

NRD ORAL HISTORY PROJECT
INTERVIEW:

DOUG BEREUTER BY JIM BARR,
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1 PROCEEDINGS, June 3, 2013:

2 MR. BARR: This is Jim Barr. It's June 3, 2013.
3 I'm talking to Doug Bereuter in Utica about the NRD Oral
4 History Project.

5 And the first question is, just generally, to give
6 you a chance to give a little background in how you got
7 involved in state government and any kind of association
8 with the NRDs.

9 MR. BEREUTER: All right. I'm happy to talk to
10 you about this, Jim.

11 Just to give you a little context without going
12 into great detail, my first job after the Army, I worked for
13 HUD in San Francisco as an urban planner, since that was my
14 training and background. And I became responsible for
15 meeting with the bay area councils of government, which gave
16 me an indication of what governments could do together by
17 using the interlocal cooperation act.

18 And I spent less than a year there before I came
19 back to Nebraska to work in the Nebraska Department of
20 Economic Development. And in a year or two, I had been
21 working with Governor Tiemann to create the State Office of
22 Planning and Programming. We were successful in doing that
23 through a legislative act. And I took the concept that we
24 had begun to investigate in the Department of Economic
25 Development of regional cooperation. We'd tried a few

1 things, for example, in the four southeastern counties
2 trying to get them to work with Planning and Development
3 using the interlocal cooperation act.

4 So, one of the first things that I had an
5 involvement in with some key staff that were eventually
6 hired by me, three people in particular, Jim Barr being one
7 of them, to work in the State Office of Planning and
8 Programming was what we called the building block theory.
9 Trying to bring some order to the way that state agency
10 lines and administrative regions were set up. And it was
11 all based around a growth center theory. So that in each
12 of, I think we had, perhaps, 24 or 26 building block regions
13 that would be some growth center or potential growth center.
14 Well, this had an impact on state agencies, and some
15 agencies took that as an opportunity to reorganize their
16 regional office structure.

17 About this time, of course, I learned that there
18 was an effort underway, led by Warren Fairchild, to create
19 the natural resource districts. And Governor Tiemann soon
20 told me that Warren was concerned that the building block
21 theory or the lines that related to them would get in the
22 way of his initiative, which he hoped to pass in the
23 legislature. So, I met and, I believe, with Jim Barr, with
24 Warren Fairchild. At least, I met with him on one or more
25 occasions and, perhaps, Gayle Starr was involved. And I

1 assured Warren that I thought the natural resource districts
2 should, by and large, be based upon hydrologic regions or
3 water basins, river basins. And so, in my judgment, the
4 building block theory was not a limitation or a factor with
5 the creation of the NRDs.

6 And, in fact, most of the NRDs are based on
7 hydrologic boundaries, although they were rounded off or
8 squared off based upon precincts, the voting precincts
9 typically. And some were -- had borders that were only
10 partly hydrological lines.

11 And so, I think Warren was greatly relieved. And,
12 as a matter of fact, I was relieved because I knew some
13 people I greatly admired in the legislature, like Maurice
14 Kremer of Aurora, was a key person involved in natural
15 resources and, ultimately, expected to be a sponsor, perhaps
16 already was a sponsor, of the NRD legislation. And we
17 certainly didn't want to alienate any of the key senators
18 over a non-issue. And so, as my judgment, which I conveyed
19 to Warren, I think, reassured him that the building block
20 theory, those boundaries in combination, were not going to
21 have an impact, were not controlling over the natural
22 resource district lines that they had pretty well outlined
23 at that point.

24 So, that's kind of the background on it. I have
25 had -- I can talk more about the natural resources districts

1 and --

2 MR. BARR: Well --

3 MR. BEREUTER: -- my attitude about them.

4 MR. BARR: Might -- Before we go to that, I might
5 mention to you, one of the things we learned in this process
6 was that, according to Dayle Williamson, that Warren
7 Fairchild kind of got the idea for the natural resource
8 districts from a seminar he went to where Clayton Yeutter
9 had talked about regional (indiscernible) and special
10 purpose districts and that sort of thing.

11 MR. BEREUTER: Uh-huh.

12 MR. BARR: And I guess I was wondering if, within
13 the Tiemann administration, for instance, rather there was
14 much talk about regionalism -- regional approach to
15 government? How the Tiemann administration kind of looked
16 at that. In fact, Clayton's seminar probably even preceded
17 the Tiemann administration. So, I just thought that was
18 interesting.

19 MR. BEREUTER: Uh-huh.

20 MR. BARR: I had never heard that before.

21 MR. BEREUTER: I haven't, in fact, heard that.
22 I'm not surprised because regionalism was beginning to be
23 considered, especially when it came to growth theories or
24 growth center economic development theories. And the State
25 had already passed some time ago model legislation called

1 the Interlocal Cooperation Act or something like that.
2 Intergovernmental Cooperation Act, perhaps. So, it set the
3 stage for governments to cooperate and pursue jointly things
4 that they had individually had the power to do. So, it
5 could, in some cases, involve both cities and counties and
6 special purpose districts.

7 I do know as well, that there was some discussion
8 within the administration about the proliferation of special
9 purpose districts, including natural resource-related
10 special purpose districts, that did exist. And I'm sure
11 that was a motivating factor, to try to consolidate that
12 effort and further empower the natural resource districts
13 that were going to be created. Because these are really
14 unique political subdivisions in the whole United States.
15 They have broad powers. They have taxing authority, which
16 is crucial to implementation. And I know, of course, there
17 was great resistance in some of the better organized and
18 long term effective soil and water districts. I remember
19 some controversy involving one called the Maple Creek
20 District, for example. I think that was up and included
21 part of Colfax County, for example.

22 So, there was that discussion. But most of that
23 discussion took place, frankly, it seems to me, it may be
24 self-serving, but between the Governor and the Department of
25 Economic Development and the State Office of Planning and

1 Programming that we created. Whether or not seeds were sown
2 earlier that had an effect on Governor Tiemann by Clayton
3 Yeutter, I don't know. But, of course, Clayton Yeutter
4 became the first chief of staff for Governor Tiemann in his
5 administration, and I was shortly over as one of the -- the
6 State Planning Director.

7 MR. BARR: Just in general, you've seen quite a
8 bit of the country and other units of government. And the
9 development of natural resource, how have they fared over
10 the years, in your opinion?

11 MR. BEREUTER: I'm not an expert on this, but I
12 know that there are other states that -- and other natural
13 resource leaders, public and private sector leaders, that
14 are envious of Nebraska's ability to do a wide variety of
15 things by means of our natural resource districts. I do
16 think, in many cases, the political subdivisions that exist
17 in natural resource areas around the country do not have
18 strong implementation power. They end up being primarily
19 planning units but, oftentimes, they lack the ability to
20 really implement the programs because they don't have the
21 taxing authority and they don't have the democratic base,
22 which we have by our natural resource district board
23 members, which have, I suppose, survived a court challenge
24 or two at one time or another. I don't know.

25 But our districts are very different. And my

1 recollection is that the districts that were created by that
2 legislation are intact, except that two of them have been
3 merged. In retrospect, I think a few of the districts
4 probably were too small in terms of financial resources and
5 population, but especially financial resources, to do what
6 they might have done otherwise. So, perhaps, some were,
7 particularly in the less populated parts of the state, a bit
8 too small to be as effective as some of those other ones in
9 this eastern half of the state.

10 I know, from time to time, it does appear that the
11 natural resource districts that involve the Omaha
12 metropolitan area and the Lincoln metropolitan area have a
13 broader orientation because you have more representatives of
14 the urban population sitting on those boards. And in some
15 cases, the people living in rural areas around Lincoln or
16 around Douglas or Sarpy County, perhaps, have worried about
17 the fact that most of the board members are coming from the
18 urban portions of the district. But, by and large, I think,
19 it's worked out extremely well.

20 MR. BARR: You have any comments on the Tiemann
21 administration involvement of -- in relation to the
22 formation of the natural -- the development of the
23 legislation and the formation of the natural resource
24 districts? I don't particularly remember, but I was just --

25 MR. BEREUTER: I don't have a direct knowledge

1 about that, but I do know that, after the governor was
2 elected but even before he took office, the so-called group
3 of whiz kids around him, of which I was one of them, the
4 only non-attorney, had a whole legislative program. And I
5 think that's quite unique, almost, in Nebraska state
6 government's history. So, they went in with all kinds of
7 things already in legislative form, and then the effort was
8 to try find the right people in the legislature to be
9 sponsors. People that had expertise, committee assignments
10 in the area, and, more importantly, respect of their other
11 members.

12 So, Maurice Kremer was an obvious choice to have
13 an involvement. And I believe you mentioned earlier, and I
14 recall too, that Jules Burbach had a role. Probably Gerdes
15 may have as well.

16 MR. BARR: Yeah, I think that's right.

17 MR. BEREUTER: And I know, as I sought to pass
18 legislation for the governor in the area of economic
19 development and urban affairs and the State Office of
20 Planning and Programming, we went to the senator that we
21 thought would be a good senator, by committee assignment and
22 influence, to be able to pass it. We went to Rick Budd.

23 And so, we worked with him, made sure he was
24 comfortable with the legislation, modified it based upon his
25 choice, and, ultimately, of course, it became his or it

1 became several members of the legislative body's vehicle to
2 move ahead. And the Governor's Office had an unusual impact
3 on much legislation during that four-year period of time,
4 but, ultimately, the Governor understood, and those of us
5 that worked for him understood, it had to be that legislator
6 or that group of legislators' product. They had to convince
7 people it wasn't somebody pushing something down their
8 throat. It was from them with some help from the executive
9 branch and, certainly, support. And, also, the expectation
10 that the legislation wouldn't be vetoed when it got to the
11 Governor's Office.

12 So, I suspect that there was a lot of consultation
13 between one or more members of the administration. Maybe
14 some of those whiz kids involved in drafting that
15 legislation. It's perhaps possible that Clayton had some
16 involvement directly in it.

17 MR. BARR: In general, would you like to just,
18 kind of, summarize some of the legislative accomplishments
19 in that administration and --

20 MR. BEREUTER: Well --

21 MR. BARR: Off the top.

22 MR. BEREUTER: It is off the top of my head. But,
23 of course, the most significant but, also, the most
24 controversial was the fact that the state, basically, had no
25 tax base. And Phil Sorensen and Governor Teimann, as

1 gubernatorial candidates, both campaigned that they would
2 have to pass a sales and income tax or some combinations or
3 one or the other. And so, it was left, since the State had
4 voted itself out of the property tax area, had no sales tax,
5 had no income tax, it was left to the Governor, Tiemann, to
6 implement the combination sales and income tax.

7 I suspect it was also during that period of time
8 when the legislation was passed to establish revenue
9 projection areas but -- of activity, but I'm not certain.

10 Of course, the Department of Economic Development
11 was created in the first several months of the Tiemann
12 administration. It had been just a division of Nebraska
13 Resources, as a component of the State Department of
14 Agriculture before that point. So, that was one that I was
15 very familiar with and had some involvement in as well.

16 And then, about two years later, we had created
17 the State Office of Planning and Programming.

18 Oh, but, gee, there were many other things. And I
19 know that the highway program took a big step forward during
20 that period of time as well. But I'd have to really think
21 long and hard about --

22 MR. BARR: That's fine. It just occurred to me to
23 ask (indiscernible) --

24 MR. BEREUTER: -- the full range.

25 MR. BARR: And I, at this point, I -- you know,

1 you've seen the NRDs over a number of years. I guess
2 they've had their 40th anniversary or something.

3 MR. BEREUTER: Uh-huh.

4 MR. BARR: So, just any thoughts you might have
5 had on how they've turned out in relation to, maybe, how
6 they were envisioned in the first place? Any other just
7 general thoughts you might have in relation to NRDs?

8 MR. BEREUTER: I think, despite some initial
9 controversy as you were consolidating and eliminating
10 various special purposes districts, despite that, the
11 support for them across the state among resource leaders
12 and, in general, the citizenry is very strong. Most people
13 don't understand, I suspect, that they are a unique
14 institution in terms of the breadth of their power.

15 And the fact that, of course, they have
16 comprehensive coverage across the whole state means that
17 they're a strong basis of influencing the State to take
18 other actions that are natural resource oriented. When I
19 was in the state legislature, we helped create a natural
20 resources fund for special projects, which they, in turn,
21 were the implementing agent for with the Soil and Water
22 Conservation Commission.

23 I do recall that there was a Department of Water
24 Resources and the Soil and Water Conservation Commission at
25 the point where Tiemann came into office. And there was

1 some thought about trying to consolidate them from the
2 beginning, but that's one that they didn't take on. The
3 Commission, of course, was not directly responsible to the
4 Governor. They were responsible to their own board at that
5 point. So, that was another reason why it was particularly
6 important to work with Warren Fairchild and assure that you
7 had the support of the key senators to move ahead. It was a
8 little unusual, I suppose, they might have thought, that
9 what was -- that the Governor was acting more directly with
10 re- -- something that was not what we called a line
11 item -- in line -- a line department. Excuse me.

12 MR. BARR: Yeah, a line department.

13 MR. BEREUTER: But, actually, a commission. So, I
14 don't know the history of how that all changed later.

15 MR. BARR: Well --

16 MR. BEREUTER: But I felt confident as a state
17 legislator of -- when I served from '74 to '78, to give
18 implementing responsibilities to the NRD, which were up and
19 running and well respected at that point.

20 MR. BARR: That was the general area I wanted to
21 talk to you about, but if you have any other thoughts in
22 this whole range, you're certainly welcome to add them and
23 would have a chance to add at a later time, if you wanted
24 to.

25 MR. BEREUTER: I was going to speak at the

1 dedication of the -- of Lake Wanahoo because I had some
2 involvement with the natural resource district, Lower Platte
3 North, and the City of Wahoo in Saunders County, of course.
4 And I'm a resident of Saunders County. And I did want to
5 emphasize in my prepared remarks, which I never got to
6 deliver because of the change in the schedule of the
7 dedication, just how important the natural resource
8 districts were and are, and that I thought that the Lower
9 Platte North was demonstrating that they were able to take
10 on some very significant projects. They had already
11 constructed what I believe is called the Czechland Reservoir
12 near Prague. And this was an even larger project, Lake
13 Wanahoo, that involved a number of political subdivisions
14 and, also, federal and state resources. So that I thought,
15 from the smallest kind of projects on individual landowners'
16 property where they provide assistance, right up to
17 significant water development projects for conservation, for
18 recreation, and for flood control, that NRD was
19 demonstrating the range of capabilities that NRDs really
20 have. And I expect to see them do more significant projects
21 like that.

22 In Lower Platte South, you see them taking on some
23 projects and programs that are really very urban in
24 orientation, with the recent flood control project in
25 Antelope Creek, for example, where they were a significant

1 participant, along with the University and state government
2 and, of course, the federal government, the Corps of
3 Engineers.

4 So, I think we're just beginning to see the full
5 range of potential of natural resource districts across the
6 state. And with water being so precious, they're going to
7 play a larger role, I think, in water conservation and
8 regulation in some parts of the states to protect our
9 resources.

10 MR. BARR: That's it. (Indiscernible) --

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