



WYOMING WATER DEVELOPMENT COMMISSION

WWDC REGULAR MEETING
WYOMING WATER DEVELOPMENT OFFICE
6920 Yellowtail Road | Cheyenne, WY
January 10th, 2024

Meeting Minutes

1. **Chairman Ron Kailey called the meeting to order at 8:32 a.m.**
2. **The pledge of allegiance was recited.**
3. **Recognition of Members Present to Establish a Quorum - Secretary Lee Craig**

Commission Attendance:

Ron Kailey, Jr., Chairman
Liisa Anselmi-Dalton, Vice-Chairman
Leonard "Lee" Craig
Robert "Bob" Choma - Virtual
Clinton Glick -Excused
Todd Hoese -Excused
Mark Kot
John Lawson -Virtual
Dennis Pince
Larry Suchor

Advisor Attendance:

Greg Kerr, University of Wyoming
Patrick Kent, Attorney General's Office

4. **Approval of Minutes (A)**

November 7, 2023: WWDC Workshop & November 8-9, 2023: WWDC/SWC Joint Meeting Minutes:

Commissioner Mark Kot moved acceptance of the minutes of the November 7, 2023 workshop and the November 8-9, 2023 joint meeting. Secretary Lee Craig seconded the motion; motion carried unanimously.

5. **Review Public Hearings - Proposed LIII Projects (B)**

Barry Lawrence, Deputy Director of Planning, provided a quick overview of the following Level III project hearings which took place from December 6th, 2023-December 8th, 2023.

Dry Creek ID Phase V 2024
Bridger Valley JPB Tank Replacement 2024
Wheatland Tank Replacement 2024
Dayton Water System Rehabilitation 2024
Ranchester Transmission Line 2024
Deaver ID Laterals 2024

Lovell Bench Lateral 2024
Hanover ID Bighorn River Flume Replacement 2024

All comments received as a result of the hearings reflected support of the Water Development projects, with one concern raised about lowering the funding provided by the WWDC from 67% to 50%. A brief discussion ensued.

6. Planning Closeout Memos (C)

Dayton Water Master Plan, Level I Study

Project Manager Julie Gondzar reviewed the Dayton Water Master Plan, Level I Study closeout memo. A brief discussion ensued to include regionalization opportunities and water rates.

A motion was made by Vice-Chairman Liisa Anselmi-Dalton to move acceptance of the Dayton Water Master Plan, Level I Study project report as being complete and further, the WWDC made the following findings relative to this project:

1. That the Commission recommend upon approval of the Omnibus Water Bill:
 - Proceeding to the next Level of project development upon the submittal of an appropriate funding application by the sponsor.

Commissioner Larry Suchor seconded the motion; motion carried unanimously.

7. Sponsor's Contingency Fund Requests (D)

Owl Creek ID Systems Improvements 2022

Director Mead presented the Owl Creek Irrigation District System Improvements 2022 sponsor's contingency fund request. The Sponsor had requested \$1,000,000 from the Sponsor's Contingency Fund for irrigation system improvements within the lower area of the Owl Creek Irrigation District.

Paul Ward with the Owl Creek Irrigation District briefly spoke about the need for the project being completed in a timely manner. An extended discussion ensued regarding the assessment rates, acres served, and steps that have been taken to get the project in budget.

Commissioner Lee Craig moved to accept the sponsor's contingency request in the amount of \$1,000,000 for the Owl Creek ID Systems Improvement 2022 project as well as approve the amendment to the project agreement. Commissioner Dennis Pince seconded the motion; motion carried unanimously.

8. Construction Closeout Memos (E)

Bill Brewer, Deputy Director of Construction, provided an informative closeout for the following Level III construction projects:

Big Horn Canal Adobe Check Structure 2022
Goshen ID 29.4 Pipeline Project Phase II 2022

9. Project Recommendation Updates (F)

• Planning

○ Elk Canal Master Plan

Director Mead presented the updated recommendation for the Elk Canal Master Plan, Level I Study, stating that funds from this appropriation were not to be expended until the project sponsor had formed a public entity. However, Director Mead also informed the Commission that the Elk Canal Water Users Association has since formed a public entity, which eliminated the need for the public entity caveat being placed in the Omnibus Water Bill – Planning for the project.

○ Strawberry Canal Master Plan

Director Mead presented the updated recommendation for the Strawberry Canal Master Plan, Level I Study, stating that funding from this appropriation shall not be expended until the project sponsor has formed a public entity and such will be stated in the Omnibus Water Bill - Planning for this project Director Mead further provided an update on the status of public entity formation by this sponsor.

• Construction

○ Big Horn Regional JPB Lucerne Tank and Pump Station 2024

Director Mead presented the updated recommendation for the Big Horn Regional JPB Lucerne Tank and Pump Station 2024 project. At the November meeting, the Select Water Committee (SWC) chose to fund the construction portion of this project in the amount of \$1,659,700 through general funds, the updated recommendation now reflects this change.

○ Happy Valley Water Transmission and Storage 2023

Director Mead presented the updated recommendation for the Happy Valley Water Transmission and Storage 2023 project. The SWC chose to fund their request of \$2,837,450 out of general funds. The updated recommendation now reflects this change.

○ Ranchester Transmission Line 2024

Director Mead presented the updated recommendation for the Ranchester Transmission Line 2024 project. At the November meeting, the SWC chose to fund the construction portion of this project in the amount of \$2,196,400 through general funds, the updated recommendation now reflects this change.

• Dams & Reservoirs

○ Sponsor's Contingency Fund – Account III

Director Mead presented the updated recommendation for the Account III Sponsor's Contingency Fund. The SWC recommended increasing the amount to \$20,000,000. The updated recommendation now reflects this change.

Additionally, Director Mead gave a brief update on the Small Water Program applications that have come in. Comparing the applications received and the current funding available for the

Small Water Program, there is a possibility of not being able to fund them all. However, the WWDO proposes to remain with the original recommendation and plans to prioritize projects based on the Small Water Program Criteria. An extended discussion ensued regarding the Small Water Program process. Project Manager Jodie Pavlica joined the conversation to provide additional information.

10. UW Water Research Proposals 2024 (G)

Mr. Greg Kerr, Director of the UW Office of Water Programs who administers the Water Research Program on the UW campus, discussed the process for reviewing the research proposals received to include peer reviews and review by an Advisory Committee made up of federal and state agency representatives. Out of the three projects studied, one project was singled out and identified as high priority: a project quantifying nitrogen sources in a headwater catchment from stable isotopes of nitrate (Proposal B).

A motion was made by Commissioner Mark Kot to accept project B for inclusion and funding through the Omnibus Water Bill – Planning at a total appropriation of \$199,108. Vice Chairman Liisa Anselmi-Dalton seconded the motion; motion carried unanimously. It was noted that the projects selected for funding would be reviewed by the SWC the following day.

11. Preparation for 2024 Legislature

• Omnibus Water Bill – Planning (H)

Director Mead provided a detailed overview of the draft Omnibus Water Bill – Planning. He identified the projects therein, the requested appropriation, and the remaining account balances. He also identified a planning project from previous legislation to be amended in this bill.

Vice Chairman Liisa Anselmi-Dalton moved to accept the 2024 Omnibus Water Bill – Planning as presented, removing the footnote which states “funds from this appropriation shall not be expended until the project sponsor has formed a public entity” for the Elk Canal Master Plan since it is now a public entity. As well as, amending in the additional \$199,108 for the one 2024 UW water Research Project Proposals selected earlier for funding. Commissioner Larry Suchor seconded the motion; motion carried unanimously.

• Omnibus Water Bill – Construction (I)

Director Mead walked through the draft Omnibus Water Bill – Construction. He noted each project in the bill, the appropriation requested and the remaining account balances. It was noted that the appropriation of funds for several projects was contingent upon the transfer of funds into Water Development Account (WDA) I and II. Also identified were additional funding, reversion date changes, and the removal of sunset dates for the Small Water Project Program. An extended discussion ensued regarding ongoing projects that have had multiple time extensions and how the Office can work with each Sponsor to help avoid these situations. Director Mead communicated that the Office is aware of this problem and has implemented the phasing of construction projects to ensure that funds being appropriated can be expended promptly.

A motion was made by Vice Chairman Liisa Anselmi-Dalton to accept the Omnibus Water Bill-Construction as presented. Commissioner Mark Kot seconded the motion; motion carried unanimously.

12. Legislative Process Discussion

The legislative session will begin on February 12th, 2024. Director Mead informed the Commission of expectations as they move into the legislative session. He will be available on behalf of the Office and the Commission for external questions should there be any.

13. Other Items Requiring Commission Action (if needed)

There were no other items requiring Commission action.

14. Discussion

Joint Appropriations Committee Meeting Summary:

Director Mead briefly spoke about the Joint Appropriations Committee (JAC) meeting that happened on January 9th, 2024 regarding WDA I and the Office's admin budget for the 2025-2026 biennium. As previously discussed, the Office has been working with the Governor's Office, the Select Water Committee and the State Engineer's Office (SEO) to remove the Board of Control (BOC) budget from WDA I and place it back onto general funds. This was discussed at the JAC meeting and the Office was asked for supplemental information to support the request for removing the BOC from WDA I.

Select Water Committee Meeting January 11th, 2024:

The SWC will meet the following day, on January 11th, 2024. Director Mead informed the Commission of topics that may be discussed and provided relevant information.

The City of Sheridan, Sponsor for the Northeast Transmission Main Extension 2023 project will provide an update on the project.

An update for the Alkali Creek Mediation will be given by John Joyce with the Nowood River Watershed Improvement District and representatives from TriHydro Corporation to discuss the progress that has been made with landowners.

Lastly, Director Mead mentioned a possible discussion on the Inflation Reduction Act (IRA) Funds and the Regional Conservation Partnership Program (RCPP) through the Natural Resources Conservation Service (NRCS) for developing statute language to allow the Water Development Commission program to have the authority to administer funding from these sources.

15. Future Meetings Schedule (J)

Director Mead welcomed discussion regarding the August 2024 tour location. Prior locations were handed out to use in consideration of the upcoming tour location. It was decided that the August 2024 workshop, meeting and tour will take place between August 6-8, 2024 but, the Commission opted to leave the exact tour location up to the Office.

16. Adjourn

Secretary Lee Craig motioned to adjourn the meeting of the Water Development Commission at 12:17 p.m. Commissioner Dennis Pince seconded the motion; motion carried unanimously.

Respectfully submitted,

Lee Craig, Secretary