

Water pipeline on uphill climb

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

Published: Wednesday, January 28, 2009 12:27 PM MST

The really hard questions are just beginning for Gillette's Madison pipeline project, even though it passed its first hurdle last week when a committee recommended the bill for consideration.

The bill goes Thursday before the committee that holds the purse strings" the Senate Appropriations Committee.

And there are signs the sailing might not be as smooth as city officials might hope.

The project's \$226 million price tag and the city's request that the state pay \$11.2 million and a \$5.5 million state loan to get the project off the ground has raised some eyebrows, and is sure to raise a lot more.

It all comes down to Gillette" a wealthy community in a wealthy county and the distaste that many legislators have in giving them more money in a time of declining state revenues.

"I am in favor of the state assisting with the cost of the water project just like we have with almost every other project around the state," Sen. Ray Peterson, R-Big Horn, said Tuesday in an e-mail. But he added, "The cost of this project really got our attention."

Peterson is a member of the Senate Appropriations Committee and attended an informal question and answer session for both the House and Senate Appropriations committees last week.

Last week, Sen. Phil Nicholas, R-Laramie, questioned whether it would be fair to appropriate so much money to a single water project when many other cities around the state also have pressing needs for infrastructure improvements.

If the state asked all local governments to list their needs for water project funding, "the demands for money are going to be astronomical," Nicholas said.

Nicholas wanted Gillette officials to provide detailed information about the financial condition of the city and Campbell County and their ability to raise money locally for the project. He also asked state water officials to provide a list of past state projects, along with information about how they were funded.

Gillette Mayor Duane Evenson said he's happy to provide that information. He said he knows Nicholas has questions, including one about the participation by Campbell County in the project.

"If the regional water study that is being done now shows the Madison pipeline should be a part of the regional water project, that will involve the county," he said Wednesday.

So far, the county has not been a part of the Madison pipeline discussion.

Evenson said if the study, due out this summer, concludes that the Madison pipeline should be used as part of a regional water system, it will probably have to be a bigger pipeline, meaning the cost will increase.

Rep. Debbie Hammons, D-Worland, said it's in the interests of the whole state for Campbell County to continue to prosper. But she said legislators need to consider both the size of the pipeline project and the possibility that the local community has the ability to cover more than the typical share of costs.

"It's my intention to support Gillette in its efforts to build for a prosperous future, but the dilemma is working out the details," said House Appropriations Committee member, Rep. Debbie Hammons, D-Worland, in an e-mail Tuesday.

Mike Purcell, director of the Wyoming Water Development Office, testified Thursday that his office is looking at several projects around the state that would cost in the range of \$6 million to \$7 million each.

"The situation that makes this extraordinary is that the best, long-term water supply for Gillette is 42 miles away," Purcell said of the pipeline project.

Nicholas said that despite his detailed questioning of local government officials, he hasn't formed an opinion yet on the funding request.

"It's a large amount, \$226 million," Nicholas said. "I think we do want to make sure that Gillette has the resources and the mechanics, if you will, to complete that project. What the state's role is, and how it's going to be played out, remains to be seen."

Nicholas said in an e-mail Tuesday that he did not want to comment until after Thursday's hearing.

"The city folks have been asked to bring information to the committee," he said. "Until we hear the testimony, it is hard to comment."

Evenson and City Administrator Mike Muihead will attend Thursday's hearing.

The Associated Press contributed to this report.