

Water pipeline money still alive

By WENDILYN GRASSESCHI, News-Record Writer wgrasseschi@gillette newsrecord.net

Published: Monday, January 12, 2009 7:37 AM MST

Despite a \$650 million drop in this year's state budget surplus estimate, Gillette's second Madison pipeline project is still on Gov. Dave Freudenthal's list.

Wyoming's Consensus Revenue Estimating Group projected the estimated surplus now will be about \$260 million, much lower than Campbell County lawmakers had hoped for. CREG estimated a surplus of \$900 million in October.

The \$11 million Madison pipeline appropriation request" originally it was \$100 million but was downsized early last week" remained on the governor's list Friday, even through the state's latest budget estimate was \$260 million.

Another \$6 million in the form of a loan request from the state also still is on the list. Gillette will have to pay that money back if the request is granted.

The \$17 million is expected to be enough to get the preliminary planning and rights of way acquisition for the project started.

The final test, however, will come when the Legislature looks at the request later this month, Rep. Tom Lubnau, R-Gillette, said Saturday.

"I hope the Legislature understands how important the project is to Gillette and to the entire state of Wyoming, but with the decline in the national economy, it's hard to predict what the priorities will be when it comes time to make a decision," he said.

Lubnau and Sen. John Hines, R-Gillette, are cosponsoring Senate File 73, which sets up a process to finance the entire Madison pipeline, mostly in the form of a huge loan from the state's Permanent Mineral Trust Fund.

Hines will introduce the bill to the Senate sometime in the next few weeks.

Gillette will need an extra 10.2 million gallons of water a day by the 2017, according to a recent city water source feasibility study. This need is based on a population growth expected to give Gillette 50,018 residents by 2037. In 2037, the city will need another 6.1 million gallons a day.

The set-back in funding" from the \$100 million originally announced by the governor to a possible \$11 million" will set the project back a minimum of two years even if it is approved, according to Gillette Mayor Duane Evenson.

The Madison pipeline project is expected to take four to eight years to complete, making time of the essence in getting the project started if the city is going to avoid water restrictions and possible building restrictions, Evenson said earlier this week.