COUNCIL PROCEEDINGS

The Thermopolis Town Council met in special session on February 25, 2025, at 9am at Town Hall. Present were Mayor Adam Estenson, Council members Tony Larson, John Dorman Sr., Rachel Hughes, and Dusty Lewis. Also, present were Mayor/Codes Administrative Assistant Jim Jeunehomme, Clerk/Treasurer Tracey Van Heule, Public Works Director Basil Sorensen, Town Engineer Anthony Barnett, and Town Attorney Marshall Keller. George Moser from WWDC, was also present via phone.

<u>AGENDA:</u> Larson made a motion, seconded by Dorman and carried to approve the agenda as written.

<u>ADMINISTRATION: LEVEL II STUDY – DRILLING AT YANKEE DOME:</u> Moser reviewed the history of the identifying a water supply for the southern end of the Big Horn Basin. At a joint powers meeting on February 13, 2025, the consultant, Dowl presented a draft of the final recommendations. They recommended building a new water treatment plant on the existing site with a new intake. Moser noted there are significant unknowns with drilling at Yankee Dome (the second recommendation, if access is available). Those unknowns include drilling costs, building a pipeline, water quality, water quantity and timing. Per Moser, the consultant felt strongly that it was more important to build out the source of water that they knew could be built (ie a new water treatment plant) vs chasing a ground water source for a couple of years. However, the report takes a 2 pronged approach, that if access can be secured for drilling the north Yankee Dome location and if the water turns out promising that could be an option.

Estenson asked Moser to break down the decision into what it looks like for the remainder of the Level 2 study, what if water is found at Yankee Dome and what if it isn't, time spans, and the process. Moser noted a plan sponsor (the regional board) would submit a phase 2 application to WWDC, which is due March 1, 2025. He noted the commission could refuse due to funding constraints etc. He noted if the application was approved and then funded by the legislature, drilling could being in a year and a half, with water testing another 2-3 months. Pipeline feasibility would be studied and potentially presented to the 2028 legislature for funding. If things went smoothly, the process could take 6 to7 years.

Moser noted Level 2 is 100% funded by WWDC. If the well is successful, the Joint Powers board would have to acquire the well for 50% of the cost.

Moser noted the WWDC has not historically funded water treatment plants, however some components could be funded. Those components include the point of diversion and pumps from the diversion to the plant.

Additional discussion ensued on time frames and minimum base rates, with the majority of the users from the Town of Thermopolis.

Estenson noted Yankee Dome was rejected in a May 2011 Level 2 study for poor water quality, although the water was not tested. Moser responded he was not familiar with the study, however the area is far from the recharge area, which means it is likely to have more dissolved solids and

may not have the quantity desired. Discussion ensued on drilling up to 3 wells. Moser responded the commission would likely only fund one well in the level 2 study.

Larson asked who would be financially responsible for the well, if it is not good. Moser replied if the well is not feasible, ie 150 to 200 gallons a minute, the well could be turned over to the landowner or plugged and abandoned. If productive, the sponsoring entity acquires the well. Moser referenced the Buffalo Creek well that is still on the commission books and has been directed not to have any more idle wells.

Moser noted the study planned a pipeline for Yankee Dome North and South that would tie into the north side of Thermopolis. The assumption for the study was that the well supply would not go to the water treatment plant. The Owl Creek line is not large enough to handle the amount of water needed. Based on the study, if ground water is used from Yankee Dome, 2 or 3 wells will be required to provide enough water. He noted the study concluded the water plant is at the end of its life and either a ground water source needs to be found or build a new water treatment plant.

Discussion ensued on the Central Wyoming Regional Joint Powers Board, which runs a well field and has an intake on the North Platte River and treated at a plant. The board sells water to Casper, Bar Nunn and others. Redundancy and DEQ requirements were discussed. Moser noted to maintain the water treatment plant for an emergency is not feasible. The storage tank system was mentioned as being able to meet the systems demands if the highest producing well was out of service. Larson noted if the Joint Powers Board were to take over the water plant, then each system is responsible for adding to the base rate in order to provide for repairs and maintenance.

Lewis asked if the town could receive water from Big Horn Regional. Moser noted there are concerns with elevations and pressure heads and the system only has 200 gal/minute available within the existing capacity.

Keller noted the 6-7 year timeline was with no issues and inquired about who would pay for access issues with property owners. Moser noted the easement and access issues with the Lysite well removed the site from consideration. Moser also noted the commission would only secure access easement for drilling. All other legal costs would be the responsibility of the project sponsor.

Lewis asked about wells decreasing the hot springs flow. Moser noted potential impact was expressed previously and due to scientific uncertainty, the concern would not go away.

Jeunehomme asked about treating the well water and Moser noted no scenarios beyond chlorination were studied.

Estenson asked if the application from the Joint Powers board needed a unanimous vote. Moser replied he believed a simple majority, but did not know. Estenson noted the council needs to direct Jeunehomme on how to vote. Larson noted he can't see drilling the well and is not in favor of turning the water treatment plant over to another entity. Discussion ensued on the age of the WTP (built in 1962) and upgrades. Lewis noted he would prefer water from a well and the Big

Horn Regional system. Keller noted the town of Shoshoni has had some big expenses with their wells. Dorman noted he would like to upgrade the WTP and believes that is the direction the town should go. Hughes noted if the Level 2 is 100% funded by the state, she would like to know the results from drilling. Larson noted he would like the Town to continue working on transmission lines, as those who have been serviced from new lines have commented on the improved water quality. Estenson noted he would like to know the results of drilling. Additional discussion ensued on investing in the water treatment plant rather than a well, districts will still have to service whatever debt they currently have, estimated base rates, potential congressional funding, a requirement to purchase the well, and appointments to the select water committee.

Hughes made a motion and Lewis seconded to direct Jeunehomme to vote for the Hot Springs County Regional Joint Powers Board to apply for a level 2 study. In discussion Larson noted he would like to go forward with the water plant and not wait 7-10 years. Voting aye were Hughes, Lewis and Estenson. Larson and Dorman voted no. Motion carried.

At 10:55am Hughes made a motion, seconded by Larson and carried to adjourn. The next Council meeting is March 4, 2025, at 7pm.

ATTEST:

Tracey Van Heule, Clerk/Treasurer

Adam R. Estenson, Mayor