STATE ENGINEER'S OFFICE

General Information

Director: Agency Contact:	Patrick T. Tyrrell – State Engineer Harry C. LaBonde Jr. – Deputy State Engineer 122 West 25 th Street Herschler Building, Fourth Floor East Cheyenne, Wyoming 82002 307-777-6150 <u>seoleg@seo.wyo.gov</u>
Other Office Location Water Division I	18
	Torrington, Wyoming – Superintendent Douglas, Wyoming – Assistant Superintendent Wheatland, Wyoming Saratoga, Wyoming Casper, Wyoming
Water Division II	
	Sheridan, Wyoming – Superintendent Sundance, Wyoming Casper, Wyoming
Water Division III	Riverton, Wyoming – Superintendent Worland, Wyoming – Assistant Superintendent Powell, Wyoming
Water Division IV	
	Cokeville, Wyoming – Superintendent Big Piney, Wyoming – Assistant Superintendent Lyman, Wyoming
	Statutory References
Wyoming Co	Article I, Section 31 – Control of water Article VIII, Section 1 – Water is state property Article VIII, Section 2 – Board of Control Article VIII, Section 3 – Priority of appropriation Article VIII, Section 4 – Water divisions Article VIII, Section 5 – State engineer
Wyoming Sta	tutes Title 9, Article 9 – State engineer Title 41 – Water

Clients Served

All citizens of the state

Budget Information

Fiscal Year 2008 Expenditures	General Fund	\$12,804,281	
-	Other	597,145	
	Total	\$13,401,426	

Employees

Full-time	130
Part-time	12
Total	142

Reporting Period: Fiscal Year 2008 (July 1, 2007 to June 30, 2008)

Wyoming Quality of Life Results:

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.

Contribution to Wyoming Quality of Life:

This agency has 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 may file a notice of beneficial use and seek 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 – Wyoming has an arid climate and most areas of the state experience water shortages at some point during the year. During these times, water is allocated to senior water users based upon the doctrine of prior appropriation and numerous Wyoming Statutes that support this doctrine. This administration and regulation is supervised by the agency's four 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 throughout the state. These employees are responsible for allocating water by regulating headgates, pumps, stream diversions, reservoirs, etc. in the field.

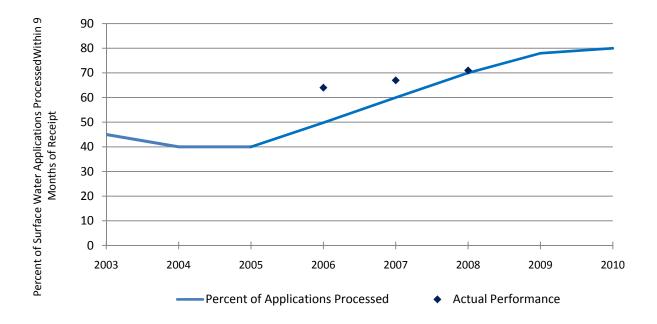
3. Administration of Interstate Compacts and Decrees – Wyoming is party to seven interstate water compacts and three interstate court decrees. These documents define the amounts of water that Wyoming must provide to downstream states. A staff of five employees in Cheyenne maintains contact with adjoining states and federal agencies to assure compliance with various compacts and decrees. Additionally, they monitor federal actions that might impair Wyoming's ability to use its water.

These core business functions serve the entire population of Wyoming in one way or another. Examples of water users in the state include farmers that irrigate lands, the 99 municipalities within the state, homeowners that rely upon well water, and businesses that divert water for industrial use.

Performance:

This agency has selected six performance measures with the intent of improving the customer service in both the permitting and field administration operation of the agency. These performance measures are as follows:

<u>Performance Measure 1</u>. Percentage of Surface Water applications for permit that are processed within 9 months or less of receipt. Processing 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, (needing additional information from the applicant) the tracking of time is suspended until the applicant responds to the agency's request for additional information.



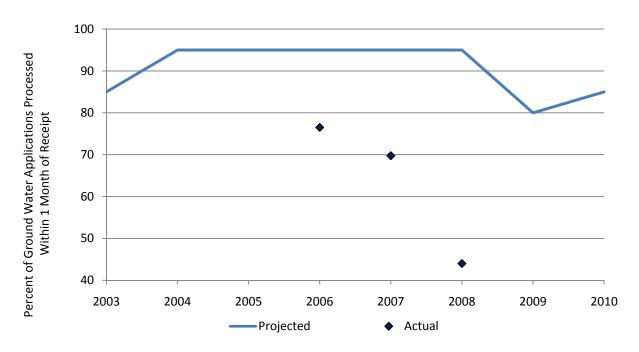
Story behind the last year of performance:

During FY 2008 the Surface Water Division processed (approved or rejected) 1,074 applications for permit. A total of 761 of these applications were processed in nine months or less from the date of receipt. This equates to a 70.9% performance achievement which exceeded the strategic plan goal of 70% for the division.

What has been accomplished?

The Surface Water Division has taken a focused approach to processing applications in a timely fashion. This has included a focus to reduce the application backlog which fell from 941 to 812 during the reporting period. As the agency's electronic permit and document management systems come on line in FY 2009, further reductions in the backlog and average application processing time are expected.

<u>Performance Measure 2</u>. Percentage of Ground Water applications for permit that are processed within one (1) month or less of receipt. Processing 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 (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 last year of performance:

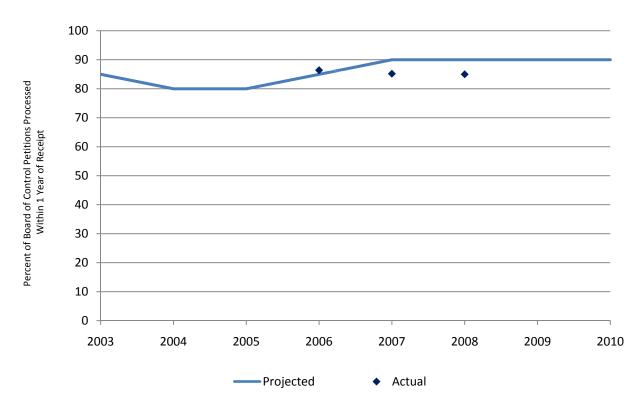
During FY 2008 the Ground Water Division processed (approved or rejected) 4,850 applications for permit. A total of 2,136 of these applications were processed in one month or less from the date of receipt. This calculates to be a 44.0% performance achievement which is below the 95% goal set in the strategic plan. Additionally, it represents a significant decrease in performance from FY 2006 where the performance achievement was 72.8%. This decrease in performance is largely due to the workload placed on the division by coal bed natural gas (CBNG) development and demonstrates the need to allocate additional resources to the division. During the last eight

years of CBNG permitting demands, the Ground Water Division has neglected other non-permit activities such as interference studies and conjunctive management of surface and ground water supplies. In this reporting period, staff resources were redirected away from permitting and toward these other areas resulting in performance declines. It was determined that issues resulting from these other mandated duties could no longer be ignored.

What has been accomplished?

In the 2008 Legislative Session, two new positions were funded for the Ground Water Division and they will provide the needed resources to reverse this downward trend. While the one month performance measure has declined, most permits including CBNG are processed within a reasonable two to three month period. Overtime has been considered but has not been utilized to date because it is not effective in dealing with long term workload demands such as CBNG. Implementation of the agency's IT Initiative in FY 2009 will improve permit processing long term.

<u>Performance Measure 3</u>. 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 the petition has been denied.



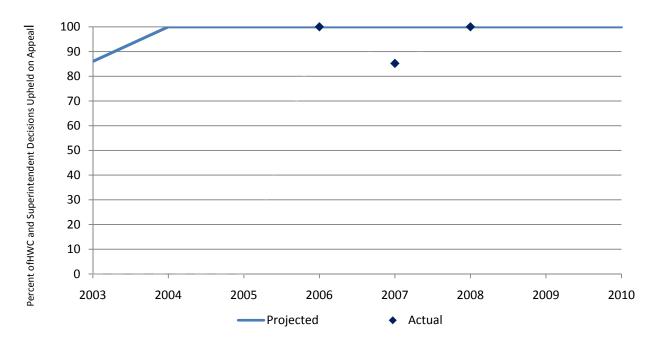
Story behind the last year of performance:

The Board of Control processed (approved or rejected) 239 petitions during FY 2008. A total of 173 of these petitions were processed in one year or less from the date of receipt. This represents a performance measure achievement of 85.4% which is below the targeted strategic plan goal of 90%.

What has been accomplished?

The Big Horn River adjudication effort has lagged behind its anticipated completion date and as such, planned personnel reassignments to the Board of Control have not been fully completed because of delays in resolving water right eliminations in a number of the large irrigation districts. Never the less, the adjudication process continues and it is anticipated that the Big Horn adjudication files will be fully reported to the court in FY 2009. Improved processing efficiencies due to the IT Initiative have not yet occurred but are now scheduled for FY 2009.

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



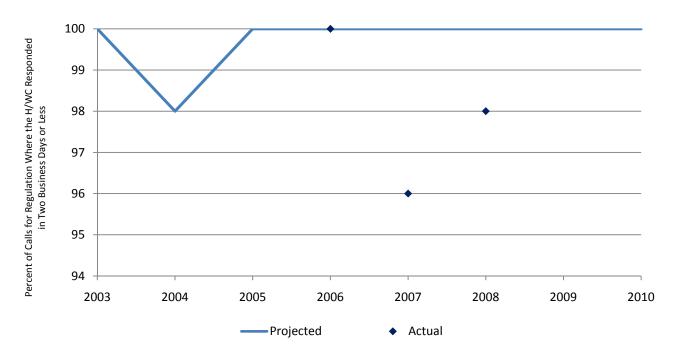
Story behind the last year of performance:

During FY 2008, one appropriator appealed the water administration decision of a Hydrographer/Water Commissioners (H/WC). Appeals of H/WC decisions are decided by the Division Superintendent and in this case, the H/WC decision was upheld. If the appropriator is not satisfied with the decision of the Superintendent, they may appeal to the State Engineer. In FY 2008 two appeals of Division Superintendent decisions were made and the State Engineer upheld both of those decisions. As such, three decisions were upheld from a total of three H/WC and Division Superintendent decisions. The calculated performance achievement is 100%.

What has been accomplished?

In normal years, the agency expects to receive three or four appeals from water appropriators. FY 2008 was a typical year for appeals in spite of prolonged drought which has significantly impacted the agricultural community and resulted in more intense scrutiny of H/WC decisions. Additional training and a more formal approach to stream regulation will be required in the future as drought continues and increased water demands resulting from development continues.

<u>Performance Measure 5</u>. 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.



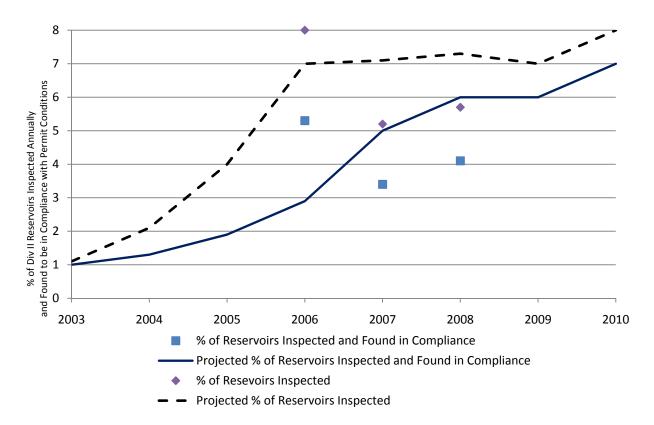
Story behind the last year of performance:

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 place a call for regulation with the local Hydrographer/Water Commissioner (H/WC). The goal of all H/WCs is to respond to all calls for regulation in two business days or less. In FY 2008 a total of 62 calls for regulation were received across all four water divisions. In 61 of these calls, the response time met the "two business days or less" standard yielding a 98.4% performance achievement.

What has been accomplished?

The agency successfully pursued a new appropriation for H/WC overtime funding during the 2006 legislative session. These funds were available for use during FY 2008 and allowed the selective use of overtime to maintain a high performance measure during times of drought.

<u>Performance Measure 6</u>. Percentage of Division II reservoirs that are inspected on a yearly basis and found to be in compliance with permit conditions as a function of total permitted reservoirs in Division II.

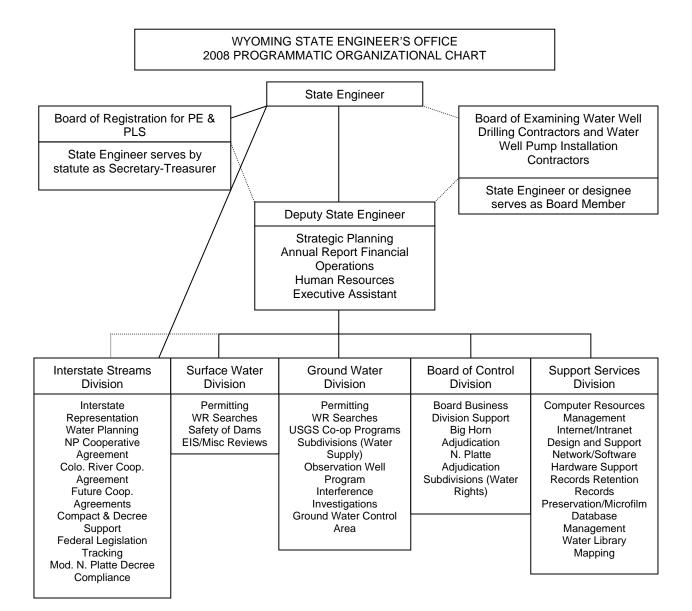


Story behind the last year of performance:

State Water Division II encompasses northeastern Wyoming and has experienced extensive coal bed natural gas (CBNG) development since 1999. The development of CBNG generates a large amount of surplus water and reservoirs are frequently used to store CBNG water. As of June 30, 2008 a total of 13,675 reservoirs (all uses) have been permitted by the State Engineer's office in Division II. In FY 2008, the agency inspected 777 sites of which 565 sites were found to be in compliance. The calculated performance achievement was 4.1%.

What has been accomplished?

When comparing FY 2008 performance with FY 2007 performance it needs to be noted that a similar number of overall inspections were conducted in both years (777 vs. 757). However, the number of reservoirs in compliance with permit conditions increased significantly from 494 to 565. Of those inspections conducted in both fiscal years the relative percentage of those sites in compliance when compared to total inspections conducted increased from 65% in FY 2007 to 73% in FY 2008. This demonstrates that the agency's enforcement efforts are generating results i.e. more facilities in compliance. Additionally, the 2008 legislature appropriated funds to add a second reservoir inspector for Water Division II. This position will allow the agency to increase the number of reservoir inspections in Division II and meet the performance goals established by this measure.



 Primary Re determination		Relationship ps, etc.)	(performance	evaluations,	workload
 Secondary Reporting Relationship (general agency information dissemination, personnel grievances, etc.) – Deputy must be kept informed of important issues routinely, especially in the absence of the State Engineer.					

