



**Central Wyoming Regional Water System
Joint Powers Board**

1500 SW Wyoming Boulevard
Casper, Wyoming 82604
(307) 265-6063

**Board
Members:**

Paul Bertoglio,
Chairman

David North,
Vice-Chairman

Ken Waters,
Secretary

Tracy
Sutherland,
Treasurer

Matt Larson

Amber Pollock

Dan Sabrosky

Pat Sweeney

REGULAR JOINT POWERS BOARD MEETING AGENDA

Tuesday February 17, 2026 11:30 a.m.

**Regional Water Treatment Plant
Joint Powers Board Conference Room
1500 SW Wyoming Boulevard**

1. Announcements
2. Approve Minutes – January 20, Regular Meeting *
3. Approve Bills & Claims – February 2026 *
4. Production Report *
5. Approve Financial Report – January 2025 *
6. Operations Update
7. Public Comment
8. Old Business
 - a) Update – Disinfection Project
 - b) Update – Raw Water Building Improvements
 - c) Other
9. New Business
 - a) Water Rights Discussion*
 - b) Consider Approval – Project Budget Reallocation – Misc. Capital to SWHS Pump Rebuild*
 - c) Consider Approval – Sargent Drilling, Co. - High Service Pump*
 - d) Other
10. Chairman’s Report

Next Meeting: Regular JPB Meeting – March 17, 2026

****Indicates Attachment***



**CENTRAL WYOMING REGIONAL WATER SYSTEM
JOINT POWERS BOARD
Meeting Minutes – January 20, 2025**

Call to Order: 11:33 a.m., Joint Powers Board Conference Room, Regional Water Treatment Plant.

Roll Call: Board Members Present: Bertoglio (Chair/City), Sutherland (Treasurer/SCJPB), North (Vice-Chair/County), Pollock (City), Sweeney (City), and Sabrosky (Bar Nunn)

Absent: Larson (City)

Also Present: Ethan Yonker (City), Jill Johnson (City), Kris Sexson (City), Mark Anderson (City), Sophie Stalnaker (City), Jase Madson (WPDN), George Mosier (WWDC), Nicholas Gassman (City)

1. Announcements

- a. Mr. Ethan Yonker was made the new interim Public Services Director.

2. Approved Minutes

- a. December 16th, Regular Meeting Minutes approved (Motion by North, seconded by Sutherland.)

3. Bills & Claims

Vendor Name	Amount
City of Casper	450,677.70
CNA Surety	325.00
HDR Engineering, INC	25,088.29
Purvis Industries LTD	22,934.02
State of Wyoming	321,672.83
Williams, Porter, Day, & Neville, P.C.	1,249.00
WY Water Development Commission	750.00
Total	822,696.84

- a. Approved (Motion by Pollock, Second by Waters)

4. Production Report

- a. December YTD Production: 18.51 million above the five-year average, likely due to winter weather conditions, warmer winter, and more residential watering.

5. Financial Report

- a. Reported by Jill Johnson
- b. December sales were more this FY26 than in FY25.
- c. Well within the budget currently.
- d. Budget amendment to correct allocation errors.
- e. Approved (Motioned by Sabrosky, seconded by Sweeney)

6. Operations Updates

a. Plant (Sexson):

- i. Preventive maintenance
- ii. Rebuilt a control valve for the settle water pump #1
- iii. Cleaned and inspected clear wells
- iv. Worked with Long on boiler room maintenance
- v. OSHA Walkthrough went well
- vi. Working with H.O.A to replace servers
- vii. Diagnosing issues with Cy Booster Tank

b. Transmission (Anderson):

- i. Performed the weekly security checks
- ii. Weekly tank sampling. CL2 levels are still low; however, they are expected to start rising shortly.
- iii. Quarterly disinfection byproduct sampling.
- iv. Hydrant non-drainer checks for the cold months
- v. Continuing fire hydrant maintenance.
- vi. New seals and bearings have been ordered for Mt view pump 1 and are currently in transit.

7. Public Comment:

- a. None

8. Old Business

a. Wellfield Improvements Study Update:

- i. HDR and Engineering Associates representatives gave a presentation on the update of the Wellfield Improvements Study.
- ii. The Board was agreeable to having two test wells put into the Caspar Wellfield.
- iii. The final report is expected to be given by August 2026.

b. Investment Policy Updates:

- i. The Board made the decision to continue using Hilltop Bank for all finances outside of investments and move all investment money to First Interstate Bank.
- ii. Approved (Motion by Sweeney, Seconded by Sabrosky)

c. Finalized Audit Document Distribution

- i. Finalized audit documents were distributed to the members of the board.

d. Other:

- i. None

9. New Business

a. Budget Amendment No. 3:

- i. Budget Amendment to correct the error of misallocation of line items. No additional funding required.
- ii. Approved (Motion by North, Seconded by Sutherland)

b. Amendment to DWSRF Loan #213 SCADA Improvements:

- i. Loan interest rate decreased from 2.5% to 1.5%.
- ii. Approved (Motioned by Sutherland, Seconded by Waters)

- c. Amendment to DWSRF Loan #153 Alternate Backwash Supply:**
 - i. Loan interest rate decreased from 2.5% to 1.5%.
 - ii. Approved (Motion by Sutherland, Seconded by Waters)
- d. Amendment to DWSRF Loan #129 Zone IIB Improvements:**
 - i. Loan interest rate decreased from 2.5% to 1.5%.
 - ii. Approved (Motion by Sutherland, Seconded by Waters)
- e. Amendment to DWSRF Loan #115 WTP Emergency Power:**
 - i. Loan interest rate decreased from 2.5% to 1.5%.
 - ii. Approved (Motion by Sutherland, Seconded by Waters)
- f. Presentation of Capital Improvements Plan:**
 - i. Moved to Next Board Meeting.
- g. Election of Officers:**
 - i. The Board elected to keep all officers the same.
 - ii. Approved (Motioned by North, Seconded by Sabrosky)
- h. Other**
 - i. Mr. Yonker brought before the Board the matter of the HSSW Pump needing full replacement, costing approximately \$150,000. Will be bringing proposals to the next scheduled meeting.

10. Chairman's Report

- a.** Seminole Project managers approached Chairman Bertoglio about the water rights the Board holds. Nothing was proposed in terms of action by the Board; Chairman Bertoglio was informing the Board of the situation.
- b.** Next meeting February 17th, 2026

Adjournment: 1:12 p.m. (Motion made by North, seconded by Waters)

Chairman

Secretary

Invoice Approval for February 17, 2026

Central Wyoming Regional Water System

CHARLES SARGENT IRRIGATION INC

Caspar #11 & Morad #7 Shipping Charges	\$2,000.00	
Assemble Pipe	\$20,103.00	
Assemble Pipe	\$24,169.00	
Total for CHARLES SARGENT IRRIGATION INC		\$46,272.00

CITY OF CASPER

Jan. 2026 Regional Water Ops Reimbursement	\$222,826.39	
Misc Rev Finance Reimb - Inv. #189805 & 189804	\$970.74	
Total for CITY OF CASPER		\$223,797.13

CIVIL ENGINEERING PROFESSIONALS, INC.

Mountain View Tank Improvement	\$3,500.00	
Total for CIVIL ENGINEERING PROFESSIONALS, INC.		\$3,500.00

HDR ENGINEERING, INC.

CWRWS Water Resources Master P	\$3,133.75	
WTP Disinfection System Upgrad	\$3,827.50	
Total for HDR ENGINEERING, INC.		\$6,961.25

KETEL THORSTENSON, LLP

FY2023 RWS Audit Services	\$11,500.00	
Total for KETEL THORSTENSON, LLP		\$11,500.00

STATE OF WY. - OFFICE OF STATE LANDS & INVEST

Loan #DW129	\$8,182.83	
Total for STATE OF WY. - OFFICE OF STATE LANDS & INVEST		\$8,182.83

WILLIAMS, PORTER, DAY & NEVILLE, P.C.

Legal Expense	\$3,196.00	
Total for WILLIAMS, PORTER, DAY & NEVILLE, P.C.		\$3,196.00

All Invoices Total		\$303,409.21
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Invoice Approval for February 17, 2026

Central Wyoming Regional Water System

I certify, under penalty of perjury, that this listing of vouchers and the items included therein for payment are correct and just in every respect.

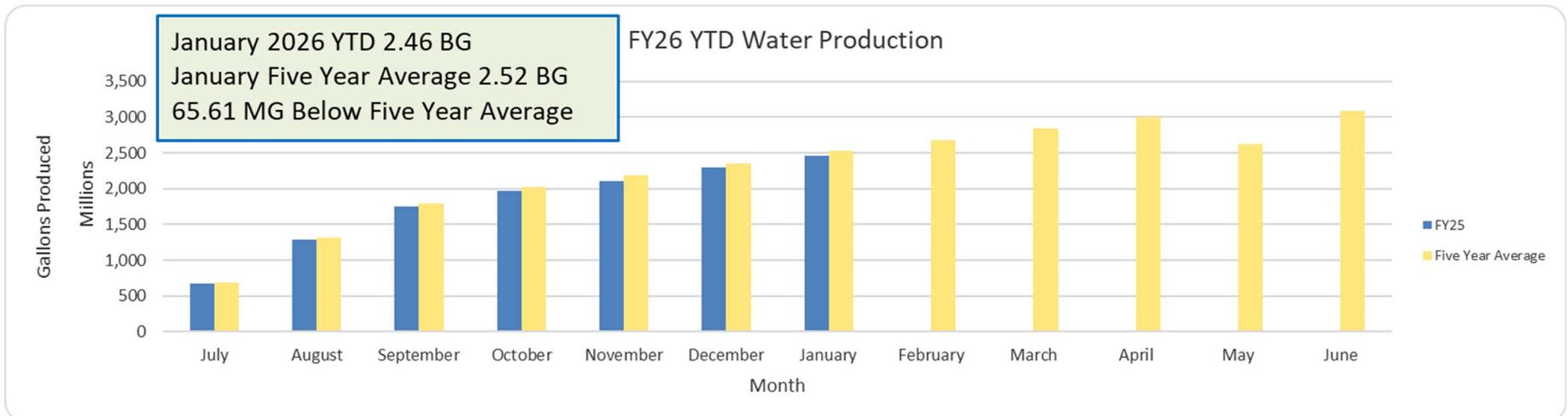
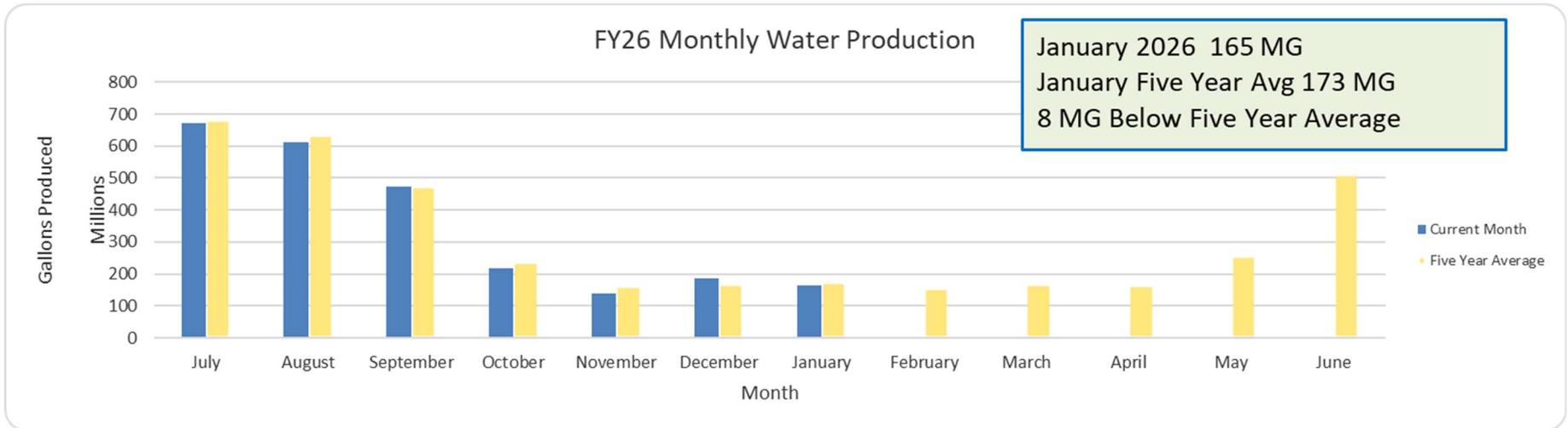
RWS Treasurer

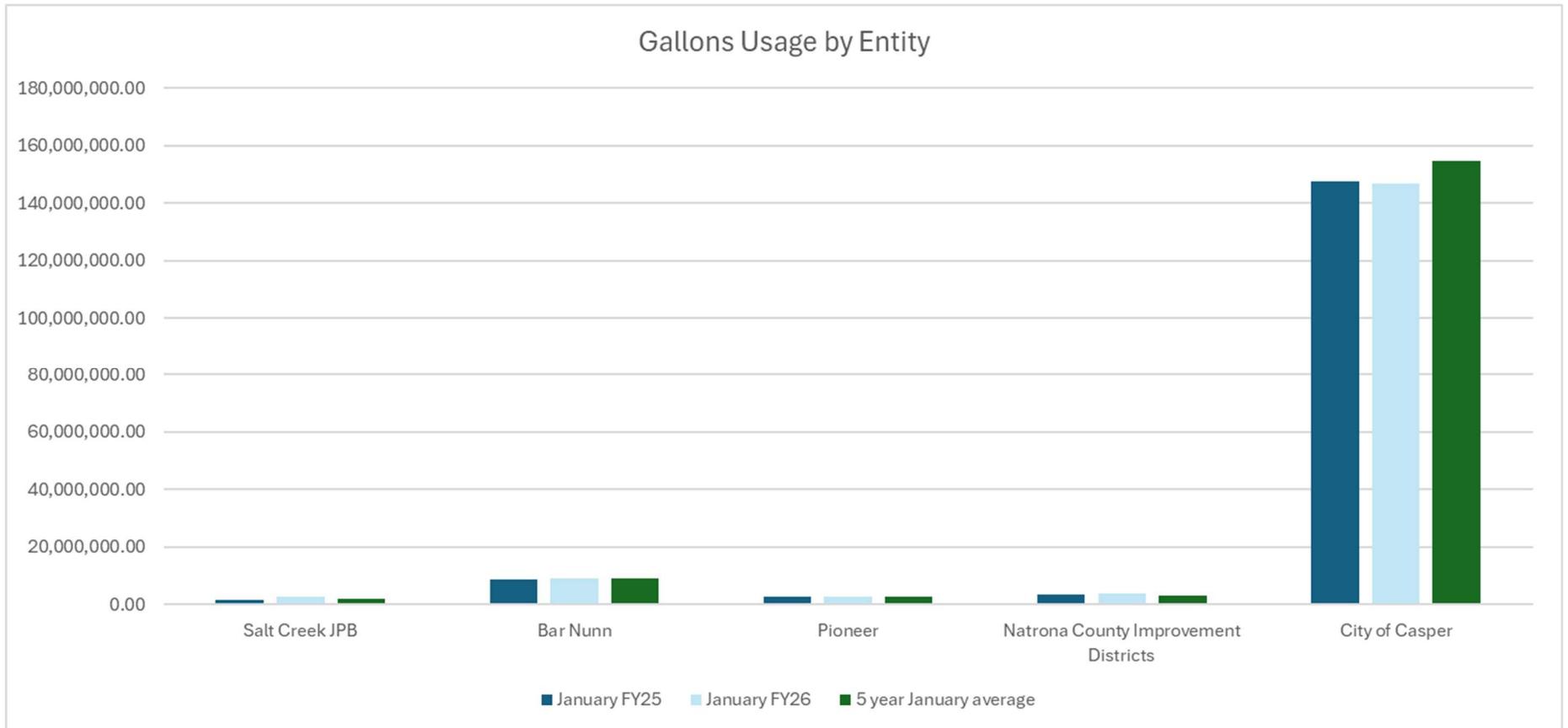
Date

RWS Chairman

Date

Production and Billing Report
January 2026





Entity	Gallons of Water Produced							
	1/31/2026	12/31/2025	11/30/2025	10/31/2025	9/30/2025	8/31/2025	7/31/2025	Year-to-Date
Salt Creek JPB	2,608,655.644	2,165,802.981	1,297,213.600	1,801,646.939	3,330,874.490	3,556,453.061	4,677,628.571	19,438,275.286
Bar Nunn	9,008,680.449	10,688,296.807	8,395,961.750	12,500,270.408	27,528,431.633	34,577,598.980	37,530,896.939	140,230,136.965
Pioneer	2,461,928.027	2,399,040.461	2,073,146.650	3,392,155.102	6,016,771.429	6,778,678.571	7,400,751.020	30,522,471.261
Poison Spider	1,637,882.017	1,642,265.170	1,246,696.050	1,516,632.653	2,449,234.694	2,493,061.224	2,969,897.959	13,955,669.768
33 Mile Road	1,048,666.065	1,125,560.127	903,947.550	1,084,897.959	1,492,142.857	1,552,551.020	1,889,795.918	9,097,561.497
Sandy Lake	586,745.790	587,064.093	486,868.050	707,963.265	1,198,138.776	1,583,862.245	2,116,900.000	7,267,542.218
Lakeview	100,782.606	111,725.000	312,878.450	333,996.939	656,749.592	963,133.673	1,054,713.265	3,533,979.525
Mile-Hi	518,239.967	569,889.836	91,124.300	164,323.878	541,979.592	603,427.551	845,475.510	3,334,460.634
City of Casper	146,705,879.435	165,379,777.525	122,842,163.600	195,614,791.857	427,691,690.939	556,426,835.673	612,153,940.816	2,226,815,079.846
Regional Water	(88,780)	(57,004)	-	(110,000)	(332,000)	(2,542,800)	(170,000)	(3,300,584)
TOTAL	164,588,680.00	184,612,418.000	137,650,000.000	217,006,679.000	470,574,014.000	605,992,802.000	670,470,000.000	2,450,894,593.000

TOTAL PRIOR YEAR (FY2025) GALLONS PRODUCED:	3,967,939,108.000
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Entity	Water Rates Billed							
	1/31/2026	12/31/2025	11/30/2025	10/31/2025	9/30/2025	8/31/2025	7/31/2025	Year-to-Date
Salt Creek JPB	\$ 6,469.47	\$ 5,371.19	\$ 3,217.09	\$ 4,468.08	\$ 8,260.57	\$ 8,820.00	\$ 11,600.52	\$ 48,206.92
Bar Nunn	\$ 22,341.53	\$ 26,506.98	\$ 20,821.99	\$ 31,000.67	\$ 68,270.51	\$ 85,752.45	\$ 93,076.62	\$ 347,770.74
Pioneer	\$ 6,105.58	\$ 5,949.62	\$ 5,141.40	\$ 8,412.54	\$ 14,921.59	\$ 16,811.12	\$ 18,353.86	\$ 75,695.73
Poison Spider	\$ 4,061.95	\$ 4,072.82	\$ 3,091.81	\$ 3,761.25	\$ 6,074.10	\$ 6,182.79	\$ 7,365.35	\$ 34,610.06
33 Mile Road	\$ 2,600.69	\$ 2,791.39	\$ 2,241.79	\$ 2,690.55	\$ 3,700.51	\$ 3,850.33	\$ 4,686.69	\$ 22,561.95
Sandy Lake	\$ 1,455.13	\$ 1,455.92	\$ 1,207.43	\$ 1,755.75	\$ 2,971.38	\$ 3,927.98	\$ 5,249.91	\$ 18,023.50
Lakeview	\$ 249.94	\$ 277.08	\$ 775.94	\$ 828.31	\$ 1,628.74	\$ 2,388.57	\$ 2,615.69	\$ 8,764.27
Mile-Hi	\$ 1,285.24	\$ 1,413.33	\$ 225.99	\$ 407.52	\$ 1,344.11	\$ 1,496.50	\$ 2,096.78	\$ 8,269.46
City of Casper	\$ 363,830.58	\$ 410,141.85	\$ 304,648.57	\$ 485,124.68	\$ 1,060,675.39	\$ 1,379,938.55	\$ 1,518,141.77	\$ 5,522,501.40
Regional Water	\$ (220.17)	\$ (141.37)	\$ -	\$ (272.80)	\$ (823.36)	\$ (6,306.14)	\$ (421.60)	\$ (8,185.44)
TOTAL	\$408,179.93	\$457,838.80	\$341,372.00	\$538,176.56	\$1,167,023.55	\$1,502,862.15	\$1,662,765.60	\$6,078,218.60

TOTAL PRIOR YEAR (FY2026) BILLING:	\$ 9,563,420.97
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*Total water produced does not equate to total water billed due to credit given.



Central Wyoming Regional Water System
Joint Powers Board

Financial Report
January 31, 2026

Prepared by:
City of Casper
Finance Department

CENTRAL WYOMING REGIONAL WATER SYSTEM

Balance Sheet Report for 2026 Period 7 (as of January 31, 2026)

Account Number	Description	Account Balance
Consolidated Funds		
Assets		Total Assets
		58,262,754
1000	Cash	10,898,996
1200	Accounts Receivable	839,092
1400	Inventory	623,456
1505	WGIF Investments	557,144
1521	WYO Star Investment - Allocation	2,294,138
1522	WYO Star 2 Investment - Allocation	2,234,537
	Restricted Cash (Investments)	1,000,000
1600	Prepaid Expense	38,245
1710	Land	580,874
1720	Buildings	47,471,792
1725	Accumulated Depreciation - Bld	(39,717,808)
1730	Improvements Other Than Bldgs	45,324,608
1735	AD Improve. Non Bldg	(16,300,262)
1740	Machinery & Equip - Light	2,058,557
1745	AD Machinery & Equip. - Light	(1,337,091)
1780	Construction In Progress	1,696,477
Liabilities		Total Liabilities
		(6,826,594)
2010	Vouchers/Account Payable	(223,797)
2030	Accrued Wages Payable	(63,553)
2040	Leaves Payable	(191,418)
2070	Interest Payable	(66,152)
2080	Notes Payable - Current	(765,453)
2510	Notes/Loans Payable - Non Cur	(5,516,220)
Fund Balance		Total Fund Balance
		(51,436,160)
3000	Net Investment in Capital Assets	(33,495,473)
	Restricted (WWDC Reserve Requirement)	(1,000,000)
3010	Unrestricted Net Position	(16,940,687)
		Total Liabilities + Fund Balance
		(58,262,754)

CENTRAL WYOMING REGIONAL WATER SYSTEM

Comparative Income Statement

Seventh Month as of January 31, 2026

	2024	2025	2026
Revenue	\$5,754,153	\$7,496,475	\$6,569,725
4202 - Federal Grants	\$0	\$469,373	\$647
4501 - Interest Earned	\$176,119	\$304,435	\$331,954
4505 - Misc. Revenue	\$840	\$9,265	\$0
4601 - Water Utility Charges	\$5,428,402	\$6,591,527	\$6,079,343
4650 - System Development Charges	\$148,792	\$121,874	\$157,781
Expense	\$4,249,623	\$3,861,628	\$3,900,232
6212 - Legal Services	\$6,030	\$2,770	\$4,689
6213 - Investment Services	\$743	\$218	\$35
6214 - Consulting Services	\$80	\$140	\$80
6215 - Acctg/Audit Services	\$27,658	\$32,225	\$20,000
6255 - Other Contractual	\$750	\$750	\$107,538
6257 - Reimbursable Contract Exp.	\$2,092,147	\$2,241,138	\$2,444,882
6304 - Improvements to Buildings	\$0	\$8,325	\$0
6305 - Improvements Other Than Bldgs	\$647,679	\$505,355	\$249,475
6311 - Light Equipment	\$78,846	\$37,408	\$62,475
6320 - Technology - Capital	\$0	\$4,865	\$0
6501 - Principal	\$1,135,966	\$773,119	\$757,387
6510 - Interest	\$139,768	\$118,734	\$134,466
6780 - Insurance/Bonds	\$119,956	\$136,581	\$119,204
Net Income:	\$1,504,530	\$3,634,847	\$2,669,494

BUDGET COMPARISON

As of January 31, 2026

58.3% OF YEAR EXPIRED

CWRWS FUND

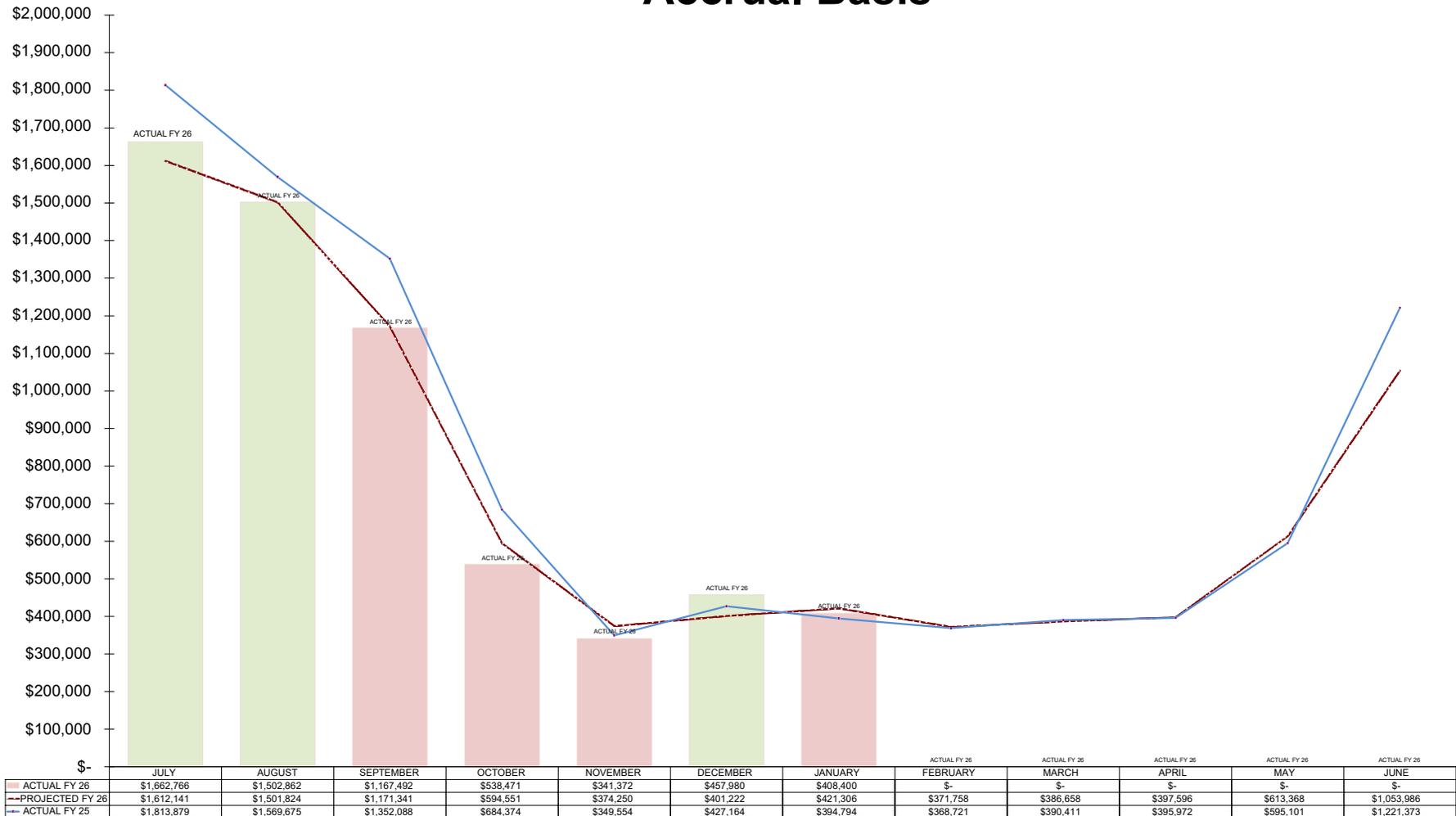
(FUND 300)

<u>ACCOUNT</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>	<u>TRANSFERS/ ADJUSTMENTS</u>	<u>REVISED BUDGET</u>	<u>YTD ACTUAL</u>	<u>YET TO BE COLLECTED</u>	<u>% REC'D</u>
4202	Federal Grants	-	(69,918)	(69,918)	(647)	(69,271)	100.00%
4501	Interest Earned	(450,000)	-	(450,000)	(331,954)	(118,046)	73.77%
4505	Misc. Revenue	(100)	-	(100)	-	(100)	0.00%
4601	Water Utility Charges	(8,900,000)	-	(8,900,000)	(6,079,343)	(2,820,657)	68.31%
4650	System Development Charges	(250,000)	-	(250,000)	(157,781)	(92,219)	63.11%
	TOTAL REVENUES	(9,600,100)	(69,918)	(9,670,018)	(6,569,725)	(3,100,293)	67.94%

	<u>ACCOUNT DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>	<u>TRANSFERS/ ADJUSTMENTS</u>	<u>REVISED BUDGET</u>	<u>YTD ACTUAL</u>	<u>ENCUMBERED</u>	<u>AVAILABLE BUDGET</u>	<u>% USED</u>
6212	Legal Services	20,000	0	20,000	4,689	-	15,311	23.45%
6213	Investment Services	1,500	0	1,500	35	-	1,465	2.33%
6214	Consulting Services	105,000	0	105,000	80	7,500	97,420	7.22%
6215	Acctg/Audit Services	40,000	2,000	42,000	20,000	22,000	-	100.00%
6255	Other Contractual	65,000	143,638	208,638	107,538	36,849	64,250	69.20%
6257	Reimbursable Contract Exp.	5,130,269	(139,615)	4,990,654	2,444,882	-	2,545,772	48.99%
6303	Buildings - New	400,000	0	400,000	-	-	400,000	0.00%
6304	Improvements to Buildings	2,250,000	0	2,250,000	-	-	2,250,000	0.00%
6305	Improvements Other Than Bldgs	1,100,000	4,824,702	5,924,702	249,475	1,851,847	3,823,379	35.47%
6307	Intangibles - New	39,600	0	39,600	-	-	39,600	0.00%
6311	Light Equipment - New	80,000	62,475	142,475	62,475	72,645	7,355	94.84%
6320	Technology - Capital	75,000	0	75,000	-	-	75,000	0.00%
6321	Technology - Replacement	250,000	0	250,000	-	-	250,000	0.00%
6501	Principal	807,329	0	807,329	757,387	-	49,943	93.81%
6510	Interest	159,914	0	159,914	134,466	-	25,448	84.09%
6720	Travel/Training	2,000	0	2,000	-	-	2,000	0.00%
6780	Insurance/Bonds	147,000	0	147,000	119,204	-	27,796	81.09%
	TOTAL EXPENDITURES	\$ 10,672,612	\$ 4,893,200	\$ 15,565,812	3,900,232	\$ 1,990,842	\$ 9,674,738	37.85%

TOTAL REVENUE OVER/(UNDER) EXPENSE \$ (1,072,512) \$ (4,823,282) \$ (5,895,794) 2,669,494 \$ (1,990,842) \$ (6,574,446)

Water Sales FY 2026 Versus Projection and Prior Year Accrual Basis



	<u>ACTUAL FY 25</u>	<u>PROJECTED FY 26</u>	<u>ACTUAL FY 26</u>
YTD TOTAL	\$ 6,591,527	\$ 6,076,635	\$ 6,079,343
YTD VARIANCE			\$ 2,709
			% Difference
CHANGE FROM FY25 PROJECTED TO FY26 ACTUAL-SAME MONTH			-3.06%
CHANGE FROM FY25 PROJECTED TO FY26 ACTUAL-YEAR TO DATE			0.04%
CHANGE FROM FY25 ACTUAL TO FY26 ACTUAL-SAME MONTH			3.45%
CHANGE FROM FY25 ACTUAL TO FY26 ACTUAL-YEAR TO DATE			-7.77%
			In Dollars
CHANGE FROM FY25 PROJECTED TO FY26 ACTUAL-SAME MONTH			-\$12,905
CHANGE FROM FY25 PROJECTED TO FY26 ACTUAL-YEAR TO DATE			\$2,709
CHANGE FROM FY25 ACTUAL TO FY26 ACTUAL-SAME MONTH			\$13,606
CHANGE FROM FY25 ACTUAL TO FY26 ACTUAL-YEAR TO DATE			-\$512,184

Memo

Date: Monday, February 09, 2026

Project: City of Casper '23 - '24 Water Rights

To: Ethan Yonker, Interim Public Services Director, City of Casper

From: HDR Engineering

Subject: Recommendation - PMP Storage Contract

The purpose of this Memo is to provide a recommendation for addressing the back-up water needs to serve the Central Wyoming Regional Water System (CWRWS). Based on a review of current snowpack conditions and considering the increased likelihood of administration in the current water year a further evaluation of water sources and acquisition of additional supply has been requested. HDR Engineering has been completing a water resources master plan for CWRWS. The water supply conditions during the current water year warrant the review of your current backup water storage. Section 7.5 of HDR's draft plan addresses the "Estimation of Need for Excess Backup Supply" due to water rights administration and severe droughts. HDR developed a forecasting model to estimate existing and future water needs and the resiliency of the CWRWS system based on low growth, high growth, and boom growth..

The analysis considers three Scenarios with remaining water supplies (green) and deficit water supplies (red) in attached tables progressing from less to more extreme conditions with your existing direct flow water rights administered and storage contracts affected as follows:

- Scenario no. 1: Administration in the spring in February, March, and April due to Federal Reservoir water rights
- Scenario no. 2: Federal Reservoir (Scenario no. 1) and late summer administration due to reduced natural flow conditions in the North Platte River
- Scenario no. 3: Scenario no. 1 and no. 2 effective and current storage supplies are reduced by 50% due to a prolonged drought. This administration analysis is worst case and considers the vulnerability of your existing storage from the Pathfinder Modification Project (PMP) Account and Upper Rock Creek Reservoir.

Scenario no. 3 is an extreme circumstance and there is a low probability of it occurring, but it would be prudent and proactive to secure additional storage supplies at this time for the near future.

The City of Casper and CWRWS current contracts total 2,100 acre feet of PMP storage with end date of 2037. To address an extreme drought circumstance prior to 2037, HDR Engineering recommends an increase of at least 2,000-acre feet of PMP contract storage.

Storage and Direct Flow				Storage and Direct Flow		
Scenario 1: Federal Admin (all values in acre-feet)				Scenario 2: Federal and Late Summer Admin (all values in acre-feet)		
Date	Low	High	Boom	Low	High	Boom
1/1/2025	4,859	4,859	4,859	2,869	2,869	2,869
1/1/2030	4,790	4,719	4,403	2,745	2,474	1,257
1/1/2035	4,759	4,612	3,870	2,626	2,060	(793)
1/1/2040	4,727	4,497	3,609	2,503	1,619	(1,793)
1/1/2045	4,695	4,375	3,428	2,379	1,149	(2,491)
1/1/2050	4,662	4,244	3,234	2,252	647	(3,235)
1/1/2055	4,628	4,105	3,027	2123	112	(4,030)
1/1/2060	4,594	3,956	2,807	1991	(459)	(4,877)
1/1/2065	4,559	3,798	2,572	1855	(1,068)	(5,782)
1/1/2070	4,523	3,629	2,321	1718	(1,718)	(6,746)

Storage and Direct Flow			
Scenario 3: Prolonged Drought			
(all values in acre-feet)			
Date	Low	High	Boom
1/1/2025	538	538	538
1/1/2030	414	143	(1,074)
1/1/2035	294	(270)	(3,123)
1/1/2040	172	(711)	(4,123)
1/1/2045	49	(1,181)	(4,822)
1/1/2050	(79)	(1,683)	(5,566)
1/1/2055	(209)	(2,219)	(6,361)
1/1/2060	(340)	(2,790)	(7,208)
1/1/2065	(476)	(3,400)	(8,113)
1/1/2070	(613)	(4,049)	(9,077)

Memo

Date: **Monday, February 09, 2026**

Project: **City of Casper '23 – '24 Water Rights**

To: **Ethan Yonker, Interim Public Services Director, City of Casper**

From: **HDR Engineering**

Subject: **Recommendation – Exchange Petition - Upper Rock Creek Reservoir (URC)**

HDR Engineering has prepared a draft exchange petition for the purpose of exchanging storage water held in Upper Rock Creek Reservoir (up to 2,799.8-acre feet per year minus applicable conveyance losses) for an equal amount of out-of-priority water diverted and consumed for municipal use during periods of administration. The exchange will include return flow credit for the months of February through October. The State Engineer's Office has approved return flow credits for PMP contract storage for the months of February, March, and April but has not approved any credit for URC storage. The approval and granting of this petition by the Wyoming State Engineer allows City/CWRWS to have flexibility in the timing of the releases of storage and to increase yields of Upper Rock Creek Reservoir storage.

HDR recommends the Exchange Petition, Technical Report, and petition map are submitted to Wyoming State Engineer's Office following final review by the City of Casper and CWRWS. The draft map was prepared by CEPI so it will require a PLS stamp and signature. This Memo seeks approval to move forward with final draft documents for review.



State Engineer's Office

HERSCHLER BUILDING, 2 WEST
CHEYENNE, WYOMING 82002
(307) 777-6150

MARK GORDON
GOVERNOR

BRANDON GEBHART, P.E.
STATE ENGINEER

February 5, 2026

Mayor Ray Pacheco
City of Casper
200 N David St
Casper, WY 82601

Ethan Yonker, Public Utilities Manager
Central Wyoming Regional Water System
1500 SW Wyoming Boulevard
Casper, WY 82604

Dear Mr. Yonker,

The North Platte River system has experienced multiple years of drought conditions with below average winter snowpack and streamflow conditions causing low reservoir storage carryover. Based on the existing water supply, snowpack, and forecasted runoff, it is anticipated that water supplies will be below average in 2026.

Wyoming state law and the Modified North Platte Decree (Decree) require priority administration of water rights in the North Platte River basin under certain forecasted water supply circumstances. Based on the February 4, 2026 forecasted water supply in the North Platte River basin, I have validated a call for priority administration to protect senior Wyoming water rights (held by the U.S. Bureau of Reclamation for storage in their reservoirs). That water right priority administration became effective as of February 5, 2026. Completion of the Pathfinder Modification Project did not cause this priority administration.

At this time, this priority administration will affect any water rights that are:

1. Upstream of Pathfinder Reservoir and junior to a priority date of December 6, 1904; until such time as the administration is lifted;
2. Between Pathfinder Dam and Guernsey Reservoir, and junior to a priority date of April 20, 1923, until such time as the administration is lifted.

If your water diversion requirements are satisfied with water rights senior to Pathfinder and Guernsey Reservoirs, they are unaffected by this administration activity.

To carry out administration of your water rights, I have requested the Water Division I staff to allow your community to continue to divert water for municipal use under your junior priority water rights, on the condition that by February 13, 2026, you provide a letter to this office or an email to michelle.hubbard@wyo.gov documenting your ability to compensate the river for your water use to the North Platte River resulting from the diversion of water under your junior priority water rights during the entire period of administration. If you have no source of replacement water, or do not expect to provide such replacement water, then you are hereby ordered to cease diversion under all water rights junior to December 6, 1904 if you are above Pathfinder Reservoir, or April 20, 1923 if you are between Pathfinder and Guernsey Reservoirs as of **February 5, 2026**. The assurance of a replacement water source does not relieve you of your obligation as a junior water right holder to refrain from diverting in a manner

Board of Control
307-777-6178

Ground Water
307-777-6163

Interstate Streams
307-777-1942

Surface Water
307-777-6475

that will cause injury to the senior priority water rights on whose behalf this administration has been undertaken.

If your municipality has no source of replacement water and cannot meet the water needs of your community, there is storage water available for purchase from the Bureau of Reclamation storage in Glendo Reservoir or Wyoming Water Development's Pathfinder Modification Wyoming Account. Alternative water may also be obtained through temporary water use agreements or contracts from available storage, transfers or exchange agreements, or other supplies available under Wyoming law and approved by the State Engineer's Office. Upon request and on a case-by-case basis this office will assist those water users affected by this administration to develop such water supply arrangements. We will advise you through our water commissioners, division superintendent or this office of when the replacement water must be provided during water year 2026. At this point, you must cease diversion under the junior priority water rights or proceed to make the arrangements to provide for the replacement water supplies that will avoid injury to the senior priority water rights. You must also ensure that you have the proper measurement systems in place that are satisfactory to the Division Superintendent to determine the depletions, beginning February 13, 2026.

We will continue to monitor the water supply conditions as well as the Bureau's North Platte River Reservoirs storage operations for 2026 as the spring progresses. This administration will remain in effect until May 1, 2026 unless conditions improve and the call is lifted. The State Engineer's Office, our Division I Water Office, or your local water commissioner will advise you of any changes to the administration of the river.

Your cooperation with this priority administration is appreciated. Please feel free to contact myself, the Division I Water Office at 307-532-2248, Michelle Hubbard North Platte River Coordinator at 307-777-7641, or your local water commissioner if you have any questions.

Sincerely,



Brandon Gebhart
State Engineer

cc: Mr. Josh DeBerard, Division I Superintendent
Ms. Michelle Hubbard, North Platte River Coordinator
Mr. Jason Mead, Wyoming Water Development Office Director
Mr. Lyle Myler, Bureau of Reclamation Area Manager
Mayor Ray Pacheco

Board of Control
307-777-6178

Ground Water
307-777-6163

Interstate Streams
307-777-1942

Surface Water
307-777-6475



February 12, 2026

Mr. Brandon Gebhart, State Engineer
 State Engineer's Office
 Herschler Bldg. – 4th Floor East
 Cheyenne, WY 82002

Re: 2026 Water Right Administration Activities – Source of Water

Dear Mr. Gebhart:

We have received your letter of February 5, 2026, regarding water year 2026 water right priority administration. Your letter described the sources of replacement or storage water and the Regional Water System's ability to compensate the river for water use during the period of administration. The Central Wyoming Regional Water System (CWRWS) exercises various water rights through diversions at the water treatment plant. During the months of February, March, and April the groundwater well system is active and the surface water intake is idle. In addition to the operation of the well system, at various times CWRWS diverts water from two surface water rights, Recharge Pipeline No. 1 and 2, with the purpose of recharging the shallow groundwater and enhancing production at its wells and caissons.

Please find attached a listing of the water rights to satisfy the needs of CWRWS for the period February 5 through the end of April or when administration activities are lifted. The water rights consist of two 1920 priority well rights, an Amoco Pipeline no. 2 water right transferred from BP North America, and a senior water right known as the Salt Creek Pipeline transferred to CWRWS (Docket I-97-4-5). At times during February and March when CWRWS exceeds 5.72 million gallons of diversion, CWRWS expects to rely on readiness-to-serve water reserved within the Wyoming Account of the Pathfinder Modification Project. We may also enter into a Temporary Water Use Agreement with a senior water rights appropriator to address this administration.

For the potential Inland Lakes priority call in April, CWRWS plans to rely on releases of storage water from Upper Rock Creek Reservoir.

If you have any questions at this time, please feel free to contact me.

Sincerely,

Ethan Yonker, P.E.
 Interim Public Services Director
 City of Casper | Central Wyoming Regional Water System

cc: **Josh DeBerard**, Superintendent, Water Division No. 1; **Michelle Hubbard**, North Platte River Coordinator; **Jason Mead**, Director, Wyoming Water Development Office; **Logan Wood**, Water Treatment Plant Manager; **Janine Jordan**, City Manager, City of Casper; **Paul Bertoglio**, Chairman, Central Wyoming Regional Water System Joint Powers Board; **Ray Pacheco**, Mayor, City of Casper; **HDR Engineering**

Public Utilities | Water Operations

200 North David Street | Casper, WY | 82601-1862 | Phone: (307) 235-8213 | Fax: (307) 235-8362 | www.casperwy.gov

Agenda Packet - February 17, 2026

Page 22 of 38

CITY OF CASPER AND CENTRAL WYOMING REGIONAL WATER SYSTEM
 Water Rights Senior to April 20, 1923

Groundwater Rights	Permit No.	Priority Date	Gallons per Day
City of Casper 1 (Morad #5)	S.C. No. U.W. 615	12/31/1920	540,000
City of Casper 2 (Morad #6)	S.C. No. U.W. 616	12/31/1920	612,000

Surface Water Rights

Amoco Pipeline #2 Permit no. 14892		10/30/1917	4,162,269
Salt Creek Pipeline Permit No. 16525		10/11/1922	407,151
		Total:	5,721,420

DRAFT

February 10, 2026

MEMO TO: Paul Bertoglio, CWRWS JPB Chairman
Members, Central Wyoming Regional Water Systems Joint Powers Board

FROM: Ethan Yonker, P.E., Water Operations Officer *EY*

SUBJECT: Authorizing a Project to Project Transfer of Funds in the Amount of \$92,083.55
for SWHS Pump Number 1 Replacement.

Meeting Type & Date

CWRWS JPB Meeting
February 18, 2026

Action Type

Approval

Recommendation

That the JPB, by motion, authorize an internal project budget transfer of funds in the amount of \$92,083.55 for the SWHS Pump Number 1 Replacement.

Summary

As part of the FY26 capital budget, \$100,000 was budgeted for work to Surface Water High Service Pump and Motor number 1. Currently, \$92,083.55 of the project's budget remains unspent. Staff pulled the pump and sent it off for rebuild as was originally proposed, but upon review of the condition, Staff was informed that the pump could not be rebuilt. Quotes for a replacement pump have been received, and the purchase of a replacement pump is being considered by the board through the FY26 Misc. Capital Equipment Replacement project.

This budget transfer will move unspent funds for the rebuild of SWHS Pump #1 to the FY26 Misc. Capital Replacements project to offset the expenses related to the purchase of a new pump.

Financial Considerations

Transfer \$92,083.55 from 3000026006-300-WATERINFRA-BUILD to 3000026011-300-EQUIPMENT-MAINT. The total Capital budget remains unchanged through this transfer.

Oversight/Project Responsibility

Ethan Yonker, P.E., Water Operations Officer

Attachments

Budget Reallocation Form



Central Wyoming Regional Water System Joint Powers Board

Budget Reallocation Form

Budget Reallocation No. 2026-01

Fiscal Year: FY 2026

Date: 2/18/2026

Prepared By: Ethan Yonker

Page: 1 of 1

Water Operations Officer: [Signature]

Chairman: _____

Treasurer: _____

Processed By: _____
Date: _____

Line Item Budget Reallocation

Ref.	Account Number	Account Description	(To) Increase	(From) Decrease
	300-6305	Improvements other than Buildings	\$ 92,083.55	
	3000026011-300-EQUIPMNET-MAINT			
	Munis Project No. 3000026011 (FY26 Misc. Capital Equipment Replacement)			
	300-6305	Improvements Other Than Buildings		\$ 92,083.55
	3000026006-300-WATERINFRA-BUILD			
	Munis Project No. 3000026006 (SWHS Pump Rebuild/Motor Replace)			

For Finance use only:

Verify Account Numbers: _____
 Verify Funds Available: _____

Explanation of Need:

The surface water high service pumps supply the distribution system with treated surface water. These pumps were installed in 1998 and are now close to thirty years old, with an original life expectancy of twenty years. Staff worked to extend the life as much as possible, but the SWHS Pump #1 is now in need of replacement. Funds budget for SWHS#1 rebuild are being moved to the Capital Equipment Replacement Budget.

February 4, 2026

MEMO TO: Paul Bertoglio, CWRWS JPB Chairman
Members, Central Wyoming Regional Water Systems Joint Powers Board

FROM: Ethan Yonker, Interim Public Services Director 
Logan Wood, Water Treatment Plant Manager

SUBJECT: Authorizing the purchase of a replacement High Service Surface Water Vertical Pump from Sargent Drilling Co.

Action Type

CWRWS JPB Meeting
February 17th, 2026

Recommendation

That the JPB, by motion, authorize a Purchase Agreement with Sargent Drilling Co, Broken Bow, Nebraska, in the Amount of \$97,031.00 for the Replacement of the High Service Surface Water Pump #1

Summary

High Service Surface Water Pump #1's performance is declining, and staff sent the pump in for a rebuild this past fall. However, we were informed that the pump is beyond repair and requires replacement.

Quotes for purchasing the high service surface water pump are listed.

<u>Vendor</u>	<u>Amount</u>
Sargent Drilling	\$97,031.00
DXP Enterprises	\$121,782.00
Source Equipment	\$0.00*

*No response received by deadline.

It is the Water Treatment Plant staff's top priority to keep our water system in good operating condition. Maintenance activities, such as replacing well-field pumps, are consistent with our maintenance program and ensure stewardship of the system. Staff recommends purchasing the High Service Surface Water pump from Sargent Drilling Co., Broken Bow, NE from Sargent Drilling of Broken Bow, NE, for \$97,031.00.

Financial Considerations

Funds budgeted for the rebuild will not cover the replacement. A budget transfer has been requested to move funds and purchase the replacement through the Misc Capital Equipment Replacement line.

Oversight/Project Responsibility

Mike Day, Maintenance Supervisor

Attachments

Quote from Sargent Drilling dated 01/23/2026
Quote from DXP Enterprises dated 01/15/2026

Sargent Drilling Co.

PO BOX 627
Broken Bow, NE 68822

(308) 872-5125

Estimate

Date	Estimate #
1/23/2026	2688

Name / Address
Casper Wyoming

Qty	Description	Cost	Total
1	600HP Peerless - refurbish discharge head and rebuild stuffing box - New 14" column - New stainless steel shafting 2.18" - New 4 stage 22GM Gould bowl assembly 4250gpm at 282 TDH - New basket strainer - Coat discharge head, column & bowl assembly **Includes pick up, delivery & assist with installation**	97,031.00	97,031.00
		Subtotal	\$97,031.00
		Sales Tax (5.5%)	\$0.00
		Total	\$97,031.00



TERMS AND CONDITIONS

Notes and Exceptions:

- 1. Prices contained herein for items are firm for 15 days from date of quote (unless otherwise noted).
- 2. Freight FOB (Stated as Estimate) DXP or manufacturer's factory (unless otherwise noted).
- 3. Items quoted are subject to prior sale.
- 4. Field start-up, installation or supervision not included (unless otherwise noted).
- 5. Only the equipment as described within this quote will be provided in conjunction with the rate quoted herein.
- 6. Above equipment standard construction and paint (unless otherwise noted).
- 7. Other terms and conditions may apply to certain jobs and Progress Payments may be required at time of purchase order.
- 8. Purchase order for above equipment is subject to acceptance by an officer of DXP Enterprises.
- 9. Shipping and Handling not included (unless otherwise noted). Handling for large items may include, but not limited to, 3rd party crane loading services.

All sales to terms and conditions at <http://www.dxp.com/terms.html>

These Terms and Conditions govern all transactions between DXP and the customer requesting credit terms. Exceptions to these terms are only granted in the event that a contractual agreement is signed by both parties which clearly stipulates that such agreement supersedes the terms set forth, or in the case that the original invoice states terms which differ than those terms listed below.

DXP prefers written purchase orders for all orders. If this cannot be provided, please sign and date the attached quote and return. By signing this quote request customer agrees to the above-mentioned Terms and Conditions.

Company Name _____

Authorized Buyer (Signature) _____

Authorized Buyer (Printed Name) _____

Date _____

RESOLUTION NO. 26-01

A RESOLUTION AUTHORIZING A CONTRACT FOR THE PROCUREMENT OF GOODS WITH SARGENT DRILLING, FOR THE REPLACEMENT OF HIGH SERVICE VERTICAL PUMP #1.

WHEREAS, the Central Wyoming Regional Water System Joint Powers Board (CWRWS) authorizes the contract service agreement with Sargent Drilling Co.

NOW, THEREFORE, BE IT RESOLVED BY CENTRAL WYOMING REGIONAL WATER SYSTEM JPB OF CASPER, WYOMING: That the Chairman, or designee, is hereby authorized and directed to execute, and the Secretary, or designee, to attest, a Contract for Procurement of Goods with Sargent Drilling Co, and the Central Wyoming Regional Water System Joint Powers Board.

BE IT FURTHER RESOLVED: That the CWRWS is hereby authorized to make verified payment in terms of the Contract, in an amount not to exceed Ninety-Seven Thousand and Thirty-One dollars and Zero cents. (\$97,031.00)

PASSED, APPROVED, AND ADOPTED on this ___ day of _____, 2026.

APPROVED AS TO FORM:



Jase Madsen,
Attorney for CWRWS

ATTEST

CENTRAL WYOMING REGIONAL
WATER SYSTEM JOINT POWERS
BOARD

Ken Waters
Secretary

Paul Bertoglio.
Chairman, CWRWS

Procurement of Goods Agreement (Short Form)

This Procurement of Goods Agreement, dated as of _____, (this "**Agreement**," is entered into between the Central Wyoming Regional Water System Joint Powers Board, a Wyoming Joint Powers Board, with offices located at 1500 Southwest Wyoming Boulevard, Casper, Wyoming 82604 ("**Buyer**") and Sargent Drilling Co. PO BOX 627, Broken Bow, Nebraska 68822 ("**Seller**"), and together with Buyer, the "**Parties**", and each, a "**Party**").

RECITALS

WHEREAS, Seller is in the business of selling and building High Service Surface Water Vertical Pumps.

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer the Goods.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Sale of Goods. Seller shall sell to Buyer and Buyer shall purchase from Seller the goods set forth on Exhibit A (the "**Goods**"), hereto attached and made part of the Agreement, in the quantities and at the prices and upon the terms and conditions set forth in this Agreement.
2. Delivery Date. Seller shall deliver the Goods in the quantities by April 14, 2026, or as otherwise agreed in writing by the Parties (the "**Delivery Date**"). Timely delivery of the Goods is of the essence. If Seller fails to deliver the Goods in full on the Delivery Date, Buyer may terminate this Agreement immediately by providing written notice to Seller and Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses directly attributable to Seller's failure to deliver the Goods on the Delivery Date.
3. Quantity. Seller shall deliver the quantities of the Goods specified in Exhibit A. If Seller delivers more or less than the quantity of Goods specified in Exhibit A, Buyer may reject all or any excess Goods. Any such rejected Goods shall be returned to Seller at Seller's risk and expense. If Buyer does not reject the Goods and instead accepts the delivery of Goods at the increased or reduced quantity, the Price for the Goods shall be adjusted on a pro-rata basis.
4. Delivery Location. All Goods shall be delivered to 1500 SW Wyoming Blvd., Casper, Wyoming 82604 (the "**Delivery Location**") during Buyer's normal business hours or as otherwise instructed by Buyer.

5. Shipping Terms. Delivery shall be made Delivered Duty Paid (DDP) Delivery Location, Incoterms® 2010, in accordance with this Agreement. Seller shall give written notice of shipment to Buyer when the Goods are delivered to a carrier for transportation. Seller shall provide Buyer all shipping documents, including the commercial invoice, packing list, air waybill/bill of lading, and any other documents necessary to release the Goods to Buyer within two business days after Seller delivers the Goods to the transportation carrier.

6. Title and Risk of Loss. Title passes to Buyer upon delivery of the Goods to the Delivery Location. Seller bears all risk of loss or damage to the Goods until delivery of the Goods to the Delivery Location.

7. Packaging. Seller shall properly pack, mark and ship Goods as instructed by Buyer and otherwise in accordance with applicable law and industry standards and shall provide Buyer with shipment documentation showing the Agreement Reference Number, the quantity of pieces in shipment, the number of cartons or containers in shipment, Seller's name, the air waybill/bill of lading number, and the country of origin.

8. Inspection and Rejection of Nonconforming Goods. Buyer has the right to inspect the Goods on or after the Delivery Date. Buyer, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are nonconforming or defective. If Buyer rejects any portion of the Goods, Buyer has the right, effective upon written notice to Seller, to: (a) rescind this Agreement in its entirety; or (b) reject the Goods and require replacement of the rejected Goods. If Buyer requires replacement of the Goods, Seller shall, at its expense, promptly replace the nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective goods and the delivery of replacement Goods. Any inspection or other action by Buyer under this Section shall not reduce or otherwise affect Seller's obligations under this Agreement, and Buyer shall have the right to conduct further inspections after Seller has carried out its remedial actions.

9. Price. Buyer shall purchase the Goods from Seller at the prices set forth in Exhibit A, as it may be modified from time to time by agreement of the Parties (the "Price"). The Price includes all packaging, transportation costs (subject to adjusted freight charges) to the Delivery Location, insurance, customs duties and fees and applicable taxes, including, but not limited to, all sales, use, or excise taxes. No increase in the Price is effective, whether due to increased material, labor, or transportation costs or otherwise, without the prior written consent of Buyer.

10. Payment Terms. Seller shall issue an invoice to Buyer within five days after the completion of delivery of the Goods. Buyer shall pay all properly invoiced amounts due to Seller within 45 days after Buyer's receipt of such invoice, except for any amounts disputed by Buyer in good faith. All payments hereunder must be in US dollars. In the event of a payment dispute, Buyer shall deliver a written statement to Seller no later than 15 days after invoiced amounts are delivered to the buyer on the disputed invoice listing all disputed items. The Parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue performing its obligations under this Agreement notwithstanding any such dispute.

11. Setoff. Without prejudice to any other right or remedy it may have, Buyer reserves the right to set off at any time any amount owing to it by Seller against any amount payable by Buyer to Seller.

12. Warranties. Seller warrants to Buyer that for a period of 12 months from the Delivery Date, all Goods will: (a) be free from any defects in workmanship, material, and design; (b) conform to applicable specifications, drawings, designs, samples, and other requirements specified by Buyer; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests, or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance, or payment of or for the Goods by Buyer. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the Goods with the foregoing warranties. If Buyer gives Seller notice of noncompliance with this Section, Seller shall, at its own cost and expense, promptly replace or repair the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Seller and the delivery of repaired or replacement Goods to Buyer.

13. Compliance with Law. Seller is in compliance with and shall comply with all applicable laws, regulations, and ordinances. Seller has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under this Agreement.

14. General Indemnification. Seller agrees to indemnify Buyer, Buyer's employees, elected officials, appointed officials, agents, and volunteers, and all additional insured and hold them harmless from all liability for damages to property or injury to or death to persons, including all reasonable costs, expenses, and attorney's fees incurred related thereto, to the extent arising from negligence, fault or willful and wanton conduct of the Seller and any subcontractor thereof.

15. Intellectual Property Indemnification. Seller shall, at its expense, defend, indemnify, and hold harmless Buyer and any Indemnified Party against any and all Losses arising out of or in connection with any claim that Buyer's or Indemnified Party's use or possession of the Goods infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall Seller enter into any settlement without Buyer's or Indemnified Party's prior written consent.

16. Insurance. Before commencing with work under this Agreement, and for a period of 90 Days after the date of this Agreement, Seller shall, at its own expense, maintain and carry insurance in full force and effect that includes, but is not limited to, commercial general liability (including product liability) with limits no less than \$250,000 for each occurrence and \$500,000 in the aggregate with financially sound and reputable insurers. Seller shall provide Buyer with a certificate of insurance from Seller's insurer evidencing the insurance coverage specified in this Agreement. The certificate of insurance shall name Buyer as an additional insured. Seller shall provide Buyer with 30 days' advance written notice in the event of a cancellation or material change in Seller's insurance policy. Except where prohibited by law, Seller

shall require its insurer to waive all rights of subrogation against Buyer's insurers and Buyer or the Indemnified Parties.

17. Termination. In addition to any remedies that may be provided under this Agreement, Buyer may terminate this Agreement with immediate effect upon written notice to Seller, either before or after the acceptance of the Goods, if Seller has not performed or complied with any of the terms and conditions of this Agreement, in whole or in part. If Seller becomes insolvent, is generally unable to pay, or fails to pay, its debts as they become due, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors, then Buyer may terminate this Agreement upon written notice to Seller. If a Force Majeure Event affecting Seller's performance of this Agreement continues for more than 14 days, then Buyer may terminate this Agreement upon written notice to Seller. If Buyer terminates this Agreement for any reason, Seller's sole and exclusive remedy is payment for the Goods received and accepted by Buyer prior to the termination.

18. Confidential Information. All non-public, confidential, or proprietary information of the Buyer, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by Buyer to Seller, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as "confidential," in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized by Buyer in writing. Upon Buyer's request, Seller shall promptly return all documents and other materials received from Buyer. Buyer shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to the Seller at the time of disclosure; or (c) rightfully obtained by the Seller on a non-confidential basis from a third party.

19. Entire Agreement. This Agreement, including and together with any related exhibits, schedules, attachments, and appendices, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter.

20. Survival. Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein shall survive the expiration or earlier termination of this Agreement; and (b) as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, shall survive the expiration or earlier termination of this Agreement. All other provisions of this Agreement shall not survive the expiration or earlier termination of this Agreement.

21. Notices. All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "**Notice**", and with the correlative meaning "**Notify**") must be in writing and addressed to the other Party at its address set forth below (or to such other address that the receiving

Party may designate from time to time in accordance with this Section). Unless otherwise agreed herein, all Notices must be delivered by personal delivery, nationally recognized overnight courier or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) on receipt by the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section.

Notice to Buyer: Central Wyoming Regional Water System
1500 SW Wyoming Blvd.
Casper, Wyoming 82604

Notice to Seller: Sargent Drilling Co.
PO BOX 627
Broken Bow, Nebraska 68822

22. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon a determination that any term or provision is invalid, illegal, or unenforceable, the Parties shall negotiate in good faith to modify this Agreement to effect the original intent of the Parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

23. Amendments. No amendment to, or modification of this Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

24. Waiver. No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

25. Cumulative Remedies. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties, or otherwise. Notwithstanding the foregoing, the Parties intend that, if Buyer terminates the Agreement in accordance with Section 17, Seller's sole and exclusive remedy is the right to payment for the Goods received and accepted.

26. Assignment. Seller shall not assign, transfer, delegate, or subcontract any of its rights or obligations under this Agreement without the prior written consent of Buyer. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Seller of any of its obligations hereunder. Buyer may at any time assign, transfer or subcontract any or all of its rights or obligations under this Agreement without Seller's prior written consent.

27. Successors and Assigns. This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

28. No Third-Party Beneficiaries. This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

29. Choice of Law. This Agreement, including all exhibits, schedules, attachments, and appendices attached hereto, and all matters arising out of or relating to this Agreement, are governed by, and construed in accordance with, the laws of the State of Wyoming, United States of America, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Wyoming.

30. Choice of Forum. Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, including contract, equity, tort, fraud, and statutory claims, in any forum other than the courts of the State of Wyoming, sitting in Casper, Wyoming, and any appellate court from any thereof. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation or proceeding only in the courts of the State of Wyoming sitting in Casper, Wyoming. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

31. Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. Notwithstanding anything to the contrary in Section 21 (Notices), a signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.]

32. Force Majeure. Any delay or failure of either Party to perform its obligations under this Agreement will be excused to the extent that the delay or failure was caused directly by an event beyond such Party's control, without such Party's fault or negligence and that by its nature could not have been foreseen by such Party or, if it could have been foreseen, was unavoidable (which events may include natural disasters,

embargoes, epidemics, explosions, riots, wars, or acts of terrorism) (each, a “**Force Majeure Event**”). Seller’s financial inability to perform, changes in cost or availability of materials, components or services, market conditions or supplier actions or contract disputes will not excuse performance by Seller under this Section. Seller shall give Buyer prompt written notice of any event or circumstance that is reasonably likely to result in a Force Majeure Event, and the anticipated duration of such Force Majeure Event. Seller shall use all diligent efforts to end the Force Majeure Event, ensure that the effects of any Force Majeure Event are minimized and resume full performance under this Agreement.

33. Relationship of the Parties. The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, franchise, business opportunity, joint venture, or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever. No relationship of exclusivity shall be construed from this Agreement.

34. Wyoming Governmental Claims Act. Buyer does not waive any right or rights it may have pursuant to the Wyoming Governmental Claims Act, Wyoming Statutes Section 1-39-101 et seq., and Buyer specifically reserves the right to assert any and all rights, immunities, and defenses it may have pursuant to the Wyoming Governmental Claims Act.

35. Electronic Signatures. The Parties understand and agree that they have the right to execute this Agreement through paper or through electronic signature technology, which is in compliance with Wyoming and federal law governing electronic signatures. The Parties agree that to the extent they sign electronically, their electronic signature is the legally binding equivalent to their handwritten signature. Whenever they execute an electronic signature, it has the same validity and meaning as their handwritten signature. They will not, at any time in the future, repudiate the meaning of their electronic signature or claim that their electronic signature is not legally binding. They agree not to object to the admissibility of this Agreement as an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the grounds that it is an electronic record or electronic signature or that it is not in its original form or is not an original. Each Party will immediately request that their electronic signature be revoked in writing if they discover or suspect that it has been or is in danger of being lost, disclosed, compromised or subjected to unauthorized use in any way. If either Party would like a paper copy of this Agreement, they may request a copy from the other Party, and the other Party shall provide it.

IN WITNESS WHEREOF, the undersigned duly authorized representatives of the Parties have executed this Agreement as of the day and year above.

APPROVED AS TO FORM

Jase Madsen

Jase C. Madsen
Attorney for CWRWS
ATTEST

BUYER
Central Wyoming Regional Water System Joint
Powers Board
A Wyoming Joint Powers Board

Kenneth L. Waters
Secretary

Paul C. Bertoglio
Chairman

WITNESS

SELLER
Sargent Drilling Co.

By: Jane Duda

By: Shad Yarrington

Printed Name: Jane Duda

Printed Name: Shad Yarrington

Title: Office Manager

Title: Sales