
**Wyoming Water Development Commission/Select Water Committee
Workshop Minutes
Capitol Extension, Rooms W53/54 200 W. 24th St. Cheyenne, WY
August 13, 2020**

**Due to the COVID-19 pandemic, the workshop was held by teleconference with the option to attend in person.

1. The workshop was called to order at 8:30 a.m.

Roll Call – Recognition of Members present to establish a quorum

Commission attendance:	Select Water attendance:
Kellen Lancaster, Chairman	Sen. Larry Hicks, Chairman, via Zoom
Clinton Glick, Vice Chairman	Sen. Wyatt Agar, Excused
Ron Kailey, Jr. Secretary	Sen. Liisa Anselmi-Dalton, via Zoom
Gerry Geis, via phone	Sen. Dan Dockstader, via Zoom
Mark Kot, via Zoom	Sen. Ogden Driskill, via Zoom
Sheridan Little	Sen. Glenn Moniz, via Zoom
Mike Purcell	Rep. Dan Laursen, Vice Chairman, via Zoom
Larry Suchor	Rep. Stan Blake, via Zoom
Rodney Wagner	Rep. John Eklund
Bill Yankee	Rep. Hans Hunt, Excused
	Rep. Jerry Paxton, via Zoom
	Rep. Evan Simpson, via Zoom

Advisors in Attendance:
Andrew Kuhlmann, Assistant Attorney General, via phone
Greg Lanning, State Engineer
Greg Kerr, UW Office of Water Programs

2. **Audience Introductions**

3. **Financial Information**

- Financial Projections for WDA I, WDA II and WDA III (2021-2022 biennium)

Director Gebhart provided an overview of the preliminary fiscal projections for each of the WDA accounts as of 8/1/2020, as well as anticipated revenues and expenditures. He also provided information about the Reservoir Operations and Maintenance (O&M) Accounts and said that W.S. 99-99-1001(c), requires the Commission to review these accounts annually.

4. Consultant Selection Process Schedule

- Commission Assignments

Barry Lawrence, Deputy Director-Planning, discussed the consultant selection process and provided a timeline for when each of the steps in the process takes place, as well as the interview schedule showing the Commission assignments. He reminded the group that rankings for the proposals are due to the Water Development Office by 5:00 p.m., Monday, September 14, 2020.

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

Colt Rodeman, LaPrele Irrigation District provided a brief update as to the current status of the dam and made himself available for questions. Pete Rausch, RE SPEC provided a slide show presentation highlighting the dam studies previously completed, and provided an update to the Level II, Phase II work.

6. Wheatland Irrigation District Tunnel Dam Rehabilitation Project Update

Lee Arrington, Wheatland Irrigation District provided a slide show presentation highlighting the history of the Wheatland Irrigation District. Skyler Wade, Wenck Associates, Inc. provided a slide show presentation highlighting the critical nature of the Tunnel Dam facility, its failing condition, and rehabilitation efforts.

7. Contingency Account Request

- Wheatland Irrigation District

The Wheatland Irrigation District is requesting \$520,452.79 from Account II Contingency funds to make up the difference between the contractor's bid and the available construction budget. Director Gebhart provided details of a meeting between the WWDO and the WID Board. He stated that the board was informed at that time as to what he would support in a recommendation to the commission, and the reasoning behind it. Lee Arrington, Wheatland Irrigation District stated that if the Commission were to fund the total amount requested, the District would not ask for any more money towards the Wheatland Irrigation District Tunnel Dam Rehabilitation Project in the next legislative session.

8. Lake Hattie Update

Director Gebhart stated the Pioneer Lake Hattie Irrigation District and the landowners do not yet have an agreement in place as the final mediation meeting did not happen. The WWDO is closely following Developments in the Lake Hattie situation. The topic will be further discussed at an upcoming Commission

meeting due to the postponement of formal action on the Lake Hattie planning study application earlier in the year.

9. Joint Ag Interim Topic Update: Aging Infrastructure

Director Gebhart stated the Water Development Office was asked by the Joint Ag Committee to assess aging irrigation infrastructure throughout the state. He said that a survey was being conducted, with 116 surveys sent out in July.

Another request from the Joint Ag Committee was for Water Development to take a look at current funding splits for Water Development Account I and Account II, from Mineral Severance Tax distributions. Discussion ensued.

10. Gillette Madison Loan

Director Gebhart provided an update on the status of the project and remaining work to be completed. He explained that the last loan payment was made in 2016 and the outstanding total loan amount is approximately \$44.4 million dollars. He added that Gillette has been paying their 33% since 2016. Director Gebhart informed the Commission that Gillette has offered to repay \$40 million dollars towards their principal loan amount, and the remaining approximate \$4.4 million dollar loan would start to accrue interest when the remaining work is complete, and the entire project is able to deliver water. Pat Davidson, City of Gillette, provided an update to the anticipated schedule to complete the project. He confirmed Director Gebhart's status update, but corrected a comment where Director Gebhart mentioned 4.4% which should have been \$4.4 million dollars. Mr. Davidson estimated the project construction would be completed in 2021 and the project would be able to deliver water in 2022. Director Gebhart indicated this item will not require any Commission action tomorrow and tomorrow's agenda item will not be needed.

11. Small Water Projects Program

- Small Water Projects Application Deadline

Jodie Pavlica, Water Development Program Manager, provided a white paper summarizing the Small Water Projects Program. Director Gebhart stated the Water Development Office recommends amending the Small Water Program Operating criteria to change the application deadline from January 1 to November 15, effective November 15, 2021 and in cases of limited funding, the WWDC will prioritize the applications according to project priority. Further refinements to the Small Water Projects Program will be one of the topics of discussion at future WWDC meetings.

12. Wyoming Water Development Program Operating Criteria

- Require sponsors to complete water system/irrigation system surveys

Director Gebhart stated the Water Development Office recommends amending the Water Development Program Operating Criteria to make it mandatory that Sponsors complete a current year irrigation survey or water system survey prior to receiving any funding. He added that the new survey which addresses aging irrigation infrastructure would be incorporated into the existing survey. Also, regarding Review Requirements for a Level III Status, feasibility studies completed outside the program must be submitted before June 1 to complete a review process and determination that the study meets requirements prior to the Level III application deadline. Director Gebhart added that changes to the Operating Criteria require a public comment period.

13. Emergency Water Program Rules Update

Director Gebhart informed the group that the permanent Emergency Water Program Rules are out for public comment, and the Emergency Rules for Emergency Water Projects are currently in effect. Discussion ensued.

14. Emergency Water Projects Application & Agreement Update

Director Gebhart said the Emergency Water Projects Application and Agreement are currently being developed by the office.

15. Wyoming Water Development Program Priorities

Director Gebhart provided a list detailing how Water Development Account I and Account II priorities could be combined to create an overall project prioritization. Discussion ensued.

16. WWDC Project Application Fees

Director Gebhart stated that during the 2020 Legislative Session, an amendment was introduced to the Omnibus Water Bill – Planning to increase application fees for planning project applications to the Water Development Program. The proposed amendment recommended an application fee equal to 10% of the planning study cost. Currently, an application fee of \$1000 is required. This application fee was authorized in W.S. 41-2-118(a)(xii) and has remained unchanged since the legislation was established, most likely during the development of the Program. Much discussion surrounded this topic including reasons why an application fee was established in the first place, the philosophy of the program surrounding its establishment and the intended purpose to which the application fee would serve. It was discussed that a substantive increase in application fees could jeopardize that philosophy.

17. UW Water Research Program Projects

Greg Kerr, Director of the Office of Water Programs for the University of Wyoming, provided a slide show presentation highlighting the history of the Water Research Program and how UW water research projects have benefitted the State of Wyoming. He also provided a list showing completed projects from 2015 to present.

The workshop adjourned at 3:18 p.m.

Respectfully submitted,

Ronald E. Kailey, Jr., Secretary