

220 Center Ave.
PO Box 81
Curtis, NE 69025

Phone: 800-873-5613
Fax: 308-367-4285
Email: dsmith@mnrnd.org

Middle Republican Natural Resources District

October 13, 2004

Roger Patterson, Director
Department of Natural Resources
PO Box 94676
Lincoln NE, 68509-4676

RECEIVED
OCT 15 2004
DEPARTMENT OF
NATURAL RESOURCES

Dear Roger,

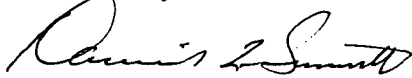
Last night, at their regular board meeting, the Board approved an amended version of the proposal that was developed in Kearney on Friday. That proposal incorporated all of the modifications we considered that day and then made a change to the language relating to allocation for the Quick Response Sub area. That language deleted the reference to reductions in Water Short Years. The allocation language is now the same as in the Upland sub area. I will send a copy of the rules electronically for your reference. The intent of the change was to not impose any restrictions other than the 39 inches over 3 years.

In accordance with 46-718, I think you need to tell us whether this modification is acceptable or not. If acceptable, the rules and plan can be adopted in November and we can proceed with the issuance of an order. If concurrence cannot be reached before November 30th, we would have to hold another hearing before we could consider adoption of any rules whether they be a new version or one with previous agreement.

If I can summarize the boards concern it would be that the impacts all seem to be on the districts and the users and that the state is assuming no responsibility for the impacts other than a hope for future funding for incentive programs.

Please let me know as soon as possible what your decision is with regard to this modification of the proposal.

Sincerely,


Daniel L. Smith, Manager

Pc: David Cookson

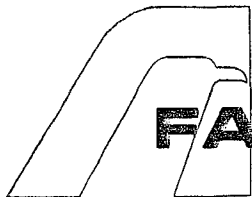
**Middle Republican NRD
Written Testimony Received
Public Hearing
October 6, 2004**

Written Testimony Received October 6, 2004

Dan Smith, Middle Republican NRD Manager
Steve Smith, Water Claim Representative
Wayne Madsen, Middle Republican NRD Director
Bradford Hock
Char Hamilton
Barry & Janet Deaver
Jerry Mustion
John Bingham, City of McCook

Written Testimony Received after October 6, 2004

Danny Easterday
Scott & Deborah Harris
Steve Smith, Water Claim Representative
Stan & Ann Farr
Mick Cox (presented oral testimony at hearing)
Kay Schurr
John Schurr
Jennifer Smith
Richard & Rheta Burke
Ryan Schurr
Alice Johns, Bureau of Reclamation (presented oral testimony at hearing)
Mark Walter, Farmer State Bank in Wallace
Ernie Ruzicka (presented oral testimony at hearing)
Jerda Garey
Dale Dueland
Ralph Long, O'Neil Cattle Company
Loran Wach
Daniel Nelsen
Gary Kotschwar
Marvin Hanes
Jody Kotschwar
Rodney Anderson
John W. Scharf
Rodney Weeth
Scott Weeth
Terri Jo Bek
Warren Bek
Harley Hansen
Leon Buker



FARMERS STATE BANK

P.O. BOX 156

(308) 387-4319

WALLACE, NEBRASKA 69169

October 8, 2004

RECEIVED
OCT 12 2004

Board of Directors
MRNRD
220 Center Ave
Curtis, NE 69025

Gentlemen:

Farmers State Bank urges you not to enact the proposed Ground Water Management Plan. Enactment would set a prescient that would place the burden of the water settlement with Kansas solely on the Republican Watershed irrigators. The economic impact would be devastating to our community, bank and the southwest Nebraska region.

The proposed plan is open ended in water-short years does not allow irrigators to carryover saved inches to when they need it most. The 13" is also below the level that many of our customers need to raise a crop, pay their obligations and support their families. We many customers that raise crops on sandy soils that require more water. Their limited size will not allow pooling water with a pivot with better soils in another location. The plan is also short range in nature and needs to address issues for more than three years.

Moving forward would make it difficult to bring a comprehensive plan that may include vegetation management, state and federal programs that may be used to retire wells through the use of permanent easements in the Quick Response areas. Also CREP programs are geared towards water quality issues and not good for water conservation as grass and eventually trees and shrubs use water. Dry land crops would control vegetation and allow for increased water run off.

Since there is no requirement that a plan be in place for 3 years, we urge you to delay placing revisions that would have substantial economic impact to our area. Please work for a comprehensive plan with the state and federal governments to effectively meet the settlement requirements and share the costs.

Sincerely,

Mark D. Walter
Senior Vice President

Written Testimony on MRWD Rules & Regulations.

To Middle Republican NRD Board of Directors.

My name is Ernie Ruzicka
20100 S Old Hwy 83
NP 69101

RECEIVED
OCT 12 2004

I farm on the North side of the District.

I attended the hearing on Oct 6th at Mc Cook.

Energy farmer, rancher & irrigator basically testified to the same ideas.

- 1) We need more time to implement the right plan.
- 2) How accurate is the Water Model?
- 3) How accurate is the Economic Impact Study?
- 4) The river doesn't flow because of two things you are not looking at. Trees along the river & terraces & dams. These are not included in the compact accounting. Don't just target the irrigator.
- 5) Water short years will not work for an irrigator.
- 6) We need a plan that is not open ended where you can cut our water in any single year.
- 7) We want local water control, not whatever the state is pushing on you.
- 8) We want you to stand up for us and our communities.
- 9) Don't let the state push you and make your ~~decisions~~ decisions. You are the ones that control the water. You are the ones that will be held accountable. Your decisions will determine whether Southwest Nebraska prospers or fails.
- 10) These ideas need to be studied very carefully!

Thanks

Ernie

15 Wedgewood Drive
McCook, Nebraska 69001

October 6, 2004

Dan Smith
Director, MRNRD
220 Center Avenue
POB 81
Curtis, Nebraska 69025

RECEIVED
OCT 08 2004

Thank you so much for taking the time to meet with the McCook City Council. Your comments were most appreciated.

Since I will not be able to attend the hearing this evening I would like to address a concern of mine. First, let me reiterate that we all need to give and work to meet the water needs of Nebraska.

My concerns as a landowner and surface water irrigator are with the Rule 8 and Certification. I have faithfully released all of the information requested and have received a notification of my certified acres. However, at no time was I asked what acres irrigated by surface water could be served by your current irrigation wells. I was asked to identify all the acres irrigated in the past ten years by the wells.

In my case one of our wells was used to irrigate all of the acres on the north side of the creek when it was first developed in 1955. Then we were required to develop a system to utilize the ditch water so only used the well as a supplement. When the second well was developed we irrigated most of the east and south side using surface water and the well as a supplement. As surface water supplies dwindled, the irrigation wells were used on the best ground and the surface water was used on the poorer ground. In some instances, because of the soil conditions, we choose not to irrigate.

For the past five years I have had three renters. Each choose to utilize the irrigation well differently and because of time, they choose not to irrigate some of the ground previously using the surface water, although the wells had been used for those acres before. Now, I am restricted to only counting the acres that were irrigated by the well, even though the other acres were able to be irrigated with the well. I received a notice from the county assessor asking which acres were surface irrigated and which were ground water irrigated. It was either or, not what could be irrigated. My mistake was that I listed the acres as my renter was utilizing them. Consequently, my farm now has much more dryland, and the farm has lessened in value.

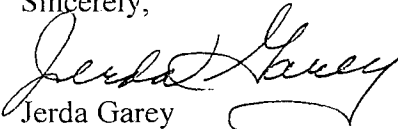
If the rule process had in its questionnaire asked how many acres could be irrigated by the current wells, rather than how many are now irrigated, the answer would have been much different. Your rule 8.4 states that only those acres that are actually capable of being supplied with ground water may be approved. I concur with this rule. Your process however, did not follow the rule. The question was never asked about surface water in relationship to the irrigation well.

I realize that I was not as informed about the process as I only received the questionnaire a week before it was due because of an office error on my address. I moved to McCook three years ago and paper work was going to DesMoines. I kept expecting that the next step in the process would be to review the whole equation. When I did call after receiving the certification information I was told that the office manager would call me back, and that did not occur. I did call again and said that there were other acres that could be irrigated. I then mailed in a map which showed all of the acres that could be irrigated by the well, and I do know that because I used to set the water from the well on those acres. However, only six more acres had been irrigated since 1998 by the well. I then received a form letter that said what my certified acres were and what the assessor utilized. The only difference was the six acres, not the other acres that had been irrigated prior to the surface water development.

Because of the creek and the size of the fields, this farm does not lend itself to a pivot. That intensifies the labor and the renters have found it easier to plant crops requiring less water even though they could have used the well. Consequently, the history of the farm did not lend itself to more certified acres.

I only related the above story to show the impact of the process. I respect the rules and applaud you for your efforts. My hope would be that surface water users who had wells prior to the irrigation development, and who were irrigating with those wells, would be given consideration in the certified acre equation.

Sincerely,


Jerda Garey

October 12, 2004

Members of the Middle Republican Board of Directors,

I would like to take this opportunity to provide comment on the proposed ground water management area rules from my perspective on its effect to our family farm and region.

On our farm we have been irrigating with ground water from wells for around 30 years now. This privilege has stabilized and diversified our business and has presented benefits not only to our family, but to the economic health of the region as well. Public policy encouraged the development and we come to depend on the water resource and our right to use it to the benefit of everyone involved.

Over the past several years we have become brutally aware of how important water is to our success as farmer/ranchers. Like many other irrigators, we have made a large investment in equipment to make our irrigation practices more efficient. On our farm, we have also adopted a water conserving crop rotation the past 7 years that has made a huge difference in the efficient use of irrigation water. We need to know that as a board, you have explored every avenue to protect our investment and make sure that all parties of interest make an equal sacrifice to address this problem. The water users in our basin deserve that consideration.

The complexity of this issue and the pattern of changing proposals, both rumored and factual, have made it difficult to evaluate until lately. I do appreciate your effort to devise and submit a plan for consideration by NDNR as it does indicate your willingness to recognize the problem and present a solution that we can have some input into.

I will concentrate my comments on a few of the GWMA rules that I feel have not met the needs of your irrigator constituents. I might add for the most part, I find the rules easy to understand and probably not too difficult to generally comply with. I appreciate that.

The first area of my concern is the allocation of 39 inches over three years. After irrigating now for four years with irrigation equipment that is metered, I think that will be too restrictive. With normal weather, compliance could be a problem. With drought conditions we have had lately, compliance obviously becomes much more difficult. I am not asking for much increase here, but I do think 45 inches over three years would be more workable. Given the current mix of crops raised and changes to those cropping practices that would be required, the 45-inch allocation would permit the conservation of water resources needed with less disruption of cropping practices and regional economic sacrifice.

The second area of my concern is with the additional restrictions during water short years. The concept that irrigators must be required to make additional cuts to benefit others due to a drought, without any other incentive to do so, is irrational, irresponsible and unacceptable. This proposal causes severe economic hardship at a time when producers are already stressed to the limit.

If it is determined that the public interest is best served by further reductions in water usage when drought conditions prevail, it is only fair that economic incentives be offered by the public to compensate the irrigator for that reduction. Preferably that would be a voluntary participation program based on an incentive, but could also be an involuntary program with compensation, as long as the incentives were determined to be fair and reasonable. It could also be targeted to a sub-basin to achieve maximum economic efficiency for water usage reduction and impact.

The key point here is that the irrigator is respectfully compensated for his conservation action and economic sacrifice that is beyond what would be considered reasonable. (In effect, the base allocation.)

If it is determined that there is no way to comply with compact settlement provisions without severe additional reductions in water usage due to a "water short" designation, then the GWMA rules proposal should not go forward until a temporary or permanent incentive program is in place and funded by someone other than the irrigators. The irrigators have contributed enough by compliance with the base allocation, and I urge you to strongly support that notion and demand that the state recognize our concern.

A third area of my concern, and I think more easily remedied, are the dates of the allocation year and usage reporting. September 30th is too soon to cut off the irrigation year, as some crop rotations need some watering as late as middle November in our area. To require irrigators to file usage reports by November 15th could be a hardship as many farming operations are still very busy with harvesting and other fall work on that date.

I suggest the allocation year start should be moved back from October 1st to at least December 1st. Usage reporting should be due by January 15th for all regulated wells.

In summary, these are three areas that I would like to see adjustment in the rules. I know that some of my suggestions will require a major change in the commitment of the State of Nebraska and the NDNR. I think they owe the irrigators and other citizens in the basin that commitment.

As far as I have been able to determine, the settlement of the Republican Basin River Compact lawsuit was done without significant public input from irrigators or their representatives charged with protecting the resources, namely the Natural Resource District Board members. It is time now for you to do your job and protect not only the resources of the district, but the interests of your constituents as well. Those interests can be balanced, along with the other needs of others, but the sacrifices by all parties must be balanced too, something that I think is not completely addressed in the current proposal.

Thank you for your hard work and consideration of my concerns.
Sincerely,



Dale Dueland
112 East N St.
McCook, NE 69001

308.345.6163
dmandue@oecsmccook.com