



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

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C.L. "BUTCH" OTTER, Governor
DAVID R. TUTHILL, JR., Director

June 18, 2008

GEM COUNTY BOARD OF COMMISSIONERS
415 E MAIN ST
EMMETT ID 83617

Re: County Collection of Annual Water District Assessments

Dear Commissioners Pratt, Sherrer and Smith:

This letter concerns your May 15, 2007 letter to the secretary of Water District 65-A in which you notified the secretary that Gem County would no longer be able to include water district assessments on the County tax rolls.

In a conference call with Commissioners Sherrer and Smith plus the County Treasurer and County Clerk earlier this year, the parties discussed County concerns and related concerns of the Idaho Department of Water Resources (IDWR) if the County discontinued providing this service to the water district. The purpose of this letter is to request and encourage Gem County to exercise its discretion to continue collection on behalf of Water District 65-A.

John Homan, Deputy Attorney General, contacted David Hargraves from your legal staff on this matter since our previous conference call. Mr. Hargraves indicated the County is in the process of deciding the broader issue of whether the County should collect taxes on behalf of the several different taxing districts existing within the County. Mr. Hargraves also indicated a decision is expected soon.

In the event Gem County elects to opt out of the assessment collection for the district under Section 42-619, *Idaho Code*, the County must provide timely notice to the IDWR Director as defined in Section 42-619(1), *Idaho Code* as follows:

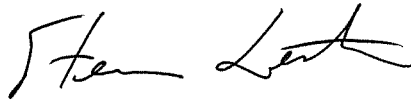
42-619. ALTERNATE PLAN FOR PAYMENT OF DISTRICT EXPENSES. (1) The county commissioners of any county having determined that providing the service of payment of water district expenses by the county treasurer from water district funds pursuant to section 42-613, Idaho Code, is an undue burden upon the county and shall no longer be provided, shall notify the director of the department of water resources of this action by December 1 in the year preceding the year for which the action shall first be effective by providing to the director a certified copy of the resolution of the commissioners taking such action.

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IDWR did not receive notification as stipulated above from Gem County by the December 1, 2007 deadline regarding collection of Water District 65-A assessments for 2008. IDWR believes the County is obligated to collect 2008 assessments for Water District 65-A pursuant to Sections 42-613 and 42-619, *Idaho Code*. IDWR encourages the County to continue with the tax collection in the future, but if the County decides to opt out of that obligation for subsequent years, please provide timely notification to IDWR by the December 1 deadline. Timely notification will provide significant help to the water users and IDWR affected by any County decision in this matter.

Thank you for your time in our previous discussion and for considering these more recent thoughts. Please contact me at your convenience at 334-2190 if I can provide additional information as you consider your decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Lester". The signature is fluid and cursive, with the first name "Steve" and last name "Lester" clearly distinguishable.

Steve Lester
Water Rights Supervisor

- c. John Homan, Deputy Attorney General
Eric Herr, Watermaster 65-A
Janice Lane, Secretary 65-A