

**MINUTES
of the
EXECUTIVE COMMITTEE
Aloft Hotel
Anchorage, Alaska
September 13, 2023**

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MEMBERS AND ALTERNATES PRESENT

ALASKA	Emma Pokon Julie Pack
ARIZONA	Trevor Baggiori
CALIFORNIA	Joaquin Esquivel
COLORADO	Jojo La
IDAHO	Jerry Rigby
KANSAS	Earl Lewis
MONTANA	--
NEBRASKA	Tom Riley
NEVADA	Adam Sullivan
NEW MEXICO	Tanya Trujillo
NORTH DAKOTA	Jennifer Verleger
OKLAHOMA	Sara Gibson
OREGON	--
SOUTH DAKOTA	Nakaila Steen
TEXAS	Jon Niermann
UTAH	Candice Hazenyegar
WASHINGTON	Ria Burns
WYOMING	Jeff Cowley

STAFF

Tony Willardson

WELCOME AND INTRODUCTIONS

Jen Verleger, Chair of the Executive Committee, called the meeting to order and requested self introductions for those attending. Emma Pokon, Alaska noted that in her new position, her future participation might be limited, and asked that Julie Pack serve as her alternate.

APPROVAL OF MINUTES

The minutes of the meeting held May 23, 2023 in Reno, Nevada – which had only recently been posted to the website – were moved for approval and the motion was seconded. The minutes were approved unanimously.

REPORT ON BUDGET AND FINANCES

Tony shared a spreadsheet illustrating the current dues payments for the current fiscal year. He noted that a number of States pre-paid their assessments in the past fiscal year, as usual, with dues notices mailed in May for the 2024 Fiscal Year (FY2024) beginning on July 1, 2023. Total anticipated dues from all 18 member States at \$36,000 each totals \$648,000 and to date we have received \$468,000. A number of States chose to split their dues between agencies. Alaska has split its dues three ways. Some States now prefer to pay with electronic funds transfers and/or through the Automatic Clearing House (ACH) and sometimes that makes it difficult to determine from which state agency the funds are coming from. For example, we are unsure how to credit a payment from Texas as it isn't clear if it is from the Texas Commission on Environmental Quality or Texas Water Development Board. Any assistance in identifying payments would be appreciated. We will reach out with a reminder to those States for which we have not yet received payment.

Tony also handed out a balance sheet summarizing the Council's current situation regarding assets and liabilities. Our total current assets are a little over \$1.9 million, which is broken out into primarily cash and fixed assets. In addition to cash and savings in the bank, as dues are received funds surplus to current needs are placed with the State of Utah's investment fund where they earn interest until withdrawn as needed. These invested resources also help cover cash flow needs for our Water Data Exchange (WaDE) pending receipt of grant funds and reimbursements for expenditures related to those grants. We have had tremendous support for our WaDE from a number of philanthropic sources.

Also, of note, the WSWC has established two sinking funds to cover for leave payouts related to retirements or separations, as well as money to replace equipment as needed. Last year, we had money to pay out Cheryl's annual and sick leave when she retired. There is also money to cover my

leave payout when I retire. Also, of note, Cheryl chose to have her sick leave payout credited to her health reimbursement account (HRA), which we will continue to administer, allowing her to draw those funds in the future as needed. Employees with 25 years or more of service are eligible for retirement. They are allowed to choose to have funds otherwise payable as sick leave in the future credited towards an HRA to cover medical expenses now or after retirement. I have an HRA and Julie is eligible if she chooses to participate.

Fixed assets are accounted for at their purchase prices less accumulated depreciation. Some of you are aware that a number of years ago we decided that it would be more advantageous to take funds held in the State of Utah's invest fund and purchase a building for our offices. The interest earned on the funds was much less than the rent we were paying. As a result, we saved about \$22,000/year. However, we had to get approval for the purchase from each of our member States, and two had to get approval from their governors! We do pay property tax on the building for services received, though as a government entity we might have been able to argue we are not subject to the tax.

Soon after the WSWC was organized the Utah Attorney General (in 1975) provided a letter stating that for sales tax purposes the Council was an agency of the State of Utah and not subject to sales tax. However, subsequently, when we tried to secure an updated letter for our vendors, we found the State Tax Commission had a much narrower view of what a state agency is! Since then, we have paid sales tax. [We are not subject to any Utah business or state or federal income tax.]

We do take advantage of participation in the State of Utah's health care system [Public Employees Health Program (PEHP) as part of its Local Governments Trust]. We are not part of Utah's retirement system, but have our own government pension trust.

Tony covered the current budget situation starting with the Excel spreadsheet included in the briefing materials. The first column represents total income and expenditures approved as part of our FY2023 budget. Those figures are then separated to show income and expenses related to WaDE, and comparable WSWC income and expenses for our core functions for FY2023, and projections for FY2024. The spreadsheet shows FY2023 year-end figures to the best of our current knowledge. We have just signed an agreement with our auditors for a review of our last two fiscal years. Once completed we will provide their report to the Committee.

The FY2024 budget projections were approved by the Executive Committee at our meetings in Reno, Nevada (May 2023). I have broken those out as well into those related to WaDE compared with the WSWC's core functions. We are also working on quantifying our recent income and expenditures (for July and August), and complete grant reimbursement requests for the past quarter.

With respect to WaDE, as Adel summarized for the Water Resources Committee, we have made significant progress and publicly released our Western States Data Access and Analysis Tool (WestDAAT) in May. One of the Nicholas family recognized the release to the pleasure of Duke University's Nicholas Institute founded by the family. The Institute has helped secure much of the philanthropic support for WaDE! As some of that funding is winding down, we are looking into different models to sustain WaDE. That would likely require about \$400,000 per year.

As also noted by Adel and shown in the briefing and budget materials, we are looking at a cost of about \$500,000 for currently envisioned additions to WestDAAT. WaDE includes more data than can now be presented through WestDAAT. Some of that data includes time-series data related to state streamgages, reservoir level, and ground water well drilling and reporting. Further, as discussed and to be considered further, we are looking at adding both administrative and regulatory boundaries. For example, state watermaster administrative divisions, compared with surface or groundwater basins closed to further appropriations or with specific limits on water use. Arizona has its Active Management Areas designed to bring groundwater use down to something sustainable. Kansas has its

To date, much of the information in WaDE is related to water rights. As you know, rights to the use of water are based on beneficial consumptive use. However, good data on consumptive use is often not directly available or is incomplete. Working with our contractor we have scoped the cost of matching Open Evapotranspiration (OpenET) data with our water rights data to provide a more complete picture of water use not based just on diversions. NASA has developed OpenET using Landsat and other mapping tools. We have been discussing our development of a related Water Conservation Tool with the Upper Colorado River Commission (UCRC) and ways that we might simply their work. This past year, with \$10 million in funding from the U.S. Bureau of Reclamation, the UCRC renewed a Colorado River System Conservation Pilot Program (SCPP) to encourage farmers to enroll to reduce their water use (and leave water in the system in return for compensation that amounted to about \$350-\$650/acre-foot). Nearly 38,000 acre-feet of water was conserved, but the bidding and verification process was sometimes cumbersome.

With UCRC input, and working with our IT contractor, the current estimated cost of expanding WestDAAT to allow users to outline their property at a field scale, get ET estimates of actual historic and present use, as well as state their desired compensations, then facilitate agency and external reviews to verify savings is substantial – \$320,000. However, coupled with water rights data, this would be a powerful administrative tool with westwide applications.

We have already discussed such an application with James Eklund, a former WSWC member and former director of the Colorado Water Conservation Board, who also manages a family farm on Colorado's West Slope and participated in the UCRC's SCPP. We provided a demonstrated the potential tool for Brian Steed, Utah's new Great Salt Lake Commissioner, and its possible use as part of Utah's efforts to acquire water to raise the lake consistent with state objectives and a proposed Agricultural Optimization Program. Both were excited about the potential.

We have funds to support our current staff through the end of FY2024 and possibly beyond. However, we do not have the funds to complete expansion of WestDAAT, including adding the Water Conservation Tool. We are planning to submit another WaterSMART proposal for \$400,000 to the Bureau of Reclamation for possible funding and looking for philanthropic funds to meet the required match. The Walton Foundation has helped fund much of our work through the Water Foundation, and we hope they may be willing to extend their support. However, they are also asking what our member States are doing to support this work. Primarily, that has been in the form of in-kind contributions of data and staff work.

To date, outside of Adel and Ryan, and our two new contractor support hires, my time managing the work and Michelle's time have been reimbursed from WaDE funds. Similarly, we have charged to the WaDE program 10% for Council overhead costs. We might consider providing such in-kind support without reimbursement. We could also consider more direct financial support, but that would require again raising dues. As you know, we just raised dues again this past year for the second time after for than a decade without a dues increase.

Tony summarized other budget items, noting the recent hiring of Elysse Campbell, our new policy analyst with funds designed for that purpose. She started work on August 8, and we look forward to her help on the policy side. Her degree is in environmental science.

Questions? Someone asked about the possibility of charging for the use of WaDE and WestDAAT.

Tony replied that the information is public and the computer code is also open source so that anyone can use it. It is very much a public good and it doesn't appear feasible for us to try to exclude users by imposing a subscription fee. There are companies that do charge for information services, such as Westwater Research, that supports pricing water transfers. Most of the benefit from our work is making state and interstate data more easily findable, accessible, interoperable and reproducible (FAIR). Much like Landsat data, when its use was expensive there were few users that could afford the data. When USGS made the data freely available its use exploded. We too feel that to a large extent if we build it "they will come." At present uses may be limited, but I believe the addition of the Water Conservation Tool will greatly expand interest and use of WestDAAT. Meanwhile, we continue to work on use cases and seek additional funding.

Another question was raised regarding the Internet of Water (IOW) seeking state funds to build water hubs. Tony explained that he is currently the IOW Vice-Chair and they have been working together, cooperatively, with WaDE as a foundational IOW hub. At present, WSWC staff do not have the technical expertise available to the IOW coalition through the Lincoln Land Institute to assist States in building their own hubs.

IOW and WSWC have secured an agreement with the Bureau of Reclamation to build an Application Programming Interface (API) to bring together in one place raw water supply information from various sources. The WSWC's share will be about \$119,000 over the next two years.

Separately, with the assistance of former members Erica Gaddis and Rebecca Roose, we are working on a proposal for the Thornburg Foundation to assist the State of New Mexico with identification and prioritization of its water-related infrastructure needs and alternative funding and financing opportunities from various sources.

EXECUTIVE DIRECTOR'S REPORT/WSWC ACTIVITIES and EVENTS

Tony very briefly mentioned some of the WSWC activities and events listed under Tab E, including letters to congressional and administration leaders. The Western Governors' Association's

annual meeting in Boulder, Colorado. The latter included a panel of water data that featured Dr. Richard Spinrad, Administrator, National Oceanic and Atmospheric Administration (NOAA). NOAA also hosted a tour of its nearby facilities. Another panelist, Yvonne Stone, with Deloitte, expressed interest in WaDE during a discussion following the panel. Of note, Governor Lombardi of Nevada casually questioned whether or not Artificial Intelligence (AI) might not help address water issues in the Colorado River Basin!

The WSWC/Native American Rights Fund (NARF) Indian Water Rights Settlement Symposium and WSWC/California Department of Water Resources Workshop on Subseasonal to Seasonal (S2S) precipitation forecasting were mentioned, as well as WestFAST webinars and calls involving our federal partners. Coordination with other state organizations was also noted, along with outreach related to WaDE. WSWC staff are involved with numerous committees, task forces and workgroups.

FUTURE WSWC MEETINGS

Jen noted the next WSWC meetings will be held in Washington, D.C. in cooperation with the Interstate Council on Water Policy, with a joint Roundtable, in the Spring of 2024 (looking at mid-May), followed by planned summer meetings in North Dakota and fall meetings in Kansas.

COUNCIL MEMBERSHIP UPDATE

Tony referred members to Tab C, where a number of individuals are included in WSWC activities and mailings by virtue of their position, while awaiting formal appointment by their governors. Often these are people filling the positions vacated by an appointed WSWC member. We would appreciate members assistance in securing appointment letters from their governors.

SUNSETTING POSITIONS for SPRING MEETINGS

The positions sunsetting at the next meeting were noted for future review.

OTHER MATTERS

As there were no other matters, the meeting was adjourned.