

FOR IMMEDIATE RELEASE
March 8, 2006, 1:00 p.m. CT

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Gov. Heineman Plans Meetings to Discuss Future of Republican River Basin

(Lincoln, Neb.) Gov. Dave Heineman has instructed the Nebraska Department of Natural Resources (DNR) to organize a series of discussions with Natural Resource Districts (NRDs) about long-term solutions to Nebraska's water challenges. The goal of the meetings will be to work with local water users in the Republican River Basin on the development of comprehensive and long-term plans to manage regional water supplies.

Gov. Heineman said, "Our first priority is to plan for future management of the resources in this part of our state, and while we're working to develop short-term solutions, it's important that we come together with all those with a stake in future of this region to begin to address long-term planning for sustainable water management."

In partnership with DNR officials and the Attorney General's Office, the Governor has been working to develop an arrangement that would provide a one-time payment to irrigation districts for the lease of their water supply during the 2006 irrigation season. The state would direct water supplies from the Nebraska Bostwick Irrigation District, the Riverside Irrigation Company and the Frenchman Valley Irrigation District to Kansas in an effort to help comply with the Republican River Compact settlement.

"No place are our water quantity challenges more immediate than in the Republican River Basin," Gov. Heineman said. "The settlement did not change our obligations under the original compact agreement. Nebraska made a commitment and so it is critical that we work together to fulfill our compact obligations. This is a statewide issue of tremendous importance."

Expressing a desire to do their part in helping the state comply with the terms of the settlement, leaders of the Riverside Irrigation District have already agreed to sign such an agreement, pending the availability of state funds. The Nebraska Bostwick Irrigation District is expected to announce a decision on whether to commit to the proposal by Wednesday, March 15.

The Governor included funds in his mid-biennium budget recommendations for a potential agreement with area irrigators for the short-term leasing of surface water to help the state comply with the settlement.

(continued)

*Gov. Heineman Plans Meetings to Discuss Future of Republican River Basin -- Page 2
March 10, 2006*

The funding was proposed as a one-time commitment that would give area NRDs time to study the impact of regional water management plans already in effect. Republican Basin NRDs implemented the plans as required by the Water Policy Reform legislation, LB 962, passed in 2004. Last year, these conservation plans led area irrigators to use substantially less water than was originally allocated.

DNR Director Anne Bleed said, "I applaud the willingness of area NRDs and water users to be part of the solution on this issue. I'm hopeful we're headed toward a resolution that will have a meaningful and positive impact on water flows this year."

In addition to progress made by NRDs, the state and federal government have also provided funding to assist in the implementation of conservation programs, such as the Conservation Reserve Enhancement Program (CREP) and the Environmental Quality Incentives Program (EQIP). Irrigators enrolled in these programs voluntarily agree to stop irrigating crops for 10 to 15 years.

Nebraska chose to devote a portion of its EQIP funding for a water conservation initiative in the Republican River Basin. In addition, the Platte/Republican CREP is the first in the nation to be used to address issues of water quantity instead of quality.

"Six years of sometimes severe drought has put strain on our producers, particularly those in the Republican River Basin," Gov. Heineman said. "While the current settlement recognizes the toll the drought has had by adjusting the amount of water allocated to Kansas in dry years, we have yet to fulfill our obligations under the agreement. We look forward to a successful resolution of this immediate hurdle so we can continue making progress on challenges related to long-term and sustainable water management in this part of our state."

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IN REPLY TO:

DEPARTMENT OF NATURAL RESOURCES
Ann Bleed
Acting Director

STATE OF NEBRASKA

Dave Heineman
Governor



BOSTWICK IRRIGATION DISTRICT IN NEBRASKA

P.O. Box 446 • Red Cloud, Nebraska 68970-0446 • Ph./Fax (402) 746-3424

Pending the qualified electors approval of the agreement with the State of Nebraska for the utilization of a portion of the District's water supply, a motion will be made by the Board of Directors to disperse money received from the State back to the land owners at the following rate:

Each acre currently assessed will receive \$71 per acre-inch for the 1.5 acre-inches that each acre is giving to the State. This will equate to a total of \$106.50 per assessed acre. From this total the 2006 and any previous years unpaid assessments will be deducted and the balance sent to the current land owner who is responsible for the 2006 assessment.

EXAMPLE:

Number of Assessed Acres	1	5	10	100
X Reimbursement	\$106.50	\$106.50	\$106.50	\$106.50
Total	\$106.50	\$532.50	\$1065.00	\$10650.00
- 2006 assessment	\$28.50			
(if applicable)	\$78.00			

This reimbursement will not be effected by enrollment in CREP, CRP, EQIP or other programs.

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To <i>ANN BLEED</i>	From <i>M. DELKA</i>
Co.	Co.
Dept.	Phone #
Fax #	Fax #

RECEIVED
 MAR 09 2006
 DEPARTMENT OF
 NATURAL RESOURCES

Received Time Mar. 9. 12:57PM

HARLAN COUNTY LAKE (HCL) IRRIGATION SUPPLY DETERMINATION

- During Contract Renewal process in 2000, procedures for determining the HCL water supply were established.

⇒ **Consensus Plan (COE & BOR)** - established the procedures for computing the shutoff elevation and irrigation water availability from HCL

⇒ **District O&M Agreement (Bostwick Districts)** - established the procedures to apportion the HCL irrigation supply between the two Districts

Bureau signed on as an approver of contract

- In January, Reclamation provides an ESTIMATED irrigation water supply based on **CONSENSUS PLAN**. This establishes an estimated Shutoff Elevation for HCL.

- **2006** irrigation water supply is based on estimated inflow and evaporation.

⇒ **2006 Estimate** - 15,700 Acre-Feet from HCL

- In June, Reclamation & COE establish Final Shutoff Elevation using actual end of May Content.

⇒ If the actual end of May content is less than estimated end of May content - shutoff elevation is lowered in order to provide the supply estimated in January
- **Shutoff elevation cannot fall below elevation 1927.0**

⇒ If the actual end of May content is greater than the estimated end of May content there is no adjustment to the estimated shutoff
- **additional supply is available to the Districts**

• HCL Water Apportionment

⇒ Procedures identified in the **Districts' O&M Agreement**

⇒ An equal amount of water would be delivered to all acres in both Districts using new contracts.

factor in Lovewell Reservoir

⇒ **NE -10,118 AF (1.5 inches/acre) KS - 5,571 AF**

*\$71 / ac in
for each
"Assessed
acre*

\$106.50 / acre

*Kept 91,700
to cover extra
expenses*

*Two
Main
docs*

*Dec con
+ est inflow
- evap =
Avg supply*

*1932.6
1935 Shutoff
today at 1928.9*

*Reclamation
will not alter
the agreement*

will get \$ even if in CREP + EQIP
\$ go to landowner

will hold extra water next year
unless had a major flood & run ^{normal}
might take it if drought was enough. ^{or above}
supply

BOSTWICK IRRIGATION DISTRICT IN NEBRASKA

P.O. Box 446 • Red Cloud, Nebraska 68970-0446 • Ph./Fax (402) 746-3424

RECEIVED

FEB 23 2006

DEPARTMENT OF
NATURAL RESOURCES**NOTICE TO CUSTOMERS OF BOSTWICK IRRIGATION
DISTRICT IN NEBRASKA**

A meeting of qualified landowners of the Bostwick Irrigation District in Nebraska [Bostwick] has been scheduled for 10:00 a.m. on Wednesday, March 15, 2006 at the Community Center at 142 West 3rd Street in Red Cloud, Nebraska. At that time a general presentation regarding a proposed memorandum of agreement with the State of Nebraska to release to the State a defined "water supply" normally available to Bostwick for the 2006 "irrigation season" and for the State to pay to Bostwick for the district and its qualified landowners a payment which would be substantially redistributed by Bostwick to its qualified landowners for the release. It is estimated that the State payment will result in a redistribution to Bostwick landowners of approximately \$100.00 per qualified acre in Bostwick.

Representatives of the State of Nebraska and others who may be able to assist in full and complete understanding of the terms and conditions and how the agreement will affect the qualified landowners will be present at the meeting to describe the proposed agreement and answer questions from qualified landowners of Bostwick.

The governing Board of Directors of Bostwick will make no specific recommendation regarding acceptance or refusal of the proposed agreement and will make their final determination on acceptance or rejection based solely upon the recommendation of the qualified landowners of Bostwick who attend and vote at the meeting. The only question upon which a vote will be taken at the meeting will be acceptance or rejection of the proposed memorandum of agreement.

A formal meeting of the Board of Directors will be scheduled in the normal course of action as soon after the meeting of qualified landowners as practical, and by the terms of the proposed agreement, if it is accepted by Bostwick, the agreement will become official only upon the final appropriation of the necessary State funds to ensure that the State can fulfill its obligations there under.

Only qualified landowners determined to be qualified "electors" of Bostwick will be eligible to vote in the determination for acceptance or rejection of the proposed memorandum of agreement. If a qualified landowner was listed as an "elector" of Bostwick for the last regular election of directors that person will likely be a qualified "elector" for this meeting. The regular Bostwick procedures for ascertaining and qualifying of Bostwick "electors" will be utilized for issuance of ballots at the meeting. It is recommended that if any changes in eligibility for voting in regular elections of Bostwick have occurred, the landowners in question should seek clarification with the Bostwick office prior to the meeting and that any documents required to verify voting rights should be presented prior to the meeting unless otherwise agreed by Bostwick officials prior thereto.

Only qualified "electors" will be issued ballots at the meeting and allowed to vote on the question of acceptance or rejection, and only those "electors" present at the meeting shall be allowed to vote. The results of the election from those attending and voting will be the basis for determination of the final Bostwick action by the Board of Directors.

Received Time Feb. 22. 1:12PM

Record Type	Status	Category	Agreement #	Agreement Acres	Approval Date	Begin Date/End Date	FSA Administrator	FSA Physical	CRP Offer #	CRP Contract #	FSA Form #	Irrigated Acres	Non-Irrigated Acres	Irrigation District	Irrigation District 2	HRD
CRP	Approved	AC Compacted Republican	29	57.7	12/28/2005	10/1/2005 - 9/30/2020	Franklin	Franklin	6	304	2733	57.7		Swanwick Irrigation District	Irrigation District 2	Lower Republican
CRP	Approved	Republican River Basin	31	47.6	8/20/2005	11/1/2005 - 9/30/2020	Franklin	Franklin	11	389	2442	47.6		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	281	47.6	8/20/2005	11/1/2005 - 9/30/2020	Franklin	Franklin	11	389	2442	47.6		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	317	70.3	8/17/2005	8/17/2005 - 9/30/2020	Franklin	Franklin	19	316	2685	70.3		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	317	148.4	10/11/2005	11/1/2005 - 9/30/2020	Franklin	Franklin	18	315	2685	148.4		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	318	177.5	12/28/2005	11/1/2005 - 9/30/2020	Franklin	Franklin	17	314	2682	177.5		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	434	89	8/20/2005	11/1/2005 - 9/30/2015	Wright	Wright	28	325	915	89		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	446	89	8/20/2005	11/1/2005 - 9/30/2015	Wright	Wright	28	325	915	89		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	446	48.1	8/20/2005	11/1/2005 - 9/30/2015	Wright	Wright	28	325	915	48.1		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	579	47.2	8/20/2005	11/1/2005 - 9/30/2015	Franklin	Franklin	28	324	766	47.2		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	615	21.1	9/9/2005	10/1/2005 - 9/30/2015	Franklin	Franklin	28	325	2189	21.1		Swanwick Irrigation District		
CRP	Approved	Republican River Basin	653	43.3	11/19/2005	10/1/2005 - 9/30/2015	Wright	Wright	28	325	747	43.3		Swanwick Irrigation District		

893 acres irrigated or conserved