Notes from Compensation Sub-committee meeting March 31, 2003

Attendance: Clint Johannes, Dennis Strauch, John Turnbull, Dave Sands, Don Kraus, Steve Huggenberger, Ron Bishop, Dan Smith Roger Patterson, Claude Cappel, Steve Gaul, Brian Barels, Jay Rempe.

Charge: A determination as to what other ways, if any, inequities between surface water users and ground water users need to be addressed and potential actions the sate could take to address such inequities.

Domments:

- Ought to be a standard to determine when water right has been eroded to point it is not useable
- What is an equity
- What can we do as a state?
- How do we treat past inequities?
- How do we address future inequities
- Inequity between sw/gw and fact one NRD may do well regulation but another may not. We need sectional administration?
- Both sides have followed the laws
- State is unlikely to open up pocket book
- Is there a way to get alternate source of water? If not consider compensation
- Is one principal sufficient or do we need to look at each situation
- Could NRD craft plan at their option to return flows to streams
- Problem sw irrigators continue to receive bills when no water
- Need to understand impact of conservation activities
 - O Conservation activities can be a major cause of stream depletions. We probably won't want to regulate these activities but we will need to know their impacts and may want to look at federal and state policies that increase their use
 - o conservation applied to gw is one thing but if impacts return flows of surface water, this is another problem. Also get a nitrate issue

What is an inequity?

Inequities develop when surface/ground water hydrological system is developed beyond the point where existing uses can be sustained (i.e. the stream is overappropriated).

Future Inequities -

Develop an IMP that either avoids or mitigates adverse impacts to existing uses (Could be different for different basins).

It may be possible for a local entity to tax themselves to address inequities.

Could put fee on new individual well owners to offset impacts.

Develop a public funding source to develop inequities such as a sales tax etc.

How do we deal with conservation activities that increase consumptive use?

Are three types of uses:

- 1. Existing uses
- 2. Increased CU from existing uses and delayed impacts pumping
- 3. New uses.

Question: should we stop adjudicating if no water is available for use.

Draft Proposal

For past problems, when develop a joint management plan, develop a plan that will

- 1) Develop new sources of water so that existing uses are sustainable and/or
- 2) compensate injured parties, which implies developing a funding source for compensation and/or
- 3) further regulate or
- 4) after doing a plan using activities 1, 2, and or 3 that would be equitable, determine it is not in the public interest to implement such a plan.

Meet again April 11 2:00-4:00 p.m. at DNR or call 402-472-0060 and don't hang up

April 11 Agenda

- 1. Review existing proposed plan
- 2. Develop options for compensation