

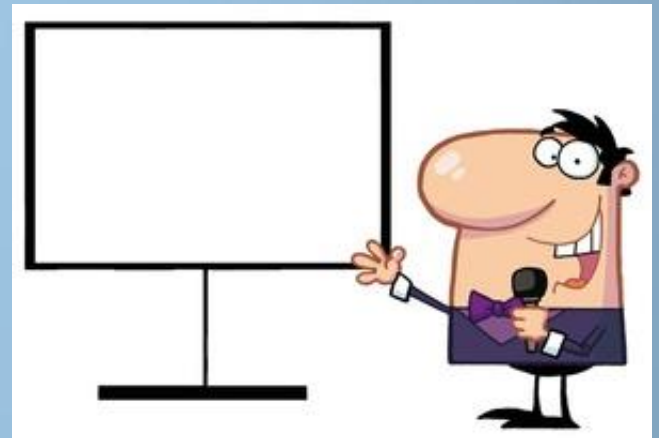
ENTITY FORMATION

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PRESENTATION TOPICS

- Why set up an entity?
- Most common entities with whom WWDC works
- Mechanics of forming these entities
- Questions



REASONS FOR SETTING UP AN ENTITY

- Establish a management structure
- Pool resources
- Evaluate, construct, manage, operate, and maintain water projects
- Lobby representatives
- Protect resources
- To be eligible for loans and grants from the WWDC and/or other State/Federal agencies

STATE FUNDING

- Wyoming Constitution, Article 3, Section 36:
“No appropriation shall be made for charitable, industrial, educational or benevolent purposes to any person, corporation, or community not under the absolute control of the state.”
- Wyoming Constitution, Article 16, Section 6:
“Neither the state...or any other political subdivision, shall loan or give credit or make donations to or in aid of any individual, association, or corporation.”

WWDC FUNDING CRITERIA

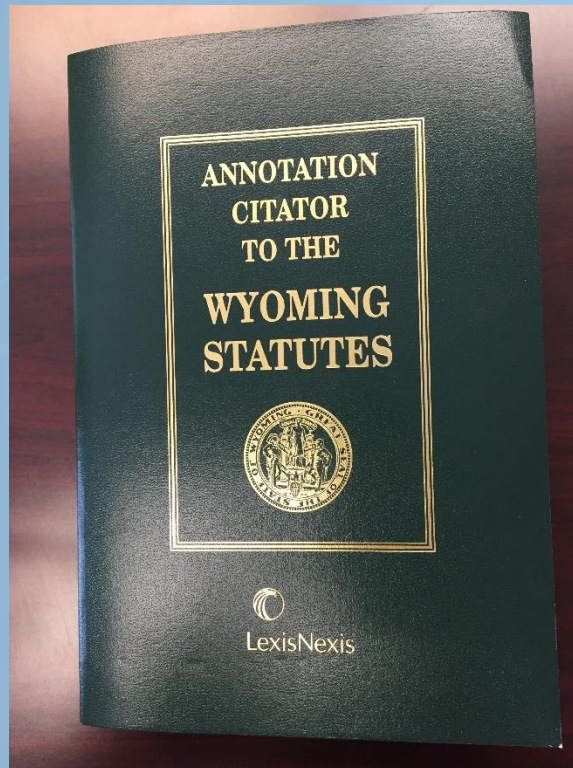
- “[I]n order to receive consideration for construction funding, the project sponsor must be an entity of local government with taxing and/or assessment authority.”
- “A project sponsor shall be a public entity that can legally receive state funds, incur debt, generate revenues to repay a state loan, hold title and grant a minimum of a parity position mortgage on the existing water system and improvements appurtenant to the project or provide other adequate security for the anticipated state construction loan. A project sponsor can be a municipality, irrigation district, or other approved assessment district, which will realize the major direct benefits of the project.”

MOST COMMON ENTITIES WITH WHOM WWDC WORKS

- IRRIGATION DISTRICTS
- WATERSHED IMPROVEMENT DISTRICTS
- WATER CONSERVANCY DISTRICTS

IRRIGATION DISTRICTS - AUTHORITY

WS 41-7-101 through 41-7-1006



IRRIGATION DISTRICTS - PURPOSE

- Provide irrigation
- Improve the existing water supply
- Purchase, extend, operate, or maintain constructed irrigation works
- Cooperate with the United States under Federal reclamation laws

IRRIGATION DISTRICTS - FORMATION

- Petition to the County District Court
- Majority of private landowners embracing the majority of the land must sign the petition to be valid
- Hearings are held by the Court
- Court makes the final decision to form district



IRRIGATION DISTRICTS - STRUCTURE

- 3 or 5 commissioners appointed by the Court and, at all times, under the direction of the Court
- After original appointments, commissioners are elected by landowners within the district
- Staggered terms
- Landowners may cast 1 vote per irrigable acre

IRRIGATION DISTRICTS - AUTHORITIES

- Establish and have the powers of a corporation
- Own, operate, maintain, construct, improve, or purchase any irrigation works
- Powers of eminent domain
- Acquire water rights
- Court can levy assessments to be enforced by commissioners
- Perpetual succession
- Undertake hydroelectric power projects

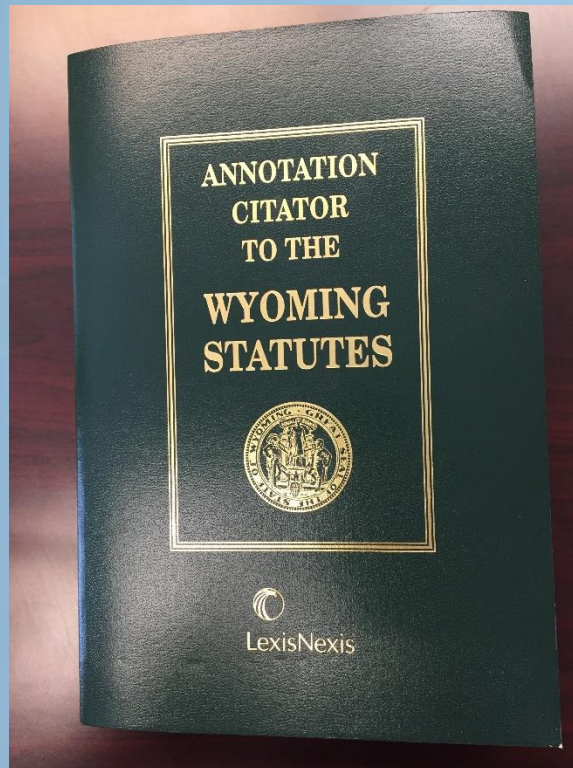
IRRIGATION DISTRICTS - FUNDING

- Levy assessments
- Obtain grants and receive gifts
- Issue interest bearing warrants



WATERSHED IMPROVEMENT DISTRICTS - AUTHORITY

WS 41-8-101 through 41-8-126



WATERSHED IMPROVEMENT DISTRICTS - PURPOSE

- To provide for:
 - Prevention and control of erosion
 - Prevention of floodwater and sediment damages
 - Agricultural purposes
 - Water storage and conservation development
 - Utilization and disposal of water
 - Preserve and protect land and water resources
 - Health, safety and welfare of the general public

WATERSHED IMPROVEMENT DISTRICTS - FORMATION

- Subdistricts of Conservation Districts
- Petition to the Conservation District Board of Supervisors
 - Petition must show:
 - Proposed boundaries
 - Acres involved
 - Reason for creation and who is going to pay?
 - Proposed name
 - Hearing and referendum held
 - Majority of votes representing the majority of acreage must be obtained to form the district

WATERSHED IMPROVEMENT DISTRICTS - STRUCTURE

- 5 member Board elected by electors and landowners within the district
- Board members must be landowners within the District
- Annually elected on staggered terms



WATERSHED IMPROVEMENT DISTRICTS - AUTHORITIES

- Levy and collect assessments
- Acquire, maintain, and dispose of property
- Have power of eminent domain
- Construct structures
- Borrow money
- Cooperate with towns, cities, counties, state and federal agencies

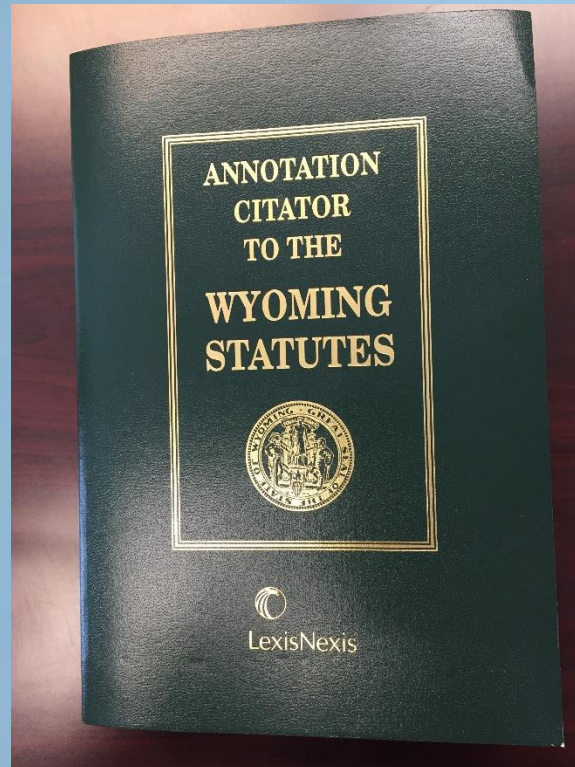
WATERSHED IMPROVEMENT DISTRICTS - FUNDING

- Levy taxes
- Obtain grants and receive gifts
- Issue bonds



WATER CONSERVANCY DISTRICTS - AUTHORITY

WS 41-3-701 through 41-3-779



WATER CONSERVANCY DISTRICTS - PURPOSE

- Provide for the conservation of water resources
- Provide adequate municipal water supplies
- Benefit lands under irrigation by stabilizing the flow of water in streams and by increasing flow and return flow of water to such streams
- To control, make use of and apply to beneficial use all unappropriated water
- Promote the comfort, safety and welfare of Wyoming citizens

WATER CONSERVANCY DISTRICTS - FORMATION

- Petition filed with the Clerk of the District Court in which all or a portion of the lands are located
 - Petition signed by at least 25% of the owners on not less than 25% of irrigated land
 - Petition must be signed by not less than 5% of the owners owning not less than 5% of the non-irrigated lands
 - Bond filed with petition to cover formation costs
- Hearing held by the District Court or Judge
- State Engineer becomes an interested party
- District Court determines if district is feasible
- District becomes a corporation

WATER CONSERVANCY DISTRICTS - STRUCTURE

- District Court appoints a board of directors consisting of not less than 5 or more than 9
- Board members must be landowners within the proposed district
- Staggered terms
- After initial appointment, directors are then elected by landowners within the district
- Subdistricts can be formed

WATER CONSERVANCY DISTRICTS - AUTHORITIES

- Perpetual succession
- Hold water rights; own and control water works and sources of supply; own real and personal property
- Power of eminent domain
- Construct and maintain water works
- Enter into maintenance contracts with the state
- Allocate water within the district
- Sell or lease water
- Acquire water rights
- Borrow money; invest money

WATER CONSERVANCY DISTRICTS - FUNDING

- Levy and collect taxes and special assessments
- Issue bonds
- Obtain grants and receive gifts



WATERSHED IMPROVEMENT DISTRICT VS. IRRIGATION DISTRICT

	W.I.D	Irrigation District
Focus	Entire watershed	Water and water conveyance systems used for irrigation only
Formation	Through local Conservation District	Petition filed in County Court
Funding	Grants, loans, tax assessments	Taxed on a per acre basis
Participation	Cooperative	Regulatory

WYOMING WATER DEVELOPMENT OFFICE

QUESTIONS?

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