



IN REPLY REFER TO:

# United States Department of the Interior

BUREAU OF RECLAMATION  
Great Plains Region  
Wyoming Area Office  
P.O. Box 1630  
Mills, WY 82644-1630

February 17, 2016

WY-4304  
ADM-13.00

VIA ELECTRONIC MAIL ONLY

## MEMORANDUM

To: Executive Director, Platte River Recovery Implementation Program  
Attention: Dr. Jerry Kenny (kennyj@headwaterscorp.com)

From: Brock Merrill /s/  
Platte River Program Coordinator, Mills, WY

Subject: Platte River Recovery Implementation Program (Program) Indexing for 2015

Attached are updated calculation sheets that indexes cash and cash equivalent contributions for the Program to October 2015 price levels. One calculation sheet indexes cash and equivalents using the original method established in 2010, while the other indexes cash and equivalents using the current method that has been used since 2012. Also attached is an overview sheet that shows the difference between using each method. Please distribute these documents to the Governance Committee (GC) prior to the next GC meeting on March 8-9, 2016, and include time on the agenda to discuss the indexing.

### Attachments

cc: Executive Director's Office, Platte River Recovery Implementation Program  
Attention: Chad Smith (smithc@headwaterscorp.com)

Deputy Regional Director, Billings, MT  
Attention: GP-1100 (Chris Beardsley)

WY-4304 (Brock Merrill) (w/hard copy)

# October 2015 Indexing Summary

	Cash Ceiling 2012 Method	Percent 2012 Method
Colorado	\$ 27,366,263.32	13.05%
Wyoming	\$ 6,852,315.96	3.27%
Interior	\$ 175,482,197.35	83.68%
	\$ 209,700,776.63	

	Cash Ceiling Original Method	Percent Original Method
Colorado	\$ 26,883,639.57	12.82%
Wyoming	\$ 6,731,394.93	3.21%
Interior	\$ 176,085,742.16	83.97%
	\$ 209,700,776.66	

## Difference

Colorado	\$ (482,623.75)
Wyoming	\$ (120,921.03)
Interior	\$ 603,544.81

**Indexing the Platte River Recovery Implementation Program  
2012 Method**

**Index Calculation<sup>1</sup>**

	October 2015		October 2014		Index Factor to Apply on 10/1/15
Land Index (Nebraska Land Index)	692	÷	680	=	1.02
Water Index (General Property Index)	356	÷	354	=	1.01
Other Cost Index (Federal Salary Index)	340	÷	337	=	1.01

**Index Application**

	<b>A</b> Program Budget as of 10/1/2014	<b>B</b> Expenditures Through 9/30/2015 *	<b>C</b> Budget Remaining As of 10/1/15 (A minus B)	<b>D</b> Index Applied on 10/1/2015 (C times Index)	<b>E</b> Total Budget Change (D minus C)	<b>F</b> New Program Ceiling (E plus A)
<b>Land</b>	<b>\$31,046,343.50</b>	<b>\$23,647,624.42</b>	<b>\$7,398,719.08</b>	<b>\$7,546,693.46</b>	<b>\$147,974.38</b>	<b>\$31,194,317.88</b>
Colorado	\$4,437,161.83	\$2,683,833.94	\$1,753,327.89	\$1,788,394.45	\$35,066.56	\$4,472,228.39
Wyoming	\$1,111,069.14	\$671,770.69	\$439,298.45	\$448,084.42	\$8,785.97	\$1,119,855.11
Interior	\$25,498,112.51	\$20,292,019.79	\$5,206,092.72	\$5,310,214.57	\$104,121.85	\$25,602,234.36
Total	\$31,046,343.48	\$23,647,624.42	\$7,398,719.06	\$7,546,693.44	\$147,974.38	\$31,194,317.86
<b>Water</b>	<b>\$98,939,484.54</b>	<b>\$20,361,817.92</b>	<b>\$78,577,666.62</b>	<b>\$79,363,443.29</b>	<b>\$785,776.67</b>	<b>\$99,725,261.21</b>
Colorado	\$12,701,958.29	\$2,454,091.37	\$10,247,866.92	\$10,350,345.59	\$102,478.67	\$12,804,436.96
Wyoming	\$3,180,447.41	\$614,399.95	\$2,566,047.46	\$2,591,707.93	\$25,660.47	\$3,206,107.88
Interior	\$83,057,078.83	\$17,293,326.60	\$65,763,752.23	\$66,421,389.75	\$657,637.52	\$83,714,716.35
Total	\$98,939,484.53	\$20,361,817.92	\$78,577,666.61	\$79,363,443.27	\$785,776.66	\$99,725,261.19
<b>Other</b>	<b>\$78,449,074.15</b>	<b>\$45,236,732.01</b>	<b>\$33,212,342.14</b>	<b>\$33,544,465.56</b>	<b>\$332,123.42</b>	<b>\$78,781,197.57</b>
Colorado	\$10,052,120.74	\$6,304,397.81	\$3,747,722.93	\$3,785,200.16	\$37,477.23	\$10,089,597.97
Wyoming	\$2,516,959.81	\$1,577,643.36	\$939,316.45	\$948,709.61	\$9,393.16	\$2,526,352.97
Interior	\$65,879,993.61	\$37,354,690.84	\$28,525,302.77	\$28,810,555.80	\$285,253.03	\$66,165,246.64
	\$78,449,074.16	\$45,236,732.01	\$33,212,342.15	\$33,544,465.57	\$332,123.42	\$78,781,197.58
<b>Total</b>	<b>\$208,434,902.17</b>	<b>\$89,246,174.35</b>	<b>\$119,188,727.84</b>	<b>\$120,454,602.31</b>	<b>\$1,265,874.47</b>	<b>\$209,700,776.66</b>
					Colorado	\$27,366,263.32
					Wyoming	\$6,852,315.96
					Interior	\$175,482,197.35
						\$209,700,776.63

\*Expenditure data received from the EDO on 10/1/2015

**Maintaining the Original Cost Share - Original Program Budget of \$317,330,000 (\$187,140,000 Cash; \$130,190,000 Cash Equivalents)**

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State Contributions	$\frac{\$160,190,000.00}{\$317,330,000.00}$	=	0.5048	=	States Cost Share Ratio
Total Program					
Federal Contributions	$\frac{\$157,140,000.00}{\$317,330,000.00}$	=	0.4952	=	Federal Cost Share Ratio
Total Program					
New Federal Program Ceiling (Cash)	$\frac{\$175,482,197.35}{\$157,140,000.00}$	=	1.117	=	Index Factor for State Cash & Equivalents
Original Federal Program Ceiling (Cash)					
	Cash & Equivalents		Index Factor		New Value State Cash & Equivalents
Original Value State Cash & Equivalents	\$ 160,190,000.00	X	1.117	=	\$178,932,230.00
New Value State Cash & Equivalents	\$178,932,230.00				
New Federal Ceiling	\$175,482,197.35				
New Total Program	\$354,414,427.35				
New Federal Ceiling	$\frac{\$175,482,197.35}{\$354,414,427.35}$	=	0.4951	=	Federal Cost Share Ratio
New Total Program					
New Value State Cash & Equivalents	$\frac{\$178,932,230.00}{\$354,414,427.35}$	=	0.5049	=	State Cost Share Ratio
New Total Program					

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1) Index calculated using the Bureau of Reclamation's Construction Cost Trends; Process approved by the Program Governance Committee on 3/9/2010, and the Director of Policy and Administration on 8/31/2010

**Indexing the Platte River Recovery Implementation Program  
Original Method**

**Index Calculation<sup>1</sup>**

	October 2015		October 2014		Index Factor to Apply on 10/1/15
Land Index (Nebraska Land Index)	692	÷	680	=	1.02
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**Index Application**

	<b>A</b> Program Budget as of 10/1/2014	<b>B</b> Expenditures * Through 9/30/2015	<b>C</b> Budget Remaining As of 10/1/15 (A minus B)	<b>D</b> Index Applied on 10/1/2015 (C times Index)	<b>E</b> Total Budget Change (D minus C)	<b>F</b> New Program Ceiling (E plus A)
Land (Index 1.11)	\$31,046,343.50	\$23,647,624.42	\$7,398,719.08	\$7,546,693.46	\$147,974.38	\$31,194,317.88
Water (Index 1.03)	\$98,939,484.54	\$20,361,817.92	\$78,577,666.62	\$79,363,443.29	\$785,776.67	\$99,725,261.21
Other (Index 1.00)	\$78,449,074.15	\$45,236,732.01	\$33,212,342.14	\$33,544,465.56	\$332,123.42	\$78,781,197.57
<b>Total</b>	<b>\$208,434,902.19</b>	<b>\$89,246,174.35</b>	<b>\$119,188,727.84</b>	<b>\$120,454,602.31</b>	<b>\$1,265,874.47</b>	<b>\$209,700,776.66</b>

\*Expenditure data received from the Executive Director's Office on 10/1/2015

**State & Federal Shares - Original Total Program Cash Budget of \$187,140,000 - the new ceiling is \$209,700,776.66**

Colorado	$\frac{\$24,000,000.00}{\$187,140,000.00}$	÷	0.1282	
Wyoming	$\frac{\$6,000,000.00}{\$187,140,000.00}$	÷	0.0321	
Federal	$\frac{\$157,140,000.00}{\$187,140,000.00}$	÷	0.8397	
	<b>New Ceiling</b>		<b>Parties Share</b>	<b>Parties Share of New Ceiling</b>
Colorado	\$209,700,776.66	X	0.1282	= \$26,883,639.57
Wyoming	\$209,700,776.66	X	0.0321	= \$6,731,394.93
Federal	\$209,700,776.66	X	0.8397	= \$176,085,742.16

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**Maintaining the Original Cost Share - Original Program Budget of \$317,330,000 (\$187,140,000 Cash; \$130,190,000 Cash Equivalents)**

State Contributions	$\frac{\$160,190,000.00}{\$317,330,000.00}$	=	0.5048	=	States Cost Share Ratio
Total Program					
Federal Contributions	$\frac{\$157,140,000.00}{\$317,330,000.00}$	=	0.4952	=	Federal Cost Share Ratio
Total Program					
New Federal Program Ceiling (Cash)	$\frac{\$176,085,742.16}{\$157,140,000.00}$	=	1.121	=	Index Factor for State Cash & Equivalents
Original Federal Program Ceiling (Cash)					
	Cash & Equivalents		Index Factor		New Value State Cash & Equivalents
Original Value State Cash & Equivalents	\$ 160,190,000.00	X	1.121	=	\$179,572,990.00
New Value State Cash & Equivalents	\$179,572,990.00				
New Federal Ceiling	$\frac{\$176,085,742.16}{\$355,658,732.16}$				
New Total Program					
New Federal Ceiling	$\frac{\$176,085,742.16}{\$355,658,732.16}$	=	0.4951	=	Federal Cost Share Ratio
New Total Program					
New Value State Cash & Equivalents	$\frac{\$179,572,990.00}{\$355,658,732.16}$	=	0.5049	=	State Cost Share Ratio
New Total Program					

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1) Index calculated using the Bureau of Reclamation's Construction Cost Trends; Process approved by the Program Governance Committee on 3/9/2010, and the Director of Policy and Administration on 8/31/2010