

By Russ Pankonin

The Imperial Republican

Several months ago, the Upper Republican Natural Resources District hired a Lincoln law firm to look for other funding methods to pay for compact compliance activities.

That investment may be paying dividends.

During the board's regular meeting Monday afternoon in Imperial, Joel Burke, the board's legal counsel, said state statutes allow NRDs to fund specific projects through an Improvement Project Area (IPA).

Burke explained the board would create a benefit area, where the benefits of a particular project would be determined.

Those benefits would translate into assessments, with those bene-fitting most, paying the highest assessment.

These assessments could be used to create a sinking fund for compliance projects or to repay bonds sold to finance a project.

Burke said he has been working closely with the Lincoln law firm to insure this is a funding method the NRD could use.

Burke said there are already state statutes in place for an NRD to create an IPA and make

assessments for paying for the specific projects.

Property owners in the declared benefits area would have the opportunity to vote on whether they wanted the IPA or not.

If a majority of property owners in the benefit area voted for the IPA, then all property owners in the benefit area would be assessed.

The IPA funding remains especially important since the occupation tax is likely to be tied up in court, even after a district court judge rules on its constitutionality.

Burke said it's still unknown when the judge will rule on the occupation tax.

If the judge would rule that the occupation tax in LB 701 is a local tax for a state purpose, that would likely doom the occupation tax as a funding source for compliance activities.

Burke said that since the IPA statutes are already in place, with some case history behind them, the use of IPAs is supported.

However, he noted there could still always be some sort of court challenge regardless.

Burke noted that if the project creates a benefit shared by all property owners, rather than a particular class, then an IPA could not be formed.

It may be possible to define irrigated ground as one benefit class, versus a class for dryland.

That would allow an assessment for all irrigated ground in the district, generating funds in a way similar to the occupation tax but governed by different statutes.

IPA as part of IMP

Members of the board reviewed a revised draft of the integrated management plan that they have been negotiating with the Department of Natural Resources.

The new IMP incorporates a plan to shut down irrigation wells in certain rapid response acres (RRA) in a water-short year to insure compliance with the Kansas compact settlement.

At this point, there is no compensation for farmers in the RRA who must shut down wells.

Manager Jasper Fanning said they will continue to negotiate language with DNR, along with putting the IPA funding mechanism into the plan.

The option to shut down wells in the RRA stands as a last resort in the IMP. With a new funding mechanism, the NRD may be able to implement other compliance activities to avoid a shut down.

Fanning said the board will continue to hammer out differences with DNR and the Attorney General's office.

He suggested a special board meeting be held to work specifically on the IMP and bring the process to a close. In April, the newly-crafted IMP would be brought before patrons of the district for further review.