

P.O. Box 280 Scottsbluff, NE 69363-0280

Phone: 308-632-2749

Fax: 308-632-4346

March 31, 2017

To: Kent Zimmerman, NDNR Projects Director

From: John Berge, NPNRD General Manager

Subject: WSF 2017 Annual Report #4119

The North Platte NRD (NPNRD) has, as of March 31, 2017, permanently retired 629.29 groundwater only acres under application 4119 for the Water Sustainability Fund Grant Program. The grant application award allows 1000 acres to be permanently retired. The additional 370.71 acres are either under analysis for permanent retirement or being sought for ground water retirements that will aid in meeting the North Platte NRD's obligations under its integrated management plan. Included in those 629.29 acres are the following projects:

- 152.7 acres in Garden County NE will realize within 6 years, a depletion rate of 96% and represent up to 107.4 acre feet of credit, for ground water depletions from the North Platte River each year in perpetuity.
- 82.49 acres under contract for permanent retirement are located in Southern Sioux County, will realize within 10 years a depletion rate of 96% (100% in 2036) and represent up to 336.7 acre feet of credit, for ground water depletions from the North Platte River each year in perpetuity.
- 394.1 acres under contract for permanent retirement are also located in Southern Sioux County. Of that, 128.0 acres realize within 10 years, a depletion rate of 95% (99% in 2035) and represent up to 135.1 acre feet of credit and 266.1 acres realize within 10 years, a depletion rate of 97% (99% in 2034) and represent up to 280.6 acre feet of credit for ground water depletions from the North Platte River each year in perpetuity.

All acres are located in the over appropriated area of the district. The total credit to the North Platte River on the acres retired to date is 859.8 acre feet per year in perpetuity. Payments on these contracts have been issued thus far as:

- \$30,933.75 for 82.49 acres on 12/8/2016 Request for reimbursement at 60% to DNR was made on 1/20/2017 in the amount of \$18,560.25.
- \$19,087.50 for 152.7 acres on 3/1/0/2017 Request for reimbursement at 60% to DNR was made on 3/22/2017 in the amount of \$11,425.50.

The reduction of groundwater consumptive use and the offsetting of streamflow depletions to the North Platte River form core components of both the Platte River Basinwide Integrated Management Plan and the joint District integrated management plan, both developed in cooperation with DNR. The basinwide plan specifically includes objectives intended to keep Nebraska in compliance with the Platte River Recovery Implementation Program, and the District's individual integrated management plan provides the mechanisms for meeting those

objectives. The District's groundwater-retirement program specifically implements the goals of the basinwide plan and the Program, both of which are state-level concerns.

The North Platte NRD anticipates that the additional targeted 370.71 acres will be under contract for permanent retirement within the next year.

The total Water Sustainability Fund dollars requested for reimbursement to NRD as of this date are \$29,985.75 with an additional \$29,557.50 anticipated to be reimbursed to the NRD before June 30, 2017. The balance of the grant dollars on July 1, 2017 will be 840,456.75.

When the 1000.0 acres targeted are contracted at \$250.00 per acre, the total projected annual payments to landowners will be \$250,000.00. The WSF dollars reimbursement at 60% would be \$150,000.00 per FY. From the balance left in the grant after the end of the current FY, we anticipate that the total grant dollars will be depleted within six years.