

Natural Resources Commission

Water Sustainability Fund

Biennial Report to Legislature

2024-2025



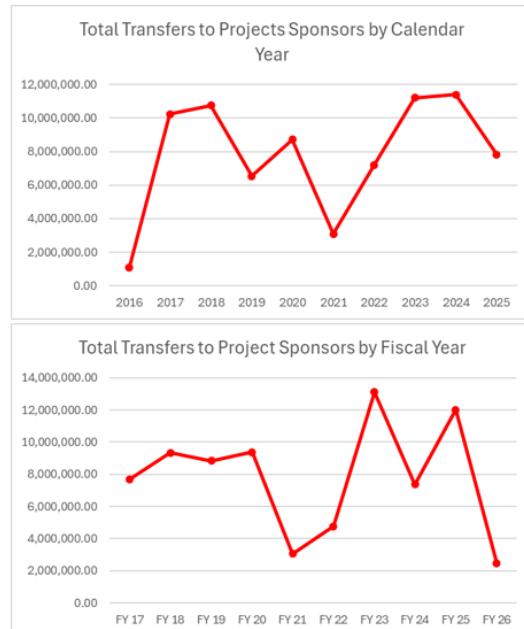
The Water Sustainability Fund (WSF) is a source of financial support to help the State of Nebraska achieve the goals set out in Neb. Rev. Stat. § 2-1506. The Nebraska Natural Resources Commission (NRC) oversees WSF operations including selecting successful applications, and the Nebraska Department of Water Energy and Environment (NeDWEE) oversees administration. Of the funding appropriated by the Nebraska Legislature each year, 10% is designated to projects addressing combined storm and sewer water overflow, and 10% to small project requests of \$250,000 or less. Starting with the 2025 biennium, the legislature discontinued general appropriation funding to this program and instead authorized a one-time cash transfer of \$8 million dollars from the Nebraska Environmental Trust. The NRC obligated a portion of that funding in 2025; NeDWEE will be seeking legislative spending authority for the remaining \$5,172,363.94 cash balance. If successful, funding will be available for another round of applications in 2026. Currently, all prior appropriations to the WSF are committed through contracts with project sponsors.

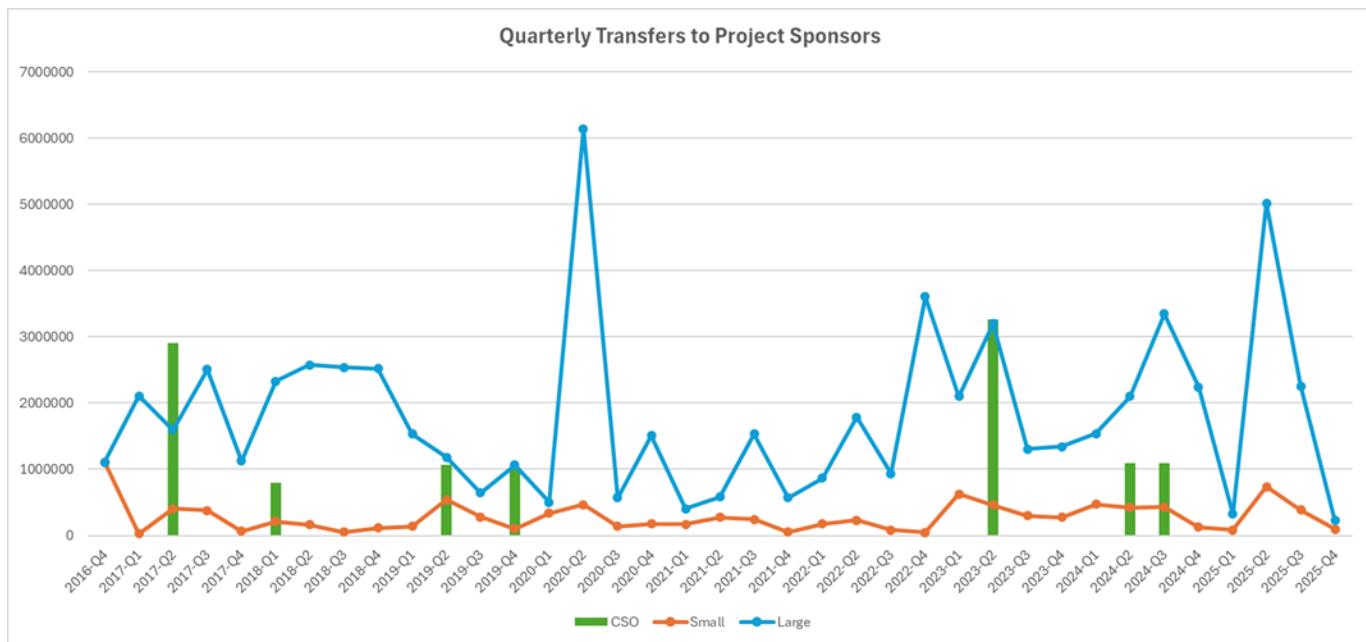
WSF applications are filed electronically. To better time the applications review, scoring, and funding cycle with project sponsors' needs, the filing date for 2023 and after was changed from July to between March 16th and 31st each year. Once filed, the applications undergo a preliminary review by NeDWEE staff and those determined by the Director to be "satisfactory" as per Neb. Rev. Stat. § 2-1509(3) are forwarded to the NRC for scoring. Each of the applications may be viewed by clicking the "*Applications with Satisfactory Determination by the Director*" link under the Applications tab at: <https://nrc.nebraska.gov/water-sustainability-fund-0>.

Only applications with the highest scores are funded. Any funds remaining are rolled forward and added to the next legislative appropriation to be conservative and wise stewards of taxpayer monies and to encourage that the best project applications be submitted in the next round of funding. The NRC's scoring process is designed to identify those projects that will provide the most comprehensive benefits as outlined in Neb. Rev. Stat. § 2-1506.

The WSF has completed eleven funding cycles between 2015 and 2025. A link to the applications funded during each annual funding cycle may be viewed by clicking on the "*WSF Projects Funded*" under the Applications tab at: <https://nrc.nebraska.gov/water-sustainability-fund-0>. In addition, the project sponsor's annual reports for each project may be viewed by clicking on "*Water Sustainability Fund Annual and Final Reports*" under the Reports tab at: <https://nrc.nebraska.gov/water-sustainability-fund-0>.

Upon funding approval by the NRC, NeDWEE enters into a separate contract Agreement with each project sponsor. WSF grant funding is administered through a reimbursement process. Sponsors incur and pay for project related expenses and then submit a reimbursement request along with the necessary supporting documents and proof of payment to NeDWEE. Requests are reviewed by NeDWEE staff prior to monies being transferred to the sponsor. WSF cost share is limited to a portion of sponsors net local cost. The following graphs depict annual and quarterly transfers to project sponsors.





In 2024, 10 projects were approved for a total of \$11,391,874.30; and in 2025, 4 projects were approved for a total of \$1,457,524.00. The following is a table of the projects funded:

2024-2025 Biennium WSF Applications Approved

| APP # | Omaha's Combined Sewer Overflow Project | Amount Allocated |
|-------|---|------------------|
| 10081 | Omaha's Combined Sewer Overflow Project | 1,086,503.30 |

| APP # | Small ($\leq \\$250,000$) Project Name | Amount Allocated |
|--------------|---|-------------------------|
| 10082 | Loup Power District's Lake Babcock Hydroelectric Power Enhancement Evaluation | 75,000.00 |
| 10083 | NPPD's North Platte Hydropower Generation Facility Bypass Analysis | 118,200.00 |
| 10084 | Red Cloud's Flood Control Dam Rehabilitation Project | 145,686.00 |
| 10086 | West Knox Rural Water System Remote-Read Meters | 133,706.00 |
| 10087 | UBBNRD's Groundwater Sustainability Study | 57,780.00 |
| 10088 | LBBNRD AEM 3 | 249,999.00 |
| 10091 | Burr-Cook Paleovalley Aquifer Sub-Area Resiliency Project | 36,000.00 |
| 10106 | WWUM Water Quality Modeling Integration and Modeling Update | 240,000.00 |
| 10124 | Otoe Co RWD #3 Well Field Project | 147,255.00 |

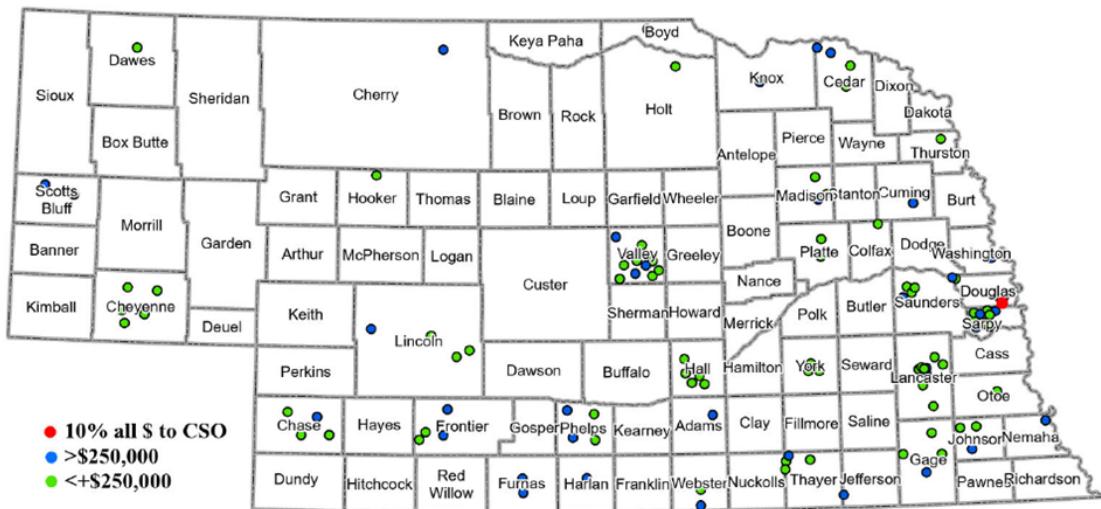
| APP # | Large ($\geq \\$250,000$) Project Name | Amount Allocated |
|--------------|--|-------------------------|
| 10093 | LNNRD Water Use Reduction | 360,000.00 |
| 10095 | Santee Sioux Nation's Water System Infrastructure Improvement Project | 9,129,000.00 |
| 10098 | Examining the Effects of Fertilizer Application Practices on Nitrate Movement and Leaching | 631,200.00 |
| 10114 | L&CNRD's Water Resources Technology and Conservation Project | 439,069.00 |

Grand Total 12,849,398.00

Below is a map showing the project sponsor's location to demonstrate the NRC's intent to deliver long term equitable statewide distribution of funding as required under Neb. Rev. Stat § 2-1507(1) through the WSF. Two things should be noted: most of the approved projects scored highly because they provided multiple benefits to a broad area of the state; and funding can't be awarded in some areas of the state until a project sponsor submits an application within that region.



Water Sustainability Fund Approved Projects



Updated 9/23/2025

During the biennium, several projects were completed and formally closed out. Detailed final project summary reports are filed by project sponsors and can be viewed at: <https://nrc.nebraska.gov/water-sustainability-fund-reports>. Funding remaining when projects are completed under budget is made available by the NRC to help fund future applications. The following table lists the projects completed during this biennium and summarizes those returning funds.

2024-2025 Biennium

WSF Project Closeouts and Grant Reductions

| App # | Year Filed | Approved Grant \$ | \$ Grant Released | \$ Final Grant | Sponsor |
|-------|------------|-------------------|-------------------|----------------|---------|
| 4119 | 2015 | 900,000.00 | 0.00 | 900,000.00 | NPNRD |
| 5184 | 2017 | 243,000.00 | 0.00 | 243,000.00 | URNRD |
| 5196 | 2017 | 60,000.00 | 0.00 | 60,000.00 | CPNRD |
| 5209 | 2018 | 250,000.00 | 0.00 | 250,000.00 | LLNRD |
| 5242 | 2019 | 1,654,860.00 | 0.00 | 1,654,860.00 | TPNRD |
| 5283 | 2020 | 240,000.00 | 0.00 | 240,000.00 | SPNRD |
| 5303 | 2020 | 168,000.00 | 12,063.30 | 155,936.70 | PMNRD |
| 5304 | 2020 | 249,990.00 | 29,005.96 | 220,984.04 | TPNRD |
| 5306 | 2020 | 2,441,400.00 | 0.00 | 2,441,400.00 | Peru |
| 5311 | 2021 | 247,500.00 | 29,591.19 | 217,908.81 | LPSNRD |
| 5319 | 2021 | 132,090.00 | 0.00 | 132,090.00 | TPNRD |
| 10012 | 2022 | 85,800.00 | 32.67 | 85,767.33 | LBNRD |
| 10015 | 2022 | 190,020.00 | 0.00 | 190,020.00 | NNRD |
| 10018 | 2022 | 172,008.00 | 26,521.41 | 145,486.59 | Pender |
| 10035 | 2022 | 8,481,000.00 | 0.00 | 0.00 | L&CNRD |
| 10036 | 2022 | 216,000.00 | 0.00 | 216,000.00 | LBBNRD |
| 5217 | 2018 | 4,735,048.00 | 0.00 | 4,735,048.00 | Papio |
| 5221 | 2018 | 375,336.00 | 0.00 | 375,336.00 | URNRD |
| 5252 | 2019 | 6,006,000.00 | 0.00 | 6,006,000.00 | Blair |
| 5301 | 2020 | 123,800.00 | 0.00 | 123,840.00 | URNRD |
| 5312 | 2021 | 144,000.00 | 60.67 | 143,939.33 | ENWRA |
| 5321 | 5321 | 145,000.00 | 0.00 | 145,000.00 | Lincoln |
| 10020 | 2022 | 165,000.00 | 35.98 | 164,964.02 | LLNRD |
| 10061 | 2023 | 249,999.00 | 0.00 | 249999.00 | LBBNRD |
| 10077 | 2023 | 240,000.00 | 0.00 | 240,000.00 | NARD |
| TOTAL | | 27,915,851.00 | 97,311.18 | 19,337,579.82 | |

After reviewing eleven rounds of project proposals, the need to fund projects that support the sustainable use of and management for water quality, quantity, and infrastructure remains as important today as it was when LB 1098 was implemented in 2014. The following table tracks the unmet funding demand of project sponsor's seeking cost share assistance to provide these types of projects.

Unmet Funding Demand

| Year Filed | Applications Filed | Amount Requested | Applications Funded | Amount Granted | Unmet Demand |
|------------|--------------------|-------------------|---------------------|-------------------|-------------------|
| 2015 | 27 | \$ 50,853,853.00 | 17 | \$ 8,590,502.00 | \$ 42,263,351.00 |
| 2016 | 34 | \$ 45,435,963.17 | 11 | \$ 19,529,667.30 | \$ 25,906,295.87 |
| 2017 | 24 | \$ 20,305,164.00 | 13 | \$ 10,682,546.00 | \$ 9,622,618.00 |
| 2018 | 18 | \$ 17,397,798.00 | 10 | \$ 7,802,649.00 | \$ 9,595,149.00 |
| 2019 | 19 | \$ 28,638,105.10 | 12 | \$ 17,865,005.10 | \$ 10,773,100.00 |
| 2020 | 8 | \$ 5,746,983.00 | 6 | \$ 5,580,902.00 | \$ 166,081.00 |
| 2021 | 17 | \$ 36,003,133.77 | 12 | \$ 14,602,654.77 | \$ 21,400,479.00 |
| 2022 | 13 | \$ 24,643,611.30 | 11 | \$ 13,516,021.30 | \$ 11,127,590.00 |
| 2023 | 19 | \$ 16,503,905.00 | 11 | \$ 11,374,668.30 | \$ 5,129,236.70 |
| 2024 | 12 | \$ 13,979,374.70 | 10 | \$ 11,391,874.30 | \$ 2,587,500.40 |
| 2025 | 23 | \$ 24,731,558.88 | 4 | \$ 1,457,524.00 | \$ 23,274,034.88 |
| TOTAL | | \$ 284,239,449.92 | | \$ 122,394,014.07 | \$ 161,845,435.85 |