
**Wyoming Water Development Commission
Workshop
Wyoming Water Development Office
6920 Yellowtail Road, Cheyenne, WY
May 14, 2020**

**Due to the COVID-19 pandemic, the workshop was held by teleconference with two commissioners attending in person.

1. The workshop was called to order at 1:30 p.m.

Roll Call

Commission attendance:

Larry Suchor, Chairman, via phone
Kellen Lancaster, Vice Chairman, via phone
Mike Purcell, Secretary
Gerry Geis, via phone
Clinton Glick, via phone
Ron Kailey
Mark Kot, via phone
Sheridan Little, via phone
Rodney Wagner, via phone
Bill Yankee, via phone

Andrew Kuhlmann, Assistant Attorney General, via phone

2. **Audience Introductions**

Director Gebhart introduced David Ray, the new Fiscal Officer for the Water Development Office.

Director Gebhart provided updated fiscal projections for Account I, Account II and Account III and outlined anticipated revenues from various sources such as interest payments, loan repayments and funding received from the Mineral Severance Tax distribution.

3. **Upper Colorado River Basin Fund MOA 2 Discussion
– Steve Wolff, Wyoming State Engineer’s office**

Steve Wolff provided background history regarding the process which lead to the signing of the Upper Colorado River Basin Fund MOA1, in 2011. Currently Wyoming has obligated nearly all of its apportioned dollars (\$24.6 million) from

MOA1. Although 5 years still remain in the current term of MOA1 (2011-2025), all parties involved would like to negotiate a new agreement (MOA2). The four upper basin states which include Colorado, Utah, New Mexico and Wyoming, along with federal partners, have been negotiating this for the past several months. A significant part of the ongoing negotiations of MOA2 is related to improving the process between the states and Reclamation as well as project selection and management. At this point, a new term and rate have verbally been agreed upon, which if approved, would mean a 17 year-long “Blend and Extend” scenario for the payout of the funds from 2021-2037 and approximately \$29 million of MOA2 funds to Wyoming during the term. The goal is to have a fully executed MOA2 agreement by July 2020.

4. Consultant Selection Procedures with the Passage of HB0051

Director Gebhart summarized the effect passage of HB0051 will have on the office. A portion of the bill deals with residency requirements during the consultant selection process. If one qualified resident firm submits, non-resident firms cannot be considered. This becomes effective October 1, 2020.

5. Update on Sheridan Municipal Watershed Wildfire Hazard Mitigation Assessment, Level I, Phase II Project

Director Gebhart reminded the group that this project was deleted from SF61 Omnibus Water Bill – Planning. The intent was to have himself and State Forester, Bill Crapser, meet to consider if these types of projects could be done more efficiently and performed in house by the State Forestry Division. Discussions with the State Forester concluded that yes, the duties could be performed within the Forestry Division, but would most likely entail increased staff, which would require legislative authority. Bill Crapser mentioned that in light of recent budget concerns, receiving legislative authority for increased staff was not likely.

6. Melody Ranch Ground Water Exploration Grant Amendment Discussion.

The Director’s recommendation is “Do Not Fund.” The main reason for the recommendation is because the initial proposal was to drill a deep well in very near proximity to an existing private well and the concern surrounding it was interference and the potential damage to a senior ground water right. Discussions with the Melody Ranch Improvement and Service District and Rendezvous Engineering took place to express concerns. Based on those discussions, a letter was received from the District requesting to table this application until the August meeting. This will give the office time to work with the

engineer and the district to address the concerns and to get a better idea of what the recommendation would look like going forward.

7. Lake Hattie Level I Planning Study Application Discussion

Director Gebhart stated that issues surrounding Lake Hattie center around a legal dispute between several landowners and the Pioneer Canal Lake Hattie Irrigation District in charge of operating the reservoir. Recently the 10th Circuit Court of Appeals was asked to reconsider the ruling that limited the water elevation in the reservoir to a point that was well below the emergency spillway elevation. The 10th Circuit chose not to rehear the case and as such, storage limitations are now in effect. The Lake Hattie Irrigation District has asked for a Utilization Study to identify possible solutions to resolving the current conflict with the landowners and to show that they are willing to explore other options for mutually favorable resolution. The recommendation is to postpone this application until the November meeting mainly because of on-going court proceedings and anticipation that something could potentially be worked out between the landowners and the irrigation district.

8. LaPrele Irrigation District Dam Rehabilitation Level II, Phase II Project Update

An agreeable scope of work has been negotiated and the process of drafting the amendment has begun. The amendment should be completed soon and executed shortly thereafter.

9. Palisades Water Sales Proposal

At the March meeting, Director Gebhart stated the Water Development Office had received an RFP from the Idaho Groundwater Appropriators (IGWA) asking that we propose a new lease agreement. Currently we have a “Readiness to Serve” agreement with the Idaho Groundwater Appropriators. The new proposal presented to them is to essentially do away with a “Readiness to Serve” agreement and have them purchase, depending on availability, up to 10,000 AF every year for a period of 5 years. The other alternative is the same for a period of 10 years, but would add \$1 to the AF rate. They will determine our proposal at their May 20, 2020 meeting.

10. Emergency Fund Discussion

The WWDC has been tasked with providing rules and criteria in establishing the Emergency Fund Account. Director Gebhart cautioned that in establishing the rules and criteria, the WWDC must be careful to not redefine what the statute

says, but to provide clarity pertaining to it. It was discussed that it would be beneficial to use the Emergency Fund Bill as a guideline and to look at emergency fund accounts of other states for input.

Director Gebhart said that he's looking at requesting a special commission meeting in June to approve emergency rules for emergency water projects.

The workshop adjourned at 3:18 p.m.

Respectfully submitted,

Mike Purcell, Secretary