Wyoming Water Development Commission/
Select Water Committee Joint Meeting
August 23, 2013

1. Chair Bill Resor called the meeting to order at 8:35 a.m.

2. Secretary Floyd Canfield called the roll of commissioners:

   Commission Attendance:
   Bill Resor, Chair
   Jeanette Sekan, Vice-Chair
   Floyd Canfield, Secretary
   Nick Bettas
   Karen Budd-Falen
   Mitch Cottenoir
   Sheridan Little
   Margo Sabec
   Todd Werbelow
   Rodney Wagner

   Advisors:
   Greg Kerr, University of Wyoming
   Andrew Kuhlmann, Attorney General's Office
   Abigail Boudewyns, Attorney General's Office

   Select Water Committee Attendance:
   Senator Gerald Geis
   Senator Stan Cooper
   Senator Ogden Driskill
   Senator John Hines
   Senator Curt Meier
   Representative Mark Semlek
   Representative Stan Blake
   Representative John Eklund
   Representative Glenn Moniz
   Representative David Northrup

3. Approval of Agenda
   Nick Bettas made a motion to approve the agenda, seconded by Margo Sabec. The motion carried.

4. Approval of Minutes
Nick Bettas made a motion to amend Item 7 of the minutes as follows:

- After the sentence, "Director LaBonde met with Ron Bassett and three other board members on May 23, 2013", insert the words, "*at which time the Director stressed the need for an Osmond Pipeline Company representative to attend the June meeting*."
- After the sentence "A letter dated May 30, 2013 from the Osmond Pipeline Company Board of Directors was presented and discussed.", insert the sentence, *"A request had been made previously that a member of the Board of Directors of the Osmond Pipeline Company attend the June 6, 2013 meeting however no member was present."*

Seconded by Karen Budd-Falen.

Margo Sabec then made a motion to approve the amended June 6, 2013 minutes, seconded by Nick Bettas. The motion carried.

In separate action the Select Water Committee approved their June meeting minutes.

5. Audience Introductions

6. Planning Amendments
   - *Jeffrey City Water Supply, Level II, Final Amendment*
     Margo Sabec made a motion to approve the amendment, seconded by Floyd Canfield. The motion carried.

   - *Rawlins Operational Study, Final Amendment*
     Sheridan Little made a motion to approve the amendment, seconded by Margo Sabec. The motion carried.

7. Sponsor's Inflation Fund
   - *Sundance Storage Tank – WDA I*.
     It was noted the project incurred additional engineering costs associated with finding a suitable site. The design for the new tank is complete and ready for bidding. However, the new project cost estimate exceeds the project budget by $229,892.00. An additional WWDC expenditure of $172,419 (75% grant) is recommended from the WDA I Sponsor's Inflation Fund. Discussion followed regarding assignment of contracts and liability. Margo Sabec made a motion to approve the additional expenditure out of the WDA-I Sponsor's Inflation Fund to cover the estimated deficit on this project and as a condition of this funding we review the Sundance contracts for the first

tank and if those rights are assignable have them assigned to the State, seconded by Secretary Floyd Canfield. The motion carried.

In a separate action, the Select Water Committee also approved the expenditure of Sponsor's Inflation Funds for this effort with the stipulated condition of contract assignment.

8. Consideration of Director's recommendations for the Statewide Water Research Program

- Two additional UW/WRP process timelines were presented to the WWDC and SWC for their consideration. Discussion followed. Karen Budd-Falen made a motion to adopt a revised Option #7 which includes WWDC participation and approval of the RFP, a ranking of proposals by the Advisory Committee, final selection by the WWDC and SWC, and funding sought for the approved projects during the subsequent legislative session. It was also noted that these projects would be listed in the Blue Book. The motion was seconded by Floyd Canfield. The motion passed with Mitch Cottenoir opposed. Amended Option #7 is hereby attached to these August 23, 2013 meeting minutes.

  In separate action, the Select Water Committee also approved Amended Option #7 prior to Water Development Commission approving Amended Option #7.

- Discussion then took place regarding projects currently underway through the UW Water Research Program.

Karen Budd-Falen made a motion to put two current projects, (Professor MacDonnell's "A Treatise on Wyoming Water Law" and Assistant Professor Kristi Cammack's "Rumen Microbial Changes Associated with High Sulfur"), on the November meeting agenda for discussion and place the funding for these two projects on hold.

Seconded by Margo Sabec. The motion carried on a 7-3 vote with Jeanette Sekan, Mitch Cottenoir and Bill Resor opposed.

9. Rules – Groundwater Exploration Grant Program
Margo Sabec made a motion to approve the proposed Rules changes, seconded by Floyd Canfield. Discussion followed.

Margo Sabec moved to amend her existing motion by revising Chapter VI, Section 4 on page 6-1, Chapter VI to read as follows:

"The Commission shall submit the application to the State Engineer for review and request that the State Engineer provide an opinion regarding associated water right issues."

The motion was seconded by Karen Budd-Falen. The motion carried.

10. Palisades Reservoir Amendment One

An amendment to the option agreement for the lease of storage water between the State of Wyoming and the Idaho Ground Water Appropriators, Inc. was presented by Director LaBonde and discussed. No formal action was required by the WWDC.

11. Discussion

- *Financial Status* - A summary of Water Development Accounts I, II and III, current and projected was presented and discussed.
- *2014 WWDC and SWC Calendar* – A discussion of the proposed 2014 WWDC and SWC calendar with the revised Water Research Program process took place. The updated calendar will be made available for the November meeting.

12. Future Meetings Schedule

The remaining schedule for 2013 was reviewed and it was noted that the fall workshop and joint meeting will be November 6-8, 2013 in Casper, Wyoming.

13. Other Discussion/ Updates:

- Mitch Cottenoir: Wind River Water Project – Commission awarded $3.5 million to the tribes for an irrigation rehabilitation project. The last bid was just opened and came in at $1.1 million dollars. With the funds left in the federal appropriation and other funds available they are within budget and will not be coming to the Commission for Sponsor's Inflation Fund dollars.

- Bob Davis – Board Member of Conservation District: Returned funds in the amount of $123,318.24 from current projects, and noted they will be requesting additional funds at some point for new projects.

- Pat Sheehan – Landowner/Rancher: Requested he be allowed to graze the (riparian area) High Savery mitigation lands as he would be the logical choice since he ranches right below it. He would like to get the wheel moving on this. Director LaBonde noted that these lands were part of the reservoir mitigation plan and the Army Corps of Engineers and the Wyoming Game and Fish will need to be consulted. Karen Budd-Falen directed the WDO to consider this request and report at the November meeting as an agenda item.

- Margo Sabec: Reminded the group of the annual Sabec dinner in November following the workshop on November 6th.

There being no further business, the meeting adjourned at 12:38 p.m.

Respectfully submitted,

Floyd Canfield

WRP Process - Option #7 Amended

Proposal Solicitation and Receipt

Apr/May – Solicitation of research topics and drafting of RFP
June – Approval of RFP (WWDC & SWC)
Aug – Distribution of RFP
Oct – Proposals received

Proposal Review and Project Selection

Oct/Nov – Proposals reviewed (peer review)
Oct/Nov – WRP Advisory Committee ranks projects
Dec/Jan – WWDC & SWC review and approve project ranking
(projects listed in Blue Book for legislative session)

WWDC/SWC Funding Approval

Dec/Jan – Planning bill legislation drafted
Jan/Mar – Planning bill acted on by Legislature
Mar – WRP MOU approved by WWDC & SWC
Mar - USGS awards supplemental funding
Mar – New projects begin