
**Wyoming Water Development Commission
Workshop
Wyoming Water Development Office
6920 Yellowtail Rd, Cheyenne, WY
March 14, 2019**

Due to a winter storm, only 3 commissioners were present. Gerry Geis served as Acting Chairman. Minimal staff were present as State of Wyoming Offices were closed

1. Acting Chairman Gerry Geis called the workshop to order at 1:34pm.

2. Roll Call

Commission attendance:

Gerry Geis, Acting Chairman

Mike Purcell

Bill Yankee

Kellen Lancaster, Secretary via phone

Rodney Wagner, via phone

Sheridan Little, via phone

Clinton Glick, via phone

Larry Suchor - absent

Senator Larry Hicks – Select Water Committee

3. Audience Introduction

One person was in the audience.

4. Legislative Update – Director LaBonde and State Engineer Tyrrell

Director LaBonde reviewed several bills pertaining to the Water Development Commission and Office.

HB0081 – Omnibus Water Bill – Planning. Passed

SF0059 – Omnibus Water Bill – Construction. One significant amendment to Weather Modification in the Wind River Mountains was made. Originally the bill was presented with a 50%-50% funding mix. Senator Hicks supported the program at a funding level of \$175,000.00 from the State of Wyoming and additional funds from Colorado and Utah. The bill passed.

SD0069 – Water Development Program. Applications received from qualified sponsors for projects not owned by the sponsor could be eligible for funding. Attorney General opinion was provided to the Commission, reiterating adequate public benefit must be shown in order to fund privately owned project. The bill was not received for introduction in the House.

State Engineer Pat Tyrrell presented the next few items.

HB0018 – Water Well Drillers. Did not pass.

HB0047 – Senate Confirmation of Water Compact Commissioners. Did not pass.

SF0039 – Legislative Approval of Water Compact Amendments. Did not pass.

SF0042 – Water Division Superintendents. Did not pass.

SF0087 – Temporary Instream Water Use. Did not pass.

Senator Larry Hicks suggested Instream Flow may be a potential interim topic subject. Looking into temporary use may be a portion of that discussion.

State Engineer Tyrrell informed the Commission the comment period was still open following the hearings for Instream Flow filings on Shoshone River Instream flow and the Savery Creek Instream Flow. The Commission served as the applicant for the Instream Flow filings. Director LaBonde attended the Savery Creek Instream Flow hearing and discussed the question regarding the need for the filing.

Item #9 Savery Creek Instream Flow Filing was moved up on the agenda to further the discussion and accommodate State Engineer Tyrrell and Senator Hicks.

Mike Purcell asked about the results of the Feasibility Study conducted by the office. Director LaBonde indicated it was deemed feasible in the study. He clarified the application was from storage, not a natural flow application.

Senator Hicks presented a packet of information and exhibits concerning current instream flow laws and issues. He referenced Instream Flow law and 41-3-1004 of Wyoming Statutes.

Director LaBonde addressed Senator Hicks' concerns. The task of filing instream flow applications is delegated to the Office, by the Commission through Rules and Regulations. The same is true for the feasibility studies. Regarding the cost to provide storage, statutorily he believes the feasibility study can include the cost of developing new storage in the basin that could ultimately provide or meet the instream flow requirement if existing storage facilities were unavailable. Director LaBonde acknowledged the feasibility study for the Savery Creek Instream Flow was not provided to the Legislature nor included in the annual legislative report, and most likely should have been.

Senator Hicks further discussed his concerns. Director LaBonde indicated if the application was to be abandoned and modified the original priority date of 2002 would be forfeited. At this point it is appropriate for the State Engineer's Office to make a determination on this application. He indicated the report should have been provided to the legislature. Discussion continued. The suggestion to postpone discussion until the May 2019 meeting was made. It was stated the public comment deadline for the State Engineer's Office is March 28, 2019. Mike Purcell suggested a letter to the State Engineer's Office to request placing deliberations on hold until the Commission can further discuss at the May 17, 2019 meeting.

5. Project Updates

Sweetwater I&S District/Cambria I&S District/City of Newcastle Projects

Director LaBonde provided a brief history and update on numerous ongoing issues involving the entities.

Lower Nowood I&S District Project

At the Sponsor's request a Madison well was drilled. The Sponsor requested a deeper well. Director LaBonde informed them the additional expense would be their responsibility. At this point in the project the consulting engineer has resigned. There will be no additional funding provided by the WWDC for further well development.

Big Sandy Reservoir Enlargement

The design estimate from the Bureau of Reclamation has increased from \$10,200,000.00 to \$16,200,000.00, an increase of more than 50%. WWDC has MOA funding to cover a portion of the shortfall as well as some WDA III funds to cover the difference.

6. Platte River Recovery Implementation Program (PRRIP) Update

Director LaBonde indicated Senator Barrasso will be sponsoring federal legislation to extend the first increment by 13 years. Governor Mead supported the extension and Governor Gordon feels the same and has provided a letter of support to Senator Barrasso. Director LaBonde has offered to stay on as the Governance Committee representative for Wyoming after his retirement if the Governor's office agrees. Discussion followed.

7. New Level I and II Project Applications (Received March 1)

Nine Level I – New Development applications were received. Two Level II – New Development applications and 2 Level II – Rehabilitation applications were received. Commissioners have been assigned to the projects. Please review for potential conflict of interest issues. The list of projects will be emailed to Commissioners not in attendance. In May, 2019 the Commission will be presented with recommendations and asked for formal approval to continue with the projects.

8. Proposed Johnson County Lake DeSmet Contract

Director LaBonde presented information regarding the existing agreements and proposed a new agreement between Johnson County and Water Development for cost sharing of operation costs of Lake DeSmet. The Commission will be asked in the near future to review and approve the agreement.

9. Savery Creek Instream Flow Filing – handled previously on the agenda.

10. Location of the 2019 Summer Tour/Meeting

The Commission was asked to consider locations for the annual summer tour and meeting. A decision will be made during Friday's meeting.

The workshop adjourned at 4:06 pm

Respectfully submitted,



Mike Purcell, Acting Secretary

Wyoming Water Development Commission Meeting
Water Development Office, 6920 Yellowtail Rd.
Cheyenne, Wyoming
March 15, 2019

1. Acting Chairman Gerry Geis called the meeting to order at 8:32am.

2. Roll Call:

Commission attendance:
Gerry Geis, Acting Chairman
Mike Purcell
Bill Yankee
Kellen Lancaster – via phone
Sheridan Little – via phone
Larry Suchor – via phone
Rodney Wagner – via phone

3. **Audience Introductions**

4. **Election of Officers**

Due to the weather, and inability of Commissioners to attend the meeting in person, Mike Purcell suggested Gerry Geis serve as Acting Chair, himself as Acting Secretary and postpone election of officers until May 17, 2019. Rodney Wagner made the motion, Sheridan Little seconded it; motion carried unanimously.

5. **Approval of Minutes**

Mike Purcell made a motion to approve all provided minutes:

- December 12, 2018 Workshop
- December 13, 2018 Meeting

Bill Yankee seconded the motion. The motion carried unanimously.

6. **Planning Amendments**

- *Alkali Creek Reservoir Final Design, Amendment No. 1*

An interim amendment to the engineering contract with Trihydro Corporation was presented. The amendment serves to modify the Additional Geotechnical Analysis task and add tasks to complete supplemental geotechnical investigation, and assist the Commission in addressing unforeseen changes in scope during the completion of final design; increase the total Contract dollar amount by four hundred sixty-five thousand dollars (\$465,000.00) to two million three hundred twelve thousand four hundred dollars (\$2,312,400.00); to replace

Attachment A with a new Attachment A2; and to replace Attachment C with a new Attachment C2.

- *GVID Storage Enlargement, Level II Study, Amendment No. 2*
An interim amendment to the engineering contract with AECOM Technical Services, Inc. was presented. The amendment serves to add Phase II tasks to assist the Commission in further analyzing storage enlargement for the Greybull Valley Irrigation District; increase the total Contract dollar amount by three hundred thousand dollars (\$300,000.00) to one million ninety-six thousand dollars (\$1,096,000.00); and replace Exhibit A with a new Exhibit A2.
- *Leavitt Reservoir Expansion Final Design, Amendment No. 1*
An interim amendment to the engineering contract with RJH Consultants, Inc., was presented. The amendment serves to modify the Additional Geotechnical Analysis task and add a discretionary task to assist the Commission in addressing unforeseen changes in scope during the completion of final design; increase the total Contract dollar amount by one hundred seventy-seven thousand nine hundred seventy-seven dollars and forty-five cents (\$177,977.45) to two million nine hundred fifty-four thousand seven hundred seventy-seven dollars and forty-five cents (\$2,954,777.45); and to replace Attachment A with a new Attachment A2.
- *New Fork Lake Dam Enlargement, Level II Study, Amendment No. 2*
An interim amendment to the engineering contract with RJH Consultants, Inc., was presented. The amendment serves to add Phase III permitting and design tasks; increase the total Contract dollar amount by one million five hundred thousand dollars (\$1,500,000.00) to two million two hundred forty-four thousand dollars (\$2,244,000.00); replace Exhibit A with a new Exhibit A2; replace Exhibit B with a new Exhibit B2; clarify Phase III assumptions and deliverables with the addition of Exhibit C; and extend the term of the Contract through June 30, 2023.

Bill Yankee made a motion to approve all four amendments. Mike Purcell seconded the motion; motion carried unanimously.

7. Planning Closeout Memos

- *Beaver Creek Watershed Study*
Jodee Pring, Project Manager, provided a brief summary of project findings and final project costs. Sheridan Little moved acceptance of the Beaver Creek

Watershed Study project report as being complete and further, the WWDC makes the following findings relative to this project:

1. That the Commission recommend proceeding to the next Level of project development upon the submittal of an appropriate funding application by the sponsor. Bill Yankee seconded the motion. The motion carried unanimously.

- *Bitter Creek / East Flaming Gorge Watershed Study*

Peter Gill, Project Manager, provided a brief summary of project findings and final project costs. Mike Purcell moved acceptance of the Bitter Creek / East Flaming Gorge Watershed Study, Level I project report as being complete and further, the WWDC makes the following findings relative to this project:

1. That the Commission recommends proceeding to the next Level of project development upon the submittal of an appropriate funding application by the sponsor. Bill Yankee seconded the motion. The motion carried unanimously.

- *Fontenelle Dam and Outworks Infrastructure Completion*

Tony Rutherford, Project Manager, provided an extensive and thorough summary of project findings and final project costs. Bill Yankee moved acceptance of the Fontenelle Dam and Outworks Infrastructure Completion, Level II Study as being complete and further, the WWDC makes the following findings relative to this project:

1. That the Commission recommend:

The Office continue to coordinate with the State Engineer's Office, Attorney General's Office, Governor's Office, and Wyoming's congressional delegation to pursue the most efficient means of securing additional water assets in the Green River Basin with Reclamation to provide opportunity for Wyoming's use in mitigating involuntary curtailment in Wyoming.

The Office continue to coordinate with Reclamation to perform the necessary Risk Analysis on the potential for erosion on the embankment and the acceptable frequency and duration of exposure before armoring would be necessary.

The Office continue to coordinate with Reclamation to pursue and negotiate Standby Contracts for the remainder of the active capacity (139,000 acre-feet) and the 80,796 acre-feet be developed so as to define authorities, provisions of use, allowed beneficial uses and priorities, payment conditions, etc.

The Office continue to coordinate with Reclamation on a path forward regarding the required NEPA to include operational changes leading into an extreme drought event, use of the inactive pool without armoring, contracting of the water, and the potential riprapping of the dam face in coordination with the drawdown. Mike Purcell seconded the motion; motion carried unanimously.

- Glendo Reservoir Full Utilization

Andrew Linch, Project Manager, provided a thorough summary of project findings and final project costs. Mike Purcell moved acceptance of the Glendo Reservoir Full Utilization Study as complete and further, the WWDC makes the following findings relative to this project:

1. That the Commission recommend:

The Office coordinate with the Governor's Office and Wyoming's congressional delegation to pursue future project implementation actions with Reclamation and the USACE. Bill Yankee seconded the motion, motion carried unanimously.

- Goose Creek Watershed Study

Jodee Pring, Project Manager, provided a brief summary of project findings and final project costs. Bill Yankee moved acceptance of the Goose Creek Watershed Study project report as being complete and further, the WWDC makes the following findings relative to this project.

1. The the Commission recommend proceeding to the next Level of project development upon the submittal of an appropriate funding application by the sponsor. Rodney Wagner seconded the motion; motion carried unanimously.

- Shell Water Master Plan

Kevin Boyce, Project Manager, provided a brief summary of project findings and final project costs. Mike Purcell moved acceptance of the Shell Water Master Plan Level I Study as being complete and further, the WWDC makes the following findings relative to this project:

1. That the Commission recommend proceeding to the next Level of project development upon the submittal of an appropriate funding application by the sponsor. Bill Yankee seconded the motion; motion carried unanimously.

8. Planning Project Contracts

- Evanston Water Master Plan, Level I

An engineering contract with William H. Smith & Associates, Inc., of Green River, Wyoming was presented. The budget is \$125,700.00.

- Salt Creek-Edgerton-Midwest Master Plan, Level I

An engineering contract with Morrison-Maierle Systems Corporation of Sheridan, Wyoming was presented. The budget is \$159,900.00.

- Torrington Water Master Plan, Level I

An engineering contract with AVI, PC of Cheyenne, Wyoming was presented. The budget is \$173,830.00.

- Lake DeSmet/Healy Reservoir Utilization, Level II
An engineering contract with EnTech, Inc. of Sheridan, Wyoming was presented. The budget is \$ 268,000.00.
- Bluff/Upper Bluff Irrigation Districts Master Plan, Level I
An engineering contract with Western Heritage Consulting and Engineering of Mills, Wyoming was presented. The budget is \$122,500.00.
- Boulder Irrigation District Rehabilitation, Level II
An engineering contract with Sunrise Engineering, Inc. of Afton, Wyoming was presented. The budget is \$171,000.00.
- LaPrele Irrigation District Rehabilitation, Level II
An engineering contract with Re/Spec Inc. of Rapid City, South Dakota was presented. The budget is \$290,000.00.

Rodney Wagner made a motion to approve all Level I and Level II planning contracts. Bill Yankee seconded the motion; motion carried unanimously.

9. UW Water Research Program MOU

The Commission considered the UW WRP MOU. The MOU provides partial funding in the amount of \$350,511.00 for two projects voted on by the Commission and Select Water in November, 2018. Mike Purcell made a motion to approve the MOU, Bill Yankee seconded the motion. The motion carried unanimously.

10. Small Water Project Program – Funding Applications

Jodie Pavlica, Project Manager presented and briefly summarized the small water project program applications. Eighty (80) applications were received, 79 projects are eligible for funding.

- WDA I – 55 Projects, Total Grant Amount - \$1,483,617.00
- WDA II – 24 Projects, Total Grant Amount - \$690,910.00

Mike Purcell made a motion to approve funding the Small Water Program projects as presented. Bill Yankee seconded the motion. The motion carried unanimously.

11. 2019 Construction Project & Well Purchase Agreements – Account I

Director LaBonde, presented and summarized seven Level III, Account I project and well purchase agreements:

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- Buffalo Wells & Transmission 2019
 - Clearmont Well Connection 2019
 - Etna Storage Tank 2019
 - GR/RS/SC JPWB Pump Station 2019
 - Lander Storage Tanks and Pump Station 2019
 - Northwest Rural Water System Improvements 2019
 - Rolling Hills Well No. 7 Connection 2019

Sheridan Little made a motion to approve the Level III, Account I project and well purchase agreements. Bill Yankee seconded the motion; motion carried unanimously.

12.2018 Construction Project Agreements – Account II

Director LaBonde presented and summarized fifteen Level III, Account II project agreements:

- Eden Valley Irrigation District System Improvements 2019
- Wind River Inter-Tribal Council Rehab 2019
- Austin-Wall Reservoir Rehabilitation 2019
- Big Horn Canal Wasteway Rehabilitation 2019
- Bluff/Upper Bluff System Improvements 2019
- Dry Creek Irrigation District Rehabilitation 2019
- Heart Mountain Irrigation District Rattlesnake Liner Replacement 2018
- Interstate Diversion Structure Rehabilitation 2019
- Lakeview Carter Creek Siphon/Spillway 2019
- Wheatland Irrigation District Tunnel Dam Rehabilitation 2019
- Cody Canal Rehabilitation 2019
- Deaver Irrigation District Rehabilitation 2019
- Lovell Moncur Lateral Rehabilitation 2019
- Midvale Irrigation District Rehabilitation 2019
- Shoshone Irrigation District Rehabilitation 2019

Bill Yankee made a motion to approve the Level III, Account II project agreements. Rod Wagner seconded the motion; the motion carried unanimously.

13.2019 Construction Project Amendments

Director LaBonde presented and summarized seven Level III, Account II and III project amendments:

- Eden Valley Farson Lateral Rehabilitation - Acct II
- Eden Valley Farson Lateral Rehabilitation (BSP Salinity Control) – Time Extension
- Casper Zone 3 Improvements – Time Extension

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- Piney & Cruse Canal Piping – Time Extension
 - Cokeville Tri-Diversion Structure – Acct II
 - Gillette Regional Extensions 2017 – Acct I
 - Gillette Regional Extensions Phase IV 2018 – Acct I

Larry Suchor made a motion to approve the Level III, Account I & II project amendments. Rodney Wagner seconded the motion; motion carried unanimously.

14. Leavitt Reservoir Expansion – Account III, Level III

Jason Mead presented a Project Agreement for the Leavitt Reservoir Expansion Project. The Agreement is between the Shell Valley Watershed Improvement District and Wyoming Water Development Commission for the design, construction and operation of the Leavitt Reservoir Expansion Project. The total budget is forty-one million dollars (\$41,000,000.00). 95.9% grant of thirty-nine million three hundred nineteen thousand dollars (\$39,319,000.00) and a 4.1% loan of one million six hundred eighty-one thousand dollars (\$1,681,000.00) for 50 years at 4% interest.

An additional special provision was added to this Agreement: If the Sponsor breaches any of the covenants, agreements, or stipulations of this document, the Commission, in its discretion may elect to operate the Project. If the Commission decides to operate the Project, the Sponsor shall transfer and assign all facilities, properties, easements, rights-of-way, water rights, and permits necessary to the operation and maintenance of the Project. Discussion followed. Bill Yankee made a motion to approve the Project Agreement for the Leavitt Reservoir Expansion project. Sheridan Little seconded the motion; motion carried unanimously.

15. Commission Authorization for the WWDO to Transfer Funds

- Transfer \$500,000.00 from WDA III to the Middle Piney Reservoir Account as Authorized in SEA 0028 (SF 0059).
- Transfer \$5,500,000.00 from the Buffalo Bill Dam Account to WDA II.

Mike Purcell made a motion to approve the funds transfers. Bill Yankee seconded the motion; motion carried unanimously.

16. Water Service Contract with the Nebraska Community Foundation

Director LaBonde sought authorization for the Director to Execute a Water Service Contract with the Nebraska Community Foundation (PRRIP) for Water from the Pathfinder Modification Project.

Mike Purcell made a motion for authorization on the Commission's behalf. Bill Yankee seconded the motion; motion carried unanimously.

17. Consideration of a Water Service Contract with Genesis Alkali Wyoming, L.P. for water from Fontenelle Reservoir

Director LaBonde outlined the basis of the Contract. The Contract was not ready as of meeting time. The Commission will be presented with the Contract at a later time.

18. Proposed Game and Fish Commission Contract for Healy Reservoir

Director LaBonde presented and outlined a Public Access Agreement between Wyoming Game and Fish Commission and Wyoming Water Development Commission. The purpose of the Agreement is to provide public access to the reservoir commonly known as Healy Reservoir. The "South Parcel" is not included in this agreement. Paul Dey of the Wyoming Game and Fish Department spoke regarding the quality and variety of fishing available on the reservoir. Director LaBonde recommended approval of the agreement and sought authorization for the Director to execute.

Mike Purcell made a motion to approve the Contract and for authorization on the Commission's behalf. Bill Yankee seconded the motion; motion carried unanimously.

19. 2019 Buffalo Bill Reservoir Winter Release Agreement

Director LaBonde sought authorization for the Director to sign the Buffalo Bill Reservoir Enlargement Winter Release Operation Agreement 2109 on behalf of the Commission. The purpose of the Agreement is to provide winter releases below Buffalo Bill Dam for fisheries in the Shoshone River in conjunction with other water needs such as hydropower generation and flood control. Winter releases for the Agreement occur in the non-irrigation season (normally October 16 through April 14). Further, the Agreement sets forth the criteria for determining the winter releases with respect to Buffalo Bill Reservoir.

Mike Purcell made a motion granting authorization to the Director to sign on behalf of the Commission. Bill Yankee seconded the motion; motion carried unanimously.

20. Basin States Salinity Control – Application

Director LaBonde indicated there were no funding applications received this cycle. As of January 31, 2019, \$495,587.00 are remaining in the WY BSP Budget. Provided for information only.

21. Update of Level III Construction Projects

Bryan Clerkin provided an update on the following Level III Construction projects:

- Cambria Tank
- Central Wyoming Regional Elevated Tank
- Douglas Box Elder Spring
- Goshen Irrigation District Rehabilitation 2017
- High Meadow Ranch Well, Tank & Pipeline 2017
- Lovell Tank/Zone 2 Improvements
- Midvale Irrigation District Rehabilitation 2018
- Opal Well Improvements 2017
- Wheatland Pipelines
- Wheatland Wells 2017

This was provided for the Commission's information only.

22. Future Meetings Schedule

Director LaBonde indicated a request had been made to move the November meeting to the following week of November 13-15, 2019. The Commission approved the schedule change.

May 16-17, 2019 will be a joint meeting with Select Water Committee in Cheyenne.

The Commission discussed and selected Buffalo, Wyoming for the site of the August tour and meeting for 2019.

23. Discussion

- Re: Director's Position – Director LaBonde's retirement is effective at 5:00pm today, March 15, 2019. He provided a few closing remarks for the Staff and Commission. No information from the Governor's Office regarding the next Director has been received. Director LaBonde has provided Jason Mead's name to the Governor's Office for appointment as Interim Director.

The meeting adjourned at 11:45 am.

Respectfully submitted,



Mike Purcell, Acting Secretary