

INTERVIEW WITH TOM KNUTSON
BY JIM BARR

April 30, 2014

1 MR. BARR: This is Jim Barr. It's April 30th,
2 2014. And we're in St. Paul, Nebraska. I'm interviewing
3 Tom Knutson. And, Tom, would you kind of just review a
4 little bit about your background, where you came from, and
5 that sort of thing and how you got to Nebraska?

6 MR. KNUTSON: I was born and raised on a farm in
7 Minnesota. I left the farm and the community in Minnesota
8 and moved to the Brookings, South Dakota, area. I went to
9 college and graduated in 1973 with a bachelor's degree in
10 geography and a minor in economics. After I graduated, I
11 ended up going to work in Pierre working on the state water
12 plan for South Dakota. I was a water resource planner,
13 initially. Eventually I became supervisor for the state
14 water plan. But then I went on to work for what was called
15 the Oahe Conservancy Subdistrict, which was a project in the
16 state of South Dakota that was attempting to build an
17 irrigation project of 190,000 acres. And any event,
18 politically, it became kind of a political football during
19 the '70s, the late '70s, during the Carter administration,
20 and was on a hit list, and subsequently did not get built.
21 I ended up going back to Pierre and I worked for Governor
22 Bill Janklow as Executive Director of the State Water
23 Development Task Force for a couple of years before I moved
24 on to Nebraska. There I worked for the Missouri River Basin
25 Commission out of Omaha, which covered ten states, Missouri

1 Basin states. I was there for a couple years before
2 returning to South Dakota to be the general manager of the
3 Oahe Subdistrict, which had, by that time, lost the
4 opportunity to build an irrigation project. But we still
5 had other things that we were attempting to do. In the two
6 years that I was there as general manager, we still were
7 having political problems with the Legislature, et cetera.
8 Eventually, the conservancy subdistricts were replaced with
9 water development districts. At that point in time, in
10 January of '85, I came to Farwell, Nebraska, and became
11 general manager of the Loup Basin Reclamation District,
12 Farwell and Sargent Irrigation Districts, because I was
13 interested in seeing what a real project was about. After I
14 got here, I realized that we had a contract with the Bureau
15 of Reclamation. We knew that that contract was going to
16 expire in 1998, and I started talking to the boards about
17 what we were going to be doing in regard to renewing that
18 contract. When we ended up dealing with the Clinton
19 Administration in the very early '90s, I realized that it
20 was going to be an impossible situation trying to get a
21 contract renewed. Subsequently, we moved forward with what
22 was called title transfer of our project, and I worked for
23 eight years flying back and forth to Washington, D.C.,
24 testifying before the Congress and working with all state
25 and local agencies as well as other federal agencies in that

1 attempt to get the project approved. We were successful in
2 transferring that project in the fall of 2002. And I was
3 very happy with that process. At the same time, we were
4 then able to move forward and do things on our own that we
5 would not have been able to do before. I retired in the
6 fall of 2013 after being general manager for over 28 years
7 and now I'm just sort of enjoying life from the standpoint
8 of still being involved with a state board and also I serve
9 on the Lower Loup NRD Board.

10 MR. BARR: Going back to this transfer of
11 ownership of the irrigation districts, were several of them
12 nationwide, did several of them participate in that or what
13 sort of overall participation was there?

14 MR. KNUTSON: There were others that were very
15 interested in doing so, Jim, but it was very difficult
16 politically for most of them, because, number one, it costs
17 money to get it done. The Bureau and the environmental
18 community seemed to come up with ways to say that it
19 wouldn't work, and we were the only ones that were
20 successful in regard to transferring our entire project,
21 which included the reservoir and the dam. Now, some
22 districts were successful in transferring their canal
23 system. There was one, I think, in New Mexico. I believe
24 there was one in California, and one in Utah.

25 MR. BARR: Now, you say you're on the board. How

1 long have you been on the NRD board?

2 MR. KNUTSON: I got elected four years ago. I'm
3 up for election this coming fall.

4 MR. BARR: Okay, you got a tough campaign?

5 MR. KNUTSON: I don't know. I got elected as
6 director at large. It's kind of interesting. I wasn't even
7 going to file, but, four years ago, I kept hearing a lot of
8 talk about the NRDs might impose the occupation tax on
9 irrigation districts. My directors were not really happy
10 with that type of discussion, and so, one of my directors
11 said, "Well, I'm going to run for that board." Anyways, a
12 couple other guys said, "Well, Tom, you ought to run, you
13 understand this better than some of us." The only spot I
14 could find was director at large, so, I ran and I did win.

15 MR. BARR: Well, you know and you realize that at
16 the initial development of the legislation, there was some
17 talk of when they consolidated special purpose districts
18 that they would try to consolidate irrigation districts at
19 that time. Have you got any -- well, of course, your
20 district hadn't been formed at that point, I don't believe,
21 had it?

22 MR. KNUTSON: Yeah, it had, actually.

23 MR. BARR: Oh, it had? Okay.

24 MR. KNUTSON: Yeah. Sargent District formed in
25 '52, and Farwell, I think, was 1954. Loup Basin actually

1 organized in 1950.

2 MR. BARR: Do you have any information on how
3 people in this area would have reacted to that sort of
4 proposal and any reflections on how something like that
5 might have worked or not worked?

6 MR. KNUTSON: I guess I could say I could probably
7 answer that both ways. I think that if it would have been
8 approached properly, that irrigation districts and
9 reclamation districts could have possibly ended up being
10 okay if the NRD boards would have said, "Yeah, we're fine
11 with being an umbrella over you, but you're on your own in
12 regard to your own operations." Subsequently, there might
13 have been a more positive mix long term from the standpoint
14 of the fight between surface and groundwater, because maybe
15 there would have been a better understanding of surface
16 water law had it been done that way. I guess, on the other
17 hand, if the NRD boards or one or two of the NRD boards
18 would have still had an attitude like some have had today,
19 we'd have had some real problems.

20 MR. BARR: At this point and this may be an unfair
21 question. Had we started down this path years ago on
22 separate legislation on surface water and groundwater? And
23 now, as we developed the state water plan in 1965, we really
24 did not approach conjunctive use or the groundwater. And
25 now, so time has passed and all sorts of things have

1 happened over that period. Do you see any sort of pathway
2 to some sort of reconciliation of this, or are we on that
3 path yet? Or are there more things that might need to be
4 considered?

5 MR. KNUTSON: I would hope that after the recent
6 legislation that passed, I believe, 1098, where the
7 legislature through the Natural Resources Committee said,
8 "Hey, we need basinwide planning." To make this work in our
9 state and have sustainable water planning within those
10 river basins, I'm hoping that that's going to be the start
11 to some reconciliation, if you will, of actual planning
12 that will include both surface and groundwater interests.
13 Having said that; I have a feeling that we're still going to
14 have a bumpy road starting out. There are those that are
15 already entrenched, if you will, at least I see it, within
16 the state that don't want to seem to give either way. But
17 it really comes down to; I think, you know, the NRD
18 groundwater folks need to have a better understanding of
19 what surface water law does, and maybe even vice versa. But
20 if there was a better understanding of the surface water
21 law, I think that they'd recognize that you can't have
22 irrigation districts just give up their water supply so that
23 groundwater can keep drilling holes to increase the amount
24 of groundwater acres within an area that eventually dries up
25 those irrigation projects. I just don't see that as a

1 benefit to the state at all.

2 MR. BARR: Is there a way to resolve this without
3 somehow more directly confronting the two different legal
4 systems of correlative rights and appropriation?

5 MR. KNUTSON: Well, yeah, I think if you could put
6 the ones in the room that seem to have the compassion to try
7 to work something out, and allow them to just sit and
8 understand each other, and let them come out with a plan and
9 approach and a resolution to the two issues, I think there's
10 an opportunity there.

11 MR. BARR: To some extent, it's been statewide on
12 both cases by doing this requirement for a plan within the
13 basin, does that change anything to allow more local people
14 to approach this in their own districts, or is that going
15 to be a handicap?

16 MR. KNUTSON: It should be a positive, I think,
17 but I believe those NRDs that are in charge of these water
18 planning activities are going to have to take into
19 consideration the needs of the other water interests,
20 including surface water, municipalities, and the
21 environmental concerns. I know that there may be some that
22 will say, "Well, as a board through the NRD, yeah, we'll set
23 a committee out there of 15-20 people to give us advice in
24 that regard," but I've heard some people say, "We don't have
25 to listen to them", and that bothers me.

1 MR. BARR: Now, are the districts you work with,
2 are they all within the Lower Loup?

3 MR. KNUTSON: Yes. My three districts are in the
4 Lower Loup.

5 MR. BARR: So, how is your -- just reflecting on
6 your own experience with your districts and the Lower Loup,
7 how would you characterize that relationship over the period
8 you were manager?

9 MR. KNUTSON: Well, I think for the most part, it
10 was positive. I saw sometimes some negative reaction from
11 the standpoint of understanding what we wanted and needed.
12 I think that when the law passed to allow the occupation
13 tax, that's when some of our board members got a little
14 excited when they heard that the occupation tax now can go
15 statewide. At the same time we were sitting there arguing
16 about whether we were going to raise our water rates a
17 dollar or two dollars an acre, and they said, "Does the NRD
18 have that power, then, to come in and go as much as ten
19 dollars an acre?" I said, "Well, I think that's what the
20 law says." And, boy, that's what got them scared. So, I
21 think, getting back to your question, there's some
22 nervousness there in the surface water area.

23 Now, you look at the Loups here and there's more
24 than the Farwell and Sargent projects. You've got Twin
25 Loups. You got North Loup and you got the Middle Loup

1 Irrigation District. They total roughly 180-, 190,000
2 acres, but not only do they do that, but they allow the
3 opportunity because of all the canals, laterals, and
4 reservoirs, which includes, of course, Sherman and Calamus
5 and Davis Creek, there's a lot of groundwater mounds and
6 opportunities there for groundwater development. So,
7 there's a real conjunctive use situation.

8 MR. BARR: If you were going to approach basin
9 planning since you've dealt with your experience on the
10 district and now also being on the board, do you have any
11 thoughts on how that may be ought to proceed? Not
12 completely grasp -- maybe being aware of how this
13 legislation is going to actually be -- pan out, I don't
14 know.

15 MR. KNUTSON: Yeah, and the thing of it is, is
16 that the Lower Loup NRD has already agreed with others in
17 the Lower Platte to proceed with basically a volunteer IMP.

18 MR. BARR: And an IMP is?

19 MR. KNUTSON: Integrative Water Management Plan.

20 MR. BARR: I just need this for the transcribers.

21 MR. KNUTSON: Right. And in any event, we've all
22 agreed through board action with the ones in the Lower
23 Platte to proceed with that. So, I guess -- I think we're a
24 little bit ahead of the curve. But getting back to your
25 question, it gets back to my illustration there earlier

1 about, will all the NRD boards be listening to those other
2 interests out there before completing a basin plan? I
3 think, if there's the attitude at every level that, well, we
4 don't have to listen to what the cities are saying, and we
5 don't have to listen to what the environmentalists are
6 saying, and we don't have to listen to what surface water
7 people are saying, and we're going to proceed with whatever
8 we want to do, that's going to create substantial problems.

9 MR. BARR: I don't have a whole series of specific
10 questions to ask. I'm trying to get an idea of the
11 interrelationships or lack of interrelationships between the
12 districts, irrigation districts and the NRDs. Now, looking
13 at the statewide view of that, do you have any thoughts on
14 that that are beyond what we've already talked about?

15 MR. KNUTSON: Well, I guess it appears definitely
16 there has not been a positive relationship down in the Lower
17 Republican area or the Republican Basin. And I don't know
18 that it's been real positive in the Central Platte, Central
19 Public Power and Irrigation District area. In our area, I
20 think it appears to me that we sort of play in that area of
21 a mating dance, I'll use that expression. I think there are
22 good people involved on both sides. But nobody's really sat
23 down and got into the nitty-gritty yet. I still contend,
24 I'll go back to I wish we could sit down as a group to have
25 the people that have the level heads sit in on a meeting

1 that says, okay, what are your real thoughts over there as
2 far as municipal use? What are your real thoughts as far as
3 surface water? What's the environmental concern? Now,
4 let's come out of here with something that will work rather
5 than have, maybe certain parties that tend to be short-
6 tempered, if you will, and don't want to get down to the
7 real nitty-gritty, but just want to get their way. If that
8 makes some sense, Jim?

9 MR. BARR: One of our questions is just merely a
10 kind of a reflection and question on how NRDs have worked
11 over the years, particularly in relation to what may have
12 been the original intent, which was, among other things,
13 merging special purpose districts from, I don't know how
14 many, into 24. Do you have any thoughts, coming in kind of
15 at the -- after they'd been in operation a few years, do
16 you have any thoughts on the evolution of the NRDs and that
17 sort of thing?

18 MR. KNUTSON: Well, I think that when I first got
19 here, having worked initially in the state of South Dakota
20 on a state water plan, I thought maybe we should have had
21 NRDs organized based upon river basins and that maybe we
22 had too many. Now, that was my initial thoughts. Having
23 now worked with them through the years and knowing the
24 background of where everybody's coming from and where
25 they've been, I guess, geographically, it might have been

1 difficult to have one NRD covering all of the Loups and one
2 NRD covering the entire Platte, same for the Republican.

3 So, I guess my view have changed some on that. I think now,
4 again, with 1098, it's going to bring them back together to
5 get this basinwide planning done. It really comes down to
6 the hard work of everybody and making sure that everybody's
7 getting a fair shake at the end of the day.

8 MR. BARR: Is there any need for augmentation to
9 this act as you've followed it. I must admit, I'm not an
10 expert on it.

11 MR. KNUTSON: You mean changes?

12 MR. BARR: Funding or anything like that.

13 MR. KNUTSON: Well, yeah, I think the funding
14 part, yeah, that'd be great. I mean, the Legislature in its
15 wisdom provided ten million to finish up some older projects
16 that the Natural Resources Commission has been working on.
17 And by the way, I serve on that Commission as well. And
18 then, allowing another \$20 million for new projects, which I
19 would hope includes some opportunity for money for the
20 basinwide planning needs. But I'm not sure where that's all
21 going to go. The new Commission, I think, ended up being 27
22 people.

23 MR. BARR: As I -- and was it 962 that was the
24 one with the major water task force?

25 MR. KNUTSON: Right.

1 MR. BARR: And of course, a key part of their
2 recommendations involved a fair amount of funding, which --

3 MR. KNUTSON: Never came.

4 MR. BARR: And I guess I thought that would have
5 been a more effective approach, had it come. Do you have
6 just anything else in this general area that you'd like to
7 comment on?

8 MR. KNUTSON: Well, again, for the benefit of the
9 state of Nebraska, it just appears to me that those people
10 that have the attitude that we've got a sword and we can
11 use it to cut off somebody at the knees in regard to their
12 personal purposes, I think those people need to step aside.
13 We need to have some good basin planning based upon the
14 water availability of what's there. We've got to make that
15 determination of what's there with surface water, what's
16 there with groundwater, and then make some good hard
17 decisions to make sure that we sustain that water supply in
18 both cases.

19 MR. BARR: Is there a pretty good, I don't know
20 that consensus is the right word, but general understanding
21 that -- and support for the idea of a sustainable, in some
22 fashion, water supply?

23 MR. KNUTSON: Yeah, I think that -- I'll go to
24 the local NRD board that I'm on. I think that what's
25 happened is, they've viewed a couple of the other basins

1 that have gotten themselves into problems with over-
2 appropriation, if you will, or fully appropriated. They're
3 a little worried about that. We just voted the other night
4 not to increase any acres in our NRD. And there are those -
5 - the majority, the large majority around the table just
6 don't want to see us getting into any kind of pickle like
7 has happened in the Republican or the Platte.

8 MR. BARR: Well, this -- I really appreciate you
9 doing this and if you have any final thoughts, this is a
10 good time to bring them out.

11 MR. KNUTSON: I just thank you for the opportunity
12 to include me in this. I feel honored that you interviewed
13 me.

14 MR. BARR: Well, I thought we needed some comment
15 about the irrigation districts. And I appreciate you doing
16 it.

17 - - -

18
19
20
21
22
23
24
25

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11