

# State of Wyoming

WYOMING STATE ENGINEER'S OFFICE  
AND  
WYOMING STATE BOARD OF CONTROL



## 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, and the Wyoming State Board of Control for Fiscal Years 2015-16. The plan also provides projections into the subsequent 2017-18 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 office of the Wyoming State Engineer and the Wyoming Board of Control to provide general supervision of the waters of the State of Wyoming.

The role of the State Engineer's Office and the Board of Control 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 Board of Control consisting 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 responsibilities of the State Engineer's Office fall into three basic areas: *Water Resources Management, Regulatory, and Public Safety.*

A single, broad goal encompasses the activities of the State Engineer's Office and Board of Control:

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

The State Engineer's Office (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 State Engineer's Office. 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 have been enacted by the Wyoming Legislature and are administered by the State Engineer. Similarly, the Legislature has directed the State Engineer's Office (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 State Engineer's Office works closely with other state 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

Wyoming's framework for water regulation and administration was created by Territorial Engineer, Elwood Mead, prior to Wyoming's statehood. This system is based upon the doctrine of prior appropriation. The State Constitution affirmed the importance of water administration, and few changes have been made to the allocation and regulation framework put in place by Mr. Mead. Water rights are considered property rights and are tied to the land for irrigation or where the

beneficial use is being applied. The first water right in Wyoming has a priority date of 1862. The State Engineer's Office is responsible for the maintenance of the permanent records associated with these property rights.

### **Mission**

The mission of the Wyoming State Engineer's Office and Board of Control 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, the State Engineer's Office maintains a water law system which provides security, reliability, and protection to all users of the system under a defined process.

### **Vision**

The State Engineer's Office 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 generally entering into regulation in a specific river system, only after receiving a valid request from a water right holder or when required under compacts or decrees will continue. Wyoming citizens 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, the State Engineer's Office 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 obtain 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.

Upon satisfying the conditions of the permit, the appropriator files a notice of completion of construction, and a notice of beneficial use and seeks adjudication of the water right by the Board of Control (BOC). The employees involved in permitting and adjudication of water rights are primarily located in the Herschler Building in Cheyenne, Wyoming.

2. Administration and Regulation of Water Rights – Wyoming has an arid climate and most areas of the state experience water shortages at some point during each year. During these times, water is allocated to senior water users based upon the doctrine of prior appropriation and numerous Wyoming Statutes, 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 Hydrographer/ Water Commissioners that are located in 23 offices across the state. These employees are responsible for allocating water by regulating headgates, pumps, stream diversions, etc. in the field.
3. Administration of Interstate Compacts and Decrees – Wyoming is party to seven interstate water compacts and three interstate court decrees. 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 entire population of Wyoming in one way or another. Examples of water users in the state include farmers and ranchers that irrigate lands and water livestock, the 99 municipalities within the state, homeowners 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. Two of those Results are applicable for the State Engineer's Office.

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 State Engineer's Office 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 2013-2014 Strategic Plan.

### **Performance Measure 1 - Percentage of Surface Water applications for permit that are processed within 90-days or less 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.

Story Behind The Performance Measure –

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

Since the inception of the Agency's Strategic Plan, this performance measure was stated as follows:

*"Percent of Surface Water applications that are processed within 9 months or less of receipt."*

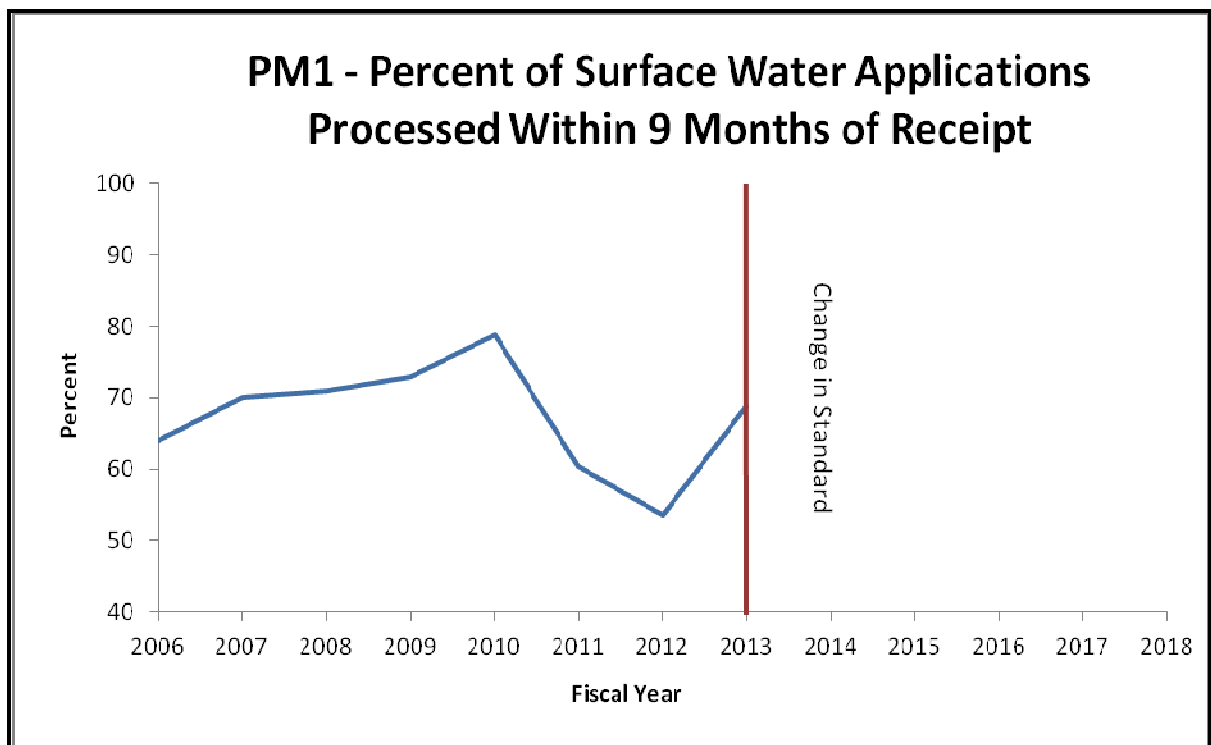
The necessity for the 9-month processing time included the following:

- The Division workload increased due to the oil and gas play taking place in southeastern Wyoming. Personnel time was allocated to issuing temporary water use agreements for the drilling industry which resulted in less time available for permitting operations that were reflected in this performance measure.
- The complete implementation of the agency's electronic workflow management system (e-Permit) had proven to be time consuming and cumbersome. The system captured much more data, had a steep learning curve, and had many more checks and balances. All of which

contributed to a reduction in the volume of permits that could be processed.

- This division had focused on addressing a large backlog of old, “problem” permit applications. These applications were typically greater than five years of age and therefore impacted the nine month performance measure.

Under the “9-month” goal, the Division was able to process 53.6% and 68.8% of applications in 2012 and 2013 respectively (see chart below).



However, a constituent-service need exists for the Division to be more responsive by processing applications in a much more timely fashion. Accordingly, if the Division can process the majority of applications within 90 days or less of receipt, constituents would benefit by being able to put Wyoming’s waters to beneficial in a more timely manner.

This new, compressed goal will be accomplished due to the following:

- In September-October 2012, the Division implemented an improved work-flow process that resulted in the elimination of redundancies and increased efficiency in processing applications.
- Beginning October 1, 2012, the Division established goals for the “processing life” of applications (i.e. each step in the processing of an application has a maximum time allowed for its completion), the attainment of which is monitored on a monthly basis.
- The backlog of applications, with priority dates prior to October 1, 2012, has been reduced from 564 to 130 (as of August 28, 2013).
- Utilization of the Agency’s G.I.S. mapping software for electronic platting of water rights (instead of hand drawing on paper plat maps) improves the processing efficiency of water rights technicians.

Proposed Performance Improvements –

- 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.

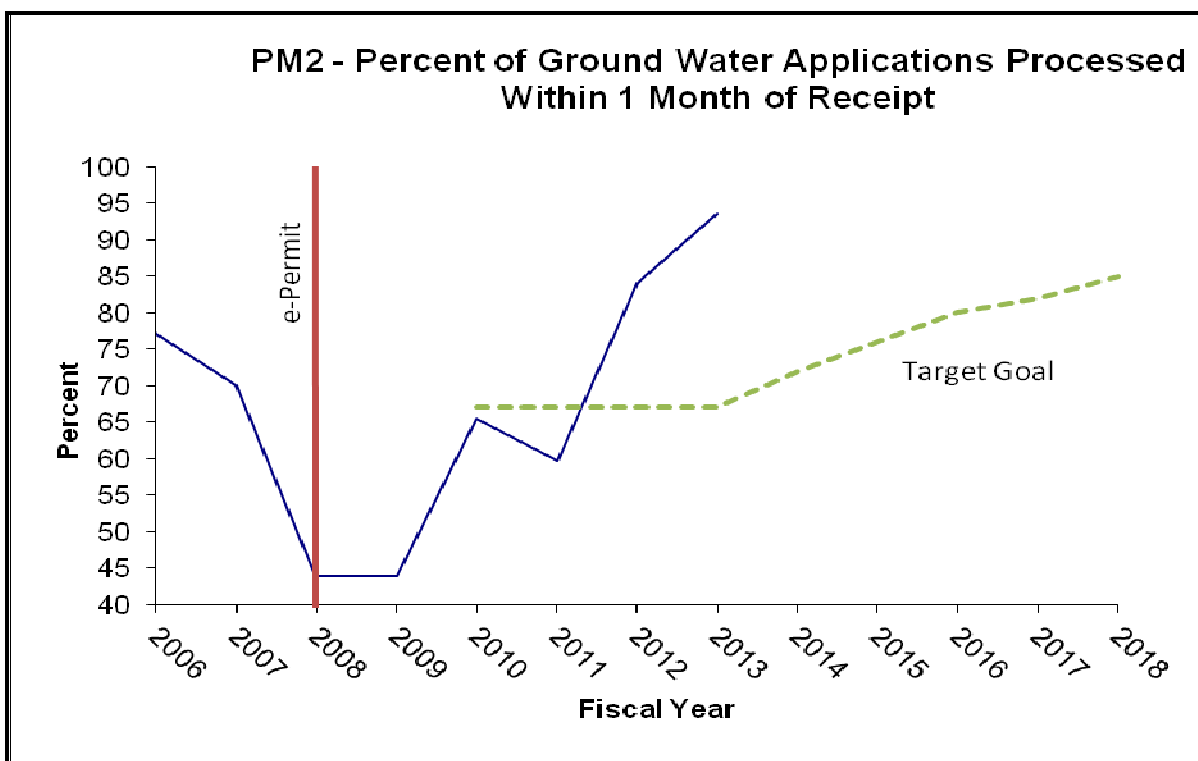
**Performance Measure 2 - Percentage of Applications for Permit to Appropriate Ground Water that are processed within one (1) month or less of receipt.**

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 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.

## Story Behind the Performance Measure –

Prior to utilizing the State's groundwater, an appropriator must obtain an approved permit from the Ground Water Division. The Division issues permits for wells and springs where the yield does not exceed 25 gallons per minute and the use is for domestic or stock purposes only. The permit allows the applicant 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 FY-2013 performance of 93.58% is a notable increase from FY-2012 (84.01%), due largely to a dedicated and experienced staff who focused their efforts on exceeding the performance goal established in the Strategic Plan for July 1, 2012 – June 30, 2016 (67% by 2013) and the 2012-2014 Biennium Budget Request (80% by 2016). Other factors that helped the Ground Water Division attain a high performance percentage include 1) increasing familiarity with, and continuing enhancements to e-Permit which make the permitting process more effective, 2) low staff turnover resulting in experienced staff processing permits more efficiently, and 3) a relatively low number of permit applications received in FY-2013.



The Division intends to maintain a goal of processing 80% of all groundwater applications within one month of receipt. A goal of 80% allows the Division some

flexibility since the Division 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 GW Division.
- Educate the public and licensed water well contractors on how long it realistically takes to process a permit application.
- Encourage all water users to become familiar with and utilize e-Permit.

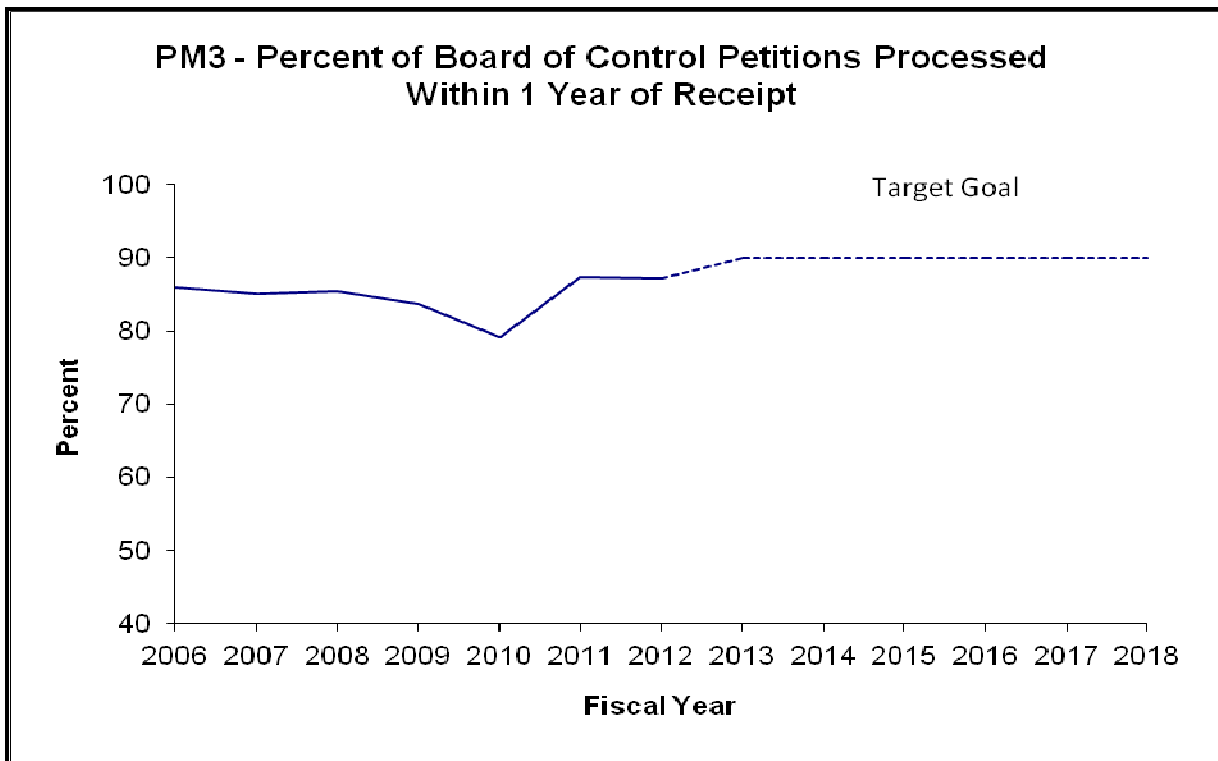
#### **Performance Measure 3 - Percentage of Board of Control (BOC) petitions that are processed within one (1) year or less of receipt.**

Processing is complete when the petition is approved or has been denied by the BOC.

#### Story Behind The Performance –

Once an appropriator has been granted a permit, they may use the waters of the State as allowed in the permit. In order to complete the establishment of a water right, the appropriator is expected to file a notice of beneficial use statement and seek adjudication of the water right by the Board of Control. Once adjudicated, the water right may be used in compliance with the terms of the original permit and Certificate of Appropriation. If at some later date the appropriator wishes to change some aspect of the adjudicated water right, they are required to petition the Board of Control. The Board reviews the petition for compliance with State statutes and determines if any other appropriator will be injured by the approval of the petition for change. Processing of the petition can require extensive staff review and deliberations by the Board of Control. Expeditious review and action is a service that Wyoming water users should expect with regards to their petitions.

The 2011 performance of 87.4% improved from the 2010 performance which dipped below 80%. The Board of Control processed (approved or rejected) 175 petitions during FY 2012. A total of 156 of these petitions were processed in one year or less from the date of receipt. This represents a performance measure achievement of 87.2% which is approaching the targeted strategic plan goal of 90%.



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

Proposed Performance Improvements –

- Fully implement the IT Initiative to increase processing efficiencies.
- Continue proofing the e-Permit database to eliminate errors created by past data entry errors, and fully populate missing data.

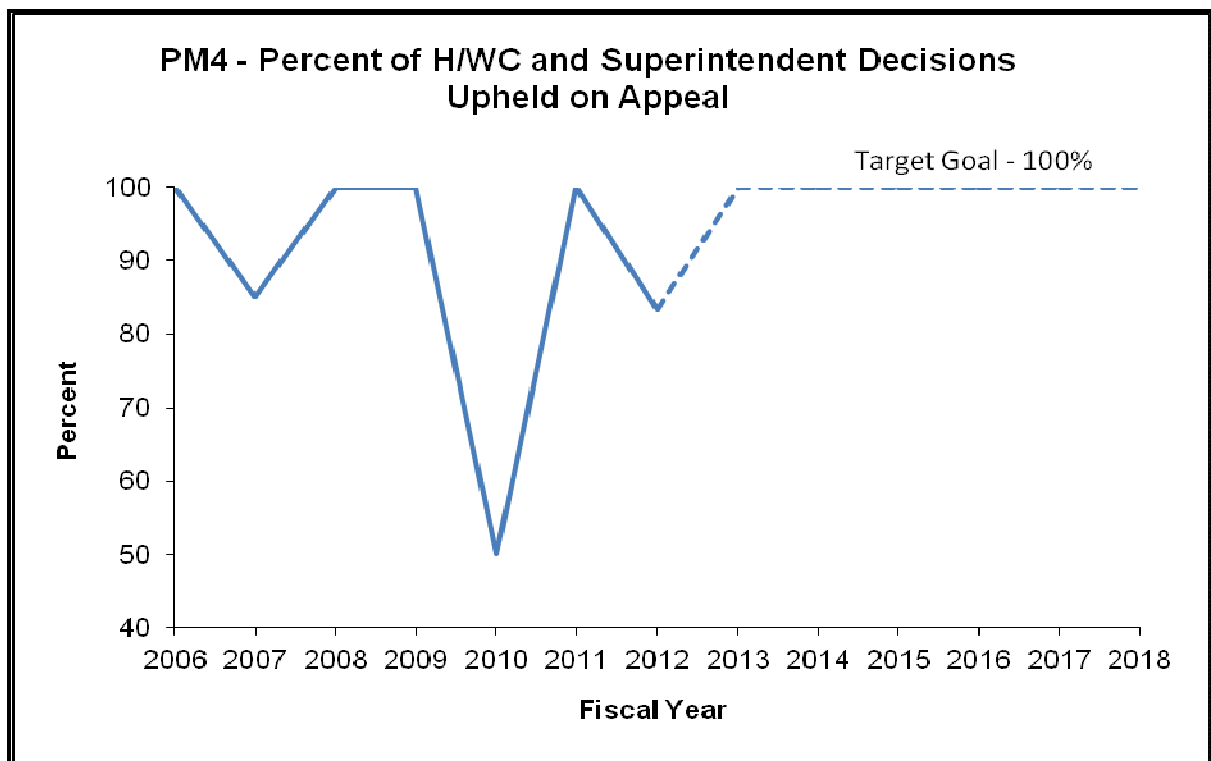
**Performance Measure 4 - Percentage of Hydrographer/Water Commissioner (H/WC) and Division Superintendent decisions that are upheld on appeal.**

Story Behind The Performance Measure –

Each year the agency's field staff are required to make hundreds of water regulation decisions when drainages are unable 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 may be injured by a decision of a H/WC can appeal the decision to the Division Superintendent, and from his decision may appeal to the State Engineer, and from his decision may appeal to district court. If the Board of Control is providing knowledgeable and well trained field personnel, the H/WC will make good decisions. Any decision they make may be appealed to the Division Superintendent and ultimately to the State Engineer. If the H/WC makes a poor decision, they can be overturned on an appeal.

The 2011 performance returned to 100% which is our long term goal. However, because 2011 was a prolific water year, less water regulation was required and only one appeal of a H/WC decision was made during the full year. This is a small statistical sample for measurement purposes.



During FY 2012, six appropriators appealed the water administration decision of a Hydrographer/Water Commissioner (H/WC). Appeals of H/WC decisions are decided by the Division Superintendent and in these cases, four of the H/WC decision were upheld. If the appropriator is not satisfied with the decision of the Superintendent, they may appeal to the State Engineer. In FY 2012, two appeals of Division Superintendent decisions were made. As such, five decisions were upheld from a total of six H/WC decision. The calculated performance achievement is 83.3%.

#### Proposed Performance Improvements –

- Provide additional training to field and legal staff as needed
- Hire and retain qualified field staff
- Supplement field staff where necessary
- 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 stream regulation where the Hydrographer/Water Commissioner (H/WC) responds in two business days or less as a function of total calls for regulation.**

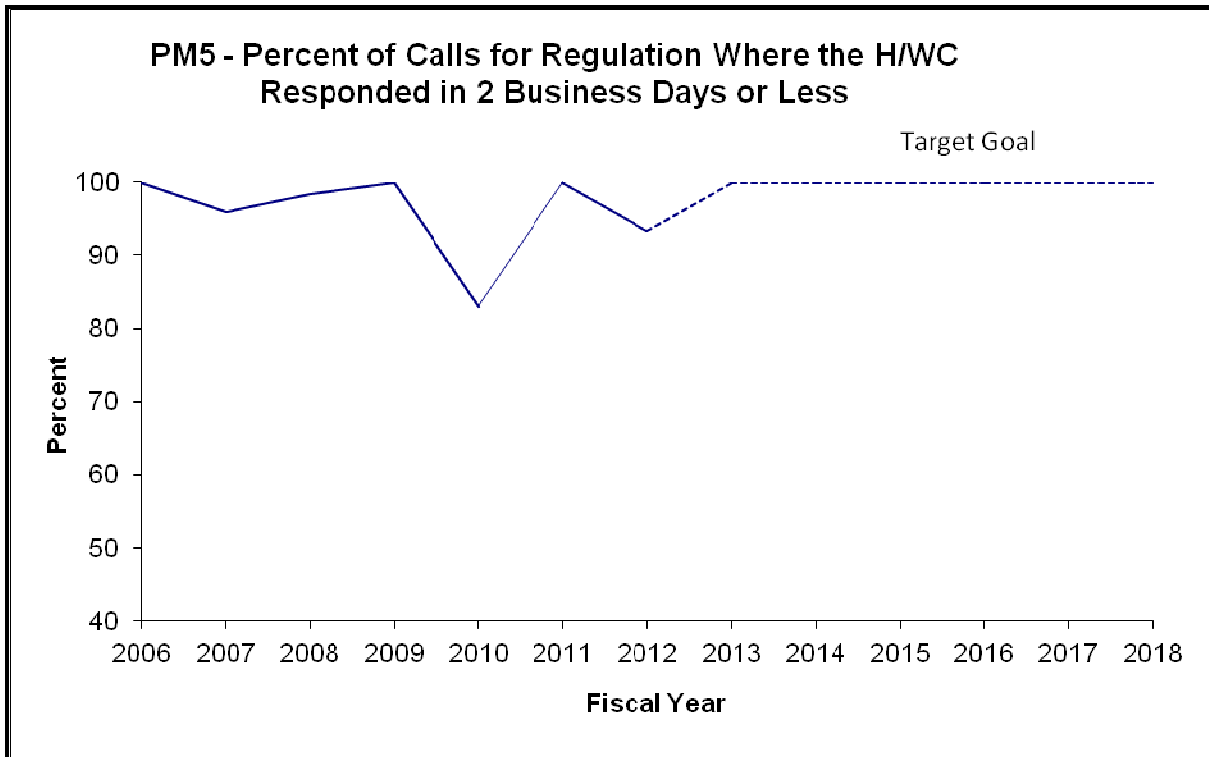
#### Story Behind The Performance Measure –

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, the newest water rights are regulated off first and senior water rights are allowed to continue to divert.

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

During FY 2011 the state experienced above average water supply conditions. As such there were fewer than normal calls for regulation. During this reporting period, 31 calls for regulation were made and all 31 were addressed in two business days or less.





Water supplies in FY 2012 were reminiscent of the 2000-2007 drought years and opposite of the surplus of water seen in the FY 2011 water year. When streams recede from runoff peaks, less water is available for diversions. When an appropriator with a senior water right is not receiving their full allocation of water, they may file a call for regulation with the local Hydrographer/Water Commissioner (H/WC). In FY 2012 a total of 75 calls for regulation were received across all four water divisions. In 70 of these calls, the response time met the “two business days or less” standard, yielding a 93.3% performance achievement.

**Proposed Performance Improvements –**

- 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 if 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 that are completed within three (3) years or less from the date of acceptance.**

Story Behind The Performance Measure –

Once a permit to appropriate waters of the State (surface and groundwater) has been issued, the permittee is allowed to construct the necessary diversion facilities and to begin beneficially using the water. Diversion facilities include stream diversion dams, ditches, reservoir dams, spring boxes and groundwater wells. The permit process represents the first phase of establishing a water right. The second and final phase of this process is to adjudicate the water right. The adjudication process is generally described as follows:

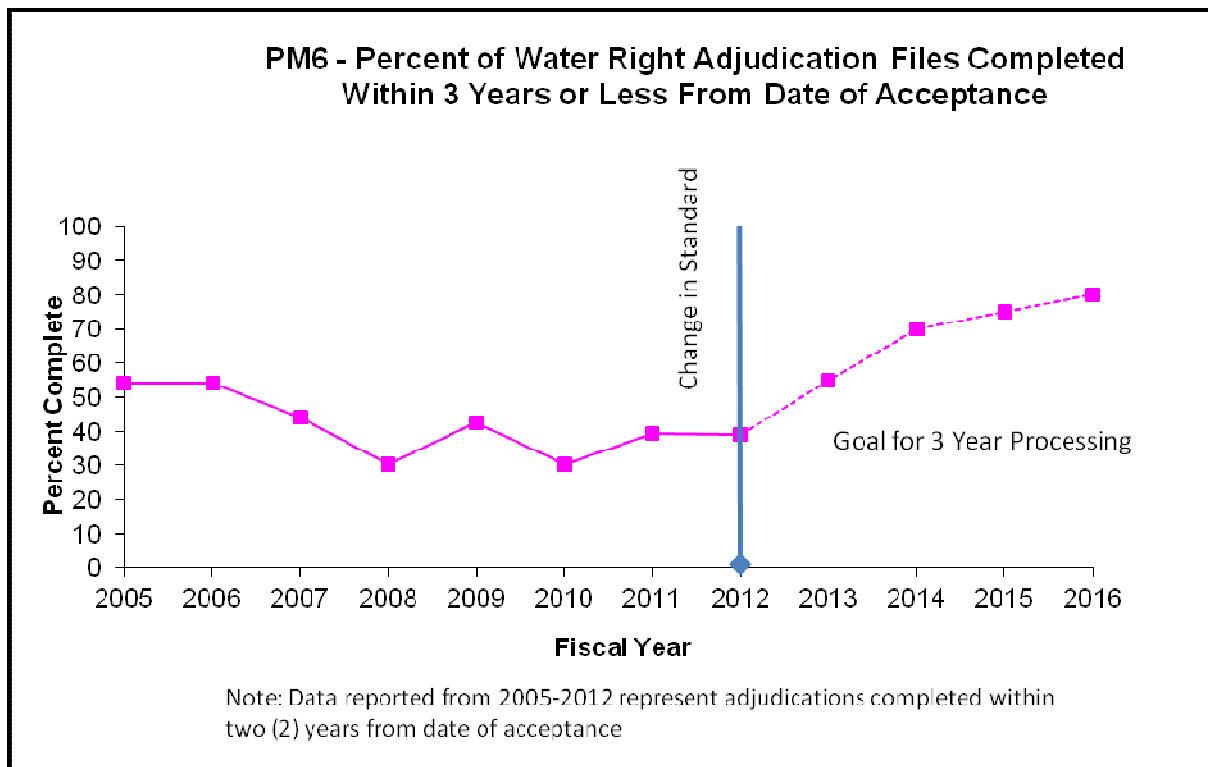
1. Permittee files a notice of completion to beneficial use for ditches, or a notice of completion of construction for reservoirs, or a statement of completion (with map) for wells and springs with the State Engineer's Office (SEO).
2. The agency generates a proof of appropriation (proof).
  - Board of Control (BOC) generates surface water proofs.
  - Ground Water Division (GWD) generates groundwater proofs.
3. The agency inspects the project and lands described in the permit (taking proof) and prepares an inspection report.
  - BOC personnel inspect surface water proofs.
  - SEO GWD personnel inspect groundwater proofs.
4. The agency advertises the proof of appropriation at least thirty (30) days prior to regular meeting of the BOC and allows protests to be filed against the proposed adjudications.
5. The BOC considers the proof along with any protests received and renders a final determination on the adjudication.
6. 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. The original certificate is then forwarded to the owner (permittee).

During recent years, the agency has directed its limited resources to meet the demands of the 2000-2007 drought as well as the development of the coal bed methane (CBM) industry. The result is that traditional work tasks such as the processing of adjudication files have been slowed resulting in a significant growth

in the adjudication proof backlog as well as an increase in the average age of the adjudication proofs in the system. The GWD's backlog 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 "problem" adjudications – those where the appropriator is not being cooperative, oftentimes resulting in attempted adjudications that are 20 to 30 years old.

The agency believes that when a permittee files a notice of completion to beneficial use (request to adjudicate their water right) that a reasonable expectation should be to complete this process in three years or less. For the period of 2008-2012, the completion goal for this performance measure was two years.

For FY 2012 the agency processed 686 adjudication files of which 267 or 38.9% were completed in two years or less from date of receipt. This is a decrease from the 39.2% that was recorded in FY 2011 and results from the concentrated effort to complete adjudication files in the backlog.



After careful consideration by staff, it was determined that three years was a more appropriate measurement period. This is due to the fact that the

inspections typically need to take place during the irrigation season, advertising is required, landowner coordination is needed, protests from other appropriators result in a hearing, and the BOC only meets four times a year to consider proofs.

Proposed Performance Improvements –

- Selectively offer overtime to address backlog issues.
- Add staff or upgrade current positions to address long term needs.
- Reassign staff, if available, to address backlog issues.
- Complete additional training and development of current staff to cover additional inspection duties.

### 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. Board of Control  | 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. Interstate Streams**

### *Governing Provisions*

Wyoming Constitution Article 8, Sections 1 and 5, W.S. §§ 41-11-201 thru 206, 41-12-101 through 801, 1999 General Session HB0093- 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 State Engineer's Office 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.

### **3. 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.

The Permitting Section is charged with administering and managing the water right appropriation process of the state's surface water resources. This section also processes and issues permits for weather modification activity 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.

### **4. Ground Water Program**

#### *Governing Provisions*

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

#### *Description*

The Ground Water Division's primary function is to process and approve groundwater permit applications and conduct field inspections for the adjudication of groundwater rights.

Additionally, the Ground Water Division 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 Division collects and reports the ground water level data from the network.

The Ground Water Division coordinates the efforts of three Control Area Advisory Boards (W.S. §§ 41-3-912 through 41-3-915, and 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.

## **5. Board of Control 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 Wyoming State Board of Control (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 board 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 Board of Control:

- 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 Board of Control is the primary regulatory link between the general public and the Agency office in Cheyenne with the four (4) Division Superintendents (established under W.S. §§ 41-3-501 and 502) being the direct line of authority between the field and office staff of the Board of Control.

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

## **6. Support Services**

### *Governing Provisions*

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

### *Description*

The Support Services Division provides technical direction and support to the State Engineer's Office (SEO), including the following divisions: Board of Control, 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 State Engineer's Office. 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 State Engineer's Office 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 U.S.D.I. 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 (Fund 048)**

### *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

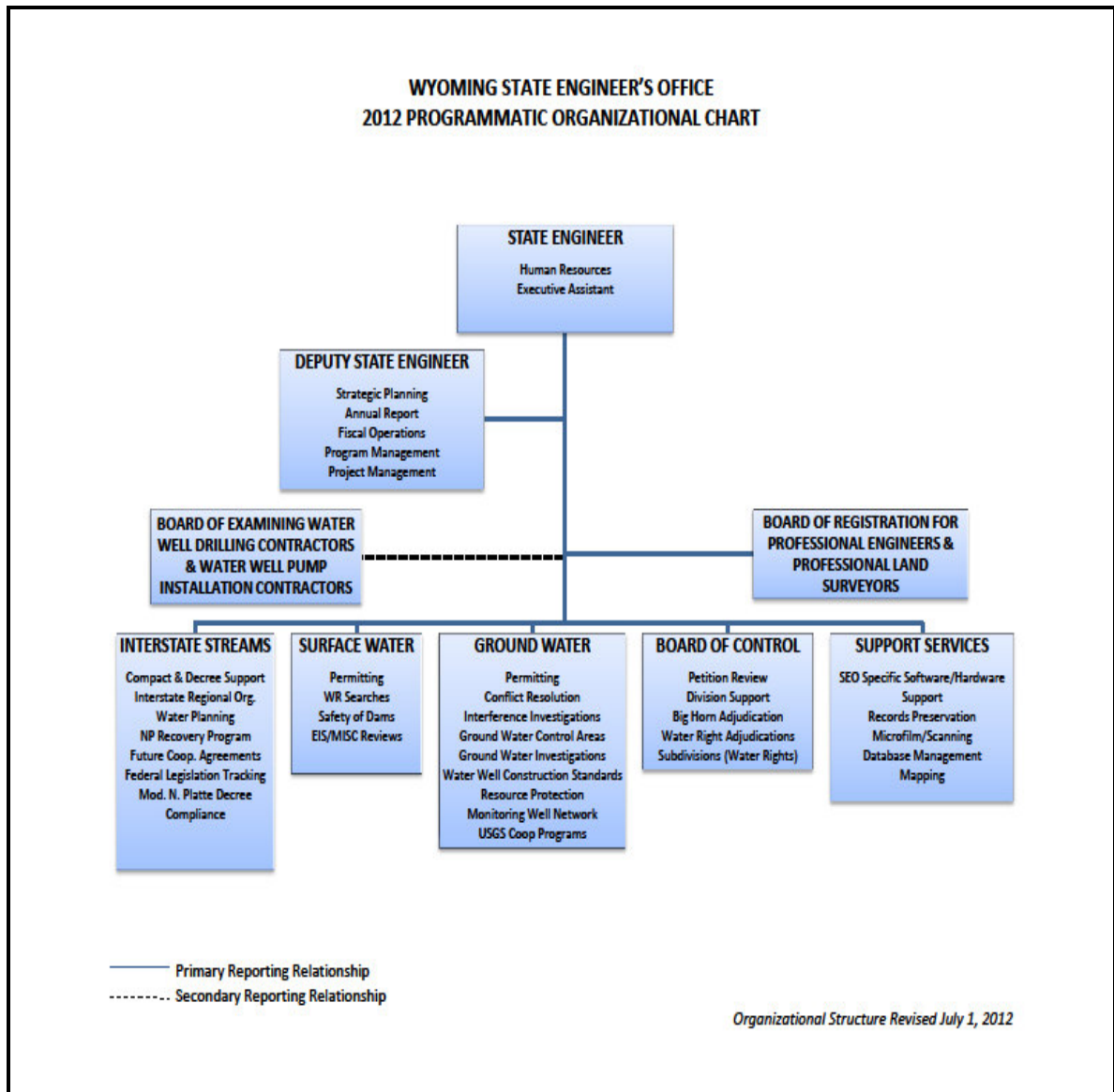
### *Description*

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. 2012 PROGRAMMATIC ORGANIZATIONAL CHART



## V. PROPOSED 2015 – 2016 BIENNIAL BUDGET

### STANDARD BUDGET:

|               |                  |
|---------------|------------------|
| General Funds | 27,106,678       |
| Other Funds   | <u>1,145,017</u> |
| Total         | \$ 28,251,695    |

### EXCEPTION BUDGET:

|               |                |
|---------------|----------------|
| General Funds | 1,715,837      |
| Other Funds   | <u>146,692</u> |
| Total         | \$ 1,862,529   |

### Authorized Positions:

|            |          |
|------------|----------|
| Full Time: | 124      |
| Part Time: | 11       |
| AWEC:      | <u>1</u> |
| Total:     | 136      |

The State Engineer's Office continues to seek funding to improve and update our e-Permit database system to provide the most efficient environment to prepare and process water permits and provide an easy to use system for researching water rights. e-Permit is the agency's primary platform for preparing and tracking water rights and will continue to perform these functions well into the future making it critical to the success of the agency.

Additionally the agency is seeking funding to move its AWEC position with the Examining Board of Water Well Drillers and Pump Installers to a full time position. This position supports the agency's strategic plan by ensuring continuity in protection of the state's vital water resources and its constituents are protected by promoting accountability and the use of professional standards by our well drilling community.

Other items in the agency's exception request list include field staff training and stream gage maintenance; focusing on our commitment to provide our constituents the most timely and accurate water information possible. Please refer to the State Engineer's FY 2015 – 2016 budget for additional information.

## VI. A LOOK TO THE OUT YEARS

The six performance measures of this plan captures the core functions of the State Engineer's Office and will likely be the standard of measured performance for many years. The FY 2015 – 2016 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 State Engineer's Office view of the out years includes:

- Continuation/Resolution of the Montana v. Wyoming litigation.
- Conjunctive management of common groundwater and surface water sources.
- Continued compliance with 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.
- Help in the responsible conversion of coal bed methane wells and reservoirs left over from development in the 2000's to useful water sources for farms and ranches.
- Development of a statewide water management strategy as contemplated in the Governor's Energy Strategy.
- Providing the groundwater regulatory framework for the development of carbon sequestration projects in the state.
- Strengthen Interstate Stream relationships.
- Help in meeting the requirements of threatened and endangered species such as fish in the Colorado River, birds on the North Platte, and sage grouse throughout Wyoming.
- Full data conversion of water rights into the agency's geographic information system, including data verification, automation of publishing diversion data in Hydrographers Annual Reports, and Tabulations 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.

The State Engineer's Office continues to strive to one day provide a Geographic Information System (GIS) to graphically display all water rights and allow access to related scanned documents. Work for the statewide GIS and records scanning is scheduled to continue in the 2015-16 biennium and is being considered as a component in the development of the State's energy atlas.

Even though 2009, 2010 and 2011 were good water years, the drought of 2000-2007 and the last two years has shown us that downstream states will continue to

look at Wyoming as a source of water during times of drought. Basins of concern include the Colorado River and Big Horn River.

The Colorado River system is experiencing the effect of as many as twelve years of drought. 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 Powder and Tongue River systems, Wyoming will vigorously defend its right to use water. However, as this lawsuit progresses, 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 State Engineer's Office is the interaction or connectivity of surface 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 some 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 State Engineer's Office issued tens of thousands of permits for coal bed methane (CBM) development throughout the last decade. As gas development declines and recedes, several CBM wells are being considered for other beneficial purposes. We anticipate a CBM 'echo' in new permits for conversions from CBM uses to water sources for irrigation, domestic and stock use. Not unlike the workload of a decade ago, conversions will likely bring a similar demand and surge (echo) in workload.

As the need to sequester carbon from the environment progresses, the State Engineer's Office (SEO) intends to actively participate in the management of these types of projects in order to protect the State's groundwater resources. Many of the targeted injection zones contain water that will be displaced and water production wells may be required to keep carbon dioxide injection pressures manageable. The SEO will use its regulatory authority to assist the industry while assuring that the water resources are protected for future use in the State.