

# Nebraska Association of Resources Districts Annual Report *2018*



**Nebraska's  
Natural Resources  
Districts**

[www.nrdnet.org](http://www.nrdnet.org)

Protecting Lives • Protecting Property • Protecting the Future



# A Letter from the President

I continue to admire with great respect, the tremendous ongoing commitment to our natural resources which the NRD system of directors and employees across the state of Nebraska exhibit daily. The challenges of managing Nebraska's resources to maintain the "good life" are numerous, but the accomplishment of such goals continues to accumulate. We strive to move forward with the greatest transparency possible in order to earn and maintain the trust and support of our fellow citizens. The goal of sustaining our waters and soils in a productive state is one which receives no argument. We must continue to embrace technology advances through sound science in order to provide for our population's food needs at the same time as our natural resources flourish. The NRD's of Nebraska provide an example of success in doing so. They create an ideal opportunity to combine local input and control with state and national partners such as the Nebraska Department

"We strive to move forward with the greatest transparency possible."  
- Larry Reynolds

of Natural Resources (NDNR), Natural Resources Conservation Service (NRCS), Farm Service Agency (FSA), and University of Nebraska to name a few in the delivery of efficient funding and technical assistance to our lands. The challenge to get things done in a timely manner with strong public input and support can be daunting. The NRD's are uniquely positioned to do so. I am honored to be serving as your President of the Nebraska Association of Resource Districts as we all continue to protect lives, protect property, and protect the future.  
- Larry Reynolds, President  
Nebraska Association of Resources Districts



Larry Reynolds

## Successful Water Planning Includes Engaged Stakeholders

History has proven the most valuable resource in Nebraska is its hardworking and innovative citizens. Thus, our unicameral legislature made a wise investment when they had the foresight to entrust local Nebraskans with the responsibility of protecting our most valuable natural resource, water.

For more than 46 years, Nebraska's citizens have been tasked with electing local leaders to direct Nebraska's Natural Resources Districts (NRDs). These locally elected directors, working on behalf of their local communities and in partnership with their neighbors, set policy and develop programs that continue to protect lives, property and the future. In Nebraska, it's not one confined office or body that is tasked with setting blanket policy to protect our natural resources. Here, our NRD system readily provides Nebraska citizens direct access to engage in the development of local solutions.

Direct engagement of citizen stakeholder groups has also proven to be widely successful as the NRDs continue to partner with the Nebraska Department of Natural Resources (NeDNR) to develop Integrated Management Plans (IMPs). The IMP processes have provided stakeholders an opportunity to locally identify priority goals and objectives that work to protect integrated surface and groundwater supplies.



This year, stakeholders in both the Upper Platte and the Republican Basins are concluding the multi-year processes of working with NRDs and NeDNR to develop new Basin Wide Plans. These Basin Wide Plans provide a framework that works to attain sustainable water supplies, while also sustaining the economic viability, environmental and social health, and public safety and welfare of the basins.

Following the adoption of the Basin Wide Plans, each NRD will again partner with NeDNR to engage new stakeholder groups to advance district IMPs. Adhering to the framework from the Basin Wide Plans, citizen stakeholder groups from each NRD will draft refined priority goals and objectives specific to each local district's needs.

Nebraska has Basin Wide Plans being implemented across the state and all 23 NRDs are actively partnering with NeDNR to engage stakeholders to develop and implement local district IMPs. These plans have ensured Nebraska's citizens continue to be directly involved in the development of policy that protects local economies and the sustainability of integrated water supplies for future generations. At the Association, we remain committed to working with NRDs, NeDNR, partner agencies and Nebraska citizens to ensure the continued success of these local planning efforts.

- Dustin Wilcox, NRD/NeDNR Liaison

## NDEQ and NRDs make History Working Side by Side

"A drop of water is worth more than a sack of gold to a thirsty man," unknown.

The abundance of water is easy to see but the quality of that water is not. Sometimes it's easy to take water quality for granted. However, ranchers need clean water for their livestock, farmers need it for their crops, every employer needs it to stay in business, and every living thing needs it for life. The quality of our water is just as important as our quantity of water, especially when it comes to our drinking water.

"Nebraska made history this year."  
- Jennifer Swanson

Through collaboration, partnerships and teamwork, Nebraska made history this year, removing not one but two bodies of water from the 303(d) list of Impaired Waters. The 303(d) list of Impaired Waters is a list of waterbodies that do not support their beneficial use. Once on the list, the waterbody remains on the list until the state develops a TMDL or until the water body meets water quality standards.

Shell Creek was first added to the Impaired Waters list in 2006 due to impairment of aquatic life caused by atrazine. Shell Creek is the first creek in the nation to be removed from the impaired waters list as a result of implementation of a comprehensive watershed management plan. It took teamwork of more than 240 landowners and farmers along with collaboration and support from the Lower Platte North NRD, Nebraska Department of Environmental Quality (NDEQ) and NRCS. The comprehensive management plan included conservation management practices such as no-till farming, terracing, sediment bases, filter and buffer strips and cover crops to reduce the atrazine that drained off fields and into Shell Creek. Out of 48 water samples collected from Shell Creek between 2007 and 2016, only seven samples exceeded the water quality standard of 12 micrograms per liter of atrazine, allowing the stream to be delisted for atrazine impairment in 2018.



Shell Creek

Antelope Creek was first added to the Impaired Waters list in 2004 due to elevated levels of E.coli bacteria. Bacteria in surface water is hard to manage, but multiple project partners including the City of Lincoln, University of Nebraska, Lower Platte South NRD and NDEQ completed more than a dozen projects that have led to the reduction of E.coli pollution to Antelope Creek. Antelope Creek was delisted of the E.coli impairment for recreation in April 2018.

Waterbodies that have been delisted have gone through restoration efforts which have led to documented water quality improvements. These waterbodies now support one or more of their beneficial uses.

As water resource managers we face many challenges as we work to protect the quality of our water resources. But because of partnerships between local, state, and federal agencies and teamwork, Nebraska has some of the best water resources in the nation.

- Jennifer Swanson, NRD/NDEQ Liaison

## Executive Committee & Managers Committee

The Nebraska Association of Resources Districts (NARD) Executive Committee consists of the NARD board officers and the chairs of the Information and Education and Legislative committees. The NARD board consists of representation from each of the local 23 NRDs. The board members meet five times throughout the year and help guide the Association. The board elects officers every March.

Larry Reynolds from the Tri-Basin NRD is the current NARD President. Reynolds has been on the board for six years. Reynolds previously served as NARD Board Vice-President and Secretary-Treasurer. Reynolds has been a member of the TBNRD Board for 33 years and served in the United States Air Force for eight years and in the Nebraska Air National Guard for 18 years. Reynolds currently farms and helps manage the family cow/calf operation near Lexington. Reynolds served as the NARD secretary-treasurer from 2014-16 and the vice-president from 2016-18.

Jim Eschliman from Lower Loup Natural Resources District is the current vice-president. Eschliman is also the vice-chair of the Lower Loup NRD Board and has served on the NARD Board since 2016. He has served on the LLNRD Board for 13 years. He has also served as program and projects committee chairman. Jim operates Eschliman Family Dairy along with his wife, Deb, in Wheeler County by Ericson. In addition, Eschliman is on the local Coop Board and the Cattleman's Beef Board.

Milt Schmidt from the Lower Platte South NRD is the secretary-treasurer. Schmidt has served as the Lower Platte South NRD representative to the NARD Board since 2016. He also served as the alternate NARD Board member from 2014-16. Schmidt was elected to LPSNRD in 2012 and has served in several leadership roles for the district. He served two years as chairman of the Recreation, Forestry & Wildlife Sub-committee and two years as chairman of the Platte River Sub-committee. He has also served two years as Secretary for the LPSNRD. Schmidt retired from Goodyear after 35 years. After that, he worked for the United Way in Lincoln for five years. He continues to volunteer his time for many charities in the Lincoln community.

Jim Bendfeldt from the Central Platte Natural Resources District (CPNRD) is the current NARD Past President. Bendfeldt has served 15 years as a director on the CPNRD Board. He has served seven years as an NARD Board representative. Bendfeldt previously served as the NARD Board Vice-President and Secretary/Treasurer. Bendfeldt is currently board chairman of the CPNRD. In 2011, Bendfeldt was awarded the NARD Director of the Year award. Bendfeldt also serves on the Platte River Recovery Implementation Program Board as a land acquisition member.

Jim Meisner from Twin Platte NRD, serves as the chair of the Legislative Committee and Jim Johnson from South Platte NRD, serves as the chair of the Information and Education Committee.

John Berge, general manager of the North Platte NRD, is the chair of the NRD Managers Committee. Dave Eigenberg, general manager of the Upper Big Blue NRD, serves as vice-chair. The NRD Managers Committee includes managers and assistant managers from all 23 districts. The committee meets five times a year to coordinate NRD activities with state and federal agencies, conservation partners and other parties to protect natural resources. The committee elected a chairman at their March meeting.



Nebraska Association of Resources Districts Board of Directors Meeting and Tour, Memorial Stadium, Lincoln, Nebraska



## NRD Communication Outreach Gains Momentum & Charges Forward



Shell Creek Delisting of Atrazine Press Conference

Communication efforts are at an all-time high this year as more and more Natural Resources Districts (NRD) invest in new technology and move forward with new ideas that push positive messaging out to the public. Information and Education (I&E) staff are digging their heels in as they promote newsworthy accomplishments in each district and write more press releases, put together informative tours and invest in drone and marketing videos. The NRDS are also getting involved in additional public engagement opportunities that are contributing to positive media coverage and support of the NRDs. This means the I&E staff is finding more ways than ever before in making the NRDs an important part of the communities they assist and live in. This includes being a part of a city parade, teaching students conservation in outdoor classrooms and greenhouses, creating podcasts and engaging stakeholders through NRD social media channels. For several NRDs, even the way

we hold public hearings and board meetings is changing as staff work to find inclusive ways to keep people informed and gain helpful feedback.

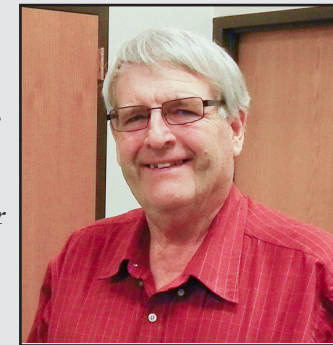
Education programs are expanding as well. The NRDs are seeing more interest from teachers who want their students to understand what we do. The I&E committee has expanded its presence at the Nebraska State Fair this year, there are more students participating in Landjudging than ever before and for the first time ever, the Envirothon program was invited to a major GetConnected After-School Program Conference in Omaha put on by the Nebraska Department of Education to get more students involved in our natural resources competition for high school students. The NRDs are in classrooms across Nebraska every single day of the school year. When kids are on break, they're enjoying NRD summer camps. As technology grows more a part of our every day lives, parents are seeking out organizations like the NRDs that offer their children a chance to go on an adventure outside and learn how to appreciate the natural resources around us. We've gained momentum these past few years. It's fair to say we're ready to charge forward.



LLNRD and LNNRD I&E Staff Educate Families at the Nebraska State Fair About our River System

## Hall of Fame Inductees of 2018 Protect Nebraska

Hall of Fame inductee Keith Rexroth from Sidney, Nebraska, was nominated for the Hall of Fame Natural Resources Districts Board member award by the South Platte Natural Resources District. Rexroth spent 24 years as a member of the South Platte Natural Resources District (SPNRD) Board of Directors, 16 of those as Chairman. One of his major achievements during those years was his commitment and input into developing an Integrated Management Plan (IMP) which will help protect water resources into the future. He's received numerous awards including the 1983 Outstanding Young Farmer Nebraska award, 2005 NRD Director of the Year award, 2013 University of Nebraska-Lincoln Panhandle Research and Extension Center Outstanding Service to Panhandle Agriculture award and received an appointment by the governor as an advisor for the Three-State Cooperative Agreement on the Platte River. He's spent countless hours volunteering his time to youth education as well.



Keith Rexroth,  
Hall of Fame  
Board Member

Hall of Fame inductee, Ron Milner post-humously was nominated for the Hall of Fame NRD Staff category by the Upper Republican Natural Resources District. His wife resides in Imperial, Nebraska. Milner served as the first general manager of the Upper Republican Natural Resources District (URNRD) from 1972 to 1997. He helped pass the Groundwater Management Act in 1976 and with Milner's guidance, the URN-RD Board adopted an order that required metering and reporting of groundwater use, making the NRD the first in the state to do so in 1978. Metering was done so that Milner and the NRD would be able to see how much water was being used and to make sure that irrigators were not going over their newly allotted allocation. There was great opposition to the metering, but Milner knew it was the right decision to make and it would be beneficial to the conservation of groundwater. He created the first Groundwater Management Area in the state and enacted well spacing rules.



Ron Milner,  
Hall of Fame  
NRD Staff

Hall of Fame inductee, Don McCabe, was nominated by the Central Platte Natural Resources District to be inducted into the Hall of Fame as a Natural Resources Districts Supporter. McCabe grew up on a farm near Newcastle, Nebraska. He currently resides in Lincoln. He worked for the Nebraska Farmer magazine for 37 years and was instrumental in helping farmers in Nebraska learn about how to implement conservation practices to protect Nebraska's soil and water. He earned a journalism degree from the University of Nebraska and served in the U.S. Navy for four years. McCabe covered natural resources issues that needed to be addressed through Groundwater Management Plans, to new techniques and technologies available to help farmers address production and natural resources issues. He was key in helping lower nitrate levels in the Central Platte Natural Resources District due to his articles focusing on conservation efforts to achieve such a goal.



Don McCabe,  
Hall of Fame  
NRD Supporter

## NARD Communication Efforts Double as Results Continue to Grow

At the Nebraska Association of Resources Districts (NARD), we continue to find and pitch stories to media across the state to earn additional coverage. Positive forums, interviews and stories

16 hours of watch time. The second most watched video is the "Nebraska NRD Dads Receive Surprise Father's Day Letters" with nearly 500 views totaling nearly 18 hours of watch time. This is the first time NARD has created a promotional social media video that tells the stories of the staff behind the Natural Resources Districts (NRD). We're excited the video did so well and we have plans to do more in the future. Lastly, we assisted a few NRDs with several large media strategies and worked on simple ways to improve trust between NRDs and the public. The NARD is excited to be a part of this wonderful journey with you and is always willing to assist where we can.

NARD YouTube videos were watched more than 4,000 times totaling 111 hours in one year.

on local media TV channels estimate nearly \$10,000 in earned (free) media coverage. This does not include the tens of thousands of dollars worth of earned media coverage through radio and newspaper outlets across Nebraska as well. Videos from the NARD YouTube channel have been watched 4,054 times this past year, totaling nearly 111 hours of watch time. The most watched video is of "Kirkman's Cove Recreation Area" with nearly 900 views totaling nearly

## Husker Harvest Days "Selfie" Picture Booth big hit with Public

With the support of the Natural Resources Districts' (NRD) Information and Education Committee, the Nebraska Association of Resources Districts

(NARD) put together a brand new type of community promotion at Husker Harvest Days. The NRDs hand out more than 3,000 tree seedlings every year at this event. The "Free Tree From NRD" promotion's goals were to get people who picked up their tree seedling from our NRD booth, to also snap a fun picture with their tree and our branded backdrop and educational signs as well. We encouraged families and students to post their pictures on their social media sites with the hash tag, #FreeTreeFromNRD.

Results turned out better than expected as we had lines of people waiting their turn to take a picture and quite the social media buzz! More than 180 pictures were snapped with an estimated 800 participants.

NRD volunteers were a huge help in getting people excited about joining in on the fun for this extra promotion. They helped people get set up and gave them educational signs and props to hold that added to the excitement of the pictures. Nice work everyone!



Husker Harvest Days NRD Promotion - Erika Hill  
Public Relations Director  
Nebraska Association of Resources Districts

Natural Resources Districts Conservation Award Winners



**Director of the Year**  
Don Kavan of Morse Bluff, NE  
Nominated by Lower Platte North NRD



**Educator of the Year**  
Philip Simpson w/ Burwell Junior/Senior High School  
Nominated by Lower Loup NRD



**Tree Planter of the Year**  
Jerry Fullerton of Cody, NE  
Nominated by Middle Niobrara NRD



**Outstanding Grassland Conservation**  
Mathewson Family of Potter, NE  
Nominated by South Platte NRD



**Outstanding Soil Stewardship Conservation**  
Scott and Barbara Gonnerman of Waco, NE  
Nominated by Upper Big Blue NRD



**Outstanding Community Conservation**  
Dan Kathol of Hartington, NE  
Nominated by Lewis and Clark NRD

## Master Conservationist Award Winners



**Youth Award:** Shell Creek Watershed Monitoring Program w/Newman Grove High School  
Nominated by: Lower Platte North NRD

**Agriculture Award:** Scott and Barbara Gonnerman of Waco, NE  
Nominated by: Upper Big Blue NRD





# Thank you for your NRD Years of Service

## NRD Board of Directors

Robert Petersen – 35 years – TPNRD  
 Doug Dickinson—35 years – UBBNRD  
 Roy Stewart – 35 years – UENRD  
 Roger Houdersheldt—25 years – UBBNRD  
 Steven A. Kelley – 25 years – LBBNRD  
 Leroy Hoelsing - 25 years – LCNRD  
 Brad Lundeen – 25 years – TBNRD  
 Diana Wendt – 25 years – LNNRD  
 Jack Engelhaupt – 25 years – LNNRD  
 Jim McDermott - 25 Years – LPNNRD  
 Orval Gigstad – 25 years – NNRD  
 Jerry Weaver – 20 years – TPNRD  
 John Conley – 20 years – PMRNRD

## NRD Staff

Kent O. Miller – 45 years – TPNRD  
 Jeff Ball—40 years – UBBNRD  
 Martin Cleveland – 40 years – PMRNRD  
 Bill Warren – 40 years – PMRNRD  
 John Zaugg – 35 years – PMRNRD  
 Virginia John – 35 years – LLNRD  
 Kelly Fravel – 30 years – PMRNRD  
 Teresa Murphy – 30 years – PMRNRD  
 Marty Nissen – 30 years – PMRNRD  
 Dan Clement – 30 years – CPNRD  
 Deb Jarzynka – 30 years – CPNRD  
 Steve Bartels - 30 years – NNRD  
 Jean Tait – 25 years – PMRNRD  
 Jeanne Rosen - 25 years – LCNRD  
 Kevin Orvis – 25 years – LBNRD  
 Ryan Trapp – 20 years – PMRNRD  
 Ariana Kennedy - 20 years – LPSNRD  
 Mike Mascoe - 20 years – LPSNRD  
 Carie Lynch – 20 years – TBNRD  
 Chuck Wingert - 20 years – NNRD  
 Scott Nelson - 20 years – NNRD/LPNNRD

## NRD Basin Tour Packed with People and Educational Opportunities



NRD Basin Tour 2018

The 2018 NRD Basin Tour led more than 60 Nebraska senators, NRD board members, NRD staff and others to projects in the Lower Platte Basin and Nemaha Basin. Participants got to see several examples of large flood damage reduction structures in the Lower Platte South NRD and Nemaha NRD including Antelope Creek in Lincoln and Duck Creek Recreation Area near Auburn. They also got to talk with Nebraska Senator Dan Watermeier about the conservation practices he's worked to establish on his family farm.



Duck Creek Rec Area



Antelope Valley Project

## NRDs Prepare for 2020 Envirothon

The Nebraska Association of Resources Districts (NARD) wants to thank every NRD employee, manager and board member who's volunteered to be on a committee to assist in planning the National Conservation Foundation (NCF) Envirothon natural resources competition when Nebraska hosts it in 2020 in Lincoln.

The fundraising brochure is available at the Annual Conference. This brochure shows the NRDs' commitment to giving back to our youth as the largest major sponsor of the competition. It also shows there's still work to do in finding additional sponsors who want to be a part of such an inspiring event.



Nebraska's Envirothon Team Competes at NCF Envirothon in Idaho, 2018.

The Association was a part of the behind-the-scenes staff at the NCF Envirothon in Idaho this year. They're eager to assist Nebraska's 2020 Envirothon committees with planning. Please join in on this exciting adventure as we move forward!

## NARD Foundation Gives Thousands to Youth Programs

The Nebraska Association of Resources Districts Foundation mission is to provide natural resources awareness, education and leadership opportunities for Nebraskans through partnerships with other organizations, foundations and the private sector. The priority is to improve the positive image of NRDs by providing funding for natural resources awareness, education and leadership opportunities for Nebraskans. The NARD Foundation provides the conduit for funding those opportunities that have state-wide audiences and participants.

Your contribution to the NARD Foundation will help provide support and opportunities for students to continue their education in natural resources. The programs also provide paths to career opportunities in this rewarding field.

In FY 2017-18, nearly \$19,000 were dispersed to support programs where people of all ages can learn more about natural resources. Funds were raised through a variety of activities including the Ron Bishop Memorial Golf Tournament, a 5K run, a live and silent auction at the Annual Conference, and contributions from local NRDs. Below is a sample of programs that have been funded:

- Nebraska Educational TV History of the NRDs program called: "Keeping Nebraska Local; A unique approach to resources management." The hour-long TV program has aired 23 times on NET2. It explains how the NRDs were created, how they evolved and how they continue to protect lives, property and the future for all Nebraskans. The program continues to be aired on NET2 in 2018. The program is also available online at <http://netnebraska.org/nrd>.
- The Nebraska Envirothon, an agriculture, wildlife and science competition for grades 9-12 is designed to test students' knowledge in seven areas of ag and natural resources studies. The top three teams at the state level were also provided \$3,000 to support the program at their local schools. The winning team was also provided funding to compete at the NCF Envirothon.
  - Raising Nebraska, a 25,000 square foot interactive exhibit at the Nebraska State Fair, that not only tells the story of the state's No. 1 industry, but also explores agricultural research, production and innovation. The learning experience includes a wide range of interactive displays. It features a full-sized pivot-irrigation system, a video theater enclosed in a grain bin, a 50-foot-long floor map of Nebraska, a virtual combine ride, an interactive dinner table and other educational experiences. An outdoor exhibit has been added. The exhibit is open year round.
    - The Nebraska Agricultural Youth Institute is a week-long conference held each July for high school juniors and seniors to learn more about agriculture and natural resources in Nebraska.
    - Ag Day on the Hill. The foundation sponsors five Nebraska college students to attend National Ag Day in Washington D.C. learning about federal policy, trade, agriculture and natural resource issues.
    - Sponsored Annual State FFA Convention held in Lincoln, aiding the natural resources programs.
    - The Nebraska Foundation for Agricultural Awareness to spread a positive agriculture message to teachers, students and parents about the importance of agriculture.
- Sponsorship of the Nebraska Groundwater Foundation which provides educational and community-based action programs to protect and conserve groundwater.
- Contributions to the Nebraska FFA Foundation to support the Blue Jackets-Bright Futures program. The foundation aids the FFA programs in schools throughout Nebraska.
- Adventure Camp about the Environment (ACE). The camp is open to sixth through eighth graders and focuses on exploring and learning about natural resources. The camp consists of four days of outdoor fun at Halsey 4-H Camp.
- The Nebraska LEAD (Leadership, Education, Action and Development) Program strives to provide young men and women with skills and experiences needed to become leaders and advocates for agriculture.
- Supporter of the Nebraska Great Park Pursuit. The Great Park Pursuit promotes active lifestyles while increasing awareness of nature rich outdoor recreation opportunities at twenty NGPC and NRD recreation sites across Nebraska.



Concordia High School won 1st Place at the 2018 Nebraska Envirothon



Envirothon Range Section



Students visit the NRD booth at the NAYI Career Fair to see a 3D video of a NRD flood prevention structure.



NARD Secretary-Treasurer, Milt Schmidt, hands out NRD-Sponsored Conservation Awards at FFA Convention

## NRD Tree Program



Lower Republican NRD Tree Planting

The Natural Resources Districts (NRD) Conservation Tree Program had another good year. Since 1972, the NRDs have helped plant more than 96 million trees and shrubs across Nebraska. This year, more than 850,000 trees and shrubs have been sold across the state.

In 2020, Nebraska will host the NCF Envirothon which will have the top students from all 50 states, Canada and several other countries. This is a great opportunity to showcase Nebraska and the local NRD system. Thanks to commitment from the local NRDs and a \$20,000 commitment from the NARD Foundation, the Foundation will only need to raise another \$90,000 by 2020 to finance the event.

Thanks goes out to each of you that participate with NARD Foundation events to help with the mission to provide natural resources awareness, education and leadership opportunities for Nebraskans through partnerships with other organizations, foundations and the private sector.



# NRDs Make Progress in Protecting Lives, Property and Nebraska's Future



The **Upper Niobrara White NRD** recently worked with the Nebraska Forest Service on the Ponderosa Pine Reforestation Project where 54,000 trees were replanted into the areas burned during the 2006 and 2012 Pine Ridge wildfires. In addition to the 54,000 trees planted through this reforestation project, UNW was still able to sell 103,000 trees to producers in our district for a grand total of nearly 160,000 trees for the Spring of 2018.



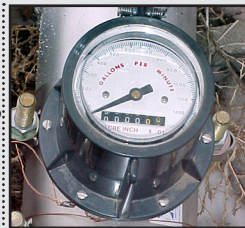
**Upper Loup NRD** - Completed a District water budget study. Increased District's static water network by 20 wells, thus checking 135 wells annually. Presented a local Boy Scout group with the NRD's Nature in the Neighborhood Grant to improve site at Milburn Dam. Continue to collect recyclable materials from residents within NRD. Last year collected close to 120 tons.

The **Lewis and Clark NRD** initiated development of a basin wide Water Quality Management Plan in cooperation with the Nebraska Department of Environmental Quality to address impaired surface water quality in the streams and lakes of the district.



The **Lower Niobrara NRD** is moving 52,000 acres into Phase II Groundwater Management. These areas will have additional restrictions on nitrogen application and are required to do additional reporting. We are also working with the three boarding Districts and NDEQ to improve nitrogen management of the Bazile Groundwater Management Area. In addition, the four Districts are working with UNL Extension to get a dedicated Extension Educator in the area to focus on nitrogen management improvement in the area. The West Knox Rural Water System continues to steadily grow and is adding an additional well field to keep up with demand. The District continues to work towards the purchase of the Spencer Hydro facility and its water appropriations to bring local management of the river back to the basin.

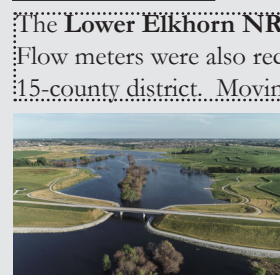
The **North Platte NRD** has almost tripled the amount of water returned to the North Platte River to meet the obligations under their IMP. Allocations are far and away the most beneficial to meeting the District's goals, and have, arguably, made agriculture in this District more efficient, and thereby more profitable through the reduction of pumping costs.



The **Middle Niobrara NRD** moved into our new office building at 303 East Highway 20 in Valentine this year. The new building added increased office space, a conference room, a board room, and adjoining shops. The Middle Niobrara conducted a Long Pine Woody Biomass field day. Among the attendees was Senator Brewer. MNNRD Director Mike Murphy, along with members of the Board of Directors, had a successful trip to Washington, DC this spring. They met with Senator Deb Fischer and Congressman Adrian Smith. We also received two NET grants. The first is for a no-till drill, and the second for the Long Pine Creek Watershed restoration project. The MNNRD staff planted 11,896 trees this year and installed 85,508 feet of fabric weed barrier. We handled 97,000 trees, of which 53,000 were for the Nebraska Forest Service Pine Ridge Restoration Project.



The **Upper Elkhorn NRD** is working with the Nebraska Department of Natural Resources (NeDNR) to develop a Voluntary Integrated Management Plan (V-IMP) for the District. The V-IMP will assess the balance between water supplies and water uses within the District for the short and long term. The plan will manage and protect water rights of existing users, while allowing for responsible development of surface and groundwater resources in the future. Implementation of the UENRD V-IMP is scheduled for January of 2019.



The **Lower Elkhorn NRD** completed the certification of 645,000 irrigated acres this year. Flow meters were also required for irrigation wells with approximately 5,000 installed across the 15-county district. Moving the district office to a new location was also a highlight of the year.

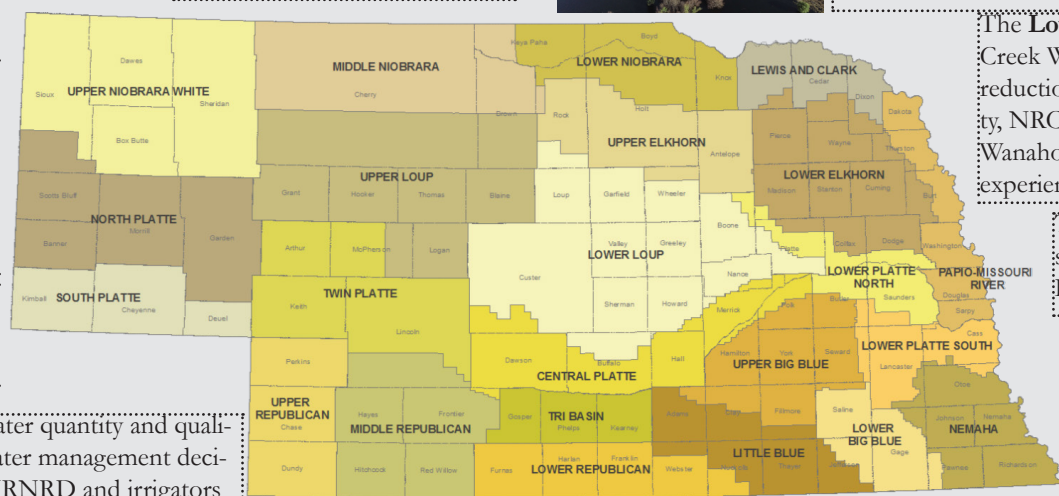


**Papio Missouri River NRD** - Dam Site 15A, now officially named Flanagan Lake, opened to the public on June 27, 2018. Flanagan Lake, the 11th flood control reservoir in the greater Omaha metro area, also provides recreational amenities. Thanks to the leadership and persistence of Senator Deb Fischer and Congressman Jeff Fortenberry in navigating the USACE's 408 permitting process, the District received its permit to begin work on the Missouri River Levees project. These levees (R-613 & R-616) protect Offutt Air Force Base, Omaha's Wastewater Treatment Facility and other critical infrastructure from catastrophic flooding.

The **Lower Platte North NRD** has made significant efforts in conservation, continuing progress in the Wahoo Creek Watershed with 3 proposed sites. The project includes the development of 11 total proposed floodwater reduction dam structures. This is a collaborative effort between the NRD, FYRA Engineering, Saunders County, NRCS, DNR, and DEQ. LPNNRD is moving forward with recreation management responsibilities at Lake Wanhoo Recreation Area. Recreation updates include the development of Porkchop Island, a primitive camping experience, and the Education Center, a 2,400 sq. foot building for program opportunities.

The **Lower Loup NRD**, using its groundwater models for guidance, granted 2,500 new irrigated acres in specific areas of the district for 2019. The LLNRD also continued upgrades on its two recreation areas, Davis Creek and Pibel Lake.

After over 10 years in the planning stage, the **South Platte NRD** along with the City of Sidney broke ground on the Joint East Sidney Watershed Authority (JESWA) project with a completion scheduled in the fall of 2018; this project will re-direct flood waters and runoff around businesses and homes while also providing a slow-drain and filtration of water. This runoff can contain high concentrations of sediment, phosphorus, nitrogen, oil, grease and other pollutants. The Board of Directors also re-examined the District-wide water allocations for the 2019-2021 period and voted to maintain the previous allocation period allotments.



This past year the **Twin Platte NRD** has been busy working on the completion of the north pipeline from the NCORPE property. This project was completed for a total cost of \$8 million and was \$2 million under the engineers estimate. The Twin Platte NRD has worked on the development of ground water models.



The **Upper Big Blue NRD** is embarking on the first-ever combined water quality management and voluntary integrated management planning processes in partnership with both the Nebraska Department of Environmental Quality (NDEQ) and the Nebraska Department of Natural Resources (NeDNR). The Upper Big Blue NRD viewed the separate planning processes as a way to combine two inseparable priorities for water quantity and quality into a consolidated planning process that fully engages citizens within the district to help inform the goals and objectives for both plans. The theme for this project is: "One District, Two Plans, One Water."



The **Upper Republican NRD** over the past year began multiple efforts to improve water quantity and quality. Development of a groundwater model by district staff that will help guide future water management decisions by the district began, and staff tested equipment that will eventually lead to the URNRD and irrigators receiving real-time water usage information from all irrigation wells in the district. In 2017-2018 the URNRD also revamped its water-testing program to hopefully improve aquifer health and protect drinking water.

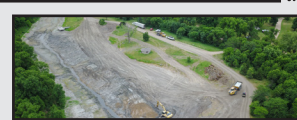
This year **Middle Republican NRD** started off with hiring an agronomist to help us with our high-tech irrigation program. We also planted over 80,000 trees in our district. As well as just the continued progress moving forward with our farmers in proactive water management!



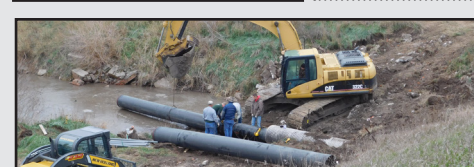
Thirty years ago, **Central Platte NRD** implemented a Groundwater Management Program for both water quality and water quantity. The Groundwater Quality Plan uses a long-term approach and has reduced average nitrate levels 25% since implemented. The Groundwater Quantity Plan's objective to provide sufficient water for domestic, municipal, and wildlife uses has seen many changes including stays on new wells and new irrigated acres, efforts to improve hydrologic conditions, and integrated groundwater and surface water management for the Platte River.



A Section 205 Corps of Engineers study of Lincoln's Deadmans Run Watershed has been completed and the **Lower Platte South NRD** expects approval of a \$25 million project to protect over 500 homes and businesses from flooding. With 2018 scanning, all intended aerial electromagnetic mapping (AEM) of aquifers within the district has been completed. LPSNRD has entered into a 20-year agreement with the City of Lincoln to acquire and develop a 10-mile tallgrass prairie corridor trail from Lincoln to near Denton, and we continue to work with other communities in the district on conservation projects.



**Little Blue NRD** is working with several other affiliates to enhance Crystal Lake Recreation Area in Ayr. Highlights of this project include excavating sediment, reshaping shorelines and improving angler access along with corresponding construction of a recreation trail, kayak and canoe launch and the addition of ADA parking. Expected project completion will be August 2018.



The **Lower Big Blue NRD** is responsible for the maintenance and upkeep of over 270 flood control and grade stabilization structures across the District. Beginning in the fall of 2017, the NRD installed Snap-Tite™ High-Density Polyethylene (HDPE) pipe in four of its structures. The pipe snaps together around a gasket and can be fused to a new riser once inserted into the existing tube. Grout is injected alongside the new tube, creating a solid bond between old CMP and new HDPE, extending the life of the structure well into the future.

**Tri-Basin NRD** is working with landowners along Sand Creek in the Little Blue basin portion of the district to construct a series of groundwater recharge structures. These structures will slow down high flows in the creek, increasing the amount of water that soaks into the streambed. The first three of as many as nine recharge structures will be built in 2018. This project is intended to improve the quality/sustainability of groundwater in Kearney County.

The **Lower Republican NRD** in partnership with the Tri-Basin NRD and Central Nebraska Public Power and Irrigation District submitted an application to the NeDNR that will divert excess flows from the Platte River to the Republican River. The LRNRD also provided \$1,000,000 in match for the Bostwick Irrigation District Water Sustainability Fund grant to install automated canal gates. Through this match, the LRNRD secured 22,500 AF of water to be used for Interstate Compact Compliance.



**Nemaha NRD** - The long-awaited opening of the Duck Creek Recreation Area was celebrated on June 2, 2018. About 350 people joined in the formal dedication and grand opening events at the new lake & park northwest of Peru in Nemaha County.



<b>1870</b>	<b>1920</b>	<b>1930</b>	<b>1940</b>	<b>1950</b>	<b>1960</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2018</b>
In 1872, Nebraskan, J. Sterling Morton creates Arbor Day; the first holiday devoted to natural resources conservation.	In 1935, the U.S. Soil Conservation Service is established to assist farmers and help foster a new conservation ethic across the country.			Devastating floods during the 1950's cause massive property damage and spur major flood control projects across Nebraska.		In 1972, Nebraska's Natural Resources Districts form and begin taking action to address a wide variety of natural resources challenges.		Because of its value to farmers and urban centers, groundwater is commonly recognized as the state's most precious natural resource.		NRDs continue to play a leadership role in addressing local natural resources concerns.	



## NARD Website Traffic Spikes due to Rec Area Info

The Natural Resources Districts have 80 recreation areas and trails across Nebraska all listed on the Nebraska Association of Resources Districts website at [nrdnet.org/recreation](http://nrdnet.org/recreation). NARD is also adding videos of each rec area which has helped increase website activity 65 percent in the last year. Google Analytics reports the website has recorded more than 45,000 users in the last year. The NRD Recreation Brochure also received a major update.



Iron Horse Rec Area, Nemaha NRD

## NRD Wellness Program Encourages Healthy Living

NARD, Work Well, Inc. and the Nebraska Safety Council offers an employee wellness program to promote a safe and healthy work environment. The wellness program provides tools and resources to NRD employees and Board members to help them be successful in making healthy lifestyle choices.

The wellness program was created as an addition to the NRD's existing Risk Pool Health Insurance Program administered by NARD. NARD Board members and NRD Managers saw the creation of a wellness program to keep insurance premiums low and continue to save tax-payer dollars. NARD provides assistance to the 23 NRD wellness delegates to help coordinate individual wellness programs. The main objective is to create a fun, friendly, non-intimidating wellness program that challenges employees to meet their district's wellness goals.

NARD and the NRDs offer a variety of wellness opportunities and challenges for all fitness levels. This year the Wellness Committee sponsored a 1 Mile Walk and 5K Fun Run to promote healthy lifestyles in Norfolk. The event was open to the public but was cancelled due to a late spring blizzard on the day of the event. Despite the late cancellation, the event still raised more than \$3,000 for the NARD Foundation.



2017 5K Run, Lincoln, NE

Many of the local district wellness programs promote community involvement through a variety of activities including: a toy drive, collection for local food banks and health screenings.

Participants in the wellness program have shown improvements in their health, including weight loss, increase in physical activity, healthier eating habits, increase in health screenings and flu shots. Because of the success of the NRDs wellness program, many of the NRDs have received the Governors Excellence in Wellness Award.

## NRD Employee Retirement Program Update

Thanks to the hard work of the NARD/NRD Employee Benefits Committee, the NRD Employees Retirement Program continues to grow and make improvements. The program is governed by the NARD Board of Directors. The NRD Employee Benefits Committee meets four times a year to review details of the program and suggest changes in investment options to the NARD Board. This committee is made up of the NARD Executive Committee and 13 NRD employees representing all areas of the state.

The NARD 414(h) retirement fund equity grew to \$36,691,989 as of June 30, 2018. The defined contribution program allows each employee to determine their own investments, providing the flexibility for the employee to determine the amount of risk and potential rate of return they feel most comfortable with. Because it is a defined contribution program and not a defined benefit plan, there is no financial liability to the local NRDs or NARD.

The voluntary NARD 457 program equity grew to \$4,069,037 as of June 30, 2018. The program allows NRD employees to set aside additional pre-tax income for retirement and has the same investment options as the NARD 414(h) plan.

Mark Geist and Jonathan Beukelman with UBS Financial Services provide the Nationwide investment platform for the plans. Since they have been involved, the NARD investment levels have increased almost four-fold.

Benefit Plans Inc., of Omaha provides the reporting and compliance work for the plans.

## Did You Know?

The 2018 Managers Retreat was in Gering, Nebraska where managers and North Platte NRD staff took a tour of Western Sugar and learned about its water needs for the sugar factory.

They also found out no matter what the brand of sugar is or how much different brands cost at the grocery store, it's all made the exact same way. No secret recipes here!



Western Sugar Tour, Managers Retreat and Meeting

## NARD Health Insurance Program

The Nebraska Association of Resources Districts has operated a licensed health risk pool for NRD employees since FY 2006-07. The program is governed by the NARD Risk Pool Board of Directors, which are the same as the NARD board members. The NARD Risk Pool Stop/Loss Committee meets five times a year to review details of the program and suggest changes. This committee is made up of the NARD Risk Pool Executive Committee and 13 NRD employees representing all areas of the state.

Over the last 11 years of the program, the average annual NARD health insurance premiums increases have been 4.17% while the national annual averages have been 11.85%. This is very rare in the insurance industry. If the premium changes followed national averages, the premiums would almost be double what they are today. In FY 2014-15, premiums were decreased by 2.5% as the previous fiscal year netted a \$1.2 million gain. The board used those additional reserves to keep premium increases down and pay claims in FY's 2015-16 through 2017-18. At the end of FY 2015-16 the program showed loss of just over \$600,000, using more than half of the profits from 2013-14. The NARD Board set the rate for FY 17-18 with a goal to break even, rely on reserves and ended up with a profit of \$609,523.

The NARD Risk Pool Stop/Loss Committee and Risk Pool Board set rates again this year targeting a break-even year. The rate changes for FY 17-18 are set at a 5.0% increase for health and no increase in the dental rates. The national average increase for health insurance is 8.0% this year, which is shy of double the rate increases for the NARD plan. The NRD employee's involvement in wellness activities and programs reduces health care cost to local NRDs and taxpayers.

Under ObamaCare, there will be federal premium taxes that must be paid based on the number of employees and family members under the plan. These taxes will be over \$30,000 in 2018-19. The NARD Risk Pool Board is paying the taxes out of the reserves rather than assessing each employee or district for the tax.

The program worked as it was set up to do – work off reserves built up in the “good years” to cover losses in the “bad year”. The program has built reserves of \$5.2 million to allow for annual premium changes to be limited. Mid-American Benefits provided the third-party claims processing. Milt Willnerd, Willnerd and Associates, works with NARD to make sure all state and federal reports are filed correctly and in a timely fashion.

The program is audited annually by independent auditors. In addition, the program is audited by the Nebraska Department of Insurance (NDOI) every four years. The program has been audited three times by the NDOI, most recently in May of 2018. There were no recommendations for changes from the NDOI audits.

### NARD Health Premium vs NARD Premium at National Average Increases

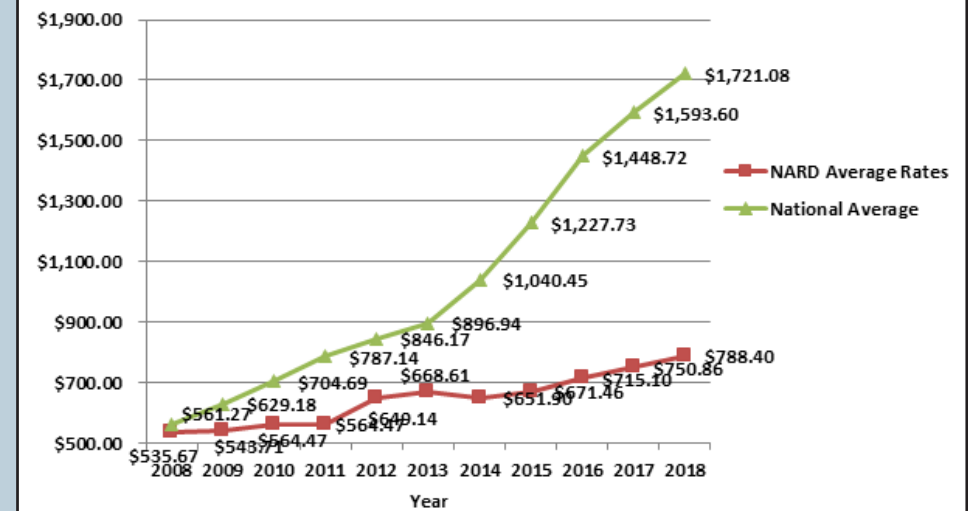


Chart 1 shows the NARD insurance premium increase compared with the national premium average for the past several years.

### NARD Premium Increases vs. National Average

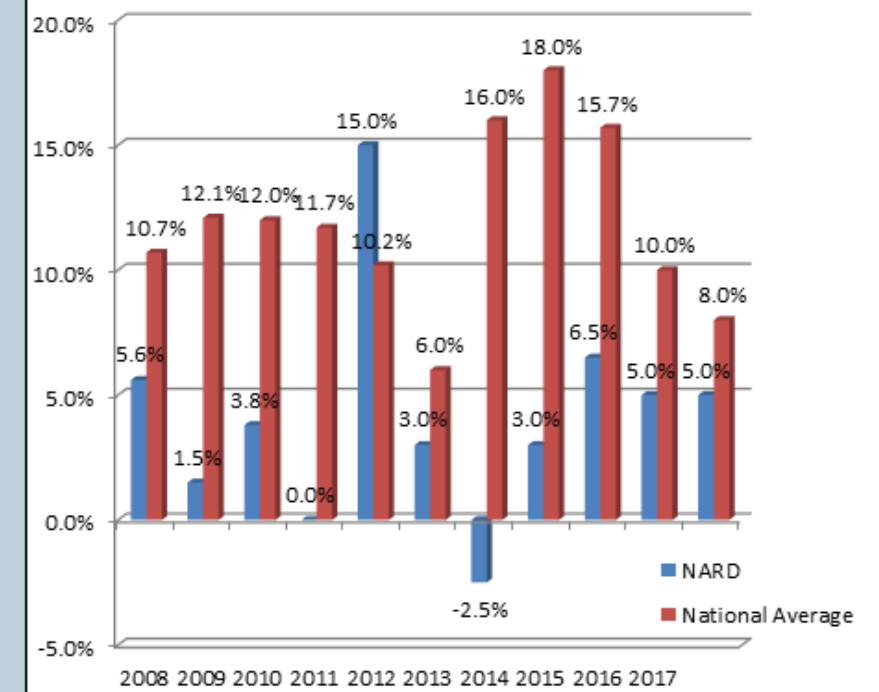


Chart 2 shows the actual NARD insurance premium cost compared to what the NARD insurance premium would be with the national average increases.



# Nebraska Association of Resources Districts

Nebraska's Natural Resources Districts (NRDs) worked together with the Natural Resources Committee and other state senators during the 2018 Legislative Session to protect the future of Nebraska's natural resources. A major issue was to resolve the property tax issue via LB 758 on the NCORPE property owned by four local NRDs. After the session was over, the Nebraska Supreme Court ruled favorably on the Rock Creek project owned by the Upper Republican NRD which is like NCORPE. The court ruled that ownership of the land is for a public purpose because it relates to the right to use groundwater underneath it. The Supreme Court ruled the land must be tax exempt and the grazing of the land was incidental to the overall operation and does not require taxes to be paid.

Another one of our major issues was to get the levy authority extended for districts that are determined to be fully or over-appropriated. Thanks to the hard work from Senators John Stinner, Curt Friesen and Dan Hughes we came close.

Another major issue which failed to advance was LB 218, which would have forced the sale of NCORPE property as proposed by Senator Groene. The bill did not advance out of committee and was indefinitely postponed at the end of the session.

## Bills Approved and Signed into law.

### **LB 758e - Require collaboration between natural resources districts and counties under the Nebraska Ground Water Management and Protection Act. Hughes. (Natural Resources Priority)**

The Legislature gave final approval to LB 758e on February 23rd by a 45-0-4 vote and the bill was approved by the Governor on February 28th. The bill included the emergency clause, so it took effect when approved by the Governor.

Throughout each stage of floor debate, the bill was subject to long filibusters not necessarily against the bill itself but rather because a bill to repeal the Prairie Dog Management Act debated prior failed to advance. The bill was previously advanced to Select File on January 31st by a 47-0-2 vote, after adopting the committee amendment on a 46-1-2 vote, and advanced to Final Reading on February 12th by a 47-0-2 vote.

The original bill would have required a natural resources district or districts that acquire private land to develop and operate a water augmentation project for streamflow enhancement to collaborate with representatives of the county in which such land is located to lessen any impacts to such county's property tax base while ensuring that the objectives of the project are met.

The Natural Resources Committee amendment eliminated the original language and replaced it with specific language regarding augmentation projects and voluntary in-lieu-of tax payments. The details follow.

## Committee Amendment Details

The Natural Resources Committee amendment, which is now the bill, will allow a natural resources district or districts that acquire private land to develop and operate a water augmentation project for streamflow enhancement to make voluntary payments in lieu of taxes to the county treasurer of the county in which the land is located.

A payment in lieu of tax may be made for any year in which the joint entity or natural resources district owns the land, including any year prior to the effective date of this act. The amount of the payment in lieu of tax for any year cannot be more than the real property taxes that would have been paid on the land for such year if the land were subject to taxation.

The amendment will also require the county treasurer to allocate the payment in lieu of tax to the taxing units in the county in the same proportion that property taxes would have been allocated to such taxing units if the land were subject to taxation.

For any future augmentation project operated by a natural resources district or districts, and after they have secured a contract or memorandum of agreement to acquire title of the private land, they will need to do the following:

- Provide public notice of the joint entity's or district's intention to proceed with the water augmentation project. The notice shall include the project's intended purpose, an estimate of the amount of water that will be pumped for augmentation, and the timeframe in which the water will be used;
- Hold a public hearing and accept public comment on the project;
- Seek the input of officials from the county in which the project will be located and adjoining landowners on ways to minimize the effects of the project on the county.

For any existing augmentation project operated by a natural resources district or districts, they will be required to publish an annual report that includes the following information regarding the project:

- Details on the operation of the project;
- The amount of water pumped;
- The amount of land leased and for what purposes;
- The amount of revenue gained from land leases;
- The amount of any taxes paid;
- Financial details of the project, including the amount of debt, the amount of outstanding bonds and loans, and the project budget;
- Whether the project is achieving its intended purpose;
- The effect of the project on groundwater supplies; and
- Projections for use of the project in the future and the effect of the use on ground water supplies.

Finally, a natural resources district or districts that have acquired title to private lands for the purpose of developing and operating a water augmentation project for streamflow enhancement, shall submit all leases relating to such lands to the appropriate county assessor within thirty days after the effective date of the lease.

Senator Groene signed on as a co-sponsor of the bill and the amendment.



NCORPE Grassland Being Drilled

## Background on the Issue

The bill is targeted at the NCORPE property in Lincoln County. The Nebraska Cooperative Republican Platte Enhancement Project (NCORPE) is a joint project of four Natural Resources Districts (NRDs) that is designed to help the State of Nebraska and NRDs meet interstate and intrastate water obligations. The land in the project was sandhill grasslands until the 1970's, when Prudential Insurance Company purchased the land and converted it to irrigated cropland. This purchase led to I-300, a constitutional amendment to prohibit corporate ownership of farm land.

After the land changed hands several times, the four NRDs bought it in 2012 from a hedge fund located on the east coast which was operating it as an irrigated corn and potato farm. The NRDs are in the process of restoring all the

# Legislative Update 2018

fragile land back to natural grasses. The water that was once used for irrigation is pumped to the Republican River only in water short years to help the State of Nebraska maintain compliance with the interstate water compact. Absent of the project, up to 300,000 irrigated acres would need to be shut down in the Republican Basin. The project also uses some of the water for the Platte River Recovery Project, protecting irrigators in the Twin Platte NRD. Absent of the project, thousands of irrigated acres in Lincoln County would also need to be shut down.

The NRDs involved with the project have paid property taxes on the land since it was purchased in 2012 but could only do so under protest as land owned by political subdivisions is exempt from taxation under the Nebraska Constitution. The case had to go before the Nebraska Tax Equalization and Review Commission which held in 2017 that property owned by the NRDs is used for a public purpose and should be tax exempt as outlined in the Nebraska Constitution. The commission ordered the taxes refunded.

After the session was over, the Nebraska Supreme Court ruled favorably on the Rock Creek project owned by the Upper Republican NRD which is like NCORPE. The court ruled that ownership of the land is for a public purpose because it relates to the right to use groundwater underneath it. The Supreme Court ruled the land must be tax exempt and the grazing of the land was incidental to the overall operation and does not require taxes to be paid.

## NCORPE Groundwater Levels

Groundwater levels on the NCORPE project have risen up to 13' at various locations across the NCORPE property since pumping ended in May of 2017. No pumping occurred during the growing season this year and rises in the groundwater levels are expected to continue. The project only pumps groundwater when needed for Republican River Compact Compliance and is idled during the years when no additional water is needed. There is abundant groundwater underlying NCORPE – the saturated thickness of the Ogallala Aquifer in the area is approximately 400-600 feet.

### **LB 944e - Provide, change, and eliminate provisions relating to appropriations and reduce appropriations. Speaker Scheer, on Behalf of the Governor.**

The bill, as proposed by Governor Ricketts, would have made across the board reductions of 2% in FY 2017-18 and 4% in FY 2018-19 for most agencies. The cuts were part of the plan to address the projected \$173 million shortfall in the biennium budget.

The Committee Amendment AM 1699 decreased the proposed 11.5% FY 18-19 General Fund cuts to Department of Environmental Quality program 513, 586, 587 and 588 to 9.6%.

The amendment also reduced the proposed 4% FY 18-19 General Fund cut to Department of Natural Resources Program 334 (General Operations) to 2%.

There are a couple of significant increases in spending in the bill. First, an additional \$35 million is provided to child welfare and public assistance over the biennium. It also increases funding for new corrections officers and \$6.5 million to add a 100-bed dormitory at the Nebraska State Penitentiary.



Harper's Ferry, Washington D.C. NRD Conference



Nebraska's Congressional Delegates, Washington D.C. NRD Conference

There were several reductions in funding for natural resources, which included the following:

- Nebraska Soil and Water Conservation Fund** – Reductions of 2% in FY 2017-18 and 4% in FY 2018-19.

- Nebraska Resources Development Fund** -- Reductions of 2% in FY 2017-18 and 4% in FY 2018-19.

- Nebraska Water Sustainability Fund** – No change in FY 2017-18 and 4% reduction in FY 2018-19. Note that the transfer bill (LB 945) reduces the transfers to the fund by \$3.47 million, almost equivalent to the amount the commission held back from distribution in the past year.

- Department of Natural Resources operations**-- Reductions of 2% in FY 2017-18 and 2% in FY 2018-19. In addition, \$500,000 in re-appropriated funds for FY 2017 are proposed to go back to the General Fund.

- Small Watersheds Flood Control Fund** – Transfer the unobligated June 30, 2018 balance, on or before June 30, 2019, on such dates and in such amounts as directed by the budget administrator. Approximately \$737,000.

- Nebraska Department of Agriculture Buffer Strip Incentive Fund** – Transfer \$50,000 to the General Fund on or before June 30, 2019, on such dates and in such amounts as directed by the budget administrator.

- Chemigation Costs Fund** - Transfer \$50,000 to the General Fund on or before June 30, 2019, on such dates and in such amounts as directed by the budget administrator.

### **LB 945e - Provide for transfers of funds and change transfer provisions. Speaker Scheer, on Behalf of the Governor.**

The bill, as proposed by Governor Ricketts, would have made several adjustments in transfers to assist in addressing the \$173 million shortfall over the next biennium.

The Committee Amendment AM 1700 decreased the proposed transfer from the Game and Parks Capital Maintenance Fund to the General Fund from \$9.0 million to \$8.0 million.

The amendment also added language that money received by the state for settlement of claims regarding Colorado's past use of water under the Republican River Compact be credited to the Water Resources Cash Fund in the fiscal year which it is received.



# Nebraska Association of Resources Districts

Related to natural resources programs, the legislation made the following changes:

- **Critical Infrastructure Fund** – The program funds the levee improvements near Offutt Air Base in Bellevue. The change allows a transfer of \$384,222 plus any accrued interest, from the fund to the General fund on or before June 30, 2019.
- **Water Sustainability Fund** – The program provides funding to the Natural Resources Commission to fund water projects statewide. The bill reduces the transfer from the General Fund from \$9.47 million to \$6.0 million, a \$3.47 million reduction.
- **Nebraska Litter Reduction Fund** – The bill increases the transfer from the Litter Reduction Fund to the General Fund from \$200,000 to \$700,000.
- **Nebraska Game and Parks Capital Maintenance Fund** – The bill increases the transfer from the Game and Parks Capital Maintenance Fund to the General Fund from \$4.5 million to \$8.0 million.



Loup Power District Tour, NRD I&E Meeting, Columbus, NE

## Bills that failed to advance and were Indefinitely Postponed

### LB 98 - Extend certain levy authority for natural resources districts. Friesen. (Stinner Priority)

Senators failed to invoke cloture on LB 98 on March 7th, 2018, by a 27-14-8 vote. Thirty-three votes are necessary to invoke cloture and vote to advance the bill. Senators Stinner, Friesen and Hughes did a tremendous job arguing the merits of the legislation but could not overcome opposition to the bill from Senators Groene, Erdman and Governor Ricketts. The local revenue source for NRDs in the fully and over-appropriated areas to address state mandates and water sustainability programs will end this fiscal year.

On February 12th, 2018, Senator Stinner declared LB 98 his Priority Bill for the 2018 session.

The bill proposed to extend the maximum 3-cent levy authority for fully or over-appropriated districts from FY 2017-18 to FY 2025-26 so current successes can continue and future programs can be developed to improve water supplies. The levy can only be used to implement groundwater management activities and integrated management activities under the Nebraska Ground Water Management and Protection Act.

The vote for cloture follows:

- **Voting YES (27):** Baker, Blood, Bolz, Bostelman, Chambers, Crawford, Friesen, Hansen, Harr, Hilkemann, Hughes, Kolowski, Kolterman, Krist, Lindstrom, Linehan, McCollister, Morfeld, Pansing Brooks, Quick, Smith, Stinner, Vargas, Walz, Watermeier, Williams and Wishart.
- **Voting NO (14):** Albrecht, Brasch, Brewer, Briese, Clements, Erdman, Geist, Groene, Halloran, Hilgers, Lowe, Murante, Riepe, and Thibodeau.
- **Not voting (8):** Ebke, Howard, Kuehn, Larson, McDonnell, Scheer, Schumacher and Wayne

Please take time to thank the state senators that voted “yes” on LB 98 this year.

Last year (May 2nd, 2017), Senator Friesen came within two votes to gain cloture on LB 98 which would have ended debate and allowed for a simple majority vote on advancement of the bill. The vote was 31-9-9. A cloture vote to end a filibuster requires 33 votes. The May 2, 2017 cloture votes follows:

- **Voting YES (31):** Albrecht, Baker, Blood, Bolz, Bostelman, Brasch, Brewer, Chambers, Crawford, Ebke, Friesen, Hansen, Harr, Hughes, Kolowski, Kolterman, Larson, Lindstrom, Linehan, McCollister, Morfeld, Quick, Scheer, Smith, Stinner, Vargas, Walz, Watermeier, Wayne, Williams and Wishart.
- **Voting NO (9):** Clements, Erdman, Geist, Groene, Halloran, Hilgers, Kuehn, Lowe, and McDonnell,
- **Present and not voting (9):** Briese, Craighead, Hilkemann, Howard, Krist, Murante, Pansing Brooks, Riepe, and Schumacher.

The following provides a summary of what the 3-cent levy meant to the local economy.

- *The 3-cent levy authority is commonly used as matching funds for grants from the Environmental Trust, The Water Sustainability Fund, and other grants and funds. Providing matching funds allow districts to leverage the local tax dollars to keep taxes in the district as low as possible while still accomplishing the edicts in LB962.*

- *The successful partnership has annually provided an estimated 9.78 billion to 39.12 billion gallons of water benefit to the Platte River and 13.04 billion to 16.3 billion gallons of water benefit to the Republican River. At the same time, irrigated acres have been preserved to protect the local economy and the state economy.*

- *Eliminating the 3-cent levy does not remove an NRD’s obligations, rather it forces irrigators to take the full brunt of groundwater management program funding by increasing occupation taxes and increasing regulations.*

- *Without the 3-cent levy authority, NRDs will be forced to use occupation tax dollars to fund necessary programs. Occupation tax dollars are only paid by a district’s irrigators, who will see an exponential tax increase relative to the existing levy. If the shift occurred an average sized farm in Central Platte NRD, for example, could expect to see an approximately 115% increase in their taxes with total obligations increasing from \$1.60 per acre to \$3.43 per acre.*

- *If the 3-cent levy sunsets, regulations may be required that force irrigated acres to be retired. If this occurs, property taxes would increase for all others in the district. As the number of irrigated acres shrinks, because regulations require additional irrigated acres be retired to maintain sustainability, land values will fall, and the property tax levy must rise to compensate. Retiring irrigated acres will also result in an economic downturn for that region, resulting from the lack of activity on un-farmed acres.*

- *When LB 962 was passed in 2004, it set out very particular requirements for districts that had been designated as over or fully appropriated (i.e. using too much water). The levy authority was put in place to help those districts find ways to maintain sustainability within their districts by reducing water use and putting water back in the river.*



General Managers Meeting, York, Nebraska

# Legislative Update 2018 Continued

- *Proper regulation of water resources affects more than the irrigators of this state. Every day, Nebraskans use the state’s groundwater and surface water resources when they turn on a tap, run their washing machine or dishwasher, or water the lawn.*
- *Our state’s water belongs to all Nebraskans. Water managed by these projects in western Nebraska recharge municipal wellfields downstream all the way to Omaha.*



Nebraska Senator Dan Watermeier’s Farm, Basin Tour 2018

### LB 218 - Provide for installation of ground water pumps by public entities. Groene.

The Natural Resources Committee accepted testimony on LB 218 on February 15th, 2017. The bill proposed to place restrictions on the use of land and water used for augmentation projects for interstate compacts. The bill would also require the sale of the land used for augmentation projects. The bill directs the Department of Natural Resources may adopt and promulgate rules and regulations to implement the proposal.

At the hearing on the proposal, Senator Groene mentioned the NCORPE project may have kept Nebraska in compliance with the Republican River Compact, but the project should be stopped, sold and restored to crop land. However, the bill would allow the water rights to be held by the NCORPE after the land is sold, essentially ending the right to use groundwater under the overlying land.

Don Blankenau, legal counsel for NCORPE provided testimony in opposition pointed out the consequences and risks associated with selling the land, creating monumental problems and a major change in Nebraska water law. Blankenau pointed out that under the bill, the pumping rights could be retained which severs the groundwater from the land which counters current Nebraska water law. Nebraska water law is founded in common law that ties the volume of water that can be withdrawn to the amount of land that you own. There is no water right in Nebraska that allows or guarantees the ability to pump a volume of water in excess of a volume that can be reasonably used on the amount of land that you own. Separating the land and water creates a risk that an adjoining land owner could seek an injunction to limit the volume to the land area owned.

What that means is the more land a person owns, the more water that landowner may withdraw and put to beneficial use. In the case of NCORPE, it was necessary to be able to pump a large volume of water when needed to provide important protection for all water users within the Republican River Basin, Platte River Basin, and Nebraska taxpayers generally. The need for a large volume of water required NCORPE to own large tracts of land.

While the Legislature has modified the common law over the years, it never fully abrogated the core legal principle by severing the right to access ground water from title to the land. Blankenau pointed out they didn’t do so for one over-arching reason: doing so would open the door to a host of interwoven legal issues that could result in significant disruption to water management programs and to investment backed expectations. This is an important issue

for all large water users like augmentation projects and municipal suppliers.

As an example, if the water was separated from the land, a situation is created where Denver could buy a small parcel of land and install large capacity wells and pump as much water as they want.

Jasper Fanning, Manager of the Upper Republican NRD, presented testimony in opposition to the bill on behalf of the Nebraska Association of Resources Districts. The NCORPE project is Nebraska’s primary tool chosen to comply with the Republican River compact and to assist with the Twin Platte’s compliance with their IMP and the Platte Cooperative Agreement. The project pumps water in water short years and remains idle during other normal or wet years and the groundwater levels in the area are allowed to recharge.

Fanning noted the alternative to NCORPE would be to shut down 174,000 irrigated acres in the rapid response area basin-wide and increased administration of surface water. Because there is no immediate benefit to the river, this action would only yield about 15,000 acre feet of water, if surface water was also regulated, it might not even be enough for compliance. In three years, the number could grow to 45,000 which might get closer to compliance, but those acres – both ground and surface water sources – would have to remain non-irrigated well into the future.

Kent Miller, General Manager for the Twin Platte NRD, also pointed out that if NCORPE and other projects were not undertaken in the Twin Platte NRD, about 50,000 irrigated acres would have to be shut down in Lincoln and Keith counties to meet the obligations of the first increment of the Platte River Recovery Program.

### LB 887 - Clarify requirements for exceeding budget limitations under the Nebraska Budget Act. Murante.

The Government Committee advanced LB 887 to General File on February 23rd, 2018, with Committee Amendment AM 1781. The bill was not advanced debated further and was indefinitely postponed.

The bill proposed to change the requirement for a government unit to exceed its budget limit for a fiscal year by up to an additional 1% from the affirmative vote of at least 75% of the governing body to 75% of all members of the governing body.

Testimony on LB 887 occurred on Thursday, January 18th, 2018. In his opening, Senator Murante mentioned that last year there was confusion on the meaning of at least 75% of governing body, whether it meant those present or total governing body. Current law requires vote of 75% of body, and there is some dispute over 75% total present or 75% of total board.

The current law requires 75% of those in attendance has been clarified by the State Auditor and Attorney General.

The Committee Amendment (AM 1781) did not propose to change the original bill but added a restriction to the ability of primary class cities to enter into installment contracts. The amendment would have limited the aggregate principal amount of such contracts to 20% of the general obligation bond debt approved by the voters of the city.



Flanagan Lake Press Conference and Opening, Omaha, Nebraska



# A Letter from the Executive Director



Dean Edson

The Nebraska Association of Resources Districts (NARD) staff is honored to be working for the NRD directors and staff. The NARD staff is dedicated to providing assistance to the NRDs with legislation, tree programs, water management, youth programs, benefit programs and public relations. For the 20th year in a row, the NARD has balanced its budget and added to the reserves. This is thanks to member involvement from the NRD Board members and staff. To

Dawson County continue to protect irrigators in the area while keeping Nebraska in compliance with the Platte River Recovery Program. The Papio Missouri River NRD and Lower Platte South NRD have built several successful flood control structures that continue to protect lives and property in Nebraska's two largest communities.

Another historical development led by the NRDs is the Memorandum of Understanding (MOU) that was developed for the Niobrara Basin. Under the agreement, the NRDs in the Niobrara Basin will purchase the NPPD Spencer Hydro facility and water rights and work with the Nebraska Game and Parks Commission in a collaborative manner



Niobrara River and Spencer Dam

to achieve sustainable water supply within the Basin for the residents of the Basin and all Nebraskans. All parties involved in the MOU recognized the importance of the Niobrara River to the Basin and the State of Nebraska and desire to safeguard sufficient water for the long-term integrity of the Niobrara River that will protect the water in the basin for all users and uses.

“There will be more challenges for NRDs in the future. However, the local districts are poised to handle them.”

- Dean Edson

On the water quality front, the Shell Creek Watershed is celebrating a monumental success, with the Shell Creek being de-listed for atrazine from the Clean Water Act List of Impaired Waters by the Environmental Protection Agency (EPA). This is the first successful example of a water source being removed from the impaired waters list for atrazine not only in Nebraska, but across the nation. The Lower Platte North NRD worked with landowners and citizens along Shell Creek and improved the water quality. More than 19 years of local conservation efforts and the implementation of a comprehensive watershed management plan led to this historical celebration.

Nebraska's Bazile Groundwater Management Area (BGMA) Project is the first federally recognized groundwater-focused plan to address nonpoint source pollution in the nation. The BGMA Plan to address nitrate contamination is the result of a collaborative effort between NDEQ and Lewis and Clark NRD, Upper Elkhorn NRD, Lower Elkhorn NRD and Lower Niobrara NRD.

That's just a few of the accomplishments of the NRDs. The NARD staff is proud and excited to assist all the local NRDs to protect lives, protect property and protect the future.

- Dean Edson, Executive Director  
Nebraska Association of Resources Districts

all of you, thank you very much!

The NARD manages the Health Insurance Risk Pool and Retirement Programs for the benefit of NRD staff. The NARD also manages the retirement program for NRD staff which continues to grow.

The NARD also manages the NARD Foundation which has grown significantly over the past 15 years. The fundraisers at the annual meeting and member involvement help grow the program each year. What started out as a small foundation in 1997 with \$4,100 in assets, and helped fund only one internship in Washington, DC, has grown to nearly \$19,000 in funding in 2018 to 11 educational programs reaching thousands of individuals in Nebraska.

The NARD Foundation owns the NRD building at Husker Harvest Days which greatly enhances the visibility of the NRDs at the event. The foundation also provided funding to the Ag Experience Building at the Nebraska State Fair which is a great public showcase for Nebraska agriculture and natural resources. These events provide opportunities to reach thousands of individuals.

There will be more challenges for NRDs in the future. However, the local districts are poised to handle them.

Major water infrastructure has been built and rehabilitated by the local NRDs. Thanks to the Republican Basin NRDs and Twin Platte NRD, the N-CORPE project, a \$125 million project was completed in less than three years in the Republican Basin, kept Nebraska in compliance with the Republican River Compact and protected 300,000 irrigated acres in Southwest Nebraska. The Twin Platte NRD will finish the Platte Basin portion in 2018.

The Central Platte NRD agreements with four irrigation canals in

NARD Events

- Annual Conference - Basin Tours - NARD Board Meetings
- NRD Managers Meetings - Legislative Conference
- I&E Meetings - Washington D.C. Conference
- Public Relations Outreach - Technician Trainings
- Tree and Recreation Workshops

Contact NARD

Nebraska Association of Resources Districts  
601 S. 12th St., Suite 201  
Lincoln, NE 68508  
(402) 471-7670  
Email: [nard@nrdnet.org](mailto:nard@nrdnet.org)  
Fax: (402) 471-7677  
[www.nrdnet.org](http://www.nrdnet.org)

Like us on Facebook at Nebraska's Natural Resources Districts and Follow us on Twitter @NebraskaNRDs