STATE OF NEBRASKA



Mike Johanns Governor DEPARTMENT OF NATURAL RESOURCES
Roger K. Patterson
Director

January 21, 2003

IN REPLY REFER TO:

Mike Clements Lower Republican NRD PO Box 618 Alma, NE 68920

Dear Mike,

Thank you for your letter of January 16, 2003, concerning the Republican Basin settlement and the costs of implementing that settlement. We too are pleased that it was possible to reach a settlement and very much appreciate the willingness of the NRDs and others in the basin to be a significant part of the settlement process. I know it was not the easiest thing for you and your board to step forward and agree to do the things that were necessary to reach the settlement. We also understand that funding will need to be made available to meet the needs of the NRDs if we are to assure successful implementation of the settlement.

I'm pleased to report that the budget proposal that Governor Johanns presented to the Legislature on January 15, 2003, included the projected funding that the Department and the four NRDs requested for implementation costs. The Legislature's Appropriations Committee will now have the task of reviewing all of the State's financial needs and will hold hearings on each agency's budget over the next couple of months and present their proposed budget to the full Legislature sometime in late April or May. Final approval of the State's budget for the next two years will probably not come until early June. We intend to testify at our Department's hearing and fully support the Governor's proposed budget including the implementation costs for the Republican Basin settlement.

While we are not in a position to make a firm commitment that resources will be available to implement the settlement, we are committed to support the Governor's proposed inclusion of those funds. We fully appreciate the position of your board and the other boards, and feel confident that funding will be forthcoming. The support of NARD and the four NRD boards will be critical in assuring that funding is made available.

We appreciate your comments and support and look forward to working with you on this process.

Sincerely,

Roger K. Patterson

Director

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Lower Republican Natural Resources District

January 16, 2003

Roger Patterson, Director NE Dept. Natural Resources PO Box 94876 Lincoln, NE 68509-4676 JAN 17 2003

Re

Settlement Implementation Costs

Dear Roger:

On behalf of the Board of Directors and myself, I would like to commend you and your staff for your hard work and diligence throughout the whole settlement process. We feel that the best was made out of a difficult situation.

Roger, the concern that our Board has is that the Lower Republican Natural Resources District will not receive the necessary funding needed to begin implementing the settlement process. I know that you recently said we would receive the amount submitted in my budget dated October 18, 2002. I am enclosing a copy of that budget as well as figures for the other NRDs and yours at DNR. If it's possible, our Board would like to see something in writing to document this.

Our Board has cooperated and worked in good faith in support of the settlement. As you know Roger, there are huge challenges and opportunities that lie ahead for the NRDs and the State. That's where it gets difficult for a small NRD like ours. Without the funding it will be impossible for us to see this process through.

I appreciate your support and look forward to hearing from you soon pertaining to our request.

Sincerely,

Michael Clements General Manager

Muhail Clements

MC/cm

enclosure: Settlement Implementation Budgets

copy: Governor Mike Johanns

Dave Cookson

Senator Ed Schrock Garold Ohmstede

Lower Republican NRD Republican River Settlement Implementation Costs

10/18/02

Fiscal Year 2003-2004

Privileged and Confidential Settlement Document "One-time Costs"

Equipment:		
	Office furniture, Relocate, filing System, Phones, etc	\$75,000.00
1	Well measuring tape	\$700.00
1	Pickup	\$25,000.00
. 1	GPS Equipment	. \$450.00
1	Ultrasonic Flowmeter	\$6,000.00
. 1	Digital Camera	\$500.00
. 1	Cell Phone	\$100.00
	Equipment Total:	\$107,750.00
Personnel:		, ,
	Description	Cost
Quantity	FTE Conservation Tech. Salary (including benefits)	\$32,000.00
1	FTE Clerical Salary (including benefits)	\$22,500.00
1 '	Personnel Total:	\$54,500.00
	Personnel Total:	φυ4,υυυ.υυ
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Office Supplies/		\$1,500.00
**	Office Supplies, Field Supplies	\$2,000.00
	Expenses, training	\$10,000.00
	Professional Services (legal, technical)	\$4,000.00
	Vehicle Operating Costs	
	Office Supplies/Misc. Total:	\$17,500.00
	Personnel and Supplies Sub-total	\$72,000.00
*	2003-2004 Fiscal Year Total:	\$179,750.00
•	Fiscal Year 2004-2005	•
Personnel:		
Quantity	Description	\mathbf{Cost}
1	FTE Conservation Tech. Salary (including 150 Hrs. OT)	\$33,000.00
1	FTE Clerical Salary (including 50 Hrs. OT)	\$23,500.00
•	Personnel Total:	\$56,500.00
Office-Supplies	/Misc.:	1.0
I I	Office Supplies, Field Supplies	\$1,500.00
	Expenses, training	\$2,000.00
	Professional Services (legal, technical)	\$10,000.00
	Vehicle Operating Costs	\$4,000.00
	Office Supplies/Misc. Total:	\$17,500.00
	2004-2005 Fiscal Year Total:	\$74,000.00
2003-20	04 & 2004-2005 FY Implementation Cost Totals:	\$253,750.00
224	45 Flowmeter cost-share @ \$400 ea. (FY 02-03 thru 04-05)	\$898,000.00
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Republican River Settlement Implementation Budget

		2003-04		2004-05
Support Work of NRDs Upper Republican Middle Republican Lower Republican Tri-Basin	125,700 137,250 179,760 109,750	552,450	40,500 76,000 74,000 74,000	264,500
Support 4 FTE @ DNR 2 Engr/Hydrologists/GIS Spec 2 Fleld Technicians		114,000 81,000		114.000 81,000
Decision Support System		35,000		35,000
Equipment		100,000	·	50,000
Consultants		200,000		200,000
Cost-Share of Joint Feasibility Study		50,000		187,500
Cost-Share on Soil Conservation Study With Colorado, Kansas & Feds		16,700		16,700
SUB-TOTAL		1.149,150		948,700
Meters Upper Republican Middle Republican Lower Republican Tri-Basin	15,000 300,000 449,000 375,000	1,139,000	15,000 300,000 449,000 375,000	1,139,000
GRAND TOTAL		\$ 2,288,150		\$ 2,087,700