

Long-term stream flow depletion proposed as factor to determine price paid to retire acres.

By Russ Pankonin

The Imperial Republican

Estimates show the Upper Republican Natural Resources District (URNRD) needs to retire the use of about 4,200 acre-feet of water to insure compliance with the compact settlement with Kansas.

To do that, the district has proposed an acreage retirement program that will primarily target acres near streams, tributaries and rivers.

Groundwater pumping on these acres heavily impact stream flow depletions over a short- and long-term period.

These areas have been identified as Rapid Response Areas (RRA) in which pumping over a two-year period results in a 10 percent reduction in stream flow.

That impact increases over a 50-year period to anywhere from 60 to 100 percent decline in stream flows.

URNRD board members discussed several retirement options during their November meeting with the latest plan forwarded last week during their regular meeting Dec. 7.

Last week, the board's groundwater committee recommended using a long-term benefit analysis to determine the price paid for retiring acres. This was favored over a bid process where landowners would submit a bid for the price they wanted to permanently retire irrigation on those acres.

Manager Jasper Fanning said this represents a better plan that values the retired acres based on reducing stream flow depletions.

By retiring high-impact RRA acres, Fanning said this provides the most benefit to the district, both in terms of compact compliance and helping to avoid a compact call shutdown of acres near the stream.

In the URNRD, about 22,000 acres have been identified to rest within RRA. The greatest benefit will be created by retiring acres that are near running streams and rivers, Fanning said.

A number of RRA acres in the district are west of Champion where live water flows have ceased or declined significantly.

As a result, Fanning said it would be most beneficial to target acres near the eastern end of the district with live water flows.

These retirement efforts would put water back in the streams, he noted.

He said they are also exploring the possibility of leasing or buying water from several small surface irrigation districts. This would also help meet compliance and help avoid water-short

years.

Base of \$2,000 Per Acre

The groundwater committee recommended a base price of \$2,000 per acre be paid for acres that have the highest impact on stream flows.

Fanning said they have groundwater models that show the impact pumping in a specific area has on stream flows.

On RRA acres closest to the stream, as much as 90 percent of the annual pumping will be a direct factor in stream flow depletion over a 50-year period.

Areas further away from the stream but still in the RRA can show anywhere from 60 to 80 percent impact on stream flow depletions over a 50-year period.

The committee suggested these respective 50-year factors be used to set the per-acre price paid for retirement.

For instance, if a tract showed a 90 percent long-term impact on stream flows, then the landowner could expect to be paid 90 percent of the \$2,000 per acre base, or \$1,710 per acre to permanently retire irrigation on the tract.

Fanning said to generate a savings of 4,200 acre feet of water, it would cost the district about \$8.4 million to retire the number of acres required to generate that savings.

He added this amount is not a lot different than what it would cost for an augmentation project to produce similar savings.

He said they arrived at the \$2,000 base price based on the approximate cost of augmentation versus retirement.

That price also falls in the ball park of the difference being paid for dryland ground versus irrigated ground.

The district has already collected \$5,832,732 from a per-irrigated-acre occupation tax, with another \$2.6 million anticipated this year.

The occupation tax created in LB 701 in 2007 is currently being challenged in the Nebraska Supreme Court.

To make the program work, people must be willing to retire RRA acres, Fanning said. Under the latest integrated management plan, RRA acres would likely be shut down in a worst-case, water-short year scenario, without any guarantee of compensation.

In addition to being paid to retire these acres, farmers will still be able to farm the acres under dryland conditions.

Board members are seeking input from irrigators prior to the January meeting.

A public hearing will be held before any official action is taken by the board.

Hearing on rule violations

Legal counsel Joel Burke said the district has been awaiting a proposed settlement on rule

violations committed primarily by Jack Bond of Greeley, Colo., and Bruce Kramer of Wauneta.

The board handed down sanctions for the violations earlier this year.

A request by the parties for an adjudicatory hearing on the sanctions followed the board's ruling.

Since no settlement offer has ever been presented, Burke said he will delay no longer and plans to set a hearing date in the near future.

He said it's possible the hearing could occur before the new year.