

Bids opened for pipeline, well field.

By Russ Pankonin

The Imperial Republican

N-CORPE sold more than \$92 million in bonds last week to cover the purchase of 19,000 acres in Lincoln County in October 2012.

The Nebraska Cooperative Republican Platte Enhancement Project (N-CORPE) was formed through an interlocal agreement to purchase the land and develop an augmentation project.

Members include the Upper, Middle and Lower Republican Natural Resources Districts (NRDs) in the Republican River Basin and the Twin Platte NRD located in the Platte River Basin.

The land, located in southwest Lincoln County, will be used to launch the largest streamflow augmentation project ever in Nebraska.

Irrigation on the tract will be retired with groundwater used to augment streamflow in either the Republican or Platte rivers.

Ameritas of Omaha conducted the bond sale. The bond sale of \$92,560,000 will provide N-CORPE with long-term financing for the land costs. Proceeds of the sale paid off interim bank financing of \$78.2 million, including principal and interest, used to initially close the deal.

In addition, the sale will reimburse N-CORPE members for \$5 million in downpayments made.

Also, \$4 million will be used to establish cover crops on the 19,000 acres that will be retired from irrigation.

Another \$3.35 million will be held in a debt reserve account with another \$960,000 in associated fees for the bond issuance.

Overall, the average interest rate on the bonds sold will run 5.16 percent with terms running up to 25 years.

Bids Opened for Project

At an N-CORPE meeting in McCook last week, bids for the well field piping and the well field conversions and controls were opened.

About seven miles of pipeline will be needed to deliver water from the project into Medicine Creek.

Nate Jenkins, assistant manager at the URNRD, also serves as URNRD's representative to N-CORPE.

He said seven bids for the piping work were submitted by contractors from six different states. Only three bids, two from Nebraska firms and one from a Colorado firm, were submitted for the well work.

Jenkins said the bids came in about \$7-9 million less than engineers' estimates.

The low bid for the piping came in at \$12,416,800 from Merryman Excavation of Woodstock, Ill.

The low bid for the well side of the project came in at \$5,880,254 from Sargent Irrigation of Grant.

N-CORPE will meet again this week to consider accepting bids for the project. Bank financing will be used to pay for the construction projects.

Bid specs required substantial completion to occur by Dec. 31, 2013 with the project being fully operational by March 2014.

Jenkins said those dates become crucial if the Department of Natural Resources forecasts

2014 as another compact call year. Within several months, affected NRDs must submit a plan to DNR on how they plan to deal with a compact call year.

Having augmentation water available by March would provide Republican Basin members of N-CORPE a valuable tool for compact compliance.

45,000 Acre-foot Savings

By retiring the 15,874 irrigated acres on the tract, N-CORPE will generate a savings of about 45,000 acre feet (AF) per year.

This water could be used to help both the Republican and Platte River Basins remain in compliance with specific agreements in their respective basins.

The Republican Basin must remain in compliance with the 2002 compact settlement with Kansas.

The Platte Basin is required to meet obligations in the Platte River Recovery Implementation Program and bring groundwater pumping back to 1997 levels.

Some of the land has been leased for irrigation this year, Jenkins said, but that won't likely occur next year.

Lawsuit Still Pending

N-CORPE is continuing to move forward on the Lincoln County augmentation project, despite a lawsuit filed in U.S. District Court earlier this year.

The Frenchman Cambridge Irrigation District (FCID), headquartered in Cambridge, and the Nebraska Bostwick Irrigation District (NBID), headquartered in Red Cloud, filed the suit. They were joined by three board members of FCID.

Jenkins said N-CORPE has decided to keep moving forward with the project as much as possible. He said N-CORPE has filed a motion for dismissal but that motion is still pending.

Hearing in Maine This Week

URNRD Manager Jasper Fanning will be traveling to Portland, Maine for another hearing with Special Water Master William J. Kayatta, Jr., of Portland.

He has been appointed by the U.S. Supreme Court to deal with litigation between Kansas and Nebraska/Colorado over water use in the Republican Basin.

This is one of several hearings that have been held since Kayatta heard the case in August 2012.

Variance Process Examination

During the board's regular meeting Aug. 6, they discussed a number of variance requests made by landowners.

After a discussion of nearly an hour, board members agreed the variance process needs better guidelines and procedures.

That would create some consistency in granting variances rather than acting on each one on an individual basis.

The issue will require further investigation by the groundwater committee and board.