BEFORE THE DIRECTORS OF THE	CERTIFICATE
UPPER REPUBLICAN NATURAL RESOURCES DISTRICT	
	STATE OF NEBRASKA)
х)
)	COUNTY OF KEITH)
UPPER REPUBLICAN NATURAL RESOURCES) TRANSCRIPT OF	
DISTRICT PUBLIC HEARING) HEARING I OF II	I, Tania M. Fox, Court Reporter and General
)	
x	Notary Public, do hereby certify that the within and
HEARING HELD this March 3, 2005, at 7:00 p.m. MT at	
the Senior Center, 1000 Wellington Street, Imperial,	following transcript is a correct and complete
Nebraska with TERRY SAVAGE presiding as HEARING OFFICER.	
processing to infinite ortifolic.	transcription of the evidence requested to be transcribed
Members of the Board of Directors; Joel Burke,	by me taken from the proceedings at the time and place
Attorney at Law; Tom Davidson, Attorney at Law;	
Jasper Fanning, manager; Tina Kurtz, Mike Thompson,	set forth herein in the before-captioned case.
and Brad Edgerton of Department of Natural Resources;	
and general public present.	This transcript consists of the following:
MEMBERS OF THE BOARD OF DIRECTORS PRESENT:	VOLUME I - TRANSCRIPT (PAGES 1 - 17 INCLUSIVE)
KERRY BERNHARDT TOM TERRYBERRY	EXHIBITS (1 THROUGH 16 INCLUSIVE)
GREG PELSTER KENNY OWENS	Dated this 15th day of March, 2005.
TERRY MARTIN MICHAEL STRAND	
DEAN LARGE . DON GENGENBACH	Tania M. Fox
TIM SCHILKE	General Notary Public
1. PUB AFF BENKELMAN POST 4 9	1 PROCEEDINGS
2. PUB AFF WAUNETA BREEZE 4 9	2 (The hearing in this matter commenced at 7:00
3. PUB AFF IMPERIAL REPUBLICAN 4 9	3 p.m. on this 3d day of April, 2005: Exhibit Nos. 1
4. PUB AFF GRANT TRIBUNE 4 9	4 through 15 marked for identification.)
5. ORDER 27 NRD 4 10	5 CHAIRMAN PELSTER: Good Evening. Thank
6. EVIDENCE LIST 4 10	6 you for coming tonight, and I want to welcome you to our
7. DNR INTEGRATED MGT PLAN 4 10	7 hearing this evening. I'll start with the introductions.
8. ADVERTISEMENT-STAKEHOLDER 4 10	8 I am Greg Pelster from Perkins County. I reside south of
9. MATERIAL REC AT STAKEHOLDER 4 10	9 Elsie in Subdistrict 10. I am the Board Chairman. Will
10. 3 TAPES - STAKEHOLDER MTG 4 10	10 each of the Board members stand and introduce themselves,
11. PUB AFF OF NOTICE OF HEARING	11 please.
BENKELMAN FOST 4 10	MR. SCHILKE: I'm Tim Schilke. I reside
12. PUB AFF OF NOTICE OF HEARING	13 in Subdistrict 4 and I live south of Lamar.
WAUNETA BREEZE 4 10	MR. DEAN LARGE: I'm Dean Large,
13. PUB AFF OF NOTICE OF HEARING	15 Subdistrict 6. I live north of Wauneta.
IMPERIAL REPUBLICAN 4 10	16 MR. TERRY MARTIN: Terry Martin,
4. PUB AFF OF NOTICE OF HEARING	17 Subdistrict 2, central Dundy County.
GRANT TRIBUNE 4 10	MR. KENNY OWENS: Kenny Owens, Imperial,
5. ADVERTISEMENT OF PUBLIC HRG 4 10	19 Subdistrict 5.
6. POWER POINT PRESENTATION	20 MR. TOM TERRYBERRY: Tom Terryberry,
	21 Subdistrict 7, Imperial.
	22 MR. KERRY BERNHARDT: Kerry Bernhardt,
	23 Subdistrict 3, southwest of Champion.
	24 MR. BURKE: Joel Burke, legal counsel.
OY PEDOPTING (200) 220 4270	25 MR. DAVIDSON: Tom Davidson, legal

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1 counsel.
             HEARING OFFICER: Terry Savage from
2
3 Imperial. I'll be the hearing officer.
             MR. FANNING: Jasper Fanning, manager.
4
             MR. EDGELTON: I'm Brad Edgerton with the
5
   Department of Natural Resources out of Cambridge.
6
             TINA KURTZ: Tina Kurtz, Department of
7
  Natural Resources out of Lincoln.
8
             MR. THOMPSON: I'm Mike Thompson, and I'm
9
10
  also with the DNR out of Lincoln.
             CHAIRMAN PELSTER: We have a court
11
12 reporter, Tania Fox, is here this evening. She'll be
   taking down what all is said.
13
             We're here to conduct two public hearings.
14
15 The first public hearing is on the consideration of the
16 scientific data that was comprised and accumulated in the
17 development of the IMP. At the end of that hearing I'll
18 entertain a motion from the Board to either reject or
19 approve that data set as an order. We'll act upon that
20
   motion.
             And then we'll go into the second public
21
22 hearing which is to receive evidence relative to the
23 adoption of the IMP, at a future date, we anticipate that
24 this would be at the May regular meeting providing we
25 meet all the time standards and everything.
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2 consider what we thought, casual conversations, that sort
3 of thing. It has to be in this record before it can be
4 properly utilized.
             I'd like to get, at this time, an idea of
 5
 6 how many people intend to testify. If you know that you
 7 are if you could raise your hand for me.
             (Public responds.)
 8
9
             HEARING OFFICER: I'm seeing probably less
10 than ten hands at the present time. So we won't put any
11 time limitations on testimony. But if we need to, we
12 will do that later on tonight so we can all get home at a
13 decent hour.
14
             Well, let's get some general guidelines
15 here for those of you upfront. When you want to testify
16 you'll need to come forward and sign in on the tablet
17 there on that table. Use the mic if you think you need
18 to. And you might because you're going to be facing away
19 from the audience and you're also going to be facing away
20 from the court reporter.
             By the way, can you all hear me? I'll try
21
22 to speak a little louder because there is only one mic
23 and we're going to let the testifying people use that mic
   that's up here at this table.
             But you'll be facing away from the court
25
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1 instituted by an interested party. And the Court cannot

At this time I'll introduce Terry Savage, 2 who is the hearing officer for tonight's hearings. And 3 he'll conduct the business. Thank you, Terry. HEARING OFFICER: Thank you, Greg. I look 5 out and I see a lot of familiar faces. As most of you 6 know I've been hearing officer for about 25 to 30 years. 7 But I've been out of commission for a couple of years. 8 I'm glad to be back with you. As Greg said we're going to do two public 10 hearings tonight. The first one is to consider adopting 11 a list of the types of data, scientific and otherwise, 12 that would be considered by the Board when they 13 deliberate on an IMP. The second hearing then is going to be to 14 15 receive actual evidence from you that the Board can take 16 and deliberate on in making their discussion as to what 17 to do in regards to an IMP. We have our court reporter. She's going 18 19 to take down every word that is said. This is very 20 important because we're doing a two-fold project tonight, 21 so to speak. One, we're making a record that the Board 22 23 can use to deliberate upon. Secondly, we're making a 24 record that could be used for judicial review. And this 25 could be either instituted by the Board or it could be

1 reporter. So it's important that you speak slowly enough 2 and use the mic so that she can pick up what you say and 3 get it into the record. 4 After you sign in you can address the 5 Board. If you have any documents or material items that 6 you want to be placed in the record just bring them 7 forward to me and I will mark them. And I will receive 8 them, if they appear to be relevant and not repetitive or redundant. Now, that's the same for oral testimony. 10 11 The Board wants to hear everything that you have to say 12 on these subjects, but it won't do us any good to hear it 13 multiple times. Now, I don't say this to discourage 14 15 anybody from testifying. But simply because it's an 16 evening hearing and we're going to want to try to move 17 forward and hear everything you have to say, but 18 hopefully only hear it once or twice at the most. We do have a protocol for these hearings 19 20 that we've used for many, many, many years. And we take 21 testimony in an order. And that order is as follows. We 22 would hear from state and local -- that's state and 23 federal agencies first. We would hear from other 24 governmental subdivisions second. We would hear from NRD 25 staff and Board third. And fourth we would hear from any

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1 other person.
2
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Now, I want to reiterate one more thing 3 before we get started, and that is our purpose is to take

4 testimony from you. Now, Board members may choose to

5 testify. And that's their right to do so. But we don't

6 have the time, and this is not the proper forum for them

7 to address you. This is a time for you to address the

8 Board.

So I will -- We've already got an open 9 10 hearing because we're taking the record. So we'll start

11 now and we'll take testimony on the first subject, which

12 is the list, so to speak, of those types of data and

13 material and evidence that will be considered by the

14 Board in deliberating on the integrated management plan.

15 So don't hesitate to be the first one to come forward if

16 you have anything on that subject.

17 Greg, come on forward and come up and have 18 a seat. I am going to take a minute of your time though

19 as long as you're signing in. I want to remind you that

20 we have premarked some exhibits. For this hearing I have

21 marked 15 exhibits, 1 through 4 are the publisher's

22 affidavits that were relative to the stakeholders

23 meetings as they called it. Those have been received.

24 I've got a proposed Order 27 that's

25 available on the table. That's the list I've been

1 referring to. I've got the -- I've got -- I've also

2 received as Exhibit 6 an earlier list of which the Order

3 27 was based. I've got the Department of Natural

4 Resources list. By the way the statutes of Nebraska

5 required this Board to adopt a similar list of what's

6 been adopted by the NDNR.

7 I have received an advertisement that was published regarding the Stakeholders meeting. And I have

received an envelope including three audiotapes of

10 material that was presented at that Stakeholders meeting.

I have marked and received four

12 publisher's affidavits of the published notice of this

13 hearing. An, lastly, I've received at this time Exhibit

14 15 which is an Advertisement regarding the -- the public

15 meeting, the public information meeting that was held.

16 So, Greg, you can give us your testimony

17 now if you wish. You will need to tell the court

18 reporter your name and spell it if she indicates she

19 needs spellings.

11

20 MR. GREG SMITH: My name is Greg Smith. I

21 am from Imperial, Nebraska. I am representing Water

22 Claim on this particular issue. Gentlemen, I want to

23 thank you for the opportunity to talk with you right now.

24 This hearing is regarding the information to be

25 considered in the development of an integrated management

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1 plan:
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2 As I understand this integrated management

3 plan is already completed. It has been negotiated in

4 executive session with the DNR already. And now we are

5 having the hearing to decide on what things should be

6 considered in the development of an integrated management

7 plan. I think if the plan is already done it's a little

8 late to have a hearing regarding what's supposed to be

considered.

10 But, nevertheless, if you're still

11 considering these facts, I want to ask a couple questions

12 on Item No. 4. You are to consider as one of the things

13 to consider is the local recharge characteristics and

14 rates from any sources, if available. I believe these

15 are available. I do not believe that this has been done.

16 Item No. 6, the crop water needs within

17 the proposed integrated management plan area, I believe

18 that this has not been done. I don't think that there is

19 a definite estimate on schedule here or on record here of

20 what corn, for example, needs on an annual basis in a dry

21 year and wet year.

22 Item No. 10, the availability of

23 supplemental water supplies, including the opportunity

24 for groundwater recharge within the proposed integrated

25 management plan area. I don't believe that this has yet

1 been studied even though there is potential for bringing

supplemental water from the Platte River Basin.

3 And even though that has been advertised

4 and presented by our organization, and has been even

5 passed on unanimous vote by this Board to at least

6 consider that. And I think if you're going to consider

7 it that it at least warrants a committee on the subject,

8 and perhaps a little bit of money to investigate the

9 feasibility of that project, but that has not been done

10 to this date.

11 Number 12 the opportunity to integrate and

12 coordinate the use of water from different sources of

13 supply within the proposed plan, that goes along with No.

14 10.

15 And No. 14, the relative economic value of

16 different uses of groundwater proposed. I personally

17 believe that for every inch of water that we do not use

18 it represents probably long-term about \$1,000 worth per

19 acre-foot of economic value beginning right here in our

20

own district and continuing on up the food chain.

21 I don't see that any research or study has

22 been done yet to discover how much economic value our

23. water actually has and how much we would lose if you do

cut our water uses. Thank you for your time.

HEARING OFFICER: Greg, do you have any

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1 published material or printed material?
 2
             MR. GREG SMITH: No, I do not.
             HEARING OFFICER: Thank you very much.
 3
 4
             MR. TAB MARTIN: Terry, can I ask a
 5 question? Those people that come up like Greg and talk,
 6 can any of us that feel that he is representing our own
 7 thoughts is it okay that we stand up or applaud him or
 8 show so that the Board members don't think he is the only
   one that is thinking that?
 9
10
             HEARING OFFICER: Well, the problem is and
   we talked about the record, and that kind of thing won't
11
12 show in the record.
             MR. TAB MARTIN: Uh-huh, but it would be a
13
   record in their mind.
14
             HEARING OFFICER: That's fine. If that
15
16 would be the case, if you can figure out some way to
17 demonstrate that, that's fine. But it will not be part
18 of the record because there is no way to get it in the
19 record. But that's fine.
20
             MR. TAB MARTIN: Okay. Anybody that
21 thinks that Greg and some of these things that we're
22 going to discuss tonight is things that need to be placed
23 in the mind of these Board members, I ask that you stand
24 up now so that they know that you're thinking along the
25 same lines.
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I and trends that have been submitted at the previous
2 meetings as well as the Bureau Reclamation and Reservoir
3 inflow data and the participation data.
            And I would also ask the Board to include
5 the stream flow data -- Okay. I'm sorry; I would ask
6 again that the Board include the Rock Creek Hatchery MBT
7 data on effluent monitoring which is a 30-year record of
8 stream flow recorded weekly at the hatchery. I would
9 also ask that you include the N.G P.C. data on economic
10 impacts and user data that Darrel Eichnar has submitted.
            One thing that I didn't include the other
11
12 night which I would like to add to the record, Mr. Owens
  asked what I thought they should consider.
14
             First, I would like to go on record of
15 saying that we oppose the 13 1/2 inch allocation. And
16 Mr. Owens asked what I thought we ought to have for an
17 allocation and I said 6 inch allocation.
18
             That is somewhat supported by Terry
19 Martin's brother Dr. Dale Martin from UNL who stated that
  the January 12 NRCS meeting here in Imperial that 6 inch
   allocation in Benkelman could produce 180 bushel corn.
             And in my way of thinking if we could get
22
  180 bushel corn out of 6 inches that we could get double
24 the life of the aguifer compared to 13 1/2 allocation.
             Darrel, did you have anything else? We
25
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1
              (Public responds.)
 2
              HEARING OFFICER: Okay. That's good. And
   another thing I did not mention yet but would before the
   evening is over is this record of the next hearing,
   that's on the IMP itself, that will be held open for
   seven days. And we will receive documentary evidence
   during that period, just as has been done by the NRD for
   many, many years.
              And I know in past years statements have
 9
10 been put together and then signatures affixed to them.
11 And the Board has received those. And they're part --
12 they become part of this record I keep referring to. So
13 there's another alternative. But nobody is going to tell
14 you you can't stand up, you know, if a witness says
15
   something you particularly agree with, feel free.
              MR. TAB MARTIN: Thank you.
16
              HEARING OFFICER: Does anybody else wish
17
18 to testify at this first hearing?
              MR. HAL WALKER: My name is Hal Walker.
19
20 I'm with Nebraska Game & Parks.
21
              (Brief interruption.)
              MR. HAL WALKER: My name is Hal Walker.
22
23 I'm with Nebraska Game & Parks Commission. I'm from Rock
24 Creek Hatchery in Parks, Nebraska. I would request that
25 the Board accept the U.S.G.S. historical streamflow data
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1 would also present data of our power point presentation
             HEARING OFFICER: Okay. Did you hear that
3
4 last -- Do you want to have that -- Are you going to just
5 show that to people who wants to stay later, or do you
   want that part of the record?
             MR. HAL WALKER: We would like to present
7
8 this power point presentation at the end of the other
9 meeting, if that's all right.
             HEARING OFFICER: Okay. Thank you.
10
             MR. DARREL EICHNAR: Can we do both?
11
             HEARING OFFICER: Yes, you may. You can
13 put that in the record now and I'll give you permission,
14 so to speak, to withdraw it to show it to people who want
15 to stay for a few minutes or however long it takes. And
16 then we'll put it back in the record. So do you have
17 that with you?
             Now, to refresh you just a little bit, now
19 this testimony that we're trying to receive at this point
20 is on this list that we're calling -- I'm calling it a
21 list, maybe nobody else does. The things that -- Here,
22 I'll mark yours -- the list of -- the types of data and
23 information and material that will be considered by the
24 Board in its deliberations.
             Keep in mind we're going to have a second
25
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1 hearing here momentarily on the IMP itself. Does anybody	INDEX
2 else wish to testify on the list? Okay. Apparently not.	WITNESSES: PAGE
3 Keep in mind that obviously we're	AL IOE IOVDIO
4 expecting testimony at the second hearing. So I'm going	ALICE JOHNS 5
5 to mark this power point presentation from Game & Parks	STEVE SMITH 13
6 as Exhibit 16. And we're going to receive it and permit 7 its withdraw for use in this room after the second	ROBERT AMBROSEK 19
	GREG SMITH 23
8 hearing for anyone who wishes to stay and see the	KENNETH FRASIER 30
9 presentation. (Exhibit No. 16 marked for identification.)	STEVEN GRAMS 33
10 identification.)	BRIAN PROSSER 38
12 HEARING OFFICER: I think what we'll do at	TERRY BILKA 42
13 this point is close the record for this first hearing.	FLOYD PARMAN 46
14 And we'll go off the record at this time.	BARBARA WENDELL 49
	SCOTT GERMAN 50
(Hearing concluded at 7:25 p.m.)	TERRY MARTIN 57
17	JEFF WALLIN 58
18	DOUG GASWICK 61
19	JASON KUNKEL 63
20	CEDRICK MCDANIEL 68
21	***
22	4444
23	
24	
25	
BEFORE THE DIRECTORS OF THE	1. ORDERS OF RULES & REG FOR
UPPER REPUBLICAN NATURAL RESOURCES DISTRICT	GROUNDWATER CONTROL NRD 4 4
	2. PUB AFF WAUNETA BREEZE 4 4
,	3. PUB AFF IMPERIAL REPUBLICAN 4 4
,	4. PUB AFF GRANT TRIBUNE 4 4
UPPER REPUBLICAN NATURAL RESOURCES) TRANSCRIPT OF	5. DRAFT OF IMP FOR PUBLIC HRG 4 4
DISTRICT PUBLIC HEARING) HEARING II OF II	6. PUBLIC INFO MEETING MATERIALS 4 4
	7. MAP 4 4
x VOLUME I OF II	8. DOCUMENT FROM ALICE JOHNS 12 12
MEADING HELD ALL MAN AS SOOK AS AS AS AS	9. DOCUMENT FROM STEVE SMITH 18 18
HEARING HELD this March 3, 2005, at 7:40 p.m. MT at the Senior Center, 1000 Wellington Street, Imperial,	10. HANDOUT FROM STEVE SMITH 18 18
Nebraska with TERRY SAVAGE presiding as HEARING OFFICER.	11. PUB AFF BENKELMAN POST 18 4
	12. PUB AFF WAUNETA BREEZE 18 4
1	13. PUB AFF IMPERIAL REPUBLICAN 18 4
	14. PUB AFF GRANT TRIBUNE 18 4
	15. PUB AFF IMPERIAL REPUBLICAN 18 4
	16. LETTER FROM ROBERT AMBROSEK 23 23
	17. LETTER FROM KENNETH FRASIER 33 33
	18. LETTER FROM ROBERT GRAM 38 38
	19. LETTER FROM STEVEN GRAM 38 38
	20. DOCUMENT FROM TERRY BILKA 46 46
DEAN LARGE DON GENGENBACH	
TIM SCHILKE	

	21a. DOCUMENT FROM IRRIGATION		1 PROCEEDINGS
	PROJECTS REORG COUNCIL 48	48	2 (The hearing in this matter commenced at 7:40
	21b. LIST OF ENTITIES OF IRRIG		3 p.m. on this 3d day of April, 2005. Exhibit Nos. 1
	PROJECTS REORG COUNCIL 48	48	4 through 7 marked for identification.)
	22. LETTER FROM MARK WENDELL 50	50	5 HEARING OFFICER: We'll open up the
	23. LETTER FROM BOB COLSON 74	74	6 record. And we are going to conduct the public hearing
	24. LETTER FROM LESS SMITH 74	74	7 to consider the integrated management plan. I have
	25. LIST OF WITNESSES 74	74	8 marked before the hearing several exhibits, and we're
	26. LIST OF PUBLIC PRESENT 74	74	9 going to receive those.
	27. LETTER FROM JIM HAARBERG 74	74	10 Exhibit 1 is a book of all of the prior
	28. LETTER FROM DARLENE MORELAND 74	74	11 Orders of Rules and Regulations for Groundwater Cor
	29. LETTER FROM BUREAU OF		12 in the Upper Republican Natural Resources District.
	RECLAMATION 74	74	13 Those are orders of which I'm sure all of you are quite
	30. LETTER FROM DOUG BRANT 74	74	14 familiar. This is for historical use as well as for the
	31. LETTER FROM GERALD COATES 74	74	15 Board's use in deliberation.
	32. LETTER FROM COCHRAN FAMILY 74	74	I have marked seven publisher's
	33. LETTER FROM DOUG GASWICK 74	74	17 affidavits, some dealing with the stakeholders meeting
	34. LETTER FROM TOM GASCHLER 74	74	18 some with this hearing. I have marked and received a
	35. LETTER FROM MAX HOFFMEISTER 74	74	19 draft of the IMP, as well as the materials that were
	36. LETTER FROM RAND LEVY 74	74	20 presented at the public information meeting.
١	37. LETTER FROM THOMAS WERBLOW 74	74	21 I've received a map showing the location
١	38. LETTER FROM DEB FRASIER 74	74	22 of all the wells in the district, with a shading in of
	39. LETTERS TO EDITOR IN GRANT		23 the areas which are referred to as quick response well
	TRIBUNE BY KENNY OWENS 74	74	24 areas. And I'm also at this time going to receive all of
	40. TRANSCRIPT OF HEARING I 74	74	25 the exhibits that were offered at the public hearing that
1			

	The field of Fredhi we are the
6	record. And we are going to conduct the public hearing
7	to consider the integrated management plan. I have
8	marked before the hearing several exhibits, and we're
9	going to receive those.
10	Exhibit 1 is a book of all of the prior
11	Orders of Rules and Regulations for Groundwater Control
12	in the Upper Republican Natural Resources District.
13	Those are orders of which I'm sure all of you are quite
14	familiar. This is for historical use as well as for the
15	Board's use in deliberation.
16	I have marked seven publisher's
17	affidavits, some dealing with the stakeholders meeting,
18	some with this hearing. I have marked and received a
19	draft of the IMP, as well as the materials that were
20	presented at the public information meeting.
21	I've received a map showing the location
22	of all the wells in the district, with a shading in of
23	the areas which are referred to as quick response well
24	areas. And I'm also at this time going to receive all of
25	the exhibits that were offered at the public hearing that

CERTIFICATE

STATE OF NEBRASKA) COUNTY OF KEITH)

I, Tania M. Fox, Court Reporter and General Notary Public, do hereby certify that the within and following transcript is a correct and complete transcription of the evidence requested to be transcribed by me taken from the proceedings at the time and place set forth herein in the before-captioned case.

> This transcript consists of the following: VOLUME I - TRANSCRIPT (PAGES 1 - 74 INCLUSIVE) VOLUME II - EXHIBITS.

Dated this 15th day of March, 2005.

Tania M. Fox General Notary Public

1 was held on March 3, 2005, at 7 o'clock p.m. including 2 the transcript of all the testimony.

Again, just for this record we take the 4 evidence in an order. State and Federal agencies, other

5 governmental subdivisions, thirdly the Board and staff of 6 the NRD, fourth general public.

We will entertain your testimony at this 8 time. This is on the subject of adoption, amendment, or

9 rejection of an IMP. Come forward and sign in and tell

10 us who you're representing, use the mic, spelling your

11 name would probably be helpful for the court reporter.

MS. ALICE JOHNS: My name is Alice Johns.

13 I'm the area manager of the Bureau of Reclamation

14 Nebraska-Kansas area office in Grand Island, Nebraska.

15 I'd like to present oral testimony here before

16 you tonight and thank you for the opportunity to do so.

(Brief discussion off the record.) 17

MS. ALICE JOHNS: Again, my name is Alice 18

19 Johns, and I'm the area manager of Bureau of Reclamation

20 Nebraska-Kansas area office. The main office is in Grand

21 Island with a field office in McCook. Also here with me

22 tonight are Steve Runshaugen our deputy area manager and

23 Mary Swanda, who is the head of our McCook field office.

24 The Nebraska-Kansas area office is responsible for

25 reclamation projects located in Nebraska, Kansas, and

Page 3 - Page 5

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2 manage, develop, and protect water and related resources
 3 in an environmentally and economically sound manner in
 4 the interest of the American public.
             The reclamation program began in 1902 to
 6 reclaim the arid west by developing irrigation projects.
 7 The Nebraska-Kansas area office oversees 15 reservoirs,
8 seven of these are in the Republican River Basis. Of
9 those seven, four are located in Nebraska. Additionally,
10 reclamation administered irrigation water supply from
11 Harlan County Lake, which is a Core of Engineers
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1 north eastern Colorado. The mission of the Bureau is to

12 reservoir in the Republican Basin. 13 Following the dust bowl years of the 30s 14 and the devastating flood of 1935 the states sought 15 federal assistance in developing water supplies and flood 16 control for the basin. While investigations for water projects were under way, reclamation requested that 18 Kansas, Nebraska, and Colorado negotiate a compact allocating water supply among these states. Reclamation anticipated that the individual states would protect the water rights associated with the federal projects. 21 22 Between the late 1940s and 1960s nine 23 federal dams and reservoirs were constructed in the

24 Republican River Basin. Seven of those were reclamation

25 projects and two were core projects. Six irrigation 1 projects were also developed and irrigation districts 2 were formed to manage each of these projects. Each of 3 these irrigation districts presently receive irrigation 4 water from one or more of the Federal reservoirs in the 5 basin. 6 The total project acreage served by these 7 Federal projects is approximately 137,000 acres. The 8 Upper Republican Natural Resource District includes one 9 reclamation reservoir, Enders Reservoir. Frenchman 10 Valley Irrigation District and H&RW Irrigation District 11 receive their water supplies from Enders Reservoir and 12 from their natural flow rights. 13 Republican River inflows into Swanson Lake 14 are also impacted by activities of Upper Republican NRD. 15 These reservoirs serve the Frenchman Holdrege Irrigation 16 District. The Republican River Federal reservoirs also

17 provide significant recreation, fish, and wildlife and 18 flood control benefits to the area. The projects that 19 were constructed are now an integral part of the river 20 system and the allocation of water through each state. 21 Construction cost associated with the 22 Republican River Basin project -- reclamation project

23 totaled more than \$233,000,000. Construction costs

24 assigned to the irrigation function were over

25 \$139,000,000. Irrigation districts are responsible for

1 repaying a portion of the irrigation construction costs 2 of these projects. The cost not repaid by irrigation 3 districts are repaid by users of the Federal hydropower 4 as aid to irrigation.

5 Construction costs not assigned to the 6 irrigation function, the difference between 233,000,000

7 total cost and 139,000,000 irrigation cost are being paid 8 by the U.S. tax payers. The U.S. tax payers paid for the

9 construction cost assigned to the flood control,

10 recreation, and fish and wildlife benefits of the

11 project.

12 In Nebraska reclamation has storage rights 13 associated with Federal reservoirs as well as the storage 14 use rights to use the water to supplement the irrigation 15 district's natural flow rights.

16 The natural flow rights associated with 17 the federal projects in the NRD have priority dates that 18 vary from 1890 to 1954. The storage rights held by reclamation vary in priority from 1946 to through 1960. 20 An increase in ground water wells in the

21 basin for irrigation development became particularly 22 evident around 1960 with a dramatic increase in wells

23 occurring between 1960 and 1980. During that time in

24 Nebraska 8,000 new irrigation wells were developed within

25 12 miles of a major stream in the Republican River Basin

1 above Hardy.

That time frame corresponds closely with a 3 noticeable decline in river flows throughout the basin.

4 Base flow of many of these streams also declined

5 providing a strong indication that there is a significant

6 aquifer-streamflow interaction.

These wells are likely intercepting 8 groundwater that formerly discharged into the stream or 9 they may be reversing the gradients to the streams,

10 thereby inducing streamflow into the aquifer.

11 The combined inflows to all of the seven 12 reservoirs above Harlan County Lake, a core project near 13 the Nebraska-Kansas State line, average only 309,400

acre-feet per year for the period 1984 through 2003. 15 By comparison the Definite Plan Reports

16 prepared for project planning purposes in the 1950s

17 showed that based on the historic records through the

early 1950s inflows were expected to average 662900

acre-feet per year.

20 In general, the inflows to all reservoirs 21 in the Republican Basin that serve reclamation projects

22 have declined at a significant rate since the projects

23 were first developed. In the Enders Reservoir this

24 decline has been most severe with inflows dropping from

25 around 60,000 acre-feet per year in the late 1950s to

```
Reduced surface water supplies have caused
project water deliveries throughout the Basin to decline
over the last 40 years. Each irrigation district has
experienced a declining water supply which in turn has
caused a number of impacts including shortening of the
season that water can be delivered, changes in cropping
patterns, and in some years a reduction in total acres
irrigated.
```

9 irrigated.

10 The total acres with project water have
11 essentially remained the same, while the amount of water
12 diverted and delivered to each acre has declined
13 steadily. In 2004 water deliveries to several canals
14 including the Culbertson Extension, Meeker-Driftwood, and
15 Bartley was zero.
16 In conclusion depletions to stream flows

have resulted in reduced storage in Federal reservoirs as well as less flows being available for direct flow diversions into the canals that are an important part of the Federal project. The reduced water deliveries have reduced the economic benefits provided by the project.

As a result users of federal hydropower will pay for a greater portion of the irrigation construction costs through aid-to-irrigation. Other

24 construction costs through aid-to-irrigation. Other
25 impacts associated with reduced stream flows include a

1 reduction in reservoir levels which reduces the
2 recreational and fish and wildlife benefits associated

with these projects.

3

Sustained surface water inflows to the
Federal reservoirs provide, not only irrigation benefits,
but also significant recreation and fish and wildlife
benefits to the area. The water right priority dates
associated with the Federal project are prior to the
majority of the groundwater development occurred in the
basin; therefore, in areas of groundwater-surface water
interaction I would request that specific consideration
be given to surface water supplies for the Federal
projects when establishing long-term and water-short year
groundwater allocations.

Sustaining a balance between water uses
and water supplies so that the economic viability,
social, and environmental health, safety and welfare of
the Republican River Basin can be achieved and maintained
for both the near-term and the long-term is the stated
purpose of integrated management plan for the NRD.

Currently the system does not appear to be
in balance as indicated by the steady decline of inflows
in Enders Reservoir over the past 40 years.

It will take time, considerable efforts
and perseverance to achieve a sustainable balance in the

1 Upper Republican and establishing this integrated 2 management plan for the Upper Republican NRD is a vital 3 step in that process. Again, I thank you for the opportunity to 5 present this testimony here tonight for your 6 consideration. We also are sending more detailed written 7 testimony to your office, which includes specific 8 comments related to the proposed integrated management plan. I have brought with me a copy of what also has 10 been sent to your office and will provide it to you. HEARING OFFICER: We'll mark that and we 11 12 will receive it. Is that the same as the remarks you 13 had? 14 MS. ALICE JOHNS: No, it is not. This is 15 more detailed written testimony. It is the same as is 16 being sent to the Imperial, Nebraska, P.O. Box. 17 HEARING OFFICER: Do you want your other written material in the record? 18 MS. ALICE JOHNS: No, it can just be the 19 20 oral. That's fine. 21 HEARING OFFICER: We'll mark that. We'll 22 mark this as Exhibit 8, and we'll receive it. 23 (Exhibit No. 8 marked for identification.) HEARING OFFICER: The next person who 24 25 wishes to offer testimony feel free to come forward and

take the table, sign in, tell us who you represent if
 you're not speaking solely on your behalf, and the Board
 will be happy to hear your testimony.
 MR. STEVE SMITH: First of all, my name is
 Steve Smith with WaterClaim. First of all, I'd like to
 compliment the Board on the things that I think it is
 doing well. The protection of carryover and pooling are
 essential to the ability of this area to raise a crop.
 And I thank the negotiating committee for protecting
 those two key critical concepts.
 I also thank the Board for supporting the
 importing of water into the Basin as part of the

solution. I believe the importation of water over the long-term will benefit the community. And I hope that the Board is sincere in its support.

I also appreciate the many hours that the Board has been willing to spend on this issue. I know many of you have traveled great distances and have spent many hours doing that and I thank you for doing that.

20 It's not a job that many of us would be willing to do,

21 and it's also sometimes thankless.

I appreciate those board members who are willing to protect the aquifer. I think it's an essential part of our community and I appreciate the desire to protect that.

Page 10 - Page 13

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I also appreciate the few Board members
  2 who are willing to talk about the issue and to hear ideas
  3 and input. We may not always agree, but your willingness
  4 to consider those ideas and think about them, even if you
  5 don't accept them I appreciate you taking them into
   consideration. It is appreciated.
              Now, some of the things which I hope will
 8 be viewed as constructive criticism. There are several
 9 things that I think that the Board needs to work on. I
10 don't like the fact that the Board has hidden much of the
    process from the public, and that the negotiating
12 committee has not shared all of the information with all
13 of the Board members.
14
              I think that the decisions that this Board
15 is making affect the entire community is a whole, and I
16 believe that it is to the benefit of the community that
17 it is involved in that process and understand each step
18 of why you're making it, and not just being told what you
19 decided.
20
             I think that there as a great deal of
21 information that this Board has chosen not to consider as
22 it makes its decision. You could access information that
23 will show you that any well that is far away from the
24 stream has almost no effect on the short-term over the
25 next 40 years.
```

I know that this Board wants to be fair.

1

2 secrecy in the closed meetings, the private negotiations, 3 the subcommittees, which allow you to bypass the open 4 meeting laws, the decisions to choose not to consider all 5 of the information that is available is not a good thing 6 for this community. It breeds distrust and causes 7 disrespect. I hope the Board will choose to change that. 8 As for the specifics of the plan, I 9 believe that I will personally survive the 13 1/2 inch 10 allocation with carryover and pooling. And I think most 11 of us here will. The ones who will be hurt are those 12 smaller farms with small pools and very sandy soil. 13 Reducing the allocation of anyone far from the stream will have no benefit to the settlement. Let's consider a person who lives on the 15 16 Chase County/Dundy line with sandy soil and more than 17 5 miles from the stream. The reduction from 14 1/2 to 18 13 1/2 will extend the life of this person's aquifer for 19 maybe 400 years to 428 years. However, you have made it 20 more likely that this farmer's children will not live 21 here within 10 years. What have you gained? 22 Or take the owner who only has 30 years 23 left in his aquifer, the reduction you're making may now 24 extend the aquifer for two years. But at what cost to 25 the community?

1 wouldn't happen if it weren't for these laws. The

2 And I know it wants everyone in the community to 3 experience the same policy. At the same time this, I 4 think, will cause you to ignore the economic reality of 5 the impact of what you decide. 6 Some of the Board members seem to have a 7 desire to reduce the decline of the aquifer and in doing 8 so using the settlement process as an excuse to do so. 9 They are two different things. And, I guess, my concern 10 is and wish is that you would address each one properly 11 and recognize that as this aquifer decline is an issue 12 but don't hide the decisions that you're making and using 13 it as an excuse with the settlement with Kansas. 14 There's a rush to put these new rules in 15 place. The policies that you have in this proposed IMP 16 the reduction from 14 1/2 to 13 1/2 will have almost no 17 short-term benefits. Over the next 12 months the 18 policies that you have here will have no benefit over the 19 stream. As a result there is no rush, in my opinion, to 20 make this decision immediately. 21 I am glad to see that there's a law in 22 Nebraska that requires open meeting laws, and I'm glad 23 that its forced -- this Board is required to hold a

I know from the comments that you made at 2 several of the Board meetings, I know it is the intention 3 of this Board to pass this IMP tonight or not tonight but 4 within the next month regardless of what happens, as 5 Roger Patterson from another NRD board said, this one is 6 a done deal, it's wrapped up. That makes it difficult 7 for the public here to feel that they have any input in 8 what happens. A reduction from 14 1/2 to 13 1/2 inches 10 will have no benefit towards the settlement and is 11 unnecessary. You are not required to do this. The 12 settlement requires the State of Nebraska to comply with 13 the agreement. It does not give Nebraska permission to 14 violate its own laws as it follows -- as it complies with 15 the settlement. 16 This district is making cuts while the 17 other three districts have increased allocations and 18 usage -- excuse me; they have increased usage, they have 19 not increased allocations. 20 Lastly, the water transfer from the Platte 21 River Basin to the Republican River Basin would allow 22 this NRD to stay in compliance with the settlement for 23 many years at a much lower cost than the requirement of 24 acres or reduction in allocations.

Ask yourself before you vote, am I doing.

24 public hearing. For some reason I'm under the

25 impression, rightly or wrongly, that some of these things

1 and its use.

2

```
1 this in the best interest of this community? Does this
2 vote reflect the desires and will of the people I
   represent.
 3
              Thank you for your time. I have a copy of
 5 the written record, which I'll submit of this. And then
6 I also have an additional document which I'd like to pass
   out to each of the board members. And I don't know how
8 you want to do that. It basically shows documentation
9 stating that this NRD has the ability with less
10 restrictions than what its proposing to still stay within
11
   compliance.
              HEARING OFFICER: Thank you for your
12
13 remarks.
              (Brief response from the public.)
14
              HEARING OFFICER: Thank you for your
15
16 remarks. I think what we'll do is mark two exhibits.
17 And we want to make sure -- That's the oral testimony.
18 And this is supplemental. Can you describe those? We
   have one for the record. I'm going to mark the remarks
20 as Exhibit 9 and receive them. And I'm going to mark the
   handout that Steve brought in as Exhibit 10 and receive
22 that as well. Anybody else wish to testify can come
    forward at any time.
23
          (Exhibit Nos. 9 through 15 marked for identification.)
24
25
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1 water use of the Upper Republican NRD, historical water
2 use in later allocation periods is closer to 12.5 inches
3 than the 13.5 inches proposed.
            Using only the historical 12.5 inches we
5 are still seeing excessive declines in our ground water
6 and extensive loss of our surface water. Why should we
7 be setting an allocation at 13.5 inches?
            Look at Enders Lake, Imperial Light Dam,
9 Indian Creek, Buffalo Creek, Stinking Water Creek, Rock
10 Creek, Champion Lake, and the area north of the North
11 Fork of the Republican River, all showing effects of
12 extensive declines and not all from drought as some
13 propose, but from excessive use of groundwater.
14
             I suggest that the allocations be set at
15 something below historical use, something below 12.5
16 inches. For 25 years I've heard producers say they could
17 not manage with less allocations; however, we have
18 reduced allocations and they've still managed to save
   water and build carry forward.
19
20
             Producers have had been able to adapt and
21 will continue to adapt even though we may need to change
22 some crops and farming practices until technology
   produces crops that will respond with less water.
23
             Carry forward, I understand your dilemma,
24
25 but wonder how will you manage declines by allowing it
```

MR. ROBERT AMBROSEK: My name is Robert 2 Ambrosek. I reside at 72382 Green Road, Haigler, Nebraska, and that last name is spelled A-M-B-R-O-S-E-K. 3 Board of Directors, Upper Republican NRD, 5 I would like to address a few issues this evening that I see as affecting the interest of all water users in the Upper Republican NRD that are included in your proposal 8 for integrated management plan. First of all, I'll address the allocation 10 proposal of 13 1/2 inches. I would like to quote Section 11 2-3201, the Natural Resources Declaration of Intent which 12 states, Quote, "The legislature hereby recognizes and 13 declares that it is essential to the health and welfare 14 of the people of the state of Nebraska to conserve, protect, develop, and manage the natural resources of 16 this state." 17 I would specifically note the words 18 conserve, protect, and manage as we have already developed. While I was a member of the Board the general consensus was DNR and Republican River Compact were the 21 bad guys. The Upper Republican NRD Board and patrons 22 need to look at the problem. The problem is simply the 23 overuse of a limited resource, not DNR and not the 24 Republican River Compact. I suggest the Board look at the historical 25

3 interest in transferring water as proposed by WaterClaim. 4 This will not solve the Upper Republican NRD problems. 5 If the Board has the interest of water conservation and 6 the benefit of the people of the Upper Republican NRD in 7 mind, I think that money could be spent in better directions than in support of piping water into Harlan 9 County Dam. We could use that 5 or 6 million dollars 10 11 to retire acres or supplement our users that would in 12 turn help all residents of the Upper Republican NRD. If you solve the Upper Republican NRD's 13 14 problem of a declining aquifer we will have met our obligation of Republican River Compact. I think your approach to the floating 16 17 township for pooling is commendable and should serve as a 18 benefit to some irrigators in managing the use of the 19 resource. Another issue LB 962 addresses the balance 20 21 of water use and supplies for the near and long term. 22 The goals and objectives of this balance are to be 23 included in the integrated management plan as stated in 24 46-715, Section 2. Someday the Upper Republican NRD will have 25

I've read that there has also been some

17

```
1 to face this issue. Why not start and work towards the
  2 goal of sustainability so that all can change in a
  3 programmed manner rather than wait and face the crisis
  4 when it is mandated.
  5
             Someday water will be more valuable, more
  6 valuable than the $1.75 corn we produce with it today.
  7 We need to forget our greed and selfishness in the use of
  8 this resource and see that our children, grandchildren,
 9 and great grandchildren have an opportunity to use it
10 more wisely than we.
11
             Imagine what the viability of the area
12 would be without water, and if we don't change our
13 policies we will have no water for irrigation and much of
14 the area will be lucky to have enough water for household
15 and a few livestock.
16
             In closing, I'd like to present a
17 perception of mine. I present Pumpkin Creek and the
18 decision by the Nebraska Supreme Court. In my view I see
19 Frenchman Creek, Indian Creek, Rock Creek, Stinking Water
20 Creek, and Buffalo Creek all in the same scenario. Can
21 we continue to deplete them? We need to work towards
22 saving a resource that took thousands of years to place
23 here. What gives us the right to deplete it in one
24 generation. Thank you.
            HEARING OFFICER: Robert, do you want
```

```
1 water for economic development in Nebraska. Current law
 2 in Nebraska protects irrigated uses.
 3
             Let me read, Nothing in an integrated
 4 management plan for a fully appropriated river basin,
 5 which is what we're apart of subbasin, shall require a
 6 natural resources district to regulate groundwater uses
 7 in place at the time of the Departments preliminary
 8 determination that the river basin or reaches were fully
 9 appropriated. But natural resources district may
10 voluntarily adopt such regulations.
11
             The cut from 14 1/2 to 13 1/2 inches is
12 completely voluntary to you. I know that I've had this
13 discussion with you before, and I know that you said that
14 perhaps this doesn't apply, but the task force met just
15 yesterday considering modifying the provisions that
16 Natural Resource District cannot be required to regulate
17 groundwater uses in place when a basin is primarily
18 determined to be fully appropriated. They're wanting to
19
   change that.
20
             Now, I want you to know that I am not a
21 water waster. I'm an irrigator. I've been here my whole
22 life. I've been setting tubes right along with anybody
  else. I don't think that any of you in here are water
   wasters either.
24
25
             I want to just give you a little bit
```

those printed remarks in the record? MR. ROBERT AMBROSEK: Yes, I do. And I do 3 have a copy, and I've got copies for each of the Board members if they would like. HEARING OFFICER: Okay. I'll mark Robert's printed material as Exhibit 16 and I will 7 receive it. (Exhibit No. 16 marked for 8 identification.) 9 10 MR. GREG SMITH: I don't think like doing 11 this. I never have and I never will. But I tell you 12 what, I'm torn up inside. I really am. I see a 13 completely different future than what was just presented. 14 Mr. Ambrosek, I respect you. I appreciate you as a 15 neighbor. I just see things a little bit different. 16 You know my grandmother was the -- my 17 great grandmother was the very first school teacher in 18 Chase County just south of Imperial. My great 19 grandfather homesteaded in Chase County. They were 20 enticed to come to Nebraska by the United States of 21 American with free land to develop the west. They did 22 that. They worked real hard for many, many years to make 23 my life better. 24 The Constitution of Nebraska for many years has encouraged irrigation, encouraged the use of

2 of Nebraska right now has declared most basins in 3 Nebraska as either fully or over appropriated. Right now 4 we're considering putting CREP into place, which will 5 retire up to 50,000 acres in the Upper Republican River 6 Valley. Surface irrigators are begging for water, 8 McConaughy is empty. Harlan County Reservoir is empty, 9 Enders is empty. We have the Bureau of Reclamation just 10 requesting more water. But my water use even in the last 12 testimony is being criminalized. That's the policy of 13 today. I didn't ask my children to come here, and I --14 but my wife decided that I've been thinking about this 15 for quite a few days lately and she decided to bring 16 them. This isn't about me. It's about my future. And Mr. Ambrosek is suggesting that the 18 future is not going to be here for our kids if we 19 continue to use our aquifer. I have to whole heartedly 20 disagree. I think our future is bright. I'm optimistic about our future. And even though we have potential 22 water cuts coming to our own district, I have to think 23 that I am still going to proceed ahead and purchase land 24 in this area. This is my home. And I hope that this is 25 home for my children also.

1 different picture of the way I see our future. The State

```
My desire is to not to deplete the aquifer
2 for my children. My desire is to continue using this
3 aguifer for the benefit of my children and my family and
4 for everybody else in this whole country.
             Just stick with me for a minute. I won't
6 take too much longer. But I want you to get a picture of
7 the Mississippi River. I know you've heard this before
8 that the Mississippi River is a grand river. And you
9 say. Why in the world am I thinking about the Mississippi
10 River? But I think if you see the big picture, you'll
  understand what I'm talking about.
             Currently all the Republican River --
12
13 Republican Basin irrigators on the Nebraska side are
14 consuming 1 million acre-foot of water a year. The
15 Mississippi River dumps 1.2 million acre-foot of water
16 per day into the gulf of Mexico. 1.2 million acre-foot
17 of water a day turns from fresh water into salt water.
             Now to me that's a waste. What I'm doing
18
19 as an irrigator in Chase County, Nebraska, is not a
20 waste. I'm taking fresh water and I'm converting it to a
21 beneficial use. Everybody in this room as an irrigator
22 is putting that water to beneficial use.
23
             Now, I've been thinking, Fine, if we're
24 going to make some water cuts here, why don't I go all
25 the way to the Mississippi gulf to find some of my water
```

```
1 canoeing and barges.
            The Loop system is dumping another million
3 acre-foot a year into the gulf of Mexico. I would like
4 to see some of that water brought up here. Now, where --
5 what creates these rivers in northern Nebraska? It's an
6 aguifer that is completely saturated and full. How much
7 water is in it?
            If all of the irrigators north of the
9 Kansas State line, all of the irrigators in Nebraska
10 would try to empty that water out it will take 5 to 800
11 years to do it if it never rained again for 1,700 years.
12 There is that much water up there. And by the way, the
13 bulk of that water sits 400 feet higher than Chase
14 County, Nebraska.
             I could put a little pipe line from the
15
16 panhandle of Nebraska, pull that water down to Chase
17 County, Nebraska, and provide 1.2 million dollars of
18 money from the energy I produce from power generation.
             My point is that Nebraska is not short of
19
20 water. Nebraska has a mountain of water. If you go from
21 the middle of Nebraska east they have too much water.
22 The Mississippi if it was shut off at the bottom of
23 Mississippi would cover the entire state of Nebraska
24 9 feet deep in water.
             It would take 1,700 years to drain this
25
 1 aquifer if we all pumped together to do it. It would
```

1 because there is plenty of water there. Let me import 2 some up here. Through my studies I find out there is so

4 much water there, I don't need to go clear to there to 5 get the water. I followed the river all the way up to 6 the Missouri River. And from the Missouri River I 7 followed it all the way up to Nebraska. I've got a map 8 right here that shows how much Nebraska water is 9 available. This is from the DNR site. It says that the 10 stream flow into Nebraska flows on the Platte River from 11 1,988 -- 1,998 -- almost 2 million acre-foot of water. 12 You know how much water is leaving the state of Nebraska 13 8.3 million acre-foot of water a year. We are wasting or

14 letting leave our state of Nebraska 6 million acre-foot 15 of water. 16 So then I start wondering, well, where is 17 this water coming from? Maybe I can go get some of that 18 and bring it to Chase County, Nebraska. So I follow the 19 stream up a little bit farther. The water comes from the 20 Niobrara River, the Dismal River, the North Loop, the 21 South Loop, the Middle Loop.

These rivers -- the Niobrara is dumping 22 23 1.2 million acre-foot into the Missouri, into the 24 Mississippi, right into the gulf per year. Converting 25 fresh water into salt water. Sure, it's used for

2 take the Mississippi River five years to fill it back up.

3 Water is not short in the United States. We don't have a

4 shortage of water problem in Nebraska. We have a

5 distribution problem.

Now, I can go down to the State and try to 6 7 make policy changes, but, you see, I can't do that very well when I have people from my own community who are 9 thinking otherwise, who are thinking we need to shut down 10 and we're feeling guilty about using this water.

See, I'm a water saver. The water I use 11 12 from the aquifer would have gone into the stream and gone 13 down to the gulf and converted to salt water. My use of

14 that water prevents that from happening.

For years surface water guys have been 15 16 doing the same thing, collecting water, using it 17 beneficially and keeping it from going out into the gulf.

18 We are water savers. This room is full of water savers.

19 We're the best Americans there are because we are

20 producing a basic product. We're producing beef. We're

21 converting water into corn. We're converting water into

22 popcorn, into potatoes, into wheat, into edible beans.

23 These are good things.

If Nebraska could utilize or try to 24

25 utilize and if you would put a request to the State of

```
UPPER REPUBLICAN NRD HEARING
 1 Nebraska on my behalf, on everybody's behalf in this room
 2 we could start moving water around a little bit more in
 3 the state of Nebraska and revitalizing our community,
 4 instead of asking people to leave.
             And that's why my kids are here. If we go
 6 to the CREP program we're going to lose some kids at
 7 school. Instead of asking students, children to leave
 8 this community we would revitalize this area, bring more
 9 business to town, extend the water use. You see, I think
 10 everybody in this room wants something little bit
 11 brighter. And I think it's within the State of
12 Nebraska's budget and willpower to accomplish this.
13 Thanks for your time.
14
             HEARING OFFICER: Greg, did you want any
15 printed material in the record? Did you want any
   material in?
16
17
             MR. GREG SMITH: No.
18
            HEARING OFFICER: Okay. Thanks.
19
            (Discussion held off the record.)
20
            MR. KENNETH FRASIER: My name is Kenneth
21 Frasier, F-R-A-S-I-E-R, and I live in Subdistrict 1,
22 Dundy County 4 miles north of Max. The Upper Republican
23 NRD has presented a draft of an integrated management
24 plan. What does the word integrated mean? The word
25 integrate is variously defined as to bring together or
1 incorporate parts into a whole, to make up, combine or
2 complete, to produce whole or larger unit, to unite or
3 combine.
4
            The word integrated is defined as having
5 on a basis of equal membership, combining or coordinating
```

```
2 integrated management plan per water quantity issues. A
  3 true integrated management plan also would address water
 4 quality issues as water quality and water quantity are
 5 connected in interactive issues.
 6
             Increasingly issues of raw water quantity
 7 from both ground and surface water sources for domestic
 8 water supplies and livestock water supplies will be
 9 important NPDES, Nebraska Power of Discharge Elimination
10 System, permit for sewage and other discharge will be
11 impacted as surface water flows are further reduced as a
12 result of groundwater pumping.
13
             Other factors not considered in the Upper
14 Republican NRD draft include impact of reduced surface
15 water flows on the status of surface water quality
16
   standards and total maximum daily load standards.
17
             Reduced water surface flows also may
18 contribute to species in surface waters becoming species
19 of concern, the precursor status to possible listing as
20 rare, threatened, or endangered species.
             Thank you for allowing me to express my
21
22 concerns. And I wish this other sheet to be entered into
23 the record.
24
             HEARING OFFICER: We'll mark this --
25 Kenneth's remarks or items as No. 16 and we will receive
1 it.
```

1 to consider all these things to be considered a minimum

```
6 separate elements to provide a harmonious, integrated
  7 whole.
  8
              The question at hand is how does the draft
  9 plan as it now exists conform to either definition
 10 regarding the management of the water resources in the
 11 Upper Republican Natural Resource District.
 12
              The draft deals with compliance issues
 13 related to the Republican River lawsuit settlement, which
 14 is a water quantity issue. But it is not the only water
 15 quantity issue faced by the Upper Republican NRD.
16
              Continued depletion of the aquifer is
17 another issue. Related to that issue but not addressed
18 in the document are issues of, No. 1, the maintenance of
19 domestic water supplies, both individual and municipal.
20 Number 2, maintenance of livestock water supplies.
21 Number 3, prevention of further loss of stream flow
22 volumes and continued migration of their head waters
23 downstream. And No. 4 is maintenance of industrial water
24 supplies.
25
             An integrated management plan would have
```

```
2
               REPORTER: I'm sorry; did you say 16? We
    already have a 16, I think.
  4
               HEARING OFFICER: Then obviously then
  5
    we're going to move onto 17.
            Exhibit No. 17 marked for
  6
           identification.)
  7
  8
               MR. STEVEN GRAMS: My name is Steven
 9 Grams. I represent my dad's farm, Robert Grams. He
 10 asked me to read a letter that he put together since he
11 could not be here tonight. His letter states, My name is
12 Robert Grams and I live and farm south of Imperial. I
13 have all my life. I have watched Imperial and
14 Chase/Dundy County boom since the 1960's because of
15 irrigation. This was because of the foresight of my
16 father and, I suppose, many of your fathers too.
17
              Most of the prosperity and bounty of
18 southwest Nebraska is due to the advance of irrigation
   and center pivots. Please don't let the control of this
   precious resource (water) fall into the hands of the
21
   state and politicians.
22
              I'd like to make several points. I
   don't -- Don't give the State of Nebraska a blank check,
24 so to speak. It's my belief, and history will bear this
```

25 out that once Government lures you into giving them your

```
1 rights, you will never get them back.
```

UPPER REPUBLICAN NRD HEARING

The IMP you are proposing now will be cut 3 further and further by the higher powers once you sign on 4 the dotted line. This has always been true of government 5 once politicians become involved, you know who will

6 control us, Lincoln and Omaha and their urban senators.

I thank you for fighting to preserve carry 7 8 forward and pooling, but I fear that once the IMP is

9 adopted, these will fall by the wayside. Please listen

10 to the people of southwest Nebraska and not be lured down

11 a different plan by the DNR.

Two, I believe that the Upper Republican 12 13 NRD is assuming too much of the burden to fix the

14 Nebraska or the Kansas/Nebraska problem. The Upper has

15 been controlled with water meters for many years, which

16 have resulted in conservation of water, but all the

17 surrounding areas have not. So why should we continue to

18 sacrifice more and more?

19 Three, I want you to take a more active 20 role in looking at alternatives to this water issue.

21 Water transfer is one very good possibility. I think

22 this idea has a lot of merit and should be pursued and

23 stated as part of the IMP that you adopt. Nebraska is

24 water rich. It just has to be moved around. If we do

25 not keep and use the water, Denver and Omaha will end up

1 Republican has never had any control in areas that

2 contained more quick response areas than the Upper.

We suggest that the IMP not reduce

4 allocations or commit us liable for any percentage of

5 water until the Middle and Lower Republicans are proven

6 to be in control.

Number 2, Denver and Omaha both know the 7 8 wealth of water in the panhandle and in Central Nebraska.

9 Just as Upper Republican farmers pioneered irrigation in

10 the past, we should pioneer canals of water now. Instead

11 of being submissive, be pro-active.

Take a stand and say the cost is too high 12

13 for our community to give up any more allocations.

14 Suggest positive new ideas to solve problems and possibly

15 create even more opportunities for our communities.

16 Canal management or transfer management and increased

17 water in recreation areas equals more jobs and more

18 economic activity in our hometowns.

19 If we don't put first claim to the

20 transfer concept, we will never make the food chain

21 compared to the big cities speculating the water transfer

22 concept to their cities now.

23 Medicine in agriculture. The control that

24 we have with irrigation compared to those that depend on

25 rainfall is priceless. I heard mention crops and various

I with it. This state is built on agriculture, so keep the 2 water here.

3 Number 4, slow down. Slow this process 4 down so the ultimate plan is what we want. I'm sure that

5 the State is promoting urgency or fear so that they can

6 get what they want before we can think it through. We do

7 have time.

Number 5, my last thought is that farmers

9 and irrigators are not crooks or being wasteful of a

10 natural resource, water. They are the most

11 conservation-minded people I know. The land, livestock,

12 and wildlife is our living and our son's and our

13 grandson's living. Why would we deliberately destroy it?

14 If you want to see wastefulness, let the control of this

15 resource get into the hands of government and

16 politicians.

I urge you again to listen to the people 17

18 and keep local control. Thank you for listening to me.

19 I really appreciate your willingness to solve this

20 problem. That's from my dad.

The letter that I have written, it's not 21

22 my farm but I farm with my dad, states that we have

23 always had an IMP, and no one else has. Our allocations

24 have decreased steadily over the last 15 years and stream

25 flow has only gotten worse. The Middle and Lower

1 things, but as genetics develop, crops are a lot more

2 important to things that we never even conceived being

3 good for. As genetics are being produced in grains to be

4 placed in medications, the control of incorporation and

5 timing of application may prove to be superior to those

6 who depend on rainfall.

We have to protect the abundance of water 7

8 for our communities to grow when new purposes for

production exist. Don't draft a plan that slowly takes

10 us out of the game. Make a plan that not only keeps us

11 in the game, but makes us a winner.

If you consider rainfall in Iowa and

13 Illinois as a gift from God for their areas, consider

14 groundwater as God's gift to us. All areas have

15 something and people capitalize from it. If you don't

16 implement an aggressive stand to persuade the State to

17 aid us in building canals now, someone else is going to

18 get the water. The very situation might have come about

19 to serve -- or this very situation may have come about to

20 serve as an opportunity to build canals or transfer

21 systems before large cities take it all.

Nebraska has an obligation to Kansas. We 22

23 can meet that obligation by destroying what everyone has

24 worked for in the Upper Republican or we can poise

25 solutions to meet our obligations to Kansas and possibly

12

19

23

24

```
1 drastically improve the future of our community by doing
 2 so. Notice I said, what we have worked for in the Upper
 3 Republican. Remember that until now we are the only ones
 4 that have been stewards and workers of water. Thank you.
              HEARING OFFICER: Thank you, Steve. And
 6 can we mark those? I'm marking that 18, this will be
   Robert Grams' letter, and 19 will be Steve Gram's letter.
 8
   And we've receive both of those.
          (Exhibit Nos. 18 and 19 marked for
 9
          identification.)
10
11
              MR. BRIAN PROSSER: My name is Brian
   Prosser. I farm out of Lamar.
13
              REPORTER: I can't hear you very well.
14
              MR. BRIAN PROSSER: My name is Brian
15 Prosser, and I farm out of Lamar.
16
              MR. DAVIDSON: Would you spell your last
17 name?
18
              MR. BRIAN PROSSER: P-R-O-S-S-E-R.
19
              REPORTER: Thank you.
20
              MR. BRIAN PROSSER: And I'll probably get
21
   this all out of order because I didn't do a good job of
   writing this. I did it in the tractor today. So first
   of all I would like to say that I really, really admire
   you guys for going through what you're going to go
25 through here and we've gone through already. I think
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UPPER REPUBLICAN NRD HEARING

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1 more than meter violation. Your job today is more than
 2 imposing a fine on somebody that has mismanaged. Your
 3 job here today is on the future of this region. And it's
 4 cut and dried, that's what it is. What you do here is
 5 going to affect everybody in this region one way or
 6 another. It is going to affect them. It's a huge load
 7 on your shoulders, huge. I wouldn't want it.
 8
             If I did have your job, I would have to
 9
   consider a lot of things and not just take the first
10 thing that comes down the pipe to get me off the hook
11 because you're not going to be off the hook. If you take
12 what I see proposed as 13 1/2 inches open-ended I don't
13 think you're off the hook. I think you got to look
14 people in the eye for five years. I think you have to
15 see if you have a neighbor to look in the eye in five
16 years. You have an obligation to look at the future of
   your kids, my kids, every kid in this community.
18
             I want to tell you a story. I come
19 from -- I've been here 11 years. I came from Arizona.
20 And we were in the mountains. There was a great logging
21 community there. The largest national forest in Arizona.
22 There was more pine trees than you know what to do with.
23
            They were logging them and it was managed.
24 But then somebody come and they found an owl that needed
25 to be saved and protected. So they shut down the
 1 logging. The owl got saved, momentarily. The logging
2 got stopped, jobs got lost, economy in that area really
3 faltered.
            Two years later lightening burned down the
5 whole damn forest, the owl too. There is no trees for
6 them owls. We annexed ourselves out of jobs. We managed
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1 it's been a huge load. And whatever you come up with so
  2 far, you know, I know has been thought out. I don't
  3 think it has been just a tongue and cheek type of thing.
              I think the pooling has been an excellent
  5 idea. The carryover, it's good for us. The liability
  6 for the Upper Republican I think is very important. It's
  7 obvious to me because we have been regulated, we have had
  8 meters for 25 years and they have -- obviously they have
   not conserved in the way we have, and I -- and that said
10 I don't understand why we're being hit so hard with this
11 and these other districts aren't.
12
             Second, thing on this I would like to say
13 that the part -- the open end and it's been said, I
14 disagree with. I've never seen taxes cut. I've never
15 seen things given back that have been taken. And I don't
16 see inches given back. I see them taken away. That's
17
   just the way it works. That's a no-brainer.
18
             We aren't -- You know, we started out with
19 14 1/2 inches here for this term. And we're not even
20 going to get that. We've already had agreements that
21 have been broken. They'll do the same thing in the
22 future. If they don't get what they want, they're going
23 to come back to us and they're going to take more.
             I wouldn't want your job. I've been on
25 thankless boards before too. But your job here today is
```

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7 that wildlife out of habitat. We just managed ourselves
 8 to death.
              Sometimes in the effort of saving and
10 conserving and trying to, quote, unquote, do the right
   thing we can't see the tree through the forest,
              So I urge you guys, and like say, I don't
13 want your job. But I know that if I had your job in five
14 years I would want to look in the mirror and say I looked
15 at every option out there. I looked at piping water in.
16 I did not say planes could not fly in 1910. They turned
17 out to fly. I would not say piping water here is not
   possible. I think it's possible.
             I would rather see my money spent as an
20 irrigator if I'm going to send five, eight, whatever the
21 numbers are to retire, I would rather see that go for
   progressive to bring water in. Does one person have to
   suffer so someone downstream can benefit.
             I think there is other options. I think
```

25 we have to look at them. I think that is an obligation

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1 this Board has to do. And I just like to say -- I knew
2 I'd get some of this out of order. But I want to tell
3 you that I appreciate what you're doing and I know it's a
4 huge job. But I also want to lay this guilt trip on you
5 that you've got a huge load on you and you've got a lot
6 of people out here, a lot of livelihood, a lot of
7 generations to come that are either going to be here or
8 they're not and sometimes we may save water for nobody to
9 use in this region.
             So, yeah, I'm sure Kansas is going to get
10
11 it one way or another. But it's going to be whether
12 we're using it, whether we pipe it in, or whether we're
```

13 not using it. One way or another Kansas will get their 14 water. 15 HEARING OFFICER: Brian, did you want the

16 material in the record or just your testimony?

17 THE WITNESS: No.

HEARING OFFICER: Anybody else wish to 18

19 offer testimony?

MR. TERRY BILKA: Yes. I also want to 20 21 start my name is Terry C. Bilka. I am a resident and 22 have been a resident of Chase County all my life. I live south of Enders Lake --23

CHAIRMAN PELSTER: Can you use the mic? 24 MR. TERRY BILKA: I'm Terry Bilka, I live 25

2 Nebraska DNR is like dealing with a bad drug habit. The 3 more you give it, the more it wants. And it's back at 4 our door again. They want our water district to be 5 responsible for most of the water conservation needed to 6 bring Nebraska into compliance with the recent water 7 compact agreement. When did southwest Nebraska become the 8 whole state of Nebraska. Why is it the irrigator in 10 southwest Nebraska always has to be the one who is called on to make a sacrifice? Have you thought about why the water 12 13 districts were ever established? My theory is that the 14 DNR wanted a way to govern water in out state Nebraska 15 without affecting the more populated area of the eastern 16 part of the state. And it's worked very efficiently and 17 effectively. 18 Use a scare tactic that every time the DNR 19 wants something done go to the local NRD Board, give them 20 a threat, and then get a local board, good outstanding 21 citizens, to do the dirty work for them. This is the way it looks like -- This way it looks like the local Board 23 is making the changes and not the DNR. Dealing with the DNR is like dealing with a drug habit. It is my understanding that to make this 25

It appears to me that dealing with the

1 south of Enders Lake. I have lived here all my life. I 2 just want to -- Before I read my prepared speech I want 3 to once again compliment the Board. It's not that I 4 don't have a lot of gratitude for what you're doing. I 5 know like the others that this is hard work, and it's not 6 something that any of us would look forward to doing, and 7 I consider you gentlemen very, very knowledgeable. And I 8 have a lot of respect. Okay.

You're not going to hear a lot new from me 10 than what you've already heard, but you might hear it in 11 a little bit different way. I, Terry Bilka, have come 12 before the Upper Republican NRD Board this the 3d day of 13 February, 2005, to give testimony.

14 I'm a life-long resident of Chase County 15 and don't want to be seen as someone who is against water 16 conservation. I am of the opinion that water 17 conservation and irrigation go hand in hand to be 18 effective and profitable as a farmer in southwest 19 Nebraska. I don't however think that the three 20

21 counties of the Upper Republican NRD can save the 22 aguifer. And it appears that others in the voting public 23 of this water district must feel the same or they

24 wouldn't have voted to start removing members who didn't

25 look out for their constituents' interest.

1 IMP work we will need approximately 50,000 acres to be 2 removed from the pumping field and enrolled in an 3 assistance program like CREP. What are the benefits,

4 rules, and conditions of these assistance programs? Go into the NRCS and the FSA to get more

5 6 information on these programs, but all they can give you 7 is the generality of cost or rules to comply. Why would 8 you want to approve a new IMP without knowing that this

9 50,000 acres is a realistic and viable number. Dealing

10 with the DNR is like dealing with a bad drug habit.

11 It has been suggested that the money that 12 will be used to fund these assistance programs be

13 partially collected from a tax on irrigated acres. Why 14 can't the funding come for a tax of every bathroom in the

15 state of Nebraska? They use water too. Why are we --

16 Why is it that we are Nebraskans in everything except

17 water?

We in southwest Nebraska didn't sign these 18 19 water compacts. The State of Nebraska as a whole did it.

20 There are other ways to consider, not just reducing

21 irrigation. The search for solution shouldn't stop here.

The term integrated management plan as I 22

23 find it today means to merge gradually, one with another

24 through a continuous series of forms in a judicious use

25 of means to accomplish an end.

```
1
               The proposed plan uses only irrigation
 2 cuts and no other forms and means. I think the Board as
 3 a whole is intimidated by the DNR who uses scare tactics
 4 as a means of governing.
               I know that every Board member who would
 6 vote for this IMP thinks in his heart that it's the
 7 correct thing to do. I appeal to each of you as an
 8 individual to pledge to continue to seek a more rounded
 9 solution to this problem other than more allocations,
10 cuts and agreements that will only restrict water use in
11 the future. Thank you.
12
               HEARING OFFICER: We'll mark Terry's
13 remarks as Exhibit 20 and we will received them.
          (Exhibit No. 20 marked for identification.)
14
15
16
              MR. FLOYD PARMAN: Well, I had something
17 all written out but I threw my paper away so I'm just
   going to say it. Mr. Chairman, Board members, and fellow
19 stakeholders, first of all, I want you guys to know that
20 I don't have anything against the water resources. I'm
21 not -- I don't think they're going to hook me or anything
22 like that. I'm for the Lower Republican and I'm not
23 worried about them. And I think you guys can handle
24 anything that needs to be handled.
25
              I can't believe we stand here and kid
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2 before that 20 years is up you're going to find you've
 3 been paying for some damn expensive dry land.
             So, guys, that's about all I got to say.
 5 We're pumping too much water, and you want to change it,
 6 well, how do you do it? Real simple. I probably won't
 7 get clapped. I'll probably get booed, but I've been
 8 booed before.
             HEARING OFFICER: Anybody else wish offer
   testimony? Or maybe we should take a break?
11
             (Short break taken.)
12
             HEARING OFFICER: We're back on the record
13 again. I have received at the table here some written
14 testimony from a gentleman that's traveled quite aways
15 and he's not going to read it. It's from the Irrigation
16 Projects Reauthorization Council which is Kansas
17 Bostwick, Nebraska Bostwick, Frenchman-Valley,
18 Frenchman-Cambridge, and the Almena Irrigation Districts.
19 This will be part of the record I've marked the two
20 sheets as Exhibit 21-A and 21-B. B is just a list of the
21 entities.
22
             And do we have somebody else that wants to
23 testify, go ahead and sign in and we'll hear what you
24 have to say.
25
             (Exhibit Nos. 21-A and 21-B marked for
1
```

1 go make a land note for 20 years, I'd venture to say

1 ourselves like we do about our aquifer, with all the 2 records we have which shows our decline, creeks are all 3 drying up, they talk about Rock Creek drying up, wanting 4 to pump two wells which will make the stream flow just 5 that much less. Why we stand here and kid ourselves 6 about the problem. You know, Kansas-Nebraska thing is not our problem. We've got the same problem we've had for years. We're mining water out of a body of water and it's always 10 been that way every since we started. We have 1 inch of recharge and we're 12 pumping far in excess of that, so what does that have to

13 tell you? It can't last forever. 14 And, you know, I happen to farm down in 15 that sandy area that you're talking about, and why would 16 you even mention 400 years or mention grandkids. All 17 I've got to tell you is you better get to having kids if 18 you want your grandkids to have any. 19 We've got wells sucking air, that means

11

20 they're on the bottom, people. That means they're on the 21 bottom. And I know you got some more water than others, 22 but everybody is in decline. 23

So, you know, we've had this stakeholder 24 meeting, if I were you stakeholders I'd get together and 25 say, hey, how much longer is this going to last. When I

```
MS. BARBARA WENDELL: I'm Barbara Wendell
 3 from Grant, Nebraska. My husband Mark is not here
 4 tonight. We farm south of Madrid. First we want to
 5 thank the Board for their efforts and labor in bringing
 6 the necessary document thus far.
             I'm very happy to see that most of our
 8 traditional methods of management and usage of water have
 9 been preserved for the present, especially carry forward.
10 This is new to our area and is very important. I have
11 discussed 1.46.03 with Mr. Fanning of the necessity of
12 providing water for certain non-certified such as
13 satellite wells or satellite pivots, and it is my
14 understanding that that will happen.
15
             A few items that I would like to bring to
16 the Board's attention to consider changing or adding to
17 this are, there has been discussion of an economic impact
```

18 study being required. Is this a fact, has it been done,

20

19 has it been performed and sent to the Governor's office?

21 change, could there be a change to reconsideration of our

22 44 percent depletion responsibility if necessary? As we

23 are on the upper edge of the underground lake our usage

25 If our usage declines more than other districts, then our

24 may decrease by the difficulty of lowered pumping levels.

Secondly, as water uses and water sources

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UPPER REPUBLICAN NRD HEARING
 1 depletion responsibility should also be less.
              Third, I have not looked into water
 3 transfer in great detail, but I would like to see it
   added as a possible future solution if it is feasible,
 5 the inclusion should not be overlooked. If it turns out
   not to be workable, it didn't cost anything to include it
 7
   anyway.
               Thank you for the opportunity to address
 8
 9 the Board on these important issues. And I don't think I
   would want to be in your place either, but on behalf of
   Mark and Barb Wendell.
11
12
              HEARING OFFICER: Barbara, do you want
13 that in the record and marked?
14
               MS. BARBARA WENDELL: Please.
              HEARING OFFICER: We'll mark that as 22
15
   and receive it.
16
          (Exhibit No. 22 marked for identification.)
17
18
              MR. SCOT GERMAN: My name is Scott German
19
20 and I farm west and south of town. And Terry asked us
21 not to repeat ourselves, but I'll go ahead and say I do
22 appreciate some of the things that the Board has done.
23 For us the pooling is absolutely essential to preserve,
24 and also there is very favorable transfer language in the
```

1 Reservoir it's an obvious bonus for us if we can raise 2 the water of that lake to the point where we're no longer 3 in water short years. But that water cannot only belong to Lower 5 NRD. Should any positive changes in the allocations be 6 realized because of that, we need to be able to share in 7 the redistribution. Again, visionary work on the Board that we 8 9 have would have studied and proposed these issues instead 10 of let private parties lead the way. And I think it's 11 time that we thank them and supported them in writing in 12 this IMP. Secondly, tree reduction. I realize 13 14 Nebraska is the Arbor State. Each one of us have had 15 great, great grand relatives who pioneered this state 16 knowing that trees have a very fond place in all of our 17 hearts. 18 Probably 100 percent of us have planted 19 trees and participated in planting trees and gotten a warm, fuzzy feeling anytime we've driven down the road and seen a tree make it in the road ditch. Little did we realize that this attitude 22 23 was draining the lifeblood of the area from beneath our 24 feet. The latest numbers I've heard in reference to the 25 use of water by trees near the stream beds in the

I operation.

2

This Board has developed a reputation of 3 being aggressive when it comes to conserving water. Most 4 of that comes down to the fact that we've led the way in 5 addressing the problem and solved it or attempted to solve it through decreasing allocations. 6 Some people have considered this visionary. I would disagree. Water allocation was an 9 easy fix. Visionary would have gotten the rivers flowing 10 and filling the Harlan County Reservoir. There are two 11 ways of doing this. One has been talked about a little 12 bit -- quite a little tonight. That's water importation. 13 The second is the tree reduction in our area in this 14 river basin district area. Some people have said that these are

25 IMP. And we also think that that's necessary for our

15 16 details that can be added later. I, however, think that 17 the devil is in the details and it needs to be addressed 18 now and put in there so we don't have to wait for later. If the State signs onto some of these 19 20 ideas, we've got a negotiating partner, not an adversary. 21 And, frankly, we need more things that can be taken away 22 from us, we're down to the point where we really can't 23 take water away. Considering water importation, if the 24 25 state is successful in importing water to Harlan County

1 Republican River Basin is just short of 500,000 acre-feet 2 a year. Now, imagine that, we've got the gorilla 3

4 in this war, the Upper Republican, we're pumping about

5 500,000, and the other two NRDs are pumping about 500,000

6 together and nobody says anything about the trees which

7 are taking just as much as we are.

Visionary would have been educating the

public 25 years ago as the need to manage these trees.

10 Visionary would have been to start to decline them in

11 that area, weeds, not trees. Visionary would be to buck

12 the USDA that encourages tree planting in areas that are

13 not specifically protecting life or livestock.

The data shows that had we been as 14

15 aggressive in managing the trees as we were in reducing

16 water allocations, that the levels all the rivers in the

17 Upper Republican NRD would be full, not at historical

18 levels, but nearly at historical rates.

19 The best way to quickly battle this would 20 be chemical killing of the trees with the land owner's

21 approval. Some folks are going to scream about that.

22 Our friends from Game & Parks who think that we can raise

23 corn on 6 inches of irrigation, and many likely will say

24 we'll kill fish by doing that.

Well, I'm sceptical that I can use -- I'm

Page 50 - Page 53

```
1 not confident on our abilities to raise 180 bushels of
2 corn on 6 inches, but I know he can't raise fish in dry
```

3 streams.

And if we spray trees and kill half the

5 fish and start the streams again, we've still got fish.

6 If we let those streams go dry, then they're gone. And,

7 frankly, that's the only thing that will solve this

8 problem quick enough to save most of these small

9 fisheries. Visionary would be to add strong language to 10 support this idea in the IMP.

11 I know there is some time pressure on the 12 Board to get the IMP signed, sealed, and delivered. But 13 I also know it doesn't have to be done by May. I believe

14 the real date is September of next year.

15 As a cattle feeder I know the biggest 16 mistake I make in negotiations is to be the first one to

17 give a price. And we can't be the first person to sign 18 onto this thing. We can't be continually asked to be

19 leading the way. Somebody else has got to step up to the

20 plate and show that they are in good faith negotiating

21 before we have to do it again.

22

So I would ask the Board, therefore, to 23 waive approval of the IMP until these issues could be

24 negotiated in. It's only practical to approve the parts

25 dealing with the allocations because those are the parts

1 off from what it used to be 20 or 30 years ago. But that 2 reflects our past.

3 Somebody mentioned the need to do an 4 environmental impact statement. Well, it's already been

5 done for us by the NSAA, Nebraska School Activities

6 Association. Every year they come out and they assign

7 school districts with their seating, their ranking, their

8 ratings, or whatever, classification.

Imperial is no longer B. Grant wouldn't 10 be C-2 if it wasn't for Madrid coming in. Benkelman is

11 D-1. We've already talked about the others. That

12 reflects the future. That's the number of kids that are

13 in the pipeline.

14 If we reduce allocations anymore, and I 15 guess I'm speaking more to the statement saying that we

16 could reduce allocations. Any cutting we do right now

17 just exacerbates that process, speeds it up. We can all

18 go down another classification.

19 Read the McCook paper, you'll see that 20 even Cambridge is -- why are they -- you know, they don't

21 have the water problems. And they're -- and they're

22 cutting. They're losing their population base. If we

23 cut what is our lifeblood, we're cutting our throats.

24 Water is the only thing that makes this area work, and

25 we've got to hold on to it.

1 we are thinking about. We've been studying them for 25

3 The title of the integrated management 4 plan without these issues specifically addressed and in 5 print it is not an integrated management plan.

In addition, I'd like to answer a previous 7 statement as to why a 13 1/2 allocation is necessary when

8 we historically use 12 1/2. The fact is that 13 1/2

protects families that have built their farms in areas of 10 sandy soil.

11 In actuality many folks in this district 12 live in areas that traditionally get more rainfall, 13 better soils, and poor wells that have never been able to

14 or needed to pump more than 12 inches. To reduce the 15 allocations will affect those who are clearly already at

16 the 14 1/2 inch level. It will affect them, it will

17 affect main stream, and it will affect them both

18 immediately.

19 And along those lines I'd like to 20 congratulate Wauneta-Palisade for stubbing Cambridge's 21 toes not just once, but twice in basketball these past

22 few days. But do you guys pause to wonder what in the

23 world is Cambridge doing playing D-1? Wauneta is only 24 D-1 because they're combined with Palisade. You can look

25 at the population of this district. And it's not too far

There is one other scare tactic that I'd 1

2 like to address that was used tonight. And, again, I

3 think if somebody uses fear you need to meet it with 4 fact. So while it doesn't necessarily address the IMP,

5 it addresses some testimony.

And that is to say that if we continue to 6

7 pump too hard and too long, we're going to take so much

8 water out of this area that not even livestock and

9 domestic will be left with water.

10 Well, nearly all my education that I have 11 in water issues I've got sitting in meetings like this.

12 And with sitting in meetings like this listening to state

13 hydrologists who have stated unequivocally that as we

14 retire unprofitable irrigation wells that can no longer

15 produce the 5 to 600 gallons, 400 maybe at the minimum to

16 irrigate a quarter of ground, and you retire that we're

17 going to leave plenty of water for 50 gallons a minute

18 for domestic and livestock wells. So I thought that

19 needed to be addressed. Thank you for the opportunity to 20 provide testimony.

MR. TERRY MARTIN: My name is Terry Martin 22 and I shook Terry Martin's hand because I wanted him to

23 know I don't hold any grudges. My qualifications are I

24 am fourth generation in this county, and I guess that

25 would make my sons fifth, wouldn't it?

```
I consider you guys to be pioneers with
 2 what you've done, where you've come. I haven't agreed
 3 with everything you've done, but I want you to know if
   you don't continue to be pioneers and you submit to this
 5 draft, everything you've accomplished has been in vain in
 6 my opinion.
             Stay firm with what you built and do this
 8 for our kids. And, Robert Ambrosek, think out of the box
 9 a little, please. There is other ways. There is other
   ways to do things. You guys can do it. I believe in you
   100 percent and whatever you do, God bless you.
12
             HEARING OFFICER: Does anybody else wish
13 to offer testimony tonight?
14
             MR. JEFF WALLIN: My name is Jeff Wallin.
15 My last name is W-A-L-I-N. I'm here to represent
16 myself, my wife, and my four kids. I believe that this
17 Board has a responsibility to the members of this
18 district, not the DNR. I want to repeat that. This
19 Board has the responsibility to the members of this
   district, not to the DNR. That's why you're here.
20
             The majority of the people in this
21
22 district do not approve of the IMP as it is written. If
23 you don't believe me I don't know how, given the
24 responses that you got from the previous people who have
25 spoken tonight. I don't know how you could miss that.
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UPPER REPUBLICAN NRD HEARING

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1 easy. That's what they want us to do. Don't give in to
2 them. Take the opportunity, seize the moment. Let's
 3 make something good come out of this.
            I believe that the State of Nebraska is
 5 the one who signs the compacts, they're the ones that get
 6 us into this. They should have to help get us out of it.
 7 Not just tell us, oh, you guys out there you need to cut
 8 your water so we can meet this demand of this compact.
 9 Make them step up to the plate here and help us out.
10
             I guess, last of all, I'd like to say that
11 I support the WaterClaim and the proposals that they have
12 out. I don't know where all you guys stand on that, but
13 if you don't believe that you can move water around, I
14 would challenge you to go read about Great Man-made
15 River. I don't know if any of you know where that is,
16 but maybe that could be your homework assignment. Read
17 that and find out what it is. Find out that there are
18 possibilities out there. We don't just have to cut
19 water. There is plenty of things we can do.
20
             And I believe that the majority of the
21 people in this room and in this district would agree with
22 that. So I urge you not to pass the IMP as it is
23 written. Take your time, get some more information.
24 Let's get something positive going here.
             Like I said, I represent myself, and my
25
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1 But I just thought I'd repeat it just in case some of you 2 weren't paying attention.

3

It's not coincidence that Mr. Ambrosek is sitting at the back of the room here giving his testimony 5 tonight. Voters told him what they think of that. And 6 that's why he's back there. And if you guys vote for 7 this IMP and cut allocations you're going to end up in 8 the same place.

Now, I don't have anything against you 10 guys, but this current plan has nothing positive in it. 11 There is nothing positive in this current plan. That's 12 why you're not getting any support for it.

I'm going to repeat that. Nothing, there 13 14 is nothing positive in this plan other than let's cut 15 water and see if we can get by. Maybe we can make it 16 work. I guarantee you there is going to be some people 17 that love seeing that work.

18 Do you want that responsibility? I 19 wouldn't want it. I believe that this current situation 20 gives us, gives you guys an opportunity. Right now we 21 have the attention of the State of Nebraska. That gives 22 us the opportunity to do some things that normally we would not have the opportunity to do. 23

If we just go along with it and say, okay, 24 25 we'll cut back to 13 1/2, we're giving in. That's too

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I four kids, and my wife. I want us to have a future here.
2 I don't want you guys taking that away from me. Thank
3 you.
           MR. DOUG GASWICK: Good evening. My name
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5 is Doug Gaswick, G-A-S-W-I-C-K. I apologize. I don't 6 have a formal document this evening. I scratched a few 7 notes over supper and I'm going to share a couple of them 8 with you. I am a resident of Imperial in Chase County, 9 and southwest Nebraska. And I am very interested and 10 concerned about the economic impact of our community that 11 your IMP is going to have. How much and how fast of an 12 economic impact it's going to have nobody knows. There 13 is too many unknown factors, variable factors, nobody

14 knows. But there is going to be an economic impact. But I do believe that the one single thing 15 16 in your IMP that's going to have a very significant 17 impact on our economy is the retirement of acres. That's 18 going to have the most substantial impact. Retirement 19 whether it's a retirement of a human being, a piece of 20 equipment, or ground in the Upper Republican Natural 21 Resource District is the beginning of the end.

Retirement of acres is the beginning of 22 23 the end for southwest Nebraska as we know it today. You 24 know, it costs -- People tell me that we can replace this 25 ag economy with other economy. That's very, very

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1 expensive.

2 Just a couple quick examples in business

3 to replace an employee cost one to two times the annual

4 salary of the position being replaced, one to two times.

5 To replace a customer that's lost costs six times what it

6 would have cost to maintain and preserve the customer

7 that was lost. Just two little examples and that's very

8 small scale. To replace the ag economy or a portion of

9 it here in southwest Nebraska would be very, very

10 expensive.

And on top of that I don't think it could

12 be fully replaced with whatever we do lose. We're in a

13 remote rural area. We're not on the interstate. We're

14 not on a main railway or water way, no pun intended. You

15 know, I think it would be very difficult, you know. You

16 would lose a lot of people from the area. You would lose

17 a lot of business, and then you have to try to get that

18 all back. It's a lot less expensive to be able to

19 maintain and preserve what we've got then to have to

20 start over.

21 I guess, I want to ask you to really think

22 about this retirement of acres. Is it really necessary

23 to offer and provide now in this IMP this year at this

24 time? You guys have done an excellent job. You guys on

25 past Boards for the last 25 or however many years on this

1 water management plan has been in place here in southwest

2 Nebraska. And I think the other districts have a lot of

3 catching up to do. And I think let's slow down and not

4 offer everything at once.

You know, as far as leaving you with an

6 idea and Jeff eluded to it, you know, we've built

7 highways and interstates and railways all over this

8 country all over this state. You know, that's expensive.

9 You know, let's build some rivers or diversions to where

10 you can move water around.

I guess, I don't have any answers for you,

12 but I think I'd like to see things slow down. You've got

13 some time yet. There's no need to approve this in the

14 next month.

So I appreciate and respect everything

16 that you guys do and have done. You have the hardest

17 position of anybody right now in southwest Nebraska.

18 Thank you.

19 MR. JASON KUNKEL: Good evening. My name

20 is Jason Kunkel.
21 HEARD

HEARING OFFICER: Can you use the mic?

22 MR. JASON KUNKEL: My apologizes. Good

23 evening, my name is Jason Kunkel, K-U-N-K-E-L. And I'm

24 from Lamar, Nebraska. First of all, I'd like to thank

25 you, members of the Board, for your time and dedication

1 over this last year. It's a lot easier for us to come

2 here a few nights out of the year and dish it out than it

3 is for you to sit here and go through the meetings and

4 take it.

5 I guess I've started with my positive. I

6 remember sitting here in this room a little over one year

7 ago listening to the public information meeting about

8 what we as the Upper Republican could expect in the

9 development of our IMP plan.

10 Unfortunately many of the questions that I

11 walked away with that night from that first meeting

12 remain questions still tonight. Many of the questions

13 have remained unanswered and many potential alternative

14 answers to this crisis have been for the most part

15 overlooked.

One such question is whether the Upper

17 Republican Natural Resource District irrigators who have

18 managed to bank water despite the drought will be able to

19 use that carry forward under the proposed IMP new

20 allocations or under the new program only the carry

21 forward mechanism, the ability to bank up to 6 inches per

22 year will be retained. Are we to be rewarded or punished

23 for our stewardship?

Perhaps the most perplexing attribute of

25 this IMP is its lack of overall clarity about what to

1 expect. At the last information meeting in February

2 Chairman Pelster's response to a question said that one

3 of the goals of the IMP is to tell irrigators how much

4 water will be available and to let them decide what to do

5 with it. However, when one reads the proposed IMP,

6 specifically rule 1.01 or 2, it becomes extremely

7 difficult to reconcile Mr. Pelster's statement with the

8 proposed regulation.

9 From an irrigator's perspective of the

10 proposed IMP often appear to be both authoritarian and

11 vague. A potential ruinous combination for both the

12 irrigator and the region.

19

The other question that I've long had is

14 how extensively has the economic analysis of the proposed

15 IMP been considered. You may recall the Republican Basin

16 economic segment conducted Dr. Ray Supalla and how it

17 specifically cited the Upper NRD and Imperial as taking

18 an economic brunt of the proposed regulation.

What you may not recall is that that

20 economic study was based on considerably less harmful

21 regulations proposed as of May of 2004. Since then, for

22 example, designated quick response well acres have

23 extended into the Upper Republican NRD. At that time I

24 don't believe they were included. They have also

25 increased in size from a mile radius to 2 1/2 mile

full swing.

not about water quantity.

8

14

20

21

MR. CEDRICK MCDANIEL: I probably won't

2 use the mic because I sometimes get loud when I get

4 McDaniel from Imperial. That's C-E-D-R-I-C, McDaniel.

And a representative -- well, actually

I'll go back. Let's go to October 20 you guys went to a

DNR, and I believe some of these DNR people were there,

He did not care that we had been saving

water for 20-some years. He told you guys, some of you

The other thing I have noticed is since

22 starting to come out of the woodwork, organizations, Game

16 members weren't there, but a lot of you guys were there.

He told you that this was about compact compliance.

18 Right out there he told you, DNR representative of DNR

this has got started in the last few months people are

23 & Parks has all of a sudden come out of the wood work.

24 You guys have been fighting this for how many years.

told you that. We'll come back to that.

10 meeting at the Super 8 Motel and a representative from

12 told you that this IMP and everything that is going on is

5 And I come to speak, it was about a year ago we were in

6 this same place. And this was just kind of getting in

3 excited. If I need to, I will. My name is Cedric

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1 radius. And if you talk to Dr. Supalla as I have, he
2 will tell you that the solution being offered, the CREP
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3 program has a potential to cause more harm than it does

4 good.

Also why haven't other legitimate 5

6 alternatives and solutions been incorporated or

7 substantially endorsed by the Upper Republican Board in

8 the proposed IMP. These include the North Platte River

9 water transfer proposal and other transfer proposals,

10 tree management along the river banks and since the

11 state, like many people have said, signed us up for this,

12 why aren't they lining up to retire their irrigated

13 school sections first?

As far as my opportunity to speak here 14 15 tonight I would encourage the Board to be aware of the

16 fallacies that the recreational economy, I believe you

17 heard a little bit about this in the stakeholder meeting

18 on Tuesday, recreation, despite being a potential

19 supplemental economic activity cannot replace

20 agriculture.

Certain elements specifically the 21 22 administration of the Nebraska Game & Parks Commission, I

23 believe its name is Gable House and economists imported

24 from Oregon have proposed that recreation be our

25 salvation as though a buffalo steam park will slow

25 Game & Parks in the February meeting I believe asked the

I NRD for a variance or permission to open up a well that 2 was drilled in 1977, if I'm not mistaken. They want to

3 open that well because they're having problems keeping

4 their spring running.

Well, two things came to mind when they 5

6 said that. Number 1, they drilled the well real close to 7 the stream. So when they turn the well on the spring

8 sucks dry. Makes a lot of sense to me why don't they put

it someplace else.

Number two, they must have known that this 10 11 problem was going to happen since 1977 because they spent

12 the money to drill this well. And now all of a sudden

13 here they come. Well, you got wonder what they've been

14 doing.

Then all of a sudden we have a PR bit 15

16 about how the fish have died in Champion Lake. I don't

17 understand that. I read the paper. I guess, I don't

18 have it here this exact quote. But I have to take the

19 paper for what it's worth.

In the paper they said that they knew 20 21 about these fish dying this summer, that they were dying

22 slowly and they should do something about it. Well, if

23 Game & Parks is so good I believe that there is a state

24 statute 46-691.03 that says they could have come to the

25 NRD and asked for some help to do something, some way to

1 population decline in this region. I doubt all of us 2 would qualify as tour guides, myself included.

If I could ask the Upper Republican Board 3 4 one thing tonight it would be to remember the elections

5 of last November. I distinctly remember someone in the

6 lead up to the elections describing it as a referendum on

water policy in this district. It certainly was. 7

As you listen to your constituents tonight 8 9 and well, this would have been a few hours ago, I hope 10 you're keeping a tally of those who support and oppose

11 the IMP. And remember count only your constituents.

You are neither appointed by the Nebraska 12 13 unicameral nor the Department of Natural Resources. You

14 are not elected by the administration of the Nebraska

15 Game and Parks. You do not answer to the water policy

16 task force. You are charged with the responsibility of 17 representing your constituents and representation in this

18 case is voting according to prevailing will of those you

19 stand for. Compare the correlation between your informal

20 count tonight and the elections of last November and vote

21 that way.

As for the IMP unless it is substantially 22

modified count me against it. Thank you. 23

HEARING OFFICER: Does anyone else wish to 24 25 offer evidence or testimony?

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1 solve this problem.
             You know, I'm not real bright but I do
 3 know if you ignore a problem it's going to come up and
 4 bite you. So why weren't they there earlier this summer
 5 when they could do it. I'm tired of reading about it in .
 6 the Omaha and Lincoln and every other paper in the state.
             If they want -- As an NRD Board you have
 8 to ask yourselves, if they want to be part of this
 9 organization, if they want to be part of this solution
10 then why aren't they here helping us and all of a sudden
11 they're just trying to cause trouble.
12
             The next part I have is surface water
13 users. You know we have some ground water users that are
14 losing water just like surface water users. What I don't
15 understand is the state came in, the Bureau of
16 Reclamation built these dams and did all this stuff.
17
             Well, the government has been supporting
18 these guy's water for years. They don't have near the
19 pumping cost, near the production cost of water that we
20 have. Now, all of a sudden, you know, if they had been
21 paying fair market value for this water all these years
22 maybe they could have lined their canal system, maybe
23 they could have lined their reservoirs systems.
24
             You know, I don't like to see anybody
25 without water. Every week, every day I have people come
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1 guys have worked your asses off and some of the board
 2 members aren't here anymore.
             The IMP is not perfect. But if anyone
 4 goes any further than this all they have to do is read
 5 the Omaha, the Lincoln paper, the city, the voting
 6 majority in this state it is in the city. It is no
 7 longer out here with us. You have -- We have to do
 8 something. If we do not the state will come in and close
 9 us down. You go, yeah, it may not be now, it may be a
10 year from now, it may be at some time. To me the IMP
11 that you guys made is what needs to be done.
12
             And to those of you who say 6 inches is
13 the answer, sustainable irrigation is the answer. Well,
14 you remember back to that first meeting that was here
15 when Roger Patterson stood right there and I asked Robert
16 Ambrosek about sustainability and Roger Patterson about
17 sustainability. No one would answer -- There was two
18 different answers.
19
             If you go talk to the state they think
20 sustainability is economic sustainability. Our
   sustainability is irrigation sustainability, water.
22 That's our lifeblood, that's your lifeblood, that's my
   lifeblood, that's everybody that's here's lifeblood.
24
             If we go to 6 inches Roger Patterson told
25 you right here if we go -- if we give it all, they'll
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1 into my business that can't water any more because their
 2 water table is dropping. We all realize it's been
 3 dropping. We've known this for 27 years. We've been
 4 trying to do something about it, but we get no credit for
 5 it.
            We've all been to meetings were we get the
 7 big pat on the back, Good, job, ha, ha, fools, you know.
 8 It's not right. Then the State when this thing all
 9 started, you know, Kansas told -- has publicly said that
10 if this -- if Nebraska would have shut off their drilling
11 this lawsuit would have never happened. Ask them,
           But the State in their infinite wisdom
```

12 they've told us that. They've said it in public 13 meetings. 14 15 again chose to ignore it and let everybody keep drilling. 16 let the other NRD keep establishing allocated acres, 17 drilling wells, and got us into this mess. And they 18 don't want to have to deal with it. They don't want to 19 have to own up. I don't think that's right. 20 The State got us into this. They could 21 have shut down the drilling. They did not. They could 22 have made those other NRDs pay heed and they did not. 23 You guys -- You know, it doesn't -- I 24 don't like what they're doing. They never want to own

```
1 take it. And the other NRDs will not do anything.
                                                                               You guys, if you guys have to ride the
                                                                   3 middle of the road. This is one of the dumb ass times
                                                                   4 that you have to do that. If you don't do anything the
                                                                   5 State will come in. If you do too much we're going to be
                                                                   6 the only fools doing anything. What you guys are doing
                                                                   7 is the right thing to do. And I appreciate what you're
                                                                   8 doing. Thank you.
                                                                               HEARING OFFICER: Do we have anybody else
                                                                  10 that wishes to testify? Perhaps not. If you do please
                                                                  11 come forward and we'll hear what you have to say.
                                                                 12
                                                                              (No response.)
                                                                 13
                                                                              HEARING OFFICER: I'm going to take it
                                                                 14 that we're all done with testimony. Thank you all very
                                                                 15 much. I know the Board appreciates all of your comments.
                                                                 16 We've got a little housekeeping to do. I've marked
                                                                 17 Exhibits 1 through 22 inclusive of 21-A and B. And I
                                                                 18 tried to receive all of them as they were marked. I
                                                                 19 believe they were all received. I'm also going to
                                                                 20 reiterate that the complete record of the first hearing
                                                                 21 we had this morning(sic) is incorporated into this here,
                                                                 22 so that evidence and that transcript will be part of this
                                                                 23 hearing as well.
                                                                 24
                                                                              And I want to remind you that this record
25 up. They need to own up to it. You know, and I -- You 25 will remain open for seven days. So I assume that's the
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