



## News Release

(HOLDREGE, Neb.) - The Central Nebraska Public Power and Irrigation District's board of directors approved an alternate lease and rental schedule for residential lots at Johnson Lake and Plum Creek Canyon Lake at its July board meeting on Wednesday.

The leases are for a 30-year term with a set rent schedule. For example, the rental fee for tier one lots at Johnson Lake will be fixed at \$2,250/year – the current rent – through 2023 and then increase by 3 percent per year through the end of the lease. The alternate lease includes progressively lower rental amounts for lots designated as tier 1a through tier 5.

The board also approved a policy that addresses lease transfers, renewals and future rental schedules. Contained within the policy are provisions that permit lessees to request a new 30-year lease at any time during the term of the lease.

Finally, the board approved a modified hardship policy for lessees who entered into a lease in 1998. The new hardship policy is based on Nebraska's Homestead Exemption standards, but is enhanced by increasing the income eligibility limits by 25 percent.

Efforts to develop an alternate lease originated with concerns among Central and its lake customers about how escalating leasehold values over the last several years would affect lot leases after a 2017 appraisal of lot values. The current lease bases rental amounts on 5 percent of appraised lot values and would likely have resulted in a significant increase in annual lease fees.

The approved documents will be mailed to lot lessees and will be available on Central's web site in the near future.

In another board action, the directors approved a water service agreement for diversion of excess flows from the Platte River Basin to the Republican River Basin.

The Tri-Basin and Lower Republican Natural Resources Districts are making plans for a project that would divert excess flows from the Platte River and deliver the water through Central's E-65 Canal to Turkey Creek, a tributary of the Republican River that begins near Smithfield, Neb. The project is intended to help reach objectives related to the NRDs' Integrated Water Resources Management Plans and to assist in compliance with the Republican River Compact between Nebraska and Kansas.

Construction of a pipeline from the E-65 Canal to Turkey Creek and a diversion structure is pending, subject to acquisition of the necessary water appropriations from the Nebraska Department of Natural Resources and easements from landowners along Turkey Creek.

The NRDs have entered into an interlocal agreement to construct the Platte to Republican Diversion Project ("PRD Project") and will pay Central to build the required infrastructure on Central's system.

Also at Wednesday's meeting:

- The board approved a revision to Central's 2017 budget, adding \$11,000 for replacement of "spin-clean" water filters at two sub-surface drip irrigation (SDI) sites with sand-media filters. The sites are part of a demonstration project that shows the effectiveness of delivering canal water through buried drip lines to crops.
- The directors approved work orders for a Kingsley warehouse waste oil heater (\$10,176); LED lighting at the Kingsley Hydroplant (\$9,685); and a computer server for the Supervisory Control and Data Acquisition system (\$10,000).
- The board approved an amendment to Central's permitting procedures to address a request from Johnson Lake's Bass Bay Area Association for a 30-foot shoreline setback.
- Irrigation Division Manager Dave Ford informed the board that irrigation deliveries are in full swing and releases from Elwood Reservoir to meet demands along the E-65 Canal have begun.
- Civil engineer Cory Steinke reported that Lake McConaughy's elevation, currently at elevation 3,256.4 (85 percent of capacity), is dropping about two inches per day in response to increasing irrigation demands. Inflows have been around 600 cubic feet per second (cfs) while releases have been about 3,100 cfs.

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Contact: Jeff Buettner  
Public Relations Coordinator  
Office: (308) 995-8601  
E-mail: [jbuettner@cnppid.com](mailto:jbuettner@cnppid.com)