District Policy 1.5 FEL Subcommittee – Budgetary Oversight states, “If, at any time during the fiscal year, the District expenditures from any budgetary account, for which more than $10,000 was budgeted for that fiscal year, exceed the amount budgeted by more than 10%, the Chairperson of the FEL Subcommittee may call a meeting of such Subcommittee to consider recommendations to the Board with respect to such accounts”.

Pursuant to this policy the following account is submitted for review:

1. Account #01 03-10 4410
   Western Sarpy Clear Creek Construction Cost
2. Budget: $300,000
3. Actual Expenses to Date: $0
4. Anticipated Account Status with April expense: $568,000 (189%) 

As a result of earlier than anticipated Flood Control Project Construction, the Corps of Engineers has requested that the District provide $568,000 for local sponsor share of construction cost (35%). See attached letter and allocation of funds table. The Corps will not award a construction contract until it has the District share contribution.

There are adequate funds ($689,310.09) in Western Sarpy Clear Creek Land Rights (Account # 0103-10 4430) to cover before mentioned overage.

It is recommended that the Subcommittee recommend to the Board that the following account be allowed to exceed 110% of the budgeted amount:

- Acct # - 01 03-10 4410 – Western Sarpy Clear Creek Construction Cost
Civil Works Branch

March 31, 2009

Mr. Martin Cleveland
Papio-Missouri River Natural Resources District
8901 South 154 Street
Omaha, Nebraska 68138-3261

Dear Mr. Cleveland:

This letter is notification of the sponsor funds required for Federal Fiscal Year 2009 (October 1, 2008 through September 30, 2009) for the Western Sarpy/Clear Creek Flood Control project. The non-Federal (sponsor) proportionate share of projected financial obligations for Federal Fiscal Year 2009 is $368,000. A copy of the current Project Cost Allocation table is enclosed.

In accordance with the Project Cooperation Agreement, please provide a transmittal letter with each check, payable to “FAO, USAED, Omaha” with a note on the check “Deposit to Western Sarpy.” Please send the transmittal letter and check to:

U.S. Army Corps of Engineers, Omaha District
Attn: CENWO-PM-P (John Pfennig)
1616 Capitol Avenue
Omaha, Nebraska 68102-4901

If you have any questions related to this letter, please contact me at (402) 995-2702 or Mr. John Pfennig at (402) 995-2801.

Sincerely,

[Signature]
Robert W. Mattson, P.E.
Western Sarpy/Clear Creek Project Manager

Enclosure
<table>
<thead>
<tr>
<th>Year</th>
<th>Total Project Cost</th>
<th>Non-Fed LERRD</th>
<th>Scheduled Construction</th>
<th>Percentage</th>
<th>Non-Fed Cost Share 35%</th>
<th>Total Non-Fed Cash Required</th>
<th>YTD Cash provided</th>
<th>Remaining Cash Due</th>
<th>Fed Cost Share Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thru FY09</td>
<td>$18,425,000</td>
<td>$6,246,000</td>
<td>$12,179,000</td>
<td>0.686</td>
<td>$1,478,000</td>
<td>$910,000</td>
<td>$568,000</td>
<td>$10,701,000</td>
<td>$2,775M</td>
</tr>
<tr>
<td>Additional</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY09&amp;10</td>
<td>$5,575,000</td>
<td>$5,575,000</td>
<td>$5,575,000</td>
<td>0.314</td>
<td>$676,000</td>
<td></td>
<td></td>
<td></td>
<td>$4,899,000</td>
</tr>
<tr>
<td>Capability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$24,000,000</td>
<td>$6,246,000</td>
<td>$17,754,000</td>
<td>1.000</td>
<td>$8,400,000</td>
<td>$2,154,000</td>
<td></td>
<td></td>
<td>$15,600,000</td>
</tr>
</tbody>
</table>

NOTES
1. Total Project Cost (current estimate March 2009).
2. Scheduled Construction is defined as Total Project Cost minus Non-Fed LERRD.
3. The percentage is based on the proportion of scheduled construction cost to total construction cost.
4. Minimum 35% cost share (LERRD + cash) = $24,000,000 x 0.35 = $8,400,000 (rounded).
5. LERRD (current estimate March 2009) = $6,246,000 (rounded).
6. Minimum 5% cash = $24,000,000 x 0.05 = $1,200,000 (rounded).
7. Additional Cash required = Minimum 35% cost share - LERRD - Minimum 5% cash = $8,400,000 - $6,246,000 - $1,200,000 = $954,000
8. Total cash required = Minimum 5% cash + Additional cash required = $1,200,000 + $954,000 = $2,154,000
10. Remaining Cash Due for FY09 is $568,000. Additional cash may be required in FY09 if additional Stimulus funding is received in FY09. Projected additional cash required for additional FY09&10 capability (including Stimulus funding) is $676,000.

3/30/2009