Wyoming Water Development Commission Meeting
Cheyenne, Wyoming

December 13, 2012

1. Chairman Kent Shurtleff called the meeting to order at 8:33 a.m.

2. Secretary Jeanette Sekan called the roll of commissioners:

   Commission Attendance:
   Kent Shurtleff, Chairman
   Bill Resor, Vice-Chair
   Jeanette Sekan, Secretary
   Floyd Canfield
   Mitch Cottenoir
   Shawn Hall
   Margo Sabec, via telephone
   Jim Wilson

   Absent:
   Nick Bettas
   Phil Habeck

   Advisors in Attendance:
   Greg Kerr, University of Wyoming
   Andrew Kuhlmann, Attorney General's Office
   Jodee Pring, State Engineer's Office

   Select Water Committee Attendance:
   Senator Stan Cooper
   Senator Ogden Driskill
   Senator Gerald Geis
   Representative Stan Blake
   Representative John Eklund
   Representative Lorraine Quarberg

3. Approval of Minutes. A motion to approve the November 8 and 9, 2012 minutes was made by Floyd Canfield, seconded by Bill Resor. The motion carried.

4. Audience Introductions

5. Planning Amendments/Service Agreement
   - *Little Snake Supplemental, Level II*
     An interim amendment to the engineering contract with States West Water Resources Corporation/Wenck Associates, Inc. was presented. The amendment serves to extend the contract expiration date to June 30, 2013.

- *Lower Nowood Rural Water Supply, Level I*
  A final amendment to the engineering contract with Sage Civil Engineering was presented. The amendment serves to document WWDC acceptance of the final report and document the final contract amount of $57,999.86.

- *Manville Well, Level II*
  An interim amendment to the engineering contract with Wyoming Groundwater was presented. The amendment serves to extend the contract expiration date to June 30, 2014.

- *Pavillion Area Water Supply, Level I*
  A final amendment to the engineering contract with James Gores and Associates was presented. The amendment serves to document WWDC acceptance of the final report and document the final contract amount of $173,499.31.

- *Thayne Storage, Level II*
  A final amendment to the engineering contract with Jorgensen Associates was presented. The amendment serves to document WWDC acceptance of the final report and document the final contract amount of $68,103.47.

- *Wright Well, Level II*
  An interim amendment to the engineering contract with HDR/Stetson Engineering was presented. The amendment serves to extend the contract expiration date to June 30, 2013.

Jim Wilson made a motion to approve all documents as presented, seconded by Jeanette Sekan. Discussion followed. The motion carried.

- *Water Sales Agreement from the Pathfinder Reservoir Municipal Account*
  The City of Rawlins has requested the ability to purchase water from the Wyoming Account in Pathfinder Reservoir. The proposed agreement would provide the city a right to purchase up to 750 acre-feet of water per year. Director LaBonde was seeking authorization to negotiate and sign the agreement on behalf of the Water Development Commission. Jim Wilson made a motion to grant said authorization to the director, seconded by Bill Resor. The motion carried.

6. Financial Status Report. Harry LaBonde reported that the balances remaining in water accounts nos. I, II, and III, if the 2013 preliminary recommendations were adopted, would be $16.8 million, $2.9 million, and $119.5 million, respectively.

7. Omnibus Water Bill - Construction (13LSO-0334.W1)
   - Updated Project Recommendations
     Savery Creek Diversions. The preliminary recommendation, which was adopted at the November, 2012 meeting, was an appropriation of $1,900,000

as a 67% grant and a 33% loan for a term of 30 years at 4% interest. A revised project recommendation sheet was provided to address questions from the November 2012 WWDC meeting.

- Tabled Projects
  Cambria Tank. The preliminary recommendation, as presented at the November, 2012 WWDC meeting, was to deny funding. WWDP staff subsequently held meetings with the Sweetwater and Cambria water districts and the Town of Newcastle. The Sweetwater District must now decide whether to move forward with a project to purchase water from the Cambria Improvement and Service District (I&SD) or not. If so, they will need to negotiate a water agreement with the Cambria I&SD. Also, a new agreement between the Town of Newcastle and the Cambria I&SD must be negotiated. Director LaBonde recommended that the Cambria Tank project be reconsidered next year once the agreements are fully executed. Dan Epperson, Cambria I&SD, presented a status report and addressed the recommendation. Discussion followed.

- Presentation of draft statute
  Director Harry LaBonde presented the Level III funding recommendations for the New Development and Rehabilitation Programs that were preliminarily approved at the WWDC meeting in November. Those recommendations were as follows:

New Development

Buffalo South Loop Pipeline	$ 775,000	67% grant, 33% loan, 4%, 20 years
Burns Wells Connection	1,214,000	67% grant, 33% loan, 4%, 30 years
Casper Raw Water Supply II	487,559	67% grant
Cottonwood Lake Enlargement	3,700,000	67% grant, 33% loan, 4%, 50 years
Evansville Emergency Connection	141,370	67% grant
Jeffrey City Water System	418,750	67% grant
Lance Creek Well Connection	170,000	67% grant, 33% loan, 4%, 30 years
Mountain View Acres Connection	95,000	67% grant, 33% loan, 4%, 20 years
Pavillion Water System	214,500	67% grant, 33% loan, 4%, 30 years
Sheridan N Loop Transmission	1,566,460	67% grant

Rehabilitation

Austin-Wall Canal Rehab	$ 150,000	67% grant
Cody Canal Rehab 2013	144,000	67% grant, 33% loan, 4%, 20 years
Eden Valley Farson Lateral	233,500	67% grant
Goshen Irrigation District 2013	1,400,000	67% grant, materials only
Midvale Rehab 2013	317,400	67% grant, materials only
Riverton Valley Rehab 2013	137,000	67% grant, materials only
Savery Creek Diversions Phase II	1,900,000	67% grant, 33% loan, 4%, 30 years
Shoshone Irrigation District 2013	795,000	67% grant, materials only

Existing Projects, additional appropriation

Cowley Transmission Pipeline	$ 554,023	67% grant, time extension
Eden Valley Rehab 2009	1,327,000	55.07% grant, time extension

Cheyenne Southern Pipeline	4,261,200	67% grant, time extension
Buffalo Northwest Pipeline	3,644,000	67% grant, 33% loan, 4% 30 years, Time extension
Fort Laramie Storage Tank	1,085,000	67% grant, time extension
Gillette Regional Extensions	5,494,000	67% grant, time extension
Lovell Transmission Pipeline	703,500	67% grant, time extension
Northwest Rural North Expansion	3,408,625	67% grant, time extension
Lovell Canal Rehab 2012	(266,000)	67% grant, materials only

Mayor Judy Johnstone, town of Burns; David Hill, Casper Board of Public Utilities; Jason Linford, Cottonwood Irrigation District; John Eyre, Austin-Wall Irrigation District; Bob Davis, Savery-Little Snake River Water Conservancy District; Tim Wilson, Cheyenne Board of Public Utilities; and Walter Brantz, Northwest Rural Water District responded to their respective recommendation. Additionally, the sponsors for the Mountain View Acres and Cody Canal projects have agreed to 10 year terms.

A motion to adopt the Omnibus Water Bill – Construction (13LSO-0334.W1) was made by Bill Resor, seconded by Floyd Canfield.

Amendments to the omnibus construction bill:

- *Mountain View Acres Connection*. The preliminary recommendation, which was adopted at the November, 2012 meeting, was to provide an appropriation of $95,000 as a 67% grant and a 33% loan at 4% for 20 years. The sponsor has subsequently agreed to a 10 year term.
- *Cody Canal Rehabilitation 2013*. The preliminary recommendation, which was adopted at the November, 2012 meeting, was to provide an appropriation of $144,000 as a 67% grant and a 33% loan at 4% interest for a term of 20 years. The sponsor has subsequently agreed to a 10 year term.

Bill Resor made a motion to revise the financing terms to 10 year terms for both the Mountain View Acres Connection and the Cody Canal Rehabilitation 2013 projects, seconded by Jeanette Sekan. The motion carried.

The motion, as amended, carried.

8. Omnibus Water Bill-Planning (13LSO-0333.W1)
   - Updated Project Recommendations – Probable Maximum Precipitation, Cool-season and warm-season analysis. The preliminary recommendation, which was adopted at the November, 2012 meeting, was to provide additional Level I funding from the Dam and Reservoir Program of $250,000. The additional funds are needed to perform a rain-on-snow analysis as well as a warm-season analysis to accurately compute the probable maximum flood to accurately size spillway facilities for dams. A revised project recommendation sheet was provided to address questions from the November 2012 WWDC meeting.

- Tabled Projects
  Belle Fourche River Watershed Study. The director's recommendation was to incorporate the project into the New Development Program at Level I with a budget of $350,000. Ogden Driskill, Crook County Irrigation District, addressed the recommendation. Discussion followed.

- Presentation of draft statute
  Director Harry LaBonde presented the Level I and Level II funding recommendations for the New Development, Rehabilitation, and Dams and Reservoirs Programs that were preliminarily approved at the WWDC meeting in November, 2012. Those recommendations were as follows:

Level I, New Development

Project	Appropriation
Blacks Fork Watershed Study	$ 350,000
High Meadow Ranch Master Plan	175,000
Lusk Master Plan	200,000
Osmond Pipeline Master Plan	75,000
Statewide Water Research	400,000

Level II, New Development

Project	Appropriation
Eden Valley (Farson) Master Plan	$ 90,000
Hanna Water System	100,000
Lower Nowood Water Supply	75,000
Pine Haven Tank and Well Study	100,000
Squaw Creek Water Supply	350,000

Level I, Rehabilitation

Project	Appropriation
Interstate Canal and Beaver Meadows Reservoir Rehabilitation	$ 180,000

Level II, Rehabilitation

Project	Appropriation
Austin-Wall Reservoir Rehab	$ 280,000
Heart Mountain Irrigation District Master Plan	175,000

Level I, Dams and Reservoir

Project	Appropriation
Probable Maximum Precipitation – Cool Season Analysis	$ 250,000

Level II, Dams and Reservoir

Project	Appropriation
Clear Creek Storage	$ 350,000
Cottonwood/Grass Creek Reservoir	70,000
Shell Valley Storage	50,000
Sublette Creek Reservoir	252,000
West Fork Reservoir	7,000,000

John Krebs and Margaret Lynch, town of Pine Haven and Bob Davis, Little Snake River Conservancy District, addressed their respective recommendation. Discussion followed on the Statewide Water Research with the University of Wyoming. Cody McKee, C&C Cattle and Representative Jeb Steward expressed concerns over the proposed West Fork Reservoir project.

Bill Resor made a motion to adopt the Omnibus Water Bill – Planning (13LSO-0333.W1) was made, seconded by Jeanette Sekan.

Mitch Cottenoir made a motion to accept the director's recommendation on the Belle Fourche River Watershed study, seconded by Bill Resor. The motion carried with Margo Sabec in opposition.

Margo Sabec made a motion to eliminate funding for the Statewide Water Research Program. The motion failed due to the lack of a second.

The motion, as amended, carried.

9. Plaques of appreciation were presented to outgoing Commissioners Jim Wilson and Kent Shurtleff.

The next Commission meeting will be March 8, 2013 in Cheyenne.

There being no further business, the meeting adjourned at 1:18 p.m.

Respectfully submitted,

K. Jeanette Sekan
Secretary