



WYOMING WATER DEVELOPMENT COMMISSION
JOINT WORKSHOP/MEETING: WWDC/Select Water Committee
Thyra Thompson Building: Roundhouse Room
444 W. Collins Drive | Casper, WY 82601
Tuesday, November 1, 2022

Workshop Minutes

1. Chairman Mark Kot called the meeting to order at 1:30 p.m.
2. **Recognition of Members Present to Establish Quorum** – Secretary Liisa Anselmi-Dalton

Commission Attendance:

Mark Kot, Chairman
Ron Kailey, Jr., Vice-Chairman
Liisa Anselmi-Dalton, Secretary
Robert “Bob” Choma
Leonard “Lee” Craig
Clinton Glick
John Lawson
Sheridan Little
Larry Suchor

Select Water Attendance:

Rep. Evan Simpson, Chairman (Virtual)
Sen. Larry Hicks, Vice Chair
Sen. Brian Boner
Sen. Cheri Steinmetz
Rep. Chad Banks
Rep. John Eklund
Rep. Dan Laursen
Rep. Chip Neiman
Rep. Jerry Paxton

Advisor Attendance:

Greg Kerr, University of Wyoming
Darren Cook, Attorney General’s Office

Amending of the Agenda

The original agenda was amended, moving the Future Meetings Schedules discussion from the Joint Meeting Agenda to Item #5 of the Workshop Agenda.

3. **New Funding Applications and Amendments – Preliminary Review (A)**

Interim Director Jason Mead discussed the existing funding available through the Water Develop Accounts, the number of applications for new projects, as well as amendments to existing projects that had been received as a result of the unforeseen volatility in the construction industry. He explained the inability to fund all project requests and consequently, the approach taken with project funding recommendations for the 2023 Legislative Session. The Commission and Select Water Committee (Committee) agreed on the approach taken.

2023 Account I Transfer Recommendation

It was noted by Interim Director Mead that based on the project funding recommendations discussed, there is a funding deficit of \$11,076,470 to Water Development Account (WDA) II. The proposed recommendation is to transfer \$11,200,000 from WDA I to WDA II to mitigate the WDA II fund deficit. The Interim Director entertained further discussion.

2023 Sponsor's Contingency Fund - Account I and II

The purpose of contingency funds is to allow the Water Development Commission to authorize supplemental funding to complete existing Level III construction projects. Interim Director Mead provided the Commission and Committee with insight on previously approved projects that had requested additional funding, as well as the approach to amend in additional funding for projects that had received concurrence to bid by the Office by September 1, 2022, and for projects that hadn't, to request additional funding through the Sponsor's Contingency Fund once their projects were ready to bid. This would prevent unnecessarily tying up funds for languishing projects and provide incentive to complete requirements needed to receive a concurrence to bid. Therefore, the Interim Director emphasized the importance of approving the recommendations to add \$4M to Account I and \$1.2M to Account II for future projects in need of contingency funds. Discussion ensued.

Cheyenne Borie Wellfield 2023, LIII Project - Account I

Interim Director Mead explained the Sponsor's proposal to expand the Borie Wellfield by drilling two new wells, and constructing four pump houses and transmission pipeline. Project Manager George Moser shared his knowledge of the situation, and duly noted that the City of Cheyenne Board of Public Utilities (Sponsor) understands that the Water Development Office's recommendation is to not fund the Cheyenne Borie Wellfield 2023 Level III Project at this time. Furthermore, there was discussion of a possible Groundwater Grant approach to address the Sponsor's needs. This request could be brought to the Commission in a future meeting.

Ethete Water Supply

Interim Director Mead explained the project recommendation as a time extension and a modification to an existing project. The Northern Arapahoe Tribe plans to construct an alluvial wellfield, replace transmission pipeline from the Little Wind diversion intake to the Ethete water treatment plant, upgrade finished water plant pumps and make improvements to water storage tanks. The project needs to be modified to remove the well field pipeline portion of the project so they can complete the project within the existing appropriation before the funds expire. The Tribe will be requesting funding from the USDA Rural Development and the WWDC to connect the wellfield to the treatment plant in the future. Further discussion ensued.

Broken Wheel Ranch Water Supply 2023, LIII Amendment - Account I

The Broken Wheel Ranch Water Supply, Level III Project was not ready for bid as of the application date of September 1, 2022, which warrants the Office's recommendation to extend the reversion date from July 1, 2023 to July 1, 2025 without a budget increase.

Interim Director Mead noted that the Sponsor had applied for and were successful in acquiring \$450,000 in ARPA funds for their project. A general discussion ensued on the need for Sponsors to leverage Federal funding and various ways to accomplish that.

Melody Ranch Water System Improvements 2018, LIII Amendment – Account I

As of the September 1, 2022 application deadline, the Project was not ready for bid. Interim Director Mead explained the recommendation for the Project that the Commission amend this contract to extend the reversion date from July 1, 2023 to July 1, 2026, modify the Project to complete the work within the budget, but with no increase to the existing budget at this time. Interim Director Mead noted that the Sponsor had applied for and were successful in acquiring ARPA funds for their project.

Douglas Test Well Study, LII Amendment – Account I

The WWDO is proposing a time extension and a budget increase to this Level II exploratory well drilling program for the City of Douglas, moving the reversion date to June 30, 2026 and adding \$450,000 to the project budget. Interim Director Mead and Project Manager George Moser explained the increased well drilling costs encountered. Brief conversation followed.

Dry Creek ID Phase V 2023

Interim Director Jason Mead explained that due to the size of the request and other projects funded for the Sponsor that have not been completed, the Office has recommended that the Commission do not fund the Dry Creek ID Phase V 2023 project at this time. The denial shouldn't impact the District at this point in time as construction is anticipated in the fall/winter of 2024, therefore the District could apply for funding during the 2024 Legislative Session. Sunrise Engineering was available to elaborate during further discussion.

Midvale ID Wyoming Canal Phase I 2023

The District is looking to replace approximately 2.3 miles of concrete canal lining. The requested funding exceeds what the Commission has available at this time. Consequently, Interim Director Mead explained that the Office is recommending that the project is divided into 4 equal phases. The first phase in the process would be to complete 3,000 linear feet. The District will apply for a \$2 million grant from WaterSmart. The funding for this project would then be a 53% grant from WWDC , and 47% share from the Sponsor (WaterSmart). Discussion ensued.

Goshen Irrigation District Tunnel Rehabilitation 2022, LIII Amendment – Account II

This is not a budget increase, rather a restructure of the 2022 GID/WWDC Project Agreement to pay for the 49% share of pre-construction costs as needed. Interim Director Mead summarized: The \$1,198,500 loan would be amended to be an additional Goshen Irrigation grant not to exceed 67% of 49% of the tunnel rehabilitation pre-construction costs and an additional loan for 33% at 4% interest for a term of 20 years. If funds in excess of needed pre-construction cost exist at the conclusion of the pre-construction work, those funds could potentially be rolled into the construction costs,

or reverted. Discussion ensued with contribution from the Sponsor, explaining in depth the factors that have led to their request.

Kirby Ditch Irrigation District Pipeline 2020, LIII Amendment

Interim Director Mead explained the District's proposal to reduce the scope of the Project to 6,630 linear feet to focus on the most unstable and costly to maintain portion of the canal and to stay within the approved budget. Discussion followed.

GVID Upper Sunshine Outlet Works Rehabilitation, LII Study – Account II

The Interim Director introduced this project to the Commission and the Committee and how there were some outstanding questions at the end of the consultant selection process in October. Project Manager Andrew Linch thoroughly explained the information gathered since that time and the Office's \$621,000 funding recommendation. Discussion followed.

UW Water Research Program

Greg Kerr, Director of UW Office of Water Programs, presented information on the Water Research Program Proposals for 2023. He explained the three areas of the Recommendation and where the Program is in the process: In April of 2022, research topics were solicited and the RFP for identified areas of research was drafted. In May of 2022, the RFP was approved by the Select Water Committee and the Commission, and was then distributed in August of 2022. Research proposals were accepted by the Office of Water Programs from the campus community during the month of September up until the deadline of October 1, 2022. Four FY23 proposals were received, will be peer reviewed (includes external review), discussed, and ranked by the WRP Advisory Committee at their November 15, 2022 meeting; the proposed budget is yet to be determined.

4. Emergency Water Projects Account Discussion

Interim Director Mead brought to the attention of the Commission and the Committee the ambiguous language within W.S. 41-2-124, subsection (h), which outline Emergency Water Projects. The language is as follows: "The total amount awarded under this subsection shall not exceed three million dollars (\$3,000,000.00) per fiscal biennium." The Interim Director asked the Committee to clarify the "total amount awarded" to identify whether the total amount is of all projects in a biennium or if the total amount is for each project. Conversation continued on this matter for the Select Water Committee's consideration during their agenda on November 2, 2022.

5. Future Meetings Schedule

Interim Director Mead reminded the Commission and the Committee that December 5th and 6th are scheduled for the Commission Workshop and Meeting. The Select Water Committee Meeting will take place separately on December 7th. The respective meetings will be held in Cheyenne – both agendas will include the review of the draft Omnibus Water Bills.

WYOMING WATER DEVELOPMENT COMMISSION

The proposed meeting schedule for 2023 was reviewed with the Commission and the Committee with mention of future election days and other potential scheduling conflicts. The Commission and Committee agreed on the proposed meeting dates for 2023 with no changes. The location of the August tour will be decided upon at the December meeting.