

WYOMING WATER DEVELOPMENT COMMISSION

RULES AND REGULATIONS

GROUNDWATER EXPLORATION GRANT PROGRAM

CHAPTER I

General Provisions

Section 1. **Authority.** These rules and regulations providing an organized system of conducting a groundwater exploration program are authorized by the Wyoming Administrative Procedure Act (W.S. 16-3-101 through 16-3-115) and the Water Development Act (W.S. 41-2-118, 41-2-114 and W.S. 41-2-119).

Section 2. **Applicability.** These rules and regulations and amendments thereto shall govern the operation of the groundwater grant program as established by W.S. 41-2-119.

Section 3. **Definitions.** The following definitions shall prevail in these rules:

(a) "Commission" means the Water Development Commission.

(b) "Director" means the Director of the Water Development Commission.

(c) "Feasibility Study" means basic geologic and hydrologic studies performed to locate drilling sites with a high potential for the economic development of beneficial amounts of water for municipal and miscellaneous use. Upon discovery of a viable source supply well, a conceptual design for completing the well and the funding structure for that effort is prepared.

(d) "Exploration" means the actual drilling of a well of sufficient size and depth to accurately assess production potential.

(e) "Cash Match" means the portion of project costs borne by the sponsor and may be from any local revenue source.

(f) "Municipal and Miscellaneous Purposes" includes but is not limited to the use of water for potable purposes; commercial purposes within the service area; fire protection and control, irrigation of parks, lawns, and gardens; and water used to supply public facilities owned and operated by the sponsor. Municipal purposes include the same use designations within the exterior boundaries of an incorporated town or city.

(g) “Reimbursement of Expenses” means the payment of state funds to a sponsor to replace funds expended or to discharge obligations.

(h) “Consulting Engineer/Geologist” means a private person or firm engaged in providing engineering and/or hydrogeologic services.

(i) “Legislature” means the Wyoming State Legislature.

(j) “Sponsor” means an entity that is eligible to receive funding from the Commission under this program such as a municipality, water district, water & sewer district, or service and improvement district.

CHAPTER II

Applications

Section 1. **Application Procedures.** Applications for funds available through this program shall be prepared following the instructions in Section 5 below and submitted to the Director of the Water Development Commission.

Section 2. **Eligible Applicants.** Incorporated cities, towns, water districts, water and sewer districts, and service and improvement districts may apply for funds for feasibility studies and exploration for underground water for miscellaneous and municipal purposes.

Section 3. **Available Funds.** Individual grants may not exceed four hundred thousand dollars (\$400,000.00), and may be made for a lesser amount as determined by the Commission. Total grants awarded shall be limited to the amount of funds appropriated by the Legislature. No reimbursement shall be made for costs incurred prior to the date the grant request is approved.

Section 4. **Cash Match.** Each sponsor receiving a grant must provide at least 25% of the cost of the feasibility study and/or the exploration for groundwater. The municipality has the option of expending the 25% cash match prior to the release of grant funds, or of being reimbursed for 75% of each documented expenditure or obligation during the course of the grant. In either case, the cash match shall be expended for services provided after the date of the grant award.

Section 5. **Application Format.**

(a) Part I - Statement of Problem. Applicant shall demonstrate to the satisfaction of the Commission that additional sources of water are needed. Documentation of need shall include, but is not limited to, the following information:

(i) Describe the existing water supply system including any present wells producing or not, surface water sources, if any, water rights held, etc. Capacity of wells, of water storage and treatment facilities, any identified problems with existing supply, treatment or delivery systems must be included. Percent of current supply going to various classes of users (potable, municipal facilities, commercial, industrial) must be specified.

(ii) Describe needs for additional supplies. Include present population, the basis of any projected growth, and anticipated commercial or industrial demand on municipal water supplies. Describe any water quality problems that exist and could be alleviated with an improved source of supply.

(b) Part 2 – Project Plan. The applicant shall prepare and submit a

specific and detailed plan of how funds shall be spent if awarded. This section shall include:

(i) A detailed advance hydrogeologic feasibility study of the area where exploration is required. If such a study is not available, then the costs of obtaining such a study shall be included in the project budget. If a study is available and is approved by the Commission, then the applicant may request funds for exploration. Approval of a grant that includes an advance feasibility study shall freeze the balance of the request pending outcome of the study. After reviewing the feasibility study, the Commission shall make a decision as to the release of the funds for exploration.

(ii) A description of how successful exploration will alleviate the problems identified in Part 1.

(iii) A line item budget.

(iv) Required permits from State and/or Federal agencies to complete the study.

(v) A brief history of any other attempts to locate water supplies, including part grants or local expenditures.

(vi) A description of how the sponsor intends to finance production, treatment, and delivery systems if a source of supply is found.

(vii) A description of the data expected from the project. All data shall be provided to the Commission on a regular basis.

(c) Part 3 - Methodology. Actual project work may be performed in a manner acceptable to the Commission. The method shall be specified in the applications, and may include but is not limited to the following:

(i) Contract for Services. A sponsor may contract with a consulting engineer directly or via a competitive bid process. Final selection of an individual or firm must be approved by the Commission before a contract is signed. A sponsor may request that the Commission prepare the Request for Proposal, select the contractor, supervise the study, and disburse funds directly to the contractor.

(ii) Municipal Employees. A municipality may use city employees to perform part of a project if the municipality provides an acceptable work plan and accounting procedures to the Commission for approval.

(d) Part 4 - Miscellaneous.

(i) Exploration, testing, and reporting conducted under this program shall require the supervisory engagement of a professional geologist (P.G.) licensed in the State of Wyoming. If the final report contains information of both

an engineering and a geologic nature, the cover of the final report and all plates must be stamped and signed by both a P.G. and a professional engineer (P.E.) licensed in the State of Wyoming.

(ii) All exploration shall conform with “Water Well Minimum Construction Standards”, Part III, Rules and Regulations, Office of the State Engineer. Public water supply (PWS) facilities, as defined under the federal Safe Drinking Water Act (SDWA), shall be constructed according to standards contained in the Rules and Regulations of the Wyoming Department of Environmental Quality, Chapter XI, Part G. PWS exploration and testing shall require sampling and analysis to ascertain conformance with primary and secondary standards established by the U.S. Environmental Protection Agency.

(iii) The State Engineer may request through the Commission that an applicant provide certain types of information or technical data in the application. Specifically the applicant should supply a brief synopsis of any previous groundwater investigations conducted by State or Federal Agencies or any other entities in the area of interest. The synopsis shall include a bibliography of source materials.

(iv) A review of the proposed program will be undertaken by the State Engineer to ensure that duplication of effort, past or present, does not occur. The State Engineer may also suggest modifications to any proposed program that would facilitate the gathering of additional data necessary in the determination of associated water right issues.

CHAPTER III

Commission Action and Reports

Section 1. **Criteria for Evaluation of Application.** The Commission shall use the following criteria in evaluating each application:

(a) Severity of Problem - present supply compared to projected demand. In evaluating need, priority shall be given to demonstrated needs in this order:

- (i) Human consumption
- (ii) Public use
- (iii) Commercial use
- (iv) Industrial use
- (v) Raw water applications
- (vi) Geothermal applications
- (vii) Hydropower generation
- (viii) Fire Protection

(b) Feasibility of project plan.

(c) Potential impact of project on problem.

(d) Demonstrated financial need of applicant.

Section 2. **Funding Schedule.** The Commission shall consider grant applications at regular or special meetings. Applications submitted to the Director shall be subject to a review process of at least thirty (30) days before a final decision by the Commission.

Section 3. **Contracts.** The Commission shall execute individual exploration studies via a contract with the sponsor. Any changes, modifications, revisions, or amendments to the contract or agreement which are mutually agreed upon by the parties to the contract or agreement shall be incorporated by written instrument, executed, and signed by the Commission and the sponsor. Upon receipt of an approved project report and affidavit of completion of work, a final amendment to the contract or agreement shall be executed which shall close the grant.

Section 4. **Grant Termination.**

(a) At its discretion, the Commission may terminate a grant and withdraw any unexpended or uncommitted balance if the grantee fails to:

(i) Start the project (as evidenced by the expenditure of obligation of funds) within ninety (90) days of the date the grant is awarded.

(ii) Provide to the Commission in a timely manner all data and required reports generated by the project.

(iii) Maintain current and accurate financial records.

(iv) Perform any other contractual obligations agreed to in the grant award contract.

(v) Expend funds only for authorized purposes.

(b) All grants terminate twenty-four (24) months from the date of award. Any unexpended or uncommitted funds revert to the Commission at that time.

Section 5. Project Reports.

(a) Draft Final Report. The Sponsor shall submit to the Commission ten (10) copies of a draft final report describing the results of all phases of this study, and one project notebook.

(b) Final Report. After receipt and incorporation of Commission and sponsor review comments, thirty-five (35) copies and one (1) unbound reproducible original of the final report shall be presented to the Commission by the sponsor. An executive summary of the project shall preface the main body of the report. The executive summary shall include detailed final costs and cost estimates for completion of the facility and incorporation into the sponsor's system. In addition, one copy of the final report and all figures tables, maps, etc. shall be submitted in digital form (CD ROM disk(s)).

