

Agenda Item: 7.

Memorandum

To: Papio-Missouri River Natural Resources District Programs Projects and Operations Subcommittee
From: Paul W. Woodward, PE, Groundwater Management Engineer
Date: February 1, 2018
Re: Review and Recommendation on Account Over 110% Eastern Nebraska Water Resources Assessment – Contributions/Reimbursements/Cost Shares (01-05-191-4195)

The District has been a partner of the Eastern Nebraska Water Resources Assessment (ENWRA) project for 10+ years. The District's annual dues as part of ENWRA are \$30,000. In addition to this annual contribution, the District agreed last March to participate in the Nebraska GeoCloud and Airborne Electromagnetic (AEM) at a cost of \$3,400 per year for three years (FY18 – FY20).

In July 2017, the District agreed to submit a Water Sustainability Fund (WSF) grant application along with the six other ENWRA NRDs to pursue additional AEM data collection. The total ENWRA project cost is \$3,280,000, of which the P-MRNDRD proposed to collect a 3-mile grid in southern Washington and northern Douglas County for a cost of \$230,000. The grant was approved and the WSF will cover 60% of the \$230,000 cost, or \$138,000. However, per ENWRA's agreement with the AEM contractor, 30% is due before AEM flights begin, 50% is due after data is collected, and the remaining 20% is due once all deliverables are complete. This means the District needs to pay \$69,000 to ENWRA prior to March 1st and will receive a reimbursement from the grant sometime before June 30th of \$41,400.

The Districts fiscal year 2018 (FY18) budget for ENWRA – Contributions/Reimbursements/Cost Shares (01-05-191-4195) currently only reflects the \$30,000 required for annual dues. It was likely considered at the time of the budget that the ENWRA AEM flight may not be funded by the grant or not ready to proceed before June. The actual ENWRA budget for FY18 should include the cost for the GeoCloud project and initial 30% payment for the AEM survey. Therefore, the budget for account 01-05-191-4195 should be increased from \$30,000 to \$102,400 with the District receiving a grant reimbursement in 01-05-191-3020 of \$41,400. The net increase in the District's revenue over expenditures is \$31,000.

Management recommends that the Subcommittee recommend to the Board of Directors, that account 01-05-191-4195 (ENWRA – Contributions/Reimbursements/Cost Shares) be allowed to exceed 110% of the budgeted amount, with a maximum not-to-exceed amount of \$102,400 without further Board approval.