

# State of Wyoming

## WYOMING STATE ENGINEER'S OFFICE



# STRATEGIC PLAN

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# STRATEGIC PLAN

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# STRATEGIC PLAN

## I. INTRODUCTION

Wyoming State Agencies are required to complete and update strategic plans as required in W.S. 28-1-115. This Strategic Plan's main emphasis is the activities of the Wyoming State Engineer's Office (SEO), and the Wyoming State Board of Control (BOC) for Fiscal Years 2017-2018 (FY17-18). The plan also provides a look to the out years beyond the F Y 17-18 biennium.

### Purpose and Authority

Article 1, Section 31 of the Wyoming Constitution states,

“Control of Water - Water being essential to industrial prosperity, of limited amount, and easy of diversion from its natural channels, its control must be in the state, which, in providing for its use, shall equally guard all the various interests involved.”

Article 8 of the Wyoming Constitution creates the SEO and BOC to provide general supervision of the waters of the State of Wyoming.

The role of the SEO and the BOC is to administer a water law system that allocates the waters of the state based upon the doctrine of prior appropriation. Water users are then able to rely on a defined water law system which provides protection and security in a state that has to endure the scarcity of water on an annual basis.

The State Engineer issues permits for the beneficial use of Wyoming's water resources. The BOC comprised of the State Engineer and the four Water Division Superintendents is an independent, quasi-judicial entity, having sole jurisdiction over the final adjudication of water rights and amendments made to those adjudicated rights.

The responsibility of the SEO falls into four basic areas:

Interstate streams coordination, surface water and groundwater administration, adjudication and certification of water rights, and dam safety. A single, broad goal encompasses the activities of the SEO and BOC:

“Provide for the proper regulation, administration, management and protection of the waters of the State of Wyoming.”

The SEO is primarily a regulatory agency. This includes the issuance of permits prior to construction or development of any groundwater or surface water resources. All impoundments, stream diversions, spring developments, groundwater wells and weather

modification efforts are permitted and regulated by the SEO. In addition to assuring that water is put to beneficial use within the State, the office is also responsible for the administration of Wyoming's obligations under the various interstate Compacts and Court Decrees which have allocated water among Wyoming and the adjacent river basin states. Wyoming is a headwaters state, and the SEO recognizes that certain leadership obligations rest with the state and it is imperative to disseminate the knowledge gained from the experiences of being located near the headwaters of every major river basin in the West.

Statutes covering dam safety inspections and regulation were enacted by the Wyoming Legislature and are administered by the State Engineer. Similarly, the Legislature has directed the SEO to review the adequacy of subdivision water supplies for new developments. Both of these functions represent a public safety effort to protect the citizens of this state.

The SEO works closely with other state and federal agencies to better manage the state's water resources for the benefit of its public. Important cooperative efforts include the following:

- River basin planning and Weather Modification Research – Water Development Commission.
- Instream flow water rights – Game and Fish Department, and Water Development Commission.
- Coal Bed Methane (CBM) Development – Department of Environmental Quality, and Oil and Gas Conservation Commission.
- Sage Grouse Conservation – Game and Fish Department
- Memorandum of Understanding covering issuance of permits for water rights and uses on or derived from National Forest System Land.
- Memorandum of Understanding covering issuance of permits for water rights and uses on or derived from Bureau of Land Management Land.
- Memorandum of Understanding covering issuance of permits for water rights and uses on or derived from Office of State Lands.

Wyoming's initial framework for water regulation and administration was created by Territorial and State Engineer, Elwood Mead. This system is based upon the doctrine of prior appropriation. The State Constitution affirms the importance of water administration by incorporating articles pertaining to water rights and their administration. As defined by the Wyoming Supreme Court, water rights are considered property rights when beneficial use is applied. Many water rights extend back prior to statehood (July 1890) to which they are referred to as territorial permits (pre July 10, 1890). The first water right in Wyoming has a priority date of 1862. The SEO is responsible for the maintenance of the permanent records associated with these property rights.

## Mission Statement

The mission of the Wyoming SEO and BOC is:

“To provide for the general supervision and protection of both inter and intra-state waters of this state, including the appropriation, distribution and application to beneficial use of water as provided under the prior appropriation doctrine while maintaining the flexibility within that framework to meet the changing needs of the citizens of Wyoming.”

In carrying out this mission statement, the SEO maintains a water law system which provides security, reliability, and protection to all users of the system under a defined process.

## Vision Statement

“The SEO will continue in its role and reputation as the authoritative voice in water allocation and water rights administration of the waters of the state. State primacy over water regulation and apportionment will continue into the future. Water users will continue to enjoy the certainty, predictability and consistency in water management inherent to the prior appropriation doctrine and the specifics of Title 41 statutes.”

Our long-standing tradition of regulating a stream comes only after receiving a valid request from a water right holder or when required under compacts or decrees. Wyoming water users trust our water allocation system and believe water regulation is a proper function of government.

Although different demands for our water resources may arise in the future, generally our existing laws have the flexibility to accommodate those new uses. In places where changes to law or rule may be needed, those revisions will be carefully analyzed to insure those changes protect the rights of existing water right holders and are consistent with our constitutionally mandated system of prior appropriation.

## Philosophy

In administering the waters of the State, SEO personnel will seek to provide the most efficient and courteous service possible to the people we serve and regulate. We will maintain a high level of accuracy and a common sense approach to our regulatory activities. We are proud of the heritage, integrity and efficiency associated with Wyoming’s method of water regulation and administration. We will fulfill our constitutional obligations of protecting and preserving Wyoming’s use of its water resources and insuring water distribution and administration are conducted in an accurate, legal, and timely manner. We will strive to obtain the resources necessary to meet these goals.

We commit to our employees to provide the training necessary to understand the complexities of water law, water right permitting and water regulation. The management of the agency will strive to provide consistent decisions and to apply those decisions equitably across all the divisions of the agency. The public has confidence in the water resources data that our employees collect and manage and we strive to maintain that confidence by accurately collecting, analyzing, updating and reporting information on Wyoming's water resources and uses. On an interstate basis, Wyoming is proud of the leadership reputation we have gained over the years of participation in the many river basin organizations in the West. As we participate in each of the major drainages of the West, our broad exposure to issues allows us to meld ideas and successes from one basin to another.

### Core Values

- \* *We respect and defend the foundation of Wyoming water law.*
- \* *We have pride in and dedication to serving the public and supporting each other.*
- \* *We are reliable and conscientious stewards of Wyoming's water resources.*
- \* *We will exhibit a professional and honest work ethic while striving for excellence.*

### Core Business Functions

This agency maintains three core business functions described as follows:

1. Permitting and adjudication of water rights. Prior to using any water in the state, the appropriator is required to file an application to acquire a permit. The permit is the first step in acquiring a water right and it defines the conditions of use as well as the priority date. Once a permit has been issued, the permit holder may begin construction of the facility (well, ditch, reservoir, etc.) and begin beneficial use of Wyoming water. Once beneficial use occurs, the appropriator has a water right. Upon satisfying the conditions of the permit, the appropriator must file a notice of completion of construction, and seek adjudication of the water right by the BOC. Adjudication perfects the water right. The adjudication process involves the SEO and BOC staff both in Cheyenne and in the water division where the appropriator holds the water right.
2. Administration and regulation of water rights – Wyoming has a semi-arid climate and most areas of the state may experience water shortages during mid to late summer each year. During these times, water is allocated to senior water users based upon the doctrine of prior appropriation and numerous Wyoming Statutes, and adopted rules and regulations that support this doctrine. The administration and regulation of water rights is supervised by the agency's four water division superintendents. Each superintendent is located in one of the four division offices: (Torrington, Sheridan, Riverton, and Cokeville). Each superintendent has a staff of H/WC that is located throughout the state. These employees are responsible for

allocating water by regulating headgates, pumps, stream diversions, and other points of diversion in the field.

3. Administration of interstate compacts and decrees – Wyoming is party to seven interstate water compacts: (Bear River, Belle Fourche River, Colorado River, Upper Colorado River, Snake River, Upper Niobrara River, and Yellowstone River) and three interstate court decrees (Laramie River, North Platte River, and Roxana Canal). These documents define the amounts of water that Wyoming must provide to downstream states. A staff of five employees in Cheyenne maintains contact with adjoining states and federal agencies to assure compliance with various compacts and decrees. Additionally, they monitor federal actions and participate in programs that have the potential to impair Wyoming's ability to use its water. An example of this is the Platte River Recovery and Implementation Program which has the purpose of recovering endangered species on the Platte River.

These core business functions serve the water users of Wyoming. Examples of water users in the state include farmers and ranchers that irrigate lands and water livestock, the 99 municipalities within the state, domestic users that rely upon well water, and businesses that divert water for industrial use.

## Quality of Life Results

The Governor's Office developed ten (10) Quality of Life Results that are important to Wyoming and should be used to guide agency missions and strategic planning and were developed pursuant to W.S. 28-1-116(a). Two of those Results are applicable for the SEO.

Result #6: Wyoming state government is a responsible steward of State assets and effectively responds to the needs of residents and guests.

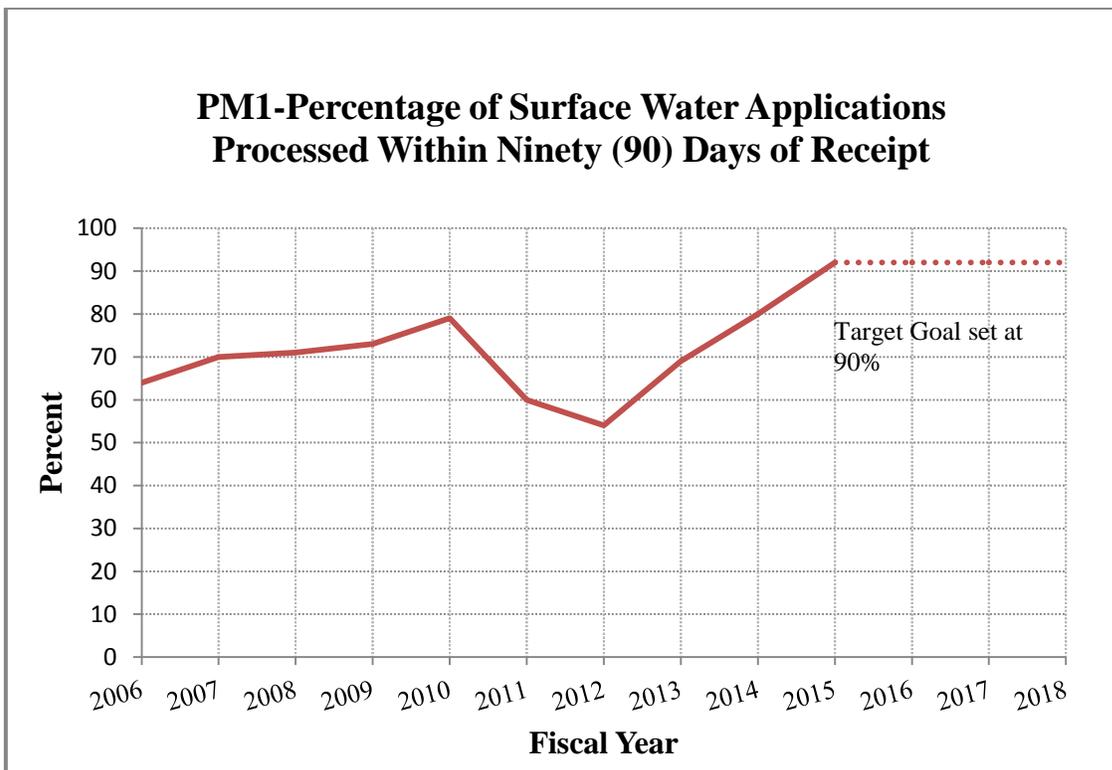
Result #8: Wyoming's natural resources are managed to maximize the economic, environmental, and social prosperity of current and future generations.

## II. PERFORMANCE MEASURES

This SEO has identified six performance measures that address continued improvement services provided. These six performance measures are a continuation of performance measures established in the agency's 2014-2018 Strategic Plan.

### **Performance Measure 1 - Percentage of Surface Water Applications Processed within ninety (90) Days of Receipt.**

Processing is complete when an application is advanced to permit status or has been rejected. For those applications that have been reviewed and found to be deficient (needing additional information from the applicant), the tracking of time is suspended until the applicant responds to the agency's request for additional information.



#### Basis of Performance Measurement

Prior to utilizing surface waters of the State, an appropriator must obtain a permit through the Surface Water Division (SWD). The Division processes permit applications for stream diversions, canals, instream flows, reservoirs, and weather modification efforts. A permit allows the permittee to construct facilities and begin using water for its permitted purpose. In 2013, the

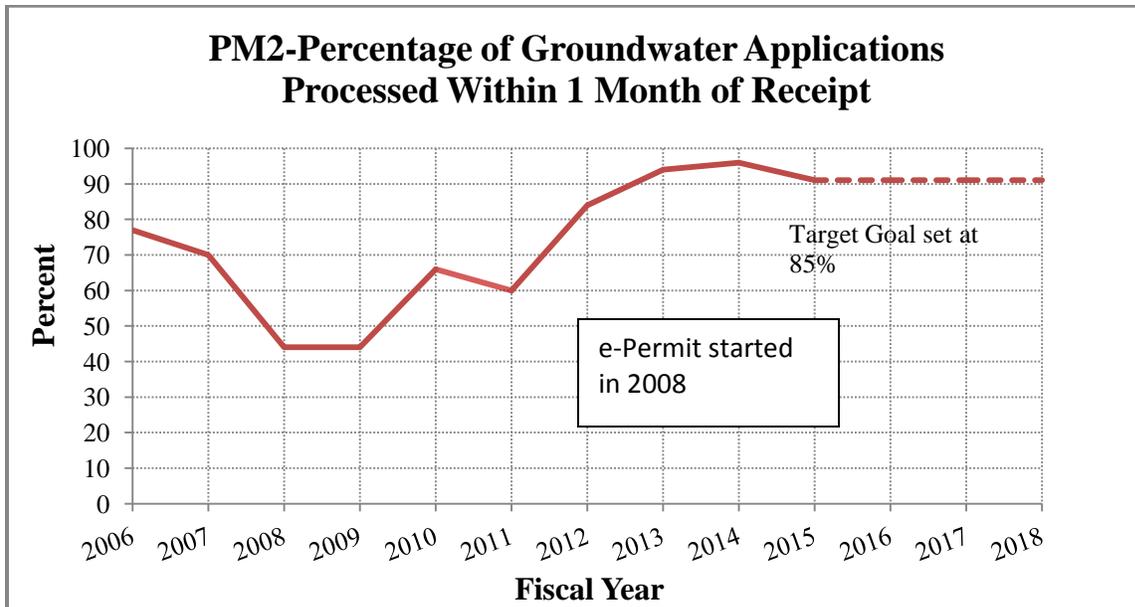
Division changed processing time goal from 9 months to 90 calendar days. Processing time was reduced as a result of improved work flow through elimination of redundancies, better tracking of applications, and utilization of the Agency's geographical information system for electronic platting of water rights. Since 2013, the percentage of surface water applications that has been processed within the goal expectation has risen in 2015 to slightly more than 90 percent. The Division has set a target goal of 90 percent.

Even though the Division has reached its goal, we continue to seek ways to improve our application processes. In the future, we propose performance improvements such as:

- Continue to seek improvements in application processing efficiencies through utilization of the e-Permit system and electronic platting in order to decrease processing times.
- Continue to decrease the application backlog.

**Performance Measure 2 - Percentage of Groundwater Applications Processed Within one (1) Month of Receipt.**

Processing of an acceptable permit application is complete when a permit has been issued or the application has been rejected. For those applications that have been reviewed and found to be deficient (i.e., needing additional information from the applicant) the tracking of time is suspended until the applicant responds to the Ground Water Division's (GWD) request for additional information. This performance measure includes wells to be located in the State's three groundwater control areas or special groundwater management areas which require public notice, and review by the Control Area's Advisory Board who then provides a recommendation to the State Engineer as to whether or not the State Engineer should approve or reject the application. In most cases, the control area process takes more than one month to complete. Certain uses (e.g., irrigation or industrial use) or applications in certain areas of the state (e.g., the North Platte drainage) may also require additional review and processing time.



#### Basis of Performance Measure

Prior to utilizing the State’s groundwater, an appropriator must obtain an approved permit from the GWD. The permit allows the permittee to construct the proposed water diversion and begin using water for its intended purpose (i.e., beneficial use). Each complete well and/or spring application is accepted, reviewed, processed, and approved (or rejected) on a case-by-case basis.

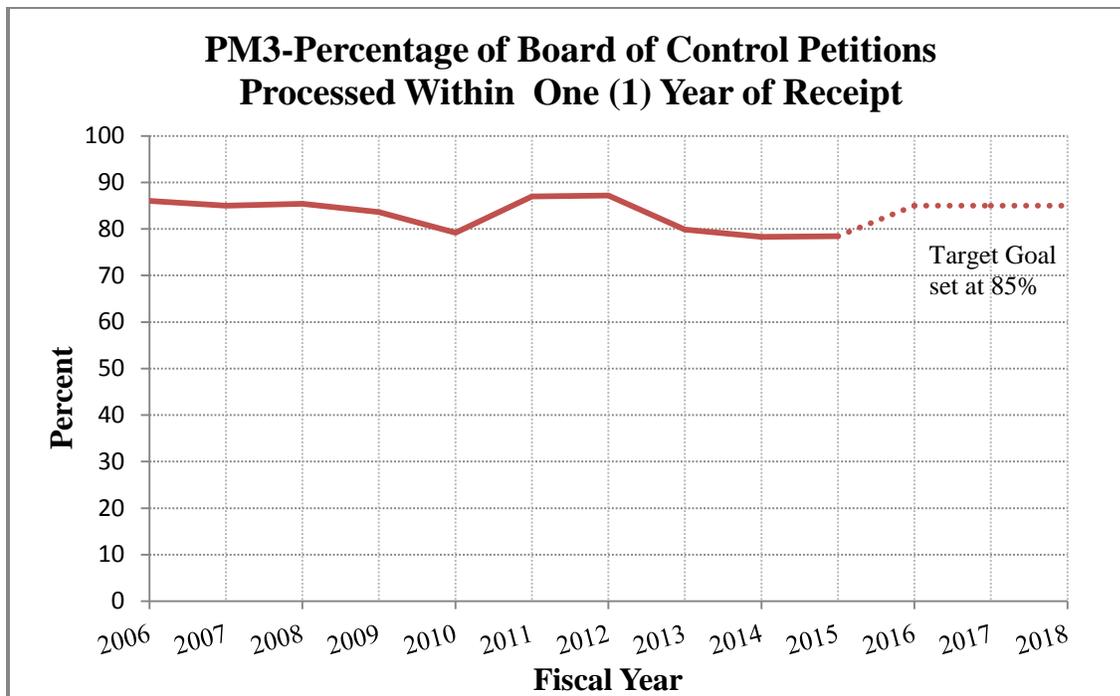
The instruments being monitored are applications which include new or enlarged wells, springs, pits, and pipelines. Instruments that are not monitored under this performance measure include petitions, temporary water agreements, and exchange petitions. The start time for tracking an application through the GWD is the date which it is accepted. The ending time for tracking an application is the date the GWD takes final action to either advance it to permit status or reject the application.

The GWD intends to maintain a goal of processing 85% of all groundwater applications within one month of receipt. A goal of 85% allows the GWD some flexibility since it has no control over groundwater-related issues that develop and require reallocation of staff resources.

#### Proposed Performance Improvements –

- Reduce or eliminate all tasks that are not statutorily required of the GWD.
- Educate the public and licensed water well contractors on the complexities of processing a permit and the required information needed to properly process the permit.
- Encourage all water users to become familiar with and utilize e-Permit.

**Performance Measure 3 - Percentage of Board of Control Petitions Processed within One (1) year of Receipt.**



**Basis of Performance Measure**

Once an appropriator has been granted a permit, water may be applied to beneficial use in accordance with the permit. In order to perfect the water right, the appropriator is expected to adjudicate the water right through the BOC. Once adjudicated, a Certificate of Appropriation is issued. If at some later date the appropriator wishes to change some part of the adjudicated water right, they are required to petition the BOC for the change. The BOC reviews the petition for compliance with state statutes and determines if other appropriator(s) will be injured by the granting of the petition. Processing of the petition can require extensive staff review and deliberations by the BOC. Expeditious review and action is a service that Wyoming water users should expect with regard to their petitions.

The start time for tracking purposes is the date the petition is accepted by the agency. The end time for tracking purposes is the date that the BOC takes final action to either grant in full, grant in part or deny the petition.

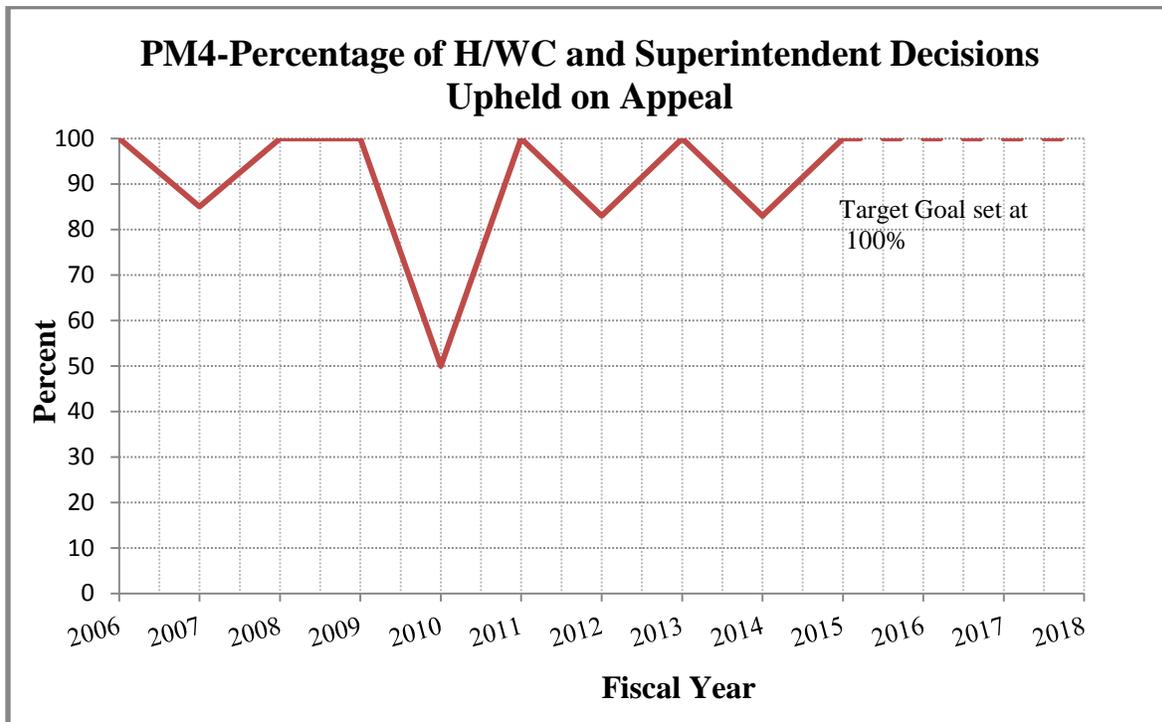
It is the intent of the BOC to maintain an 85% performance for this measure.

The following measures will continue to allow the BOC to meet their target goal:

- Fully utilize and implement the e-Permit system to increase processing efficiencies,
- Fully utilize and implement the Agency’s Geographical Information System for enhanced mapping and survey control, and
- Continue proofing the e-Permit database to eliminate errors created by past data entry errors, and fully populate missing data.

**Performance Measure 4 - Percentage of Hydrographer/Water Commissioner (H/WC) and Superintendent Decisions Upheld on Appeal.**

Each year the agency’s field staff is required to make dozens of water regulation decisions in drainages where the water supply is not sufficient to fully supply all water demands. These decisions are often controversial when a junior appropriator is shutoff due to lack of water. It is imperative that field decisions be in compliance with the state’s complex water right statutes. In order for this to occur, the field staff must be professional and well educated in the field of water rights. W.S. 41-3-603 provides for an appeal process whereby any person who feels they may be injured by a decision of an H/WC can appeal the decision to the division superintendent, and from the superintendent’s decision may appeal to the State Engineer, and from these decision may appeal to district court. If the BOC is utilizing knowledgeable and well trained field personnel, the H/WC will make good decisions.



## Basis of Performance Measure

Appeals monitored under this performance measure are pursuant to W.S. 41-3-506 and 41-3-603. Our target goal is set at 100 percent.

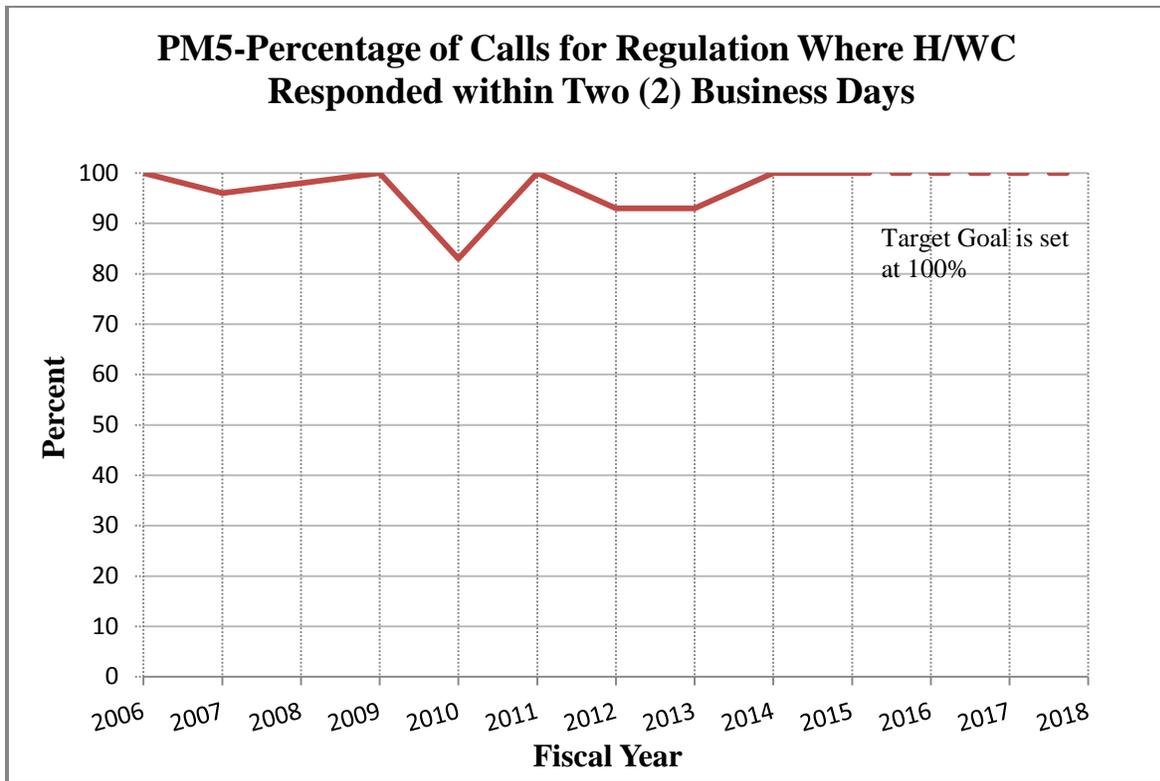
In FY15, out of four divisions only one appeal was made out of 33 regulation calls to the superintendent and it was upheld. In order to maintain a target goal of 100 percent, a number of proposed performance improvements must be provided. These include:

- Hire and retain qualified field staff,
- Supplement field staff where necessary, and
- Provide seasonal and contract employees with a competitive compensation package so as to retain their services from one irrigation season to the next.

### **Performance Measure 5 - Percentage of Calls for Regulation Where Hydrographer/Water Commissioner (H/WC) Responded within Two (2) Business Days.**

As streams recede from their runoff peaks, less water is available for diversions. When there is insufficient water in a stream system to satisfy senior water rights, the appropriator may place a call for regulation with the local H/WC. The H/WC then begins to regulate off junior water right diversions until the calling party's water right has been satisfied. Based upon the doctrine of prior appropriation and various Wyoming Statutes, the most junior water rights are regulated off first and senior water rights are allowed to continue to divert up to their permitted/adjudicated rate.

During the growing season, availability of water is critical to maximize crop yields. If a senior irrigator runs short of water and places a call for regulation, H/WC response time can greatly influence crop productivity. As such, the agency has adopted a standard of responding to all calls for regulation within two business days from the written receipt of the request. By tracking response times, the Division Superintendents can assess where additional resources may be needed in times of future water shortages.



**Basis of Performance Measure**

In late summer 2014, Wyoming received above average precipitation in the form of rain in the months of August through November. However during the winter of 2015, snow pack was below normal in many parts of the state. Heavy spring rains came in early May to make up for the loss of snowpack over the winter. As a result, federal, state and privately owned reservoirs filled quickly. During the reporting period of FY15, 33 calls for regulation were made and all 33 were addressed within two business days or less.

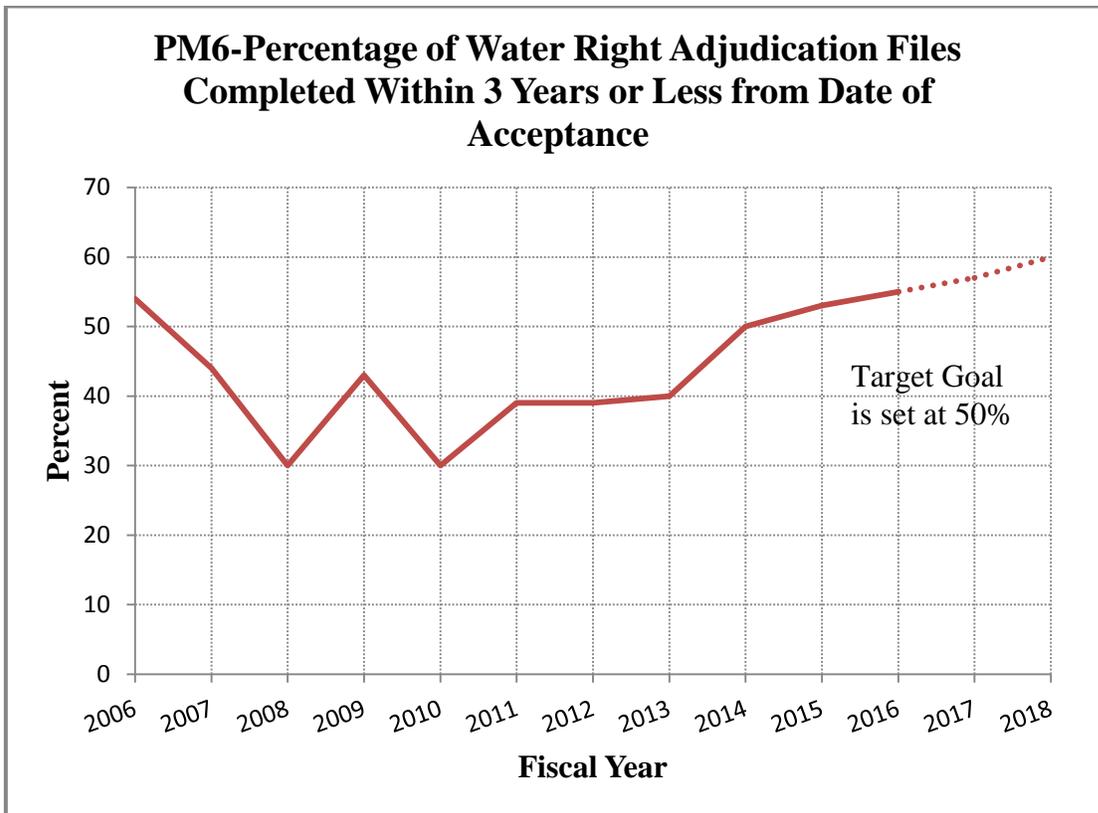
In order to maintain a target goal of 100 percent, we continue to make improvements to our field equipment and personnel management including:

- Shift personnel to water short drainages
- Automate stream gaging equipment to eliminate manual readings and the associated travel time
- Authorize overtime hours for the H/WC staff
- Add personnel where warranted
- Provide seasonal and contract employees with a competitive compensation package to encourage the retention of their services from one irrigation season to the next.

**Performance Measure 6 - Percentage of Water Right Adjudication Files Completed Within Three (3) Years From the Date of Acceptance.**

Once a permit to appropriate waters of the state (surface water and groundwater) has been issued, the permittee is allowed to construct diversion facilities and begin beneficially using water. Diversion facilities include stream diversion dams, ditches, reservoir dams, spring boxes and groundwater wells. The permit represents the first phase of the process to complete in perfecting a water right. The permit becomes a water right after beneficial use is has been established. The final phase of this process involves adjudication of the water right. Adjudication finalizes a water right. For water rights requiring adjudication, the adjudication process is generally described as follows:

1. The permittee files a notice of completion of beneficial use for ditches, or a notice of completion of construction for reservoirs, or a Proof of Appropriation and Beneficial Use of Groundwater Form and an acceptable Proof of Appropriation and Beneficial Use of Groundwater Map (BU Map) for wells and springs with the SEO. This starts the time for this performance measure.
2. The agency generates a Surface Water proof of appropriation (proof) when Notices of Completion and/or Beneficial Use are submitted to the SEO.
3. The agency conducts an on the ground inspection of the facility to determine if the terms of the permit have been met.
  - BOC personnel conduct field inspections for surface water proofs.
  - GWD personnel conduct field inspections for groundwater proofs.
4. Groundwater proofs are generated by GWD personnel per field observations.
5. Once the appropriator has signed and returned the proof form to the SEO and the proof form is processed, the agency advertises the proof of appropriation at least thirty (30) days prior to regular meeting of the BOC allowing protests to be filed against the proposed adjudications. The presentation of GWD proofs are scheduled on the May and November BOC Meeting agendas.
6. The BOC considers the proof along with any protests received and renders a final determination on the adjudication. This ends the time for this performance period.
7. If the proof is adjudicated, a Certificate of Appropriation is issued by the BOC and recorded at the county in which the water right is located. Once recorded at the county, a copy of the Certificate of Appropriation is forwarded to the owner (permittee).



**Basis of Performance Measure**

This performance measure tracks the percentage of water right adjudications files completed within three years from date of acceptance. The performance measure uses data compiled by the SWD, GWD and BOC for this determination. The start time for tracking the water right adjudication process is the date the SEO accepts one of the following documents: 1) Notice of Completion to Beneficial Use for ditches, 2) Notice of Completion of Construction for reservoirs, or 3) an acceptable Map to Accompany Proof of Appropriation and Beneficial Use of Groundwater for wells and springs. The end time is the date the BOC takes final action to adjudicate, adjudicate in part, or reject the adjudication.

The processing of adjudication files has been slowed resulting in an overall increase in the adjudication proof backlog as well as an increase in the average age of the adjudication proofs in the system. That said, the GWD’s backlog has decreased, which is partially attributable to the fact that they conduct their own field inspections for adjudication of water rights and prepare their own proofs for submittal to the BOC. To-date, the GWD has had great success in obtaining compliance from newer water right holders based on constant communication with the appropriators and their surveyors, and has implemented a field program where the staff is addressing an adjudication backlog due to “problem” adjudications – those where the appropriator is not being cooperative, oftentimes resulting in attempted adjudications that are 20 to 30 years old. The BOC backlog is partially attributable to processing of the large number of unadjudicated reservoirs.

The agency believes that when a permittee files a notice beginning the adjudication process, a reasonable expectation should be to complete that process in less than three years.

For FY15, the BOC and GWD processed 366 petitions of which 195 or 53 percent were completed in three years or less from date of receipt. This is slightly better than results from the previous years.

In order to maintain a target goal of 50 percent, a number of proposed performance improvements must be achieved. These include:

- Reassign internal staff, if available, to address backlog issues on map submittals (groundwater permits).
- Following through with appropriators to return signed proofs
- Continue training and development of current and new groundwater staff for inspection duties when taking proofs.
- Provide and/or reallocate staff to assist field personnel with surface water proof inspections.

### III. AGENCY PROGRAMS AND PRIORITIES

W.S. 28-1-115(ii) (B) requires that each department, within the context of its strategic plan, “State the relative priority that each current or proposed program bears with regard to all other programs and objective within the agency.” The SEO has nine (9) programs within the agency as defined by both budget and organizational structure (listed later in this report).

#### State Engineer’s Office Programs

Program	Priority
1. Administration	I & III
2. Interstate Streams	I & II
3. Surface Water	I
4. Ground Water	I
5. BOC	I
6. Support Services	I & III
7. North Platte	I & II
8. Board of Professional Engineer’s and Land Surveyors	I
9. Board of Examining Water Well Drilling Contractors and Water Well Pump Installation Contractors	I

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Notes:

- Priority I Constitutionally and/or statutorily required
- Priority II Required by Court Decree and/or Compact
- Priority III Support and administration for required programs

## Program Descriptions

### 1. Administration

#### *Governing Provisions*

Wyoming Constitution Article 8, W.S. 41-3-901 through 41-3-938.

#### *Description*

The Administration program includes the administrative staff common to all of the agency's operations. Duties of this division include overall agency management, budget, strategic planning and fiscal management, personnel, and executive management.

### 2. Surface Water Program

#### *Governing Provisions*

Wyoming Constitution Article 8, W.S. 9-1-905 through 9-1-909, W.S. 41-3-307 through 41-3-318, W.S. 41-3-1001 through 41-3-1014, W.S. 41-4-501 through 41-4-510.

#### *Description*

The Surface Water Program is divided into two sections; Permitting and Safety of Dams.

Surface Water Permitting administers and manages the water right permitting process of surface water resources. This section also processes and issues permits for weather modification activities in the state.

The Safety of Dams Section has two general functions: 1) Review of detailed plans and specifications showing the work necessary to construct jurisdictional new dams and diversion systems, repair or modification of existing structures, and/or the removal or breaching of unsafe structures; and 2) Administering the Periodic Safety Inspection Program.

Other important functions of the Safety of Dams Section include public education, hazard awareness program, coordination with other state and federal agencies, and maintenance of the dam inventory for the state.

### 3. Ground Water Program

#### *Governing Provisions*

Wyoming Constitution Article 8, W.S. 41-3-901 through 41-3-938.

### *Description*

GWD primary function is to process and approve groundwater permit applications and conduct field inspections for the adjudication of groundwater rights.

Additionally, GWD is responsible for conducting interference investigations and maintains a statewide network of approximately 260 active observation wells and a number of inactive observation wells pending rehabilitation or abandonment. The GWD collects and reports the groundwater level data from the network.

The GWD coordinates the efforts of three Control Area Advisory Boards W.S. 41-3-912 through 41-3-915, and W.S. 41-3-932 and four Ground Water Advisory Committees W.S. 41-3-908. W.S. 18-5-306 (a) dealing with the adequacy of subdivision water supplies was passed by the Legislature in 1997.

## 4. BOC Program

### *Governing Provisions*

Wyoming Constitution Article 8, Section 2, W.S. 41-3-501 through 41-3-506, W.S. 41-3-601 through 615, W.S. 41-4-101 through 41-4-105, W.S. 41-4-201 through 41-4-211, W.S. 41-4-301 through 41-4-331, Title 18 under Wyoming Statute 18-5-306(a) (xi) (D).

### *Description*

The BOC was created by Article 8, Section 2 of the Wyoming State Constitution and as prescribed by law has, with the State Engineer, responsibility over the supervision, distribution and use of the waters of the State. Four Water Division Superintendents and the State Engineer comprise the BOC W.S. 41-4-201. The BOC is a unique quasi-judicial body with sole jurisdiction in the adjudication, administration, and amendment of water rights. The BOC is comprised of a section in Cheyenne and four divisions with main offices located in Torrington (Division 1), Sheridan (Division 2), Riverton (Division 3), and Cokeville (Division 4).

Among other duties, the Cheyenne section of the BOC:

- Provides administrative and technical support to the division offices,
- Processes and records all petitions and Inundation Orders for changes to adjudicated water rights and petitions for change of use,
- Assists appropriators, professional engineers and land surveyors with petitions for changes to water rights,
- Reviews final surface water proofs of appropriation,
- Prepares and publishes the Tabulation of Adjudicated Water Rights, and
- Prepares and issues Certificates of Appropriation and/or Construction.

The field staff of the BOC is the primary regulatory link between the general public and the Agency office in Cheyenne with the four (4) Division Superintendents W.S. 41-3-501 and 502

being the direct line of authority between the field and office staff of the BOC.

Each water division assists the State Engineer and the BOC with water administration under Articles 1 (Sec. 31) and 8 of the State Constitution and report water flow and storage data.

## 5. Interstate Streams

### *Governing Provisions*

Wyoming Constitution Article 8, Sections 1 and 5, W.S. 41-11-201 through 206, 41- 12-101 through 801, 2015 General Session HB0069- Omnibus Water Bill – Planning.

### *Description*

Duties of the Interstate Streams Program include:

- Provide staff assistance to the State Engineer in his duties as Wyoming's representative to River Basin Commissions and Decree Committees,
- Represent Wyoming on various Technical and Policy Committees associated with River Basin Commissions,
- Represent the SEO in Water Planning, and
- Monitor Federal legislation and agency activities that may impact Wyoming's ability to manage its water resources.

Demands placed on the Interstate Streams activities of the office continue to escalate as downstream states grow more quickly than Wyoming. Increased population demands, coupled with water needs for the environment driven by listings under the Endangered Species Act, emphasize the need for Wyoming to be vigilant in protecting the water supplies assured under the seven interstate river compacts and three court decrees to which Wyoming is a party.

Wyoming's membership and active involvement by the Interstate Streams staff in the various interstate, joint State/Federal and multistate organizations, committees and groups provides continual monitoring, assessment and protection of our state's long-term interests in all of the river basins having Wyoming headwaters. These organizations and forums provide the State Engineer and the Interstate Streams staff with direct involvement and influence regarding interstate river activities and policies. Participation and involvement in each is appropriate as they individually and collectively have direct bearing on Wyoming's ability to use and develop our allocated shares of the water supply in each river basin.

## 6. Support Services

### *Governing Provisions*

Authority for maintaining water rights records contained within W.S. 41-3-301 and 302; Wyoming Statute 41-3-905; and 41-4-501, 510, 517, and 525.

### *Description*

The Support Services Division provides technical direction and support to the SEO, including the following divisions: Administration, BOC, Surface Water, Ground Water, and Interstate Streams, and coordinates with other agencies and clients as deemed appropriate by the State Engineer. This division manages the efforts of the agency regarding the implementation, continued operation and upgrades to the electronic water rights permitting system (e-Permit) of the SEO. The agency continues to leverage technology to increase efficiency in permitting and adjudicating water rights. The reliance on technology requires this division to not only understand past, current, and emerging technologies, but be able to provide informed recommendations on the evolution and integration of diverse technologies to better support the agency and its constituents.

## 7. North Platte Decree

### *Governing Provisions*

2002 Session Laws, Chapter 83, Section 029 and the modified North Platte Decree and Final Settlement Stipulation.

### *Description*

Following the approval of the Modified North Platte Decree by the U.S. Supreme Court on November 13, 2001, the 2002 Wyoming Legislature appropriated resources to implement the Decree and is administered by staff of the SEO and the Attorney General's Office.

The Decree calls for a general increase in monitoring, measurement, irrigated acres accounting, and reporting of water use, as well as future studies conducted by the North Platte Decree Committee, consisting of water officials from the United States Department of Interior, Bureau of Reclamation, and the states of Wyoming, Nebraska, and Colorado.

As a federal/state basin-wide plan, the program also provides direction and oversight for compliance with the Endangered Species Act (ESA).

## 8. Board of Registration for Professional Engineer's and Professional Land Surveyors (Fund048).

### *Governing Provisions*

W.S. 33-29-114 through 33-29-149.

### *Description*

The Board of Registration for Professional Engineers and Professional Land Surveyors (Board) consists of eight members that are appointed by the governor for rotating terms of four years. By statute, the State Engineer serves as Secretary-Treasurer of the Board W.S. 33-29-115.

The function of the Board, which meets formally at least four times per year, is to evaluate the qualifications of applicants for registration as a Professional Engineer and/or Professional Land Surveyor, either by examination or comity; certification of in-training status, and evaluation of applicant qualifications for the engineer and land surveyor in- training examinations. The Board also registers corporations that offer engineering and land surveying services in the State of Wyoming.

#### 9. Board of Examining Water Well Drilling Contractors and Water Well Pump Installation Contractors (Fund 118).

##### *Governing Provisions*

Title 33 – Professions and Occupations, Chapter 42 – Water Well Drilling Contractors and Water Well Pump Installation Contractors, W.S. 33-42-101 through 33-42-117.

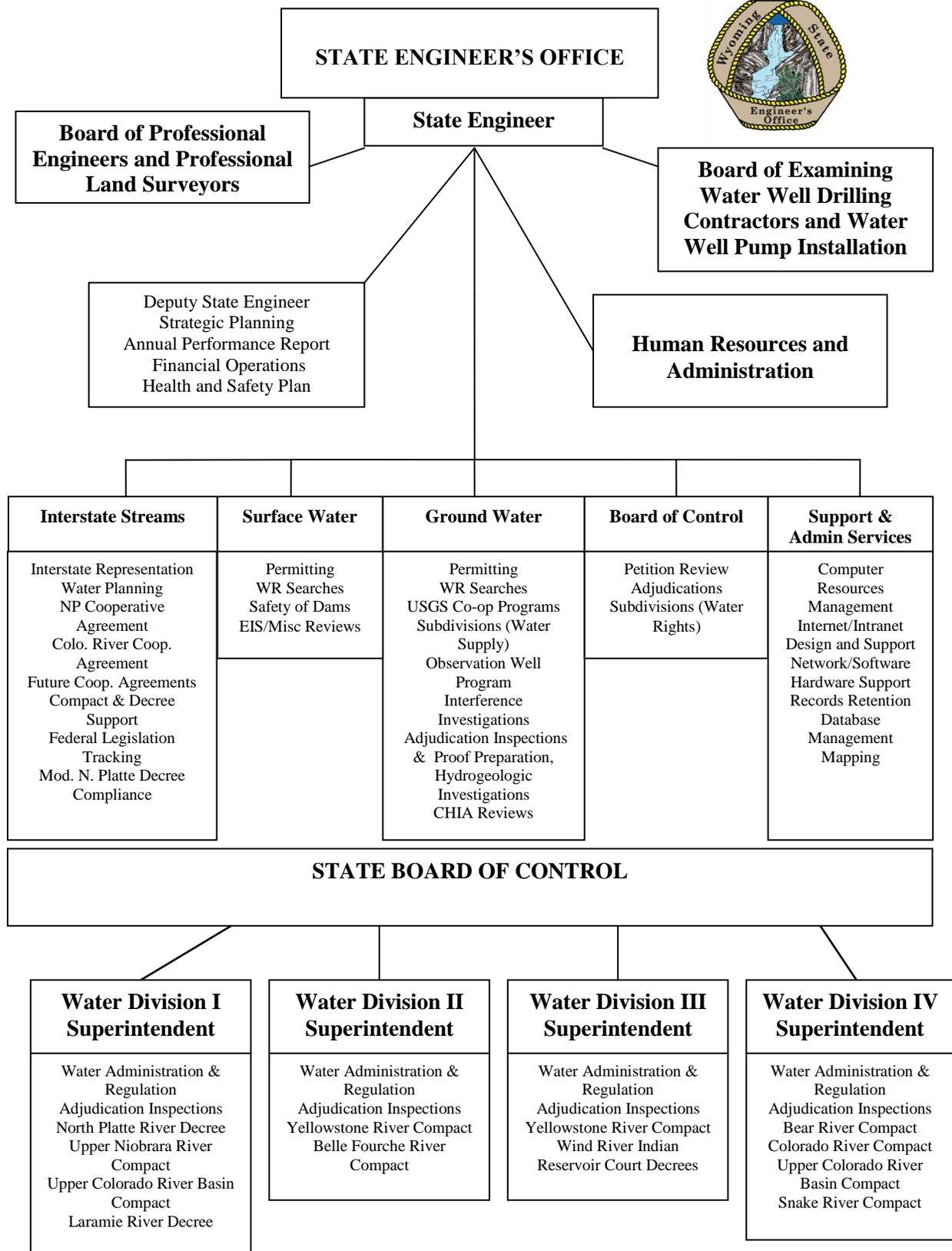
##### *Description*

The State Board of Examining Water Well Drilling Contractors and Water Well Pump Installation Contractors (Board) was created by legislation in the 2003 session. The Board consists of seven members and has been a functioning entity since June 2003.

The Board administers a mandatory licensing program to ensure standard and adequate well construction. The Board is authorized to suspend or revoke the license of water well contractors that fail to meet established standards.

The licensing of water well drilling contractors and the licensing of water well pump installation contractors are separate and distinct activities

IV. 2015 PROGRAMMATIC ORGANIZATIONAL CHART



V. PROPOSED FY17-18 BIENNIAL BUDGET

STANDARD BUDGET:

General Funds	\$28,655,119
Other Funds	<u>\$ 1,215,343</u>
Total	\$29,870,462

EXCEPTION BUDGET:

General Funds	\$1,011,444
Other Funds	<u>\$ 123,378</u>
Total	\$1,134,822

Authorized Positions:

Full Time:	125
Part Time:	<u>11</u>
Total:	136

The Exception List for the Agency includes the following items:

- State Wide Stream Gaging Support, in the amount of \$159,440.
- Technical Support to Aid Wyoming's Compliance with the Yellowstone River Compact In Tongue River Basin, in the amount of \$98,000.
- Increase in Dues for Interstate Streams Compact Commissions and Councils, in the amount of \$47,982.
- ATV Replacement, in the amount of \$26,325.
- Connecting Division Field Offices to the Wyoming Unified Network, in the amount of \$78,400.
- Board of Registration Member Payroll, in the amount of \$32,681.
- Computer & Technology Replacement and Upgrades for Board of Registration, in the amount of \$40,646.
- Endangered Fish Recovery Dues Increase, in the amount of \$4,961.
- Emerson Data Center Computer Server Housing, in the amount of \$728,097.
- Increase to Special Revenue for Maintenance on Laramie River Stream Gage, in the amount of \$5,090.
- Professional Investigative Services for State Board of Examining Water Well Drilling Contractors and Water Well Pump Installation Contractors, in the amount of \$40,000.

Detailed explanations of the significant exception items listed above are provided below.

## State Wide Stream Gaging Support

The State Engineer and his staff are charged with the oversight and administration of our valuable water resources upon which many of our citizens rely. The SEO field staff throughout the state is tasked with the distribution and accounting of these water resources and those entitled to its use depending on supply availability. With advances in technology in recent years the public continually demands better, more accurate and timely reporting and administration so that they may be better able to make educated water use decisions. The SEO staff work closely with the local state and federal government agencies on a nearly daily basis as well as many private businesses and individuals in the management of these water resources.

Since 2008, the SEO, with legislative and Governor support, has worked diligently to create a comprehensive gaging network and is currently collecting and disseminating accurate near real time continuous flow data records for over 400 stream and canal gaging locations across the state (in coordination with and in addition to data collected by both the USGS and USBR). It is important that we have the most accurate and accessible real-time data to make proper and efficient water management decisions. We have proven that the use of real-time data can equate to a measurable water savings, a much higher level of efficiency in delivery and use of available water across the state, as well as a much more efficient use of time for our relatively small staff. Real-time data allow SEO field staff to be able to better coordinate the releases of storage water for proper pick-up and delivery reducing un-intentional by-pass of water downstream. It provides information relating to possible human influences and natural influences such as precipitation events which may only affect specific portions of a river or stream at any given time. Once recognized, adjustments can be made to conserve storage water by adjusting release requests to take full advantage of the natural flow volumes available. Experience with real-time internet-accessible information has proven effective and appreciated by water users by improving trust and reducing suspicion, as well as providing a disincentive to tampering with diversions under administrative regulation.

Strong, wide spread support for this gaging project has been received from the Office of Homeland Security who utilizes the collected information in dealing with flooding issues across the state. The Wyoming Water Development Office continues to support this project as they regularly see the need for more accurate data when reviewing proposals and project concepts. The Governor's recent water strategy requires credible climate, weather and stream flow data. Also, the State Climatologist has indicated a desire for more complete gaging information to better understand the effects of drought as well as better forecasting and data review.

This current request is necessary to complete the monthly field measurements at these sites in addition to that previously restored budget. Through time savings realized by the use of this equipment, SEO field staff will have adequate time to maintain this essential network without the need for additional staffing. This request includes the necessary equipment to efficiently support the entire stream/canal gaging program. With increased workloads and budgetary cutbacks over the years, efficient use of time to complete support measurements in a safe and accurate manner are of the highest necessity. SEO field staff is highly trained employees who are adept and considered experts in their field and it is important that they have the best technology and equipment to be effective. This request is for upgraded and additional support equipment,

current meters, pipe flow meters and Acoustic Doppler Data profilers necessary to safely and accurately measure the stream and canal flows to assure proper quality of records as required under the established USGS protocols. This equipment is critical to continue to operate and support the manual measurements necessary for accurate gaging at all of the gage sites maintained by the SEO field staff.

Technical Support to Aid Wyoming's Compliance  
with the Yellowstone River Compact In Tongue River

This request falls into two main categories: equipment for monitoring reservoir elevation levels in Wyoming; and, secondly, 900 series funds for hiring experts in modeling, water supply forecasting and consumptive use analyses to better understand the potential impacts of Compact call procedures that Montana may propose and to better determine the potential effects on Wyoming water right holders in the Tongue River basin.

Increase in Dues for Interstate Streams Compact Commissions and Councils

Monies for this exception item cover dues increases for the Yellowstone Compact, Belle Fourche Compact, Upper Colorado River Commission, Bear River Commission, and Western States Water Council. The largest of the dues increases are attributable to the Upper Colorado River Commission and Western States Water Council (\$22,112 and \$12,000) respectively. A budget increase for the Upper Colorado River Commission includes filling the Commission's staff engineer position which has been vacant for over a decade. Western States Water Council has lost some staff due to noncompetitive wages. Therefore the Office initiated a compensation review and making adjustments where necessary.

ATV's

The Wind River, Big Horn River and Prairie Dog drainages of North-central and North-eastern Wyoming encompass approximately 22,000 square miles of land. The field staffs of Water Division II and III are charged with the duties of administering the water rights within these areas. The staff frequently accesses the most remote locations within these two water divisions as they carry out their duties. Quite often hydrographers/water commissioners must make long trips to points of diversion or storage reservoirs into very rough backcountry using ATV's. These locations can be many miles from any town and often miles away from developed roads. It is critical that these same individuals are supplied with the safest most reliable equipment available to complete these trips. Through consistent maintenance and proper operation the field staff of Water Division III has extended the life of two of our current ATV to beyond normal operating life. The Division III ATV's will replace a 2003 model and a 2004 model year vehicles. The Division III ATV is a new vehicle as a result of reclassifying an existing employee to a hydrographer/water commissioner position. An ATV was not required for the former position. The Division III ATV provides transportation alternatives to the hydrographer/water commission for the District 11, Prairie Dog Creek drainage basin. This sub-basin plays an important part to the Montana v. Wyoming dispute on the Tongue River. This exception request allows for the purchase of three ATV's with installed necessary options which include a winch, recoil starter, and auxiliary power point.

## Connect Division Field Offices to the Wyoming Unified Network

Connecting field offices to the Wyoming Unified Network is a long term goal for the Agency. The SEO has four primary division field offices located in Torrington, Sheridan, Riverton and Cokeville. These offices require access to e-Permit and Geographic Information Systems (GIS), to research and administer and regulate water rights for constituents in their respective districts. Frequent access to Citrix hosted Aquarius software utilized to record, reduce, and update water measurement data on a daily basis is critical to these positions doing their job. Our systems allow near real-time measurements to be displayed on a single internet site for constituents to access and independently check their water levels or flow rates. Heavily relied upon by other state, local and federal users this system is used for stream flow forecasting, flood warnings and a myriad of other critical operational processes. Currently, our H/WC relies on outdated internet technology with low band widths that deliver poor and unreliable network speed.

The SEO has four primary division field offices located in Torrington, Sheridan, Riverton, and Cokeville. Each of these offices has several smaller offices located throughout the state providing statewide H/WC coverage. These offices require access to e-Permit and Geographic Information Systems (GIS), to research and administer and regulate water rights for constituents in their respective districts. Frequent access to Citrix hosted Aquarius software utilized to record, reduce, and update water measurement data on a daily basis is critical to these positions doing their job. Our systems allow near real-time measurements to be displayed on a single internet site for constituents to access and independently check their water levels or flow rates. Heavily relied upon by other states and local and federal users, this system is used for stream flow forecasting, flood warnings, and a myriad of other critical operational processes. Currently, our H/WC relies on outdated internet technology with low band widths that deliver poor and unreliable network speed.

These data are critical for irrigators, municipalities, and industries. Over time, delivery of this information has evolved to require a great deal of memory and network speed to operate correctly and efficiently. Over the last several years this demand has outstripped our current internet speed and bandwidth resulting in our field computers freezing up while working in these systems.

Working closely with the Enterprise Technology Systems (ETS) Department over the past five years we have attempted to improve internet access speeds to benefit the productivity of our field staff. Attempts to this point have been largely unsuccessful. To correct this problem, ETS recommends connecting to the Wyoming Unified Network (WUN) to provide sufficient bandwidth and speed to address our data access requirements. ETS is requesting that we budget \$10,000 per site to build the connection to the WUN and an additional \$400 per month per site to maintain that connection. We wish to initially connect our four division field offices with others to follow in future budgets.

### Board of Registration Member Payroll

The Board is requesting an additional \$32,681 for Board member payroll. Since 2005 the number of licensed engineer's and land surveyors in Wyoming has increased from 7,096 in 2005 to 10,164 in 2015, a 31 percent increase (3.4%/Yr Avg). This has created a marked increase in the Board members workload and time commitment in all areas including application review, audit committee work and serving on a variety of committees including: policy, application review, budget, audit and, special committees as needed. Members also serve as Investigative Board Members for complaint dockets. These duties are all in addition to preparation for and participation in scheduled Board meetings. Their time commitment is significant and has increased dramatically over the last ten years.

A re-codification of the Surveyors and Engineers Act effective July 1, 2013 added two additional members bringing the total Board members to nine. This assisted in spreading duties among the board and helped to relieve some of the increased time demands on Board members, however, the work load is significant and with seven of the nine Board members being either small business owners or critical in the operational aspects of their respective businesses, balancing the significant demands of the Board and a private business are challenging. The time away from their primary occupations to serve the state deserves to be compensated as allowed by law. While Board candidates are asked to carefully consider this impact prior to making application for appointment to the Board, recruitment efforts include informing candidates that some compensation is available to help offset their time contribution.

House Bill 62 (HB62) was passed in 2014 which in part required that boards have adequate internal control structures to ensure the processing and accounting of all financial transactions. HB62 also updated the Wyoming Surveyors and Engineers Practice Act W.S. §33-29-303 as follows: "Members of the board shall receive compensation for each day or part of a day in which they engage in the performance of their board duties at the same rate provided members of the state legislature under W.S. 28-5-101 and shall be reimbursed for actual and necessary expenses receive per diem and mileage, incurred in the performance of their board duties. Compensation and expenses incurred by the board or any member shall be approved by the board. Compensation and expenses shall be paid only from the fees collected by the board. This section shall not apply to the state engineer." This led the board to develop and approve a payroll policy based on the statute to ensure accurate, consistent and auditable time records. The unexpected impact is that actual compensated time spent on Board duties is greater than previously recorded.

### Computer & Technology Replacement and Upgrades for Board of Registration

First the Board's computers and tablets have or will reach the end of their useful life by the end of next biennium. Enterprise Technology Services (ETS) has recommended that these items be replaced in the 17/18 biennium. This is in conjunction with a five year replacement plan for computers and peripheral devices. Cost estimates were prepared based on recommendations from ETS for a total one-time request of \$18,854.

Additionally, The Wyoming Board of Professional Engineers and Professional Land Surveyors is using legacy licensing software that has not been replaced in 17 years. The Board implemented its first licensing software and database in 1988, the PM Program. Since that time the developer has continued to update the software and ETS added a complementary financial processing system, PLR. The age and development capacity of both systems are at the end of their useful lives. In 2014, the Board researched alternatives to the programs and found one software solution which was both viable and within the current budgetary allocation. The Wyoming Boards of Professional Geologists, Medicine, Pharmacy and Cosmetology have used the software for between 3 to 10 years and all recommended the software. The Board received ETS approval to proceed with that alternative and implementation is expected to be completed this biennium.

Because of budgetary limitations, the Board opted for a simple implementation which takes core functionality of the current systems and provides that capability along with additional base improvements that are standard with the new licensing software. Additional available features were not pursued by the Board because they would have added an additional \$8,095 to the implementation cost and the 15/16 biennium budget was not authorized to cover that additional cost. The licensing software company offers the ability to pursue specified improvements post-implementation for an additional fee of \$5,396 per year, or \$10,792 for two years. Board staff has identified priority improvements including online applications, licensee continued education documentation and receipting process improvements. Implementing these additional improvements would directly affect applicants' and licensees' ability to interact with the new licensing software. These will also improve accuracy of the data within the system and allow the Board's financial record keeping to fluidly pull reports which are used for quality control checks and to balance back to the State's WOLFs accounting reports. We are requesting \$10,792 to implement these improvements.

The Board recognizes that ETS is a leader in identifying and implementing advanced technologies for the State. The ETS Business Analyst assigned to the Board works closely with staff to identify needs and present technology opportunities. During the FY15-16 biennium, opportunities were presented which were appealing but current appropriations would not allow the Board to proceed. For example, ETS offered a quote of \$3,025 to reconfigure the current website to a mobile friendly application. The option was technologically viable but the cost was not achievable within the current budget. This budget exception request would allow the Board to proceed with future opportunities for viable technology development when that development directly affects the Board in pursuing the mission to safeguard life, health and property of the public. The Board requests \$5,500 per fiscal year totaling \$11,000 over the biennium to pursue technology development.

#### Emerson Data Center Server Housing

This exception request is related to ETS driven changes in the State's underlying IT infrastructure and a corresponding transition in the rate structure to host the computer servers at the Emerson Data Center. This request provides funds for ETS to host our e-Permit, Aquarius, Document Management, and Geographical Information system (GIS) Servers in their Emerson (Secondary) Data Center. The ETS hosting rates for our servers has increased from

\$23.00/U/month in the current biennium to \$987.48/U/month in the BFY2017-2018, and we understand SEO will be the only agency hosted in that building. Absent significant time and reprogramming, the current configuration of these major software items and their interconnected design will not allow them to be hosted in the Green House Data Center (GDC) where the costs would be \$71.00/U/month. Our current information is that such reprogramming will cost in excess of even the \$728,097 provided below, and would essentially constitute a rebuild of our systems from the ground up. Other options for short-term hosting were not evaluated due to timing constraints, although those options may not be advisable if the desire is to remain within the State of Wyoming IT umbrella.

The remaining exception items are minor and not included herein. The complete list can be reviewed in the proposed State Engineer's FY17-18 budget.

## VI. A LOOK TO THE OUT YEARS

The six performance measures of this plan capture the core functions of the SEO and will likely be the standard of measured performance for many years. The FY17-18 budget includes the first two years of the strategic planning process with more detail. The remaining two years of the strategic planning process gives agencies the opportunity to share some thoughts for anticipated events in the future. The SEO view of the out years includes:

- Continuation/Resolution of the Montana v. Wyoming litigation over water on the Tongue River.
- Conjunctive management of groundwater and surface water sources.
- Continue to guard against the exploitation of groundwater sources without regard to aquifer sustainability through safe yield.
- Continue to guard Wyoming water interest in relation to interstate water compacts and decrees.
- Continued management of water supplies for oil and gas development, including implementation of the initiatives in the Governor's Energy Strategy.
- Record Management of groundwater data within the three Groundwater Control Areas.
- Strengthen Interstate Stream relationships.
- Enhance and maintain e-Permit to provide our users with a fully functioning user friendly environment.
- Participate in state and federal coordination meetings covering threatened and endangered species such as fish in the Colorado River Basin, birds on the North Platte River Basin, and sage grouse throughout Wyoming.
- Full data conversion of water rights into the agency's geographic information system, including data verification and Tabulation of Adjudicated Water Rights.
- Fully scan all agency paper, mylar, and microfilm records so they are accessible in electronic form and available on e-Permit.
- Alternative means to develop consumptive use determinations in lieu of data from the National Agricultural Statistic Services on the Upper Colorado River Basin and on the North Platte River Basin.
- Development and creation of updated tab books displaying water rights within each water division using enhanced e-Permit functionality

The SEO continues its effort to improve e-Permit by incorporating a fully functioning Geographic Information System (GIS) to graphically display all water rights and allow access to related scanned documents. Work for the statewide GIS and record scanning is scheduled to continue in the FY17-18 biennium and is being considered as a component in the development of the State's energy atlas.

Even though 2014 and 2015 were good water years, many of the surrounding states continue to be in drought conditions. Given that Wyoming endured significant dry periods between 2000 and 2007, we remain ever vigilant in the storage and allocation of water. Basins of concern include the Colorado and Big Horn Rivers.

The Colorado River system is experiencing one of the most significant drought cycles experienced in hundreds of years. As no one protects Wyoming's interest like Wyoming, it is critical that we continue to adequately participate in river basin compact commissions and other river basin or regional organizations. There is a growing trend toward negotiated or facilitated settlements of water resources issues. While these negotiations are preferable over litigation from a monetary standpoint, they are just as time intensive for the State Engineer and the Interstate Streams staff. In situations where a downstream state refuses to negotiate, such as Montana's lawsuit on the Tongue River systems, Wyoming will vigorously defend its right to use water. However, as this lawsuit progresses in its eighth year, we believe that settlement discussions may present opportunities to resolve this dispute. Wyoming believes that drought, not water management, is the root cause of the Montana v. Wyoming conflict.

The effect of the drought in Wyoming usually means more regulation as water becomes less available in the latter part of year. A growing trend over the last few years for the SEO is the interaction or connectivity of surface water and groundwater. In some areas of the state, development and use of groundwater has been shown to have an effect on surface water appropriations and deliveries of water to appropriators. In many areas, the development of groundwater is the only option for new or additional sources of water. The interaction of surface and groundwater can be difficult to determine and often requires in depth study to determine the effects to help with water management decisions.

Water and energy development have a common bond. The SEO issued tens of thousands of permits for coal bed methane (CBM) development throughout the last decade. As gas development declines and recedes, some CBM wells are being considered for other beneficial purposes. We anticipate conversions from CBM uses to water sources for irrigation, domestic and stock use.