



August 23, 2006

1407 W North Temple Suite 210
Salt Lake City, UT 84116

Tim Luke
Idaho Department of Water Resources
322 E. Front Street
P.O. Box 83720
Boise, ID 83720-0098

Mr. Luke,

Please find attached the minutes of a Water District #11 Advisory Committee Meeting held via conference call on August 23, 2006. Please note that a resolution was passed that recommends the appointment of Austin Moses, CPA who maintains an office in Soda Springs as the Treasurer of Water District #11. He can be reached by phone at: 547-2355 in Soda Springs or at 785-3366 in Blackfoot (where he maintains a second office). His e-mail address is mosescpa@dcdi.net. The mailing address of his office in Soda Springs is:

240 South Main Street
Soda Springs, ID 83276

In conversations with Austin, he has indicated that he is willing to serve on two conditions:

1. That he receive a minimum salary of \$200 per month.
2. The current dispute over expenses be resolved in a business-like manner.

Note from the minutes attached that the Advisory Committee agreed to the first condition. In order to satisfy the 2nd condition, a special meeting of all water users may need to be held to pass a resolution on expense reimbursement policies for the watermaster. In the meantime, I have indicated to him that we will attempt to keep him out of the current dispute to avoid the situation that resulted in Gerry's resignation.

Regards,

Connely Baldwin
Hydrologist

Cc: Water District #11 Advisory Committee Members, Marc Gibbs, Pete Peterson, Austin Moses

Minutes – Water District #11 Advisory Committee Meeting - August 23, 2006

The committee met by conference call at 2:00 pm. Present on the call were:

Connely Baldwin

Lee Ream

Joe Larson

Marc Gibbs (alternate for Dean Matthews)

Tim Luke (Idaho Dept of Water Resources)

Dave Tuthill (Idaho Dept of Water Resources)

Connely indicated that the purpose of the meeting was to recommend to the state Dept of Water Resources a treasurer for Water District #11. Connely said that Austin Moses, a CPA in Soda Springs, indicated that he is interested in the position. Connely related that in conversations with Austin, he indicated that he is willing to serve on two conditions:

1. That he receive a minimum salary of \$200 per month.
2. The current dispute over expenses be resolved in a business-like manner.

Connely noted that the salary is an increase of \$300 per year over that budgeted for Jerry Brown's services. Marc noted that since the district was without a treasurer for the month of August that this would free up some additional funds. Connely noted that \$3900 was budgeted for the audit and that if the audit is less than that, some funds would be available.

Connely said that a special meeting of the water users to pass an expense policy may be needed to be called to meet Austin's second condition.

The advisory committee discussed Austin Moses and then unanimously passed a resolution that was put forth by Marc Gibbs and seconded by Joe Larson to the effect that:

Austin Moses, CPA of Soda Springs be recommended to the State Department of Water Resources for consideration to be appointed Treasurer of Water District #11.

Connely indicated that he has asked Deaton and Company of Pocatello for an estimate to conduct an audit of Water District #11 financial activities.

An in-person meeting was scheduled for 30 August to be held in the meeting room at Bergy's Restaurant in Grace at 11:30 a.m., to be joined by the watermaster at 1:00 p.m. The purpose of this meeting is to resolve the current dispute over expense payments to the Watermaster to the satisfaction of PacifiCorp, the Watermaster and the Irrigators for the remainder of the year. By the date of the meeting, PacifiCorp will have sent a letter written to the Advisory Committee recommending a resolution. This will be the starting point of the meeting.

The committee adjourned the conference call at approximately 2:30 pm.