

Water District No. 110
1st Annual Meeting Minutes
May 17, 2006

Tim Luke of IDWR called the meeting to order at 2:26 p.m. Lyle Swank, Gene Hansen, Wendy Murphy, and Lisa Snarr of IDWR, and Terry Klipfel of Water District 1 were also in attendance. There were approximately 18 other meeting attendees, including Don Parker, Daren Bitter, Carl Ball, Dale Cope, Kirk Jacobs, and Lynn Wood of the former North Water Measurement District Advisory Committee.

Tim Luke began by giving some background information for the formation of the water district, and briefly explained administration and enforcement responsibilities. He talked about water calls by the surface water coalition, and about mitigation and agreements in other areas, including water master participation. He emphasized that this year's water supply is good and that he doesn't anticipate any calls, or a lot of administrative time required on the part of the WD 110 Watermaster. Tim mentioned that the watermaster this year would do some analysis of satellite imagery with GIS water right overlays and watermaster follow-up of any issues that need resolving. He reminded attendees that measurement and reporting within a water district could be done by the ground water district.

Next, Bryce Contor told attendees that he had another set of resolutions and wanted the water users to consider options available. Don Parker proposed users look at all resolutions discussed at the advisory committee meeting, then Bryce's, then Brian Higgs proposal. Kirk Jacobs reminded water users that the water district could hire their own hydrographer and water master. Kirk Jacobs said that if the district goes with the IDWR bid, that Lyle Swank was the suggested Watermaster. Don Parker said that we should look at all options. However, if the IDWR bid is chosen, Watermaster services would be provided by IDWR until the next annual meeting (administratively for two years).

Wendy Murphy told those in attendance that advisors had reviewed resolutions at the advisory meeting and suggested looking at the 1st resolution, and then at the different bid proposals. Kirk Jacobs read the first resolution, and reminded members that they needed to vote on a Watermaster and hydrographer. Don Parker said he had a copy of the final order if anyone wanted to look at it. Tim Luke told members that all of the elements of the final order are in resolution #1.

Kirk Jacobs suggested that Bryce Contor and Brian Higgs have a little time to present their bids. Bryce explained why it might be beneficial to hire him, though more expensive to water users. Bryce said his bid for measurement and reporting was approximately \$67,000. He emphasized that the benefit of electing him Watermaster was the "separation of powers", stating that a Watermaster hired by IDWR was paid by IDWR and subject to the Director. He said if he were elected he would push for whatever was most beneficial to the water user, but also said he would be required to enforce the law as Watermaster. He said that he would work to eliminate the use of diversion rate when determining injury, and work toward only what will make a difference in injury; place of use. Bryce distributed copies of the resolutions he was proposing. One of the water users expressed concerns about the cost of mitigation. Bryce said that cost was not determined by the Watermaster, but he would enforce mitigation and anything else required under oath of office. There were some questions and discussion directed at Bryce in regard to the water model. Brian Higgs said he believes the model technology to be completely wrong. Bryce said he the model is useful if used appropriately.

Kirk Jacobs asked Lyle Swank to speak in regard to the benefits of IDWR carrying the contract. Lyle gave some background information about himself and his qualifications. Lyle said if he was elected

Watermaster, he would rely on the expertise of others within the office to help him perform the required duties. He said some of the benefits for hiring IDWR include the use of office space, department vehicles, software, etc. He also mentioned access to a variety of expertise within the office, as well as, the audit done each year for Water District 1. Dale Rockwood, reminded members of his services as treasurer as well. Lyle said he believed one of the main benefits, should mitigation from downstream occur, is access to purchase water from the rental pool.

One water user asked Lyle about flows at Blackfoot and how records are kept. Lyle explained that they obtain flow data every day from the USGS, and said that water lost in one river reach frequently shows up in another as a gain downstream. He also told the water user he was welcome to come in to the office and Lyle would go over data with him.

Discussion turned back to IDWR and Watermaster services. Kirk Jacobs asked if that was for one year, or two. Tim Luke said the proposal from IDWR was for two years, but the resolutions specified the watermaster term of service only until the next annual meeting. Tim Luke explained that the second bid from IDWR was less than the initial bid shown to advisors, because IDWR decided to reduce Gene Hansen's time and hire a temporary person for some of the summer field work.

Kirk Jacobs asked Brian Higgs if he wants to do measuring and reporting for Water District 110. He said his bid was only for measuring and reporting and that he was not interested in being water master. His bid was \$50,000 to measure 1/3 of the wells and do the calculations and reporting. He also said that the advisors asked if he could do the billing. He said if he did that it would be another \$4,000. His total bid was for \$54,000. Brian asked if there would be more than one ground water district within Water District 110. Kirk Jacobs said there would only be one.

One water user asked how it would work to have canal systems and the wildlife refuge do their own measuring. Bryce Contor said that was up to the water users. There was some discussion of the use of power records at this time. Brian Higgs said he believed it was important for water users to use as much of the water allowed by water right as possible. He cited one water user who combined his water rights and wasn't given his full allocation because he had not been using the full amount.

Tim Luke discussed the IDWR bid proposal, again explaining why the original bid had been higher. The original bid was based on Gene working full-time in the district over 9 ½ - 10 months, until the next annual meeting. Costs for his time include salary, benefits, and one-third overhead charge, which include the use of vehicles, office & computers. The new bid adjusts Gene's time for measuring and reporting in Water District 110 to one third of his total time and annual salary. The other two thirds of Gene's time is charged to other districts (Water District 120 and the East Measurement District). The new bid also includes a temporary employee to assist Gene in completing field measurements in the Water District 110 area this summer. Clerical and financial support costs are unchanged from the previous bid and is essentially the same as the prior year for the North Measurement District.

There was more discussion about canal companies and the wildlife refuge reporting. Tim said there is a need to oversee measurements to make sure the numbers are good. There was a water user who had been opposed to anyone other than the Watermaster doing the reporting, but he didn't know that the department or measurement district hydrographer provided calibrations and oversight.

A water user asked Bryce if he planned on hiring temps. Bryce told members that he would do the measuring, calculations, and reporting, but may hire a temp to help with clerical.

Don Parker told members that the Montevideo and Producer's Canals contract with Water District 31 do measurements. Jefferson did the same so it is legitimate.

There was some discussion about in line flow meter versus PCC. Tim said use of PCC was sort of a compromise between water users in the ESPA who wanted installed flow meters and very accurate measurement and those water users who wanted very little, or no measurement, or use of evapotranspiration (ET) methods. Tim mentioned the PCC method also keeps measurement costs down. Water users wanted to know whether or not there could be fewer measurements in the future. Tim said that IDWR needs to review data, but he has found recent evidence that some areas within the ESPA may not be keeping up with the required frequency of measurements.

Don Parker said that it appears the #1 issue at this meeting is funding. At this time there are no advisors for WD 110, and all options should be discussed. He emphasized the need for a starting point. Wendy reminded water users that resolutions had been considered by steering committee advisors at their meeting. She recommended members look at them and pass them, or suggest changes. She also said the water users need to lay down a purpose and start designing the type of organization they want to be. Brian Higgs said that it all comes back to money, and you should hire whom you want, but nothing is in place to access and collect except for through the department. Brian said that the IDWR offer is hard to turn down.

Don Parker made a motion to adopt resolution #1 as presented to meeting members. Daren Bitter seconded the motion and resolution #1 passed by unanimous vote.

Don Parker reminded members that they had looked at the resolutions as an advisory committee. Carl Ball wanted to know if Bryce's resolution #1 made more sense. Bryce said that it works toward what makes sense to enforce. That is the main difference between the two, number 1 resolutions.

Don Parker made a motion to adopt resolution #2 as written. Dale Cope seconded the motion. Lynn Burtenshaw was opposed, but otherwise the motion passed.

Rob Larranaga motion to adopt resolution #3 as written. It was seconded by Lynn Wood and passed without dissent.

Don Parker began discussing resolution #10 and the make-up of the Water District 110 advisory committee. There was some discussion as to the benefit of keeping the advisory committee the same as the 2005 North Water Measurement District advisory committee. Rob Larranaga made a motion to accept resolution #10 as changed. It was seconded by Lynn Wood and passed unanimously.

There was discussion on resolution #8, and whether or not to keep the charge per diversion at \$50.00. Tim explained why the measurement district statute had changed from a \$25.00 fee to a \$50.00 per diversion charge, stating that it was to cover costs of measuring commercial wells. Lynn Wood made a motion to accept it as written and it was seconded by Pat Hendron, but the motion did not pass. There were more questions about the diversion charge and Wendy explained the billing process. Carl Ball asked about assessing on volume versus CFS allowed by water right. Tim Luke said either option is okay. Usually, Tim said, the dollar amount is based on water use. Carl Ball wanted to know if billing on a pro rata share of CFS allowed by water right is allowed by law. Tim said that the water district statutes do require assessments be based on water use, but some districts have adopted other methods as long as it is

passed by resolution at the annual meeting and there is generally no opposition to such as alternate method. Tim mentioned the assessment method given in resolution #8 is similar, or the same as how it has been done in the measurement district, and that this approach is probably the easiest way and least disruptive to the users. There was more discussion about keeping assessments low. Carl Ball made a motion to change the per diversion charge in the resolution to \$25.00. Don Parker seconded the motion and resolution #8 passed with the suggested change.

Robert McCulloch made a motion to accept all remaining resolutions as written. Chuck Steward seconded the motion and they passed unanimously.

Kirk Jacobs asked if there were any other business items. Carl Ball asked how the formation of the ground water district was coming. Don Parker said there would be a vote in the November general election. Don said the main purpose was for mitigation, but other users said that, as a ground water district, they could contract for someone to do measuring and reporting, and hire their own Watermaster.

There was some discussion about Wendy leaving IDWR for a new job. There was much appreciation expressed for all of the hard work Wendy has done.

Tim Luke gave members a "heads up" about Idaho Code 42-620 which calls for the formation of an advisory committee with representatives from all water districts hydrologically connected to the ESPA. The purpose of the committee is to work with the Director, folks doing the modeling, and people on the hydrologic committee. They would have input in regard to assessing up to 1.2 million dollars to improve accounting, take ground water levels, work on the model, and for measuring return flows, to name just a few. Tim Luke said it doesn't mean 1.2 million will be assessed every year. Tim Luke suggested members may want to adopt a resolution that elects a representative to this committee.

Don Parker wanted verification that no funds could be collected before 2007. Tim said that was correct.

Don Parker made a motion to have Lynn Wood act as representative for the ESPA advisory board. It was seconded by Tye Cope. Before any vote was taken there was a motion to amend the first motion and to elect Don Parker and Lynn Wood as representatives to this advisory committee. Lynn Burtenshaw seconded the motion and the amendment to the resolution passed. Members of WD 110 voted unanimously to pass this amended resolution.

Wendy talked briefly to water users about signature cards for the Water District 110 account. She suggested that having a name on file other than Dale Rockwood's, such as the Watermaster; or perhaps an advisory member might be a good idea. She said this person's name should appear in the minutes due to changes in security with the banks since 9/11.

Don Parker made a motion to have Dale Rockwood be the primary signer on the account at the bank, and Kirk Jacob's the second signature. Tye Cope seconded the motion and the motion passed unanimously.

There was no more business. Lynn Burtenshaw made a motion to adjourn the meeting. Lynn Wood seconded the motion, and the meeting adjourned at 4:14 p.m.