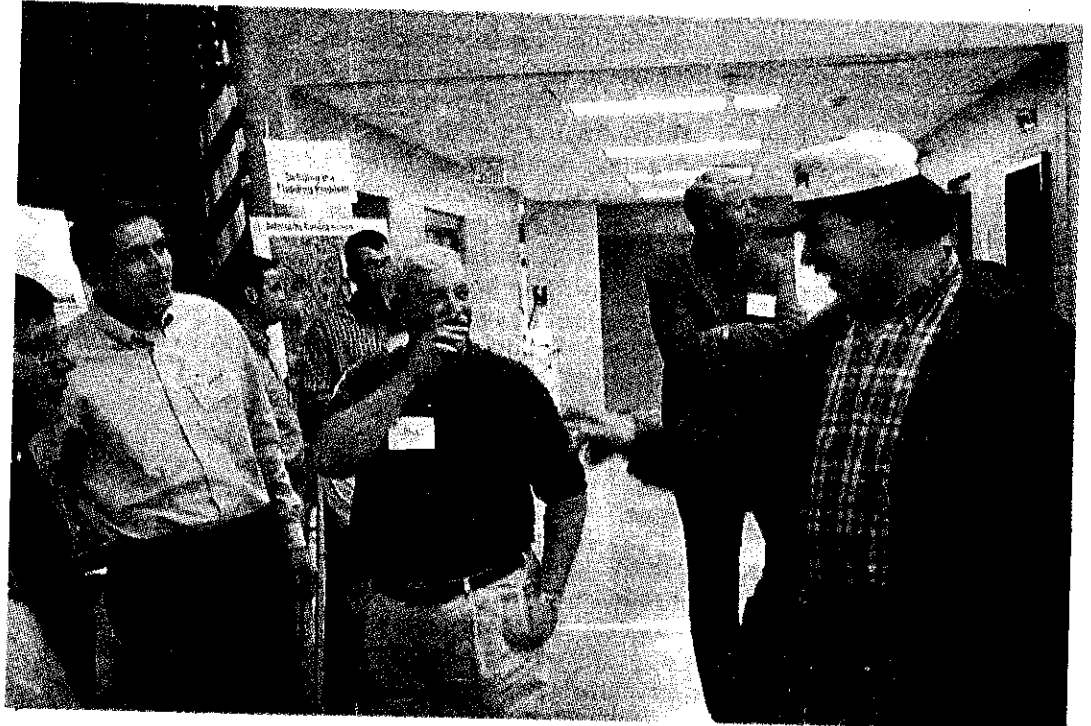
The study group charged by the Papio-Missouri River Natural Resources District with an in-depth analysis of the costs and benefits of constructing two large dams in Washington County presented some of its findings at an open forum Tuesday, Dec. 5, at Bennington High School.

This second of three public forums associated with the study focused on the estimated costs of several alternatives to damsites 1 and 3C. About 250 people attended.

HDR Engineering Inc. of Omaha has been assigned to conduct the analyses. While the engineers' estimates showed constructing the two dams in one form or another would be cheaper than most of the alternatives, those in attendance—many of whom would be directly impacted or displaced by the construction of the two dams—were skeptical of the study's validity, especially concerning the value of their farmland that would need to be purchased by the NRD to build the dams.

Using U.S. Army Corps of Engineers methodology, HDR has estimated the expected annual flood damages, over a 100-year period, in the Papio Creek watershed, at \$7.4 million with existing land use conditions. That number is anticipated to go up to \$12.7 million as development in the watershed continues, said John Engel, Sites 1 and 3C project manager for HDR.

The study also found that if a 100-year flood event occurred today, 3,403 acres and 758 structures would be flooded, including 432 single family homes, 117 multi-family homes and 263 commer-



2) HDR employees John Engel, Richard Gorton and Papio Valley Preservation Association member Gary Lambrecht lighten the mood for a moment after the presentation.

cial or industrial structures. Under maximum build-out conditions in the future, up to 3,572 acres and 851 structures would be flooded.

The numbers were figured by taking the estimated damage caused by various degrees of flooding and multiplying it by the probability of a flood of that magnitude actually occurring.

Buying all the land in the floodplain was the most expensive option presented at an estimated cost of \$457 million. Second was constructing levy and channel improvements downstream at an estimated cost of \$189.7 million.

The flood control benefit of the full implementation of conservation measures, such as terraces, buffer strips, tile outlets and no-till planting was minimal since 75 percent of the watershed already uses such measures, Engel said.

The study also looked at the costs associated with building multiple, smaller detention

SEE DAMS PAGE 3A

Summary of flooding findings

Area flooded

Today - 3,403 acres and 758 structures for \$7.4 million in damages
Projected Future - 3,572 acres and 851 structures for \$12.7 million in damages

Alternative options

Floodplain buyout

Acquiring 768 acres and 876 structures in floodplain.
Cost - \$457.7 million

Levees and channel modifications

Acquiring 241 acres and 55 structures
Cost - \$189.7 million, \$20,000 annual maintenance

Multiple (11) regional dry dam detention structures

Acquiring 2,640 acres and 33 structures.
Cost - \$72.8 million, \$1.8 annual maintenance

Multiple (90) small dry dam detention structures

Acquiring 4,500 acres
Cost - \$113.3 million, \$2.9 million annual maintenance

Damsites 1 and 3C wet dams

Acquiring 4,815 acres and 70 structures
Cost - \$88 million, \$1.6 annual maintenance

Damsite 3C as a dry dam

Acquiring 2,065 acres and 35 structures
Cost - \$47.4 million, \$1.5 million annual maintenance

Damsite 3C as a wet dam

Acquiring 3,920 acres and 66 structures
Cost - \$75 million, \$1.5 million annual maintenance

DAMS: Meeting outlines estimated costs

FROM PAGE 1
structures throughout the watershed. Constructing 90 small, dry dam detention sites with a small drainage area would cost an estimated \$113.3 million with \$2.9 million in annual maintenance. Another option, 11 regional dry dams with slightly larger drainage areas were estimated to cost \$72.8 million, but would also affect 33 structures, Engel said.

The HDR study looked at several different scenarios for dam sites 1 and 3C. If both were constructed as wet reservoirs with a permanent pool of water, the estimated cost would be around \$88 million with annual maintenance around \$1.6 million, Engel said. This plan would affect 4,815 acres and 70 structures.

The second option is to construct site 3C as a dry dam. This option was esti-

mated to cost around \$47.4 million with annual maintenance around \$1.5 million. This plan would affect 2,065 acres and 35 structures.

The third option was for dam site 3C as a wet dam and 1 as a water quality detention structure. This option was estimated at \$75 million with \$1.5 million in annual maintenance costs. Around 3,920 acres and 66 structures would be affected.

While all of these dam scenarios would provide the same level of flood control, constructing 1 and 3C would provide recreation in the county and help drive growth, Engel said. A dry dam would provide natural resources-based recreation, such as trails and nature observation sites, while a wet dam with public ownership and a 200-foot water quality buffer around the reservoir would provide water-based

recreation, he said.

Washington County's population is expected to grow by 21,000 by 2050, he said. With the large reservoir an additional 10,000 people could be expected to move to the county, he said.

Many in attendance were unimpressed by the numbers and felt the value of their land was misrepresented in an attempt to make the dams seem more affordable.

Mike Larimore with the Papio Valley Preservation Association, a group of landowners opposed to the dam proposals, said he would like to know how the state would be able to replace nearly 5,000 acres of the most productive agricultural land in the county and where those displaced farmers would go to continue their livelihood.

Bob Harper of Kennard

the study have decreased the market value of everybody's homes in the affected area by casting a cloud of doubt.

Gary Lambrecht with the PVPA agreed.

"I feel the numbers are being manipulated to give the NRD a better justification for the project," Lambrecht said.

The numbers used by HDR for the cost of land acquisition came from the Washington and Douglas counties' assessors' offices, Engel said. To truly know how much the project would cost, an appraised value of each property would be required, Lambrecht said.

The third and final public forum on the study results is scheduled for March 2007.

The next forum will deal with the associated economic and social impacts of the different alternatives presented this week.

said he would like to be a supporter of the local NRD, but its dealings with developers makes that impossible.

"We fought it 30 years ago and we'll fight it for another 30 years until you finally understand," Harper said. "This is good versus evil. This is people who live and work on the ground and people who've never laid foot on it."

Mike Ryan questioned HDR's credibility, calling the forums a "dog and pony show." The \$620,000 paid to HDR for the study amounts to corporate welfare, he said.

"No doubt you guys went to college, got degrees," Ryan said. "Please use your degrees in another way, get off welfare."

Shawn Melotz of Omaha said she felt HDR was skewing the costs of the dams in the study. She also pointed out that the NRD's plans and

Gretna says yes to plan for dams

12-9-06

By MAHALIA ASANAENYI

WORLD-HERALD STAFF WRITER

The City of Gretna has signed on to a controversial proposal to build up to 29 dams to control storm water runoff and flooding in the Omaha metropolitan area.

The Gretna City Council voted unanimously this week to participate in a plan that includes construction of the dams and new policies for handling storm runoff.

"We hoped everybody in the area would adopt these policies," said Paul Woodward, project manager for the Papio-Missouri River Natural Resources District.

The district board also has endorsed the dam plan.

Backers of the estimated \$282.5 million plan hope to fund the project through property taxes and a tax on new development in Douglas and Sarpy Counties. Critics have said the plan is expensive and favors developers.

The City of Gretna is not required to have policies for how it manages water because it is not considered part of an urban area by the Nebraska Department of Environmental Quality.

Because of Gretna's growth, city officials expect the city to be classified as an urban area by the next Census in 2010.

These are good, sound water management practices, Mayor Tim Gilligan said. The plan helps Gretna get a jump on meeting the requirements of the federal Clean Water Act, he said.

Sarpy County and the cities of Omaha, La Vista, Papillion, Boys Town, Ralston and Bellevue have approved the dam plan.

The Douglas County Board and the cities of Elkhorn and Bennington have objected to signing on to the plan.

Audit of NRD sees errors, not crimes

Records were scrutinized after an affair between a board member and the general manager.

By NANCY GAARDER

WORLD-HERALD STAFF WRITER

The Papio-Missouri River Natural Resources District kept incomplete expense records and violated IRS rules regarding taxable expense income, according to a special audit conducted by the State Auditor's Office.

Auditor Kate Witek's office examined NRD expense records earlier this year at the board's request after it learned that then-General Manager Steve Oltmans was having an affair with former board member Barb Nichols.

The World-Herald obtained the audit results from the NRD through the state's open records law.

According to the auditor, Oltmans was reimbursed a total of \$29,764.84 in the more than 4½ years that the auditor examined: June 1, 2001, through Feb. 25, 2006.

Witek's audit found nothing that required further investigation. However, she noted two general problems:

■ **Incomplete records:** The Auditor's Office examined 57 expense forms and found that Oltmans or board treasurer John Conley did not properly complete 49 of them.

■ **A lack of compliance with Internal Revenue Service rules:** According to Witek's office, the NRD did not have an "IRS Accountable Plan."

Because it didn't have such a plan, the NRD should have been reporting all employee reimbursements as taxable income on W-2 tax forms. Because employees weren't paying taxes on some reimbursements, they were improperly receiving personal gain from some expenses.

The audit also noted that Olt-

See NRD: Page 2

NRD: State audit uncovers no criminal wrongdoing

Continued from Page 1
mans' single greatest use of his NRD cell phone was calling Nichols. About 16 percent of his minutes were used to call her. Those calls added about \$72 to his bill over the roughly two years of phone bills studied. Nichols was a board member for part of that time.

Witek said most of the accounting problems found at the NRD are found in the records of other government agencies.

"It's common, unfortunately," she said. "On a scale of 1 to 10, this was probably on the higher side."

Oltmans, who was fired by the board, had no comment on the audit findings. He now works for the consulting firm Olsson & Associates.

Board Chairman Jim Thompson and Conley characterized Witek's findings as minor, but they said the district has revised its policies to address concerns raised by the audit.

"It was surprising how little the audit revealed," Thompson said. "There was nothing crimi-

nal by any means."

Marlin Petermann, assistant general manager, said the NRD has created an IRS Accountable Plan to address the tax concerns raised by the audit. The plan outlines the rules for reimbursement.

Conley said he believes the district did not violate IRS rules. He cited "professional opinions" that he said indicated the district had appropriate rules in place.

Conley would not provide the name of the professional providing the opinion or describe that person's expertise. Nor would he say whether the advice was given formally or informally.

Witek's office found that the NRD, like many other government entities in Nebraska, violated IRS rules by improperly considering certain types of spending as legitimate business expenses.

Because the spending shouldn't have been allowed as a business expense — from an income tax point of view — the money paid to the employees should have been recorded as

taxable income.

Oltmans, for example, expensed meals an average of almost four times a week, according to records reviewed by The World-Herald.

IRS rules govern what type of meal expense constitutes a legitimate business expense. When dining in-town, only certain types of meals qualify, and a number of Oltmans' meals appear to have fallen outside that standard.

Because the NRD didn't include those meal expense reimbursements as taxable income on Oltmans' W-2 form, Oltmans "received personal gain," according to the Auditor's Office. That is a violation of state law, the audit said. The report does not provide a total value for meal reimbursements that should have been taxable.

The auditor also noted five instances from June 1, 2001, through Feb. 25, 2006, that it described as "very critical in nature." They were serious — not because they involved a lot of money, but because they "reflect

the possibility of fraud," according to the audit report.

In two out of 917 meals, Oltmans was reimbursed for meals that had been paid for with an NRD credit card. The two meals totaled \$58.50.

In three cases, money provided to Oltmans as a travel advance was not deducted or the amount deducted from expenses was incorrect.

Those cases included airline tickets for Oltmans' wife. With those errors, some money was due Oltmans and some money was due the district. The net amount, \$663.30, was owed to the NRD.

Witek's office has no plans to forward the report to prosecutors, which it would be obligated to do had it found criminal wrongdoing.

In terms of Nichols' expense records, the auditor found that she appeared to be owed \$146.54 in expenses for which she was not properly paid.

The audit did not examine the expense reports of other board or staff members.

W-H
12-26-06

Errors, not crimes

Conclusions drawn recently after the special audit of the Papio-Missouri River Natural Resources District's expense records didn't surprise many close observers of the agency. The State Auditor's Office found errors, not crimes, in the NRD's books.

The organization's procedures were definitely lax, audit officials said. Expense records were incomplete, and taxable-expense-income rules set down by the IRS were violated. The NRD, State Auditor Kate Witek said, was not unique among government agencies in suffering from such accounting problems.

The investigation was instigated by NRD board members after the district's former executive director, Steve Oltmans, was found to be having an affair with former board member Barb Nichols. Questions were raised about his expense accounts. Oltmans was fired.

Board Chairman Jim Thompson rightly characterized the audit find-

ings as minor, though the board already has wisely revised its policies to prevent similar problems in the future.

Perhaps board members can now begin to put this distasteful episode behind them. The whole incident has tarnished the NRD's image and dented its credibility. For many years, its reputation was outstanding.

The implications for the board's most important projects, among them a controversial proposal for up to 29 dams in the Papio Creek watershed to prevent downstream flooding, are uncertain. Opponents of the dam project are likely to seize on the accounting errors as a reason to distrust the board's decisions and question its word.

The NRD is facing a critical time as it tries to initiate plans for the future of flood control in the Omaha metropolitan area. For the good of the community, it should work hard to overcome the mistakes of the past.