File WB37/37M



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098 Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

January 11, 2009

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

Water Districts Nos. 37 and 37M Attn: Mr. Jerry Nance, Vice Chairman of the Advisory Board 107 West 1st Shoshone, ID 83352

RE: Water Management in the Big Wood and Little Wood River Basins

Dear Jerry:

Thank you for your letter dated October 29, 2008, which summarized the meeting with interested parties in the Office of the Governor on October 10, 2008. As I indicated in our conversation in November, your letter provides an excellent recap of our discussion. However, I want to clarify just a few items that I noticed in reading the letter. I will address these items in the order in which they were raised in your letter.

In the first complete paragraph on page two you have indicated that the issue of too many objections seems to be based on a numbers exercise. You reiterated my statement that over 600 objections were filed for aesthetic rights alone. You state that 60-65 aesthetic rights were objected to, by a group of 10 objectors, and those objections were identical. I agree that we discussed these numbers. However, I would point out that I also referred to the hundreds of objections in addition to these aesthetic right objections. My recollection is that I stated that even if there had been no objections to the aesthetic rights, there would still be enough objections in this basin that I would not expect the Court to grant interim administration until most of the objections are resolved. This is still my assessment today – we will likely not resolve most of the existing objections until late 2009 at the very earliest, due to the number and complexity of the objections.

In the next paragraph you refer to the potential for the existing Districts 37 and 37M to be responsible for the delivery of ground water. Yes, it is true that I would plan to recommend this authority be extended to the existing Districts, if the Districts desire this responsibility and if they develop the capability to measure and regulate ground water. However, as we discussed, this distribution authority requires interim administration authority from the Court because ground water rights were not previously decreed and administered by the Districts. Thus, while the Districts may request the designation this year, they will likely not be able to administer ground water this year.

Regarding the model discussion please be advised that preparation of the model by Brockway Engineering has taken longer that we were originally advised. We have received a draft report dated December 9, 2008 (more than 100 pages in length with attachments), and we have provided comments, but the final model and associated report have not yet been submitted. As we

Water Management in the Big Wood and Little Wood River Basins January 11, 2009 Page 2 of 3

discussed, this model and associated report, when submitted, will become part of the public domain and as such will contribute to the public knowledge of surface and ground water flows in the basin. It is one step to have a model that is sufficient to provide the basis for review of a specific water right transaction. It is a much greater step to have a model that would be used for the conjunctive administration of ground water. The Districts are welcome to participate in the review of this modeling process as it moves forward toward the important, but difficult, steps in future development.

We have been aware of the USGS work in the Big Wood River Basin, both Phase 1 and Phase 2. We received the Phase 1 study when it was released, and look forward to the release of Phase 2. This work also contributes to the knowledge of surface and ground water interactions in the basin, and will be important in the future modeling of the basin.

As an update since our October meeting, you are aware that during the past two months the State of Idaho has been forced to conduct some serious cost-cutting measures due to the deteriorating economic situation. You have likely read that one measure taken by the Office of the Governor was to reduce by \$12M the \$20M fund for statewide aquifer studies. The original proposal for conducting statewide studies identified the following basin timing:

	FY					1000				
Basin	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Treasure										
Valley										
SVRP										
Palouse										
Big Wood										
Mountain										
Home										
Bear										
Teton										
Big Lost										
Portneuf										
Blackfoot										

Note that per this schedule priority one basins are the Treasure Valley and the Spokane Valley-Rathdrum Plain, priority two basins are the Palouse and Big Wood, and so on. The funding matrix that is associated with this aquifer study plan is as follows:

Basin Name	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	Totals
ESPA	\$0.75	\$0.78	\$0.70	\$0.68	\$0.68	\$0.70	\$0.75	\$0.78	\$0.80	\$0.83	\$7.45
Lower Boise/Treasure Valley	\$1.29	\$1.29	\$1.29	\$1.29	n namit Atmi autom terri dan rapa			***************************************	_2 > 1000 2000 000 000 000 000	*	\$5.16
Spokane Valley-Rathdrum Prairi	\$0.72	\$0.72	\$0.72	\$0.72				Make by Audient Stagency	***************************************		\$2.88
Moscow-Pullman			\$0.76	\$0.76	\$0.76		441704444444444444444444444444444444444				\$2.28
Big Wood			\$0.68	\$0.68	\$0.68		TOWNS THE STREET	***************************************		ARESTANIAN AND AND AND AND AND AND AND AND AND A	\$2.04
Mountain Home				~ 3.40/80.40.40.40	\$0.62	\$0.62	\$0.62				\$1.86
Bear			***************************************	W///THEATT	\$0.59	\$0.59	\$0.59			48-18-18-18-18-18-18-18-18-18-18-18-18-18	\$1.77
Teton							\$0.63	\$0.63			\$1.26
Big Lost							\$0.93	\$0.93			\$1.86
Portneuf					AM. 3101. 30+1.	***************************************	***************************************		\$0.91	\$0.91	\$1.82
Blackfoot								~-~~	\$0.76	\$0.76	\$1.52
Totals	\$2.76	\$2.79	\$4.15	\$4.13	\$3.33	\$1.91	\$3.52	\$2.34	\$2.47	\$2.50	\$29.90
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Note from this matrix that the total proposed expenditures for the priority one basins are \$5.16M and \$2.88M respectively, plus an ongoing expenditure of about \$.7M for the Eastern Snake Plain Aquifer. Thus, unless other funding is identified, only these basins will be funded with the remaining \$8M. We are hopeful that additional funding will be identified to enable study of the priority two basins, beginning in FY2011 as proposed. In the meantime we will continue to use our existing staff assets to assemble data and modeling information, such as that provided by Brockway Engineering, which will assist in the development of a model capable of providing for conjunctive administration in the Big Wood and Little Wood River Basins and other basins throughout the state.

I appreciate the interest shown by you and the other individuals who attended the meeting in the Governor's Conference Room. I am reminded of similar meetings held in recent years along the same lines where I have been present – one in Picabo hosted by Mr. Nick Purdy and others several years ago, and in 2007 and 2008 hosted by the Big Wood Canal Company. The common theme has been the desire to initiated conjunctive administration of surface and ground water in the basins. At the meeting in Picabo, Mr. Norm Young and I stated that the first step is to adjudicate the water rights. That remains my response, and we are nearing much closer to this objective. Because of very limited staff and many water distribution issues in the 80 active water districts throughout the state, progress in this regard will continue to take time – but the ongoing interest demonstrated by you and your colleagues continues to maintain the Big Wood and Little Wood River Basins as high priorities. I look forward to working on this issue with you and your colleagues in the future.

Sincerely.

David R. Tuthell, Jr.

Director

cf: Kevin Lakey, Watermaster

Tim Luke, IDWR Supervisor of Water Distribution