

Integrated Management Plan Stakeholders Meeting

Twin Platte Natural Resources District

April 19, 2005

Stakeholders present: Phil Armstrong, Don Colvin, Burdette Cooley, Jim Goeke, John Kilpatrick, Steve Krajewski, Tina Kurtz, Frank Kwapnioski, Jim Meisner, Dudley Oltmans, Roric Paulman, Robert Petersen, Page Peterson, Dennis Schilz, Jerry Steinke, Mike Svoboda, Doug Teaford, Steve Van Boening, Joe Wahlgren, Mike Wheeler, Robert Wiseman.

Stakeholders absent: Jim Hawks, Todd Kramer, Marion Kroeker, Kenneth Schilz, Jerry Weaver

Resource People: Jim Cannia, Jim Cook, Ann Diers, Amy Mapes, Don Kraus, Kent Miller

The Stakeholders Meeting was called to order at 6:30 p.m. CDT.

Introductions

Guest speakers were introduced: Jim Cook is Legal Counsel for Nebraska Department of Natural Resources. Don Kraus is General Manager of Central Nebraska Public Power and Irrigation District.

Notebooks

Stakeholder notebooks were distributed to members of the Advisory Group. These books contain agendas, meeting information, ground rules, meeting notes, list of members with contact information, Nebraska statutes (Nebraska Ground Water Management and Protection Act-Chapter 46-Article 7, Article 6 and Article 2), a draft of the Twin Platte NRD Ground Water Management Plan, and drafts of IMPs from other NRDs in the state.

Educational Presentation – Platte River Cooperative Agreement – Jim Cook

On July 1, 1997, Nebraska, Colorado, Wyoming and the U.S. Department of the Interior signed the Platte River Cooperative Agreement, which calls for the joint development of a basin-wide “program for the recovery and protection of 4 endangered species” (Program). Jim Cook explained the key elements of this agreement and the steps being taken to formulate a workable Program that would be voluntary, cooperative, phased and basin-wide. He also provided the group with a document entitled “Platte River Cooperative Agreement and What It Means to the State of Nebraska” (attached) which provided more detailed information about this cooperative agreement and Program.

Key points from Mr. Cook’s presentation:

1. Primary Goal: Protect, improve and maintain habitat for four endangered species located between Lexington and Chapman and impacted by water use basin-wide in North and South Platte Rivers.
2. Responsibility for devising and implementing a cooperative program rests with a Governance Committee made up of representatives from the US Fish and Wildlife Service (USFWS), State of Colorado, State of Nebraska, State of Wyoming, US Bureau of Reclamation, water users from 3 parts of the Platte River Basin and environmental organizations.
3. This is a phased, adaptive management approach. Phase 1 is expected to be 13 years long and will begin in 2006. Proposed Program components include the following:
 - a. The Water Action Plan (WAP) is designed to improve flows for targeted species in the Central Platte River at times when target flow shortages would otherwise occur. USFWS estimates there is a 417,000 acre-feet (af) shortage in current flows, but the first increment goal of the Program would be to reduce those shortages by 130,000 to 150,000 af. A variety of techniques are being proposed to bring “new water” into the river and to retime existing flows to reduce the estimated shortage.

- b. New Depletion Plan is designed to prevent an increase in shortages to target flows because of new or expanded uses of water begun on or after July 1, 1997. Any new surface water and groundwater uses that contribute to target flow shortages is subject to mitigation, either with water or with dollars that could be used to produce water. Cooperative Hydrology Studies (COHYST) models will be used to determine the extent of depletion and the effects of offsets implemented.
 - c. A Land Habitat Plan calls for the first increment development and protection of 10,000 acres of suitable habitat for the targeted species between Lexington and Chapman. Long-term, as many as 29,000 acres may be needed. Habitat will be acquired from willing participants through leasing, conservation easements and purchases. A portion of this land has already been acquired and land owned by Nature Conservancy may be added in at a later date
4. The first increment goal of LB962 for an overappropriated basin is the same as the new Depletion Plan objective for eliminating adverse effects to water flows caused by new and expanded uses begun on or after 7-1-1997. Subsequent increments for the IMP will address effects prior to 7-1-1997.
 5. In addition to individual IMPs, the five NRDs on the Platte River above Kearney will be working together to draft a basin-wide plan for this overappropriated section of the Platte River basin in Nebraska. The group will be appointed by the end of May 2005 and will hopefully begin work in June.
 6. Timetable: The Governance Committee is currently reviewing the Nebraska Depletion Draft Plan. The final plan for the Proposed Program (including the New Depletion Plan) should be completed by Fall 2005 with the final programmatic EIS and biological opinions finished by late 2005. If all goes well there will be a federal decision to concur with the Program by the end of 2005 and state approval within the first half of 2006. The Program would then begin on October 1, 2006.
 7. Issues remaining: Sufficiency of the plan from EPA's perspective. Fair Share funding. The federal government will pay for half of the estimated \$175-\$200 million required to implement this Program. The three states will split the remaining half of the cost. The states are requesting that real water monetary credits for state project contributions be considered in lieu of some of the cash required for the Program.

For more information on the details of these key points please refer to "Platte River Cooperative Agreement and What It Means to the State of Nebraska" prepared and distributed by Mr. Cook.

Questions and Answers:

- *What will each state contribute to the fair share funding?* Final decisions have not yet been made, but the current proposals are that Wyoming will contribute 10% in land, water and in cash, Nebraska 20% in land and water, Colorado 20% in water and cash which is to be paid by water users in the South Platte River basin.
- *How will this impact costs to irrigators?* There will be increases in costs for new uses of water (those begun on or after 1-1-06) to offset the "state protected flows." We need to decide to what extent new uses are allowed.
- *What happens if this agreement falls through?* Individual water users with a "federal nexus" would be subject to separate consultations" with the USFWS. If the environmental community believes Nebraska's use of ground water is depleting or significantly impacting stream flows they could sue the USFWS arguing that use of ground water has a federal nexus.
- *Could this shut down development in the Platte River basin?* Possibly. There is a period of uncertainty until the IMPs are in place. One option is to develop a pool of rights to use water that could be purchased and set aside for economic development. A relatively small amount of water is needed for most industrial uses. (Tina Kurtz added that a subcommittee in the South Platte NRD is working on creating a water bank to offset uses to allow that NRD to grant permits for this purpose).

- *When will the COHYST be completed?* Preliminary models are being peer reviewed now and expect to be completed in July for use after that time. This is one of the largest areas ever modeled and incorporates the largest amount of data assembled for models of this type.
- *What is the outlook for changes in the Endangered Species Act?* There has been lots of interest in changing the law but proposed changes are likely to have little impact on what is being proposed in this cooperative agreement. This issue is unlikely to go away.

Educational Presentation- Central Nebraska Public Power & Irrigation Dist.–Don Kraus

Don Kraus, the general manager for Central Nebraska Public Power and Irrigation District, presented background information about water facilities in this region and CNPPIDs perspective on impacts from water usage in the TPNRD area. Key points from this presentation:

1. CNPPID is a political subdivision governed by a 15-member board elected from 7 Nebraska counties. The hydroelectric facilities at Kingsley Dam and on Central's supply canal were recently re-licensed by FERC after 14 years of negotiation and discussion. FERC license conditions include:
 - Agreement to add 4500 acres of habitat. This was accomplished in part with Nature Conservancy land (Kelly Ranch) and Jeffery Island
 - An environmental account managed by USFWS receives 10% of inflows to Lake McConaughy.
 - Annual monitoring is required: tern/plover surveys, sandpit habitat, neotropical birds
 - Minimum flows based on Lake McConaughy levels are required at Keystone and CNPPID diversion dam at North Platte
2. Maps of the source of Central's water supply in the North and South Platte River Basin demonstrate how surface water irrigation recharges ground water through seepage which creates return flows (which is a benefit to Nebraska in the Cooperative Agreement)
3. Also shown was a map of Central's and NPPD's Hydro-Irrigation projects which include Lake McConaughy, the NPPD Canal system, NPPD's Sutherland Reservoir, Central Canal, Johnson Lake, hydroelectric facilities and the canal and river.
4. CNPPID provides the following benefits:
 - Irrigation water to more than 113,000 acres with supplemental irrigation to another 34,000 acres when McConaughy is above a specified level. In addition NPPD's storage account is used to irrigate another 76,000 acres
 - Hydroelectric power generation: Total capacity is 113 Megawatts. All power is sold to NPPD for distribution.
 - Ground Water Recharge: Leakage from Central's canals and reservoirs have contributed more than 310,000 af to groundwater supplies in addition to return flows to the river from irrigation. Most water in the Platte since September has been a result of return flows from irrigation in prior months or from tributaries below Lake McConaughy since there has been no new release of water from Lake McConaughy into the system since early fall.
 - Recreation: There are over 1 million visitor days at Lake McConaughy, Lake Ogallala, Jeffries and Johnson Lake. (Lake McConaughy, designed to hold 2 million af, now contains 630,000 af)
 - Fish and wildlife habitat
 - Power plant cooling
 - Flood Control
5. 2005 Water Supply projections:
Total inflows since last fall of 345,000 af to be allocated as follows:
 - 55,000 af -- FERC release requirements for Gerald Gentlemen cooling
 - 35,000 af – EA account
 - 115,000 af – NPPD (used to refill NPPD storage to 125,000 af)
 - 20,000 af – Losses
 - 150,000 af – Central's supply

Central plans to deliver 6.7" per acre to irrigators (which is less than half the normal allocation)
The irrigation season will be from June 28 to August 22 (8 weeks vs. a normal 12 week season)
Late July - August they will stop pulling from McConaughy and draw down Johnson Lake 8 to 10 feet

6. Existing iniquities that need to be addressed in the IMP: As surface water, stream flows, reservoirs, surface water irrigation and hydroelectric power production decrease, ground water use increases, particularly in times of drought. There has been significant ground water development upstream of Lake McConaughy (over 100,000 af of impacts annually during drought)
7. Current Trends:
 - NRD and DNR approach;
 1. Focus on offsetting depletions since 1997
 2. Little focus on management or how we are going to get there
 3. Little focus on conflict resolution
 4. Little focus on long term goal of moving to fully appropriated and steps to get there.
 - Consultation and Collaboration:
 1. Definition: What is meant by consultation and collaboration?
 2. Local stakeholder focus
 3. Effective participation by Central?
 - Basin-wide approach
 1. Look at the bigger picture to see if guidance is needed for NRD plans
 2. Address inter-NRD conflicts
8. Components of the IMP: Principles
 - Fairness and Equity: Central deliveries = 6.7" per acre, Pumpkin Creek = 14" per acre, remainder of NRD = unlimited. Access to surface water stored underground in Central irrigated area(state recognizes storage of 6 million acre feet)
 - Limited and Variable Water Supply: Annual operation plan reflects water supply available, limits on winter releases, lower lake levels
 - Address existing conflicts: Ground and surface water and Pumpkin Creek
 - Timely Implementation: Drought means that conflicts are ongoing. Need IMPs that go beyond the 1997 deficit.

Questions and Answers:

- *What percentage of the irrigated acres are Central's?* On average, 80% of inflows to McConaughy are return flows from delivery of water to the Panhandle. There are 340,000 irrigated acres in Panhandle of Nebraska. CNPPID and NPPD supply water for 210,000 acres (or less than this when McConaughy is below 800,000 af). Colorado has about 1 million irrigated acres.
- *When there are rains in the valley below McConaughy do you still need to release water for the power plant in Sutherland?* Water must be sent to Sutherland but there would be lower demand for irrigation so less would be released for that purpose.
- *When delivering less than normal, are users billed less?* No. There is a water user fee of \$25/acre for 18" of water if irrigators have agreed to sign an amendment which provides an incentive for conservation. This year they will be billed the same amount but only get 6.7". In the history of this district they have never delivered less than 18" before this year. This is the most severe drought in this area since the 1950's.
- *To deliver 6.7", how many inches must you draw out?* For 2005, it's about a 4 to 1 ratio. 260,000 acre feet released to deliver 60,000. The excess released recharges the ground water.
- *What percentage of customers has supplemental groundwater wells?* Estimated 40%
- *How much is in the USFWS account?* It is now at about 100,000 af. It accumulates if USFWS does not use it.
- *What is the condition of reservoirs upstream from McConaughy?* Still depleted so there will only be a 60% delivery of normal water to the Panhandle

- *What is Central's involvement in the 8 projects in the first phase of the Platte River Cooperative Agreement?* 1. A new small reservoir near Johnson 2 will be filled when flows are above the USFWS target flows, 2. Irrigators in the CNPPID system may sign up for the CREP program with water set aside temporarily in Lake McConaughy (this is not a Cooperative Agreement program), 3. Hydro Interference - When less water is released in the winter months CNPPID and NPPD would contribute water to the environmental account and receive compensation to offset lost hydroelectric production. 4. Central customers may participate in a water leasing program sponsored by the Cooperative Agreement which would lease storage water in Lake McConaughy with the leased water transferred to the Environmental Account.

Overappropriated Basin – Stakeholder Group Appointment

Kent Miller shared information about the formation of a Stakeholder Group for Consultation and Collaboration in the drafting of an IMP for the overappropriated sections of the Platte River Basin. The purpose of this group is to make recommendations to the DNR and NRDs regarding the basin wide plan. They would also serve as liaisons to the local stakeholder groups and other members of their respective stakeholder categories. Each of the five NRDs will select 4 representatives. Ideally these will be members of their own Stakeholder's group. For each NRD, one member would represent municipalities, one member would represent ground water users, and one member would represent surface water users. The other member would be selected to best represent the predominant interests in each district. Additional members will be identified by DNR. The goal is to complete appointment of the basin stakeholder group by May 31, 2005.

Kent asked the group to consider the following people to represent TPNRD in this basin wide group: Jim Hawks (municipalities), Roric Paulman (ground water users), Don Colvin or Phil Armstrong (surface water users) and Dudley Oltmans (finance and economic development). Steve Krajewski suggested that Doug Teaforde might be a better choice since he could also represent recreational interests at Lake McConaughy in addition to counties and finance. The group brought no other suggestions forward. The TPNRD Water Resources Subcommittee will make a recommendation to the TPNRD Board of Directors and the Board of Directors will make the final decision about who will be appointed.

Future Meetings

A list of potential speakers and meeting topics prepared by Kent Miller was reviewed and discussed. The group agreed with this outlined plan of work at this point. Additional speakers and topics may be added as this process continues. Kent will work with speakers to set future meeting dates based on their availability. Meetings will be scheduled approximately every 30 days, will be held in North Platte, in the general time frame of 6:30 to 10:00 p.m. CST. Please check specific times and location for each meeting as these may vary somewhat.

The next Stakeholders Meeting will be held **Monday, May 23rd at the Holiday Inn Express in North Platte from 7:30 to 10:00 p.m. CDT.** Speakers will be Jim Goeke (Interrelationship of ground water and surface water) and Duane Woodward (COHYST).

Our June meeting will be held on **Tuesday, June 28th at the Holiday Inn Express in North Platte from 6:30 to 10:00 p.m. CDT.** Our speakers will be Roger Patterson (Surface water administration and the role of DNR in the IMP) and Kent Miller (TPNRD Ground Water Management Plan and ground water development within the TPNRD).

The meeting was adjourned at 9:40 p.m. CST.