

**2020 LEGISLATIVE REPORT
WYOMING WATER DEVELOPMENT PROGRAM**

**Wyoming Water Development Commission (029)
<http://wwdc.state.wy.us>
(307) 777-7626
6920 Yellowtail Road
Cheyenne, Wyoming 82002**

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CHAPTER 1 - WYOMING WATER DEVELOPMENT PROGRAM

I. Introduction

A. Vision

We envision a Wyoming where people can develop the skills needed to seize the opportunities to live their individual dreams; a Wyoming where people enjoy an environment free from contaminants and secure from harm; a Wyoming where people can attain a quality standard of living; and a Wyoming where people can enjoy the benefits of our bountiful resources and natural beauty.

B. Philosophy

The Wyoming Water Development Program was founded on the sound philosophy of utilizing a portion of the income the state receives from the development and use of its non-renewable resources, such as coal, oil and gas, to develop and manage a renewable resource, water. One way in which water resource management is achieved is by evaluating development and rehabilitation strategies, and selecting the best alternatives for constructing new or rehabilitating existing infrastructure. In this manner, the Wyoming Water Development Program will ensure the delivery of water to Wyoming citizens in an economical and environmentally responsible manner. Sound water planning and use will preserve Wyoming's water entitlements and will promote the effective and efficient use of the state's water resources.

C. Contribution to Wyoming Quality of Life

This agency contributes to the quality of life by addressing the water resources needs of our citizens through the construction of new water supply projects and the rehabilitation of existing water supply projects. As a result, Wyoming's water resources are managed, developed, and maintained for the enjoyment and beneficial use of current and future generations of Wyoming. The Wyoming Water Development Program benefits the entire population, as well as all visitors to the state, by providing and maintaining adequate water supplies and planning for future needs.

II. Duties and Responsibilities

Each year precipitation events and runoff generate an average of 15 million acre-feet of surface water within the State of Wyoming. An additional 2 million acre-feet of stream flow originates from other states. Wyoming is entitled, under the various interstate river compacts and court decrees, to use or consume approximately 6 million acre-feet per year. Presently, the state uses 3 million acre-feet of surface water per year. Therefore, approximately 3 million acre-feet of surface water remains available for Wyoming's future use. Of this available water, approximately 2.5 million acre-feet is in the Wind/Big Horn River Basin.

Water availability is a key ingredient for development of a stable Wyoming economy. Implementation of water management opportunities provides short-term economic benefits to the state in the form of jobs, increased material and equipment sales, improved recreational and hunting and fishing opportunities, and other indirect benefits to local and state economies.

A. Water Resource Development

In 1977, the revenue sources that fund the New Development Program were established. In 1982, the Governor proposed and the legislature implemented the framework for the present Water Development Program. In 1983, the revenue streams that fund the Rehabilitation Program were established. Since 1983 the program's water resource management activities have evolved to the following:

1. New Development Program

The New Development Program provides planning services and construction funds for the infrastructure necessary to supply unused and/or unappropriated water to meet the present and

future needs of Wyoming and its citizens. Water supply and storage facilities such as small dams, diversion structures, groundwater wells and transmission pipelines are eligible for assistance under the New Development Program. The New Development Program is dedicated to the efficient and timely management of water resources, consistent with state policy, Wyoming water laws, and the desires of the citizens of the state. The criteria for scheduling new development projects is based on the general philosophy that effective beneficial use of Wyoming's water will ensure its preservation for use by Wyoming residents.

A project sponsor may be a municipality, irrigation district, or other approved assessment district who is a major beneficiary of the project. Sponsors request project specific technical and financial assistance from the Wyoming Water Development Commission (WWDC) through the application process. If the Commission approves the application, the project is assigned a study level. If the project is determined to be technically and economically feasible and comports with program funding criteria, the Commission may recommend construction funding be appropriated by the legislature. The project sponsor must be willing and capable of financially supporting a percentage of the project development costs plus all operation and maintenance costs. The actual loan/grant mix is based on WWDC funding criteria.

2. Rehabilitation Program

The Rehabilitation Program provides funding assistance for the improvement of water projects completed and in use for at least fifteen (15) years. Improvements to ensure dam safety, rehabilitate existing facilities, decrease operation and maintenance costs, promote water conservation, or provide a more efficient means of using existing water supplies may be funded by the Rehabilitation Program. The program ensures that existing water supplies and supply systems remain effective and viable.

Rehabilitation projects are initiated by an application from a project sponsor. If the application is deemed feasible and approved, the project is assigned a study level and may proceed through construction. The project sponsor must be willing and capable of financially supporting all operation and maintenance costs as well as a percentage of the project rehabilitation costs. The actual loan/grant mix is based on WWDC funding criteria.

3. Dam and Reservoir Program

In 2005, the legislature authorized funding for a new program within the Wyoming Water Development Office. The purpose of the program is to concentrate on the identification, evaluation, permitting, and construction of new dams with a storage capacity of 2,000 acre-feet or more and proposed expansions of existing dams of 1,000 acre-feet or more.

The Dam and Reservoir Division within the Wyoming Water Development Office administers this program. The division also serves to assist the Director in the management of the state's water investments.

B. Water Resource Management and Planning

1. Water Investment Management

The Wyoming Water Development Office (WWDO), through the Commission, manages the state's water investments. Water Investment Management accounts were established by W.S. 99-99-1001 to ensure the state's operation, maintenance, replacement, mitigation, and contract obligations are met in an effective and timely manner for each designated facility. The WWDO markets the water made available by these investments to industries, municipalities, and irrigators. Any revenues received from these investments are deposited into the respective account. A detailed transaction activity of each account is available upon request to the WWDO. A summary of the state's water investments follows:

Account	Wyoming's Storage (Acre-Feet)	June 30, 2020 Account Balance
Fontenelle Reservoir	120,000	3,745,832
Buffalo Bill Dam	187,940	16,513,610
Palisades Reservoir	33,000	530,891
Miscellaneous Water Investment	5,000	63,584
High Savery Reservoir	22,433	1,246,851
Pathfinder Modification	53,493	10,174,513
Glendo Reservoir	10,600	941,235
Keyhole Reservoir	0	0.00
Lake DeSmet Reservoir/ Healy Reservoir	62,199 / 5,140	1,979,669
Middle Piney Reservoir	4,201	514,605

As these accounts fund the corresponding dams and reservoirs, a sizeable balance is needed to manage contingencies when required. All of the dams and reservoirs for which the state has an obligation are high-hazard facilities, and aging dams and reservoirs may have increased obligations. Thus, it is critical to have the financial resources necessary to adequately maintain these reservoirs to ensure the continued benefits of these dams and reservoirs. Per statute, the Buffalo Bill Dam account may be used to meet the obligations for any of the other accounts.

On August 13, 2020, the WWDC reviewed the financial status and projections for each of the nine reservoir accounts to determine if any excess funds exist within the accounts as required by W.S. 99-99-1001(c). The WWDC concluded that there are no excess funds at this time and no further action is recommended.

The following is a brief description of each account:

Fontenelle Reservoir Account

- Legislative Authorization: Session Law (SL) 1989, Chapter (CH) 268
- Original Appropriation: \$355,000
- Source of Funds: Water Development Account (WDA) II
- Typical Expenses: One loan repayment to the Bureau of Reclamation (BOR) and annual BOR operation and maintenance (O&M) charges.
- Typical Revenue: Wyoming has entered into four water service agreements with industrial users in the basin. The contracts have a readiness to serve charge, a proportionate share of O&M charges, and a water use charge. The industrial users have yet to use any order; thus, they have only been paying the readiness to serve and proportionate share of O&M charges.

Buffalo Bill Dam Account

- Legislative Authorization: SL 1989, CH 268
- Original Appropriation: \$0
- Typical Expenses: Provide supplemental funding to other water investment accounts. To date, the BOR has not assessed any O&M charges because Wyoming has not entered into any water service agreements.
- Typical Revenue: Wyoming funded the upgrade to the hydropower plant and the Western Area Power Administration (WAPA) is making annual payments of \$2,496,924 to WY as part of the funding agreement. The repayment of the WAPA obligation will be complete in 2030.

Palisades Reservoir Account

- Legislative Authorization: SL 1991, CH 18
- Original Appropriation: \$65,000
- Source of Funds: Wyoming Game and Fish Department
- Typical Expenses: Annual BOR O&M charges
- Typical Revenue: Water sales to Idaho groundwater users

Miscellaneous Water Investment Account

- Legislative Authorization: SL 1993, CH 89
- Original Appropriation: \$0
- Typical Expenses: Annual BOR O&M charges in Seminoe Reservoir that are attributable to excess Cheyenne Stage II water made available to the WWDC.
- Typical Revenue: Investment Income and water sales derived from WWDC funded projects in which the sales are not directly designated to a WDA.

High Savary Reservoir Account

- Legislative Authorization: SL 2005, CH 48
- Original Appropriation: \$0 – Once the High Savary Dam construction was completed, the remaining project funds (\$723,640.77) from WDA I were transferred to the account.
- Typical Expenses: O&M charges and necessary replacement costs
- Typical Revenue: Water sales to downstream water users and land sublease payments

Pathfinder Modification Account

- Legislative Authorization: SL 2010, CH 68
- Original Appropriation: \$2,250,000
- Source of Funds: WDA II
- Typical Expenses: Annual BOR O&M charges
- Typical Revenue: Water sales to municipalities and the PRRIP

Glendo Reservoir Account

- Legislative Authorization: SL 2011, CH 35
- Original Appropriation: \$800,000
- Source of Funds: WDA I
- Typical Expenses: Annual BOR O&M charges and water purchases
- Typical Revenue: Investment income

Keyhole Reservoir Account

This account was never setup as Wyoming does not lease or own any space in the reservoir.

Lake DeSmet Reservoir Account

- Legislative Authorization: SL 2018, CH 115
- Original Appropriation: \$2,000,000
- Source of Funds: WDA I
- Typical Expenses: O&M charges for Healy Reservoir and O&M charges for Lake DeSmet to Johnson County
- Typical Revenue: Water sales and investment income.

Middle Piney Reservoir Account

- Legislative Authorization: SL 2019, CH 55
- Original Appropriation: \$500,000
- Source of Funds: WDA III

- Typical Expenses: O&M charges once construction is complete
- Typical Revenue: Investment income and water sales once construction is complete

Per Session Law 2006, Chapter 99, Section 6, the Platte River Basin Endangered Species account was created to fund the state of Wyoming's participation in the Platte River Recovery Implementation Program (PRRIP). An initial appropriation of six million dollars (\$6,000,000) from Water Development Account I funded Wyoming's share of 3.21%. The state of Colorado's share is 12.82% and the Bureau of Reclamation's share is 83.97%. In Session Law 2018, Chapter 94, Section 7, an additional three million one hundred thousand dollars (\$3,100,000) was appropriated to the account to fund the state of Wyoming's participation in a thirteen (13) year extension of the first increment of the PRRIP. A summary of Wyoming's investment for the PRRIP follows:

Account	June 30, 2020 Account Balance
Platte River Basin Endangered Species	7,545,141

In addition, the WWDC collects payments against outstanding project loans and monitors potential water sales from completed projects in which the state retained limited partnerships.

2. Instream Flow

The Water Development Commission has two roles relative to the instream flow law: one is assigned by statute; the other comes with serving as the water planning and development agency for the state.

- a. W.S. 41-3-1004 assigns the Commission the responsibility to prepare feasibility reports for all instream flow permit applications. The reports are hydrological analyses of water availability in the reach of the stream to which the applications apply. The analyses also quantify existing water rights above and within these stream segments. If an application for an instream flow water right is approved by the State Engineer, the Commission becomes the permit holder of the subsequent water right.
- b. As the water planning and development agency, the Commission will also review the instream flow requests to ensure that they do not conflict with future potential water development opportunities.

A total of 149 instream flow filings exist within the State of Wyoming. Each of these filings represents a separate instream flow segment. Out of these, 25 are in the preliminary application stage, 62 are currently permitted by the State Engineer's Office (SEO), 56 have been fully adjudicated, 5 represent an adjudicated SEO Board of Control petition, and 1 has been withdrawn. As of this date, the Water Development Office has completed a total of 54 hydrologic feasibility reports which have been submitted to the SEO. Currently, there is 1 active instream flow study (Upper Wind River Instream Flows 2019), and there has also recently been an instream flow application for 2 new instream flow segments submitted to the SEO. A feasibility study will commence in late 2020 or early 2021 on these segments. Effective July 1, 2018, the cost of instream flow feasibility studies moved from the Water Development Commission to the Game and Fish Commission.

3. Water Related Research

Pursuant to W.S. 41-2-125, the Commission participates in research projects relative to contemporary water resource issues that are not necessarily project specific but that may influence water resource management in Wyoming. Many research projects gather information that is useful in addressing permitting issues, environmental problems, etc.

The Commission has developed working relationships with the University of Wyoming's Office of Water Programs, State Engineer's Office, and the U.S. Geological Survey to fund and conduct research on such water related issues as algae treatment strategies, measurement of consumptive use on irrigated lands, hydro-climatic analyses, and impacts of the bark beetle on the runoff.

4. Basin Wide Planning

The WWDC develops and updates basin-wide plans to identify water supply issues and water development opportunities. Planning studies have been completed for the Bear River Basin, Green River Basin, Northeastern Wyoming (Little Missouri, Belle Fourche, Cheyenne, and Niobrara River Basins), Powder/Tongue River Basins, Wind/Big Horn River Basin, Snake/Salt River Basins, and the Platte River Basin. In addition, the Wyoming Framework Water Plan was completed, which provides a statewide perspective of water resources.

5. Groundwater Grant Program

The 1981 Session of the Wyoming Legislature enacted W.S. 41-2-119 which authorized the Groundwater Grant Program. These funds are utilized for feasibility studies and exploration programs to evaluate the potential use of underground water. Municipalities, water and sewer districts, and service and improvement district areas are eligible to receive up to \$400,000 in state funds as a grant but are required to provide 25% of total project costs in local matching funds. To date, \$9,800,000 has been appropriated from Water Development Account I to the Program. Applications for Ground Water Grant funds are accepted anytime throughout the calendar year for consideration by the Commission.

6. Small Water Project Program

During the 2003 session, the legislature removed the pilot status of the program and authorized funding for the construction and rehabilitation of "small water projects" throughout the state. Water Development Program funding is limited to fifty percent (50%) of the actual project costs or a maximum grant of thirty-five thousand dollars (\$35,000) per project, whichever is less. The WWDC was given the responsibility for developing program criteria and the authority to fund these small water projects. To date, \$7,913,000 have been appropriated for the new development small water project program and \$4,051,795 have been appropriated for the rehabilitation small water project program. New applications are due each January 1st and are reviewed by the Commission during its March meeting.

III. Program Funding

A. Water Development Account I

The New Development Program is funded by Water Development Account I [W.S. 41-2-124(a)(i)] which has received direct appropriations from the general fund, receives revenues from the severance tax distribution account, and receives the accrued interest on the account's unspent balance. Legislative approval must be granted prior to allocating water development account funds to a particular project. Income from severance taxes, interest, and payments for outstanding loans ranges from \$23,000,000 to \$30,000,000 per year. The WWDC is committed to phase or delay projects to ensure its recommendations do not exceed available revenue in the account.

Water Development Account I also funds the following:

1. Agency budget-The agency budget for the Wyoming Water Development Office (WWDO) is \$8,098,333 for the 2021-2022 biennium.

2. Starting in FY 2018, Water Development Account I funds are being used to fund Board of Control operations within the State Engineer's Office agency budget. This new funding obligation equates to \$14,278,062 for the 2021-2022 biennium.
3. Water Resource Data System-The WWDO funds the UW Water Resource Data System within the agency budget at a cost of approximately \$636,190 per biennium.
4. Water Related Research-The Wyoming Water Development Program invests approximately \$345,000 per year on non-project specific water related research.
5. UW Office of Water Programs-The WWDC provides \$175,000 per biennium to assist in the financing of the UW Office of Water Programs.
6. Basin Wide Planning-The Wyoming Water Development Program has expended over \$7,000,000 on basin wide planning. All of the planning studies for the seven major drainage basins have been completed. When warranted, the WWDO continues to update and expand these plans. Current funding is being used to develop statewide water infrastructure information for future Level I and II projects.
7. Groundwater Grant Program-The legislature, at the request of the WWDC, has appropriated \$9,800,000 for the program, which serves to finance groundwater exploration studies for cities, towns, improvement and service districts, and water and sewer districts.
8. Small Water Projects Program-The legislature has invested \$7,913,000 in the new development component of the program.
9. DWSRF-By enacting W.S. 16-1-301, the legislature authorized the use of water development account I funds to meet federal matching grant requirements. The federal capitalization grant and the state's matching share are used to finance a "drinking water state revolving loan fund" (DWSRF) program. The DWSRF program may be used to fund improvements to water treatment systems and address other Safe Drinking Water Act compliance issues. This program is not included in the annual omnibus water bill or agency budget. Water Development program funds (approximately \$1,152,779 per biennium) are appropriated by statute to match 10% of the federal capitalization grant.
10. Other-The Wyoming Legislature has periodically appropriated funds from the water development accounts to fund the operation of state government, special projects, and litigation. Examples include \$656,008 per biennium to the Wyoming Department of Agriculture for TMDL programs, \$102,953 per biennium to the State Engineer's Office for the endangered fish recovery program in the Colorado River Basin, and \$35,002 per biennium to the Attorney General's Office to fund its support of the Board of Control Division within the State Engineer's Office.

B. Water Development Account II

The Rehabilitation Program is funded by Water Development Account II [W.S. 41-2-124(a)(ii)] which receives revenues from the severance tax distribution account and the interest accrued on the account's unspent balance. Legislative approval must be granted prior to allocating water development account funds to a particular project. Income from the severance taxes, interest, and payments for outstanding loans ranges from \$5,000,000 to \$8,000,000 per year. The WWDC is committed to phase or delay projects to ensure its recommendations do not result in overruns of the account.

Water Development Account II also funds the following:

1. Small Water Projects Program-The legislature has invested \$4,051,795 in the rehabilitation component of the program.
2. Other-As of June 2020, over \$15,700,000 has been expended from Water Development Account II for non-project purposes.

C. Water Development Account III

The 2005 Legislature created Water Development Account III, appropriated \$10,000,000 from the Budget Reserve Account, and transferred \$54,070,000 from Water Development Account I to Water Development Account III. In addition, the account receives revenues from the severance tax distribution account and the interest accrued on the account's unspent balance. Legislative approval must be granted prior to allocating water development account funds to a particular project. Income from severance taxes and interest is approximately \$4,000,000 per year. In FY 2016, the Governor recommended and the Legislature approved a \$10,000,000 diversion from this account to supplement the General Fund.

IV. Program Operations

The State Engineer's Office of Water Planning Program originally staffed the Interdepartmental Water Conference, which was the predecessor to the Wyoming Water Development Commission and Office. In 1979, the Wyoming Water Development Commission (WWDC) was formed and an independent staff was developed. The Commission was created to streamline the administration of the program and make it more effective.

The statutory authority for the Wyoming Water Development Program is vested with the ten-member Wyoming Water Development Commission, which meets five to seven times per year. The program is administered through the Wyoming Water Development Office (WWDO), which includes a director and 24 staff members. Over the past five years, the commission and staff have overseen and administered expenditures averaging over \$42 million dollars per year.

The Wyoming Legislature has periodically increased the responsibilities of the WWDC and WWDO. In 1986, the administration of the construction of water development projects was transferred from the Department of Economic Planning and Development (DEPAD) to the WWDC. Also in 1986, the legislature assigned the WWDC responsibilities with respect to the instream flow law. In 1991, the management of the state's water investments was transferred from the Economic Development and Stabilization Board to the WWDC. In 1992, the WWDO was legislatively created with the director appointed by the Governor.

The Wyoming Water Development Office encompasses four Divisions: Planning, Dam and Reservoir, Construction, and Administration. Each division has an administrator who reports to the Director of the Agency. The Director is responsible for the operation of the entire program, serves as the contact with the WWDC, Governor, and Legislature, and performs special assignments for the Governor.

Individual project administration is the priority of the WWDO. It is interesting to note that the number of projects within the program determines the staff workload, as opposed to the level of the appropriations. Administering a small project may be more time consuming than working on a larger project. The WWDC will continue to use up-to-date technology to reduce administrative costs and to produce state-of-the-art plans and projects.

The WWDC contracts with private sector consultants for the preparation of river basin plans and project technical studies, such as Level I Reconnaissance Studies and Level II Feasibility Studies. Further, the

WWDC contracts with the project sponsors who serve as the lead entity during the Level III Construction process. The project sponsors use private sector consultants for preparation of project plans and specifications. They are also required to solicit bids or proposals from private contractors for project construction.

While the statutes pertaining to the Wyoming Water Development Program provide guidance and the framework for the program, they were intentionally meant to be very broad. The Wyoming Water Development Commission is responsible for developing the priorities, guidelines, and criteria for the program. The “Operating Criteria of the Wyoming Water Development Program” was developed by the WWDC in consultation with the Legislative Select Water Committee. The criteria are reviewed on an annual basis to ensure it directs the program in an efficient and effective manner, and continues to address the needs of Wyoming in a manner consistent with available program resources.

V. Program Evolution

The following is a breakdown of total program expenditures from 1980 to June 2020 by Water Development Account (WDA) I, II, and III:

Sector	Percentage (%) of Total Expenditures		
	WDA I	WDA II	WDA III*
Multi-purpose	10.8	4.2	45.8
Agriculture	9.4	50.3	50.2
Municipal	50.5	38.0	4.0
Special Districts	6.3	1.8	-
Legal	3.2	3.8	-
Non-Project	19.8	1.8	-

*Excludes the Gillette Madison Pipeline project expenditure of \$16,415,000 as the funds were repaid to Account III.

Based on the program’s history and projections into the future, the following conclusions can be made relative to the next five years:

A. The agricultural industry is concentrating on preserving irrigated acreage and reinforcing current resources rather than developing new infrastructure. The WWDC will continue to assist districts with replacing and repairing their existing infrastructure in a phased approach, commensurate with each district’s master plan and available WWDC and sponsor funding. The agricultural projects that rely on federal storage projects can expect financial impacts caused by mandates relating to dam safety, water conservation, endangered species, and environmental protection. The WWDC will need to assist districts to address these issues.

B. Municipalities are concerned with both the quantity of water to supply for culinary, irrigation, and fire flow purposes, and also the quality of water to meet stringent EPA requirements. Further, as urban populations increase, the amount of water communities must supply for public health and welfare purposes must also increase. Municipalities need enough good quality water to meet their existing demands and the demands of the increasing number of subdivisions presently outside their corporate limits, as well as enough water to ensure future economic growth. The Wyoming Water Development Program has been responsive to the needs of Wyoming communities for the past 35 years, and while major municipal water supply projects have been funded, demands on the program for municipal purposes will continue for the next five years and beyond. The WWDC will continue to look at opportunities to develop and improve upon regional water supply systems to realize associated efficiencies.

C. Special districts that provide domestic water are faced with the same EPA requirements as municipalities. Subdivisions served by shallow wells sometimes experience water quality problems caused by septic and leach field systems. The long-term solution is to improve the municipal water supply systems to support solving the problems of the surrounding subdivisions. In the short term, it is apparent that the Wyoming Water Development Program will receive requests for funding assistance from special districts. However, the Water Development Program may not have sufficient resources to address all of the problems of the special districts. Therefore, those districts that are connecting to existing water supply systems will likely be looked upon more favorably by the WWDC than those wishing to develop independent supplies.

D. Reservoir water storage has and continues to be an important tool for Wyoming to protect and utilize its precious water resources for the benefit of its citizens. As such, it will continue to be a significant element of the Water Development Program. Numerous projects to construct new storage reservoirs, enlarge existing facilities, and rehabilitate aging dam infrastructure have been completed by the program since its inception. The Buffalo Municipal project (Tie Hack Dam and Reservoir), Sheridan's Twin Lakes Enlargement, the Little Snake River Valley Dam and Reservoir project (High Savery), the Greybull Valley Irrigation District's Roach Gulch project and the Pathfinder Reservoir Modification project are the most recent new storage or enlargement projects.

There are reasons the number of storage projects in the Water Development Program are fewer than other projects. The first and foremost reason is cost. It is very difficult for a project sponsor to afford a storage facility even with the most favorable financing terms available. Second, the federal permitting process is more costly, time consuming, and restrictive than it was in 1982. For example, in 1985, the federal 404 permit for the Sulphur Creek Dam was obtained in nine months, at a cost of approximately \$50,000. In 1996, after three and one-half years, the Town of Buffalo received the federal 404 Permit for Tie Hack Dam and Reservoir, a smaller and less complex project than the Sulphur Creek Dam. The actual costs related to permit acquisition were approximately \$650,000. New federal requirements for wetlands mitigation, criteria involving purpose and need, and alternative analyses are the major reasons for the increased costs. The costs to secure the federal permits for the High Savery Dam exceeded \$2,000,000 and took approximately 15 years to complete.

In response to these problems, the Dam and Reservoir Division was implemented to encourage local community sponsors to partner with the WWDC to construct new and enlarge existing storage facilities. The WWDC and Legislative Select Water Oversight Committee have developed more flexible funding criteria for dam and reservoir projects to make projects more affordable to sponsors. In order for a dam and reservoir project to be successful, communities need to be engaged, and a defensible purpose and need has to exist for the storage. Furthermore, the ancillary benefits of reservoirs need to be explored and implemented to maximize public benefit and allow for an affordable project.

The Dam and Reservoir Division, together with local community sponsors, multidisciplinary consulting teams and various other agencies, are engaged in a number of reservoir storage studies throughout the State. Considering the complexity of reservoir planning and construction, the Division takes a systematic approach in its evaluations. Through a planning process where each succeeding level of study adds and refines information, the Division strives to work with communities to identify unique needs and opportunities; understand watershed hydrology to determine water demand and availability; investigate the sciences at hand to address site feasibility, project benefit/impact and regulatory requirements; and ultimately design and construct reservoir storage. Governor Meads' Water Strategy, specifically Initiative #6, "Ten in Ten" project has placed additional emphasis on building new storage projects to support Wyoming's future needs.

E. In summary, the Wyoming Water Development Program adapted to meet the changing needs of the State of Wyoming and its citizens. However, the program continues to serve its founding principle: The effective and efficient use of water will preserve Wyoming's water for Wyoming's future.

At the same time, projects funded with appropriations from the water development accounts provide direct and indirect economic benefits throughout the state. As of July 1, 2020, there are projects with appropriations in excess of \$499M in the Wyoming Water Development Program.