



## News Release

(HOLDREGE, Neb.) - The Central Nebraska Public Power and Irrigation District's board of directors approved a schedule of activities at Monday's monthly board meeting that covers the process over the next year and half for determining new terms and a fee schedule for cabin lot leases at Johnson Lake and Plum Creek Canyon Lake.

Central's board intends to consider new lease fees and terms for a draft alternate lease at this December's board meeting. The final fees and terms are scheduled for consideration at the July 2017 board meeting.

The schedule incorporates requirements within the current lease as they pertain to the appraisal process to establish a fair market value for lake lots. The appraisal process is scheduled to begin next April and conclude by December 2017.

The schedule also includes provisions for multiple meetings with a Johnson Lake Development, Inc., lease committee as well as public meetings at which cabin-owners can learn about and provide comments on the alternative lease proposal prior to final adoption by Central's board. Exact dates for those meetings will be determined at a later date, but are anticipated to occur around January and June of 2017.

Recent sales data from the lake shows large increases in leasehold values over the past several years, which has created concerns that a significant increase in the rental rate would automatically occur in 2018. The adjustment, as provided in the current lease, is based upon 5 percent of an appraised fair-market value of an average lot.

In an effort to avoid sudden large increases, Central has been discussing alternatives to the existing lease with cabin-owners for the past several months. Under the schedule approved Monday, the new alternative leases would take effect on March 1, 2018.

Copies of the full schedule will be mailed to Johnson Lake and Plum Creek Lake cabin-owners.

Also at Monday's meeting:

- The board approved four separate water service agreements to provide groundwater recharge from excess flows. Central entered into agreements with the Platte River Recovery Implementation Program for diversions into Elwood Reservoir and the Phelps Canal; with the Nebraska Department of Natural Resources (DNR) and Tri-Basin Natural Resources for diversions into the Elwood Reservoir and the E65 Canal; and with DNR for diversions of excess flows into the Phelps Canal. All of the agreements are temporary and diversions will occur only when there are excess flows available in the Platte River.
- Irrigation Division Manager Dave Ford reported that the head gates of the irrigation canals have been closed and irrigation deliveries are ending for the season. Final deliveries for late-maturing crops will be accomplished with drawdown water from the system. He added that preparations are underway for a number of fall maintenance and construction projects.
- The board approved a work order for \$48,338 for installation of membrane lining in three-tenths of a mile of lateral on the Phelps Canal system east of Axtell.
- The directors approved a contribution of \$5,000 and 40 hours of labor and equipment use to the Nebraska Game and Parks Commission for public boat ramp improvements at Jeffrey Lake.
- Civil engineer Cory Steinke reported that Lake McConaughy is at elevation 3257.1 feet as of Monday morning (87 percent of capacity and 1.5 million acre-feet in storage) as irrigation season ends.

"That's about where we wanted to be at this point," he said. "It's likely that we'll see the lake start to come back up soon because of planned maintenance outages at our hydroplants and along NPPD's Keystone Canal in October.

Steinke said releases will be cut back during the outages, while inflows are expected to gradually increase over the next few weeks.

- General Manager Don Kraus reported that the new purchasing agent, Duane Cernousek, started work last week at the Holdrege Administrative Headquarters. He is replacing Greg Ham, who is retiring before the end of September.
- The board approved a right-of-way easement on its property in Gothenburg to allow the city to install a new sewer line.
- The board approved three variances to permit construction projects at Johnson Lake and two variances at Jeffrey Lake.
- The board approved a motion to hold the Oct. 4 board meeting at the Super 8 Motel in Holdrege.

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