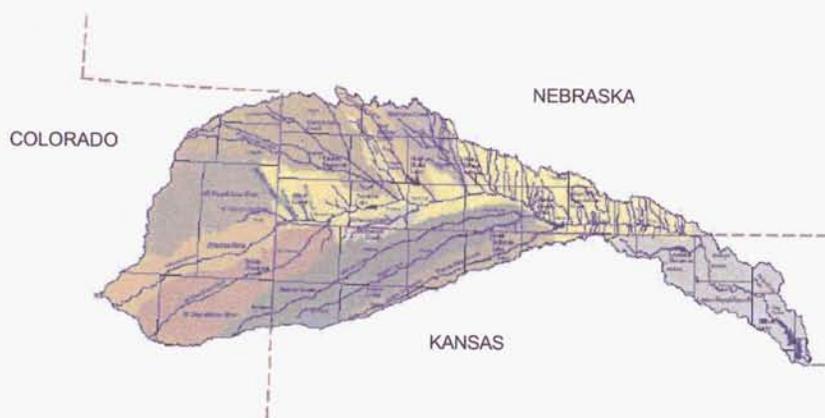




REPUBLICAN RIVER COMPACT ADMINISTRATION

FORTY-THIRD ANNUAL REPORT

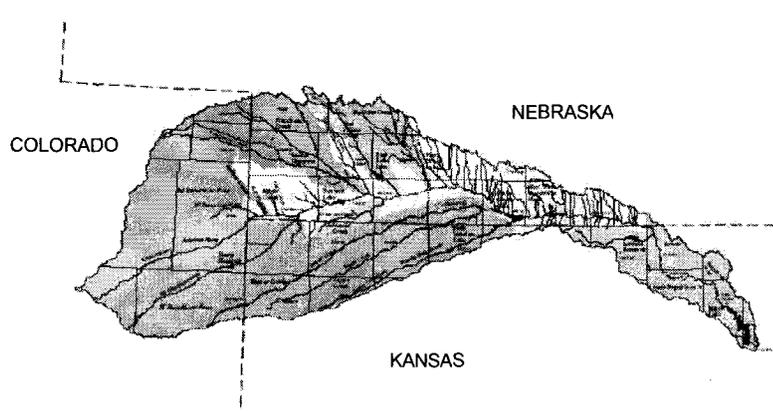


For the Year 2004

Burlington, Colorado
June 9, 2004

**REPUBLICAN RIVER COMPACT
ADMINISTRATION**

FORTY-THIRD ANNUAL REPORT



For the Year 2004

**Burlington, Colorado
June 9, 2004**

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**ANNUAL REPORT
44th ANNUAL MEETING
REPUBLICAN RIVER COMPACT ADMINISTRATION**

Minutes

In lieu of a transcript of this meeting, an audio CD of the meeting was provided to each of the states since a court reporter did not attend the meeting. Below is a summary of the meeting.

Introductions

The meeting was called to order by Chairman Simpson at 9:00 a.m., June 9, 2004, at The Route Steak House in Burlington, Colorado. Chairman Simpson welcomed everyone in attendance. Chairman Simpson of Colorado, Commissioner Patterson of Nebraska, and Commissioner Pope of Kansas each introduced their staff and others in attendance. Those in attendance were:

Name	Representing
Hal D. Simpson	Colorado Commissioner
Roger K. Patterson	Nebraska Commissioner
David L. Pope	Kansas Commissioner
Ken Knox	Colorado Division of Water Resources
Megan Sullivan	Colorado Division of Water Resources
Marta Ahrens	Colorado Division of Water Resources
Mark Hillman	Colorado State Senate District #1
Carol Angel	Colorado Attorney General's Office
Peter Ampe	Colorado Attorney General's Office
Ann Bleed	Nebraska Department of Natural Resources
Brad Edgerton	Nebraska Department of Natural Resources
Mike Thompson	Nebraska Department of Natural Resources
David Barfield	Kansas Department of Agriculture, Division of Water Resources
Leland E. Rolfs	Kansas Department of Agriculture, Topeka, Kansas
George Austin	Kansas Division of Water Resources, Topeka, Kansas
Scott Ross	Kansas Division of Water Resources, Stockton, Kansas
Steve Ronshaugen	Bureau of Reclamation, McCook, Nebraska
Marv Swanda	Bureau of Reclamation, McCook, Nebraska
Jack Wergin	Bureau of Reclamation, Grand Island, Nebraska
Gordon Aycock	Bureau of Reclamation, Billings, Montana
Phil Soenksen	U. S. Geological Survey, Lincoln, Nebraska
Robert Andrews	Frenchman-Cambridge Irrigation District, Nebraska
Roy Patterson	Frenchman-Cambridge Irrigation District, Nebraska
Clarence Jankovits, Jr.	Culbertson Frenchman Valley
Don Suda	Southwest Public Power District, Palisade, Nebraska
Curtis Kayton	Southwest Public Power District, Palisade, Nebraska
Fred Rogge	Kansas River Water Assurance District, Kansas
Dennis Coryell	Colorado Ground Water Commission
Jack Dowell	W-Y Ground Water Management District, Yuma, Colorado

Stan Murphy	Plains and East Cheyenne Ground Water Management District, Colorado
Robin Wiley	Yuma County Commissioner, Colorado
Steve Kramer	Plains Water District, Colorado
John Thorburn	Tri-Basin NRD, Holdrege, Nebraska
Dale Book	Spronk Water Engineers, engineering consultant for Kansas
Willem Schreüder	Principia Mathematica, engineering consultant for Colorado
Don Felker	Frenchman Valley H&RW Irrigation
Kenneth Albert	Frenchman Valley Irrigation District
Joseph Van Cleave	Regional Manager, Colorado Farm Bureau
Bob Hipple	Upper Republican NRD, Imperial, Nebraska
Ricky Zion	Arikaree Ground Water Management District, Colorado
Leon Allen	Colorado F.B.
Mike Clements	Lower Republican NRD, Nebraska
Pete Wilson	Self

Approval of Agenda

The agenda was approved as proposed:

1. Introduction
2. Adoption of Agenda
3. Approval of Previous Annual Meeting Minutes
4. Report of Chairman
5. Commissioners' Reports
 - Kansas
 - Nebraska
6. Federal Reports
 - Bureau of Reclamation
 - Corps of Engineers
 - Geological Survey
7. Engineering Committee Report
8. Unfinished Business
 - Irrigation District Water Service Contract Renewals
9. New Business and Assignments to the Compact's Committees
10. Remarks from the Public
11. Future Meeting Arrangements
12. Adjournment

Approval of 42nd Annual Report and the Minutes

Commissioner Patterson moved to approve the Minutes of the 42nd annual meeting for publication; the motion was seconded by Commissioner Pope and approved unanimously. Commissioner Patterson stated that a copy of the final transcript will be provided to each of the states.

Report of the Chairman

Chairman Simpson reported that drought conditions continue statewide and Colorado entered into its fifth year of drought with below average snowpack and water supplies. The Republican River basin has been extremely dry for several years, and this year continues to be well below

average. Bonny Reservoir is currently at 16,700 acre-feet, which is only half-full and is gradually dropping because of lack of inflow from normal summer rains. As a result of the drought, under the Republican River Compact, Colorado has to adjust allocations downward in proportion to the amount of reduced surface water supply, which creates problems for Colorado and Nebraska.

Chairman Simpson stated that in July 2003, this administration was presented with a ground water model, which was approved at the RRCA annual meeting during August 2003. Colorado began using that model to update depletions and allocations through 2002 and it showed that Colorado was consuming more water than it was entitled to. A coordinating committee was created in late 2003, which included Senator Hillman and Representative Brophy, to discuss how to deal with potential compact violations. As a result of those meetings, the Republican River Water Conservation District was developed through legislation as Senate Bill 235, and signed by the Governor, and will be managed by a 15-person board. Some of the powers of this district are to assist with compact compliance, acquire property and water rights, enter into contracts with state and federal agencies and local entities, and collect sales and ad valorem taxes to fund activities. A tax package will be presented to the voters in November. The intent is to create voluntary local solutions to avoid regulation by the Ground Water Commission or the State Engineer of all wells in the basin, to work with the Federal government on a conservation reserve enhancement program, and to start reducing consumption of water in the Republican River basin.

Chairman Simpson reported on two other bills in Colorado dealing with water. SB-225 increases the authority to enforce the conditions on well permits in Designated Ground Water Basins. It enables the state to take a violator to court and the court can fine the violator up to \$500 per day plus attorney fees. SB-278, which was approved in 2003 and gave the State Engineer authority to collect a water rights administration fee to cash-fund a part of the State Engineer's Office operations due to the budget crisis in Colorado, was repealed this year and the State Engineer was directed to refund any monies that were collected.

Report of the Commissioner from Kansas

Commissioner Pope reported that it was another busy year and another year of drought for most of Kansas. The northwestern portion of Kansas, the upper Republican River basin, was the hardest hit, the fourth year of below normal rainfall. The lower Republican River basin was feeling the affects of the activities upstream with very limited water for the Kansas Bostwick Irrigation District and considerable other lands. In the remainder of the basin, the rains and runoff this spring helped improve soil moisture content and helped refill Milford Reservoir for the first time in several years, although streamflows did not recover sufficiently to discontinue minimum desirable streamflow administration.

Commissioner Pope stated that a broad effort is underway regarding management of the High Plains aquifer, which includes a major portion of the Ogallala aquifer. This was identified as a top priority issue for the use of state water plan dollars and in targeting resources of the state that need additional management and/or regulation, or other programs. Each groundwater management district has developed a protocol to identify hydrologic subunits to target programs. The next steps are to establish water use goals, reduce pumping and consumptive use, and to deal with the depletion.

A considerable amount of time was spent in developing an irrigation transition program, which will offer an incentive program to irrigators to transition to dry land over a period of time. A pilot program was approved by the legislature for this year. They are working with the NRCS in

tailoring and targeting their programs through EQIP, which will give priority to the High Plains aquifer areas that have the most significant problems. They are also working with the Northwest Kansas GMD No. 4 in Colby to come up with a metering program in northwest Kansas to assist with enforcement programs. Last year, Kansas adopted rules in implementing the new authority they have to levy administrative fines for violations of water rights or state law related to use of water appropriations to prevent over-pumping.

Commissioner Pope reported that the Prairie Dog Creek sub-basin area was the most intensely developed for irrigation use. Due to the drought, there was a limited amount of water available for delivery to the irrigation district. Norton Reservoir also has significant recreation interests. A two-year agreement was made that the Almena Irrigation District will not call for any water below a fixed elevation in the next two years, and to allow potential transition to a mostly recreation project.

With regard to legislation, Commissioner Pope stated that the biggest issue in Kansas was education. The budget continues to be very tight. The Legislature extended the sunset that was placed on fee revenues. Bills were considered related to bonding for water for infrastructure for the future.

Commissioner Pope stated that Kansas is committed to compliance with the compact and he hopes that each state takes it seriously.

Report of the Commissioner from Nebraska

Commissioner Patterson reported that Nebraska is also suffering from the fifth year of drought. Frenchman Valley is only diverting natural flow; the Culbertson extension is looking at no water again this year; and the Frenchman-Cambridge is hoping to get eight inches in the Cambridge Canal. With regard to mitigation issues, they are working with Congressman Osborne's office to get drought funding from the Bureau of Reclamation for several projects. They were able to get about one million dollars of drought funding for several projects. Commissioner Patterson reported that Nebraska is making an application to the Conservation Reserve Enhancement Program for up to 100,000 acres in the Republican and the Platte basins to allow farmers the opportunity to bid into the program for 15 years to reduce irrigation use.

The NRD's are continuing to implement the metering programs and develop management plans, which will result in rules and regulations that will control how much water is used and how many acres are irrigated throughout the basin. The goal is to put management plans together so that the farmers know what to expect so they can make plans.

With regard to interstate litigation, Commissioner Patterson stated that after 14 years, the Corps of Engineers issued the master manual on the Missouri River and it is before the judge. Regarding the cooperative agreement on the Platte River, the National Academy of Science issued a report stating that the decisions made were reasonable based on the science. Negotiators are within a few months of having a program they can take to the public.

In regards to new statutes for dealing with water, LB-962 was adopted to implement the recommendations of the Water Policy Task Force, a task force established by the legislature to address integrated surface and ground water issues. Starting on July 16, additional staff will be hired to implement the provisions. This bill will require the state to do an annual assessment of each basin and sub-basin in Nebraska and make a determination on whether they are fully

appropriated. They will consider not only the commitments on surface water rights, but also on the ground water development that has taken place and what the impact on streamflow of that ground water development is and will be in the future. In those basins determined to be fully appropriated, the development of management plans is mandatory and one of the goals is sustainability. They received \$2.5 million to kick-start the implementation of the project.

Mr. Brad Edgerton discussed water administration activities and adjudication hearings and commented that they have been a major effort (report attached).

Commissioner Pope asked questions regarding the public meetings and the proposed rules to develop management plans. He expressed Kansas' frustrations regarding the significant new lands being brought into irrigation in the lower basin of Nebraska despite the moratorium on new well drilling. Commissioner Patterson responded that the two criteria will be a limitation on the number of acres that can be irrigated from each well and the amount of inches that can be applied to those acres under each well. With regard to the moratorium, Commissioner Patterson stated that there were no new wells drilled after the December 9, 2002 deadline.

Report by the Bureau of Reclamation, U. S. Department of Interior

Mr. Marv Swanda, from the McCook field office, stated that Fred Ore, the area manager, moved to the Commissioners office in Washington D.C. The new area manager is Alice Johns, from the eastern Colorado office, who will start her new job at the end of June. Mr. Swanda provided a summary of the Operation and Maintenance Report for 2003 and 2004 (report attached). He reported on the reservoir operations and levels, and dam safety issues. Mr. Jack Wergin, the Water Conservation and Drought Coordinator from the Grand Island office, reported on drought projects and water conservation activities. Mr. Wergin also reported on the Lower Republican River Basin Appraisal Study, which identifies alternatives to better utilize water available in the lower part of the basin. They received letters of support for the Appraisal Study from Kansas and Nebraska. The appraisal study identified a federal interest to proceed to a feasibility study, which must be authorized by Congress. Legislation has been introduced for the feasibility study, but it has not yet been finalized.

Report by the U. S. Army Corps of Engineers

There was no report.

Report by the U. S. Geological Survey

Mr. Phil Soenksen, from the USGS in Lincoln, Nebraska, reported that the Survey operates 14 real-time streamflow gages on the Republican River Basin and two reservoir stations, and they work with the Department of Natural Resources (DNR) in Nebraska to put three more sites on web (report attached). They receive Federal money to operate the ten compact stations, three sites are supported by the Corps of Engineers (COE), and three sites are operated by the state of Nebraska and they get support for data collection platforms and review and publishing of those records, and another site is a combination of the COE and the Nebraska DNR. The current records and historic published data are available on the web, not only for the ones that they operate, but for other Survey offices. Most of their records are on a water-year basis, October 1 to September 30, and some of the records are done on a calendar year basis. Mr. Soenksen stated that they will not be

providing any paper copies of the annual water resources data report in the future because it is released as an online report, or it may be requested on a CD.

Engineering Committee Report

Mr. Ken Knox presented the Engineering Committee Report, dated June 9, 2004. He summarized the eight tasks that were assigned to the Engineering Committee at the 2003 meeting by the Compact Administration, the work activities, and the recommendations by the Engineering Committee for completing suggested tasks with indicated deadlines. The Engineering Committee Report is attached to these minutes. The accounting for 2003 will be accomplished by September 30, 2004. Commissioner Pope expressed his appreciation for the tasks that were completed by the Engineering Committee and they worked together very well. Commissioner Patterson made a motion to approve the Engineering Report; the motion was seconded by Commissioner Pope with the clarification that in doing so the RRCA was approving the changes in the Accounting Procedures recommended in the report. The report was approved unanimously.

Unfinished Business – Republican River Compact Conservation Committee Report

Mr. Gordon Aycock, of the Bureau of Reclamation Great Plains Regional Office, in Billings, Montana, provided background of soil and water conservation structures that were built in the basin, including land terracing, and the effect on both surface and ground water supplies. As part of the settlement stipulation, a requirement was included that a study proposal be prepared by a Conservation Committee to determine a methodology to quantify the impact of land terracing and non-federal reservoirs on the basin water supply. Since most of the structures are in Kansas and Nebraska, the proposal recommends that the University of Nebraska and Kansas State University work jointly on the technical work, with review and input provided by the Colorado State University. The four major components include: data collection and inventory of structures in the basin; detailed monitoring on small sample sites to determine the hydrology of structures, how much water moves in, the amount of evaporation and evapotranspiration that occurs, and how much ground water recharge is occurring at those structures; from that information, a water balance model would be developed; and the ground water model that currently exists will be used to evaluate how the ground water recharge that occurs from terraces and reservoirs impacts base flow. Finally, a report will be provided to the RRCA for their use. The 5-year study is to start this summer and run through 2009.

Commissioner Patterson moved that the RRCA accept the draft "Memorandum of Understanding for the Republican River Basin Water Supply: Impacts from Non-Federal Reservoirs and Land Terracing" prepared by the Conservation Committee, with two changes. First, on page 4, at the end of Paragraph I.B.1, add a new paragraph that repeats verbatim the text of the Final Settlement Stipulation at paragraph VI.B.3. Second, on page 11 of the MOU, at the beginning of paragraph V, add a paragraph that states, "This MOU, and the official acceptance of the study by the RRCA, shall become effective once it has been signed by all five individuals on page 2." The motion was seconded by Commissioner Pope with the caveat that if the motion the passes, then the Administration will be approving the MOU with the amendments that Commissioner Patterson has stated becoming effective upon the MOU being signed. The motion was approved unanimously.

New Business

Commissioner Pope moved that each of RRCA Commissioners hereby agree, subject to each state's contract procedures, that each state will enter into a contract with Principia Mathematica, Inc. to perform the following general tasks as further outlined in the proposal that was presented to the Administration at the work session yesterday. The task would be to coordinate with the RRCA Engineering Committee, or their designated representatives, to develop the RRCA Ground Water Model (model) input data sets, run the model, review and post the results on the Republican River Compact Administration website, and perform other tasks as directed by the RRCA. The specific tasks that will be performed by Principia Mathematica, Inc. include:

- Update, review, and check the stream package in the model
- Update, review and check precipitation data
- Update, review and check Colorado data
- Update, review and check Kansas data
- Update, review, and check Nebraska data
- Generate model input files, run the model
- Host and maintain the RRCA website and post the results on said RRCA website
- Document and report results

The states of Colorado, Kansas, and Nebraska will each be responsible for an equal share of the costs associated with the performance of the aforementioned tasks that are not to exceed one-third, or \$4,000 each, of the total annual cost of not to exceed \$12,000 for calendar year 2004. The states will also be responsible for an equal share of the costs associated with performance of the aforementioned tasks that are not to exceed one-third, or up to \$4,000 each, of the total annual cost of not to exceed \$12,000 for calendar year 2005. Commissioner Pope also added that it is the intent of this motion to allow some flexibility to implement this contract or agreement so it fits within each states' administrative contract procedures as may be appropriate to accomplish this motion because there are three state governments to work with. The motion was seconded by Commissioner Patterson and approved unanimously.

Assignments to the Compact's Committees

Chairman Simpson stated that the Engineering Committee assignments include the nine that were approved in their report and inquired if there were additional assignments. Commissioner Pope stated that the assignments included the work to finish the 2003 and other associated accounting that was already discussed along with the deadlines. A formal motion was not required as it was covered in the Engineering Committee report.

Remarks from the Public

Mr. John Thorburn, Manager of Tri-Basin Natural Resources District in Holdrege, Nebraska, stated that on Monday of that week he attended a meeting of the Ground Water Management Districts Association, and he wanted to express his appreciation to Mr. Ken Knox for his excellent presentation to the Association on the Republican River Compact Administration Ground Water Model.

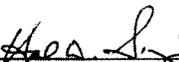
Future Meeting Arrangements

Chairman Simpson stated that in light of the Engineering Committee's recommendation to complete a number of items by September 30, a suggestion was made that a meeting needs to be held in Denver near DIA. The date selected was October 13-14, 2004, to review the Engineering Committee Report and amend the RRCA's rules to adopt the revised RRCA ground water model and accounting procedures.

The next annual meeting of the Compact Administration will be held on June 8-9, 2005, in Burlington or Wray, Colorado.

Adjournment

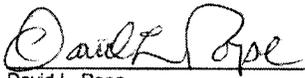
The meeting was adjourned at 11:20 a.m., June 9, 2004.



Hal D. Simpson
Colorado Commissioner (Chairman)



Roger K. Patterson
Nebraska Commissioner



David L. Pope
Kansas Commissioner

Exhibits

Nebraska Water Administration Report by Brad Edgerton
Bureau of Reclamation Report
U.S. Geological Survey Report
Engineering Committee Report

EXHIBIT 1

NEBRASKA WATER ADMINISTRATION REPORT

REPUBLICAN RIVER BASIN 2003-2004

**By
Brad Edgerton**

Water Administration
Republican River Basin 2003-2004
(Brad Edgerton June 9, 2004)

On January 10, 2003, 135 water appropriations were closed for failing to file a 2002 water use report. During the following 2 months, 69 reports were filed with the department.

On June 28, 2003 Harlan County Reservoir began making releases to the river and the Department closed 120 junior permits on July 1.

On July 3, 2003 112 junior permits above Cambridge Diversion Dam were closed and 27 senior permits were regulated.

The 15 junior permits and 10 senior permits above Swanson Reservoir were regulated to their legal limit. It was determined that closing junior permits above Swanson Reservoir would be futile due to approximately 15 miles of dry sandy river bed.

On July 11, 58 junior permits between Franklin Canal and the Cambridge Diversion dam were closed and 14 senior permits were regulated.

On July 21, 31 junior permits located between the Medicine Creek / Republican River confluence and the Culbertson diversion dam were opened. Due to the 25 miles of dry sandy riverbed it was determined that keeping these permits closed would be futile.

On July 22, 4 junior permits located between the confluence of Turkey Creek and the Cambridge diversion dam; 16 junior permits on Sappa and Beaver Creek; and 2 junior permits on Prairie Dog Creek were opened as it was determined keeping them closed would be futile.

On August 14, 21 junior permits above Culbertson Diversion Dam were opened when diversions ceased.

On August 16, the remaining 36 junior permits above Franklin Canal were opened when diversions ceased.

On August 20, 122 junior permits below Harlan County Reservoir were opened when releases into the river ceased.

During the fall of 2003 the Cambridge Field office conducted field investigations of 90 natural flow permits located between Cambridge Diversion Dam and the confluence of the Frenchman Creek. Adjudication hearings were held during the last week in March. Approximately 6000 acres were called to hearing and to date about 3300 acres were canceled.

On January 17, 2004 64 permits were closed for failing to file a water use report with the department. During the next several months most of the delinquent reports have been filed and currently 16 permits are closed.

Many of the futile calls that were made during July of 2003 will more than likely occur before the start of this irrigation season. I anticipate closing permits in the Medicine Creek watershed and the junior permits below Harlan County Reservoir. I am also anticipating more administration on the small tributaries for individual permits.

EXHIBIT 2
BUREAU OF RECLAMATION REPORT

BUREAU OF RECLAMATION

**OPERATION
AND
MAINTENANCE
REPORT**

**REPUBLICAN RIVER
COMPACT MEETING**

BURLINGTON, COLORADO

JUNE 9, 2004

REPUBLICAN RIVER COMPACT MEETING

June 9, 2004
Burlington, Colorado

2003 Operations

As shown on the attached Table 1, precipitation in the Republican River Basin varied from 73 percent of normal at Harlan County Dam to 119 percent of normal at Lovewell Dam. Total precipitation at Reclamation dams ranged from 15.40 inches at Enders Dam to 32.42 inches at Lovewell Dam.

Inflows varied from 26 percent of the most probable forecast at Harlan County Lake to 84 percent of the most probable forecast at Harry Strunk Lake. Inflows into Harlan County Lake were 38,430 AF and Lovewell Reservoir 47,555 AF.

Average farm delivery values for each irrigated acre were as follows:

<u>District</u>	<u>Farm Delivery</u>
Frenchman Valley	4.1 inches
H&RW	0.0 inches
Frenchman-Cambridge	
- Meeker-Driftwood, Bartley, Red Willow	0.0 inches
- Cambridge Canal	7.0 inches
Almena	3.7 inches
Bostwick in NE	6.3 inches
Kansas-Bostwick	8.2 inches

2003 Operation Notes

Bonny Reservoir--Started the year 13.4 feet below the top of conservation. Annual computed inflow of 7,348 AF was the second lowest ever recorded at this site. Below normal inflows were recorded during every month of the year. Due to the low water supply, releases were not made to Hale Ditch (second consecutive year). The end of year storage was at an historical low, 15.1 feet below the top of active conservation.

Enders Reservoir--Started the year 26.2 feet below the top of conservation. Annual computed inflow of 5,940 AF was the lowest ever recorded. Eight of the twelve months recorded record low inflows. H&RW Irrigation District did not divert water due to the extremely low water supply for the second consecutive year. The end of the year storage was the lowest ever recorded for December 31st (26.5 feet below the top of conservation).

Swanson, Hugh Butler, and Harry Strunk Lakes—Swanson, Hugh Butler and Harry Strunk lakes started the year 26.5 feet, 19.1 feet and 12.4 feet below the top of conservation. Annual computed inflows were the lowest ever recorded at Swanson and Hugh Butler lakes and the third lowest at Harry Strunk Lake. Due to the low water supply, releases were not made from Swanson or Hugh Butler lakes for

diversion into Meeker-Driftwood, Bartley and Red Willow canals (first time ever). At the end of the year, Swanson was 24.2 feet below the top of conservation, Hugh Butler was 15.9 feet below and Harry Strunk was 9.5 feet below. Concrete repairs were made to the spillway notch at Medicine Creek Dam and to the river gage located below the dam in 2003.

Keith Sebelius Lake—The total inflow of 5,207 AF was between the dry and normal-year forecasts. The reservoir started the irrigation season 11.5 feet below the top of conservation and ended the year 16.9 feet below conservation.

Harlan County Lake—The lake elevation at the beginning of 2003 was 13.6 feet below the top of conservation. Inflow for the year totaled 38,430 AF, the lowest ever recorded. The lake finished the season at elevation 1927.65 and ended the year at an historical low level of 1926.34 feet (19.4 feet below full).

Lovewell Reservoir—The reservoir level began 2003 at only 2.6 feet below the top of conservation. The reservoir pool was filled to elevation 1584.6 feet in May (2.0 feet into the flood pool). Lovewell Dam recorded 9.39 inches of precipitation overnight on June 22nd. The reservoir level peaked at 1586.52 feet (3.9 feet into the flood pool). The reservoir level at the end of the irrigation season was 7.7 feet below the top of active conservation. Diversions of Republican River flows via Courtland Canal were maintained through the end of the year to increase the reservoir storage. At the end of the year the reservoir level was 2.6 feet below the top of conservation. A new broad-crested weir (ramp flume) was constructed in the spring of 2003 on Courtland Canal just downstream of Lovewell Dam to improve water measurement accuracy.

Current Operations

Table 2 shows a summary of data for the first five months of 2004.

Bonny Reservoir--Bonny is presently 15.1 feet from full. Due to the low reservoir storage, releases have not been made to Hale Ditch for the past two years.

Swanson Lake--Presently 22.8 feet from full. Inflows for 2004 are only 19% of most probable. Current level is 1.2 feet below last year at this time. Frenchman-Cambridge Irrigation District is not planning to irrigate from Swanson Lake for the second consecutive year due to the low water supply.

Enders Reservoir--The reservoir is 25.5 feet from full. Inflows for 2004 are only 32% of most probable. Current level is 2.1 feet below last year at this time. H&RW Irrigation District will not irrigate this season for the third year in a row due to the water supply shortage.

Hugh Butler Lake--Presently 14.1 feet from full. Current level is only .9 foot above last year at this time. Frenchman-Cambridge Irrigation District is not planning to irrigate from Hugh Butler Lake for the second consecutive year due to the low water supply.

Harry Strunk Lake—Presently 2.4 feet below the top of conservation. Inflows in 2004 are at all time record low. Frenchman-Cambridge Irrigation District expects to deliver 8 inches to acres served by Cambridge Canal.

Keith Sebelius Lake--Presently 16.8 feet below full. Unless significant improvement in reservoir inflows and storage, Almena Irrigation District will not request reservoir releases this year.

Harlan County Lake--Presently 19.0 feet below full. Inflow for 2004 is 13% of most probable. Current level of 1926.7 feet is below contracted shut off level. Need to experience significant improvement of inflows and storage before Bostwick Irrigation District in Nebraska or Kansas Bostwick Irrigation District would request a release from Harlan County Lake this year.

Lovewell Reservoir--Presently 1.5 feet above the top of conservation pool. Kansas Bostwick Irrigation District expects to deliver 6 inches below Lovewell.

Other Items

Inspections

Comprehensive Facility Reviews (CFR) were conducted at Merritt and Virginia Smith Dams in 2003. Periodic Facility Reviews (PFR) have been conducted in 2003 at Red Willow, Davis Creek, and Medicine Creek Dams. Annual inspections were conducted at the remaining project dams in 2003.

Safety of Dams

Virginia Smith Dam--In 2002 the drain system under the river outlet works structure was determined to have failed. This system was grouted shut in the spring of 2003. A similar drainage system is located beneath the spillway outlet structure. An investigation program is underway and this system will also be grouted shut.

Norton Dam--At the present time there are concerns related to seepage through the left abutment foundation. It is anticipated that over the next 3 years there will be site investigation, design fix, and construction activities related to this problem.

Emergency Management Operations

Orientation Meetings are held annually to discuss the Emergency Action Plan (EAP) for all NKAO dams. Federal, state, county and local organizations that would be impacted by an emergency at NKAO dams are invited to attend. Radios which contact the downstream 24-hour warning points are tested monthly.

A Functional Exercise of the Norton Dam EAP took place in 2003. A Tabletop Exercise of the Glen Elder Dam EAP was conducted in 2003.

Standing Operating Procedures

The Standing Operating Procedures (SOP) for Norton and Enders dams were republished in 2003. All the SOP's for the 15 dams are scheduled to be republished by the end of 2005.

Sedimentation

A sedimentation re-survey was done for Waconda Lake in 2001 with new area-capacity data available in January 2003.

Water Conservation

Increased emphasis is being placed on water conservation by Reclamation. A full time employee is available in the Area Office to work with the irrigation districts on their water conservation efforts.

Security

Security at all Reclamation dams has increased since September 11, 2001. We have installed or are installing security fencing around the critical facilities at nearly all of the NKAO dams and maintaining close communication with local law enforcement at all sites. A threat assessment leading to a risk analysis is underway on project dams. Once the risk analyses are complete, we will make structural and non-structural changes to ensure a proper level of security and safety.

Hydromet

Installation of data collection equipment (DCPs) continues on all canal diversion points and other key locations within the Republican River Basin. DCPs have been installed at all canal sites in the basin with the exception of Courtland Canal, Mile 34.8. We intend to install data collection equipment at Courtland Canal, Mile 34.8 prior to the 2004 irrigation season. In cooperation with Nebraska Department of Natural Resources, five DCPs were installed in 2002 at key locations between Harlan County Dam and the Superior-Courtland Diversion Dam to improve stream flow monitoring and enhance project operations. Additional instrumentation equipment was added at the Superior-Courtland Diversion Dam in the spring of 2003 to monitor river flows passing through the sluice gates as well as the river flows passing over the control weir. Remote monitoring equipment has also been installed at several canal wasteways within the Basin.

Historical data collected by the DCPs as well as real time data during the operation season are available by accessing Reclamation Hydromet Data System through the Internet site (www.usbr.gov/gp).

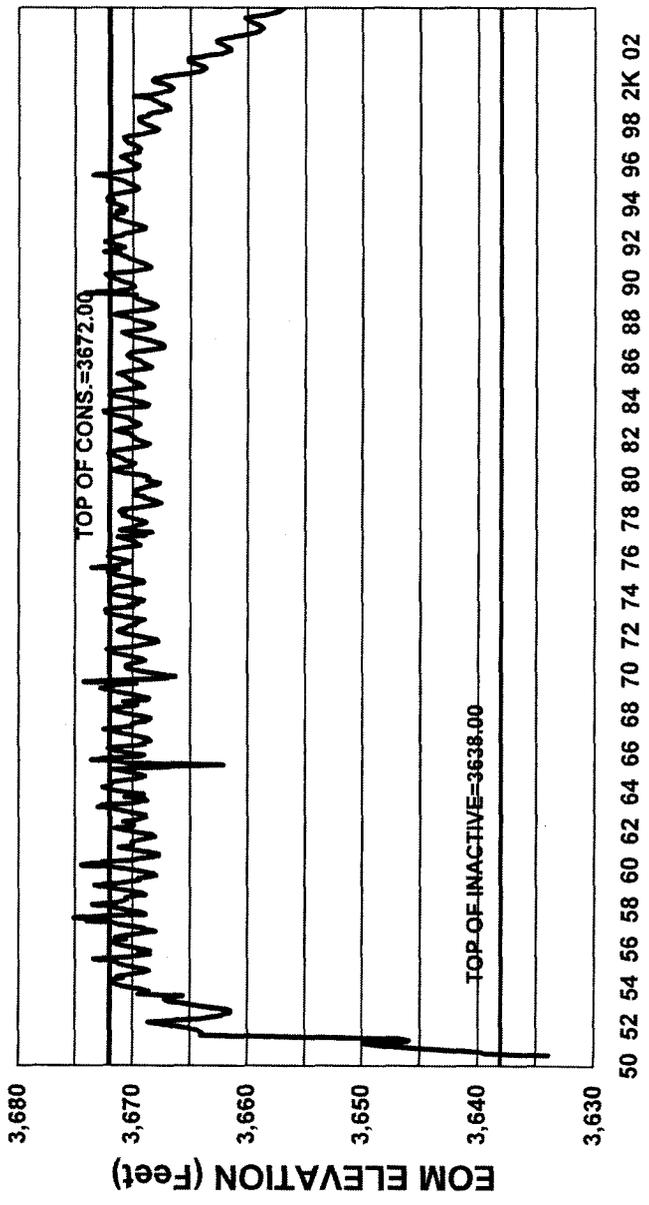
TABLE 1
NEBRASKA-KANSAS PROJECTS
Summary of Precipitation, Reservoir Storage and Inflows
CALENDAR YEAR 2003

Reservoir	Total Precip. Inches	Percent Of Average %	Storage 12-31-02		Gain or Loss AF	Maximum Storage Content		Minimum Storage Content		Total Inflow AF	Percent Of Most Probable %
			AF	AF		AF	Date	AF	Date		
Box Butte	16.99	99	7,717	6,895	-822	14,195	JUL 8	3,579	AUG 24	12,456	72
Merritt	20.49	102	68,560	68,831	271	75,665	MAY 4	31,104	SEP 7	180,034	95
Calamus	16.12	68	103,572	87,654	-15,918	134,480	APR 3	48,044	OCT 3	257,697	97
Davis Creek	22.27	94	6,339	10,111	3,772	31,719	JUN 28	5,910	APR 10	68,053	143
Bonny	18.51	107	18,952	16,726	-2,226	21,202	JUN 19	16,726	DEC 31	7,348	51
Enders	15.40	81	11,485	11,267	-218	13,755	MAY 19	10,861	NOV 1	5,840	31
Swanson	17.51	88	21,864	26,599	4,735	32,943	JUN 2	21,844	JAN 1	14,393	28
Hugh Butler	18.37	93	12,640	15,587	2,947	17,160	JUN 30	12,657	JAN 1	9,577	59
Harry Strunk	19.40	94	18,155	21,540	3,385	34,222	JUN 29	16,087	AUG 23	30,606	84
Keith Sebellus	20.63	83	13,510	9,172	-4,338	14,900	JUN 20	9,093	DEC 2	5,207	69
Harian County	16.70	73	160,456	113,346	-47,110	178,914	JUN 17	113,346	DEC 31	38,430	26
Lovewell	32.42	119	28,514	28,358	-156	48,538	JUN 24	17,100	AUG 19	47,555	67
Kirwin	18.19	78	41,637	24,575	-17,062	43,944	JUN 3	24,575	DEC 30	7,548	32
Webster	18.35	78	35,497	19,143	-16,354	36,773	MAY 24	19,143	DEC 30	5,170	27
Waconda	24.16	94	174,301	168,625	-5,676	182,879	JUN 12	157,927	SEP 10	58,963	38
Cedar Bluff	19.87	94	145,890	130,225	-15,665	145,953	MAR 27	130,225	DEC 30	11,284	90

TABLE 2
NEBRASKA-KANSAS AREA OFFICE
Summary of Precipitation, Reservoir Storage and Inflows
JANUARY - MAY 2004

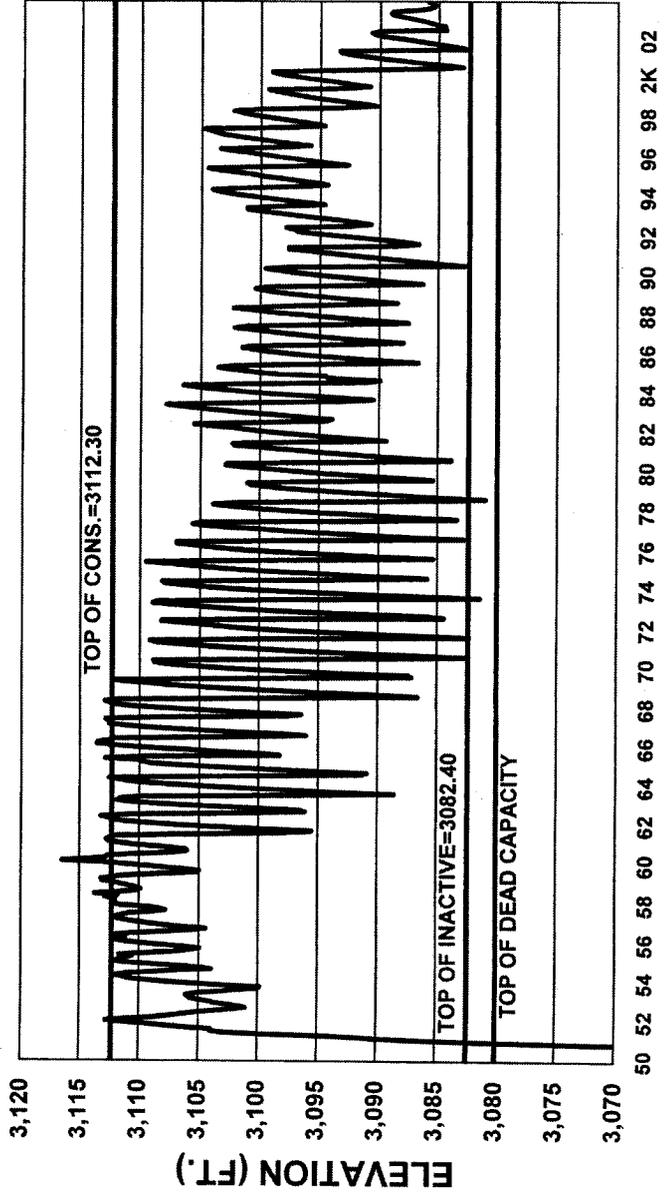
Reservoir	Precip. INCHES	Percent Of Average %	Storage		Gain or Loss AF	Inflow AF	Percent Of Most Probable %
			5/31/2003 AF	5/31/2004 AF			
Bonny	4.81	74	20,698	16,878	(3,820)	3,209	41
Enders	5.06	74	13,722	12,070	(1,652)	2,462	32
Swanson	4.75	66	32,748	30,001	(2,747)	6,191	19
Hugh Butler	5.53	83	16,487	17,462	975	4,297	57
Harry Strunk	5.84	80	30,291	31,411	1,120	11,885	71
Kaith Sebellus	5.76	64	14,659	9,350	(5,309)	1,721	66
Harian County	8.35	105	175,629	116,731	(58,898)	9,417	13
Lovewell	11.54	122	42,836	40,866	(1,970)	16,553	106
Kirwin	6.71	76	43,783	24,401	(19,382)	2,098	19
Webster	5.28	60	36,603	18,189	(18,414)	1,092	11
Waconda	7.00	78	182,106	188,625	(6,519)	17,539	24
Cedar Bluff	4.44	60	144,961	125,395	(19,566)	2,733	59

**BONNY RESERVOIR
END OF MONTH ELEVATION**



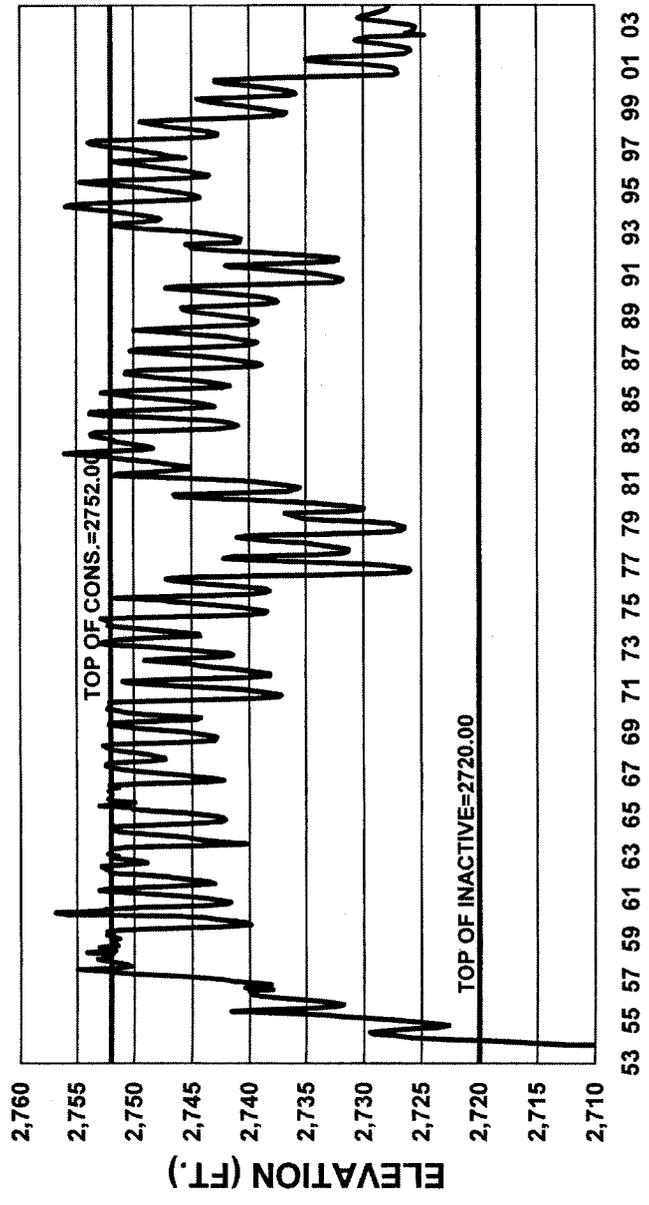
JUL 1950 THROUGH DEC 2003

**ENDERS RESERVOIR
END OF MONTH ELEVATION**

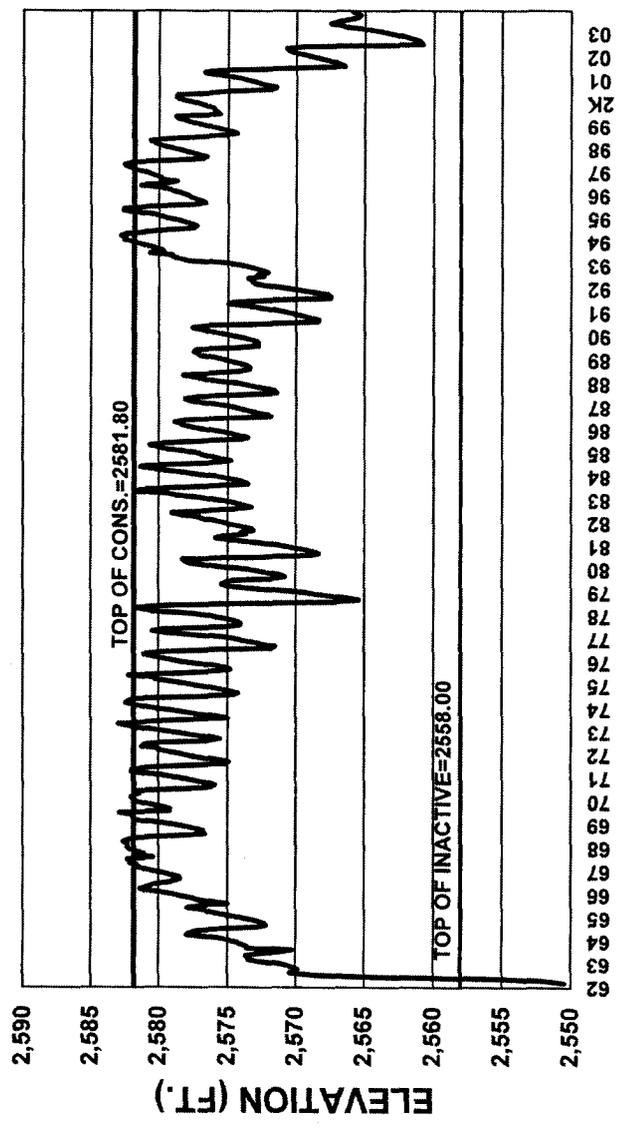


OCT 1950 THROUGH DEC 2003

**SWANSON LAKE
END OF MONTH ELEVATION**

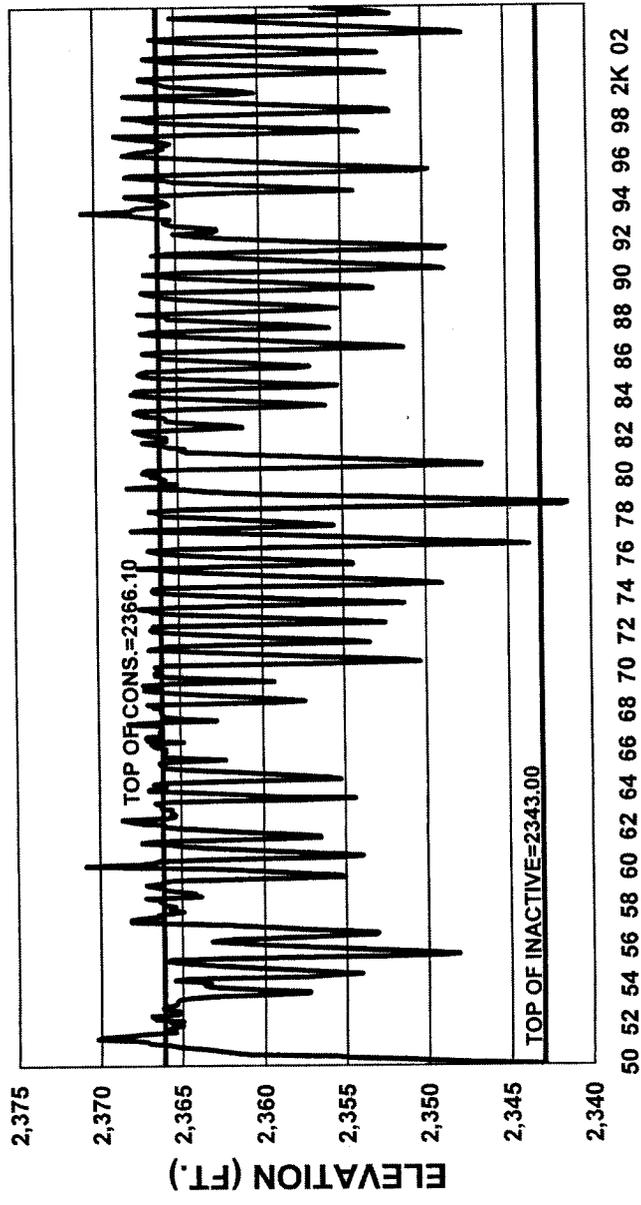


HUGH BUTLER LAKE
END OF MONTH ELEVATION



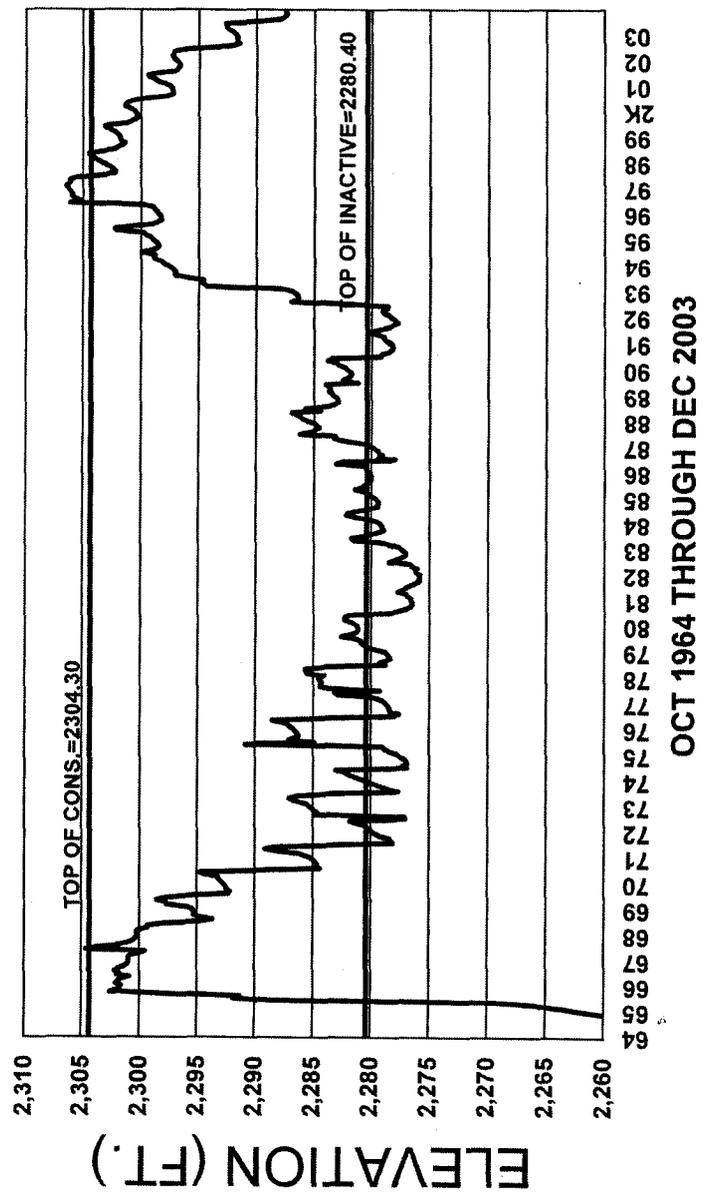
MAR 1962 THROUGH DEC 2003

**HARRY STRUNK LAKE
END OF MONTH ELEVATION**

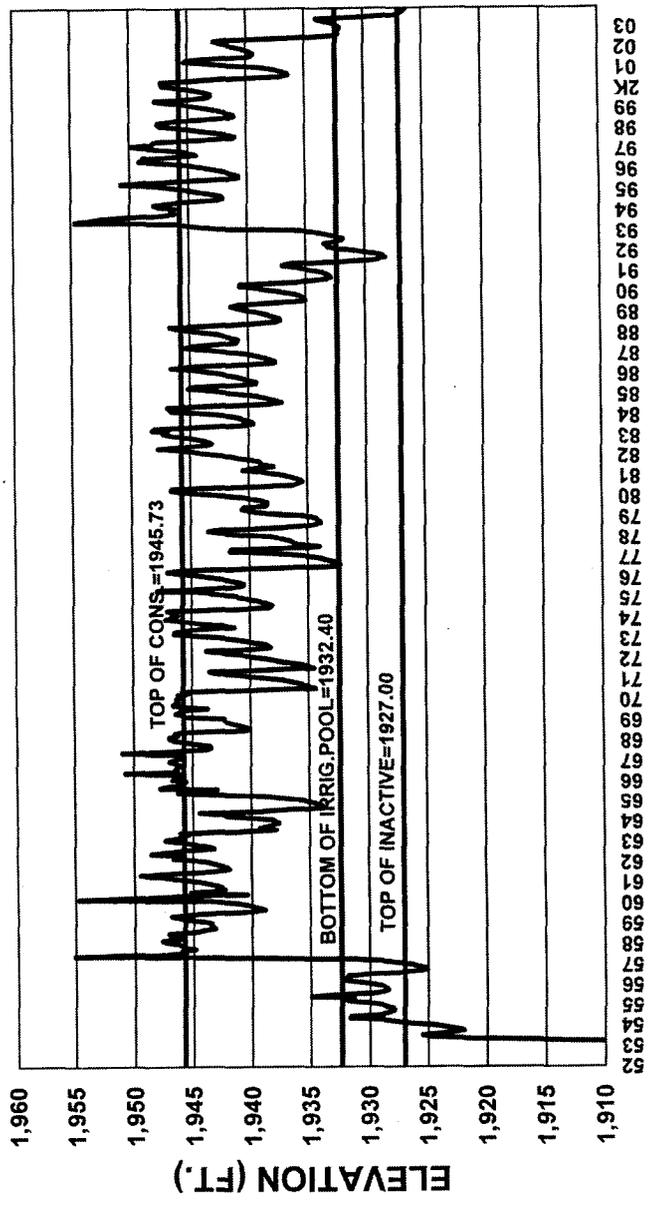


JAN 1950 THROUGH DEC 2003

**KEITH SEBELIUS LAKE
END OF MONTH ELEVATION**

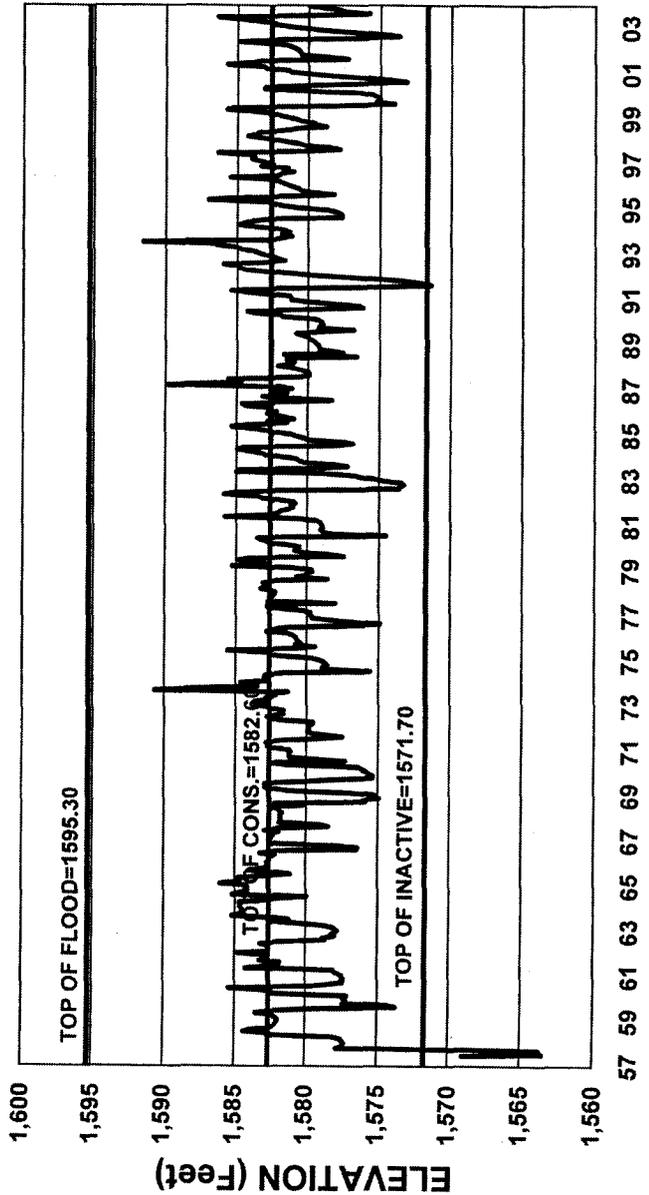


**HARLAN COUNTY LAKE
END OF MONTH ELEVATION**



NOV 1952 THROUGH DEC 2003

**LOVEWELL RESERVOIR
END OF MONTH ELEVATION**



JUN 1957 THROUGH DEC 2003

EXHIBIT 3
U. S. GEOLOGICAL SURVEY REPORT

REPUBLICAN RIVER COMPACT ADMINISTRATION
U.S. Geological Survey—Water Year 2003

The U.S. Geological Survey (USGS), Nebraska District, operates 14 real-time streamflow gaging stations and 2 reservoir stations in the Republican River Basin; the USGS also supports the real-time transmission, review and publishing of data from 3 streamflow stations operated by the Nebraska Department of Natural Resources (DNR) (see attached table). Funding for 10 of the USGS stations comes from the National Streamflow Information Program (NSIP), into which the Federal Collection of Basic Records program has been incorporated. The U.S. Army Corps of Engineers (USACE) provides funding to the USGS for 3 streamflow and 1 reservoir station and for 1 station in conjunction with the DNR; the USACE also provides funding to the USGS for operation of the real-time data transmission for the 3 stations operated by the DNR and for one of the NSIP stations. The U.S. Bureau of Reclamation supports 1 reservoir station and provides the satellite data collection platform (DCP) in support of real-time data transmission for 1 of the streamflow stations. All funding received from DNR is matched by the USGS through its Cooperative funding program.

Current (real-time), recent, and historic published data on surface-water, ground-water, and water-quality for the Nation can be accessed online via the general Water Resources Web site or from the National Water Information System Web (NWISWeb) site. Daily, monthly, and annual streamflow statistics are also available from NWISWeb. Real-time data—up to 3 days of instantaneous values or 18 months of daily values—for Nebraska and nearby streamflow stations can also be accessed directly from the Nebraska District Web site.

http://water.usgs.gov/	Water Resources Web site
http://waterdata.usgs.gov/nwis/	NWISWeb site
http://ne.water.usgs.gov/	Nebraska District Web site

Before the data are finalized, updates and revisions are made as needed, based on a series of quality checks and reviews. Finalized values of daily discharge and summary statistics are published in the Survey's annual water-resources data report for Nebraska. Streamflow data for water year (WY) 2003 have been published for Nebraska, including the Republican River Basin stations. Beginning last year, and continuing into the future, the data report is being released primarily as an online report. It, and those from other states, can be accessed at the Web site show below.

http://water.usgs.gov/pubs/wdr/	USGS Water Data Reports
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Mean stream flow for WY 2003 was well below normal for most of the basin. Only Courtland Canal had an annual mean flow near the long-term mean, and 14 of the 17 stations published by the USGS had flows less than 50 percent of the long term mean (see attached table). Record lows were set for 10 of the stations for the 2003 WY and 7 of those stations had record lows the previous year. Only 3 stations had more flow than the previous year, but 2 of those were still the second lowest on record, the other was the fourth lowest. For each of the 10 Compact stations operated by the USGS, four sets of charts and tables (one for each State and one for the record) were prepared that present the flows for WY 2003 in comparison to historic flows. These include (1) a chart comparing WY 2003 daily flows to the historic day-of-year maximum, median, and minimum flows, (2) a chart comparing WY 2003 daily flows to the historic high and low WYs, (3) a table of data for the daily flow charts, (4) a bar chart of the annual mean flows for complete WYs for the period of record, and (5) a table of data for the annual mean flow chart. The daily flow charts were scaled primarily for the WY 2002 data. Therefore, because of the generally low flows for WY 2003, many of the historic high flows do not show on the charts.

Phil Soenksen
USGS, Nebraska District
June 4, 2004

Republican River Basin streamflow gauging stations with records published by USGS for water year (WY) 2003

Station ID	Station Name	Telemetry	Annual mean flow (ft ³ /s) Water year 2003	Period of record	Percent of long-term mean	Record high/low	WYs used for period of record	Remarks
06621500	Arkaree River at Haigler, Nebr	Satellite	1.52	18.6	8.2%		1932 - 2003	2nd lowest
06623000	N Fk Republican River at Coe-Nebr State Line	Satellite	24.2	43.4	55.8%		1935 - 2003	2nd lowest
06623500	Buffalo Creek near Haigler, Nebr	Satellite	3.15	6.57	47.9%		1941 - 2003	4th lowest
06624000	Rock Creek at Parks, Nebr	Satellite	7.74	12.6	61.4%		1941 - 2003	2nd lowest
06627500	S Fk Republican River near Bankerman, Nebr	Satellite	1.25	39.1	3.2%	Record low	1938 - 2003	
06635500	Frenchman Creek at Culbertson, Nebr	Satellite	17.4	71.4	24.4%	Record low	1951 - 2003	since Enders Reservoir
06636500	Driftwood Creek near McCook, Nebr	Satellite	1.65	9.15	18.0%		1947 - 2003	4th lowest
06638000	Red Willow Creek near Red Willow, Nebr	Satellite	5.50	12.9	42.6%	Record low	1952 - 2003	
06647500	Sappa Creek near Stamford, Nebr (USACE funds DCP)	Satellite	0.25	43.5	0.6%	Record low	1946 - 2003	since Hugh Butler Lake
06652500	Courtland Canal at Nebr-Kans State Line (USBR DCP)	Satellite	77.7	79.2	98.1%		1950 - 2003	

USGS Compact stations supported by the National Streamflow Information Program (NSIP)

USGS stations supported by USACE

06637000	Republican River at McCook, Nebr	Satellite	15.0	140	10.7%	Record low	1955 - 2003	
06644500	Republican River near Orleans, Nebr	Satellite	31.1	246	12.6%	Record low	1948 - 2003	
06649500	Republican River below Harlan County Dam	Satellite	45.5	214	21.3%		1863 - 2003	2nd lowest

Nebr DNR stations with USGS/USACE support for DCP, review, and publishing

06654000	Frenchman Creek at Pallasda, Nebr	Satellite	18.3	67.2	27.2%	Record low	1950 - 2003	since Enders Reservoir
06643500	Republican River at Cambridge, Nebr	Satellite	44.9	228	19.7%	Record low	1950 - 2003	since Harry Strunk Lake
06653020	Republican River at Guide Rock, Nebr	Satellite	29.6	285	10.4%	Record low	1950 - 2003	

USGS stations with support from USACE and Nebr DNR

06628500	Republican River at Stratton, Nebr	Satellite	20.6	106	19.4%	Record low	1950 - 2003	
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Indicates less than previous water year

EXHIBIT 4
ENGINEERING COMMITTEE REPORT

Republican River Compact Administration
Engineering Committee Report
June 9, 2004

At the 2003 annual meeting of the Republican River Compact Administration, the Commissioners assigned the Engineering Committee eight tasks:

1. Take over the operation and maintenance of the Republican River Compact Administration Groundwater Model.
2. Recommend where and how the Groundwater Model and ground water datasets for the model should be housed.
3. Review the Republican River Compact accounting procedures and reporting requirements and recommend any necessary corrections for adoptions by the Republican River Compact Administration.
4. Develop and recommend an accounting program for adoption by the Republican Compact Administration.
5. Develop a user's manual for the Republican River Compact Administration Groundwater Model.
6. Develop data and update the Groundwater Model through 2002.
7. By April 15, 2004, exchange the data required by the Republican River Compact accounting procedure, and use these data to complete the accounting of the virgin water supply, the computed water supply, and the beneficial consumptive uses in the Basin for the calendar year 2003.
8. Develop Compact accounting for the years 1995 to 2002, using methods generally based on those prescribed in the accounting procedures. Of note is that these final data would be developed for informational purposes only.

The Engineering Committee and technical representatives from the States of Colorado, Kansas, and Nebraska participated in numerous collaborative work activities and phone conferences and met May 3-4, 2004.

The following assignments and work activities were completed:

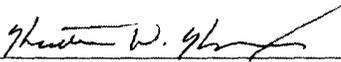
1. Based upon a review of the RRCA Accounting Procedures and Formulas, the Engineering Committee recommends adoption of the following changes:
 - a. Deletion of the Appendix C designation for the document since it is a self-standing document.
 - b. An indication of the revision date to the Accounting Procedures.
 - c. Addition of page numbers to the Table of Contents.
 - d. Page 8 - definition of RRCA groundwater model.
 - e. Page 14 - Section III. E. - Clarification that the computations done each year are for the preceding year.
 - f. Page 32 - fixed a reference to the RRCA groundwater model to be consistent with others.

- g. In section V.A.8., all the references to wells are made singular.
 - h. Re-indexing section V.A.8.
 - i. Attachment 7. The formula in Col 11 should be Col 10/Col 2, not Col 10/Col 1.
 - j. Substitution of Attachment 8 with the July 1, 2003 RRCA Ground Water Model narrative description final report.
 - k. Miscellaneous typographical errors have been corrected.
-
- 2. Exchanged model data sets and supporting data as well as streamflow, climatological, diversion, reservoir evaporation, and ground water well permitting information and data by the three states and in cooperation with the U.S. Geological Survey, U.S. Bureau of Reclamation, and U.S. Army Corps of Engineers for 2003.
 - 3. Assumed operation and maintenance of the RRCA Ground Water model. Recommend Principia Mathematica maintain and operate the website that hosts the model, its datasets, and reporting functions.

The Engineering Committee recommends the Republican River Compact Administration assign the following tasks be completed by the indicated dates:

- 1. Develop a checklist and complete the exchange of data and reporting requirements described in the *Final Settlement Stipulation and RRCA Accounting Procedures* by July 31, 2004.
- 2. Continue review of the accounting procedures and formulas and development of the RRCA Accounting Spreadsheet and reach mutual acceptance on both by August 31, 2004.
- 3. Reach mutual acceptance of ground water pumping, diversion, consumptive use and other requisite data for the *Accounting Procedures for the period 2001 through 2003* by August 31, 2004.
- 4. Complete the final RRCA Ground Water Model runs for the years 2001 through 2003 by September 15, 2004.
- 5. Complete RRCA accounting for the years 1995 through 2003 by September 30, 2004.
- 6. Develop a users manual for the RRCA Ground Water Model by September 30, 2004.
- 7. Develop a GIS coverage (electronic map) of the Republican River Basin and the designated drainage basins by September 30, 2004.
- 8. By April 15, 2005, exchange the data required by the Republican River Compact accounting procedure, and use these data to complete the accounting of the virgin water supply, the computed water supply, and the beneficial consumptive uses in the Basin for the calendar year 2004.

9. By June 1, 2005, the Engineering Committee will investigate the irrigation efficiencies and recharge values for different types of ground water irrigation systems and prepare a report for submittal to the RRCA by June 1, 2005.


Kenneth W. Knox
Engineer Adviser for Colorado


David W. Barfield
Engineer Adviser for Kansas


Ann Salomon Bleed
Engineer Adviser for Nebraska