

Support Services for the
WATER FUNDING TASK FORCE

14 November, 2013



What the Numbers Mean

Total Existing Projects: \$488.6M *

Total Proposed Projects: \$907.6M *

Proposed Projects In 10 Years @ 3% Inflation: \$1.22B

Proposed Projects in 20 Years @ 3% Inflation: \$1.64B

**40% Local Cost Share (on Proposed Projects) Today/10 Yrs/20 Yrs:
\$363M/\$488M/\$656M**

How Long to Achieve Sustainability?

Several factors affect the time in which Statewide Sustainability can be achieved;

- Each Water User must understand their role
- We have to understand the framework in which we live
- Projects take time to plan, when done properly
- Project permitting for large infrastructure projects takes a LONG time
- Local sponsors ability to pay must be considered

So What is the Answer?

By generating \$50M a year into a Water Sustainability Fund;

- It would take about 23 years to implement the existing and proposed projects as identified today **with zero local cost share**
- It would take about 18 years to implement the existing and proposed projects as identified today **with 20% local cost share**
- It would take about 12 years to implement the existing and proposed projects as identified today **with 40% local cost share**

Generating Additional Local Cost Share

NATURAL RESOURCES DISTRICTS OVERALL SUMMARY OF 2013-2014 ADOPTED BUDGETS									
Natural Resources District	Valuation	Total Disbursement & Transfers	Total Property Tax Requirements	3-2014 Cents Actual Valuat	2012-20 Levy	Potential Revenue at 8.5 mil	Potential Revenue at 7.5 mil	Potential Revenue at 6.5 mil	Potential Revenue at 5.5
CENTRAL PLATTE NRD	\$ 12,277,337,224.00	\$ 29,475,528.61	\$ 5,175,275.90	4.21500	4.4710	\$ 5,260,839.00	\$ 4,033,105.28	\$ 2,805,371.56	\$ 1,577,637.83
LEWIS & CLARK NRD	\$ 2,859,864,860.00	\$ 1,765,551.00	\$ 548,500.00	1.91800	1.9043	\$ 1,882,363.05	\$ 1,596,376.56	\$ 1,310,390.08	\$ 1,024,403.59
LITTLE BLUE NRD	\$ 6,338,878,220.00	\$ 3,048,594.00	\$ 1,812,718.00	2.85970	2.9587	\$ 3,575,317.48	\$ 2,941,429.66	\$ 2,307,541.84	\$ 1,673,654.02
LOWER BIG BLUE NRD	\$ 4,418,854,981.00	\$ 7,575,292.20	\$ 1,479,145.00	3.34740	3.7645	\$ 2,276,859.22	\$ 1,834,973.72	\$ 1,393,088.22	\$ 951,202.72
LOWER ELKHORN NRD	\$ 12,914,269,874.00	\$ 7,217,423.00	\$ 3,436,836.00	2.62870	2.9236	\$ 7,582,355.27	\$ 6,290,928.28	\$ 4,999,501.30	\$ 3,708,074.31
LOWER LOUP NRD	\$ 10,548,151,148.00	\$ 7,256,480.90	\$ 3,138,626.80	2.97550	1.9913	\$ 5,827,326.10	\$ 4,772,510.99	\$ 3,717,695.87	\$ 2,662,880.76
LOWER NIOBRARA NRD	\$ 1,859,450,471.00	\$ 1,484,400.00	\$ 382,749.60	2.05840	2.3863	\$ 1,197,783.62	\$ 1,011,838.57	\$ 825,893.52	\$ 639,948.47
LOWER PLATTE NORTH NRD	\$ 7,175,240,091.00	\$ 7,563,504.00	\$ 3,774,380.10	5.26030	5.4862	\$ 2,324,562.53	\$ 1,607,038.52	\$ 889,514.51	\$ 171,990.50
LOWER PLATTE SOUTH NRD	\$ 24,307,449,008.00	\$ 23,860,852.00	\$ 8,768,509.00	3.60730	3.7750	\$ 11,892,905.58	\$ 9,462,160.68	\$ 7,031,415.77	\$ 4,600,670.87
LOWER REPUBLICAN NRD	\$ 2,774,016,242.00	\$ 38,514,148.00	\$ 760,100.00	2.74010	3.2550	\$ 1,597,805.62	\$ 1,320,403.99	\$ 1,043,002.37	\$ 765,600.74
MIDDLE NIOBRARA NRD	\$ 1,436,261,547.00	\$ 1,272,000.00	\$ 491,654.40	3.42320	3.1648	\$ 729,161.26	\$ 585,535.11	\$ 441,908.95	\$ 298,282.80
MIDDLE REPUBLICAN NRD	\$ 2,934,341,772.00	\$ 66,803,093.00	\$ 1,001,814.00	3.41410	3.4141	\$ 1,492,376.88	\$ 1,198,942.70	\$ 905,508.53	\$ 612,074.35
NEMAHA NRD	\$ 5,517,366,231.00	\$ 4,645,021.00	\$ 2,413,416.21	4.37420	4.4979	\$ 2,276,354.96	\$ 1,724,618.34	\$ 1,172,881.71	\$ 621,145.09
NORTH PLATTE NRD	\$ 4,129,462,658.00	\$ 4,451,981.01	\$ 2,182,321.26	5.28480	4.8737	\$ 1,327,704.83	\$ 914,758.57	\$ 501,812.30	\$ 88,866.04
PAPIO-MISSOURI RIVER NRD	\$ 53,645,306,949.00	\$ 92,458,463.71	\$ 17,570,415.12	2.42240	3.0606	\$ 32,603,471.75	\$ 27,238,941.06	\$ 21,874,410.36	\$ 16,509,879.67
SOUTH PLATTE NRD	\$ 2,064,432,548.00	\$ 2,389,061.00	\$ 1,312,758.79	6.35890	6.5689	\$ 442,015.65	\$ 235,572.40	\$ 29,129.14	
TRI-BASIN NRD	\$ 3,531,943,702.00	\$ 2,817,340.34	\$ 1,527,091.65	4.32360	3.6981	\$ 1,475,080.97	\$ 1,121,886.60	\$ 768,692.23	\$ 415,497.86
TWIN PLATTE NRD	\$ 4,576,345,315.00	\$ 15,303,058.50	\$ 3,162,300.00	6.91010	6.9101	\$ 727,593.14	\$ 269,958.61		
UPPER BIG BLUE NRD	\$ 11,177,884,097.00	\$ 5,648,799.26	\$ 2,926,479.04	2.61810	2.4289	\$ 6,574,719.65	\$ 5,456,931.24	\$ 4,339,142.83	\$ 3,221,354.42
UPPER ELKHORN NRD	\$ 3,140,502,893.00	\$ 2,103,344.00	\$ 712,400.00	2.22685	2.2124	\$ 1,970,084.57	\$ 1,656,034.28	\$ 1,341,983.99	\$ 1,027,933.70
UPPER LOUP NRD	\$ 1,532,844,569.00	\$ 900,200.00	\$ 404,725.00	2.64030	2.6404	\$ 898,200.93	\$ 744,916.48	\$ 591,632.02	\$ 438,347.56
UPPER NIOBRARA-WHITE NRD	\$ 2,751,385,232.00	\$ 1,356,780.00	\$ 598,829.00	2.17650	2.1763	\$ 1,739,838.45	\$ 1,464,699.93	\$ 1,189,561.41	\$ 914,422.88
UPPER REPUBLICAN NRD	\$ 2,367,150,296.00	\$ 28,925,128.00	\$ 2,012,077.75	8.50000	5.8524	\$ -			
Average	\$8,012,119,127.30	\$ 15,514,610.59	\$ 2,851,874.90	3.75145	3.67020	\$ 95,674,720.52	\$ 77,483,561.55	\$ 59,480,078.51	\$ 41,923,868.19

Generating Additional Local Cost Share

NATURAL RESOURCES DISTRICTS OVERALL SUMMARY OF 2013-2014 ADOPTED BUDGETS						Appropriation Status	Approved GW Plan	Fully or Over	Maximum	Potential
Natural Resources District	Valuation	Total Disbursements & Transfers	Total Property Tax Requirements	FY 2013-2014 Cents/\$100 of Actual Valuation	FY 2012-2013 Levy		GW Mgmt Levy 1 cent per \$100 Max	Appropriated GW Levy	Potential Levy	Additional Funds From Maximizing Levy
CENTRAL PLATTE NRD	\$ 12,277,337,224.00	\$ 29,475,528.61	\$ 5,175,275.90	4.21500	4.4710	Over / Fully	1	3	8.5	\$ 5,260,839.00
LEWIS & CLARK NRD	\$ 2,859,864,860.00	\$ 1,765,551.00	\$ 548,500.00	1.91800	1.9043	Not Fully	1		5.5	\$ 1,024,403.59
LITTLE BLUE NRD	\$ 6,338,878,220.00	\$ 3,048,594.00	\$ 1,812,718.00	2.85970	2.9587	Not Fully	1		5.5	\$ 1,673,654.02
LOWER BIG BLUE NRD	\$ 4,418,854,981.00	\$ 7,575,292.20	\$ 1,479,145.00	3.34740	3.7645	Not Fully	1		5.5	\$ 951,202.72
LOWER ELKHORN NRD	\$ 12,914,269,874.00	\$ 7,217,423.00	\$ 3,436,836.00	2.62870	2.9236	Not Fully	1		5.5	\$ 3,708,074.31
LOWER LOUP NRD	\$ 10,548,151,148.00	\$ 7,256,480.90	\$ 3,138,626.80	2.97550	1.9913	Not Fully	1		5.5	\$ 2,662,880.76
LOWER NIOBRARA NRD	\$ 1,859,450,471.00	\$ 1,484,400.00	\$ 382,749.60	2.05840	2.3863	Not Fully	1		5.5	\$ 639,948.47
LOWER PLATTE NORTH NRD	\$ 7,175,240,091.00	\$ 7,563,504.00	\$ 3,774,380.10	5.26030	5.4862	Not Fully	1		5.5	\$ 171,990.50
LOWER PLATTE SOUTH NRD	\$ 24,307,449,008.00	\$ 23,860,852.00	\$ 8,768,509.00	3.60730	3.7750	Not Fully	1		5.5	\$ 4,600,670.87
LOWER REPUBLICAN NRD	\$ 2,774,016,242.00	\$ 38,514,148.00	\$ 760,100.00	2.74010	3.2550	Over / Fully	1	3	8.5	\$ 1,597,805.62
MIDDLE NIOBRARA NRD	\$ 1,436,261,547.00	\$ 1,272,000.00	\$ 491,654.40	3.42320	3.1648	Not Fully	1		5.5	\$ 298,282.80
MIDDLE REPUBLICAN NRD	\$ 2,934,341,772.00	\$ 66,803,093.00	\$ 1,001,814.00	3.41410	3.4141	Over / Fully	1	3	8.5	\$ 1,492,376.88
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NORTH PLATTE NRD	\$ 4,129,462,658.00	\$ 4,451,981.01	\$ 2,182,321.26	5.28480	4.8737	Over / Fully	1	3	8.5	\$ 1,327,704.83
PATIO-MISSOURI RIVER NRD	\$ 53,645,306,949.00	\$ 92,458,463.71	\$ 17,570,415.12	2.42240	3.0606	Not Fully	1		5.5	\$ 16,509,879.67
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TRI-BASIN NRD	\$ 3,531,943,702.00	\$ 2,817,340.34	\$ 1,527,091.65	4.32360	3.6981	Over / Fully	1	3	8.5	\$ 1,475,080.97
TWIN PLATTE NRD	\$ 4,576,345,315.00	\$ 15,303,058.50	\$ 3,162,300.00	6.91010	6.9101	Over / Fully	1	3	8.5	\$ 727,593.14
UPPER BIG BLUE NRD	\$ 11,177,884,097.00	\$ 5,648,799.26	\$ 2,926,479.04	2.61810	2.4289	Not Fully	1		5.5	\$ 3,221,354.42
UPPER ELKHORN NRD	\$ 3,140,502,893.00	\$ 2,103,344.00	\$ 712,400.00	2.22685	2.2124	Not Fully	1		5.5	\$ 1,027,933.70
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UPPER REPUBLICAN NRD	\$ 2,367,150,296.00	\$ 28,925,128.00	\$ 2,012,077.75	8.50000	5.8524	Over / Fully	1	3	8.5	\$ -
Average	\$ 8,012,119,127.30	\$ 15,514,610.59	\$ 2,851,874.90	3.75145	3.67020					\$ 51,613,023.04

Municipalities and Irrigation Districts

Sharing the Responsibility of Generating Additional Local Costs

- Like the NRDs, the Irrigation Districts are currently levying fees at various rates
- Like the NRDs, there are legal and political roadblocks to raising rates for Irrigation Districts
- As a MINUTE (direct) user of water, expecting municipalities to raise rates for local cost share of (non-municipal) projects will be difficult, if, in fact, that is their only avenue for generating local cost share funds
- Even more so depending on how the “main” LB517 fund’s revenue is generated

Local Cost Share %

Every “Water Funding Program” in Nebraska (and everywhere else it seems) is different

- The State’s cost share % rates vary, usually between 50% and 75%
- Some Programs have loans that handle larger %’s of the State’s project costs (NRDF) or low interest (SRF)
- The LB71 Small Watershed Fund pays for one out of four land rights, but gets reimbursed after project lands are re-sold at auction
- Many programs allow in-kind services as a local cost share
- Planning on existing programs to contribute significantly (above and beyond what they already do) to local cost share %’s for LB517 PPAs will over-stress the existing programs

Local Cost Share %

Federal programs have often used a 75% federal match to pay for the federal **interest**. The local cost share is described to handle the local **interest** in the project.

- Separating state vs. local “interest” would provide a reasonable split to help set cost share %s
- Defining the state vs. local interest has already proven very difficult, given the work to date on the revenue sources for the state-controlled portion of the revenue
- Recognizing and quantifying the overlap in the “silo” interests may help to delineate state vs. local interests

Flexibility in the Local Cost Share %

The extent to which the PPA contributes to the state's ability to leverage state dollars with local or federal government partners or other partners to maximize the use of its resources.