MEETING OF THE UPPER REPUBLICAN NATURAL RESOURCES DISTRICT

Imperial, Nebraska

November 1st, 2007

Public Library Meeting Room

7:30 P.M.

TRANSCRIPT OF MEETING

APPEARANCES:

NRD BOARD MEMBERS:

Greg Pelster
Tom Terryberry
Terry Martin
Tom Gaschler
Donn Gengenback
Kerry Bernhardt

Mike Mosel
Mick Strand
Tim Schilke
Dean Large
Jeff Wallin
Jasper Fanning

HEARING OFFICER:

Joel Burke

NEBRASKA DEPARTMENT OF

NATURAL RESOURCES:

Ann Bleed Tina Kurtz Brad Edgerton

NEBRASKA ATTORNEY

GENERAL'S OFFICE:

Justin LaVene

GIVING TESTIMONY:

Aaron Thompson Ted Tietjen Kurt Bernhardt

Court Reporter:

Terra Michaelis

Michaelis Reporting 413 Pawnee Drive McCook, NE 69001

	PROCEEDINGS 1
1	Greg Pelster:
2	Welcome to this public hearing of the Upper Republican NRD
3	districts. This is a public hearing on the amended
4	integrated management plan jointly developed by the Upper
5	Republican Natural Resource District and the Nebraska
6	Department of Natural Resources. We'll have introductions of
7	the chairman, board member staff, state officials, the
8	hearing official and the court reporter. I'm Greg Pelster
9	I'm the Service Chairman of the Board for the Upper
10	Republican NRD. At this time we'll have introduction of the
11	board members and management staff. Jasper would you start
12	over here please?
13	Jasper Fanning, General Manager.
14	Joel Burke, Legal Counsel.
15	Kerry Bernhardt, Sub-district Three. I'm from Champion.
16	Donn Gengenbach, Sub-district Nine, central Perkins
17	County.
18	Tom Gaschler, Sub-district Five, from here in Imperial.
19	Terry Martin, Sub-district Two, central Dundy County.
20	Tom Terryberry, Sub-district Seven, Imperial.
21	Mick Strand, Sub-district One, northeast Dundy County.
22	Tim Schilke, Sub-district Four. I live by Lamar.
23	Dean Large, Sub-district Six, eastern Chase County.
24	Jeff Wallin, member at large and I'm from here in
25	Imperial.

	PROCEEDINGS 2		
1	Greg Pelster:		
2	Would you introduce your people from here please?		
3	Ann Bleed:		
4	Sure. I'm Ann Bleed, Director of the Department of Natural		
5	Resources and with me tonight is Brad Edgerton and Tina Kurtz		
6	also from the Department of Natural Resources.		
7	Greg Pelster:		
8	Okay and we have members, or would you gentlemen care to		
9	introduce yourselves here.		
10	Aaron Thompson from the Bureau of Reclamation, Nebraska-		
11	Kansas Area Office, Area Manager. I have, go ahead.		
12	Marv Swanda, I'm the Office Manager of the McCook Field		
13	Office with Reclamation.		
14	Craig Scott, work in the Water Operations for the Bureau		
15	in McCook.		
16	Greg Pelster:		
17	Okay. And Joel would you introduce the		
18	Joel Burke:		
19	Terra, do you want to introduce yourself.		
20	Terra Michaelis:		
21	I'm Terra Michaelis the court reporter, from McCook.		
22	Greg Pelster:		
23	Yes that'd be fine and we have from the AG's office.		
24	Justin LaVene.		
25	Greg Pelster:		

Justin LaVene okay. We need to tell you that the notice of the hearing was advertised once a week for three consecutive weeks in the area newspapers. That being the Benkelman Post, the Imperial Republican, Grant Tribune-Sentinel and the Wauneta Breeze, which are the newspapers of general circulation within our district.

The Upper Republican NRD and the Department of Natural Resources adopted and initiated an IMP on May 3rd, 2005 which contained rules and regulations as well as other components as required by the Groundwater Management Plan Act. The terms of the initial IMP was 2005 through 2007. The Groundwater Management Protection Act mandates that the Upper Republican NRD and DNR adopt and implement and amend an IMP.

In general and within the certain exceptions, the terms of this proposed IMP is from January $1^{\rm st}$, 2008 through January $1^{\rm st}$, 2013. The Board of the Upper Republican NRD has approved this proposed amendment IMP for consideration at this public hearing.

The proposed integrated management plan is the result of negotiations between the Upper Republican NRD and the Department of Natural Resources, including public meetings held within the district. A significant change between the initial I- Integrated Management Plan and a proposed IMP, IMP will be for the Integrated Management Plan as you hear it, pertains to the rules and regulations adopted and implemented

by the Upper Republican NRD and the Department of Natural Resources with respect to groundwater and surface water respectably. The initial Integrated Management Plan included the rules and regulations as a part of the IMP. This proposed IMP introduces the concept of compliance standards which is a term defined in the proposed IMP. Under this, compliance standards concept the rules and regulations are removed from the IMP and the Upper Republican NRD is authorized to utilize any and all of the ground water controls set forth in the Ground Water Management Protection Act.

The sufficiency of the NRD's rules and regulations is measured against the compliance standards. If the compliance standards are met the Upper Republican is free to amend or modify its rules and regulations without approval of the DNR. With limited exceptions this procedure allows for the Upper Republican greater freedom and more local control with issues associated, associated with it's rules and regulations so long as they satisfy the compliance standards.

The proposal, or the purpose of this public hearing is to allow all interested persons to appear and present testimony as to the proposed amended IMP. As previously mentioned the proposed IMP does not contain the specific rules and regulations which the district will employ to achieve these compliance standards. The detailed and

particular regulatory scheme will be promulgated and adopted at a later date following at least one other public hearing focusing on that subject.

This hearing is an opportunity for you to present input to the board and for the board to receive your information and statements. If any board member desires to make comments, they are free to do so, but the emphasis of this hearing, emphasis of this hearing is for the board to receive information from the public. At this time I'll introduce Joel Burke. Joel is our hearing officer and he will go forth from here okay.

Joel Burke:

Thank you Mr. Chairman. Tonight we will make a record of all the evidence presented. That evidence will consist of oral testimony and any documentary or written testimony. Because the oral testimony will be transcribed by the court reporter, there are some requirements we would make in presenting your testimony. First we would ask that you come forward and sign in at the table and then when you start your testimony if you could again state your name and spell your name for the court reporter it would help. In the event you are representing somebody else, if you would also state that fact and indicate the individual or entity that you are representing. Please don't tap on the table or some things like that or keep, if we could keep the background noise to a minimum it would help

otherwise it makes it very hard for the court reporter to transcribe the testimony.

In the event you would not want to give oral testimony you can give written or documentary testimony or evidence.

If you would just bring the information to me I'll make sure that it's marked and received. Again the same information is required. That being a signature. Also the name and address and if you are acting in a representative capacity, who you are representing. We will keep the hearing open until 4

P.M., November 6th, which is next Tuesday. This allows people to submit additional statements or written documents that they would like to. Any information received after that point can be considered by the board in making their decision, but it is not part of the official record.

The order of testimony according to the appropriate protocol will be any federal governmental agency, followed by any state governmental agency, and than any other governmental agency or subdivision and finally and probably most important, the public. Depending on the number of individuals and the length of presentation, we may have to implement some limitations to avoid any redundant or irrelevant, or irrmaterial or repetitive evidence. I don't believe anybody wants to stay here till midnight hearing the same thing over and over again.

With that in mind I would open the hearing to any

testimony from any federal government agency.

Aaron Thompson:

Thank you Joel. Good evening and thank you for the opportunity to present an oral statement before you this evening. My name is Aaron Thompson. A-a-r-o-n T-h-o-m-p-s-o-n. I am the Area Manager for the Bureau of Reclamation's Nebraska-Kansas Area Office located in Grand Island, Nebraska. Also with me tonight is Marv Swanda, Manager of the McCook Field Office and Craig Scott of the McCook Field Office. I am presenting written and oral statements here tonight.

The Nebraska-Kansas Area Office is responsible for Reclamation projects located in Nebraska, Kansas, and northeastern Colorado. Our office oversees fifteen reservoirs. Seven of these are in the Republican River Basin. Of these four are located in Nebraska. Additionally Reclamation administers an irrigation water supply for Harlan County Lake, which is a Corps of Engineers Reservoir in the Republican Basin.

This statement was prepared based on our experience with the hydrology of the Republican River and the construction and operation of Reclamation and Corps of Engineer projects in the Basin. This experience also includes considerable involvement with the Republican River Compact Calculations and the 1998 Compact litigation and 2002 settlement.

1 Congress approved the Republican River compact in 1943.

2 | Congress then authorized a system of federal water

development and management projects in the Republican River

4 which are designed to fit within the terms of the Compact and

 $5 \parallel$ to ensure that the water developed and used by these projects

in each of the three states was in compliance with the

7 state's Compact allocations.

Construction of these projects commenced in 1945 and it was generally completed in 1964. Changes to the Compact Accounting Calculations resulting from the 2003 settlement stipulation including the accounting of all groundwater depletions and averaging the state's consumptive use and it's Compact allocation over a period of years. Water released from federal reservoirs becomes compact water subject to allocation only after it is either diverted or flows by a compact gauge. Attempting to deliver stored water to Kansas as a means of making up for compact deficits does not result for a one-for-one return to Nebraska. Any stored water that is released is first counted as a new water supply that is subject to compact allocation. Water released from reservoirs in Nebraska becomes compact supply and is allocated accordingly.

Nebraska is currently using about seventy-five percent of the total water being used in the basin while it is allocated about fifty-six percent of the total compact

supply. This has created the present deficit of about twenty-five thousand to forty thousand acre feet annually.

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Nebraska ground water depletion is over eighty percent of the total ground water depletion in the basin. Although this year has been a much better water year, supplying, much better water supply year, improving storage and screen flows. Water short conditions will return in the future. Reclamation is very concerned with Nebraska's failure to meet compact compliance since compact compliance accounting was reinitiated in 2003. Reclamation is even more concerned about the continuing depletion of inflows to the federal reservoirs, namely Enders Reservoir and Swanson Lake. 2006 inflows to Swanson Lake and Enders Reservoir amounted to only ten percent of the flows expected in the, in the DPR, which is the definite plan report. Federal projects were constructed based on the concept that project surface water rights would be protected. These protected water rights are senior to the majority of the wells in the basin. to be noted that Enders Reservoir has experienced the most severe reduction in inflows of all federal reservoirs in the Republican River Basin in Nebraska. Federal projects rely on use of upstream project return flows for down stream project Extensive groundwater use in the basin has negatively impacted the water supply for the federal projects as well as resulting in serious overuse of water by Nebraska.

Nebraska's use of groundwater has significantly changed the way water use is occurring in the basin.

According to the first four years of accounting calculations, Nebraska has accumulated a deficit or overuse of it's allocation that will be extremely difficult to make up. Since Nebraska's groundwater depletion is significantly out of balance with compact allocations, these groundwater uses and depletions must be further restricted to allow for a balance between use and supply as well as to realize compact compliance.

It should be noted that water deliveries to federal project irrigators have been significantly less than the pumping allocations allowed by this NRD.

There is significant differences in how groundwater and surface water use is counted as part of the water, as part of the compact water supply. An irrigation district's use of storage water results in a greater increase in Nebraska's allocation than the increase in consumptive use, resulting in a positive net contribution to compact compliance for Nebraska. The in- excuse me, the imbalance of groundwater depletions in the basin result in a deficit for Nebraska. It is obvious to Reclamation that use of available storage water from the federal projects by irrigation districts is beneficial to Nebraska's compact compliance.

The Bureau of Reclamation expects the water rights

associated with federal multi-purpose projects be protected by the Nebraska Department of Natural Resources and the Natural Resources District so that federal projects can continue to be operated for the authorized- for their authorized purposes. Of grave concern is goal number five as stated in the draft IMP.

Goal number five states, "Reserve any stream flow available from regulation incentive programs and purchased or leased surface water required to maintain compact compliance from any use that would negate the benefit of such regulations or programs." The federal reservoirs and surface water irrigators have, have a severely diminished water supply. The interpretation that has been assumed from goal number five is there never will be an improved restored surface water supply. This is not consistent with the

It needs to be noted that the most senior water rights in the basin are the surface water rights that are currently not being provided equity among water users and with goal number five will not be in the future.

Due to the reduced stream flow surface irrigators and their water rights have been adversely affected by receiving water supplies that are less than expected from the federal projects. The reduced water deliveries have reduced the economic benefits provided by the projects. Other impacts

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associated with reduced stream flows include a reduction in reservoir levels in the basin which reduces the recreational and fish and wildlife benefits associated with these projects.

I would like to note that chapter four of the Integrated

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Management Plan states, "The goals and objectives of an integrated management plan must have, as a purpose sustaining a balance between water users and water supplies so that

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and welfare of the river basin can be achieved and maintained

economic viability, social and environmental health, safety

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for both the near and the long term. Based on indications

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Reservoir stream flows will cont- excuse me- stream flows

from model runs that provide inflow values for Enders

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will continue to decline even with twenty percent reduction

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in pumping and average hydraulic conditions and therefore

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don't go far enough to provide the balance between users.

Sustained surface water inflows to the federal

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reservoirs provide not only irrigation benefits, but also

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significant recreation and fish and wildlife benefits to the

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area. I would like to again note the water right priority

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date associated with federal projects are prior to the date

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that the majority of the groundwater develop- excuse mefederal projects are prior to the date that the majority of

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the groundwater development occurred. Therefore in areas of

groundwater surface water interaction we would like to

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request that specific consideration be given to surface water supplies for the federal projects when establishing long term and water short year, groundwater use amounts. The NRD and DNR have the responsibility to represent all the water users who reside within the district boundaries as well as those that are affected downstream. In 2007 the NRD coalition signed agreements with several irrigation districts to lease portions of their water supplies to assist with Nebraska's compact compliance. Due to current pending litigation it is uncertain when or if payment may be made to these irrigation districts. This uncertainty could negatively affect the working relationships of all parties involved including this agency.

In conclusion Reclamation is fully supportive of the federal projects and the water users served by these projects. These projects should continue to operate as planned and authorized. Continued operation of these projects requires the protection of existing water rights and restoration of inflows to the reservoirs. Again I thank you for the opportunity to present this testimony here tonight for your consideration. Excuse me, thank you for the opportunity to present this testimony here tonight. For your consideration we would be more than happy to have further discussions with the DNR and NRD relative to our testimony and other topics. We are also submitting more detailed

written testimony and specific comments related to the proposed rules and regulations for your consideration.

Joel Burke:

Thank you Aaron, could you sign in please?

Aaron Thompson:

Yeah.

Joel Burke:

Anyone else from any federal governmental agency? State governmental agency? Local governmental agency or subdivision? I guess we'll start why everyone's here, we'll start with the public. Whoever wants to go first please come forward, sign in, your name and address and at the start of your testimony please state your name and spell your name for the court reporter.

Ted Tietjen:

I really came here to listen. My name is Ted Tietjen.

Spelling is T-i-e-t-j-e-n. I'm from Grant, Nebraska and I'm a rightful landowner as well as an irrigator. I also serve as co-chair for the Southwest RC&D, which Resource

Conservation and Development association with it's headquarters in Cambridge. And we're serving as an administrative arm for the southwest weed management group which is responsible for carrying out some of the wishes of LB 701. In referring to, I didn't really have any prepared information and I certainly don't have any written material

PROCEEDINGS 15 1 to present at this time. I could certainly provide some at a 2 later date. One of the things I read in the paper is that 3 there was a consideration for cutting the acres by five 4 percent and I, I'd like to have an explanation as to that 5 reasoning before I make any presentation. Can I ask that? 6 Joel Burke: 7 Well the purpose of the hearing really is for the board 8 members to receive input, if any of them would like to make 9 comments they may, but it's- -10 Ted Tietjen: 11 Well I'm trying to understand the reasoning behind it. 12 Joel Burke: 13 - -but really the purpose is to provide them information. 14 Again that's more I believe in lines with the what would, be 15 contained in the rules and regs, regulations that would be 16 adopted subsequently. 17 Ted Tietjen: 18 Okay. 19 Joel Burke: And there would be another public hearing prior to that. 20 21 Ted Tietjen: I did do a little background research on the, all three NRD's 22 because the issue that we're facing involves all three. 23 2002 there were four hundred and forty-eight thousand 2.4 (448,000) acres in the upper, two hundred and sixty-six 25

thousand four hundred and twenty-six (266,426) acres in the 1 middle, and the lower was estimated to be around two hundred 2 and ninety-five thousand (295,000) acres. And as I understand it, it was the 2000- 1998 to 2002 that the 4 baseline was established is that correct? Okay. And since 5 then we have added some crop acres and also equip acres, so 6 the removal of acres for the Upper Republican as of 2007 7 would be twelve thousand five hundred and ninety-eight 8 9 (12,598) acres. And we still show for 2007 we had four hundred and forty-eight thousand (448,000) acres under 10 irrigation and our goal for 2008 is four hundred and twenty-11 five thousand (425,000) acre feet. If you look at applying 12 it just on inches per acre it's between eleven and a half and 13 eleven inches would meet that compact requirement. And that 14 15 was one of the reasons that I was asking how the five percent 16 reduction in acreage came about and I don't have an answer for that. Several things have changed since 1943 that I 17 think are significant and probably the studies are not 18 19 completed yet on the effects of conservation. But I used to run a research farm and we did some extensive testing in 20 1984. We checked it for organic matter and the levels were 21 1.4 on a silty-clay lump soil. We ran them again this spring 22 23 and that has increased to 2.6 to 2.8. That's well over a one 24 percent increase in organic matter and that's primarily due to conservation practices. And my guess is that this has 25

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that this has happened all over the area and we are now pretty well close to reaching the level of organic matter that the soil profile had when it originally was broken up. So we've made some significant strides and the stewardship of the farmers and ranchers in the area should be applauded for their efforts in being able to pass this on to the next generation in better shape than what they received it. Why is that one percent increase in organic matter important? also increases water holding capacity. And some work that was done in Washington state would indicate, it's roughly one to, for each foot you have one, twelve hundredths of an inch increase in water holding capacity. And you take that out and add, and multiply that times the total number of acres in the three NRDs, that's equivalent to the total amount of water that we are required to deliver the state of Kansas, or it's pretty close to that. I don't have any scientific data to back that up, but I'm sure it's relatively close to that.

One of the things that has been done, this is work that was done in Colorado was with strict till farming we've changed the water intake rate per hour for the soils. One of those, or prior to that time in the 40's with conventional tillage the average intake on a silty-clay soil was like seventy hundredths in an hour. With strict till that jumps to 4.7 to 5.3. And that's all data that's supported by research.

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It's not too many times during the year that we have rainfall events that exceed that level. So this gets me down to the fact that we've done a phenomenal job with conservation practices with the flat terraces which holds the water where it falls and I think that as we go forward one of our strategies should be to keep the water where it falls which kind of goes against what the compact requirements are. But from a stewardship standpoint and protecting the interest of the river basin I'd think it'd be wise to give some serious consideration to pursuing that process more and NRCS should be really complemented for those efforts. appreciate Aaron being here. There was a report that was done involving the Bostwick Canal into Lake Lovewell and I grew up in that area so I'm very familiar with that part of the country. One of the proposals was to winterize the canal system so you could bring water in from the river to Lovewell Lake during the winter months or off-season. The other proposal was to increase the water holding capacity of that lake for anywhere from fifteen to thirty-five thousand acre feet, and that this can be filled during that off-season. That would be a significant advantage to the people that are getting out of the canal systems, especially the Courtland Canal to satisfy the water needs there. And I think that should be given some serious consideration as we move forward. A lot of the proposals we're looking at are rather

short-term. We need to look ahead to see how we want the river system to look thirty years down the road. Since 1943 the number of trees in the Republican River Basin have increase eleven hundred and fifty percent. And I'm not saying that taking trees out is a solution to the problem, but the point is, is that we have significantly changed the landscape in the basin and we really need to think through how we want the river system to look when we're all through. The Bureau has done a phenomenal job in it's own right in providing services to this part of the country and they're an important component in resolving the issues that we're facing. And we need to be honest with ourselves and say that all three states, there are no innocent parties. All three states have contributed to the challenges that we're facing today and we need to recognize that. And if we together sit down and work diligently to solving this problem, and it is solvable, we should do so as quickly as we can. Thank you for listening to me and if you need a written report I'll be glad to prepare one.

Joel Burke:

Only if you'd like to Ted, thank you.

Ted Tietjen:

23 Okay.

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Joel Burke:

Would anyone else like to present any oral testimony? Again

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we will keep the record open, or the hearing open until November 6th at 4 P.M. if anybody would like to submit any written documents prior to that time it would be included in the record. That appears to be everybody's plan.

Kurt Bernhardt:

My name's Kurt Bernhardt. It's K-u-r-t and last name's just like his, B-e-r-n-h-a-r-d-t. I really haven't prepared anything cause I've been working and haven't had time to, but just been thinking about it a lot. And I guess I'm, I'm opposed to the five percent acreage reduction because I've watched this NRD work since I've become actively involved in farming since the early 80's. And we've always just kept ratcheting the water down all the time and I feel that's what's going to happen with these acres. We're going to go five percent now, then there's going to be another five percent or two percent or three percent and we're just going to keep cutting them down. And I, I think there's other alternatives besides that. I think number one, we don't know what our true pump ease is, how many salad-eye pivots are using water. That's consumed, it's going against our consumptive use, we need to get that, a handle on that. I don't think our true irrigated picture, we really know exactly how many acres we're actually irrigating. And I think until we can determine that I think we should just leave the acre situation alone for right now. I think

there's petter afternatives. And I have to agree with what
Mr. Tietjen was saying, you know look at the run-off factor,
what it was thirty years ago when there was mostly flood
irrigation, particular in Chase County, out towards Lamar.
How much of that water ended up back in the river, probably a
good majority of it, and so we got racheted down on
irrigation water, so everybody put up center pivots and we've
done what, you know we've always been told to do and that's
to become a lot more efficient and now it's being counted
against us. And I think that's wrong and you know, weather
has a lot to play with it, play in to it too. You guys all
know that and you know until we can get some help from Mother
Nature, you know, we all got to work together, but a compact
that was signed in 1943 when you can't, who could've
predicted the things that are happening today back in 1943.
You know, if we can predict what's going to happen fifty
years from now I'd like to know who that person is. I mean
Nostradomus didn't even have the 1943 compact in his records,
but I just, I guess I'm just mostly against the five percent
acreage reduction. I think there's a lot of land that
probably shouldn't be irrigated. We all know there's a lot
of Valentine sand that takes a ton of water. You know we've
all farmed it, or a lot of us have, I have and I think
there's, you know areas like that, that you know, we need to
look at, you know, why, why should we, you know, be

CERTIFICATE

STATE OF NEBRASKA		
)	
COUNTY OF RED WILLOW)	

I, Terra A. Michaelis, an electronic court reporter and notary public hereby certify that the testimony given during this meeting was recorded by me, thereafter reduced to typewriting by me. That the foregoing is a true and accurate transcription of the testimony so given during the meeting.

I further certify that I am not a relative or employee of any of the parties hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal this day of November, 2007.

GENERAL NOTARY - State of Nebraska
TERRA A. MICHAELIS
My Comm. Exp. May 19 2011