

AGENDA AND MEETING NOTICE
Tri-Basin Natural Resources District
Special Board Meeting
and

Joint Committee Meeting with
Central NE Public Power and Irrigation District
September 27, 2006 at 6:30 p.m.
CNPPID Office, Holdrege NE

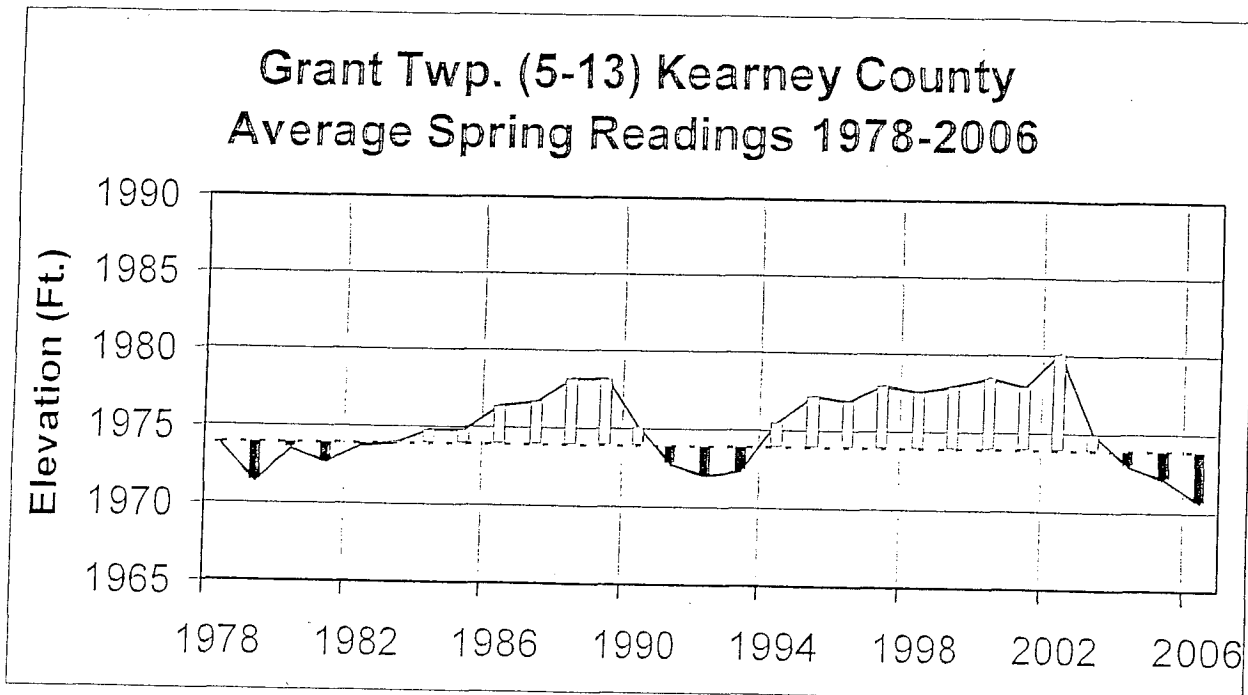
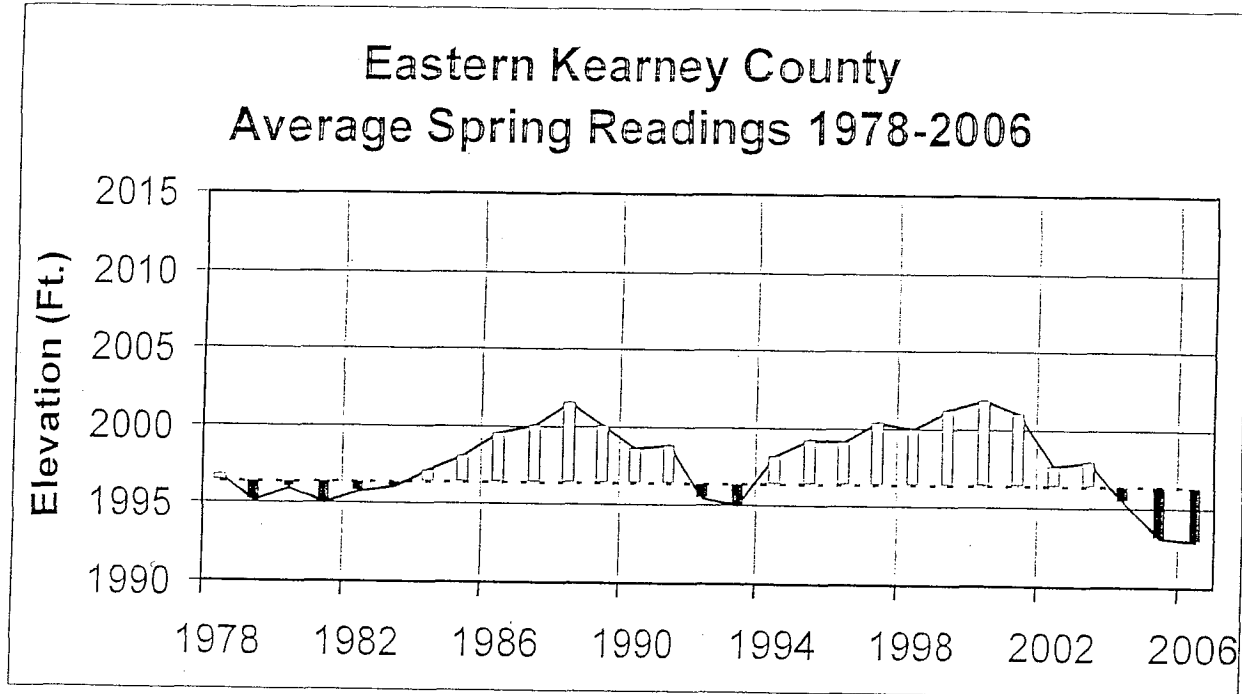
*****Open Public Hearing on Groundwater Quantity Phase 2
designation for portions of Gosper and Kearney counties*****

- (1) 1. Call the Meeting to Order – Chairmen
- (1) 2. Roll Call – NRD Board of Directors
- (3) 3. Excuse Absences-
- (5) 4. Other Business – Opportunity for public to introduce non-agenda items for comments and/or discussion (Guests are requested to limit their comments to five minutes unless prior arrangements have been made with the NRD office***).
- 6:40
- (90) 5. Old Business
 - A. Review goals and objectives for Integrated Management plan
 - B. Discuss options for maintaining groundwater recharge associated with CNPPID canal system at 1981-85 average levels
 - C. Discussion of options for offsetting groundwater use by CNPPID customers
 - D. Consider groundwater quantity phase 2 designation for portions of Gosper, Kearney Counties (after public hearing)
- ***CLOSE PUBLIC HEARING AT 7:30 PM*****
- (30) 6. New Business
 - A. Discuss options for addressing depletions to streamflows of North Platte and Platte Rivers
 - B. Consider options for accommodating water consumption by new industries
- 8:40 7. Adjourn

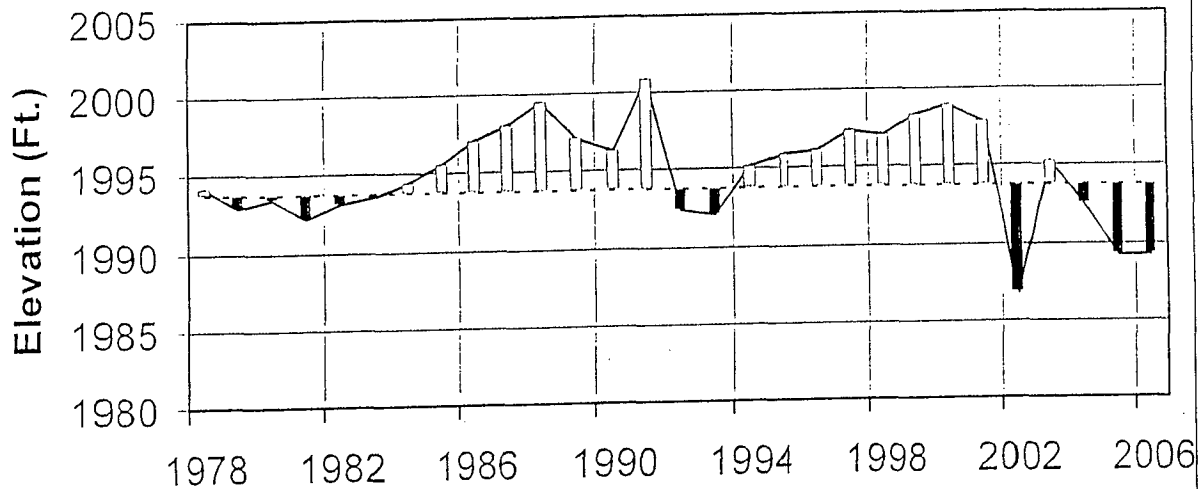
*** Individuals who need special accommodations to participate in the meeting's activities or who wish to speak to the board for more than five minutes on a subject should notify the Tri-Basin NRD Office at (877) 995-6688 at least three days in advance.

Tri-Basin NRD
Average Groundwater Levels in
Grant (5-13), May (6-13), and Eaton (7-13) Townships
in eastern Kearney County

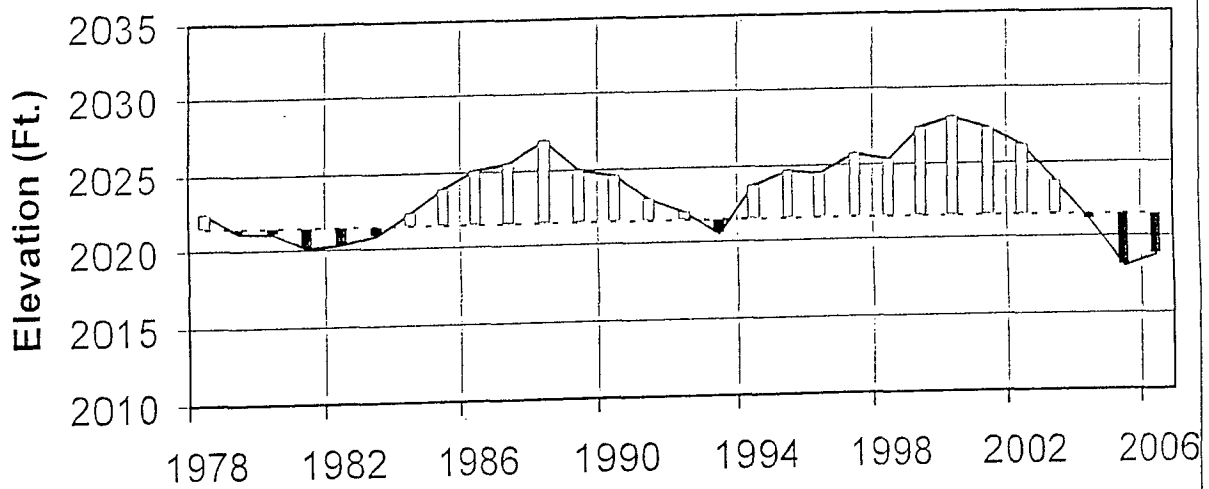
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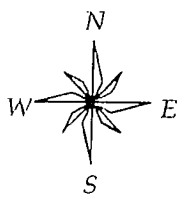
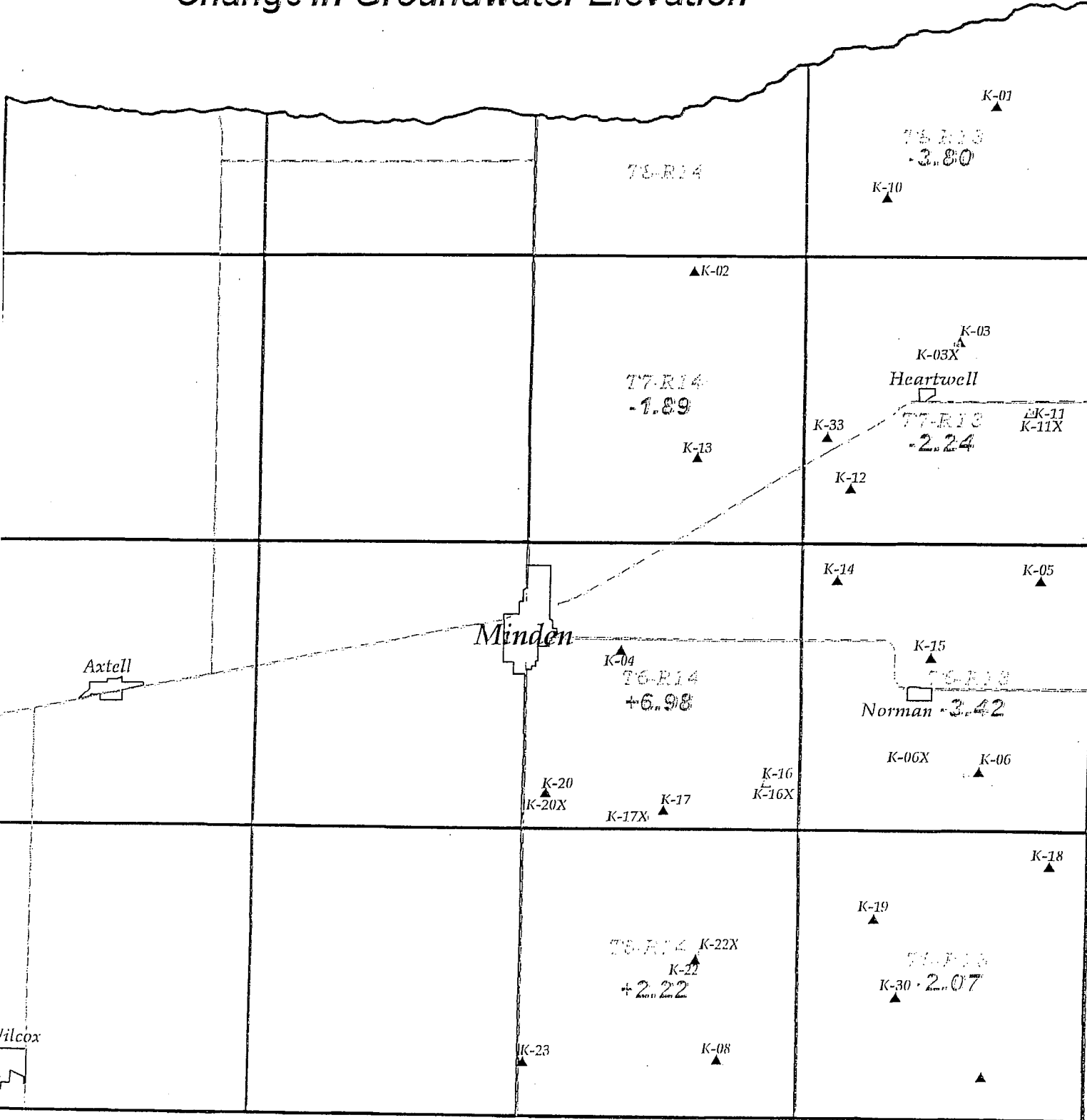
**May Twp. (6-13) Kearney County
Average Spring Readings 1978-2006**



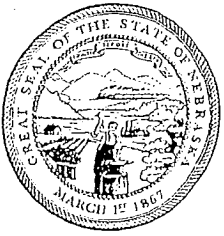
**Eaton Twp. (7-13) Kearney County
Average Spring Readings 1978-2006**



Tri-Basin NRD, Eastern Kearney County 1981-1985 Average/2004-2006 Average Change in Groundwater Elevation



Tship	Range	Section	NRD_No	81 G Water Elev	82 G Water Elev	83 G Water Elev	84 G Water Elev	85 G Water Elev	81 - 85 Averages	2004 G Water Elev	2005 G Water Elev	2006 G Water Elev	04 - 06 Average	Change as of 8 - 2006	
5	13	1	K-18	1964.02	1964.18	1963.37	1965.76	1966.73	1964.81	1960.91	1959.58	1958.30	1959.60		
5	13	8	K-19	1984.38	1985.25	1986.14	1986.26	1986.23	1985.65	1985.88	1984.81	1984.21	1984.97		
5	13	21	K-30	1978.24	1980.02	1980.82	1981.29	1981.10	1980.29	1981.39	1980.60	1979.56	1980.52		
5	13	34	K-09	1964.01	1965.52	1965.57	1965.76	1965.01	1965.17	1963.74	1963.43	1960.51	1962.56		
T. Ship Average				1972.66	1973.74	1973.98	1974.77	1974.77	1973.98	1972.98	1972.11	1970.65	1971.91	-2.07	
6	13	1	K-05	1978.17	1979.32	1979.74	1980.78	1982.25	1980.05	1977.54	1974.85	1974.87	1975.75		
6	13	6	K-14	2022.35	2023.09	2023.63	2025.58	2025.87	2024.10	2024.76	2021.68	2022.06	2022.83		
6	13	16	K-15	1993.91	1994.72	1995.02	1995.44	1996.88	1995.19	1994.01	1991.02	1991.43	1992.15		
6	13	27	K-06X	1974.44	1975.48	1975.68	1975.96	1977.14	1975.74	1973.81			1973.81		
6	13	27	K-06								1969.52	1968.64	1969.08		
T. Ship Average				1992.22	1993.15	1993.52	1994.44	1995.54	1993.77	1992.53	1989.27	1989.25	1990.35	-3.42	
7	13	10	K-03X	2016.47	2016.57	2017.36	2019.15	2021.41	2018.19						
7	13	10	K-03							2017.23	2014.86	2015.53	2015.87		
7	13	19	K-33	2038.21	2038.12	2038.60	2039.84	2041.19	2039.19	2039.18	2035.14	2036.49	2036.94		
7	13	23	K-11X	1996.45	1996.85	1997.44	1998.91	2000.19	1997.97						
7	13	23	K-11							1996.65	1994.03	1994.66	1995.11		
7	13	29	K-12	2029.54	2029.88	2030.20	2031.48	2032.83	2030.79	2031.07	2028.20	2028.49	2029.25		
T. Ship Average				2020.17	2020.36	2020.90	2022.35	2023.91	2021.53	2021.03	2018.06	2018.79	2019.29	-2.24	
8	13	14	K-01	2024.29	2024.98	2026.14	2026.79	2026.62	2025.76	2021.20	2021.64	2022.51	2021.78		
8	13	29	K-10	2040.29	2040.01	2041.15	2042.33	2043.13	2041.38	2037.85	2037.26	2038.18	2037.76		
T. Ship Average				2032.29	2032.50	2033.65	2034.56	2034.88	2033.57	2029.53	2029.45	2030.35	2029.77	-3.80	
5	14	15	K-22X	2014.53	2016.94	2017.58	2017.53	2017.03	2016.72	2020.73	2019.66		2020.20		
5	14	15	K-22									2020.18	2020.18		
5	14	26	K-08	1996.71	1999.85	1999.72	2000.41	1999.58	1999.25	2001.23	2000.56	2000.06	2000.62		
5	14	30	K-23	2025.24	2025.43	2025.80	2025.58	2025.56	2025.52	2027.60	2027.54	2026.87	2027.34		
T. Ship Average				2012.16	2014.07	2014.37	2014.51	2014.06	2013.83	2016.52	2015.92	2015.70	2016.05	2016.05	2.22



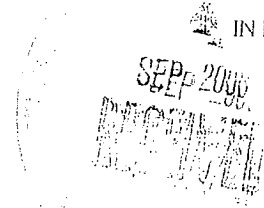
Dave Heineman
Governor

STATE OF NEBRASKA

DEPARTMENT OF NATURAL RESOURCES
Ann Bleed
Acting Director

September 1, 2006

IN REPLY TO:



Brad Lundeen, President
Tri-Basin Natural Resources District
524 "D" Road
Wilcox, NE 68982

Roger D. Olson, President
Central Nebraska Public Power and Irrigation District
11769 - 732 Road
Holdrege, NE 68949

Dear Brad and Roger,

As promised the Department of Natural Resources (DNR) is writing this letter to describe what we believe are the necessary elements and items that need to be included in an integrated management plan for the Tri-Basin Natural Resources District (TBNRD) area. You all well know that within the TBNRD is the so-called ground-water mound. As I stated at the TBNRD special board meeting, the DNR believes that the development of an integrated management plan for the area within the TBNRD presents an opportunity for developing a plan for the conjunctive management of the surface water and ground water in the area that will enable maximum sustained use of one of the most valuable water resources in the state. Thus, it is our hope that the integrated management plan that we develop will be more than the bare minimum required by the law. We would like to see a progressive plan that will make the best possible use of the water resources in the area for today and for future generations. With that said, the following are some of the basic requirements that by law must be included in a joint integrated management plan.

Section 46-715 of the Nebraska Statutes states that whenever the DNR has designated a river basin, subbasin, or reach as fully or overappropriated, the DNR and the natural resources district shall jointly develop an integrated management plan. For the overappropriated area, this plan must be consistent with any basin-wide plan and shall be developed after consultation and collaboration with other entities, including irrigation and public power districts and municipalities that rely on water from within the affected area and that, after being notified of the commencement of the plan development process, indicate in writing their desire to participate in the process. During the negotiations on this section of the law, there was much discussion over whether to use the word consultation, as opposed to the word collaboration. To consult is merely to ask for advice or an opinion. To collaborate is to work jointly with others. The word collaboration was chosen. In your area the water resources managed by the TBNRD and the Central Nebraska Public Power and Irrigation District (CNPPID) are extremely closely linked.

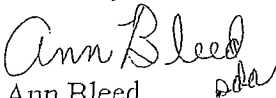
Mr. Brad Lundeen
Mr. Roger Olson
September 1, 2006
Page 2

The actions of one board has major impacts on the other. For this reason the DNR believes it is imperative for both the TBNRD and the CNPPID to work closely together with the DNR to develop an integrated management plan for the area. Furthermore, in our opinion it would be very risky for the TBNRD and DNR to commit to maintaining a certain ground water level within the TBNRD area without also having appropriate agreements in the plan to indicate that the CNPPID will operate their canal in a manner that will allow the TBNRD and DNR to fulfill our commitments.

Section 46-715 of the statutes also states what must be included in an integrated management plan. These requirements are somewhat different than the requirements for a ground water management plan. The statutes state that the plan itself must include one or more of the ground water controls authorized for adoption by natural resources districts in Section 46-739 of the statutes and one or more of the surface water controls authorized for adoption by the DNR under Section 46-716. In addition, the ground water and surface water controls proposed for adoption in the integrated management plan shall, when considered together with any applicable incentive programs, (a) be consistent with the goals and objectives of the plan, (b) be sufficient to ensure that the state will remain in compliance with applicable state and federal laws and with any applicable interstate water compact or decree or other formal state contract or agreement pertaining to surface water or ground water use or supplies and (c) protect ground water users whose water wells are dependent on recharge from the river or stream involved and the surface water appropriators on such river or stream from streamflow depletion caused by surface water uses and ground water uses begun after the date the river basin was designated as overappropriated or was preliminarily determined to be fully appropriated. In the fully appropriated area, Section 46-715 of the statutes also states that nothing in the integrated management plan shall require a natural resources district to regulate ground water uses in place at the time of DNR's preliminary determination that the river basin, subbasin or reach is fully appropriated, but a natural resources district may voluntarily adopt such regulation.

We hope this helps answer some of the questions you had. We look forward to working with you and the other stakeholders in the area on the joint development of an integrated management plan for the TBNRD.

Sincerely,


Ann Bleed *pda*
Acting Director

cc: John Thorburn
Don Kraus
Pam Andersen
Tina Kurtz

Tri-Basin NRD
Maintaining Groundwater Recharge at Levels Comparable to 1981-85 Levels
Detailed issues and questions
9/11/06
DRAFT

Introduction: Tri-Basin NRD has agreed with the Department of Natural Resources that our objective for managing integrated water resources in the Republican Basin portion of the district. While this objective doesn't necessarily apply to the rest of the NRD, the board of directors have supported a draft integrated management plan that would extend that objective to the rest of the district, with the exception of the High Groundwater Management Area in the Platte Valley. Following are a series of questions and issues that need to be resolved in order to determine whether the previously stated objective is achievable.

1. How much recharge was received in the period 1981-85?
 - a. Recharge from CNPPID:
 1. canals (diversions- deliveries= recharge)
 2. surface water irrigated land (gravity v. pivot percentages?)
 - b. Recharge from rainfall
 - c. Where did recharge occur? (where were highest canal losses?)
2. How much recharge occurs now? (2001-05 average)
 - a. Recharge from CNPPID:
 1. canals (diversions- deliveries= recharge)
 2. surface water irrigated land (gravity v. pivot percentages?)
 - b. Recharge from rainfall
 - c. Where does recharge occur? (where are highest canal losses?)
3. How many irrigated were there in the district during this period? (1982 estimate from COHYST)
4. How many acres are currently irrigated in the district? (COHYST estimate, certified acres, assessed acres)
5. If recharge from 2001-05 is less than 1981-85, can we make up the difference? If so, where do we get the water? (presumably we need surface water)
 - a. How can we free up surface water for recharge?
 1. Convert SW irrigated land to GW, particularly in areas East of Hwy. 183, where depletions are to Little Blue River
 2. Reduce surface water irrigated acres through a buy-out?
 3. Divert water in excess of water rights during winter and spring
 4. Reduce SW use through irrigation efficiency improvements
 - b. If we can't free up surface water for recharge, we (NRD and/or State of NE, depending on whether PRRIP is approved) must reduce groundwater irrigation by at least 7500 acres in the Platte Basin within ten years

6. If we can figure out where recharge is occurring now, and we can identify areas where recharge is needed, can we get recharge where we need it? If so, how?
7. What about inter-basin water transfers?
 - a. Are they acceptable under any circumstances?
 - b. Are they acceptable if water can be freed up by retiring irrigated acres, so that there isn't a net increase in consumption?
 - c. Any transfer will have to be from groundwater, but surface water should be used to provide groundwater recharge.
 - d. Should we limit the amount of water that can be transferred?
 - e. What information does the board need to decide whether to approve a transfer?

Tri-Basin NRD
Options for Offsetting Water Consumption by New Uses

9/6/06

DRAFT DRAFT DRAFT

Confidential Attorney-Client Privileged Information

Introduction

Tri-Basin NRD has rules and regulations in place that restrict development of additional irrigated land and other new, non-municipal consumptive water uses unless water consumed by those new uses is offset by reduced consumption by existing water uses. Our rules only allow new consumptive water uses if those new uses are offset by changing an equivalent amount of existing irrigated cropland to a dryland land use. This is accomplished by transferring certified irrigated acres from their original location to the location of the new water use. A variety of other options exist to offset new consumptive water uses. A few of these options are described below, but other options may also be available.

Methods for Providing Offsets

Option #1- Retire irrigated land and transfer consumption to a new location. This process is straight-forward as long as the new water use is cropland. The NRD requires that landowners retire one existing irrigated acre for every newly-developed irrigated acre. If irrigated land is retired to offset a new industrial use, we need to make a few assumptions. UN-L Cooperative Extension estimates that the average annual crop irrigation requirement (CIR) for corn in the Holdrege area is 10 inches, or 271,540 gallons, per acre per year. The CIR in Kearney County is somewhat less and the CIR in Gosper County is somewhat greater. The CIR on sandy soils is also greater than it is on loam or clay-loam soils. Furthermore, the *actual* CIR varies from year-to-year, depending on precipitation. Regardless, the CIR is a quantity of water per irrigated acre that can be used as a sort of "currency" for offset transactions. This offset method is also easily verified and enforced, using aerial photos and assessor's records.

Option #2- Reduce consumptive use of water on irrigated cropland. This option quantifies water savings associated with changes in irrigation and tillage methods. Water consumption by irrigated cropland is reduced by at least one inch per acre per year (27,154 gallons) when farmers switch from conventional tillage to no-till. These savings result from reduction in water evaporated by the soil.

Actual crop water use can be reduced by deficit irrigation. If we assume that the average crop water use requirement for corn is ten inches per acre and a typical center pivot system is 85% efficient, a farmer needs a water allocation of at least 11.5" per acre to fully irrigate a corn crop. If a farmer applies 10.5" of irrigation water per acre, he reduces water consumption by one inch per acre. That reduced consumption comes at a cost of about eleven bushels per acre for every acre-inch applied *less than the CIR*.

Switching from corn to another crop can reduce water consumption by reducing total crop water use. For instance, the total crop water use by corn averages 26",

while crop water use by winter wheat averages 18". Therefore, regardless how much irrigation water is applied to either crop, winter wheat will use a total of six inches per acre less water than corn. Changes in agricultural practices like those described above can result in quantifiable reductions in water use. The complication associated with utilizing these methods of offset is the administrative time and cost associated with verifying deficit irrigation, tillage practices and crop plantings on an annual basis to sustain offsets for on-going new water uses.

Option #3- Controlling invasive riparian vegetation. Invasive non-native riparian plants like saltcedar and phragmites use much more water on an annual basis than the native grasses and shrubs they displace. Native grasses and trees use between 20" and 24" of water per acre per year (they use less water if they go dormant, as they would during a drought). Evaporation from lakes in our area is typically 30-32" per acre per year. By contrast, mature Saltcedar can consume as much as 45" per acre per year. A riparian land management program that includes eradicating invasive plants like saltcedar in areas where mature stands exist could save 15-20" per acre per year, as long as these invasives are kept in check. The drawbacks to this option are high initial control costs (\$200- \$500 per acre) and the need for annual maintenance practices such as herbicide application, grazing and prescribed burns that must be conducted to provide the lasting water savings necessary to offset permanent new uses.

Option #4- Convert existing surface water-irrigated land to groundwater irrigation. This option doesn't necessarily reduce consumptive use, but it can reduce depletions to streamflows in a particular watershed, which is the reason why we limited irrigated acres in the Platte and Republican River basins. For instance, if canal-irrigated cropland in the Minden area were switched to groundwater irrigation, the surface water that is freed up could be used to augment streamflows or provide intentional groundwater recharge. Even though the land lies in the Platte River Basin, the groundwater withdrawn to irrigate it would eventually deplete streamflows in the Little Blue River basin, not the Platte. That basin isn't considered fully appropriated, so new depletions aren't a problem there, at least not yet.

It is also possible to temporarily offset a new water use that is several miles from the Platte or Republican by stopping or reducing consumptive use closer to those rivers. This is a re-timing of depletions to streamflows, rather than a reduction in consumptive use. This re-timing could also be accomplished by converting surface-water irrigated land to groundwater irrigation, regardless where it is located, because a surface water diversion is an instantaneous depletion to streamflows, while groundwater depletions build over time.

Tri-Basin NRD and Central NE Public Power and Irrigation District have consistently argued that supplementing surface water irrigation with groundwater is not a new depletion. Even if that argument isn't successful, we could make the case that any conversion provides at least a temporary offset. This offset water could be literally "banked" in an intentional groundwater recharge project, or simply accounted for on paper as an offset credit.

It is worth noting that the COHYST model doesn't recognize supplementation of surface water with groundwater, or even full-scale conversions from groundwater to surface water as "new water uses since 1997." Since no depletion is assigned to these uses, and the state DNR has pledged to use COHYST to determine new depletions, apparently no new depletions will result from the NRD's decision to allow CNPPID customers to supplement surface water with groundwater.

Option #5- Capture unused Platte River water for groundwater recharge. The Platte River Cooperative Agreement proposes construction of "re-regulating reservoirs" at a couple different locations along the CNPPID canal system. Water would be diverted into these reservoirs at times of high flows in winter and spring, when streamflows exceed existing water rights *and* instream flow targets (relatively rare occasions). It would then either be allowed to seep into the ground, providing recharge to the groundwater system, or released directly back to the Platte at times of lower flows, to offset depletions. Nebraska has reserved some of the water yield from any such projects built in the state to provide offset for new uses initiated between 1997 and 2005. Additional water might be available to offset additional new uses.

Procedures for Making Offsets Available

Water users can find a variety of ways to offset new water uses. That is the easy part, in some respects. A more problematic aspect of offsetting new depletions is administering and accounting for the offsets. A couple different procedures are outlined below.

Procedure #1- NRD as regulator. Under this procedure, the NRD simply sets requirements for offsets and leaves it up to new water users to make deals to purchase or lease certified irrigated acres. If a water user meets our requirements by transferring or retiring a sufficient number of irrigated acres, we approve their transfer and their offset for the new use. This is the process that we currently have in place.

Procedure #2- NRD as offset provider. Hopefully, it is safe to assume that the NRD would be the agency assigned to regulate offsets for new groundwater uses, rather than the state Department of Natural Resources. Regardless whether the NRD or some other agency regulates the offset process, the NRD could also serve as an offset provider.

Larry Reynolds has advocated for creation of an "offset trust fund" that would buy water rights, certified acres or construct offset water projects. Such a fund could be created, and the NRD could use funds generated by it to arrange for offsets using any of the methods described above. I don't believe that we could *require* water users to pay into this fund, we could only make it available to them as an option. It is possible that the NRD could put together enough money to secure offsets in blocks at a lower price than would be possible for individual water users, making our offset project the lowest cost option for new water users.

Alternatively, the NRD could set up one or more Improvement Project Areas (IPAs) to raise funds to provide offsets. An IPA could assess a certain amount of

money per acre *on all* irrigated land in a defined area, such as the Republican Basin portion of the district. This money would be used to reduce water use or provide additional groundwater recharge or surface water storage. These projects could be built with a certain amount of extra capacity to allow for sales of offset credits to new water users. Sale of these offset credits would provide revenue to the IPA pay for a portion of the cost of constructing and maintaining such projects. This procedure would be similar to some water user cooperatives, like GASP that are currently operating in Colorado.

There are two complications with this approach, and they are both associated with funding. First, we have to be careful to make an assessment large enough to generate sufficient funds to purchase or construct projects that are large enough to provide sufficient amounts of offset water to cover new depletions and provide groundwater recharge, but not so high that they are burdensome. We have a total of 573,160 irrigated acres in the district, so an assessment of fifty cents per irrigated acre on every irrigated acre in our three counties would generate \$286,580.05 per year. You will recall that CNPPID proposed charging fifty cents per irrigated acre as a recharge fee twenty years ago and that idea wasn't popular.

Second, we need to make the price of purchasing offset credits high enough to cover our development costs, but not so high that our offset option isn't attractive in comparison to other options, such as purchasing irrigated land. If the going rate for our own offset project credits is too high, we won't recover our expenditures through revenue from new water users.

Procedure #3- NRD as offset provider and financier. Both the procedures described so far require new water users, or in the case of an IPA, *all* water users, to "pay as you go". The NRD could, however, construct projects or purchase water rights using general property tax dollars or bonds. The offsets these projects generate could then be provided free, or at a reduced cost, to new water users. This procedure would subsidize new water uses in exchange for the economic benefits that new growth provides to the district. It might also be seen as subsidization by the general public of a small number of water users.

It may become necessary to use both general tax revenues and an IPA assessment on irrigated land to generate enough revenue to construct groundwater recharge projects. We could justify using general tax revenue for groundwater recharge projects because groundwater recharge benefits all residents of the district. Our current (FY 2006-07) levy is 3.2 cents per \$100 of valuation. This levy will generate \$599,657.28 per year. The Unicameral has given NRDs additional levy authority for groundwater management activities, so we could easily double our current levy, if necessary, to generate funds to build projects that provide offsets and additional groundwater recharge. The potential problem with that approach is that we might not have public support for such a substantial tax increase.

Options to Address Offset of "New Depletions" to Platte River in Tri-Basin NRD DRAFT DRAFT DRAFT

Don Kraus, Revised by John Thorburn
5/5/05

Following are several proposals to address ways to offset depletions to the Platte River that occur due to new groundwater uses within the district. These proposals are described only conceptually, because the amount of new depletions associated with new groundwater uses by Central customers are unknown.

1. Tri-Basin and Central do nothing to provide regulatory relief to Central customers from "new depletion" offset requirements.
 - A. TBNRD requires individuals to offset new depletions by ceasing irrigation on existing irrigated acres.
 - B. CNPPID/TBNRD offer no assistance to customers for offset requirement
Advantages- no additional expenditures required of either district, status quo maintained.
Disadvantages- Central customers suffer economic harm because fewer acres of cropland will be irrigated. Approach is viewed by CNPPID as inequitable and unfair to Central customers.
2. Clarify status of CNPPID incidental recharge water rights.
 - A. CNPPID and/or a Central customer challenge TBNRD requirement for offsetting depletions on Central-irrigated land, claiming that they are using incidental recharge water, not groundwater
 - B. CNPPID asserts that offset for depletions by their customers is provided by CNPPID incidental recharge water rights.
 - C. Central applies for new intentional recharge right for new wells using existing canal losses.
Advantages- Maintains drought protection for Central customers. If CNPPID wins in court, they could clarify status of incidental recharge water rights and protect their customers from expenses associated with offsetting depletions.
Disadvantages- DNR or a court could rule against CNPPID. Significant legal expenses would be incurred by both districts. If Central won and panhandle irrigation districts use the same argument to offset wells in the panhandle, a continued negative impact on Lake McConaughy would result. Option C may require new legislation. All these options could reduce net groundwater recharge to some extent.

3. Use surface water to offset new groundwater depletions by CNPPID customers
- A. DNR allows individuals to use surface water to offset depletions due to groundwater consumption. Options are:
1. Eliminate surface water deliveries to irrigated acres that have signed off and divert that same amount of water into the canals after the normal irrigation season thereby increasing recharge, or
 2. Keep existing irrigation delivery acres approximately the same and extend the delivery schedule to deliver offset water for the operation of the new wells.

Advantages - Minimal expenditure to implement. Maintains existing drought protection. Maintains existing recharge levels.

Disadvantages - Existing users or TBNRD would have to pay service fee for additional water delivery to keep Central's irrigation delivery system financially viable. Delays canal maintenance in fall. Negative impact on existing drought protection in terms of McConaughy storage. May require new water right or modifications to existing water rights.

- B. Implement canal system conservation projects to save water needed to offset for new depletions

Advantages - Maintains drought protection for Central customers.

Disadvantages - Expensive for Central. Reduces recharge for existing groundwater users. State law (LB 962) may require that return flows need to be maintained at current levels. DNR may not be willing to give offset credit for conservation savings. May require new water right or modifications to existing water rights.

4. Develop comprehensive approach for covering Central customers' offset requirements and provide intentional groundwater recharge for the benefit of all groundwater users. This option would maintain drought protection in the Central system by allowing Central customers to drill wells and utilize groundwater to supplement surface water in times of shortage in Lake McConaughy.

A. Assign unused irrigation water rights and water saved due to CNPPID conservation projects for the purposes of intentional recharge and offsetting new depletions. Tri-Basin or some other entity would need to provide funding to cover Central's additional costs.

B. Establish incentive program to convert irrigated land to dryland cropland or wildlife habitat (Ex. Dryland farming on pivot corners)

C. D. potential funding sources include:

1. federal funds for incentive programs (CREP, EQIP)
2. state funds (LB 962)
3. NRD property taxes
4. fees, assessments (e.g., IPA process)
5. personal property taxes on irrigation equipment
6. other?

Advantages- This would be a long-term, cooperative solution to address these issues. Existing water rights would be maintained assuming they could be assigned to a recharge purpose. The state gets assurance that the contribution

from the mound for the Republican River Compact will continue. Economic stability for irrigated agriculture is assured in this area. Spreading cost and/or depletion offset requirement among all groundwater users is considered by CNPPID to be fair and equitable to their customers.

Disadvantages- A substantial, sustained commitment for funding from several sources is required. Some reduction in irrigated cropland acres could result in reduced purchases of inputs from agribusinesses. If lack of funds or lack of water hinder Central's ability to provide enhanced recharge, some or all groundwater users would need to reduce uses to provide offset. TBNRD would need to either require flowmeters and allocate groundwater use at some level less than the average annual irrigation requirement (<12 acre-inches/year), require reductions in irrigated cropland district-wide, or restrict groundwater wells that are identified as the source of the new depletions.

INTEGRATED MANAGEMENT PLAN
Jointly Developed by the
NE DEPARTMENT OF NATURAL RESOURCES
And the
TRI-BASIN NATURAL RESOURCES DISTRICT
DRAFT DRAFT DRAFT

5/27/05 revised 6/2/05, 8/12/05, 9/14/05, 1/11/06, 3/9/06

I. AUTHORITY

This integrated management plan was prepared by the Board of Directors of the Tri-Basin Natural Resources District (TBNRD) and the Nebraska Department of Natural Resources (NDNR) in accordance with Sections 46-715, 46-716, 46-717, and 46-720, R.S.Supp., 2004.

II. BACKGROUND

Tri-Basin Natural Resources District encompasses portions of the Republican, Platte and Little Blue River Basins (see map #1). The district also contains an area commonly referred to as the "Groundwater Mound", a large area spanning portions of all three basins that is characterized by groundwater levels that are higher than historic "pre-development" groundwater elevations.

A. The Republican Basin

The Republican River originates in eastern Colorado and traces a course through southern Nebraska on the way to its confluence with the Kansas River. The Republican River does not pass through Tri-Basin NRD, but approximately 40% of the district lies within the Republican watershed. Several tributaries of the Republican originate in or pass through the district. Base flows in some of these tributaries (Muddy Creek, Elk Creek, Turkey Creek and Spring Creek) have increased through time, likely due to a rise in the groundwater table. This rise resulted primarily from delivery and irrigation with surface water from the Platte River by Central Nebraska Public Power and Irrigation District (CNPPID) and its customers in the Platte Basin in Gosper, Phelps and Kearney Counties. The increase in baseflows in these tributaries has been so significant that it has created annual credits averaging 10,000 acre-feet in Republican Basin Compact Accounting for the State of Nebraska.

In 1943 the States of Colorado, Kansas and Nebraska entered into the Republican River Compact (hereinafter the Compact) with the approval of Congress. The Compact provides for the equitable apportionment of the "virgin water supply" of the Republican River Basin. Following several years of dispute

about Nebraska's consumptive use of water within the basin, Kansas filed an original action in the United States Supreme Court against the states of Nebraska and Colorado in 1998. After several rulings by the Court and its Special Master and several months of negotiation, all three states entered into a comprehensive Settlement Agreement. That Agreement was approved by the Court on May 19, 2003 and the Special Master's final report approving the Joint Groundwater Model developed by all three states for use in computing stream flow depletions resulting from groundwater use was submitted to the Court on September 17, 2003.

In July, 1996, the TBNRD and the other three Natural Resources Districts in the Republican River Basin, initiated a joint action planning process with the Department of Water Resources (DWR), a predecessor agency of NDNR, pursuant to then Section 46-656.28 of the Nebraska statutes. In accordance with that process, DWR first made a preliminary determination in 1996 that "there was reason to believe that the use of hydrologically connected ground water and surface water resources is contributing to or is in the reasonably foreseeable future likely to contribute to disputes over the Republican River Compact." When the studies required by Section 46-656.28 had been completed, NDNR issued its conclusions on May 20, 2003 in the form of a report entitled: "Republican River Basin, Report of Preliminary Findings." Those conclusions included the following determination:

"Pursuant to Section 46-656.28 (this section was repealed by LB 962 in 2004) and the preliminary findings in this report, the Department determined that present and future Compact disputes arising out of the use of hydrologically connected ground water and surface water resources in the Republican River Basin can be eliminated or reduced through the adoption of a joint action plan."

Following four hearings on that report, NDNR made final the preliminary conclusions in the report and the four basin Natural Resources Districts were so informed. The TBNRD and the other three Districts each then adopted orders to proceed with developing a joint action plan for integrated management of hydrologically connected surface water and ground water resources in the basin; preparation of a joint action plan for the TBNRD began soon thereafter. TBNRD and NDNR agreed on the objective for a joint action plan on July 13, 2004.

B. The Platte Basin

More than 100,000 acres of cropland within the Platte Basin portion of Tri-Basin Natural Resources District are irrigated with water diverted from the Platte River and distributed through the canals of the Central Nebraska Public Power and Irrigation District (CNPPID). Surface irrigation water and the canals that distribute it enhance recharge of groundwater supplies within the district. In addition to helping sustain groundwater supplies, this incidental recharge has increased streamflows in Platte and Republican tributaries. High groundwater levels have also saturated soil and sub-soil in parts of northern Phelps and

Kearney counties, requiring the NRD to construct drainage ditches (Improvement Project areas or IPAs) in an attempt to stabilize groundwater levels below the crop root zone. The NRD has designated portions of the Platte Basin as a "High Groundwater Management Area" pursuant to NRD rule 8.6 for purposes of groundwater quantity management.

Water disputes in the Platte River Basin date back to early Nebraska history. Tri-Basin NRD has been involved in Platte Basin water issues since it was established in 1972. Most recently, Tri-Basin NRD directors have participated in meetings and negotiations associated with development of the Platte River Cooperative Agreement and the proposed Platte River Program (Program). If implemented, the proposed program would manage certain land and water resources to provide defined benefits for four species in Nebraska that are listed as threatened or endangered by the federal government. The program is intended to provide ESA compliance for water users in the Platte River Basin upstream of Columbus, Nebraska.

C. The Little Blue Basin

The headwaters of the Little Blue River Basin rise in south-central Kearney County. A major tributary of the Little Blue, Sand Creek, also originates near Minden in Kearney County. Sand Creek is influenced by the "groundwater mound", but the Little Blue River itself does not appear to have higher levels of streamflow than it did historically. This conclusion is based on local observations, as well as a review of data from the closest downstream gauge at DeWeese, Nebraska.

Water use in the Little Blue River Basin is subject to an interstate compact between Nebraska and Kansas, which was enacted in 1962.

III. GOALS AND OBJECTIVES

A. Integrated Management Plan Goals:

Tri-Basin NRD Vision Statement

The vision (overall goal) for Tri-Basin NRD is to **"work cooperatively with District residents and others to promote good stewardship of land and water resources."**

Tri-Basin NRD Mission Statement

Tri-Basin NRD's mission is to **"manage, conserve and protect the District's land and water resources."** This mission will be accomplished by protecting the quality and quantity of surface water and groundwater, reducing soil erosion and flooding, promoting agricultural best management practices, forestry and wildlife habitat preservation. These tasks can only be accomplished by working cooperatively with local residents and agencies of local, state and federal government.

Pursuant to Section 46-715, R.S. Supp., 2004, the goals and objectives of an integrated management plan must have as a purpose "sustaining a balance between water uses and water supplies so that the economic viability, social and environmental health, safety, and welfare" of the residents of Tri-Basin Natural Resources District are assured for both the near~~short~~ term and the long term. The following goals and objectives are adopted by the TBNRD and the NDNR to achieve that purpose.

The goals of the Tri-Basin NRD Integrated Management Plan are:

1. All water supplies within the Tri-Basin NRD, whether their origin be groundwater or surface water, will be utilized to preserve the present quality and quantity of this vital resource. This goal will be achieved through equitable adjustments in irrigated cropland acres and allocation of groundwater resources, if necessary. (Source: Tri-Basin NRD Groundwater Management Plan, 1995). *NOTE: The current benchmark for groundwater quality is that groundwater resources should contain less than 9 ppm nitrate-nitrogen. The benchmark for groundwater quantity is that groundwater table elevations should equal or exceed average springtime groundwater table elevations during the period 1981-85.*
2. Tri-Basin NRD and NDNR, in collaboration with CNPPID and other affected water users, will develop and implement plans to continue and enhance groundwater recharge from surface water sources in quantities that are adequate and at locations that are appropriate to enable NDNR and the NRD to achieve the other goals and objectives of this plan.
3. Tri-Basin NRD will assist the State of Nebraska, in cooperation with other Natural Resources Districts, in maintaining compliance with:
 - A. the Republican River Compact as adopted in 1943 and as implemented in accordance with the settlement approved by the United States Supreme Court on May 19, 2003,
 - B. the Platte River Cooperative Agreement and any applicable successor agreements or programs that are legally binding upon the state and its political subdivisions,
 - C. the Blue River Compact and
 - D. other lawful interstate compacts, decrees and agreements relevant to management of the integrated water resources of the district.

Furthermore, with respect to interstate compacts, agreements and court decrees, Tri-Basin NRD and NDNR agree:

- E. That they will ensure that ground water and surface water users within the TBNRD assume their share of the burden to keep Nebraska in compliance with the Republican River Compact, Blue River Compact and the Platte River Cooperative Agreement (and applicable successor interstate agreements for the Platte River system).

F. That neither TBNRD nor NDNR will require the integrated management plan to be amended solely for the purpose of changing the responsibility of water users within the TBNRD based on the failure of the other NRDs to implement or enforce an integrated management plan to meet their share of the responsibility to keep Nebraska in compliance with these interstate agreements, and

G. That TBNRD's share of that burden will be distributed in an equitable manner and, by minimizing to the extent possible, adverse economic, social and environmental consequences.

4. Tri-Basin NRD and NDNR will manage integrated water resources to protect the economic viability, social and environmental health, safety and welfare of Gosper, Phelps and Kearney counties and, to the greatest extent possible, accommodate foreseeable future economic development needs.

5. Tri-Basin NRD and NDNR will continue to support the development and maintenance of digital water management models, databases, stream gauges, observation wells and other tools and facilities needed to accurately measure and clearly depict the current state of groundwater and surface water resources as well as potential future water resource trends and conditions. These tools will be essential for decision makers as they consider whether and how to regulate consumption of integrated water resources.

Nothing in this plan will compel Tri-Basin NRD or NDNR to continue regulations or limitations on consumption or utilization of integrated water resources if future climatic conditions or changes in technology or land use increase integrated water supplies to such an extent that portions of the district designated by NDNR as fully appropriated or overappropriated no longer warrant such designations.

B. Integrated Management Plan Objectives:

1. Republican Basin Objectives

Tri-Basin NRD and NDNR agree to accomplish the following objectives for the Republican River Basin portion of the district in order to achieve the goals of this integrated management plan.

A. Republican Basin Joint Action Plan Objective

Tri-Basin NRD and the NDNR agreed on July 13, 2004 that the objective of a joint action plan for the Republican River Basin portion of TBNRD is as follows: *"The key objective of the Plan is to maintain, at sufficient levels to offset depletions to the Republican River caused by ground water pumping within the Tri Basin NRD,*

the Republican River Compact credit that Nebraska receives because of discharges from the "ground water mound" to the surface water supplies in the Republican River Basin. To achieve this objective, the Tri Basin NRD will utilize the ground water management authorities available to it to maintain the water levels in its portion of that "ground water mound" at or above the average water levels for the years 1981 through 1985."

The NDNR accepted that agreement between NDNR and Tri-Basin NRD on this objective fulfilled the requirements for creation of a joint action plan for the Republican River portion of the NRD, as described in Neb. Rev. Stat. Sec. 46-720.

B. Prohibit landowners, with limited exceptions, from initiating new or expanded uses of water that increase Nebraska's computed beneficial consumptive use of water within the Republican Basin portion of TBNRD;

C. Ensure that surface water appropriations in the Republican Basin are administered in compliance with the Republican River Compact and state law.

D. After taking into account any reduction in beneficial consumptive use achieved through basinwide incentive programs, make such additional adjustments in ground water use as are necessary to maintain groundwater levels at or above 1981-85 average levels.

E. TBNRD and the NDNR will investigate or explore methods to reduce the impact of vegetative growth, particularly invasive species infestations, on streamflows in the Republican River and its tributaries.

F. TBNRD, NDNR and CNPPID will develop and implement plans to continue groundwater recharge from surface water supplies to the Republican River basin in amounts that are comparable to recharge that occurred before and during 1997.

2. Platte Basin Objectives

Tri-Basin NRD and NDNR agree to accomplish the following objectives for the Platte River Basin portion of the district in order to achieve the goals of this integrated management plan.

A. Objectives for the entire Platte Basin within Tri-Basin NRD

1). Prohibit landowners, with limited exceptions, from initiating new or expanded uses of water that increase beneficial consumptive use of water within the overappropriated and fully appropriated portions of the Platte River Basin within TBNRD;

2). Ensure that administration of surface water appropriations in the Basin is in full compliance with Nebraska law.

- 3). The TBNRD and the NDNR will investigate methods to reduce the impact of vegetative growth, particularly invasive species infestations, on streamflows in the Platte River and its tributaries.
- 4). TBNRD and NDNR, in collaboration with CNPPID and other affected water users will develop and implement plans to continue groundwater recharge from surface water supplies in amounts sufficient to sustain existing groundwater uses.

B. Objectives for the Overappropriated (O.A.) Basin

The need to reduce water use in the overappropriated portion of the district to fully appropriated levels of water use (at least 1997 levels of water use) may lead the board to develop separate rules and regulations for that portion of the district.

The integrated management plan objectives for the overappropriated portion of the Platte Basin (the "O.A. Basin") are to: 1) maintain the groundwater aquifer at or above 1981-85 average springtime water table elevations and, 2) to limit water consumption to 1997 levels or lower levels, if necessary, to reach fully appropriated status. This objective will be accomplished by carrying out the following tasks:

- 1). TBNRD and NDNR, working in cooperation with CNPPID, will develop and implement plans to continue groundwater recharge from surface water supplies to the overappropriated basin in amounts that are comparable to recharge that occurred before and during 1997.
- 2). Make incentive programs available to TBNRD water users that will help them reduce water consumption.
- 3). Continue implementation and enforcement of current TBNRD integrated water management rules and NDNR regulations, which prohibit development of additional irrigated cropland or hayland, unless landowners convert an equal amount of existing irrigated land to a non-irrigated land use. If water levels drop below 1981-85 average springtime levels, NRD phase II groundwater quantity management rules will be implemented.

C. Objective for the Fully Appropriated Basin

NDNR designated the remaining portion of the Platte Basin within Tri-Basin NRD as "fully appropriated" pursuant to NE State Statute 46-713 (1) (a) in January, 2006. Tri-Basin NRD directors disagree with the criteria used by DNR to determine the fully appropriated portion of the Platte Basin within the district, particularly the use of 10% depletion to streamflows over 50 years as the standard for interconnection of groundwater and surface water resources. Tri-Basin NRD will, nevertheless, expand the boundaries of the district's Integrated Management Area to include that portion of the basin so designated. The

district will certify existing irrigated land uses and prohibit the development of additional irrigated cropland and hayland within the fully appropriated portion of the Platte Basin, unless landowners convert an equal amount of existing irrigated land to a non-irrigated land use.

The integrated management plan objective for the fully appropriated portion of the Platte Basin is to maintain the groundwater aquifer at or above 1981-85 average springtime water table elevations and to limit water consumption at or below 2005 levels. This objective will be accomplished by continued implementation and enforcement of current TBNRD integrated water management rules, which prohibit development of additional irrigated cropland or hayland. If water levels drop below 1981-85 levels, NRD phase II groundwater quantity management rules will be implemented.

3. Little Blue Basin Objectives

Tri-Basin NRD and NDNR agree to accomplish the following objectives for the Little Blue River Basin portion of the district in order to achieve the goals of this integrated management plan.

- A. Objectives for the entire Little Blue River Basin within Tri-Basin NRD
 1. Ensure that administration of surface water appropriations in the Basin is in accordance with the Blue River Compact and in full compliance with Nebraska law.
 2. Protect existing groundwater supplies through a combination of incentives to reduce irrigated water consumption, regulation of water use, limitations on irrigated cropland and intentional recharge of groundwater supplies.
 3. TBNRD and the NDNR will investigate or explore methods to reduce the impact of vegetative growth, particularly invasive species infestations, on streamflows of the Little Blue River and its tributaries.

B. The Groundwater Mound-influenced area

Rising groundwater levels in this portion of the Little Blue River basin indicate that the "Groundwater Mound" is expanding south and east into this area. Historic data is sparse, but there are indications that Sand Creek has higher baseflows now than it did in the 1970s.

The integrated management plan objective for the groundwater mound influenced portion of the Little Blue River Basin will be to maintain groundwater levels at or above 1981-85 average levels. This objective will be accomplished using a combination of voluntary incentives to landowners to reduce the number of irrigated cropland acres and continued implementation and enforcement of current TBNRD

groundwater quantity management rules. If water levels drop below 1981-85 levels, NRD phase II groundwater quantity management rules will be implemented.

C. The Eastern Little Blue Basin (undifferentiated Pleistocene deposits)

The eastern portion of the Little Blue River basin in Kearney County is not affected by the groundwater mound. The groundwater aquifer generally lacks Ogallala Formation deposits, ~~and in some areas has limited so the primary water-bearing formation is amounts of Pleistocene~~ age water bearing gravels. In some parts of this area, water-bearing gravels are so thin that they ~~The aquifer in this portion of the district has been~~ drawn down significantly during drought periods, but they readily recovers to pre-development levels during periods of average rainfall.

The integrated management plan objective for the Eastern Little Blue River Basin will be to maintain groundwater levels at or above 1981-85 average springtime levels. This objective will be accomplished using a combination of voluntary incentives to landowners to reduce groundwater pumping and irrigated cropland acres and continued implementation and enforcement of state law and current TBNRD groundwater quantity management rules. If water levels drop below 1981-85 levels, NRD phase II groundwater quantity management rules will be implemented. This area would benefit from an intentional groundwater recharge project, possibly in the Sand Creek or Cottonwood Creek drainages. Tri-Basin NRD, CNPPID and NDNR will investigate options for enhancing groundwater recharge in the Little Blue River Basin.

IV. MAP - see map 1.

The area subject to this integrated management plan is the entire geographic area within the boundaries of the Tri-Basin Natural Resources District.

V. GROUND WATER CONTROLS

The authority for the ground water component of this integrated management plan is Section 46-715 and Section 46-739, R.S.Supp., 2004. The ground water controls that ~~will behave been~~ adopted and implemented by the Tri-Basin Natural Resources District are those found in Sections 1 through 11 Rules and Regulations – Ground Water Management in the Tri-Basin Natural Resources

District: The rules and regulations of Tri-Basin Natural Resources District are separate and distinct from this plan. This plan establishes the inter-related water management goals, objectives and regulatory framework, while the rules and regulations create the precise mechanisms that will be used to implement this plan and other plans and policies established by the board of directors. Tri-Basin Natural Resources District may, from time to time, change its rules and regulations to better achieve the purposes of this plan or other plans and policies of the district.

VI. SURFACE WATER CONTROLS - Department of Natural Resources

THIS IS DNR'S PORTION OF THE PLAN.

VII. INCENTIVE PROGRAMS

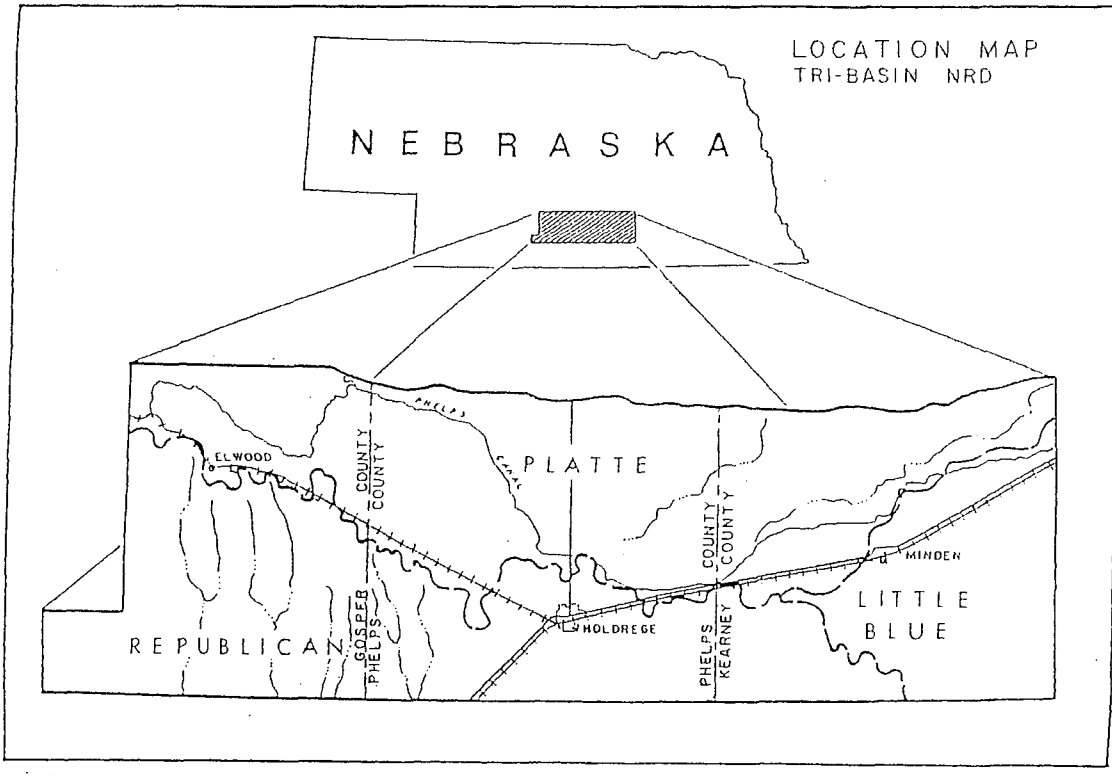
Tri-Basin NRD and NDNR intend to establish and implement financial or other incentive programs to reduce beneficial consumptive use of water within the TBNRD. As a condition for participation in an incentive program, water users or landowners may be required to enter into and perform such agreements or covenants concerning the use of land or water as are necessary to produce the benefits for which the incentive program is established.

Such incentive programs may include any program authorized by state law and/or Federal programs such as the Conservation Reserve Enhancement Program (CREP) and Environmental Quality Incentives Program (EQIP) operated by the U.S. Department of Agriculture.

VIII. INFORMATION CONSIDERED

Information used in the preparation and to be used in the implementation of this integrated management plan can be found in the simulation runs of the Republican River Compact Administration Ground Water Model and the COHYST model, the data tables of the Final Settlement Stipulation for the Republican River Compact, Chapters 2 and 3 of the 1996 Tri-Basin NRD Ground Water Management Plan and additional data on file with TBNRD and NDNR.

Map 1. Management Area Boundaries



TBNRD

9/27/06

**Minutes of Joint Meeting
Tri-Basin NRD Joint Committee & CNPPID Ad-Hoc Committee
7:00 PM, Monday, April 10, 2006**

ROLL CALL

Roll call was taken with six directors present: Lundeen, Erickson, Harris, Johnson, Lindstrom and Reynolds at 7:03 p.m. Nelson arrived at 7:05 p.m.

OTHERS PRESENT

Tri-Basin Staff: John Thorburn and Carie Lynch
Central District Directors - Roger Olson, Willie Knoerzer, Scott Olson, Bob Garrett
Central Staff - Don Kraus and Mike Drain

Review Minutes of Last Meeting

Thorburn presented the minutes from the August 1, 2005 TBNRD/CNPPID Joint Committee Meeting.

Discuss Support For/Comments on CNPPID Proposal for OA Basin IMP

Kraus expressed concern that TBNRD Directors had voted to not endorse CNPPID Proposal for OA Basin IMP when the proposal was in the draft stage and Central was still asking entities for comments. Thorburn explained that TBNRD Directors did not endorse the proposal because (1) the draft proposal provides for CNPPID customers to be able to drill wells without individual responsibility for offsets, and (2) TBNRD felt that references to a "package deal" meant that details of the proposal were not negotiable. Kraus noted that CNPPID is still asking for comments on the IMP. Drain suggested meeting with Thorburn to review TBNRD concerns. Lundeen asked if the U2 water right would allow water stored underground to be used without offset for impacts to the stream. Kraus will have staff review the question again regarding the U2 water right.

Discuss Tri-Basin NRD Draft IMP

Thorburn presented a draft version of the TBNRD Integrated Management Plan that included comments from Don Kraus. Kraus explained comments listed under Goals and Objectives. Thorburn will ask directors if they would support reductions in panhandle groundwater use given that, to the extent panhandle water uses reduce inflows to Lake McConaughy, they could reduce CNPPID's ability to sustain importation of surface water into the area in amounts comparable to the past.

Discuss Elwood Reservoir and Other Potential Intentional Recharge Projects

Lundeen commented that the some commissioners of Nebraska Game and Parks Commission are willing to meet to talk about Intentional Recharge resulting from the operation of Elwood Reservoir. Kraus commented that following the waiver of the NGPC Instream Flow water right last winter, some representatives of environmental groups raised concerns about the operation. Thorburn asked CNPPID to consider selling unused surface water delivery rights to be banked in

Elwood Reservoir or some other location. Drain expressed concern that banking water in Elwood Reservoir might interfere with Wildlife Federation and FERC requirements. Kraus and Thorburn questioned how long it would take before intentional recharge effects are evident and accounted for. Kraus will discuss use of Elwood Reservoir for intentional recharge and the selling/transfer of surface water rights with CNPPID staff and board.

Inter-Basin Water Transfer Proposals

- A. **Platte Basin to Republican Basin via Spring Creek:** The committee discussed Steve Smith's proposal to transfer water via Spring Creek. Kraus reported staff hasn't studied the issue in-depth. Drain commented that erosion in Spring Creek would be an issue.
- B. **Platte Basin to Little Blue Basin Via Sand Creek:** Thorburn presented options for providing intentional groundwater recharge in the Sand Creek area. The purpose of the project is to capture flows from rainfall events and transfer to Little Blue Basin. Kraus will contact NDNR and re-examine a proposal from the 1980's concerning the likelihood of obtaining water rights. The committee also discussed methods of returning water from the Phelps County Canal to the Platte River. Kraus commented that the Kearney County Roads Superintendent supported the concept of constructing a new Phelps Canal River Return and transferring water using county right-of-way.

The meeting adjourned at 9:24 PM.

Agenda
CNPPID /Tri-Basin NRD Joint Planning Committee
Joint Meeting
Monday April 10, 2006, 7:00 PM
Tri-Basin NRD Office
Holdrege, NE

1. Review minutes of last meeting
2. Discuss support for/comments on CNPPID proposal for OA Basin IMP
3. Discuss Tri-Basin NRD draft IMP
4. Discuss options for using Elwood Reservoir and/or CNPPID canal system for intentional groundwater recharge
5. Inter-basin water transfer proposals
 - A. Platte Basin to Rep. Basin via Spring Creek
 - B. Platte Basin to Little Blue Basin via Sand Creek

TBNRD representatives on the Joint Planning Committee are: Ed Harris, Gary Lindstrom, Larry Reynolds and Brad Lundeen. Alternate-Harold D. Erickson

TB NRD

9/27/06

Dear Tri-Basin NRD Board of Directors,

I attended the meeting held at the Kearney County fairgrounds on Tuesday September 19th. I feel the issue that was discussed during the meeting regarding the Eaton, Grant, and May townships is an issue that we do not need to worry about. We are all aware that we have been in a drought these past few several years and know how this has a direct correlation to our groundwater supply.

The issue that was brought up in the meeting on the 19th and which you are going to discuss at your next meeting is placing these townships into phase 2 Quantity Groundwater Management Area (QGMA). I do not know exactly how the bylaws of the Tri-Basin NRD are written so please take this with a grain of salt. It is my understanding that the townships are going into phase 2 QGMA because they have been at three consecutive years of below the base groundwater levels. It is also my understanding that if the townships will not necessarily be taken out of the phase 2 QGMA if they have shown three consecutive years of above the base groundwater levels.

Although I understand why the actions imposed in phase 2 QGMA are taken I do not agree with them. By putting these limits on the ground you are preventing the current landowners from improving ground that they have already made capital investments in purchasing and can cause dramatic impacts on an individual's cash flow for their farming operation. In addition, I have seen a number of farmers make land improvements in throughout the Tri-Basin to help increase their net worth. Being a younger individual in the Ag industry and seeing the current farmers getting older and getting deeper pockets I feel that this is one of the only ways for young individuals to get into farming and make a go of it.

Even though, I do not agree with the actions of placing the townships into phase 2 QGMA, I do understand the importance of preserving the assets of the farmers that have already made investments to their land. In addition, I also like the ability of having local governance for our groundwater and with the possibility of having the state take over our control is a thought that worries me. **That is why I feel it is important that we make it automatic in the bylaws of the Tri-Basin that the designated areas in phase 2 & 3 QGMA be placed back into phase 1 QGMA after three consecutive years of an average groundwater level above the base groundwater levels.**

All in all, I feel that it is important that we protect the assets of the farmers with irrigated ground but I also feel it is also the responsibility of you the NRD Board to protect the interests of the farmers without irrigated ground by assuring them that they may still have the possibility to make improvement to the ground that they have already made capital investments. **Therefore, I am asking you to please make an amendment to the current bylaws to assure the rights of the landowners of non-irrigated ground.**

Sincerely,

Gunnar Tomsen

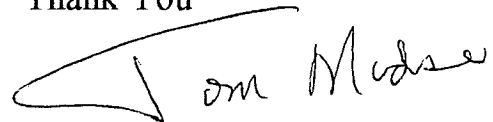
September 21, 2006

Tri County NRD Board

As a landowner in May township in Eastern Kearney County. I feel there is a need for May, Eaton and Grant township to be moved to the Phase II to protect irrigators already there.

If they would consider putting a clause that they would stop drilling within the next 20 to 30 days, instead of leaving it open like they did with the lower Republican, and with this they would not allow any exceptions or special privileges to someone, that would like to drill a new well.

Thank You

A handwritten signature in black ink that reads "Tom Madsen". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Tom Madsen



John Thorburn

From: Nicole Salisbury [tribasin@tribasinnrd.org]
Sent: Thursday, September 21, 2006 17:02
To: jthorburn@tribasinnrd.org
Subject: FW: May, Grant, and Eaton townships request to board

John,

This came to the website email.

Nicole

From: Terry Nelson [mailto:tanelson@gtmc.net]
Sent: Thursday, September 21, 2006 10:16 AM
To: tribasin@tribasinnrd.org
Subject: May, Grant, and Eaton townships request to board

9-21-06

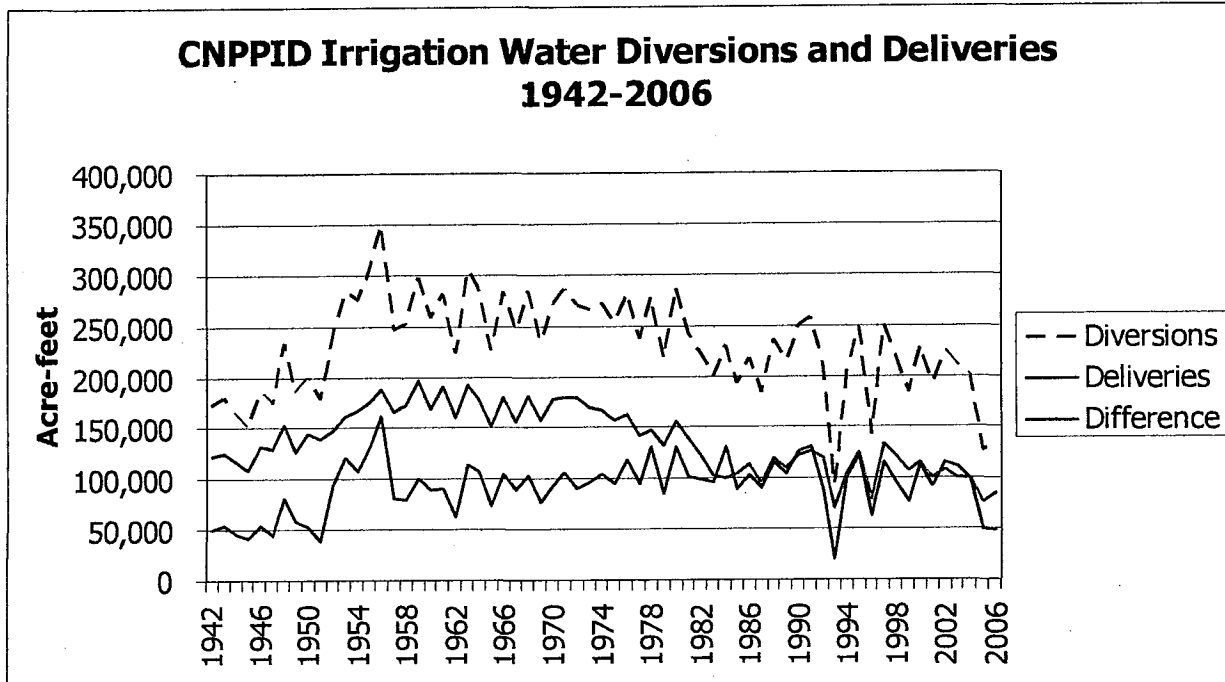
Dear Tribasin NRD. Board

If you vote to restrict irrigated acres in eastern Kearney Co. as dicussed at a meeting in Minden 9-19-06, I would like to see a very short implement time span. I suggest that you try for the minimum of 3 days up to a maximum of 7 days. This will prevent someone from coming back on 31 days and saying I need more time. If you close it right away they won't try and beat the clock.

I also would like the board to send a letter to all land owners that need a water meter installed as this will prevent a disagreement from landowners and tenants as to what is required. In the letter it should explain just what is needed and the cost share procedure to follow. Also if any literature is available it would help. There are a lot of wells that only have a 4 or 5 foot discharge steel pipe and if you need 80 inches for an 8 inch pipe this is going to cause some problems with compliance.

Thank- You for your time.

Sincerely yours,
Terry A. Nelson
1043 39 Rd.
Minden, NE.
402-756-0700



Average diversions:
 1981-85= 516,324.8 a-f
 2002-2006= 423,165.0 a-f
 Decrease of 93,159 a-f or 19.1%

Average deliveries:
 1981-85= 113,769 a-f
 2002-2006= 103,265 a-f
 Decrease of 10,504 a-f or 9.3%

Average difference between diversions and deliveries:
 1981-85= 94,335 a-f
 2002-2006= 84,633 a-f
 Decrease of 9722 a-f or 10.3%

Sum of average ^{losses} ~~diversions~~ and deliveries:
 1981-85= 217,033.6 a-f
 2002-2006= 178,967.6 a-f
 Decrease of 38,066 a-f or 17.6.3%