

**CENTRAL NEBRASKA PUBLIC POWER AND IRRIGATION DISTRICT  
MEMORANDUM**

To: Jerry Kenny, PH.D., Executive Director - PRRIP  
Brian Dunnigan, Director - Nebraska Department of Natural Resources  
Diane Wilson, COO/CFO - Nebraska Community Foundation

From: Don Kraus, PE, General Manager - CNPPID

Subject: Quarterly J-2 Regulating Reservoir Report – March 2014

Date: February 27, 2014

---

---

**Progress Report**

The RJH J-2 Project quarterly progress report is attached.

**Financial Report**

- Funds received to date \$20,475,000.00
  
- J-2 Operating Fund \$15,079,702.25
- Construction Phase Decommissioning Fund \$2,253,431.12
- Construction Phase Reserve Fund \$2,654,321.53
- Construction Phase Project Fee \$474,498.18
- Total \$20,461,953.08
  
- J-2 Project expenses paid 4<sup>th</sup> quarter 2013 \$70,965.53
  
- Total J-2 Project expenses paid through Jan 2014: \$102,498.11



**J-2 REGULATING RESERVOIR PROJECT  
QUARTERLY REPORT No. 01  
REPORT PERIOD: THROUGH FEBRUARY 2014**

The purpose of this Quarterly Report is to document a general summary of work performed for the J-2 Regulating Reservoir Project between October 2013 and February 2014. This does not include details of all the subtasks performed. The summary of work is organized into the following general categories of work:

- General Project Management and Implementation Activities
- Permitting Activities
- Land Purchase Activities
- Water Rights Petition Filing
- Engineering Activities

**General Project Management and Project Implementation**

- Presented information regarding the J-2 Project to the Nebraska Roundwater Table in Lincoln, NE.
- Central Nebraska Public Power and Irrigation District (Central) retained the following firms (with their roles) to advance the project from its current concept to a construction-ready design (i.e., implement the Project):
  - RJH Consultants Inc. (RJH) - Overall project management, engineering, and design.
  - Klienschmidt and Associates (Klienschmidt) - FERC filings, and environmental and cultural permitting.
  - Midwestern Right-of-Way (MROW) - Land purchasing.
  - Rembolt/Ludtke (R/L) - Support preparation and filing of the water rights petition.
- All team members prepared for and attended a 2-day site visit and meeting in Kearney, NE (held at the Platte River Recovery and Implementation Program's (PRRIP) office). The meetings were held on November 20 and 21, 2013.
- Prepared a planning-level schedule with durations and relationships between the various tasks anticipated to be needed to implement this Project.
- RJH, MROW, Kleinschmidt, and R/L developed planning-level budgets to accomplish the tasks noted in the schedule.

- The team prepared and delivered a General Implementation Plan that included the general tasks needed, durations and relationships between the general tasks, and planning level budgets anticipated to be needed to implement the Project.
- Met with Central's Board and presented an overview of the current Project concepts, the implementation plan, and the land purchase process.

### **Permitting Activities**

- Held meetings in early January with Southern Power District (Phelps County), and with Dawson PPD (Gosper County) to identify the likely impacts to electrical utilities.
- Reviewed background information for the Project provided by Central.
- Held a meeting in early January with the Gosper and Phelps County roads departments to discuss the likely impacts and potential modifications to traffic routes and roads around the Project site.
- Prepared a letter requesting that FERC designate Central as the non-federal representative for the J-2 Regulating Reservoir Project. FERC accepted the request and designated Central as the non-federal representative on February 24, 2014.
- The Team began and continues to develop a Purpose and Need Statement for the FERC License Amendment Application.
- Began preparation of the initial consultation package to be submitted to FERC in mid to late spring of 2014.
- Began collecting and reviewing existing cultural resource information.

### **Land Purchase Activities**

- Collected parcel and ownership information from County records for the lands within proposed reservoirs.
- Began obtaining title commitments for the lands within the proposed reservoirs.
- Began identification of lands required for the Project.
- Invited landowners to an informational meeting about the Project and Central's intended land purchase process.
- Retained appraisers and an appraisal reviewer.
- Began contacting land owners to schedule property visits for appraisals.

### **Water Rights Petition Filing**

- Began preparation of an initial draft of the water rights petition.

**Engineering Tasks**

- Began installation of 22 groundwater monitoring wells along Phelps Canal and around the proposed reservoir areas. These wells will provide data needed for engineering and design of the reservoirs.
- Began developing various alternative concepts for relocation of County roads.
- Began a hydraulic evaluation to support a Conditional Letter of Map Revision (CLOMR) because this Project will be within the currently-mapped 100-year floodplain.
- Began evaluation of the feasibility for adding hydropower to the Area 1 and Area 2 outlets.

**Tasks Anticipated for the Next Quarter**

- Establish a public website to disseminate information to the public.
- Complete the Initial Consultation Documents and submit to FERC.
- Begin initial consultations with selected regulatory agencies.
- Schedule and advertise for the Public Meeting and Joint Agency Meeting (JAM).
- Request and collect letters of support from various entities for the DNR petition.
- Finalize petition for changing the length of the Supply Canal and the return flow point to the River. File petition with DNR.
- Begin preparation of draft FERC License Application.
- Continue appraisals and appraisal reviews.
- Begin negotiations with landowners for purchasing property and for obtaining access for studies and investigations.
- Continue hydraulic evaluations of canal and floodplains.
- Obtain survey of the canal and evaluation of the canal hydraulics.