



United States Department of the Interior



BUREAU OF RECLAMATION
Great Plains Region
Nebraska-Kansas Area Office
P.O. Box 1607
Grand Island, Nebraska 68802-1607

IN REPLY REFER TO:

NK-100
WTR 4.00 FRC

MAR 07 2007

Ms. Ann Bleed
Director of Natural Resources
PO Box 94676
Lincoln, NE 68509-4676

Subject: Temporary Assignment of Frenchman-Cambridge Irrigation District Contract No. 009D6B0122, Frenchman-Cambridge Division, Pick-Sloan Missouri Basin Program, Nebraska

Dear Ms Bleed:

Thank you for your letter dated March 1, 2007 (copy enclosed) confirming the State of Nebraska's consideration of leasing water from the Frenchman-Cambridge Irrigation District to help the State comply with the Republican River Compact.

It is our understanding that the water will be used for irrigation by the Kansas-Bostwick Irrigation District, which is within the Republican River Basin. Reclamation will work with Frenchman-Cambridge Irrigation District to assign the rights under their current contract on a one-year temporary basis to Kansas-Bostwick Irrigation District No. 2. Both irrigation districts will need to ensure Reclamation that all obligations will be met under their current contracts (Contract No. 009D6B0122 for Frenchman-Cambridge Irrigation District and Contract No. 009D6B0120 for Kansas-Bostwick Irrigation District). Any approval of the assignment would be based on the premise that it will not diminish or affect Frenchman-Cambridge Irrigation District's or the United States' water rights.

As was stated in your letter, either Reclamation or the State will need to consult with the U.S. Army Corps of Engineers (USACE) regarding the use of Harlan County Dam. Reclamation will make the initial contact to USACE and inform the State of any further action that is necessary.

It is our understanding that costs associated with National Environmental Policy Act (NEPA) compliance and the administration of the contract assignment will be borne by the State. The estimated time requirements and cost for this work is less than six weeks and less than \$10,000 with payment made in advance. Any funds advanced by the State that are not utilized will be returned within 60 days of the completion of the contract assignment and associated NEPA compliance.

It is important to note that the above procedure for the contract assignment, costs, and time requirements for processing the contract assignment-related work and NEPA work

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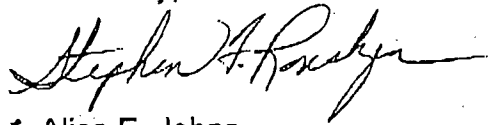
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are specific to this request. The estimate is based on the concept of the utilization of storage water in a manner mimicking annual irrigation releases, a reservoir that fills each year, with little, if any, impact to recreation, fish, and wildlife benefits associated with the reservoir. Should a request for utilization of storage water from other project facilities be made, it needs to be noted that an approval procedure and NEPA requirements may significantly differ based on specific considerations.

If you have any questions regarding these contract assignments, please contact Stephen Ronshaugen at 308-389-5304.

Sincerely,



Acting For Alice E. Johns
Area Manager

Enclosure

cc: Roy Patterson, Superintendent
Frenchman-Cambridge Irrigation District
PO Box 116
Cambridge, NE 69022

Kenneth Nelson, Manager
Kansas Bostwick Irrigation District No. 2
PO Box 165
Courtland, KS 66939

Mike Delka, Manager
Bostwick Irrigation District in Nebraska
PO Box 446
Red Cloud, NE 68970

Rex Amack, Director
Nebraska Game and Parks Commission
PO Box 30370
Lincoln, NE 68503

Allen Toole
Kansas City District COE's
700 Federal Building
601 East 12th
Kansas City, MO 64106-2896
w/enclosure to all

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DNR 002854



Dave Heineman
Governor



STATE OF NEBRASKA

DEPARTMENT OF NATURAL RESOURCES
Ann Bleed

Stephen A. Ronshaugen
U. S. Department of the Interior
Bureau of Reclamation
Great Plains Region
P.O. Box 1607
Grand Island, Nebraska 68802-1607

NAME	INITIALS	DATE	DATE
Steve			
Sandy			
Mike			
Jack			
M. Cook		by cy	2/1
REMARKS:			

Dear Steve:

As we have discussed with you, the State of Nebraska is considering the options of leasing water from the Frenchman Cambridge Irrigation District to help the State comply with the Republican River Compact. The amount of water to be purchased would be around 26,000 acre feet or whatever would be available for irrigation out of Harry Strunk Reservoir this year. This amount would be accounted as outflow from the Harry Strunk Reservoir.

The water could be delivered either through the Cambridge Canal and then back to the river or through the river with the consumptive use portion of the water being protected from downstream surface water appropriators, through Harlan County Dam and down to Guide Rock for irrigation by the Kansas Bostwick Irrigation District. Irrigation use is considered to be a beneficial use of water in Nebraska. The water will be released in such a manner as to mimic the historic releases of water for irrigation from mid-June to late August.

The temporary leasing of this water will not diminish the water rights of the Frenchman Cambridge Irrigation District.

The State would be willing to consider paying the costs of NEPA compliance and the administration of the contract. However we cannot make a commitment to be responsible for these costs until we know what the costs are likely to be. Obviously either the Bureau or the State would have to consult with the U. S. Army Corps of Engineers. We would be willing to making any arrangement on the consulting that works best.

Thank you for considering this matter. If you have any questions please do not hesitate to call.

Sincerely,

Ann Bleed
Director of Natural Resources

cc: Roy Patterson
Brad Edgerton

administrative directors/bleed

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