



CONTENTS

DISTRICT PROJECTS—Pages 1-7.

Project Processing 1.
Project Funding 2-3.
Improvement Project Areas 3-4.
Water Storage and Flood Control Program 5-7.
Chronology of Program Inception & Revisions Chapter Appendix.



DISTRICT PROJECTS

PROJECT PROCESSING

All requests for new District projects, whether outdoor classrooms, wildlife habitat contracts, reuse pits, large flood control dams, recreation or other projects, are generally handled in the same manner. More complicated projects may require extensive efforts and, of course, additional time to achieve completion. The process starts with an idea presented to the District staff, as shown below:

- An idea is presented to District staff.
- The staff makes an initial investigation.
- The staff prepares a preliminary feasibility report.
- A committee of NRD board members adopts or declines the project. If adopted, the committee recommends the project to the entire board for consideration.
- The board either declines or adopts the project.
- The staff completes detailed planning.
- The committee reviews, suggests changes and recommends the plan to the board.
- The board reviews, suggests changes and approves the plan.
- The board obligates funding. For large projects, this usually includes funding from more than one source.
- The staff makes detailed construction drawings.
- A contractor is hired.
- Construction or implementation begins.
- The board accepts work and authorizes payments.

Coordination with the landowners involved and affected cities, counties and other governmental entities and agencies takes place throughout the planning, construction and operation phases of a project. The District staff makes recommendations to the board of directors concerning the projects and programs including the following:

- Project fits with existing District programs.
- Feasibility.
- Design.
- Funding.
- Construction.
- Payments.
- Operation and maintenance.

All final decisions, including funding of cost-share projects, acceptance of contracts and the decision to build specific projects are made by the NRD's board of directors.



PROJECT FUNDING

The District raises its locally-collected funds from a levy on all taxable properties throughout the District. Each NRD is limited by Nebraska law to a total tax of 5.5 cents per \$100 actual valuation for the general and sinking funds. The Upper Big Blue NRD's current levy is well below the maximum authorized by law. The monies raised from local taxes are used for program and project funding, as well as administration. Depending on the type of program or project, various federal, state, local or private funds may be used, in addition to District funds.

When considering the use of government funding, it is the District's prerogative to spend federal funds first (for example, Federal Emergency Management Agency [FEMA] funds), state funds next (for example, the Nebraska Soil and Water Conservation Program or the Nebraska Game and Parks Commission Habitat Funds) and District funds only after other sources are exhausted. Funding sources and arrangements can vary significantly depending on the size and complexity of the project.

Federal funds are available through several agencies. Large flood control structures may receive funds from the U.S. Army Corps of Engineers. Flood hazard mitigation funds are sometimes available from the Federal Emergency Management Agency (FEMA). Water quality projects are often funded through the Environmental Protection Agency's (EPA) administration of the *319 section* of the Clean Water Act.

State funds are administered by several state agencies. For instance, a state program is available for cost-sharing practices in watersheds with less than 5,000 acres of drainage. This is known as the Nebraska Soil and Water Conservation Program (NSWCP) and is controlled by the Nebraska Department of Natural Resources (NDNR). The NDNR also handles the Resources Development Fund which is available for large projects, generally those projects with drainage areas in excess of 5,000 acres. Flood control, irrigation and recreation projects, among others, may be partially financed through this fund. Grants or loans may also be available.

The Nebraska Game and Parks Commission administers the Wildlife Habitat Improvement Program (WHIP) throughout the state. Monies collected from the sale of habitat stamps are used to assist the District in acquiring contracts with private landowners for habitat lands. The Game and Parks Commission funds 75 percent of the contract payments and the NRD funds the balance.

Locally, the District cooperates with municipalities and counties on the funding of projects and coordinates this with state and federal funds when they are available.

The District has adopted a cost-share policy on any studies needed for larger projects within the District. If the cost of the study will exceed \$2,500, the District will pay 50% of the cost with the co-sponsor or co-sponsors paying the remaining share. Co-sponsors may be other governmental bodies or individuals. Approval from the NRD board of directors will be required before a study will be undertaken.

If the project is not complete following the study, the co-sponsor or co-sponsors must repay the NRD's share of the cost of the study.

MINIMUM PAYMENT POLICY:

The District has a minimum payment policy. In order to be cost effective, the District will not issue a check for payment in an amount less than \$100. The only exception to this policy is the District's program to decommission wells, Aquifer Quality Well Abandonment Cost-Share Assistance Program (AQWACAP), which is found in **"WATER MANAGEMENT"** on Page 38.

Continued on page 3. →



PROJECT FUNDING (Cont.)

DISTRICT PROGRAMS AVAILABLE:

The Upper Big Blue NRD has several programs that utilize one or more of the funding methods already mentioned above. Funds for these programs are available until obligated. Generally, funding for all programs is handled on a first come, first served basis. For more specific details concerning any program, contact the District office in York. The programs are described in detail in the next sections of this publication.

IMPROVEMENT PROJECT AREAS

The District has the authority to establish Improvement Project Areas for both revenue producing and non-revenue producing projects that provide direct benefits to landowners in a specified area. An Improvement Project Area is initiated by petition of the landowners in the specified area. If petitioned, the District conducts a public hearing to receive testimony on the proposed project. After reviewing the hearing testimony, the District Board of Directors may establish an Improvement Project Area. If established, the District becomes the project sponsor and is responsible for planning, construction, operation, and maintenance of the project. The decision as to whether or not the project proceeds to the construction and operation phase rests with the benefiting land owners; those land owners with at least 50% of the calculated benefit units must provide written objection to the project in order for the project not to proceed.

REVENUE PRODUCING PROJECTS:

Projects such as irrigation water supply or rural water distribution systems are considered to be revenue producing, since fees can be collected for these services. For these types of projects, those benefiting receive water delivery for either agricultural production or domestic water supply. Each customer supplied is assigned a number of units based on the volume of water received. Only those within the designated service area are eligible to receive water from the project. The value of each unit of water supplied is determined by dividing the project cost by the total number of water units the system can supply. Benefiting water users on the system are billed based the number of units of water received multiplied by the value per unit. The District has the authority to collect unpaid accounts through a special property tax assessment.

NON-REVENUE PRODUCING PROJECTS:

Projects such as flood control or drainage improvements are considered to be non-revenue producing. For these types of projects, the benefited lands include those parcels that experience a reduction in flood damages due to project construction. Each parcel of land benefited is assigned a number of units of benefit based on the amount and frequency of flood damage reduction; lands with greater damage reduction will be assigned a higher number of benefit units per acre than those lands with less damage reduction. Only those lands receiving direct benefit from the project can be assigned units of benefit. The value of each unit of benefit is determined by dividing the project cost by the total number of benefit units for the project. Benefiting landowners are assessed for project costs in proportion to their number of units of benefit. These dollars are collected through a special property tax assessment.



IMPROVEMENT PROJECT AREAS (Cont.)

Funds Available to Cooperators:

The District will stand the cost of planning and engineering, only if the project is constructed. Otherwise, the landowners who would have benefited from the completed project will be assessed the planning and engineering costs. NRD, state and federal funds for construction and land rights costs are considered on a case-by-case basis and then only when the general public will benefit.

Sources of Funds:

Improvement Projects are a legal mechanism for landowners who want to establish a joint project under the guidance of the District. The landowners can expect to pay the bulk of the necessary land rights and construction costs. The District funds for Improvement Projects come from District tax revenues. State and federal funds may come from several sources depending on the type of project. Drainage projects are seldom eligible for state or federal funding.

DRAINAGE PROJECTS:

Drainage projects include reclamation of either urban or rural lands currently subject to frequent inundation due to poor surface water drainage or a high groundwater table. The District has adopted a cost-share policy on any studies needed for larger projects within the District. If the cost of the study will exceed \$2,500, the District will pay 50% of the cost with the co-sponsor or co-sponsors paying the Remaining share. Co-sponsors may be other governmental bodies or individuals. Approval from the NRD board of directors will be required before a study will be undertaken. If the project is not complete following the study, the co-sponsor or co-sponsors must repay the NRD's share of the cost of the study.

Administration:

The District will act as lead agency when the project sponsors ask the District to coordinate the project planning, engineering, construction, operations and maintenance and collection and disbursement of funds.

Planning and Engineering:

The District requires that planning and engineering costs for agricultural land drainage projects be repaid to the District if the project is not constructed. Repayment of planning and engineering costs for urban drainage projects will be decided on a case-by-case basis.

Funds Available:

Currently the District has no funds established for drainage project construction. One possible method for obtaining construction funds is to establish an Improvement Project Area as discussed on page 3 of this section.



WATER STORAGE AND FLOOD CONTROL PROGRAM

Projects that fall under this program usually involve several landowners and/or agencies. Projects for individuals are considered under the "Land Treatment Program" section.

Structures for the purpose of flood control, water storage, recreation and other multiple benefits involve detailed planning, design and coordination with all the parties concerned. For this reason, a project of this nature requires two or more years of lead time before construction can be expected to begin. Sites must be investigated, feasibility studies completed, agreements reached, designs completed, funding arranged, land rights and permits acquired and, finally, construction funds budgeted and authorized by each of the contributing agencies. The District is limited in the number of these projects that it can actively handle at any time. The board of directors has established a priority list of active projects to effectively manage the District's efforts. It is important to remember that the better the planning, the better the results of the project.

DISTRICT AS SPONSOR:

The District has the authority to act as the local sponsoring body for projects having water storage, flood control and other benefits. As sponsoring agency, the District administers planning and feasibility studies, engineering design, construction, operation and maintenance and any other aspects of the project. The District may act as the lead agency on a project and will be in charge of all the necessary coordination and negotiations with those involved. The District is in a position to apply for local, state and/or federal funding. The District applies for the necessary permits and water rights and holds them in the District's name. Land rights, whether for easement or title, are also held in the District's name. It is also the District's policy that a project will be administered, managed and operated by the District. Public access will be considered as each project is developed. The District does have eminent domain authority for projects, although it is rarely used. As the project sponsor, the District makes the final decision to proceed with a particular project through the formal action of its elected board of directors.

In other cases, the District will assist local government agencies who serve as lead agencies. The District may provide engineering services, grant application and management support or other technical assistance.

WATER CONSERVATION DAMS:

The Water Conservation Dam Program provides a means of building dams that are not eligible to be built under the Land Treatment Program. Water conservation dams provide a place to store storm water and irrigation water runoff. Benefits that can be designed into these dams include flood control, groundwater recharge, irrigation water storage and use, erosion control, recreation and wildlife habitat. Project use rights granted to the sponsor or sponsors of each dam will be determined according to each sponsor's share of project costs. Structures built under this program have a contributing drainage area greater than 640 acres and a project cost of more than \$15,000. These structures can involve single or multiple landowners or agencies.

Project Engineering:

Water conservation dam planning, design and construction inspection can be performed by the District, NRCS or by a consulting engineer under the District's direction. Sponsors with a financial interest in the project will be involved in the planning and design review process. The cost of the project engineering may be paid by the District or shared between the District or other sponsors.

Continued on page 6. →



WATER STORAGE AND FLOOD CONTROL PROGRAM (Cont.)

Land Acquisition:

Two options are available for obtaining land to construct, operate and maintain water conservation dams. Easements or title may be donated to the project, contributing to the donor's financial share of project costs, or the District may purchase easements or title, contributing to the sponsors' financial share of project cost.

Assignment of Benefits:

Benefits derived from water conservation dams will be assigned to the District and sponsors in proportion to their respective financial responsibility. Benefits that can be assigned in this manner are water use for irrigation, private hunting and fishing and improvement of aesthetics for residential sites. General public benefits to be considered are reduction of flood damages, sediment storage and erosion control, ground water recharge, public recreation and wildlife habitat. The District will determine the estimated economic value of these benefits as part of project feasibility determinations.

Project Maintenance:

Responsibility for project maintenance will be determined on a case-by-case basis. In general, the party with the majority of benefits will be responsible for maintenance. Maintenance costs will be estimated as part of project cost and will be used in the determination of financial share.

Project Feasibility:

Technical, financial and environmental feasibility must be shown before a water conservation dam is constructed under this program. Technical feasibility includes site suitability, conformance with Nebraska Department of Natural Resources dam safety requirements, analysis of watershed yield and reservoir operation to determine adequacy of water supply for the intended purposes. Financial feasibility includes comparison of benefits and costs and determination of potential funding sources.

Project Financing:

Project financing is arranged on a case-by-case basis. After project costs are estimated, the District and sponsor will determine assignment of costs on the basis of who benefits from the project. Funding from non-tax sources is encouraged.

Revenue to be gained by any sponsor from the sale of water, sale of permits for fishing or hunting or lease of adjacent land for cabin or camping sites must be defined during the planning process. Financial shares of project cost assessed to sponsors proposing to receive revenues resulting from project development will be increased by the estimated value (in current dollars) of such revenues. The District and other sponsors must agree to these revenue producing arrangements.

If funds from federal, state or local agencies are obtained by the District, those funds will be combined with District funds to increase the public's financial share of project cost.

Public Access:

Public access will be required as part of each District project, unless private funding is sufficient to offset the public investment. Conditional public access will be considered on a case-by-case basis.



WATER STORAGE AND FLOOD CONTROL PROGRAM (Cont.)

COMMUNITY FLOOD MITIGATION PLANNING:

The Nebraska Department of Natural Resources administers the Flood Mitigation Assistance (FMA) Program that can be used to assist communities in developing flood mitigation plans. Once developed, these plans can be used to assist communities with flood plain mapping and zoning, identifying properties to be acquired for relocation or demolition, identifying properties that need to be elevated above 100-year flood plains and planning for flood protection facilities. A flood mitigation plan can also serve as a community's documentation for the National Flood Insurance Program (NFIP) Community Rating System. A flood mitigation plan is helpful in speeding up the disaster assistance process after a major flood.

The District can assist communities with flood hazard mitigation planning and implementation of the FMA program.

Planning Grants:

Planning grants are available from the FMA program to assist communities with planning.

Project Grants:

Project grants are available on a competitive basis to help fund projects that reduce flood damage and that have been identified in the community's mitigation plan.



Chronology of Program Inception & Revisions

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