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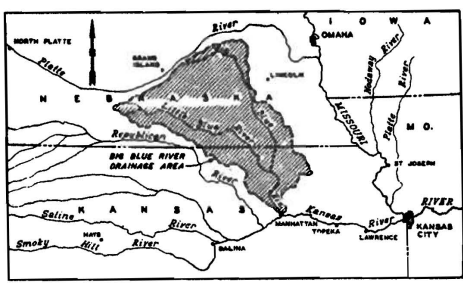
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KANSAS-NEBRASKA BIG BLUE RIVER COMPACT

TWENTY-SIXTH ANNUAL REPORT



FISCAL 1999

WATERVILLE, KANSAS
MAY 20, 1999

**KANSAS-NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**

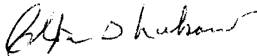
**The Honorable William J. Clinton
President of the United States**

**The Honorable William Graves
Governor of Kansas**

**The Honorable Mike Johanns
Governor of Nebraska**

Pursuant to Article VIII, Section 1 of the Rules and Regulations of the Kansas-Nebraska Big Blue River Compact Administration, I submit the Twenty-Sixth Annual Report. The report covers activities of the Administration for Fiscal Year 1999.

Respectfully,



**Clayton Lukow
Compact Chairman**

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1998-1999 MEMBERSHIP

Representatives of the United States

Clayton Lukow

Kansas Representatives

David L. Pope, Topeka ¹

Terry Blaser, Waterville ²

Nebraska Representatives

Roger K. Patterson, Lincoln ¹

Kenneth Regier, Aurora ³

1998-1999 OFFICERS

Clayton Lukow, Chairman
Pam Bonebright, Secretary
Denise Rolfs, Treasurer

1998-1999 COMMITTEES

Budget Committee

Bob Lytle, Chairperson
Ann Bleed

Engineering Committee

Bob Lytle, Chairperson
Keith Paulsen
Ann Bleed
Dale Mahan

Water Quality Committee

Dale Lambley, Chairperson
Tom Stiles
Glen Kirk
Denis Blank
Pat Rice
Mike Linder

Legal Committee

Leland Rolfs, Chairperson
LeRoy Sievers

-
- 1 Term continuous but coincides with duties of the state official who administers water law.
 - 2 Term expires September 5, 1999.
 - 3 Term expires September 19, 2001.

**MINUTES OF
KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION
TWENTY-SIXTH ANNUAL MEETING**

Call to Order

The Kansas-Nebraska Big Blue River Compact Administration annual meeting was held May 20, 1999, in the Waterville Community Center in Waterville, Kansas. The meeting was called to order at 9:00 a.m. by Clayton Lukow, Compact Chairman.

Introductions and Announcements

Introductions of attendees were made. Those in attendance were:

Clayton Lukow	Compact Chairman, Holstein, Nebraska
Roger Patterson	Nebraska Commissioner
David Pope	Kansas Commissioner
Denise Rolfs	Compact Treasurer
Pam Bonebright	Compact Secretary
Kenneth Regier	Nebraska Citizen Representative
Keith Paulsen	Nebraska Dept. Of Water Resources, Lincoln
Ann Bleed	Nebraska Dept. Of Water Resources, Lincoln
Terry Blaser	Kansas Citizen Representative
Bob Lytle	Kansas Dept. of Agriculture, Topeka
Dale Lambley	Kansas Dept. of Agriculture, Topeka
Glen E. Kirk	Kansas Water Office, Topeka
Kent Askren	Kansas Dept. of Agriculture, Topeka
Tom Stiles	Kansas Dept. of Health and Environment
Glenn Engel	U.S. Geological Survey, Lincoln
Gregory Craig	Board Member, Little Blue Natural Resources District, Fairbury
John Turnbull	General Manager, Upper Big Blue Natural Resources District, York
Dave Clabaugh	Lower Big Blue Natural Resources District, Beatrice

Minutes of the 1998 Meeting

Chairman Lukow stated that the minutes for 1998 annual meeting had been reviewed and signed by both states and were distributed prior to the 1999 meeting. There being no additions, corrections or comments, the minutes stood approved as distributed.

Report of the Chairman

Chairman Lukow spoke to two issues. One is that there is no question that between the two states, in other arenas, there are tensions. But the degree of professionalism between the two states is such that it can be set aside and get on to the business of what is best for the Blue River Basin and as chairman he appreciates that professionalism.

The main issue in the Blue River Basin has been water quality. The issue that in his judgment will have a profound impact is carbon sequestration. The Kyoto agreement that addressed global warming is extremely controversial. Global warming will have serious consequences, both positive and negative. We don't have any idea what to expect. Agriculture contributes immeasurably to the mitigation of CO₂ and that ties directly into water quality in this river basin. The Blue River Basin is favorably placed geographically. Carbon can be quantified and its value is about \$400 a ton. This could be a credit to approximately \$72 an acre. This issue will be one of the most profound issues that agriculture and the economics of this area has faced in a long time.

Kansas Report

Litigation

The damages and remedies phase of the Kansas v. Colorado lawsuit continues. The Special Master's Second Report to the U.S. Supreme Court included a determination that Colorado depleted the usable state line flow for the period 1986-94 by 91,565 acre-feet. The report was upheld by the Supreme Court without oral arguments on exceptions by Colorado regarding certain legal issues. An additional trial segment was held in May 1998 to determine the amount of depletions for 1995-96. On January 11, 1999, the Special Master ruled on the computer modeling issues related to the determination of these depletions. The States are now re-running the Hydrologic Institution Model to determine the depletions for the period 1995-96, which will be between 6,717 and 8,196 acre-feet.

Some of the issues that remain to be decided include: 1) whether Colorado will repay Kansas for past damages in water or in money; 2) whether Colorado owes Kansas past or future interest on water or money damages; and 3) whether Colorado regulations and actions are sufficient to prevent future Compact violations by Colorado. Initial briefs on the first two issues have been filed. Trial on issues related to repayment to Kansas and future compliance by Colorado is scheduled to begin in November, 1999

Additionally, a great deal of time and effort has been spent to resolve disputes between Kansas and Colorado concerning the water accounting procedures for the operation of John Martin Reservoir.

In the matter of Kansas v. Nebraska, No. 126 Original, on January 19, 1999, the U.S. Supreme Court issued its order granting Kansas leave to file its motion and gave Nebraska 60 days to answer Kansas' complaint. After receiving an extension, Nebraska filed its response and counterclaim on April 19, 1999. Kansas now has an opportunity to respond.

Legislation

During the past legislative session, there were two bills which passed that have an impact on the Division of Water Resources. House Substitute for Senate Bill No. 287: 1) requires "policies and procedures" that have the force and effect of law to be placed into rules and regulations, 2) requires water right applications to be certified within five years, 3) allows appeals of certain actions to be made to an independent hearing officer in accordance with the Kansas Administrative Procedures Act, 4) directs the Kansas Water Authority to study various water issues, and 5) authorizes the Secretary of Agriculture to review and make recommendations regarding rules and regulations promulgated by the Chief Engineer.

House Bill No. 2404 deems a water right to be abandoned if no beneficial use of the water right has been made for five successive years. The previous time was three years. Additionally, it sets up a procedure for notifying water right holders who have not reported water use for three years, to inform them of the status of their water right(s), and acceptable reasons for non-use.

Water Rights and Water Use Reports

The Division of Water Resources has developed an aggressive plan for certification of water rights in response to a backlog and the need to complete the final determination of the perfection of water rights, based on the actual use of water in accordance with the limits of the permit. Also developed is a strategy for completing a certificate of appropriation for all water rights that have expired perfection periods and are awaiting certificates, or putting them in status review for potential abandonment, focusing on a few selected areas at a time. This effort would then be followed by a pro-active approach to compliance and enforcement as the certification process is completed.

It is important to provide the most accurate water use data available for statewide analysis and to quantify water rights in the state. Because of this, the Division of Water Resources continues to pursue an aggressive water use program. A total of 11,490 irrigation water use reports and 2,494 non-irrigation use water use reports were mailed to water users in January of 1999. As of April 30th, 11,247 of the irrigation reports have been returned, and 2,204 of the non-irrigation reports have been returned. This equates to a compliance rate of over 96%.

Computer Systems

The Division of Water Resources continues to upgrade its computer systems, and the ability for employees to access the water rights data base in an efficient and effective manner. In 1996, the Oracle Database was installed, and with an integration of Geographic Information Systems technology, a product called Water Information Management Analysis System (WIMAS) has been created. This technology has been installed onto most of the technical staff's desktop computers. This allows the user to have access to all points of water diversion in Kansas in spatial map form, and at any scale desired along with all associated water right data.

Water Quality

Water quality continues to be an important issue in Kansas, and the Governor's Water Quality Initiative which began in October of 1995, and other water quality efforts, continues to be ongoing. The initiative continues to target the Kansas-Lower Republican River Basin, of which the Big and Little Blue Rivers are a part. However, some expansion of programs associated with the initiative, like enhanced monitoring and best management practices, are being introduced into other basins in the State. Additionally, Kansas is in the process of establishing the Total Maximum Daily Loads (TMDLs) for surface water features that do not meet applicable water quality standards of the Clean Water Act. A TMDL is the maximum amount of pollutant a water source can receive without violating water quality standards. Significantly more information regarding this issue will be provided in the report of the Water Quality Committee.

Nebraska Report

Commissioner Patterson began by reporting on some of the new personnel and new faces in Nebraska. Nebraska has had a gubernatorial election since the last meeting. Mike Johanns is now the Governor of Nebraska. Eight years prior to becoming governor he was the mayor of Lincoln. The Director of the Department of Water Resources, Mike Jess, who was the former director and commissioner to this compact since 1981, has joined the staff at the University of Nebraska of Lincoln. Patterson suggests providing some kind of recognition to Jess for the service he provided to this Compact and the administration. Don Blankenau, who was Assistant Director to the Department and also Legal Counsel to the Department as well as serving on committees with this Compact, has left the Department to join a private sector law firm. Ann Bleed has been appointed as the Deputy Director to the Department and LeRoy Sievers has taken over the responsibility of Legal Counsel to the Department.

Commissioner Patterson then asked the three Nebraska NRD representatives to give a report on their district's activities.

John Turnbull from the Upper Big Blue NRD submitted a written report which is included herein as Exhibit L. Pope questioned if the recharge project was finished. Turnbull responded that there was a one year federal funding and that will wrap up with in the next 12 to 18 months. The study work is virtually completed. Quarterly monitoring is continuing on ground water and surface water. The District has asked the Department of Environmental Quality to relieve them of those monitoring requirements because over a period of several years they have shown very little problems with atrazine in the ground water and surface water. Otherwise, the project will stay in operation. Pope also questioned if there had been quite a bit of recharge from the project. Turnbull responded that the reservoir holds about 300 acre-feet in storage at conservation pool, and that is usually about a half to 2/3 full rather than at the top. The recharge rate started with about a 1½ inches per day to the ground water table out of the reservoir, that was in 1990-91, when it was first constructed. Those rates are now down to about 6/10 inch a day or less. It is expected to drop to about ¼ inch per day and then level off over time.

Greg Craig submitted a report from the Little Blue NRD which is included herein as Exhibit M. A question was if the supply wells for a rural water district in both Nebraska and Kansas are located in Nebraska, Craig confirmed this. Also a question was asked under what rules does the water district fall, are they those of Nebraska? There is an interlocutory agreement between the Nebraska and Kansas counties.

Dave Clabaugh submitted a report from the Lower Big Blue NRD which is included herein as Exhibit N.

Interstate Litigation

Commissioner Patterson reported that the Nebraska v Wyoming lawsuit, concerning the North Platte River, that originated in 1986 has yet to go to trial. Nebraska is nearing the end of discovery. Depositions are being taken now. A trial date is expected late this calendar year or early year 2000. The trial will take place in Pasadena, California.

Platte River Cooperative Agreement

In 1987, the State of Nebraska along with Colorado, Wyoming and the Department of the Interior, signed what was really a truce agreeing to try to find a new way to deal with some of the endangered species issues and solutions for endangered species on the Platte. A lot of work has yet to be done. The agreement was structured so that any of the parties can walk away at any time. The Governor of Nebraska is in the process of appointing a group of citizens to advise him as to whether or not the program that is ultimately developed is good for the state.

Ann Bleed outlined the cooperative agreement history. There are 29,000 acres of habitat land, all of which will be located in Nebraska. The program is in stages and will require 10,000 acres initially. The first phase also requires that Nebraska come up with 130,000 to 150,000 acre-feet of water to provide water when flows are short. The three states have come up with 70,000 acre-feet that has been approved, the bulk of which is coming from Lake McConaughy. The biggest issue was that the states have agreed to a no new net depletion policy. Any increase in consumptive use after 1997, when the cooperative agreement was signed, will not be allowed or must be mitigated.

Instream Flow

Mike Jess had approved the instream flow permits for Game and Parks last June for the lower Platte. This has changed the need for potential administration.

Administration and Gaging

Keith Paulsen reported that there were timely rains last year and were target Compact flows were met on both the Little Blue and Big Blue Rivers for May through September. There was no organized adjudication in the Little Blue or Big Blue for the past year. As far as the upcoming year, there are none planned as of yet.

Legislation

Commissioner Patterson reported that some very important bills have been introduced and will be held over until next year. Particularly in water leasing and water banking. There are work groups proceeding over the summer to try to work this out.

The budget for the Department of Water Resources works on a two year cycle and Nebraska's was signed this year. We had some enhancement to our capabilities in GIS. The department had money allocated to bring on some GIS help.

One other bill that was held over for the summer is a major look at agency reorganization in the state. It is built around the concept of the Department of Natural Resource that exists in several of the western states. This bill calls for potential merging between Department of Water Resources and Natural Resources Commission. It also considers adding the Department of Environmental Quality and Department of Agriculture. The Governor has indicated a focus on Department of Water Resources and the Natural Resources Commission.

Federal Agency Report

Glenn Engel distributed the USGS report. It is included herein as **Exhibit O.**

Secretary's Report

Pam Bonebright requested that everyone sign in and please indicate a mailing address for updating the mailing list. She made note that the pictures included in last years report came out very well, and that there are extra copies of the report available.

Treasurer's Report

Denise Rolfs reported that the FY 98 audit was completed and showed the Compact was in good standing.

Rolfs distributed copies of the FY 99 Treasurer's report. The report reflected the following:

Funds Available.....	\$ 37,773.88
Total Expenditures.....	11,330.63
Balance on hand as of May 20, 1999.....	19,443.25
Estimated Additional FY99 Expenses.....	3,673.53
Estimated Additional Interest Income.....	30.00
Estimated Balance on June 30, 1999.....	\$ 15,799.72

Pope moved to accept the Treasurer's Report. Patterson seconded the motion. Lukow declared the MOTION CARRIED.

Water Quality Committee Report

Dale Lambley from the Water Quality Committee submitted a written report which is included herein as **Exhibit P.** Lambley reported on Committee activities. Much of what they have been able to accomplish was not just through committee but through work groups and a lot of participation in the public and private sector on trying to get certain things accomplished. The Committee had four primary objectives as listed in the report. The first three objectives have been completed or implemented.

Lambley reported on the Committee goals for the coming year. Firstly, they need to actively press forward with Best Management Practice economics support. Secondly, to pull all the information together, standardize it and publish the data on the Big Blue River Basin water quality. Finally, they need to start redoing the survey on farm practices to see what changes have occurred.

Lambley then turned the presentation over to Tom Stiles to present Total Maximum Daily Load (TMDL) activities. This is the maximum amount of pollution that can flow into a stream or lake and not violate water quality standards. TMDL's in the Big and Little Blue Basins need to be reported by June 30, 1999 to the EPA.

As a wrap up, Lambley pointed out that the first preliminary information would indicate that the largest loading on pesticides is coming out of a four county area right on the state line, two in Nebraska and two in Kansas. The Water Quality Committee has developed a very good working relationship. One specific thing that has come about in water quality monitoring is that the Nebraska Department of Economic Quality is now using Kansas State University to analyze their samples.

Chairman Lukow pointed out that none of the Nebraska members of the Water Quality Committee were present and if that was a deficiency that should be looked into. Lambley responded that it would be nice to have them present but since they attend committee meetings, that is sufficient. Lukow encouraged Patterson to suggest that Nebraska members attend the annual meeting.

Lambley pointed out that NRDs have been brought into water quality projects and they have been very helpful. Pope pointed out that this committee is a very good example of the two states working together to meet a goal.

Engineering Committee Report

Lytle distributed copies of the Engineering Committee Report which is included herein as Exhibit A through J.

Most of the information in the report is provided by the USGS and all the target flows were met during the 1998 water year. There was only one new well drilled within the regulatory reaches of both the Big Blue and the Little Blue. That well was in the Big Blue. This well was an existing well, so actually no new wells have been drilled.

It was mentioned that all three NRDs require permits prior to drilling wells that pump over 50 gallons per minute.

Budget Committee

Lytle distributed copies of the budget report and budget analysis chart which is included herein as Exhibit Q. Don Blankenau had assisted in the past on this report but since his leaving Ann Bleed has been consulted.

The Compact has had deficits the past few years, however, the balance has remained positive. It is recommended that in the year 2001, the state assessment increase from \$7,000 for each state to \$8,000. This matter was opened for discussion. Lytle asked the parties that are providing the services to the Compact what their expectations are for future years. Engel indicated that an approximate 4% increase is a very minimal increase and this will very probably remain the same. Lytle indicated that because of this an increase in the state's assessment is necessary. Chairman Lukow indicated that the issue is completely up to the commissioners. Lytle pointed out that the each year the Water Quality Committee has been allotted \$2,000 and they have not been spending any money. He asked the Water Quality Committee if it will continue to operate that way. Lambley stated that the Water Quality Committee activities will continue to be funded by the state agencies and not by the Compact.

Chairman Lukow now asked for acceptance of the Water Quality Report. Pope moved that this report be accepted and Patterson seconded the motion. Lukow declared the MOTION CARRIED.

Lukow asked for acceptance of the Engineering Report. Patterson moved to accept this report and Pope seconded the motion. Lukow declared the MOTION CARRIED.

Lukow asked for acceptance of the Budget Committee Report as presented. Patterson moved to accept this report. Pope seconded the motion. Lukow declared the MOTION CARRIED. Pope pointed out that it is his understanding they were accepting the Report and the Budget as proposed.

Old Business

There is no old business.

New Business

Chairman Lukow feels it would be appropriate for the Compact Commission to send a letter of thanks to Mike Jess for his many years of service. He suggests that it be done with three signatures, the Commissioners and his. He will leave it up to the Commissioners as to who will develop the letter. Patterson volunteered to develop the letter. Pope agreed to this as well.

Chairman Lukow identified the next annual meeting date of May 18, 2000. The meeting will be located in Kansas.

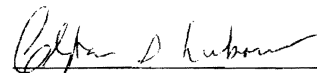
Committee membership for the upcoming year was assigned as follows:

Budget Committee:	Bob Lytle, Chairperson Ann Bleed
Legal Committee:	Leland Rolfs, Chairperson LeRoy Sievers
Engineering Committee:	Bob Lytle, Chairperson Keith Paulsen Dale Mahan Ann Bleed
Water Quality Committee:	Dale Lambley, Chairperson Annette Kovar Glen Kirk Denis Blank Pat Rice Tom Stiles

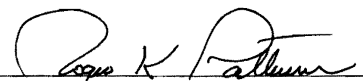
Lukow noted that Terry Blaser's term expires before the next meeting. Pope said he would address this issue before next year.

Pope also asked if there were any preferences as to where the meeting be held, please let him know.

There being no further business, Chairman Lukow adjourned the meeting at 11:50 a.m.


Clayton Lukow, Compact Chairman


David Pope, Kansas Commissioner


Roger K. Patterson, Nebraska Commissioner

REPORT OF THE ENGINEERING COMMITTEE
TO
KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION
MAY 22, 1998 - MAY 20, 1999

The Engineering Committee did not meet during the past year. The Committee was not given any special assignments from the Compact Administration.

The 1998 data collection per agreement with the United States Geological Survey (USGS) and the Lower Big Blue Natural Resource District (LBBNRD) was completed and is attached to this report and is identified as follows:

EXHIBITS

- A. 1998 water year USGS daily discharge record, Big Blue River at Barneston, NE
- B. 1998 water year USGS daily discharge record, Little Blue River at Hollenberg, KS
- C. Monthly mean discharges from the Big Blue River at Barneston, NE (1970-1998)
- D. Monthly mean discharges from the Little Blue River at Hollenberg, KS (1970-1998)
- E. USGS groundwater level hydrograph, Gage County, NE
- F. USGS groundwater level hydrograph, Jefferson County, NE
- G. LBBNRD groundwater level data
- H. List of wells located in the Big Blue River regulatory area
- I. List of wells located in the Little Blue River regulatory area
- J. USGS Big Blue River seepage data
- K. USGS Little Blue River seepage data

REVIEW OF STREAMFLOW DATA

During the 1998 water year (October 1, 1997 thru September 30, 1998) the mean daily streamflow at the Barneston Gaging Station on the Big Blue River, and the Hollenberg Gaging Station on the Little Blue River was above the target flow values established by the Compact.

REVIEW OF GROUNDWATER DATA

The groundwater hydrographs for a well in Gage and one in Jefferson Counties (exhibits E and F) have ranged in water level from approximately 4 feet to 16 feet below land surface throughout their existence of 24 years for the Gage County well, and 32 years for the Jefferson County well. The hydrographs do not show an increasing or decreasing trend. At the end of the 1998 water year, levels were approximately 10 feet and 9 feet below land surface for the two wells.

The well measurements taken by the LBBNRD show a decline in the water level of -1.74 ft. from the spring of 1997 to the spring of 1998, and an increase of +1.77 ft. from the fall of 1997 to the fall of 1998.

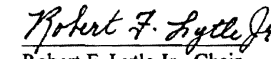
REVIEW OF WELLS IN THE REGULATORY REACHES


There was one new well registered in the Big Blue River regulatory reach, and none within the Little Blue River regulatory reach.

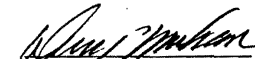
REVIEW OF SEEPAGE MEASUREMENTS

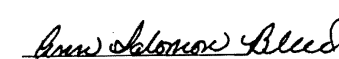
Seepage measurements were taken in December of 1998 on both the Big Blue and Little Blue rivers. Both rivers had gaining streamflows.

Respectfully submitted,


Robert F. Lytle Jr., Chair
Kansas


Keith A. Paulsen,
Nebraska


Dale P. Mahan
Kansas


Ann Salomon Bleed
Nebraska

Station 06884025 LITTLE BLUE R AT HOLLENBERG, KS

MEAN DISCHARGE PUBLISHED
Normal monthly means (All days)

Year	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept
1974	*	*	*	*	*	*	*	*	*	*	*	*
1975	114.3	133.9	135.3	128.7	159.6	328.6	346.6	451.3	368.0	167.8	224.0	99.5
1976	106.1	147.4	141.1	120.4	176.0	825.6	314.9	359.4	209.2	1474	339.5	133.0
1977	123.5	111.1	101.0	98.5	159.0	215.7	838.4	285.4	166.8	279.0	236.0	117.0
1978	208.3	238.5	163.6	113.5	137.8	2635	826.4	517.9	359.2	700.7	201.2	644.3
1979	117.5	151.5	163.8	121.1	615.0	3693	454.6	1063	465.7	497.9	274.3	130.6
1980	172.4	398.0	150.3	178.0	393.8	877.9	1024	219.6	485.3	142.2	132.6	49.2
1981	89.7	92.5	105.2	113.1	124.3	118.1	124.9	375.9	151.4	575.5	548.1	252.6
1982	115.4	244.3	240.0	144.7	1010	618.6	228.3	1945	908.8	2299	417.6	193.0
1983	255.3	150.1	160.3	206.6	556.1	389.6	388.6	858.5	1895	279.6	201.4	798.7
1984	1225	267.4	174.5	576.5	867.9	552.1	2040	2059	4373	482.3	252.7	143.4
1985	231.4	170.3	239.5	169.0	443.0	239.1	232.9	942.1	475.6	320.4	2572	822.0
1986	613.8	251.6	234.5	226.1	216.4	271.7	1098	595.1	339.7	712.1	827.4	770.9
1987	2163	389.4	340.4	253.0	240.0	3205	2379	1414	748.0	562.5	454.5	327.8
1988	181.0	206.8	209.3	213.5	315.3	219.5	230.2	189.3	165.6	237.9	94.5	117.3
1989	210.6	130.3	135.5	146.2	132.0	169.0	139.7	134.0	623.3	1289	356.0	854.4
1990	128.0	125.3	108.4	155.5	150.0	199.7	160.2	368.9	1612	294.6	771.9	113.6
1991	94.6	114.6	117.5	124.4	196.3	159.8	227.6	370.2	728.5	111.2	72.5	32.0
1992	45.3	81.1	101.9	115.4	115.5	179.8	163.9	108.5	344.3	4746	1088	725.6
1993	641.5	405.4	424.1	202.9	1059	3816	856.7	1102.9	2568	9014	1290	1148
1994	547.1	314.7	294.0	330.5	257.5	755.7	412.5	661.3	561.8	580.6	230.7	176.6
1995	149.2	188.8	191.1	162.6	159.0	221.9	244.0	230.2	828.3	320.4	359.5	120.3
1996	127.1	149.8	141.5	119.9	206.6	185.7	196.1	1572	671.4	359.8	433.7	205.7
1997	145.4	1113	141.0	177.7	283.4	263.3	248.4	328.9	1197	429.4	280.7	197.4
1998	205.3	344.4	295.8	198.6	472.6	572.3	1079	345.5	496.3	644.8	693.9	191.1

* Indicates a no-value month

Station 06884025 LITTLE BLUE R AT HOLLENBERG, KS

MEAN DISCHARGE PUBLISHED
Normal annual means (All days)

Year	Mean Annual Mean
1974	*
1975	518.8
1976	235.4
1977	500.7
1978	566.1
1979	649.7
1980	332.5
1981	224.8
1982	697.7
1983	508.0
1984	1079
1985	574.1
1986	513.6
1987	1047
1988	197.9
1989	361.1
1990	348.9
1991	194.9
1992	657.7
1993	1891
1994	420.5
1995	441.3
1996	365.6
1997	398.2
1998	460.8

* Indicates a no-value year

EXHIBIT C

Station 06882000 BIG BLUE R AT BARNESTON, NE

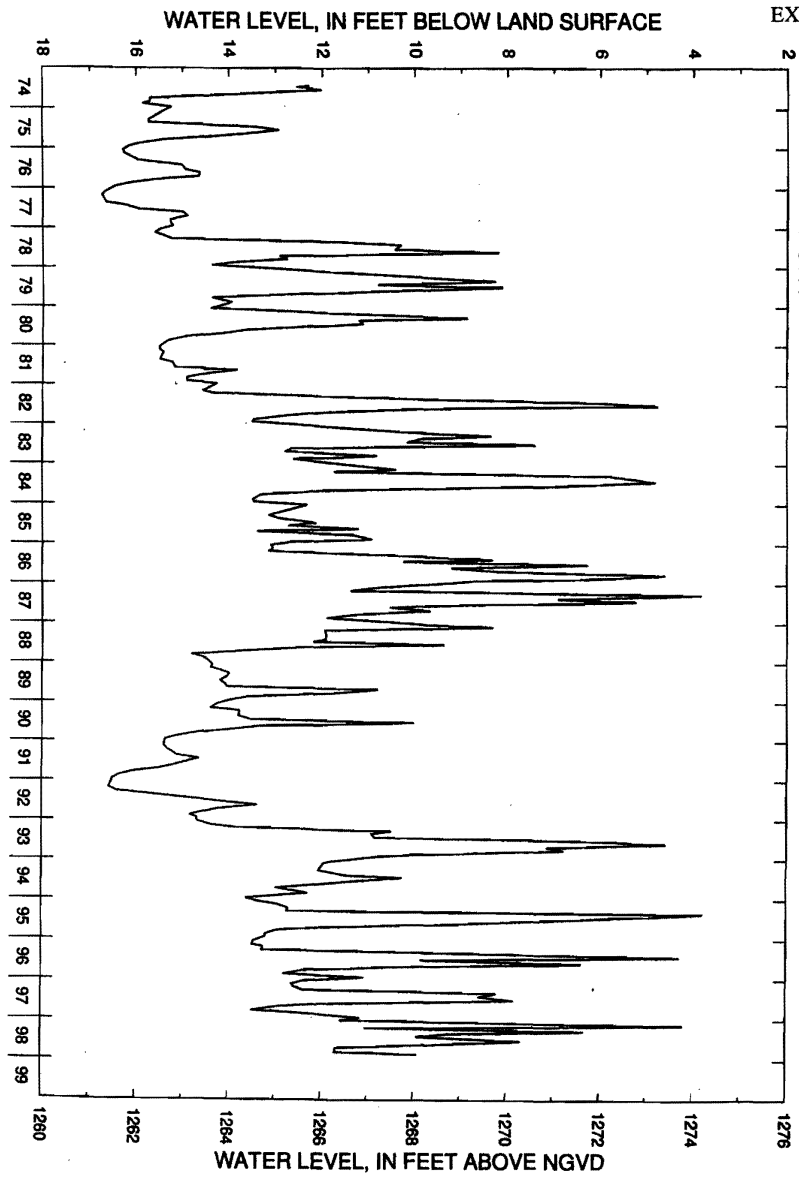
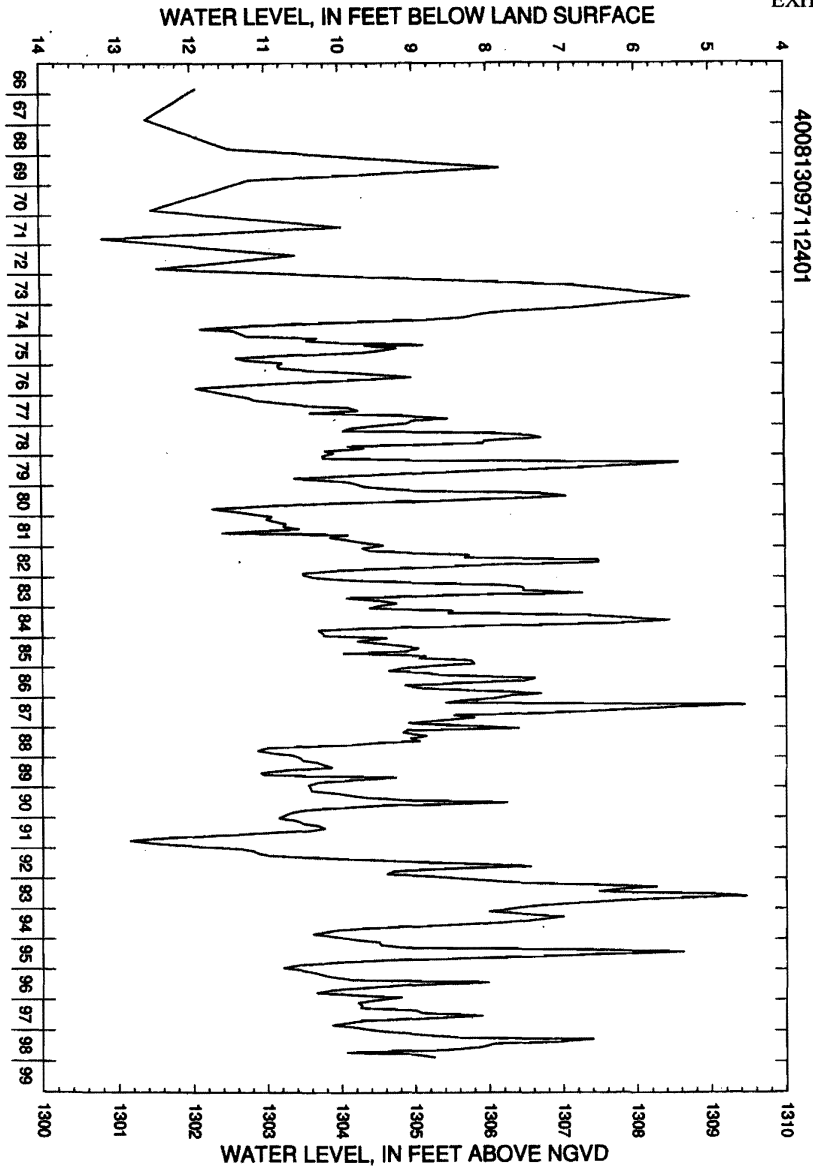
MEAN DISCHARGE PUBLISHED
Normal monthly means (All days)

Year	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept
1970	219.1	190.7	174.3	252.1	284.2	211.6	229.1	275.6	544.7	81.3	339.4	286.2
1971	550.0	223.1	137.1	153.4	1596	2683	326.2	2274	879.2	418.6	166.5	121.5
1972	106.5	220.2	137.1	115.7	129.6	146.4	181.3	1124	348.1	717.1	486.6	235.7
1973	148.6	458.2	305.3	1596	960.3	3035	2742	1014	813.0	1082	235.0	3386
1974	745.1	1014	497.5	930.2	1181	530.3	427.6	1162	623.2	130.5	248.8	121.7
1975	111.4	143.1	130.3	157.2	212.0	949.6	440.3	894.5	2678	627.6	231.9	160.2
1976	109.7	138.8	161.0	129.1	176.8	258.8	1027	433.9	235.5	238.5	88.3	66.6
1977	97.6	85.7	87.4	88.4	121.7	151.0	186.0	440.2	511.4	193.5	1445	2744
1978	376.1	464.1	211.9	135.7	148.4	4912	2394	2436	1579	3263	318.9	967.0
1979	157.2	176.6	160.0	155.9	505.3	10560	961.8	1527	1231	1407	343.9	187.2
1980	172.8	530.8	207.3	239.4	486.6	1444	1263	305.6	1374	190.0	346.5	125.0
1981	247.8	120.3	132.5	129.2	151.9	148.4	165.1	389.0	149.5	319.6	649.3	615.5
1982	128.5	252.2	312.4	164.2	2307	1310	439.8	3765	3372	2705	844.6	452.4
1983	457.1	236.4	220.6	504.5	2099	1218	1352	1301	3802	789.9	324.0	176.7
1984	808.5	438.9	276.4	322.6	2876	1534	5280	4646	9445	1552	661.2	294.9
1985	369.0	259.4	546.2	338.7	693.9	506.4	339.8	1529	450.3	1306	1258	1972
1986	1221	355.3	281.8	314.2	366.4	743.5	1560	1247	789.1	7220	1896	1327
1987	4676	811.7	721.3	434.3	417.5	7527	4449	1659	3071	1193	1675	1048
1988	353.6	466.1	413.5	335.8	457.0	401.1	407.1	443.6	239.8	480.9	159.2	134.6
1989	403.8	190.6	201.5	208.5	224.4	402.9	221.6	192.2	643.6	877.5	378.7	3420
1990	227.5	204.4	199.3	239.2	211.5	283.8	238.7	564.3	2521	1605	1563	178.1
1991	145.1	164.8	171.3	195.5	464.4	250.5	496.0	795.4	2298	582.5	181.3	104.9
1992	96.8	146.8	170.9	190.6	176.1	352.0	314.8	417.3	1022	4075	1835	709.5
1993	418.8	562.8	520.1	246.1	1879	5914	1466	2056	3567	12270	1788	2503
1994	954.0	514.7	442.0	364.7	529.7	1332	376.9	1354	1004	1400	666.9	604.8
1995	272.2	353.5	339.0	374.7	397.8	538.1	566.5	5207	1655	975.1	742.0	287.1
1996	214.6	240.6	251.5	240.8	501.7	272.1	331.2	4909	2287	501.9	1034	417.8
1997	301.3	1501	429.6	331.9	615.2	596.0	622.0	725.0	1701	1437	650.1	256.5
1998	420.0	661.4	850.7	453.7	1184	1746	2066	1212	2787	1327	990.4	582.4

Station 06882000 BIG BLUE R AT BARNESTON, NE

MEAN DISCHARGE PUBLISHED
Normal annual means (All days)

Year	Mean Annual Mean
1970	256.5
1971	774.9
1972	331.0
1973	1312
1974	1200
1975	562.7
1976	254.3
1977	511.9
1978	1445
1979	1465
1980	570.4
1981	269.2
1982	1332
1983	1028
1984	2325
1985	765.7
1986	1457
1987	2322
1988	357.7
1989	611.5
1990	672.1
1991	484.6
1992	798.2
1993	2781
1994	790.8
1995	983.3
1996	537.1
1997	762.3
1998	1186



STATIC WATER LEVEL MEASUREMENTS BIG BLUE COMPACT 1998

LEGAL	SECTION	TYPE	04-23-98	08-04-98	11-24-98	EXHIBIT G	
4N-5E	2	aaaa	OW	91.04	90.04	90.70	
4N-5E	2	cbbb	IW	17.15	16.36	18.19	
4N-5E	3	cdbc	IW	20.96		22.52	
4N-5E	4	aaaa	OW	12.63	11.38	13.15	
4N-5E	4	bbbc	IW	17.63		17.92	
4N-5E	7	bbaa	IW	83.12		82.16	
4N-5E	9	cbcc	IW	71.29		70.37	
4N-5E	11	cccc	OW	21.54	0.00	0.00	
4N-5E	11	daca	IW	13.90		15.56	
4N-5E	12	bbba	IW	24.40		0.00	
4N-5E	12	cccd	OW	11.08	10.12	12.85	
4N-5E	14	abbb	IW	10.32		12.45	
4N-5E	14	dddd	OW	19.09	19.17	19.75	
4N-5E	22	bccc	IW	67.75		68.33	
4N-5E	25	aacd	IW	17.56		17.82	
4N-6E	6	cbbb	IW	90.75		90.71	
4N-6E	8	aabb	IW	92.79		91.99	
4N-6E	18	ddcc	OW	5.17	6.23	6.04	
5N-4E	12	abba	IW	15.81		17.39	
5N-4E	13	badd	IW	11.65		14.43	
5N-4E	15	dbbb	IW	14.61		16.31	
5N-4E	22	dccc	IW	47.07		46.88	
5N-4E	23	babb	IW	13.12		14.09	
5N-4E	24	aacd	IW	15.46		17.29	
5N-4E	25	ddaa	IW	47.46		46.74	
5N-5E	7	cadd	IW	58.46		59.88	
5N-5E	16	cbba	IW	71.32		72.19	
5N-5E	17	abbb	IW	40.57		41.68	
5N-5E	17	cdaa	OW	62.51	64.60	63.93	
5N-5E	20	bccd	IW	17.05		18.84	
5N-5E	21	ddbb	IW	51.18		50.46	
5N-5E	29	cbbb	IW	11.63		12.73	
5N-5E	33	aadd	IW	16.23		17.02	
5N-5E	35	abbb	IW	101.86		101.76	

OW - OBSERVATION WELL

IW - IRRIGATION WELL

BIG BLUE RIVER BASIN
WELLS LOCATED IN REGULATORY AREA EXHIBIT H

Registration Number	Location	Completion Date	Depth	Registration	Pumping Capacity (GPM)
G-69638	2N-7E-04DD	08-24-84	99	800	
G-3877M	2N-7E-17BB	10-20-88	87	500	
G-50085	4N-5E-01BA	05-26-76	130	800	
G-38314	4N-5E-02DD	01-16-73	188	1,300	
G-72859M	4N-5E-02BB	06-08-80	187	1,500	
G-72860M	4N-5E-02BD	06-08-90	187	1,500	
G-56152	4N-5E-04BB	04-14-77	91	1,000	
G-34172	4N-5E-10AC	05-03-70	91	750	
G-36485	4N-5E-11BC	03-28-72	82	750	
G-54048	4N-5E-12BA	03-01-76	121	600	
G-47820	4N-5E-12BB	11-01-75	117	1,200	
G-70741	4N-5E-12BD	04-25-88	188	700	
G-81769	4N-5E-13CD	04-22-94	65	250	
G-54260	4N-5E-14AA	06-01-74	70	800	
G-54261	4N-5E-14AB	05-02-70	70	800	
G-69619	4N-5E-24BA	08-16-84	45	500	
G-54047	4N-5E-24BB	03-01-76	84	800	
G-68243	5N-5E-20CB	06-23-82	52	1,300	
G-64213	5N-5E-21DC	07-28-80	99	800	
G-59128	5N-5E-29AA	04-25-77	60	400	
G-61085	5N-5E-29BC	04-24-78	88	800	
G-61086	5N-5E-29CB	04-23-78	80	1,000	
G-50086	5N-5E-33AC	05-26-76	123	800	
G-59727	5N-5E-33CB	04-19-78	91	1,200	
G-72465	5N-5E-35CC	04-12-90	204	800	
G-72756	5N-5E-35DC	02-20-90	274	800	
G-73992	5N-5E-30AC	06-24-91	92	700	
G-94572	4N-5E-01CA	06-22-73	123	700	

M = Municipal; not subject to regulation
I = Industrial; not subject to regulation

EXHIBIT I

LITTLE BLUE RIVER BASIN
WELLS LOCATED IN REGULATORY AREA

Registration Number	Location	Completion Date	Depth	Registration	Pumping Capacity (GPM)
G-7013M	1N-3E-048A	11-15-86	199		210
G-69689	2N-2E-25AB	12-31-84	108		500
G-44015	2N-2E-27DB	07-15-74	136		265
G-59427	2N-2E-26AB	01-30-78	40		450
G-66380	2N-2E-26AC	07-31-77	40		175
G-66381A	2N-2E-26AB	04-10-81	40		175
G-66381B	2N-2E-23DC	04-10-81	42		175
G-66381C	2N-2E-26AB	04-10-81	42		175
G-66381D	2N-2E-23DC	04-10-81	41		175
G-66381E	2N-2E-26AB	04-10-81	38		175
G-66381F	2N-2E-26AB	04-10-81	28		175
G-58158	2N-2E-16AA	09-15-77	28		660
G-76103M	1N-3E-17CA	09-20-78	229		150
G-76386	2N-2E-26DC	07-12-79	40		480
G-86458	2N-2E-27DB	10-26-94	132		670
G-86459	2N-2E-27DB	10-25-94	155		550

M = Municipal; not subject to regulation

EXHIBIT J

Big Blue River Seepage Investigation
Current Meter Measurements
Downstream Order

December 8, 1998
(cfs)

Big Blue River 1.5 miles north of DeWitt in the SW1/4NE1/4 of 12-5N-4E	248
Clatonia Creek 1 mile northeast of DeWitt in the NW1/4NW1/4 of 17-5N-5E	3.37
Turkey Creek 1.5 miles west of DeWitt in the SE1/4NW1/4 of 15-5N-4E	75.6
Turkey Creek 0.5 miles south of DeWitt in the SE1/4NW1/4 of 24-5N-4E	78.6
Turkey Creek 1.5 miles southeast of DeWitt in the NW1/4SW1/4 of 29-5N-5E	80.5
Big Blue River 2.5 miles southeast of DeWitt in the NW1/4NE1/4 of 33-5N-5E	337
Soap Creek 3.5 miles southeast of DeWitt in the SE1/4SW1/4 of 27-5N-5E	0.71
Unnamed tributary to the Big Blue River 1 mile north of Hoag in the NW1/4NE1/4 of 10-4N-5E	0.10
Snake Creek 2 miles northeast of Hoag in the NW1/4NW1/4 of 1-4N-5E	0.95
Big Blue River 1 mile east of Hoag in the NE1/4NW1/4 of 13-4N-5E	356
Cub Creek 2 miles south of Hoag in the SW1/4SW1/4 of 24-4N-5E	6.35
Bottle Creek 1.5 miles northwest of Beatrice in the NW1/4SW1/4 of 30-4N-6E	0.46
Unnamed tributary to the Big Blue River 0.5 miles northwest of Beatrice in the SW1/4SW1/4 of 29-4N-6E	0.28
Indian Creek at Beatrice in the SE1/4SE1/4 of 28-4N-6E	5.22
Big Blue River at Beatrice in the SW1/4NW1/4 of 3-3N-6E	367

Little Blue River Seepage Investigation
Current Meter Measurements
Downstream Order

EXHIBIT K

December 9, 1998
(cfs)

Little Blue River 2.7 miles south of Alexandria in SE1/4SE1/4 of 23-3N-1W	122
Big Sandy Creek 0.8 miles south of Alexandria in SE1/4SE1/4 of 11-3N-1W	24.2
Big Sandy Creek 1.2 miles west of Powell in SE1/4SE1/4 of 16-3N-1E	31.1
Little Blue River 1.2 miles southwest of Powell in SE1/4SE1/4 of 22-3N-1E	161
Little Sandy Creek 2.0 miles east of Powell in NW1/4NE1/4 of 19-3N-2E	4.89
Whiskey Creek 2.1 miles northwest of Fairbury in SW1/4SE1/4 of 33-3N-2E	0.83
Little Blue River 1.3 miles northwest of Fairbury in NW1/4NE1/4 of 9-2N-2E	162
Tributary to Little Blue River 0.8 miles southwest of Fairbury in NE1/4SW1/4 of 22-2N-2E	0.09
Little Blue River 0.8 miles south of Fairbury in NW1/4NE1/4 of 26-2N-2E	180
Brawner Creek 0.4 miles southeast of Fairbury in SE1/4NE1/4 of 23-2N-2E	0.04
Rose Creek 4.0 miles southwest of Endicott in NW1/4NW1/4 of 12-1N-2E	28.0
Smith Creek 0.2 miles northwest of Endicott in NW1/4SE1/4 of 5-1N-3E	0.32
Little Blue River 0.3 miles south of Endicott in SE1/4SW1/4 of 4-1N-3E	220
Rock Creek 0.3 miles southeast of Endicott in SE1/4SE1/4 of 4-1N-3E	0.90
Coon Creek 2.6 miles northwest of Steele City in NW1/4NE1/4 of 15-1N-3E	1.02
Little Blue River 0.5 miles south of Steele City in NW1/4NW1/4 of 30-1N-4E	245
Little Blue River 0.6 miles west of Hollenberg in NE1/4SW1/4 of 8-15N-4E	249

Report to the Big Blue River Compact
May 20, 1999

EXHIBIT L

The Upper Big Blue NRD was declared a Ground Water Quality Management Area (GWMA#2) in September of 1993. The major reason for this declaration was evidence of non-point source nitrate contamination primarily from over application of commercial fertilizers and excess irrigation. The main emphasis of this program has been to increase farmer and public awareness of the problem and encourage farmers to adopt best management practices that will reduce the contamination risk. The District has been an active participant in the Mid-Nebraska Water Quality Demonstration Project, along with the Little Blue, Tri-basin, Lower Republican NRDs and the University of Nebraska (UNL). The final year of this project was 1998. A new project, the Well Head Protection Area (WHPA) Water Quality Demonstration Project, was started in 1999. This project, sponsored by UNL and the Big and Little Blue NRDs, has received 319 funding from EPA. The project will focus on four WHPAs, Burning, Hastings, Seward and York. Demonstration field looking as irrigation water management and nutrient management will be established with cooperators. Urban demonstrations on lawn care, golf course, and public parks area also planned.

Another focus of GWMA#2 was to establish a network of wells that could be used to accurately determine changes in ground water quality throughout the District. The geology of the region is somewhat complex and does not always yield easily understandable data. The District entered into a cooperative agreement with USGS to conduct a study to determine an appropriate monitoring network for ground water nitrate data. The report of that study was released in the winter if 1998-99. The monitoring network includes 200 private wells. It also includes 18 nested monitoring wells in 8 locations. Criteria was also setup for vadose zone sampling to determine changes in nitrate before it reaches the ground water.

In 1998 the district adopted a new cost-share program for irrigation water conservation to for center pivot conversion from high to low pressure. This has generated a great deal of interest. The district has spent or obligated over \$250,000 for cost-share, which is nearly double the historic amount. These funds are primarily state funds. The district has received an additional \$300,000 in cost-share requests. The district is considering adding \$100,000 of NRD funds to supplement state funds to address the demand.

Ground water levels in the District continue to rise. the Spring 1999 ground water level measurements show an average rise across the District of about 1.8 feet compared to 1998. Since 1980 (the lowest level) the average ground water level has risen over 12 feet.

WELL HEAD PROTECTION AREAS IN THE BLUE BASIN - NEBRASKA - MAY, 1999

Little Blue NRD - 17

Lower Big Blue NRD - 7

Upper Big Blue NRD - 30

System Name	Location or Nearest City	County	Natural Resources District
Blue Hill, City of	Blue Hill	Webster	Little Blue
Bruning, Village of	Bruning	Thayer	Little Blue
Byron, Village of	Byron	Thayer	Little Blue
Chester, Village of	Chester	Thayer	Little Blue
Davenport, Village of	Davenport	Thayer	Little Blue
Deshler, City of	Deshler	Thayer	Little Blue
Edgar, City of	Edgar	Clay	Little Blue
Fairbury, City of	Fairbury	Jefferson	Little Blue
Fairfield, City of	Fairfield	Jefferson	Little Blue
Harvard, City of	Harvard	Clay	Little Blue
Hastings, City of	Hastings	Adams	Little Blue
Hebron, City of	Hebron	Thayer	Little Blue
Kenesaw, Village of	Kenesaw	Adams	Little Blue
Nelson, City of	Nelson	Nuckolls	Little Blue
Ong, Village of	Ong	Clay	Little Blue
Reynolds, Village of	Reynolds	Jefferson	Little Blue
Shickley, Village of	Shickley	Fillmore	Little Blue
Beatrice, City of	Beatrice	Gage	Lower Big Blue
Crete, City of	Crete	Saline	Lower Big Blue
Dorchester, Village of	Dorchester	Saline	Lower Big Blue
Friend, City of	Friend	Saline	Lower Big Blue
Odell, Village of	Odell	Gage	Lower Big Blue
Swanton, Village of	Swanton	Saline	Lower Big Blue
Wilber, City of	Wilber	Saline	Lower Big Blue
Aurora, City of	Aurora	Hamilton	Upper Big Blue
Beaver Crossing, Village of	Beaver Crossing	Seward	Upper Big Blue
Bee, Village of	Bee	Seward	Upper Big Blue

Benedict, Village of	Benedict	York	Upper Big Blue
Bradshaw, Village of	Bradshaw	York	Upper Big Blue
Dwight, Village of	Dwight	Butler	Upper Big Blue
Exeter, Village of	Exeter	Fillmore	Upper Big Blue
Fairmont, Village of	Fairmont	Fillmore	Upper Big Blue
Geneva, City of	Geneva	Fillmore	Upper Big Blue
Giltner, Village of	Giltner	Hamilton	Upper Big Blue
Goehner, Village of	Goehner	Seward	Upper Big Blue
Gresham, Village of	Gresham	York	Upper Big Blue
Henderson, City of	Henderson	York	Upper Big Blue
Marquette, Village of	Marquette	Hamilton	Upper Big Blue
McCool Junction, Village of	McCool Junction	York	Upper Big Blue
Milford, City of	Milford	Seward	Upper Big Blue
Nebr. Center For Women (York)	York	York	Upper Big Blue
Osceola, City of	Osceola	Polk	Upper Big Blue
Polk, Village of	Polk	Polk	Upper Big Blue
Rising City, Village of	Rising City	Butler	Upper Big Blue
Seward, City of	Seward	Seward	Upper Big Blue
Shelby, Village of	Shelby	Polk	Upper Big Blue
Sutton, City of	Sutton	Clay	Upper Big Blue
Trumbull, Village of	Trumbull	Clay	Upper Big Blue
Ulysses, Village of	Ulysses	Butler	Upper Big Blue
Utica, Village of	Utica	Seward	Upper Big Blue
Waco, Village of	Waco	York	Upper Big Blue
York, City of	York	York	Upper Big Blue
Youth Rehabilitation and Treatment Center (Geneva)	Geneva	Fillmore	Upper Big Blue

from Nebraska Department of Environmental Quality Records

EXHIBIT M

**REPORT TO THE BLUE RIVER BASIN
COMPACT COMMISSION
MAY 20, 1999**

The Little Blue NRD continues to focus on the water quality and quantity issues in the Little Blue River Basin. The district's Ground Water Management Area, approved in 1996, covers the entire district and our program focuses on education and demonstration projects. Preventative measures are viewed as the most desirable and cost effective means of protecting our resources. In this regard, we are involved in an extensive nitrate monitoring effort which involves some 400+ wells. Sampling this summer will center around Deshler/Byron, where some higher nitrates have been found, and northwest of Hastings, which has been established as a wellhead protection area with prevention in mind.

The board of directors took action in February to establish a Level II water quality management area over a 20 square mile area of northern Thayer County due to nitrate levels which averaged about 11 ppm over the area. That action requires intensified educational measures, fall fertilizer restrictions, development of best management farm plans and annual operator reporting. The Village of Bruning lies within the area and recently adopted a wellhead protection area to address their nitrate levels.

The district's static water table monitoring network now includes approximately 300 deep wells. Although some decline areas still exist in portions of Adams, Clay, Nuckolls, Thayer and Fillmore Counties, the water levels have been fairly stable now for the past 18 years. Minor fluctuations have occurred in response to annual rainfall and pumpage. With continued monitoring and efforts promoting improved irrigation management, the District believes long-term depletions can be avoided.

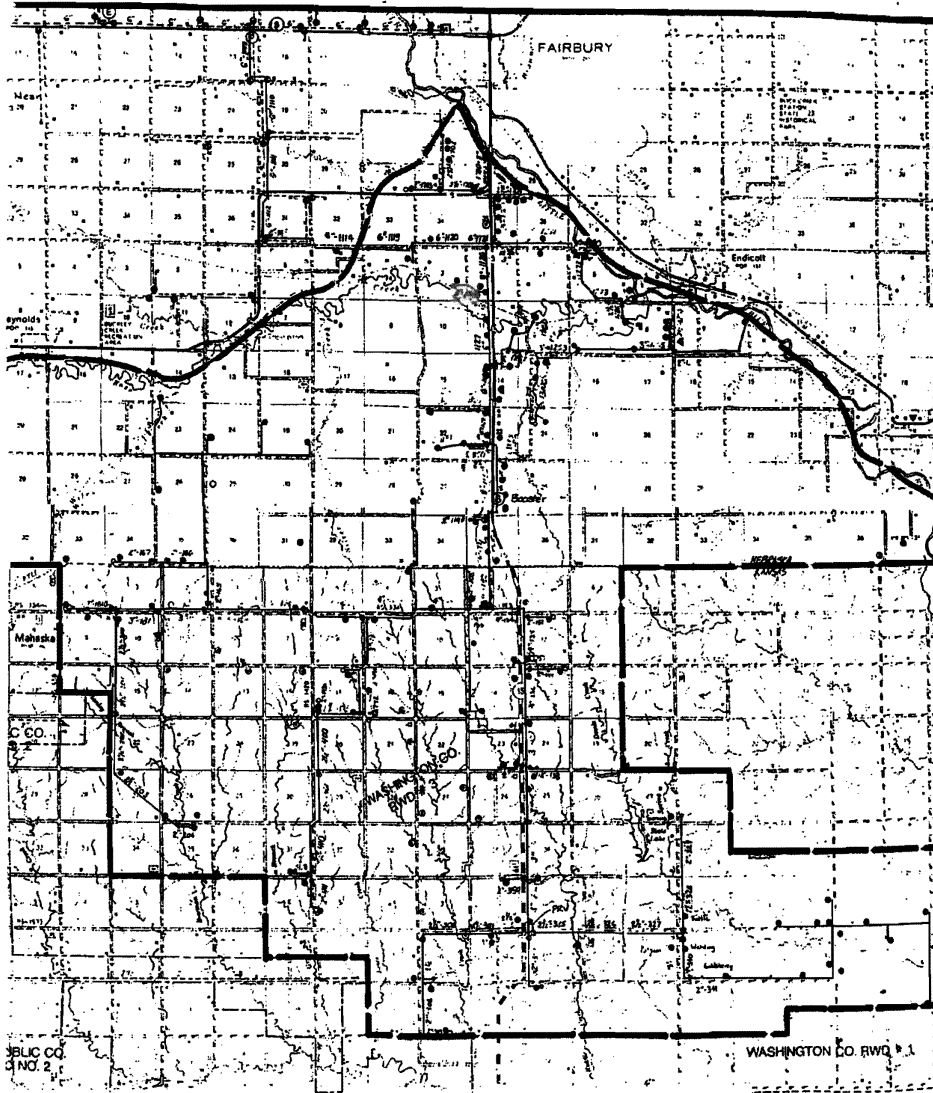
District staff are identifying additional wells within the "alluvial area" of the Little Blue River Basin to be placed on our monitoring network. We also plan to work closely with these landowners to gather well and pumpage data over the next several years.

The District completed the construction of a unique rural water district south of Fairbury in April of this year. The project now serves 131 customers in all, 65 are residents of Kansas and 66 are Nebraska residents. The project involved the installation of two new booster stations, 1 - 75,000 gallon water tower and 110 miles of buried pipeline. The City of Fairbury is the source of good quality water. The project is a prime example of how cooperation between states can resolve a resources problem. A 1998 news release from Kansas Rural Water Association and a project fact sheet are attached for your reference.

The district continues to work toward development of the Little Sandy Creek Watershed project in Jefferson, Fillmore, Saline and Thayer Counties. This watershed is one of the most erosive and critical areas of our district. Site evaluations and economic analysis for several potential dam sites were completed last summer and a public meeting helped identify preferred sites. Five key sites have been selected and a plan of development is expected to be completed by NRCS by late summer.

Conservation practice installation, construction of small farm dams, decommissioning of old wells, cost assistance on irrigation management practices and chemigation inspections continue to be a big part of the NRD's program for resources protection in the district.

LITTLE BLUE PUBLIC WATER PROJECT - SOUTH



LITTLE BLUE PUBLIC WATER PROJECT - SOUTH STATISTICS - MAY 1, 1999

Description: Rural water service to residents and businesses of southern Jefferson County, Nebraska and northern Washington County, Kansas.

Components of Project

110 Miles of Pipeline, 75,000 Gallon Water Tower, One New Booster Station
Replacement of Existing Booster, Radio Telemetry, Backflow Valves at City Supply

Customers

Nebraska 66 users
Kansas 65 users
Total Customers 131

PROJECT REVENUES

USDA Rural Development Loan and Grant	\$1,941,700.00
Kansas CDBG Grant	220,379.00
Water Users Hookup Fees	116,875.00
Little Blue PWP Tower Contribution	30,000.00
TOTAL	\$2,308,954.00

PROJECT EXPENSES

Pipeline Construction (per bid)	\$1,212,066.00
Change Orders	592,315.00
Tower Construction (per bid)	172,600.00
Water Supplier Hookup Fee	40,000.00
Miscellaneous: Engin, Inspect, Legal, Permits, Etc.	184,819.00
CDBG Administration	12,000.00
TOTAL	\$2,213,800.00

Future Hookup Fees: \$1,500 Plus Actual Connection Costs

Projected Water Use

Average Per Water Hookup - 5,000 gallons/month
655,000 Gallons/Month Total

Water Rates

Minimum Charge (1,000 gal. max.) = \$37.50
Usage of 5,000 gallons = \$62.50/mo.
Usage of 10,000 gallons = \$72.50/mo.

Nebraska-Kansas co-op on new rural water district

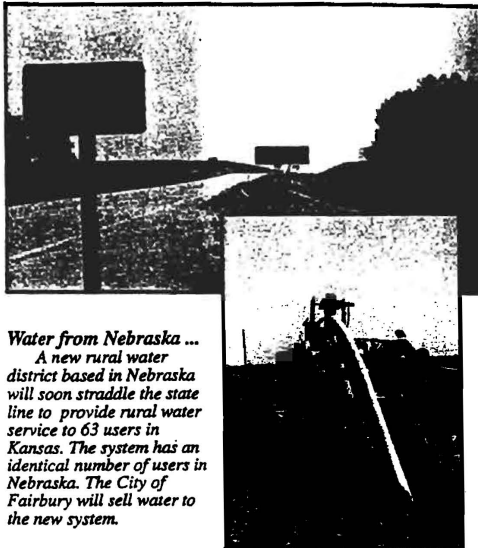
Who says Kansas and Nebraska can't get along on water issues? A Nebraska-based rural water district has quietly slipped over the state line north of Morrowville in Washington County to bring "Nebraska water" to about 65 rural patrons in Kansas. The project will supply 52 users south of Fairbury in Jefferson County, NE.

That's right, there's a common water district being constructed that straddles the state line. It will be operated as a single entity under an inter-local agreement between the Little Blue Natural Resources District headquartered in Davenport, Neb., and Washington County RWD No. 3.

Bids for the project were opened last February 18. The low bidder for the project was Eatherly Constructors, Garden City, KS with a bid of \$1,212,066 which was approximately \$570,000 below the engineer's estimate. Caldwell Tanks of Louisville, KY had a low bid of \$172,600 for a new 75,000-gallon elevated tank. HWS Engineering, Lincoln, NE is the project consultant. Wm. C. O'Keefe, Seneca, was the district's legal counsel. Kansas Rural Water Association assisted the district in early development stages.

As a result of the lower bids, the project has been expanded from the original design. "We now have 63 signed users in Nebraska and 63 in Kansas," says Mike Onnen, Manager of the Little Blue NRD.

Favorable conditions have allowed construction to be ahead of the proposed schedule. Construction of the pipeline



Water from Nebraska ...

A new rural water district based in Nebraska will soon straddle the state line to provide rural water service to 63 users in Kansas. The system has an identical number of users in Nebraska. The City of Fairbury will sell water to the new system.

portion of the project is expected to be completed sometime around mid-August. The booster stations should be available about the same time and hope to have them installed and ready for service about the first to middle part of September. The water tank construction should be completed by the end of October.

"Hopefully, the project will be providing full service by early November," Onnen reported to KRWA.

Onnen says the project appreciates the good cooperation of the Washington County Commissioners and from the North Central Kansas Regional Planning Commission. The project is very pleased with the

contractor. "They've done an exceptional job, including backfill and cleanup, repairing of fences and so forth," Onnen says. "Folks are very excited about what they see in the construction process."

Funding for the project is coming from more than \$1 million in grants and a loan of \$873,800 through USDA's Rural Development agency. The Kansas side of the project also received a \$400,000 Community Development Block Grant.

Water will be purchased from the City of Fairbury, NE.

Construction of the final structure in the Swan Creek watershed project has been completed. This completes the nineteen dams planned in this 160,000 acre watershed that was begun in 1983. These structures are providing 20,778 acre feet of flood storage and 5,564 acre feet of sediment storage.

The Wolf-Wildcat Flood Control project was also completed this past year. The seven structures in this project will contain 5,555 acre feet of flood storage and 1,946 acre feet of sediment storage.

In the Lower Turkey Creek, 120,000 acres have been approved for a third year as one of twelve priority areas in the state for EQIP. \$380,000 has been allocated for this project with fifty-two applications received in this sign-up period. Also approved was the 67,300 acre Beatrice Tribes priority area for \$85,000. These two projects received almost 25% of Nebraska's total allocation for EQIP. The NRCS is currently ranking 68 applications received in the Beatrice Tribes area. These projects focus on erosion control, flood prevention and increased efficiency in nutrient and pesticide usage to protect surface and groundwater. In addition, \$40,000 has been approved for non-priority areas.

Demand for cost-share for land treatment practices (terraces, waterways etc.) remains very high. The Lower Big Blue NRD increased its cost-share money to \$150,000 this year to address the need for cost-share money. When combined with the \$134,000 available from the state cost-share program, \$284,000 was used for land treatment practices.

The NRD's new Small Dam Cost-share program currently has six dams under construction.

The Nebraska Buffer Strip Program began in December of 1999. The NRD has twenty-seven contracts covering 170 acres for \$5,870.

Proper well decommissioning for water quality protection and personal safety has received ever-increasing interest. Forty-five wells have been properly closed with cost-share money from state and NRD programs.

Beatrice West Public Water Project. The NRD is sponsoring a public water project along Highway 4 west of Beatrice. Water will be purchased from the City of Beatrice to serve 40-50 customers. Financing will be through a rural development loan in the amount of \$328,000. The Homestead National Monument is very interested in being served by this project. Land rights acquisition is currently underway with construction to begin in the fall of 1999.

Blue River Compact Well Monitoring BRC -0.71 ft NRD +1.30 ft

Water Quality Committee
May 20, 1999

The U.S. Geological Survey is presently operating two streamflow gaging stations for the Compact Administration: The Big Blue River at Barneston, NE, and Little Blue River near Hollenberg, KS. Daily discharge records were computed at the two sites. Dataloggers were upgraded to real-time data collection platforms in October 1996 at the request of the Compact Administration and are being maintained for transmission of gage heights. The two sites are on the Nebraska District's Homepage on the Internet for viewing of the previous seven days. The Internet address of the streamflow is:

http://www-ne.cr.usgs.gov/rt-cgi/gen_tbl_pg

Low-flow measurements were made at sites in the Big Blue River and Little Blue River basins in December 1998. Flows were greater than the long-term mean flow for that December date in both basins--Big Blue River at Beatrice (mean=259 cfs, 1998 meas.=367 cfs), Little Blue River at Hollenberg, KS (mean=193 cfs, 1998 meas.=249 cfs).

The mean daily discharge of the Big Blue River at Barneston for the 1998 water year was 1186 cfs, as compared to the mean discharge for the 1997 water year of 762 cfs and to the mean discharge for the period of record(1933-97) of 864 cfs. The minimum daily discharge during water-year 1998 was 227 cfs on October 10, 1997. The minimum daily discharge, May through September, was 256 cfs on September 19.

The mean daily discharge of the Little Blue River near Hollenberg, KS for the 1998 water year was 461 cfs, as compared to the mean discharge for the 1997 water year of 398 cfs and compared to the mean discharge for the period of record (1975-97) of 553 cfs. The minimum daily discharge during water-year 1998 was 107 cfs on October 22, 1997. The minimum daily discharge, May through September, was 140 cfs September 11.

The daily records for the two gaging stations, the hydrographs of the two ground-water observation wells in Gage and Jefferson Counties, Nebr., and a listing of the low-flow measurements were provided to the Compact's Engineering Committee. Current stage-discharge rating tables for the two stream gages and tables of monthly mean flows for each year for the gaging stations since 1970 were also provided.

The estimate of the Compact Administrations's share of the cost to operate the two streamflow gaging stations for the period July 1, 2000 to June 30, 2001 and the cost for making the low-flow measurements in the fall of calendar-year 2000 were given to the Budget Committee.

Status of Water Quality Projects: Since mid-1995, the Water Quality Committee and affiliated work groups have been pursuing four (4) primary objectives. These were to:

- 1) develop and conduct a baseline survey of farm practices and pesticide and nutrient use in the Big Blue River Basin;
- 2) design and implement a basin wide water quality monitoring (sampling) program;
- 3) initiate and conduct water quality stewardship education and outreach, and
- 4) develop farm practices and Best Management Practice (BMP) economics support information.

The first three (3) objectives have now been completed or implemented.

Water Quality Monitoring: A basin wide water quality monitoring system was put into place and water quality sampling began in mid-April of 1997. Two years of raw data is now available for assessment. The next item of business for the water quality monitoring program is to compile existing data so that it might be used in prioritizing watersheds for targeted outreach and educational programs.

Education and Research: Numerous educational and research initiatives are underway in both the Kansas and Nebraska portions of the basin. The basic thrust of the educational effort is to inform and advise farmers on techniques to reduce herbicide loss while still maintaining good soil conservation. Also, we do not want to promote adoption of techniques which could aggravate other water quality problems such as nutrient enrichment or increased bacterial counts. A variety of agricultural water quality protection publications, videos and other outreach materials have been prepared by extension specialists in the two states. Kansas State University and the University of Nebraska at Lincoln extension and research specialists are holding twice a year meetings to plan joint educational and research efforts.

There are four (4) efforts underway or which took place during the past year, that deserve special mention:

- Thomas Franti, Extension Surface Water Management Specialist, UNL is leading a project to assess the level of outreach effort needed to achieve landowner adoption of water quality BMPs in a watershed. In the Indian Creek Watershed, an intensive extension and outreach effort is underway.

A farmer advisory group and advisory teams have been put into place. County extension agents have received additional water quality protection training. This year, educational programs will be conducted for crop consultants, pesticide dealers and others who farmers might go to for pesticide use advice and information. NOVARTIS has also sponsored educational sessions for pesticide dealers in the watershed; and, DuPont has sponsored field days to present information on alternative pesticides. In a second watershed (Turkey Creek), a more general or traditional water quality educational program is being offered to farmers. This effort does not include the formation of farmer advisory groups or the more intensive training programs. The goal of this project is to determine how the differing outreach approaches affect BMP adoption rates and to determine the intensity of education and outreach program needed to gain landowner/farmer confidence and subsequent adoption of practices to improve water quality.

- KSU is developing BMP research and demonstration field sites in a number of locations in the Kansas. One site being developed is located in the Little Blue River Basin. There are significant differences in precipitation and cropping patterns between the Kansas portions of the Big and Little Blue River Basins. The new BMP field site will allow closer definition of water quality protection practices that are suitable for the Little Blue River Basin.

- KSU and UNL jointly held a Big Blue River Basin water quality tour on July 29 and 30, 1998 for elected officials and other persons in leadership positions. The purpose of the tour was to educate, showcase, and build support for the many water quality protection activities which are underway in the basin.

- Both Kansas and Nebraska now have buffer strip programs in place in the basin. Buffer strips are an effective means of reducing levels of pesticides, sediments, nutrients and other pollutants in surface water. The buffer strip programs are intended to encourage landowners to establish vegetative buffer strips along streams. At this point, the Nebraska Buffer Strip Program administered by the Nebraska Department of Agriculture and Nebraska Natural Resources Districts seems to be gaining the most rapid landowner acceptance. Kansas will be reviewing their program to see what can be learned from the Nebraska program experience.

Farm Practices Survey: The basin wide survey of farm practices and pesticide and nutrient usage was completed and published in March, 1998. Data gained by the survey has since provided guidance to Kansas State University (KSU) and the University of Nebraska, Lincoln (UNL) in development of the various educational and research programs which are underway. The survey will also provide a baseline against which we can compare future survey results.

Other Committee Business: The Big Blue River Compact Administration's Water Quality Committee met on May 11, 1999 at the offices of the Lower Big Blue Natural Resources District in Beatrice, Nebraska to review progress of the various projects and establish goals for the upcoming period. A copy of the meeting agenda is attached. Committee members participating in this work session were: Denis Blank (Nebraska Department of Agriculture), Pat Rice (Nebraska Department of Environmental Quality), Annette Kovar (Nebraska Department of Environmental Quality), Glen Kirk (Kansas Water Office), Tom Stiles (Kansas Department of Health and Environment) and Dale Lambley (Kansas Department of Agriculture). The Committee has made wide use of workgroups

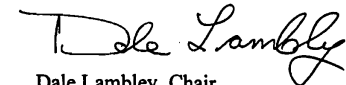
to accomplish many projects. Consequently, many of the work group members were invited to join in the session. Those who could join us included: Rich Reiman (Nebraska Department of Agriculture), Tom Franti (University of Nebraska, Lincoln Cooperative Extension), Steve Walker (Nebraska Department of Environmental Quality), Phil Barnes (Kansas State University), Duane Jones (Nebraska Grain Sorghum Board) and Jack Dutra (JD Information Services, Inc).

Following discussions, a new set of priority action items have been established. These are:

- 1) to actively press forward with BMP economic assessments;
- 2) compile, standardize and publish available data on Big Blue River Basin water quality, this to include definition of those tributaries carrying highest loads of contaminants;
- 3) begin preparation for next farm practices survey in 2001.

The Water Quality Committee has welcomed two (2) new members. Annette Kovar is replacing Mike Linder, who was selected as the Director of the Nebraska Department of Environmental Quality. Tom Stiles was also appointed to serve as the representative from the Kansas Department of Health and Environment. Dale Lambley was asked to continue as committee chair.

Sincerely,



Dale Lambley, Chair
Water Quality Committee

DRAFT AGENDA

Big Blue River Compact
Water Quality Committee
Meeting

May 11, 1999 - 10:00A to 2:30P

- I. Introductions and Opening Comments - Dale Lambley (10 minutes)
 - II. Review of Big Blue River Basin Water Quality Monitoring Program and Results - Phil Barnes (KSU), assisted by Steve Walker (NDEQ) (30 minutes)
 - III. Discussion on Clean Water Act TMDL Activities
 - Kansas: Litigation, Current Status and Approach - Tom Stiles (KDHE) (30 minutes)
 - Nebraska: Current Status - Pat Rice/Annette Kovar/Steve Walker (15 minutes)
 - IV. Update on Educational and Research Efforts - Dan Devlin (KSU)/Tom Franti (UNL) (20 minutes)
 - V. Report on Nebraska Buffer Strip Initiative - Denis Blank (NDA) (10 minutes)
- NOON - 1:15P/Lunch
- VI. Goals for the Future - all participants (60 minutes)
 - VII. Committee Chair - all participants (15 minutes)
 - (Does someone from Nebraska want to serve as chair?)

**KANSAS-NEBRASKA BIG BLUE RIVER COMPACT ADMINISTRATION
TREASURER'S REPORT
FISCAL YEAR 1999**

Balance on hand July 1, 1998: \$16,435.54

Receipts during fiscal year 1999

State of Nebraska	\$ 7,000.00	
State of Kansas	\$ 7,000.00	
Interest Earned	<u>\$ 374.37</u>	
Total receipts	\$14,374.37	<u>\$14,374.37</u>

Total funds available: **\$30,809.91**

Disbursement by the Administration July 1, 1998 to June 30, 1999:

Date	Voucher No.	Payee and Purpose	Amount
7-2-98	271	Brier Payne Meade Insurance(Bond)	\$ 100.00
2-16-99	272	Lower Big Blue NRD	1,140.00
3-25-99	273	U.S. Geological Survey, Operations(1st&2nd Quarter)	6,200.00
3-25-99	274	Kennedy and Coe (Audit)	500.00
4-7-99	275	Pamela Bonebright (Postage)	60.63
4-7-99	276	Pamela Bonebright (Honorarium)	750.00
4-7-99	277	U.S. Geological Survey (3 rd Quarter)	2,580.00
5-26-99	278	NE Dept. Of Water Resources (Printing)	143.53
5-26-99	279	Pamela Bonebright (Travel)	40.68
5-26-99	280	Denise Rolfs (Travel)	45.99
6-15-99	281	Denise Rolfs (Honorarium)	750.00
6-21-99	282	U.S. Geological Survey (4 th Quarter)	<u>2,580.00</u>

Total disbursements **\$14,890.83**

Funds available in Fiscal Year 1999: \$30,809.91

Disbursements 14,890.83

Balance on hand July 1, 1999: **\$15,919.08**

EXHIBIT Q

BIG BLUE RIVER COMPACT ADMINISTRATION BUDGET ANALYSIS
As of MAY 99

	98		99		2000		FY01	
	Actual	Adopted May 1997	Estimate (To Date)	Adopted May 1998	Proposed May 1999	Adopted May 1999	Proposed	
EXPENDITURES								
Operations								
Stateline Gages	\$9,770.00	\$9,770.00	\$10,210.00	\$10,210.00	\$10,650.00	\$10,650.00	\$11,090.00	
Observation Wells	\$1,140.00	\$1,140.00	\$1,140.00	\$1,140.00	\$1,140.00	\$1,140.00	\$1,140.00	
Low-flow Measurements	\$1,100.00	\$1,100.00	\$1,150.00	\$1,150.00	\$1,200.00	\$1,200.00	\$1,250.00	
Water Quality Committee	\$0.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Fidelity Bond	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	
Secretary Honorarium	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	
Treasurer Honorarium	\$750.00	\$650.00	\$750.00	\$750.00	\$750.00	\$750.00	\$750.00	
Staff Travel Expenses	\$158.12	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	
Annual Report	\$150.00	\$125.00	\$143.53	\$200.00	\$200.00	\$200.00	\$200.00	
Annual Audit	\$350.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	
Postage and Office Supplies	\$71.09	\$100.00	\$60.63	\$100.00	\$100.00	\$100.00	\$100.00	
Miscellaneous Expenses	\$0.00	\$100.00	\$0.00	\$100.00	\$100.00	\$100.00	\$100.00	
Total Expenses	\$14,339.21	\$16,535.00	\$15,004.16	\$15,200.00	\$15,690.00	\$15,690.00	\$16,180.00	
INCOME AND CARRY OVER								
Assessments (Both States)	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$14,000.00	\$16,000.00	
Interest Earned	\$384.94	\$380.00	\$368.34	\$400.00	\$400.00	\$400.00	\$400.00	
Carry Over from Prior Year	\$16,389.81	\$16,197.67	\$16,435.54	\$16,408.72	\$15,799.72	\$15,799.72	\$14,509.72	
Total Income and Carry Over	\$30,774.75	\$30,577.67	\$30,803.88	\$30,808.72	\$30,199.72	\$30,199.72	\$30,909.72	
Balance End of Year	\$16,435.54	\$14,042.67	\$15,799.72	\$15,608.72	\$14,509.72	\$14,509.72	\$14,729.72	



KENNEDY AND COE, LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

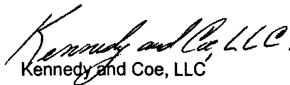
To the Chairman
Kansas - Nebraska Big Blue River Compact Administration

We have audited the accompanying statement of financial position of the Kansas - Nebraska Big Blue River Compact Administration, as of June 30, 1999, and the related statements of activities, cash flows, and revenues and expenses compared to budget for the year then ended. These financial statements are the responsibility of the Administration's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kansas - Nebraska Big Blue River Compact Administration as of June 30, 1999, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Respectfully submitted,


Kennedy and Coe, LLC

Topeka, Kansas
March 22, 2000

**KANSAS - NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**
Topeka, Kansas

Exhibit A

Statement of Financial Position
June 30, 1999

Assets

Cash in bank	<u>\$ 15,919</u>
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Liabilities and Net Assets

Net assets - unrestricted	<u>\$ 15,919</u>
Total liabilities and net assets	<u>\$ 15,919</u>

The accompanying notes are an integral part of these financial statements.

-2-

**KANSAS - NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**
Topeka, Kansas

Exhibit B

Statement of Activities
Year Ended June 30, 1999

Unrestricted Net Assets	
Revenues:	
Kansas contribution	\$ 7,000.
Nebraska contribution	7,000
Interest	374
Total revenues	<u>14,374</u>
Expenses:	
Surface and ground water investigations	12,500
Staff travel	87
Auditing and accounting services	500
Printing annual report	143
Fidelity bond	100
Secretary - Treasurer services	1,500
Office supplies and postage	61
Total expenses	<u>14,891</u>
Increase (decrease) in unrestricted net assets	(517)
Net assets, beginning of year	16,436
Net assets, end of year	<u>\$ 15,919</u>

**KANSAS - NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**
Topeka, Kansas

Exhibit C

Statement of Cash Flows
Year Ended June 30, 1999

Cash flows from operating activities:	
Increase (decrease) in net assets	\$ (517)
Net cash (used) by operating activities	<u>(517)</u>
Cash flows from investing activities	-
Cash flows from financing activities	-
Net (decrease) in cash	<u>(517)</u>
Cash, beginning of year	16,436
Cash, end of year	<u>\$ 15,919</u>

The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.

**KANSAS - NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**
Topeka, Kansas

Statement of Revenues and Expenses Compared to Budget
Year Ended June 30, 1999

Exhibit D

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Kansas contributions	\$ 7,000	\$ 7,000	\$ -
Nebraska contributions	7,000	7,000	-
Interest	400	374	(26)
Total revenues	<u>14,400</u>	<u>14,374</u>	<u>(26)</u>
Expenses:			
Surface and ground water investigations	12,500	12,500	-
Staff travel	200	87	113
Auditing and accounting services	500	500	-
Printing annual report	200	143	57
Fidelity bond	100	100	-
Secretary - Treasurer services	1,500	1,500	-
Office supplies and postage	100	61	39
Miscellaneous	100	-	100
Total expenses	<u>15,200</u>	<u>14,891</u>	<u>309</u>
Excess (deficit) of revenues over expenses	<u>\$ (800)</u>	<u>\$ (517)</u>	<u>\$ 283</u>

**KANSAS - NEBRASKA BIG BLUE RIVER
COMPACT ADMINISTRATION**
Topeka, Kansas

Notes to Financial Statements
Year Ended June 30, 1999

Note A - Summary of Significant Accounting Policies

The Kansas - Nebraska Big Blue River Compact Administration (the Administration) is an interstate administrative agency established, upon adoption of rules and regulations pursuant to Article III (3,4) of the Kansas - Nebraska Big Blue River Compact on April 24, 1973, to administer the Compact.

The following is a summary of the more significant policies:

1) Basis of Accounting

The financial statements have been prepared on the accrual basis financial accounting in accordance with generally accepted accounting principles. All activities of the Administration are classified as unrestricted for financial reporting purposes.

2) Function

The major function of the Administration is to establish "such stream-gaging stations, ground water observation wells, and other data-collection facilities as are necessary for administering the compact".

The purpose of the compact is to:

- A) Promote interstate comity between the States of Nebraska and Kansas.
- B) To achieve equitable apportionment of the waters of the Big Blue River Basin between the two states and to promote orderly development thereof.
- C) To encourage continuation of the active pollution-abatement programs of the waters of the Big Blue River Basin.

3) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles may require the management to make estimates and assumptions that affect certain reported amounts and disclosures.