



WYOMING WATER DEVELOPMENT COMMISSION

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Harry C. LaBonde, Jr., P.E.
Director

United States Senate Committee on Indian Affairs

Hearing:

S.438

"Irrigation Rehabilitation and Renovation for Indian Tribal Governments and Their Economies Act"

Introduction:

Chairman Barrasso, Vice Chairman Tester, and Members of the Committee, my name is Harry C. LaBonde Jr., I serve as director of the Wyoming Water Development Office (WWDO). The mission of the office and its oversight commission, the Wyoming Water Development Commission (WWDC), is to develop Wyoming's water resources for the benefit of the people of the State of Wyoming.

Wyoming Water Development Program

The WWDC is charged with funding a wide variety of water development, infrastructure, renovation, rehabilitation, and conservation projects in the state. Eligible funding entities include cities, towns, water districts, conservation districts, and the Eastern Shoshone and Northern Arapaho Indian Tribes located on the Wind River Indian Reservation (WRIR). Typical projects include:

- Transmission pipelines
- Potable water storage tanks
- Water wells
- Water pump stations
- Irrigation canal rehabilitation
- Irrigation canal structure replacement
- Diversion structure replacement
- Dam and reservoir enlargements
- New dams and reservoirs

Funding for Wyoming's Water Development Program is derived from the collection of severance taxes levied against minerals, oil, and gas resources. Those funds directed to the WWDC are managed in three separate accounts, each having a defined purpose. A brief description of each account follows:

- **Water Development Account I** – funds new development projects which will develop and use additional Wyoming water resources. Potable water providers have used this fund to expand their systems.
- **Water Development Account II** – funds the rehabilitation and renovation of existing water systems. Entities responsible for operating irrigation systems have used this fund extensively to upgrade their delivery systems.
- **Water Development Account III** – funds the planning, design, and construction of new reservoirs in excess of 2000 acre-feet (AF) and reservoir enlargements in excess of 1000 AF.

The Wyoming Water Development Program funds eligible projects with a grant/loan financial package. Typical grants are made at a 67% share with the sponsoring entity responsible for the remaining 33% local share. The local share may be funded by a WWDC loan, which currently carries a 4.0% interest rate. For projects where the sponsor has secured federal funding, a state/federal cost sharing program is implemented. In these situations the typical WWDC grant will vary from 35% or 50% and the federal share varies from 65% to 50%.

Over the years the WWDC has funded, and completed a number of successful projects on the WRIR. Additionally, there are a number of projects in planning, design or under construction. These projects have included both potable water system improvements and irrigation system rehabilitation. Examples include:

- **Arapaho Pipeline and Tank (*on-going*)**
 - Northern Arapaho Tribe
 - 67% WWDC grant
 - Project Budget = \$2,876,000
- **Arapaho Water Supply**
 - Northern Arapaho Tribe
 - 67% WWDC grant
 - Project budget = \$500,000
- **Ethete Water Supply (*on-going*)**
 - Northern Arapaho Tribe
 - 50% WWDC grant
 - Project Budget = \$4,000,000
- **Wind River Irrigation**
 - Joint Business Council for the Eastern Shoshone and Northern Arapaho Tribes
 - 50% WWDC grant
 - Project Budget = \$7,000,000

- Wind River Irrigation Rehabilitation 2015 (*funding approved*)
 - Eastern Shoshone and Northern Arapaho Tribes
 - 67% WWDC grant
 - Project Budget = \$2,212,121

- Shoshone Well and Transmission
 - Eastern Shoshone Tribe
 - 67% WWDC grant
 - Project Budget = \$1,100,000

- Eastern Shoshone Boulder Flats Well Field
 - Eastern Shoshone Tribe
 - 67% WWDC grant
 - Project Budget = \$1,200,000

Through these projects, the WWDC and the two Tribes have developed a positive and successful working relationship which will continue forward on future projects.

Irrigation System Assessment Report

In July 2008, HKM Engineering completed a report titled, "Engineering Evaluation and Condition Assessment Wind River Irrigation Project." This report was commissioned by the Bureau of Indian Affairs and provided a comprehensive assessment of the irrigation systems that serve tribal lands on the WRIR. This included reviews of the following irrigation canals:

- North Fork
- Ray
- Coolidge
- Sub Agency
- Left Hand
- Johnstown
- Upper Wind River

The assessment included a detailed inspection of structures, flumes, siphons, headgates, turnouts, canal banks, and identified canals with high seepage losses. The engineer then prepared cost estimates to correct/replace noted deficiencies, (see attached Table 5 from the report). The combined cost for remediation and replacement totaled \$104,452,884 in 2008. Using a 3% annual inflation rate and reducing the cost estimate to account for the two WWDC funded rehabilitation projects, the estimated 2015 cost for irrigation system rehabilitation needs on the WRIR is \$119,250,000.

Summary

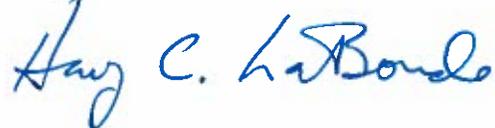
Irrigation systems on the WRIR are in need of significant rehabilitation and upgrades. Portions of these systems are nearing 100 years of age and reliability of water deliveries has been compromised due to the aging infrastructure. Tribal irrigators depend on

these water deliveries to sustain their farming practices and unreliable irrigation supplies negatively impact the economy of the WRIR.

As noted in the 2008 engineering study, a number of WRIR canals suffer from excessive seepage. Lining of these canals can result in upwards of 30% more water reaching the intended crops, thereby increasing crop outputs and the agricultural economy on the WRIR. The WWDC has funded numerous canal lining or piping projects around the state and the WRIR contains numerous opportunities to continue these types of water conservation projects.

The WWDC has established a good working partnership with both tribes while completing water projects on the WRIR. One of the limiting factors in moving more water projects forward is the lack of available funding for the tribes to meet the sponsor's local share. S.438 provides that much needed funding source and will allow the WRIR tribes to accelerate irrigation rehabilitation projects on the WRIR.

Thank you for the opportunity to testify before the Senate Committee on Indian Affairs.

A handwritten signature in blue ink that reads "Gary C. LaBonde". The signature is written in a cursive style with a large initial 'G'.

SUMMARY OF ESTIMATED COSTS FOR NEEDED REMEDIATION

A summary of the estimated costs for remediating the identified deficiencies of the Wind River Irrigation Project irrigation system infrastructure is provided in Table 5. Additionally, the total current replacement value of all Project structures and canal repairs is provided as well.

Table 5 - Summary of Remediation and Replacement Costs

Description	Remediation	Replacement
Structures		
Structure Rehabilitation for Key Canals and Laterals	\$6,012,782	\$15,407,647
Structure Rehabilitation for Remaining Laterals	\$18,004,118	\$43,438,536
Subtotal	\$24,016,900	\$58,846,184
Canals		
Cleaning/Reshaping	\$5,306,115	\$5,306,115
Seepage Area Lining	\$5,488,785	\$5,488,785
Subtotal	\$10,794,900	\$10,794,900
Grand Total	\$34,811,800	\$69,641,084

\$ 104,452,884