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RECEIVED
JUN 20 2018
DEPARTMENT OF
WATER RESOURCES

Kenneth L. Pursley (1940-2015)
James A. McClure (1924-2011)
Raymond D. Givens (1917-2008)

June 19, 2018

Via email, with original to Mr. Keen

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Re: North Kootenai Water and Sewer District (NKWSD)

Gentlemen:

I am writing to follow up on Jeff Peppersack's letter to me of June 7, 2018, which responded to my letter of March 5, 2018. I am honored to have received a letter from Jeff on his last day with the Department. He served ably, thoughtfully, and with a steady hand. He will be deeply missed by me and all who had the opportunity to work with him. The Department is fortunate to have good people like you to fill his shoes.

Shelley W. Keen
Craig L. Saxton
Douglas Jones
June 19, 2018
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Jeff's letter chronicles the great progress that we have made in sorting through the many issues involving NKWSD's water rights. Thanks to each of you, and so many others at the Department, for your hard work.

Let me re-cap where I think we are.

I. CSRBA PRELIMINARY CLAIMS

The first round of preliminary claims are resolved. I spoke with Craig Saxton this morning. He tells me we will see then next round of preliminary claims soon. I understand the Director's Reports will follow, perhaps as early as July or August.

II. CSRBA CLAIM NOS. 95-7231 AND 95-7235

I very much appreciate Craig Saxton's email of 4/12/2018. I agree with his suggestion that NKWSD should file an amended claim on no. 95-7231 adding in the 1.2 AFA volume from no. 95-7235. Thus, the new volume claimed would be $15.6 + 1.2 = 16.8$ AFA. The rate will remain at 0.08 cfs. I understand that no. 95-7235 would then be recommended for disallowal (effectively combining it with no. 95-7231), and that there is no need for NKWSD to file a withdrawal of the claim.

This will allow the removal of the combined use restriction on no. 95-7231. There will be a minor loss of priority (46 days) as to the 1.2 AFA on no. 95-7235, but that is inconsequential and a small price to pay for eliminating the administrative headache caused by an unnecessary combined use limit. Hat's off to Craig for parsing through the backfile documents so carefully in order to determine that the two rights are not redundant.

I am working with Craig now to get this amended claim filed. We determined that no additional filing fee is required, because the diversion rate is unchanged. And I understand that no motion is required, because the Director's Report has not been issued.

III. PERMIT NO. 95-12599

We have agreed that there is no need to address this ground water right until proof is due in 2021.

IV. REMAINING 13 LICENSES AND 3 PERMITS

NKWSD acquiesces in IDWR's decision not to recommend APODs that include points of diversion on physically disconnected systems unless they already appear on the license.

Shelley W. Keen
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(IDWR has determined that they do not qualify as accomplished transfers.) Instead, in the future, NKWSD anticipates seeking system-wide APODs (based on the existing integrated operating regime monitored by the SCADA system). These APODs will be sought via applications for transfer and amendment of permit and in the RAFN application.

We are pleased that IDWR and NKWSD are in agreement as to each of the modifications I requested (shown in yellow on the spreadsheet attached to my letter of March 5, 2018). As Jeff Peppersack noted, some of these will be reflected in CSRBA recommendations and others will come in the form of transfers or permit amendments.

V. RAFN APPLICATION

We are pleased to receive confirmation that NKWSD's RAFN application may move forward on a parallel track with the CSRBA. We look forward to working with Doug Jones on getting this advertised. It is my understanding that we will return to the original, system-wide RAFN application.

Again, thanks to you and others at the Department for your assistance and insights in these matters.

Sincerely,



Christopher H. Meyer

cc: Mathew D. Weaver, Deputy Director, IDWR
Garrick L. Baxter, Deputy Attorney General, IDWR
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