415 Lincoln St. + P.O. Box 740 + Holdrege, NE 68949 + (308) 995-8601

News Release

(HOLDREGE, Neb.) - The Central Nebraska Public Power and Irrigation District's board of directors deadlocked on a vote at a special meeting Thursday to authorize the use of the District's eminent domain authority to acquire land associated with the proposed construction of the J-2 Regulating Reservoirs.

The 6-6 vote meant that the resolution failed to gain approval. A simple majority of seven votes was needed to pass the resolution.

Voting in favor of the resolution were directors Ron Fowler of Johnson Lake; Robert Garrett of Minden; Dudley Nelson of Axtell; Scott Olson of Minden; Robert Petersen of North Platte; and Gordon Soneson of Holdrege. Voting against the measure were directors Geoff Bogle of Elwood; Robert Dahlgren of Bertrand; Willie Knoerzer of Elwood; Marty Mueller of Ogallala; Roger Olson of Holdrege; and Dave Rowe of Johnson Lake.

The resolution would not have implemented eminent domain for any property; rather it would have given management the option to use the authority in existing Nebraska law if current negotiations failed to produce agreements in a timely manner.

"Different properties that are needed for the completion of environmental and engineering studies are on different schedules," said Natural Resources Manager Mike Drain. "In order to stay on schedule and to meet certain deadlines for additional studies, access to some properties is needed as soon as possible. Negotiations with landowners will continue, as they would have even if the resolution had passed."

Rather than ask for eminent domain authority in a piecemeal fashion, or to return to the board on multiple occasions for authorization, staff opted to recommend a single resolution covering all property needed for the project.

Several of the board members who cast "no" votes cited a desire to slow the process down to allow continued negotiations with affected landowners without the immediate potential for eminent domain.

"This was a difficult decision for the board, regardless of how the directors voted," said General Manager Don Kraus. "I think the message is to give negotiations some more time to reach a conclusion that all parties can live with."

The site of the J-2 Regulating Reservoirs project is located on about 1,200 acres adjacent to the Platte River in the northwestern corner of Phelps County and the northeastern corner of Gosper County.

Several landowners attended the special board meeting in opposition to the proposed resolution, citing concerns about the appraised value of their properties, the pace of negotiations, cultural resources that may be present in the area, and the necessity of the project. Some of the landowners expressed a willingness to sell their property if further negotiations can produce a satisfactory settlement.

The proposed project is part of a larger plan to enhance flows in the Platte River for threatened and endangered species, as well as to allow Central to operate its J-2 Hydropower Plant in a more efficient manner without FOR IMMEDIATE RELEASE July 2, 2015

Contact: Jeff Buettner Public Relations Coordinator Office: (308) 995-8601 Cell: (308) 991-3228 E-mail: jbuettner@cnppid.com



affecting return flows to the Platte River and irrigation customers' water supplies along the Phelps Canal.

For Central, the project will remove restrictions on hydroplant operations and resolve concerns expressed by the U.S. Fish and Wildlife Service on how operations under a current agreement between the two entities affect threatened and endangered species habitat along the Platte River.

It would also remove the need for a flow attenuation plan at Johnson Lake that affects lake levels during the spring and summer recreation season.

Benefits for the Platte River Recovery Implementation Program include a gain of approximately 30,000 acre-feet of water that can be temporarily stored and then released back to the Platte River — or re-timed — to meet the Program's requirement of 50,000 to 70,000 acre-feet of water per year to benefit threatened and endangered species. Those species include whooping cranes, least terns and piping plovers along the central Platte and pallid sturgeon in the lower Platte.

The State of Nebraska will also benefit, through three Platte River Natural Resources Districts, by gaining 10,000 acre-feet that can be used to offset depletions to the Platte River caused by groundwater well development. Such water would reduce or remove the need to acquire water from other sources, including potential pumping restrictions or curtailing irrigation on acres in the Platte River Valley.

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