

Transcript Prepared by Clerk of the Legislature Transcribers Office  
Natural Resources Committee April 20, 2021  
Rough Draft

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**BOSTELMAN:** For the safety of our committee members, staff, pages and the public, we ask those attending our hearings to abide by the following procedures. Due to social distancing requirements, seating in the hearing room is limited. We ask that you only enter the hearing room when it is necessary for you to attend the bill hearing in progress. The bills will be taken up in order posted outside of the hearing room. We request that everyone utilize the entrance and exit doors to the hearing-- hearing room entrance and exit. When-- we request that you wear a face covering while in the hearing room. Testifiers may remove their face covering during testimony to assist committee members and transcribers in clearly hearing and understanding the testimony. Pages will sanitize the front table and chair between testifiers. Public hearings for which attendance reaches seating capacity or near capacity, the entrance door will be monitored by the Sergeant at Arms who will allow people to enter the hearing room based upon seating availability. Persons waiting to enter a hearing room are asked to observe social distancing and wear a face covering while waiting in the hallway or outside the building. The Legislature does not have-- does not have the availability of an overflow hearing room for hearings, which attracts several testifiers and observers. For hearings with a large attendance, we request only testifiers enter of the hearing room. Welcome to the Natural Resources Committee. I am Senator Bruce Bostelman and I am from Brainard and I represent the 23rd Legislative District. I serve as Chair of this committee. The committee will take up the bills, or the bill, in order posted. Our hearing today is your public part of the legislative process. This is your opportunity to express your position on the proposed legislation before us today. The committee members might come and go during the hearing. This is just part of the process as we have bills-- we won't have bills introduced, but there may be other legislative activities that they're-- need to be a part of. I ask that you abide by the following procedures to better facilitate today's proceedings. Please silence or turn off your cell phones. Introducers will make initial statements followed by proponents, opponents, and then neutral testimony. Closing remarks are reserved for the introducing senator only. If you're planning to testify, please pick up a green sign-in sheet that is on the table at the back of the room. Please fill out the green sign-in sheet before you testify and please print. And it is important to-- to complete the form in its entirety.

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When it is your turn to testify, give the sign-in sheet to a page or to the committee clerk. This will help us make a more accurate public record. If you do not wish to testify today but would like to record your name as being present at the hearing, there is a separate white sheet on the table so that you can sign for that purpose. This will be a part of the official record of the hearing. When you come up to testify, again, you may-- please speak clearly into the microphone. You may remove your mask and tell us your name and please spell your first and last name to ensure we get an accurate record. We will be using the light system for all testifiers. Can I ask how many people are planning on testifying today? OK, we will have three minutes to make your initial remarks to the committee, that's three minutes. When you see the yellow light come on, that means you have one minute remaining and the red light indicates your time has ended. Questions from the committee may follow. No displays of support or opposition to a bill, vocal or otherwise, is allowed at a public hearing. The committee members with us today will introduce themselves starting on my far left.

**GRAGERT:** Good morning. Senator Tim Gragert, District 40 up in northeast Nebraska.

**HUGHES:** Dan Hughes, District 44, 10 counties in southwest Nebraska.

**AGUILAR:** Senator Ray Aguilar, District 35, Grand Island, Nebraska.

**BOSTELMAN:** And on my right.

**MOSER:** Mike Moser, District 22, that's Platte County and bits of Colfax and Stanton Counties.

**BOSTELMAN:** So other committee members will be joining us once they can come off the floor and join the hearing at that time, as well as our introducer as he gets off the floor. To my left is the committee legal counsel, Cyndi Lamm, and to my far right is the committee clerk, Katie Bohlmeyer. Our pages today for the committee are Samuel and Erin. I want to thank you both for coming in and helping us with our hearing today. And as I talk slow enough, Senator McDonnell is coming in and take your time, get settled. We're just getting through the preliminary information, Senator McDonnell, and when you get settled in and you're ready, you're welcome to open on your AM.

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**McDONNELL:** Thank you, Chairman Bostelman, members of the committee. I apologize for-- for being late. My name is Mike McDonnell, M-i-k-e M-c-D-o-n-n-e-l-l. I represent Legislative District 5. LB406 and AM848 and AM1001, which cleans up some language from AM848, is create-- is to create a Statewide Tourism And Recreational Water Access and Resource Sustainability Special Committee of the Legislature and is a follow up to LR138 from last year to study potential flood control infrastructure projects along the river basin of the Lower Platte River. Added to this effort is a renewed focus to protect public and private property, including the use of levee systems, enhance economic development and promote private investment and the creation of jobs along the Platte River and its tributaries from Columbus to Plattsmouth. Also added is the need to provide for public safety, public infrastructure, land use planning, recreation and economic development opportunities along Lake McConaughy and the socioeconomic conditions, recreational and tourism opportunities, and public investment necessary to enhance economic development and to catalyze private investment in the region in Knox County, including Lewis and Clark Lake and Niobrara State Park. LB406 has been expanded to include more of Nebraska's valuable water resources. Dating back to at least 1895, Nebraska has talked about potential infrastructure projects along the Lower Platte River and tributaries to provide flood control, a reliable source of drinking water, power generation, and economic development. In 1948, public hearings throughout the state identified the desire for projects to control flooding, control bank erosion, and residents from communities along the Platte and Elkhorn Rivers specifically asked for relief from flooding caused by the waters flowing into the Platte River. Studies resulting from these public hearings looked at a number of projects along the Platte River, including a series of reservoirs or one large reservoir for flood relief. In 1963, business leaders in eastern Nebraska asked for an update study on a series of reservoirs or one large reservoir along the Platte River. Operational studies at this time showed the proposed flood storage would have reduced flood damage along the Missouri River in 1960, 1962, and 1967 floods by one-half mile. During hearings last year, we heard testimony that approximately 50 percent of the water that flooded southeast Nebraska, Iowa, Kansas and Missouri in 2019 came from our lack of flood control along the Platte River. Flood storage capacity of 250,000 to 300,000 acre-feet would have reduced peak flows by 10 to 25 percent in the Lower Platte River and that

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would have been enough to keep the levee systems around Offutt Air Force Base and all the levee system south of the mouth of the Platte and Missouri Rivers in Iowa, Nebraska, Kansas and Missouri within their design capacities and potentially would have prevented an estimated \$3 billion in damage. We spent much of the last year meeting with key stakeholders along the Platte River, including critical infrastructure along the Platte River like Metropolitan Utility Districts, the City of Lincoln Water Supply, NRDs, communities along the Lower Platte, community members in Ashland, and we-- and we got to view some of the infrastructure up close by airboat. The goal of the study of the Platte River is to protect the lives, communities and properties along the river basin. Modern technologies, including parallel storage, diversion channels, levees, reservoirs, wetlands, locks, steps and other public infrastructure strategies could give us an opportunity to absorb the water needed to prevent future flood catastrophic and provide a recreational, economic and community water needs. In addition to looking at opportunities along the Lower Platte River, this committee will look at what the Legislature can do to improve conditions and the opportunities around Lake McConaughy and enhance economic development and tourism in the region of Knox County, including Lewis and Clark Lake and Niobrara State Park. We're fortunate to live in a state with a constant supply of water. Greater control over this resource will give us the competitive advantage, and it will help us to protect communities, lives and property from catastrophic flooding. I thank you for your time and encourage you to look at opportunities for our state to wield greater control over our natural resources. The studies are designed to happen rapidly and with the purpose to get us the information we need to develop and propose potential interventions prior as soon as possible and inform the current four-state study being conducted by the Corps of Engineers and the Governors of Nebraska, Iowa, Missouri and Kansas. John Winkler is the general manager of the Papio-Missouri River Natural Resource District. He is here to testify and provide more information about flood control, water quality and water needs in the communities. I just want to thank Senator Bostelman for the time that he's-- he's given me as your Chair. Going through this process there's an old saying, you know, you start asking questions, you find out how much you don't know. And I've learned a great deal in this process and-- but from day one, our goal was to make sure that we did a study, not a study to support a plan. We wanted to do a study to possibly come up

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with ideas for possibly a plan. Working with Senator Flood, Speaker Hilgers and Senator Gragert about some of their concerns, I think we've developed an idea here and a special committee that can help the state: east, west, north, south, and look at what Senator Hughes is concerned about with-- with Lake McConaughy and bring a number of people together to-- to try to work on this and get something back, hopefully by December of this year to bring back for discussion. But I'm going to be here to close and I'm here to answer any of your questions.

**BOSTELMAN:** Thank you, Senator McDonnell, and I will recognize that Senator Groene and Senator Cavanaugh did join the committee. So with that, I would like to ask any committee members for questions. Senator Gragert.

**GRAGERT:** Thank you, Chairman Bostelman, and thanks for the testimony. I would just like to clarify, you know, that this bill has been in-- and originally and it has become known, I believe, as the lake at Ashland. This is no longer that bill, right?

**McDONNELL:** That is correct. Now, I would also like to clarify, if I can.

**GRAGERT:** Please.

**McDONNELL:** Meeting with the people of Ashland and the surrounding areas, this never was supposed to be a situation where some of the discussions that have gone on in the past, going back to Buffalo Lake, Lake Ashland. This truly was a concept to say, OK, what are our options? And we've even gone farther with the study and the special committee of a minimum of seven senators that we are not going to study the idea of damming the Platte. We are going to look at-- looking at the tributaries and possibly the options there, but we don't have a plan. This isn't again, as I mentioned earlier, this isn't a study to try to support our plan because we really do want to do a study. And now, including the other parts of the state, looking at this special committee and what can we do to enhance the water resources we have in the state, also never taking our eye off of protecting life and property. And what's happened with the floods of 2019 and '11 and, of course, throughout our history as the state of Nebraska.

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**GRAGERT:** Thank you.

**BOSTELMAN:** Other questions from committee members? Seeing none, thank you, Senator McDonnell. Would ask for the first proponent to please step forward as the page completes the wipe down there on the desk, please step forward. Good afternoon.

**JOHN WINKLER:** Good afternoon, Chairman Bostelman and members of the Natural Resources Committee. My name is John Winkler, J-o-h-n W-i-n-k-l-e-r. I'm the general manager of the Papio-Missouri River Natural Resources District and today I'm testifying on behalf of the Nebraska Association of Resource Districts. First, I'd like to thank you for giving me the opportunity to provide testimony once again on LB406 as amended. From 2010 to 2020, Nebraska has experienced 23 extreme weather events from the 2012 flash flood to the hist-- or flash drought to the 2019 historic flood, costing the state \$20 billion in damages in just a decade. As a society in general, we are constantly in a reactive mode of recovery, especially when it comes to natural disasters like floods and drought. How do we as a state proactively mitigate these extremes and their devastating impact on our citizens, on our economy, and on our quality of life? A step further, how do we mitigate these extremes while simultaneously creating resilience and sustainability in a way that improves our citizens' safety, strengthens our economy, enhances our environment, and makes our quality of life better? The intent of the study is to formulate proactive options to mitigate the devastating impacts of flooding and drought, create recreational opportunities, foster economic and community development, create jobs and investment, as well as improve the natural environment. The historical flood of 2019 was all about the uncontrolled tributaries of the Missouri River, like the Platte, Elkhorn and Loup Rivers. And Senator McDonnell went over the devastating impacts as far as the billions of dollars in damages to public infrastructure and property. However, his figures did not include damages to ag land, homes, businesses, lost income, entirety-- entire communities destroyed, and the future productivity of thousands of acres of farmland compromised, all from one single event. It is ironic that after the most extensive and costly flood in the state's history, not one new or previously unplanned flood mitigation structure has been designed or constructed. In stark contrast to the impacts of flooding, it is estimated that duration and intensity of droughts will increase. Flash droughts, like the one in 2012, may

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become more frequent. Throughout the state's history, there's always been stresses on our drinkable and irrigated water supplies that test their resiliency and sustainability. Several significant reservoirs that provide enough surface water augmentation on demand and enhance aquifer is a recharge all year round would be a tremendous boost to the resiliency of the Lower Platte corridor, where nearly 70 percent of the state's population resides. In fact, the most recent state groundwater report, published by the University of Nebraska at Lincoln School of Natural Resources, highlighted that groundwater wells near reservoirs and canals continue to show increases that they benefit from seepage or groundwater recharge. Groundwater levels have risen as much as 60 feet near Lake McConaughy due to the recharge from the lake. In south central, central and western Nebraska, groundwater has risen by more than 100 feet due to the influence of canals and reservoirs. This type of sustainable water supply would especially be beneficial to the City of Lincoln, who rely solely on the Platte River Basin for its water needs. Vulnerability to drought and an iffy water supply can hamstring community economic development opportunities immensely. And I won't even go into the benefits of recreation because I ran out of my time, but it's consistently studied that urban areas, not only in Nebraska but throughout the nation, are consistently short on recreational opportunities. Happy to answer any questions the committee might have.

**BOSTELMAN:** Thank you, Mr. Winkler. Are there any questions? Senator Gragert.

**GRAGERT:** Thank you, Chairman Bostelman. Your study or the study will be not only to look at new structures, but existing structures, you know, possible maintenance on existing structures out there, and again, if you will, the recreation opportunities, it's a multi, multi-benefit of any structure.

**JOHN WINKLER:** That's correct. And when we-- I think the philosophy is, I know when we create structures, flood mitigation structures, there's always a holistic approach. So it's not only flood control, but there's recreation. There's, for example, you know, there's fishing, there's boating, there's hiking, camping, all those types of things. So you'll find in many states that when they build a flood mitigation structure, they'll put a fence up around it. And so, you know, its benefit is for flood control, but then there's no other use. And we

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found that to be rather shortsighted, that you can have multi-dimensional facilities that address a lot of different issues.

**GRAGERT:** Thank you.

**BOSTELMAN:** Other questions? I think Lower Platte North actually is putting in six structures to slow down water, so I don't-- I think it's-- I don't think it's accurate when you said no one has put in any dams to-- for-- for-- as a result of the flooding. They actually-- Lower Platte North is putting in dams actually to do that. The other thing is, is one thing we hear in this committee, too, is western part-- or eastern part of the state of Nebraska has got way too many facilities for recreation that where western part of Nebraska has very few, very little, which is part of one of the reasons why we're looking at Lake McConaughy and up north. So I guess, I know along the Platte River specifically, there's probably, I don't know, seven or eight lakes, state parks, recreation areas all along the Platte River in that area we're talking about already. So there is a significant amount that's there already. And then you also have the Missouri that also provides a lot of access for a lot of-- a lot of water activities and recreation. So I think there's a lot that is being done on the eastern side of the state. And part of the things we're looking at with this is to look at other parts of the state and how we can improve on those. Senator Groene.

**GROENE:** Thank you, Chairman. You got Branched Oak, you got Holmes Lake near where I stay when I'm here. You've got-- I can't remember what the one is, Salt Lake or whatever, the natural one. Got Turkey Creek, Battle Creek. Are you linking access to any of those waters for your water situation? Have you made any agreements with NRDs?

**JOHN WINKLER:** No, so the City of Lincoln, they're primarily and their only source of water is the Platte River Basin. And so if you'd found during the flood, I think it was '97 and during the drought of 2012, I mean, so the City of Lincoln was in a pretty dire condition. I think at one time during the flood of '97, if one additional main would broken, they would have not been in water.

**GROENE:** I understand. But how big a facility are you talking to for the City of Lincoln? How big of a lake, how big a cubic feet of water



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are you looking at for storage so that you can store as an emergency water source?

**JOHN WINKLER:** So that would be part of the study, but I think the biggest part of that, Senator Groene, would not be to take out the lake-- that the lake would be or that water source would be to make sure that there's continued groundwater for the City of Lincoln to draw from. So we would basically in drought year, you could take that supply, put it into the Platte to guarantee that there would be--

**GROENE:** So you're looking at would add an adjective to this augmentation process.

**JOHN WINKLER:** Augmentation, correct. Recharge. It could be, and I don't know, again, for sure, that's what the study.

**GROENE:** Saturation of the water.

**JOHN WINKLER:** Right, saturate it.

**GROENE:** And then you're going to have ground wells and pump it into the river.

**JOHN WINKLER:** They already have ground wells for the City of Lincoln, for their water supply.

**GROENE:** But they don't dump it in the river.

**JOHN WINKLER:** No.

**GROENE:** Augmentate the river.

**JOHN WINKLER:** And it could be a canal, it could be pumps, however--

**GROENE:** Directly to the water source or to the river and then out of the river?

**JOHN WINKLER:** To the river-- to the river. I think that's-- that's the idea.

**GROENE:** They keep from following me so quickly but people are hungrier. Lincoln's water source are ground wells or do you pull right out of the river?

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**JOHN WINKLER:** Correct. They pull from the-- they pull from-- yes, they pull from the groundwater that's influenced by the Platte River. It's in the Basin.

**GROENE:** So why won't you just put groundwater wells next to the lake and pull directly to the city?

**JOHN WINKLER:** It would depend where those are located and they're very expensive to pipe water. So I'm sure they would want to keep their existing facilities and just to make sure that water could get to those. You know, who knows how far those may be. Maybe they're further up in the Basin, in the Loup's and the Elkhorn's or further up there, so that would be a very expensive proposition to pull all that water down to the Lincoln area for pumps and for piping.

**GROENE:** Thank you.

**BOSTELMAN:** Seeing no other questions.

**JOHN WINKLER:** And if I could Senator Bostelman, just--

**BOSTELMAN:** No.

**JOHN WINKLER:** OK, I just wanted to clarify the-- the-- the projects that are preplanned. So a lot of the projects that we build have been preplanned for decades. And so there hasn't been any new ones since.

**BOSTELMAN:** OK.

**JOHN WINKLER:** All right, thank you.

**BOSTELMAN:** Thank you, Mr. Winkler. Next proponent, please.

**MARK SIMPSON:** Good afternoon, Senators. My name is Mark Simpson, M-a-r-k S-i-m-p-s-o-n. I am a resident of Knox County and I live near the Village of Niobrara. I'm an EMT, I'm a fireman for the Niobrara Fire and Rescue, I'm clerk of session for the Niobrara Presbyterian Church, president of the Missouri Sedimentation Action Coalition, an unofficial caretaker of the Niobrara boat landing. I have chaired the committee to welcome the Tour de Nebraska to Niobrara, and have been a member of the Niobrara Promoters. The Cedar, Knox and Boyd County along Highway 12 is a landscape of great natural beauty. We are

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blessed with rugged landscapes and bluffs along the beautiful Missouri River. The Niobrara joins the Missouri at the Village of Niobrara. Niobrara is a small town of less than 400, and we rely on tourism to make our town go. The last two years of floods in 2019 and COVID in 2020 have been especially devastating for our economy. We, like, everyone, are hoping that everything will go back to normal. To a great part of Nebraska, Niobrara is a canoeing area of the Niobrara near Valentine. We are working to change that. Knox County is home to the Santee Sioux Nation and the Ponca Tribe. Both are full of history, waiting to be told in their museums, and powwows and being a great part of our life in the area. Both tribes do great things to contribute to the economy and culture of the area. Knox County is home to Niobrara State Park, the spectacular area of beautiful landscapes, wonderful RV camping and primitive tent camping, along with fishing in the park pond and the rivers. Deer, turkey, birds and other animals are prevalent in the area. Fishermen go after walleye, sauger, northern, catfish, crappie, bluegills and smallmouth bass. Some of the best fishing in Nebraska is in our rivers. And I would kind of-- oh, we've probably got some Lake McConaughy proponents here, but I take them on as far as our fishing is being the best in Nebraska. Hunters chase deer, turkeys, pheasants, prairie chickens in our fields. One problem that we have in our area is to have jobs for everyone. Our kids leave to go to the city to make a living. Our area is prime for development. Areas near Crofton and Verdel have summer homes and permanent housing. These areas are also ripe for more development. Access to the Missouri River in western Knox County is poor. I see the red light. We need-- we need a more rampant Niobrara. I sure thank you for your time. Appreciate your consideration.

**BOSTELMAN:** Thank you, Mr. Simpson. And we do have your testimony here to finish what you have, so we appreciate that. Are there any questions from committee members? Senator Gragert.

**GRAGERT:** Thank you, and thank you for your testimony. Thank you for making the drive, which I know is 3 hours one way for a 3-minute speech here to talk. But, you know, you mentioned the boat ramps and the access on to the Missouri River and what we're now getting out of the new bridge. But through the study and what would you say visitors would come-- or don't come right now because they're really not comfortable with loading boats on and off the Missouri River with the

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current boat ramps that we have both at Niobrara and Blue Moon or Lazy River Acres.

**MARK SIMPSON:** Right.

**GRAGERT:** Go ahead.

**MARK SIMPSON:** It's-- it's difficult. We've had several people back in at our makeshift boat landing pull the wheels off their trailer. It's a sharp drop off going into the river. We don't have a concrete access to the river anymore. We're just going off the shore. And if you're unaware or if you got too big a boat, it's a problem. And without those people coming in, there's no fishing, there's no recreational boating, there's no duck hunting. All that, the area is, is finding that they've lost.

**GRAGERT:** Thank you.

**MARK SIMPSON:** Thank you very much.

**BOSTELMAN:** Sir, hold on a second.

**MARK SIMPSON:** Yes.

**BOSTELMAN:** Other questions? I do have a question, is your-- is that boat ramp, is that-- is that locally owned, state owned, NRD owned?

**MARK SIMPSON:** It's locally owned. It was run by the Game and Parks. They gave up on it. The town-- the village took it over. It's a fight with the Corps because any plans you do, you have to have site drawings with elevations and all sorts of things that we don't have the money for.

**BOSTELMAN:** OK.

**MARK SIMPSON:** So it's difficult.

**BOSTELMAN:** All right, thank you. I appreciate that. Thank you for coming down to testify, Mr. Simpson.

**MARK SIMPSON:** Sure.

**BOSTELMAN:** Next proponent.

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**HILGERS:** Chairman Bostelman, members of the Natural Resources Committee, my name is Mike Hilgers, M-i-k-e H-i-l-g-e-r-s. I represent District 21 in northwest Lincoln, Lancaster County, also serve as Speaker of the Legislature. I'm here to testify in support of this amendment. This is the only bill I've testified on or introduced or have played a part of this year. I'll be brief. I want to first thank Senator McDonnell for bringing it and Senator Gragert and Senator Flood and Senator Hughes for their work, and in particular, Chairman Bostelman and Senator Clements and the staff of the Natural Resources Committee for their work on this amendment. You've already heard the testimony on LB406. This changes it, I think, in three primary ways. This amendment is far better, in my view. Number one, and critically, it goes beyond eastern Nebraska. This is a statewide-- this is an amendment that is meant to touch both west and east as well as north and south. You've heard the testimony on that already. I think this body is at its best when we're looking at a statewide approach to either-- either solutions or value added and this definitely does that. I think a good example already this session is LB40, Senator Groene's bill, which helps North Platte and rural Nebraska, Greater Nebraska, as well as LB550-- LB544 which helps Senator Wayne and urban Nebraska. So that piece one does that. Piece two, it changes and limits the focus so that there's not the focus on damming the Platte. I know that this is an area that has a lot of history, a lot of concern, a lot of different areas. We know there's economic investment going on around the Platte in those areas, and the last thing we would ever want to do is to freeze up that investment. So we want to make crystal clear that this would not study the Platte River. And thirdly, the third piece is, I think, beyond some streamlining, I think improving the bill, is that this looks to actually provide some potential wins for-- for those communities that are on the Platte. And I've talked to Senator Bostelman about this, looking at additional recreational access to the Platte River or even additional flood control through a levee system. So I am strongly in support of this bill, this amendment. I would encourage the committee to advance it to General File so we can have it heard on the floor. And I did make this a Speaker priority because I think it's an opportunity to-- to-- to improve the resources of the state and take advantage of the economic-- or the-- the natural resources that we have for economic development and other reasons. Thank you.

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**BOSTELMAN:** Thanks, Senator Hilgers. Are there any questions? Seeing none, thank you for your testimony. I'd like to thank-- recognize that Senator Wayne has joined the committee so all committee members are present. Next proponent, please. Good afternoon.

**DEB SCHILZ:** Good afternoon. Chairman Bostelman, and members of the Natural Resources Committee, my name is Deb Schilz, D-e-b S-c-h-i-l-z, and I want to thank you for the opportunity today to testify on AM894 to LB406. I'm currently the Chair of Keith County Visitors Committee, as well as president of the Ogallala City Council and being part of my testimony for that here today. Before I begin my testimony, I do want to let you know we do have a number of testifiers here today that have traveled from Keith County to give you their perspective of why the study discussed in AM894 is important for our local community-- community as well as the state of Nebraska. We do have representatives from our local committee, including myself, that were on the Lake Mac advisory committee, which has been working to build a stronger relationship between Nebraska Game and Parks and our local community to increase the communication and to start to move forward together to ensure viability to the park in the future. We also have some local business representatives whose livelihoods are directly affected by the visitors to the park. They'll be speaking to you today on how those studies can help bring more revenue by creating attractions and more ways for visitors to spend their time and money in Keith County and Nebraska. We also have representatives like myself for the city and county government here to give you our perspective on what it means to have a 30,000-acre park where over the summer the population in the county balloons well past the population of our largest community, which is Ogallala, and the impacts of how we are working with that. Just a bit of history on what happened with Lake Mac over the years. The dam was built in 1941 and is owned by and operated by Central Nebraska Public Power Irrigation District, which is headquartered in Holdrege. Central uses a reservoir for irrigation needs in the central Platte region of the state where the water is delivered to farm ground. You also have Kingsley hydro plant, which is a 3.5 megawatt hydroelectric generation facility located at Kingsley Dam. Nebraska Game and Parks are tasked with managing the recreation areas of Lake McConaughy and have been doing that capacity for several decades. Throughout the years the popularity at the lake has increased, both with visitors and local residents. Visitations from

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people living along the front range of Colorado has propelled Lake McConaughy to become one of the most popular vacation spots in this-- in the region. To illustrate this, half of all of our nonresident permits sold in the state of Nebraska are sold with the-- within a 40-mile radius of Ogallala and Lake McConaughy. One thing-- for this year our Visitors Committee was recently awarded a grant from the Nebraska Tourism Commission to do a visitor impact study and how those dollars are being spent at Lake McConaughy as well as Keith County. This grant is done in partnership with Nebraska Game and Parks, and we're looking forward to seeing those results here at the end of 2021. Having AM894 and LB406 pass provides another tool in our chest with ultimate resources for our community-- community leaders to move forward. Lake McConaughy is a huge economic engine for Keith County and western Nebraska. I thank Senator McDonnell for introducing 8-- AM894 and happy to answer any questions.

**BOSTELMAN:** Thank you, Ms. Schilz. Are there any questions from committee members? Senator Hughes.

**HUGHES:** Thank you, Mr. Chairman. Thank you, Ms. Schilz, for coming today. We appreciate it. So you're part of the advisory committee with Game and Parks for Lake McConaughy, is that correct?

**DEB SCHILZ:** Yes, it is.

**HUGHES:** So are you comfortable with the answers that Game and Parks has given you about how they're changing the management of Game and Parks? I mean, how much-- how much input did the advisory committee have to Game and Parks?

**DEB SCHILZ:** Starting last year when the advisory committee was formed, we've had some input as to the number of amount of reservations, or not reservations at that time, campsites that they wanted available. They wanted to have a reservation system. This year it was imple- is being implemented, starts tomorrow as a matter of fact, for beach camping. We are not completely satisfied with those numbers just because to-- in our minds, living out there, some of those numbers are a bit arbitrary. The reservation system will help give us some better numbers, but I don't know exactly they were the right ones to start with.

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**HUGHES:** So has Game and Parks made-- is Game and Parks going to make those numbers available to you as they come in?

**DEB SCHILZ:** As they come in, they are to be given to us on a weekly to biweekly basis. As of right now, we have a meeting with them on May 11, I believe, and hopefully be able to have some updates to-- from tomorrow to that date as to how that's working.

**HUGHES:** OK. As you're aware, I've got LB336 in place to raise nonresident park permit fees. Has Game and Parks given you any assurances that any of that money will be coming back to Lake McConaughy to handle the large crowds that annually show up there?

**DEB SCHILZ:** As of today, we have not had any final words from Nebraska Game and Parks of how that money will be spent.

**HUGHES:** How-- how do you think that money should be spent?

**DEB SCHILZ:** There are a number of options, I believe, that could be used for. Law enforcement would be one. Helping strengthen our emergency management services could be another. Infrastructure improvements obviously can help. Campgrounds would be great to be able to implement as well, which is part of their master plan and being able to have more visitors come stay at the lake than what they're looking at for this year.

**HUGHES:** OK, thank you very much for coming down.

**DEB SCHILZ:** You bet.

**BOSTELMAN:** Senator Gragert.

**GRAGERT:** Thank you. Thank you for your testimony. I was just wondering, in your opinion, I don't know if you want to answer this, fine, if you don't, that's fine, too, but this-- with this amendment and this bill, do you see it as a study that could be utilized with Game and Parks and with your advisory group as a--

**DEB SCHILZ:** My personal opinion, yes. I do feel that the study would be very beneficial to all parties involved because we need a-- there is a comprehensive plan for the county. There are plans that also our communities have put together for our growth and things of that



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nature, but I think this would enhance what we have already started and know that we are going down the right path.

**GRAGERT:** Thank you.

**HUGHES:** Senator Groene.

**GROENE:** Thank you. I heard once that Lake McConaughy had more miles of white sand than the Hawaii island of Maui. What percentage of-- of them, those beaches now are accessible to tourists?

**DEB SCHILZ:** I'm going to give you a guess, because it's mainly along the north side of the lake. The south side is more private residence and there are-- there is a campground on the south side. So I would say probably 60 to 65 percent is public access because the north side-- whole north side so.

**GROENE:** All the sand.

**DEB SCHILZ:** Yeah.

**GROENE:** There's a lot of miles out there in that area.

**DEB SCHILZ:** There are a lot of miles, yes.

**GROENE:** There's a lot of miles. I doubt 60 percent of it is available.

**DEB SCHILZ:** You think it's less or do you think it's more?

**GROENE:** I think it's a lot less. But you were talking you ask-- another question, you said mentioned more campgrounds. That's part of it. You want more access, more tourists to be able to come out there. I mean, it's not only Denver, it's Omaha and Lincoln people that travel that way too.

**DEB SCHILZ:** That is correct. Yep.

**GROENE:** So, I guess my question is-- I blanked out here.

**DEB SCHILZ:** You're fine.

**GROENE:** But you see that building more lakes to the east would harm your tourism?

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**DEB SCHILZ:** I don't believe it would harm it as much as if it were built to the west. I would say approximately 70 percent of our visitors are coming from out of state to the west of us.

**GROENE:** So this Fourth of July weekend.

**DEB SCHILZ:** Um-hum.

**GROENE:** Some couple, some young guys get in their car with a tent and head to Ogallala and they get there and they said, well, you don't have a camping permit. What are you going to do with those young people? What are you going to do with all those people that show up? They don't know what's going on in Front Range, they're just going to show up. And for years, it's been a tradition, they just show up. What's going to happen?

**DEB SCHILZ:** That's a great question to ask the Game and Parks.

**GROENE:** All right, thank you.

**BOSTELMAN:** Senator Wayne.

**WAYNE:** So the influx of tourism, how are you-- how does Keith County and Game and Parks work to like, fill jobs, like jobs around the lake?

**DEB SCHILZ:** For jobs?

**WAYNE:** Yes.

**DEB SCHILZ:** Nebraska Game and Parks is already marketing seasonal help through their Game and Parks website. Locally, we-- our Chamber is very good about advertising that information. We also have a Facebook page that we promote seasonal work as well for the lake area as well as our communities within Keith County.

**WAYNE:** Thank you.

**BOSTELMAN:** A couple of questions I have, and I realize going to the online camping spot is challenge. [INAUDIBLE] Lake, we used to camp when I grew up there and they changed over. It is a process you go through. It's different.

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**DEB SCHILZ:** Yes.

**BOSTELMAN:** But it is-- it is something that everybody has to deal with when it comes up. And so I appreciate the things you'll deal with when it comes along those lines. However, question I have is, Central Nebraska Public Power and Irrigation District owns that facility, right?

**DEB SCHILZ:** Correct.

**BOSTELMAN:** That is--

**DEB SCHILZ:** They own the land, yes.

**BOSTELMAN:** And does Game and Parks have management of their portion of it by contract?

**DEB SCHILZ:** Yes.

**BOSTELMAN:** And when is that contract up?

**DEB SCHILZ:** I believe it's coming up in 2035. Don't quote me on that, but it's about 15 more years before it expires.

**BOSTELMAN:** So has there been discussion that the Central Nebraska Public Power and Irrigation District just take it over and run it rather than Game and Parks?

**DEB SCHILZ:** We, as the advisory group, have not had that conversation with Central. Now, whether Central and Game and Parks have had that, I can't answer that question.

**BOSTELMAN:** So do you think that they would manage it better?

**DEB SCHILZ:** That I can't speak to of either. From an employment standpoint, I believe there's a half a dozen maybe employees employed by Central in the Ogallala area. I believe the rest of them are located east of there.

**BOSTELMAN:** And I guess the last question, kind of what Senator Groene was talking about is, if they were to open-- for more camping areas, is there access available? Because in my mind, would it be if you have

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an access, a point A now for these say, 100 slots, but you're going to have to have another access at point B, if you will for the next 100 slots,--

**DEB SCHILZ:** Correct.

**BOSTELMAN:** --is there access there, opportunities or not?

**DEB SCHILZ:** On the north side there is. The south side potentially could be developed as well and have some access areas developed. Right now, that's not-- there is not as many access areas on the south side of Lake McConaughy as there are on the north side. Some of the development that we have looked at could potentially be on Central ground. We've also been exploring opportunities for development across the highway-- of Highway 92 on private ground that could be sold for concessionaires to develop campgrounds.

**BOSTELMAN:** OK, thank you. Any other questions? Senator Hughes.

**HUGHES:** Thank you, Chairman Bostelman. So I appreciate you bringing up Central as part of this. I'd be curious to know if the Lake Advisory Committee has talked about the potential merger between Central and Dawson Public Power and how that is viewed from the Lake McConaughy point of view.

**DEB SCHILZ:** From my pers-- my personal perspective, there has not been any communication from Central to the Lake Mac Advisory Group as of this point regarding that potential merger, and we have not had any meetings with Central or any other parties at this point.

**HUGHES:** I would think that they would-- since that is in your backyard and your livelihood, that that would probably be a good idea if they would reach out to

**DEB SCHILZ:** I believe--

**HUGHES:** --your advisory community to sit down at some point.

**DEB SCHILZ:** I would-- I would highly encourage them to do so as well. I do believe in this phase, Senator Hughes, that this-- there will be a public comment time involved with that. Now, what those dates are, we have not been told as of yet, but it is our hope that Central will

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be coming to talk to our advisory group in the near future as to the process behind this, what they're looking for, and how they plan to move forward.

**HUGHES:** Do you think there's any possibility of-- if that merger would go through, that that new entity would be more interested in looking at a private management of that facility rather than Game and Parks?

**DEB SCHILZ:** I'm hoping that if that does go through, that they look at all the aspects of what the Central contracts are and explore all the opportunities that would be available.

**HUGHES:** And I think that's a big chunk of what this hearing is about, is to look at opportunities that can better utilize--

**DEB SCHILZ:** Yes.

**HUGHES:** --that recreation facility. The-- the best comment that I have heard from an individual was, what a waste of a lake that we've had for the last 50 years. It's a tremendous asset and certainly has been mismanaged and underdeveloped. So I appreciate Senator McDonnell for bringing this and getting us potential to look at other options and what we've done the same old stuff for the last 50 years. Thank you.

**DEB SCHILZ:** Um-hum. You bet.

**BOSTELMAN:** Senator Groene.

**GROENE:** Thank you, Chairman. You might not know this answer, but somebody might afterward be able to tell me. To clarify and redefine the question I asked you earlier--

**DEB SCHILZ:** Sure.

**GROENE:** --you made a comment. What percentage of the shoreline does Central own, and then what percentage does a rancher up, right up to the water. You said earlier that the land that Central owns--

**DEB SCHILZ:** Uh-huh. Central owns complete-- has complete ownership. They have a shoreline stopping point off of the shore, off of the lake.

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**GROENE:** Do you know what that buffer is?

**DEB SCHILZ:** They just revised it. And right now, I do not. But one of the other testifiers may be able to answer that question for you. They just revised it here in the last 18 months due to some erosion that has occurred.

**GROENE:** Coming off of Highway 92, you would have to go through private land to get those buffers let.

**DEB SCHILZ:** Correct. Yes, that is correct.

**GROENE:** It was what Senator Bostelman said about access, they'd have to get easements.

**DEB SCHILZ:** Yes.

**BOSTELMAN:** OK, thank you, Mrs. Schilz, for being here today.

**DEB SCHILZ:** You bet.

**BOSTELMAN:** Thank you for coming in.

**DEB SCHILZ:** I appreciate the opportunity. Thank you.

**BOSTELMAN:** Next proponent, please step up. Good afternoon.

**KELLY HANVEY:** Good afternoon, Senators. My name is Kelly Hanvey, K-e-l-l-y H-a-n-v-e-y. I'm the director of Knox County Economic Development, and I brought Mr. Simpson as my hype man. He gave you my first two paragraphs of all the things we have available. We have trophy whitetail and mule deer and we have an abundance of fish and lots of-- lots of opportunities to catch those in certain areas. What we don't have, our list of don't haves is a little longer. We have untapped potential for tourism in our area. Without being negative, we don't have a conference center or an event center to host conventions, conferences, reunions or events. Our avid golfers have to commute over two hours from a regional airport to golf at our resort-- golf course at Tatanka. We lack a marina. We do have the aforementioned waterways of the Missouri, the Niobrara, the Bazile, the Ponca, and the Verdigre Creek, but we have very limited access to them. Our boat ramps are too few or severely damaged from flooding. We have a very limited number

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of small hotels and one lodge in our state park available. The cabins and camping were highly sought after last summer during COVID and Lewis and Clark State Recreation Area and the Niobrara State Park were able to recoup \$50,000 in lodging tax. Knox County collects lodging tax at a similar rate to Kim-- Keith County at 4 percent. A study of that area revealed that visitor spending depends on how a visitor has traveled, how many are in their party, how long they stay, and possibly where they stayed. A day trip, just a day trip without an overnight stay, could capture \$22.47 per person. If we captured just 25 percent of the Lake McConaughy area, that would render \$1.9 million for our area. With an overnight stay, that's \$61 per person per day or around \$29 million in lodging tax for our area. We know that we have an abundance of natural resources and we enjoy some of the best outdoor recreation. Our lodging tax dollars have continued to increase despite a catastrophic flood and a global pandemic. As we look to the future, any dollars invested in our area would enhance and attract other very beneficial development. I thank you for your time and your consideration.

**BOSTELMAN:** Thank you, Mrs. Hanvey. Are there any questions from committee? Senator Gragert.

**GRAGERT:** Thank you. Thank you for your testimony, a lot of good information there. Appreciate that. Do you know-- would you happen to know-- I know. I know you're fairly new but the last time that the marina at Lewis and Clark Lake was upgraded, you know as far as upgrading, being larger. I think-- has it outgrown some?

**KELLY HANVEY:** I-- I'm not sure, I'll have to check into that. I would say it definitely has. Its capacity is-- is limited, especially we saw such a surge in attendance last summer with the desire to socially distance outside. I'll have to look into that, I'm not sure.

**GRAGERT:** With the-- follow-up question. With the resources we have up there, water being one of the greatest ones, with the animals, the deer and the turkey, would, you agree that they're in great succ-- well, good success, or--?

**KELLY HANVEY:** They're everywhere. And we have-- we have-- we have pheasant. We have turkey. We have quail. We have a variety of game

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fish. Our outfitters are seeing a great-- I think everyone is at capacity of the outfitters that we have in that area for this year.

**GRAGERT:** In your opinion, would-- would the possibility of more guiding-- guiding-- sport, hunting guides, fishing guides be essential to the area not--

**KELLY HANVEY:** Oh, absolutely.

**GRAGERT:** --only in economic development but also bringing those-- bringing in more landowner participation?

**KELLY HANVEY:** It-- it would. It would. It would be a great link to link all of this together. We have a lot of out-of-state turkey hunters. Right now is, is, of course, wild turkey season and they come from all over the country to hunt our turkeys. And I think that would be a big vital relationship to establish between landowners and the guides. It's also a great business opportunity to host those hunters.

**GRAGERT:** Let me real quickly maybe put you on the spot. In one word tell me what you-- how you would describe the sunsets and the sunrises on the Missouri River.

**KELLY HANVEY:** I brought ten of the most magnificent pictures and I'm sorry, I wish I would have made copies for all of you. But it is one word, breathtaking. We have a local enterprise just opened up under the name of God's Country and I would say that is aptly named.

**GRAGERT:** Thank you.

**BOSTELMAN:** Thank you for your testimony. Thank you for coming in today.

**KELLY HANVEY:** Thank you.

**BOSTELMAN:** Next proponent, please. Good afternoon.

**JESSOP ADAMS:** Good afternoon, Mr. Chairman, and members of the Natural Resources Committee. My name is Jessop Adams, J-e-s-s-o-p A-d-a-m-s, and thank you for the opportunity today to testify in support of the amendment to LB406. I'm here today to testify primarily in my capacity as Chair of the Keith County Planning and Zoning Board, as well as a



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board member of the Keith County Area Development Corporation, also known as KCAD, which is our local economic development entity. As you know, Keith County is located along Interstate 80 and borders Colorado in the western part of our state. And this makes it an easy travel destination that sits about halfway between the Front Range of Colorado and the populous eastern portion of Nebraska. This proximity makes Keith County and Lake McConaughy an ideal travel destination for millions of people looking to enjoy-- enjoy our great outdoors. With this last year seeing a refocusing by travelers on the benefits of outdoor recreation opportunities, this places Nebraska in a unique position to capitalize on the development of these types of opportunities around its largest reservoir. Currently, Lake McConaughy is our county's second largest land use area behind agriculture and outside of the municipal jurisdictions most commercial development in the county is related to the lake. We have a county comprehensive plan in place that identifies the uniqueness of Lake McConaughy and tries to balance the maintenance of its natural beauty and environmental sensitivity with the continued need for adding additional commercial and residential development. A study funded by LB406 could significantly help us outline the needs and opportunities related to the development of the lake as permitted and encouraged under our comprehensive plan. The study's results would ensure that the county could move forward with confidence that future developments are supported by data, are not arbitrary, and helps drive important economic development. Additionally, LB406 would benefit from a community that already has the tools in place to act upon its results. KCAD is working with Nebraska strategies to navigate the working relationship with Game and Parks, as Deb Schilz mentioned earlier, and currently, Keith County has announced that they have achieved a million dollar revolving loan fund under the Rural Workforce Housing Fund established by the Legislature. Additionally, we have an active LB840 in tax increment financing development agreements, which KCAD has worked heavily for. Now, my family has lived and been business owners in Keith County for over 100 years, and yet it would be hard for me to characterize how important Lake McConaughy is not only to our county, but to western Nebraska as a whole. My family's history is tied closely to the lake as my great-great-grandparents were forced to relocate their home and business along with the rest of the town, Lemoyne, when Kingsley Dam was constructed and the lake was filled. Although the lake displaced some families and businesses when it was

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built, when the results of the study funded by LB406 are coupled with the plans and tools currently in place, it has the opportunity to bring many more to our area. Thank you, and I'll open up if there's any questions.

**BOSTELMAN:** Thank you for your testimony. Are there questions from committee members? Seeing none-- oh, Senator Hughes.

**HUGHES:** Thank you, Chairman Bostelman. Thank you, Mr. Adams, for coming today. So have-- in your capacity of economic development, is there a vision that your group has for the lake of how it might be more developed, more utilized?

**JESSOP ADAMS:** Yeah, especially with-- well, with the changes that are being implemented by Game and Parks, you know, any plan is going to have to be flexible going forward. It's going to be really important to see how these changes affect our local business owners. And it could be bene-- it could be beneficial or it could hurt. It's going to be hard to tell when you're talking about changes that haven't been in place before. We're hoping it opens up further economic opportunities. Hopefully, if there isn't the available space within the park, that it opens up areas for people to privately develop outside and this type of study would help identify what type of businesses, where those businesses could be located and how that could draw and keep people within our region in western Nebraska to allow that economic impact to be positive going forward.

**HUGHES:** So have you-- have you visited with any of the vendors that are historically at the lake about the reservations that they normally have from continued customers and how that's going to try and mesh with what Game and Parks is proposing? Is that-- do you think that's going to work or is there-- are we headed for catastrophe?

**JESSOP ADAMS:** There's-- there's a lot of hesitation. A lot of these proprietors have spent a long time developing long-term relationships with Game and Parks. So they want to give them the benefit of the doubt to try to see how the plan works. But through partnership with the Lake Advisory Committee, which I sat on as well, we were able to kind of bridge the gap where Game and Parks didn't have some of those communications outlined, we were able through conversations with many of the lake business owners to kind of get all of their concerns put

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together and present those to Game and Parks and-- and I received word even as of this morning, that Game and Parks have reached out to one local business owner to help them through this process, which is really encouraging to hear, given that the reservation system was coming on tomorrow because they already had 300 reservations made through their business and they didn't have any knowledge of how they were going to be able to get people into the state park.

**HUGHES:** OK, very good. Thank you for coming down today.

**BOSTELMAN:** Senator Groene.

**GROENE:** Thank you. Have you ever gone through Lake Mahon-- Mahoney State Park to look at the facilities they have there?

**JESSOP ADAMS:** I have. When I was in Boy Scouts and younger, we'd do some camping there.

**GROENE:** And I'm getting old if that park is that old already, but anyway, could Ogallala use some of those facilities that Game and Parks have out there, modern swimming pools--

**JESSOP ADAMS:** That is-- that has been something that we would love to see. You know, one thing that Game and Parks has mentioned repeatedly is that they would love to see other avenues for people to enjoy the park without necessarily having to crowd in the beach. So things like bike paths, Frisbee golf courses, you know, other water parks that you see in other areas.

**GROENE:** They did it at Mahoney and they closed-- didn't take care of piers on Lewis and Clark. They closed a whole bunch of little areas out my area, Arnold, there's a couple others, they just closed them after they opened lake, I mean, Mahoney State Park. Do you know, are they limiting reservations at Mahoney too?

**JESSOP ADAMS:** That I couldn't say. If they have a reservation system then I'm assuming it's capped and they would have some sort of limit as the number of people who would be able to make a reservation, but I don't know that for certain.

**GROENE:** Is that reservations also for tent campers and out at-- out at McConaughy?

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**JESSOP ADAMS:** Yes, the reservation is for any overnight camping. Day use is still permitted on the lake. The reservation system is about 1,500 total, approximately 500 fixed like RV campsites and then 1,000 beach camping sites located primarily on the north side of the lake between what's called Martin Bay and then along the Shoreline Road. So the overnight reservation system is really only going to allow overnight camping on a small portion of the lake. Everything else that has-- has-- has historically been open will now be limited to day use only.

**GROENE:** Is any entrepreneur looking at this and opening an area so if people bring their campers, find out they can't, and Game and Parks can send them to this individual where they can set up their camper or their tent and then go use the lake day use?

**JESSOP ADAMS:** That has been one of the things we as a local advisory group, we've been strongly encouraging. Unfortunately, Game and Parks has not implement-- input the system in place to allow that. Under the new phase two plan that they just implemented, they've committed to creating a commercial services plan, hopefully by the end of this year. So currently, it sounds like they are working with some local vendors who've been in place, but ideas that we've come up with are allowing, you know, Game and Parks to give a concessionaire's permit that would like-- would allow a private entity to manage and operate a part of the park.

**GROENE:** KOA type of park. I mean, where you could--

**JESSOP ADAMS:** Correct. Exactly, and then they can provide their serv-- their own services, their own security and manage it themselves and then Game and Parks does not have to devote the resources to doing those type of things, so we would love-- you know, unfortunately, that would take conversations between Game and Parks, Central and local economic development efforts to get--

**GROENE:** A lot of entrepreneurs around there with the bait shop, so they're leasing their land from Central or do they own their land or--?

**JESSOP ADAMS:** At least one, Kingsley Lodge, leases that ground from Central. All the other ones that are located on the north side of the

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highway, that is deeded ground that they own. But most of the area south of Highway 92 is primarily owned by Central there in the northeast part of the lake where a lot of the camping and the really nice beaches are located. There are other nice beaches that you would have to come through some private area. But to get access to the lake, you do have to go through Central. So they do have a pretty tight control on who can get access.

**GROENE:** Thank you.

**BOSTELMAN:** If a person-- a follow-up to what Senator Groene was talking about, if I have private land adjacent to the lake, do I have that shoreline as well, or do I have to have a permit then to get access to that shoreline?

**JESSOP ADAMS:** So all access to the lake, I believe, is supposed to go-- don't quote me on this, is supposed to go through Central. Under Central's federal license to maintain the lake, they have to have at least some ownership or I believe some sort of easement control for purposes of erosion under their FERC license. And so Central pretty much has a pretty good grasp of all the access points and would be the one that would grant that permission. I mean, they're not out there with officers patrolling the shoreline to make sure that you have permission.

**BOSTELMAN:** Sure. So if I understand you right, if I had that private parcel land next to the lake, I would-- I could contract with Central to get access to that lake then to that beach.

**JESSOP ADAMS:** I believe you would have to go through them because they would like to-- they want to control the access points--

**BOSTELMAN:** I understand.

**JESSOP ADAMS:** --due to some of the other things that they deal with.

**BOSTELMAN:** All right. Any other questions? Seeing none, thank you for coming in today. Thank you for driving [INAUDIBLE]

**JESSOP ADAMS:** I just want to say, Miss Lamm, I don't know if you remember me, you were my adjunct legal writing professor in law school

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about 10 years ago, and you did-- I hope-- hopefully you did a good job, so. [LAUGHTER] Thank you all.

**BOSTELMAN:** Next proponent, please. Good afternoon.

**COREY CRANDALL:** Good morning, or good afternoon, Mr. Chair, and members of the Natural Resources Committee. My name is Corey Crandall, C-o-r-e-y, Crandall is C-r-a-n-d-a-l-l. I want to thank you for the opportunity to testify today in support of AM894 to LB406. I am here before you today in the capacity as the Chair of the Keith County Commissioners. I am also the liaison of the Keith County Visitors Committee and the Keith County Area Development, as well as a business owner in Keith County. First of all, Keith County has a very unique landscape. It has a lot of canyons, roads, residents, and numerous visitors around Lake McConaughy. There are almost as many assessed residential properties around Lake McConaughy as the City of Ogallala. With the growth and landscape, there is a great need to improve our emergency radio communications in Keith County. The Keith County digital radio project is looking at a possible \$1.1 million upgrade, which would include the conversion from an analog system to digital with the additions of tower location and upgrades to the existing towers. These improvements would increase the number of talk groups and expand the coverage areas and clarity of our emergency responders. This project will be put-- will put us in a good position for future growth, for future-- for further projects, for the citizens and visitors of Keith County. As a county commissioner, I feel that our law enforcement and emergency responders have developed an exceptional and cohesive working relationship with the state agencies that also serve in the Keith County and Lake McConaughy area. The studies proposed through LB406 and this amendment could provide a road map for development around Lake McConaughy, including public infrastructure and safety in order to support the growth opportunities identified through the study. I do want to thank everybody for their time and I'd answer any questions at that time.

**BOSTELMAN:** Thank you, Mr. Crandall, for coming in today. Senator Groene.

**GROENE:** I thought we had a system being developed statewide in 911's response system that the state had stuffed money into and there was a

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contract with AT&T or something to make sure that there were cell towers. Why do you have to build your own?

**COREY CRANDALL:** You know, that was around 9/11, there was a lot of monies available for that. At this-- at that time, the conversion from the analog system over to the digital system was not put in place. So therefore, a lot of our first responders were sitting out there on the analog system. We do have two aspects of the bill that includes infrastructure in the county, and then the other is the end user radios to be able to go to digital. What the decisions were made around 9/11 when that money was available, I'm not sure what was going on then, so.

**GROENE:** Thank you.

**BOSTELMAN:** Senator Gragert.

**GRAGERT:** Thank you for your testimony. In the communication arena, you're not-- not only the 911, but also communicating between your law enforcement and your EMTs and your fire departments when something happens out there you have quite difficulty talking with each other and managing the incident, correct?

**COREY CRANDALL:** Correct, correct. There's a lot of canyons located around McConaughy. We're looking at different tower locations to be able to, for instance, if there's a fire in a canyon, which happens where our emergency responders fire, and it also includes Game and Parks out there, and so that way they can all communicate and be together. And one of the important aspects of this is to have multiple talk groups so that way they can have more than two people talking at one time.

**GRAGERT:** Thank you.

**BOSTELMAN:** Seeing no other questions, thank you, Mr. Crandall, for being here today.

**COREY CRANDALL:** Thank you very much.

**BOSTELMAN:** Thank you. Next proponent, please. Good afternoon.

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**LANE ANDERSON:** Good afternoon, Chairman Bostelman. My name is Lane Anderson, L-a-n-e, Anderson, A-n-d-e-r-s-o-n. I thank you for the opportunity to testify today as a proponent of this bill LB406. I am here today as a Keith County Commissioner. My family was born and raised, homesteaded in Keith County. I have been a resident of Keith County all my life. I traveled the Lake McConaughy area, sold food, candy, tobacco for 42 years. Like I said, I've been a 20-year resident of a cabin owner at Lake McConaughy. I lease-- leasehold from Central. I have served on the Game and Parks master plan. I am on the advisory board also for the Game and Parks Board. I come to you today that God has truly blessed Keith County with this property and the opportunities that we have, a resource that has so much potential to enhance local and state economy. Keith County is currently seeing a rather large influx of transplant residents buying properties around the lake. Our Keith County planning and zoning committees are very busy keeping everything legal in the development opportunities around the lake. Having this study would allow us to prepare for the growth that is being demanded at Lake McConaughy. It would give us the data to support necessary changes and prepare us for the future. I would also like to thank Senator McDonnell and Senator Hughes for taking the time to take a look at the situations and the opportunities that we have at Lake McConaughy and Keith County. And I'd like to thank the senators for their service.

**BOSTELMAN:** Thank you, Mr. Anderson. Are there any questions from committee members? Did you say you lease ground from Central?

**LANE ANDERSON:** Yes. Out at Lake McConaughy there are what's called the K areas. There are four of them, K-1, K-2, K-3. I am on the north side. There are approximately 19 cabins in that area and we have to negotiate a lease with Central. They control, you know, we want to plant a tree, we have to get approval through Central. We-- it's-- it's quite a unique situation where Game and Parks controls, you know, the-- the beach-- beach area and then an elevation level changes and then Central takes over. So it's been a challenge as a lot owner, you know, with the low water situation we had a few years ago, and it's, you know, being on all these Game and Parks, I've spent tons of hours in Game and Parks meetings trying to, you know, get some things done and situations handled. And we feel we've made some headway, but there's still a lot of room to go, so.



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**BOSTELMAN:** Do you have much interaction between those who are utilizing the lake and the beach area and your-- where you're leasing your K-- that K area? In other words, are you seeing the public come into your area, you know, or there's a lot of people that's causing problems, you know, for you in your area or along the beach through that area?

**LANE ANDERSON:** No, no, we really don't have a problem. We've worked with Game and Parks. We had a problem a few years ago with large vehicles. You know, a Jeep is not a jeep anymore. It's huge tires, more power coming through our area and we went to Game and Parks and they helped us out of the situation, you know, to stop-- stop the vehicle coming, but we could still let the traffic come in, walking traffic. So, you know, they-- they have worked with us on that, so.

**BOSTELMAN:** And if you can tell me, how long are your leases?

**LANE ANDERSON:** Our leases, I believe, are 30 years. And then, you know, you negotiate. I mean, it's a never-- it's a lifelong lease. But we-- we went through-- Central put us through a big-- it was quite a-- we negotiated a 30-year lease, I believe, 5 years ago, so.

**BOSTELMAN:** OK, thank you, Mr. Anderson. Any other questions? Seeing none, thank you for coming in and testifying today. Appreciate it.

**LANE ANDERSON:** I'd like to thank the Keith County News. They donated those nice books for you too, so. Thank you, Chairman.

**BOSTELMAN:** Next proponent, please. Good afternoon.

**KARLA SCOTT:** Hi. Mine will be short and don't ask me any questions about square footage, OK? [LAUGHTER] Good afternoon, Mr. Chairman, and members of the National [SIC] Resource Committee. My name is Karla Scott, K-a-r-l-a S-c-o-t-t, and I thank you for the opportunity to testify today in support of the amendment to LB8-- or LB406. I am here before you to testify in my capacity of the executive director of the Chamber of Keith County, also a member of the Lake Advisory Committee that you've heard about, and I serve as the administrator to the Keith County Visitor Committee. My family and I have been coming to the lake since 1978. That ages me, I know, but I want you to know that we're beach campers and we've enjoyed it for over 40 years. During that time

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frame much has evolved over that time period. I have seen some increases in businesses, a larger increase in visitors, and definitely becoming more aware of the many opportunities that we have out there. Since 2017, I made a choice to move to Keith County permanently and take on this position and I call it my home. As the executive director of the Chamber, my staff and I have-- we feel like we're at the front lines. Last year, during the peak season months, we had answered over 650 to 700 inbound calls monthly with people wanting to come and visit us. I know that COVID had a big impact on that number. We also attend trade shows. We are members of coalitions, tourism coalitions through Nebraska, and we put together to work to support Game and Parks many of the different programs we have at Keith County task force and Keith County ambassadors. Also free concerts, Sounds on the Square and Indian Summer Rendezvous. The opportunity for this bill will truly help Keith County to study and come up with a plan. I would like to close with saying that, as you have heard from many of my friends, Lake McConaughy is a powerful economic resource with unmatched potential. This bill will help Keith County and the state of Nebraska see that potential, understand it, and execute activities that will make this gem even brighter for our visitors. Thank you again for your time, and if there's any questions, I would be more than happy.

**BOSTELMAN:** Thank you for your testimony. Are there any questions from committee members? Seeing none, thank you for coming in today. Next proponent, please. Good afternoon.

**JEFF DAVIS:** Mr. Chairman, members of the committee, good afternoon. My name is Jeff Davis, J-e-f-f D-a-v-i-s, and I'm here appearing on behalf of BNSF Railway to support LB406 and the proposed amendment. With respect to the study of the property along the Platte River, we do not own property or operate in Knox or Keith County so my remarks are specifically limited to the study that affects our tracks that run along the Platte River in eastern Nebraska. BNSF owns and operates approximately 30 miles of track that run along the Platte River. Those tracks routinely see up to 50 trains per day carrying shipments of grain, merchandise, intermodal, rock, sand, coal. In addition, our tracks from Omaha cross the Platte in two different places. Those tracks see a similar amount of train traffic daily, so any disruption of service or outage would be a significant challenge for BNSF and disrupt interstate commerce. Portions of our track along the Platte River are double tracked. That means we have two sets of tracks

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side-by-side to one another and we have at least three bridges that could be affected. Yesterday, I spoke with our division engineer for Nebraska and our vice president of service design, who is actually from Nebraska. Without some engineering work and a better idea of what's being studied, they are hesitant to make an educated guess as to what it might cost to relocate our tracks. However, they did point out to me that it's really hard to turn a train and we might have to do several miles of track work at a time. And it could get especially complicated because portions of the track line are, quote, double tracked, and especially if we have to move or raise a bridge or do something like that, you know, we might have to completely reengineer the railroad for several miles. So, you know, even though we do have the right to eminent domain, we are extremely loathe to use it. It is a last resort. So to some of my testimony, moving our tracks is really, really expensive. It could be millions. It could be tens of millions. So we sincerely appreciate the language that Senator McDonnell put in the amendment emphasizing the need to protect public and private property. It means a lot. We just want to make sure that any study of the Lower Platte reflects that principle. And we would respectfully ask that-- that any study going forward, if they contemplate taking a portion of our tracks or making our property unusable, then we want them to make clear that they are-- that assumption be plainly stated in the study that any consultant that gets hired has actual experience working with railroads, that that consultant consult with us, and that they actually if they're going to take anything that they need to put a price on it. We want to be part of the process. We're moving 70 to 100 trains a day along the Platte River there south of Omaha. We can't afford any lengthy delay in service or interruption, you know, and we'd want our infrastructure replaced first. Thank you. Happy to answer questions.

**BOSTELMAN:** Thank you. Mr. Davis. Are there any questions from committee members? Seeing none, thank you for your testimony. Any other proponents? Would ask you to please come forward.

**PATRICK LISKA:** Good afternoon. My name is Patrick Liska, P-a-t-r-i-c-k L-i-s-k-a. I'm supervisor at District 2, Knox County, and we made the three and a half hour drive down here just to brag about our county. Niobrara is beautiful, but we have a problem. We don't have a boat landing. Prior to 2019, we had a beautiful boat landing. It was nothing to go down there and see 20 to 30 vehicles parked. Now we are

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losing tourism to South Dakota. People are going to Running Water because they have a boat landing, or west to Lazy River Acres. Game and Parks has a boat landing there. It's usually jam-packed with people and it's no fun getting into. I had nine points here, but I'm just going to base it on that. We don't have no fish cleaning facilities and lodging. We have very limited lodging. And I know this firsthand, when I go home, I'm a landowner. I have hunters from Omaha and they're going to be staying in Running Water, South Dakota. So basically, I just want to touch on those right now.

**BOSTELMAN:** OK. Thank you, Mr. Liska. Questions? Senator Gragert.

**GRAGERT:** Real quick. Down in the Lazy River Acre [INAUDIBLE] area, how many trailers are down in there-- cabins, trailers, if you know?

**PATRICK LISKA:** Oh, gee whiz, a lot.

**GRAGERT:** Three hundred, four hundred.

**PATRICK LISKA:** At least.

**GRAGERT:** So you would probably agree that there's plenty of room for private industry down. You know what-- as far as I'm saying, if the existing could be enhanced and/or new--

**PATRICK LISKA:** I think so, yes.

**GRAGERT:** --could bring in. Thank you.

**BOSTELMAN:** Senator Groene.

**GROENE:** Thank you, Chairman. When you individuals up there talked to Game and Parks, what's their rationale for not fixing your boat-- boat ramp? It seems like not that much of an ask.

**PATRICK LISKA:** We haven't spoke to them. Actually, I believe the town of Niobrara owns that area right there so it would be the town and there's limited funds there.

**GROENE:** They didn't get any-- was the boat ramp affected by the floods?

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**PATRICK LISKA:** Yes, it was completely taken.

**GROENE:** That's what damage was done.

**PATRICK LISKA:** Yes. And the original boat landing where it sat is all a sandbar now.

**GROENE:** The cabin, doesn't Lake-- isn't there Game and Parks cabins in that area?

**PATRICK LISKA:** The state park.

**GROENE:** That's a state park. How many cabins are there and are they always full? Are they too far from your location?

**PATRICK LISKA:** They're full. They're continuously full.

**GROENE:** Thank you.

**BOSTELMAN:** Questions? Thank you for coming down today, appreciate it--

**PATRICK LISKA:** Thank you.

**BOSTELMAN:** --to travel down. Thank you for testifying. Good afternoon.

**KEVIN BARTA:** Good afternoon. Thank you, Resource Committee, for letting me testify. I'm Kevin Barta. I'm the Knox County Highway Superintendent, and I've been there since 1998, 22 years. I grew up in Knox County on a farm five miles southeast of Niobrara. I've seen the town of Niobrara move in 19-- in the early 1970s. I graduated from Niobrara and then also from Chadron State College with a geology degree. Knox County is one of the largest counties in Nebraska, with about 1,108 square miles comprising 30 townships. The county and townships, they mean about 1,400 miles of roads, which include 105 miles of asphalt and concrete. We have 268 bridges over 20-foot in length and 70 bridges under 20-foot, so we have got about a total of 338 bridges that we, the county, maintain in Knox County. Knox County is bordered on the north side by the Missouri River, which divides Nebraska from South Dakota. This section of Missouri River, from the mouth of the Niobrara River upstream to Fort Randall Dam in South Dakota, is still one of the most wild and scenic stretches of the Missouri River, looking much like it did during the Lewis and Clark

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times. Northern Knox County is one of the most beautiful places in Nebraska, and I take it for granted since I grew up there in the area until someone visits and notes the natural beauty of the area. Knox County has many rivers, many river resources, such as the Missouri River, Niobrara River, the Verdigre Creek, Ponca Creek, Bazile Creek, along with many other named and unnamed creeks. The bigger rivers provide a great boating, kayaking, tubing, fishing, duck and goose hunting, which is something we haven't brought up yet, but-- and also there's some trapping along the Missouri River. Knox County has a healthy population of deer and turkey, which offer great hunting opportunities. And then also elk, moose and mountain lion are also occasional visitors in Knox County. There are many opportunities in Knox County to expand the tourism potential along the rivers and valleys of northern Knox County. Thank you for taking into consideration the possibility of tourism expansion in Knox County, and I believe Knox County is one of the most diverse counties in Nebraska. I thank you again for the opportunity to testify.

**BOSTELMAN:** Could you spell your name for us, please?

**KEVIN BARTA:** I'm sorry. Kevin is the first name, K-e-v-i-n, Barta, B-a-r-t-a. Thank you.

**BOSTELMAN:** Thank you, Mr. Barta.

**KEVIN BARTA:** Yep.

**BOSTELMAN:** Are there other-- any questions? Senator Gragert.

**GRAGERT:** Just to clarify. The Missouri River between Lewis and Clark to-- to the south, Fort Randall--

**KEVIN BARTA:** Fort Randall Dam, yeah.

**GRAGERT:** -- is the only part of the Missouri River that has scenic river designation, right?

**KEVIN BARTA:** Yes. I believe it goes down to the Standing Bear Bridge is kind of where it ends right-- just a little bit east of the mouth of the Niobrara, yeah.

**GRAGERT:** So a lot of potential for a photographer.

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**KEVIN BARTA:** Oh, it's gorgeous. Yes, yes.

**GRAGERT:** Thank you.

**KEVIN BARTA:** Thank you.

**BOSTELMAN:** All right. Other questions? Seeing none, thank you for coming down today--

**KEVIN BARTA:** You bet.

**BOSTELMAN:** --for coming down to testify. Next proponent, please. Good afternoon.

**KRISTAL STONER:** Hello. Good afternoon, Mr. Chairperson, and respected members of the Natural Resources Committee. My name is Kristal Stoner, and it's spelled K-r-i-s-t-a-l S-t-o-n-e-r, and I'm the vice president of the National Audubon Society and executive director for Audubon Nebraska, which is the state office of the National Audubon Society. And on behalf of the 12,000 members of Audubon, Nebraska, of the state office, I want to provide comments as a proponent for LB406 and for the amendment, AM848. And so just to give a little context, the National Audubon Society is a conservation organization that very much has a focus on birds and also to make sure that there's an awareness and appreciation of them, but also to consider our environment and how impacts change birds, our natural resources, our economy, and our communities. And so with this, there's a lot of wonderful things in this-- in this amendment as well as in the original legislation. And I agree that Nebraska has tremendous water resources across the state that are arguably underappreciated. Certainly our lakes and our rivers and wetlands provide drinking water. They support agriculture and, of course, provide-- provide boundless recreation and tourism opportunities, most of which we've heard from a lot of the folks who've testified before me. And I will say at Rowe Sanctuary, which is one of two nature centers that we have with Audubon, we see this firsthand where we have people from around the world who come to the Platte River to experience the Sandhill Crane migration every spring. By given the possibilities and the potential, it's also our responsibility to make sure that this study, which isn't a plan yet, but just a study, takes into account all the complex issues and representation from the stakeholders, including both the environment

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and in conservation concerns. I applaud, though, the amendment. I think this is the right approach to take a statewide approach as we look at all of these things. But as we know, we've heard so many times in the last 10 years that this 100-year event after a flood, this is a 100-year event, so we know the time is now that we need to be thinking as we're evolving and modifying our hydrology models based on the frequency of these extreme weather events how we can make sure our natural resources are managed appropriately and balance all these concerns. So with that, I just respectfully request that conservation has a voice on the committee, as you consider members of the committee, so that the multitude of these costs and benefits in the appropriate way to think about our natural resources can be considered. Thank you.

**BOSTELMAN:** Thank you for your testimony. Are there any questions? Seeing none, thank you for coming in today. Appreciate your testimony. Anyone else who would like to testify as a proponent? Anyone else like to testify as a proponent? Seeing none, would anyone like to testify in opposition? Anyone like to testify in opposition? Seeing none, anyone like to testify in the neutral capacity? Anyone in the neutral capacity? Seeing none, Senator McDonnell, you're welcome to close. And as you're coming up, for the record, we did receive written testimony from the Nebraska Game and Parks Commission, Central Nebraska Public Power and Irrigation District, Nebraska Farm Bureau. We also received position letters from Lewis-- Lewis and Clark Natural Resource District, Norfolk Area Business Bureau and the Nebraska Water Resource Association. With that, Senator McDonnell.

**McDONNELL:** Thank you, and I want to thank everyone that traveled here today to testify. I also want to thank the committee for-- for missing their-- their lunch to have this discussion. You know, we've been talking about this. I've learned a great deal, as I mentioned in my opening, going back to having the hearing in December of '19 in front of this committee. Working with Senator Hughes, he's taught me a great deal. And one thing he mentioned early on, he said there's an old saying, whiskey's for drinking and water's for fighting over. Well, I don't have a plan. This isn't to start a fight. This is truly to have a study to learn. Truly, to have a study to learn. There is no plan. We're trying to look out east, west, north, south in the state of Nebraska. That's-- that's the goal. There's no hidden agenda here.



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It's truly to-- to go forward with a study and learn from it and see what our options are. Thank you for your time.

**BOSTELMAN:** Thank you, Senator McDonnell. Any questions? Seeing none-- Senator Hughes.

**HUGHES:** Thank you, Chairman Bostelman. I just wanted to thank Senator McDonnell for bringing this. And I think if-- if we were to add up the number of miles that got traveled to come to this hearing today, it probably would be in the top five of all the hearings we've had. There's a lot of people who traveled a long ways to come and tell us-- to share their enthusiasm for their area and I commend them all, and commend Senator McDonnell.

**BOSTELMAN:** Other questions or comments? Seeing none, that will end the hearing, close our hearing on LB406 and its amendment.

**McDONNELL:** Thank you.

**BOSTELMAN:** Thank you.