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State of Idaho

Water District 1

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**DEPARTMENT OF
WATER RESOURCES**

IDWR DIRECTOR
GARY SPACKMAN

April 30, 2019

Director Gary Spackman,

The MOU sub-committee of the Committee of Nine, met on April 24, 2019 to authorize salary changes for Tony Olenichak, as the new Water District 1 Watermaster, and Craig Chandler, as the new Water District 1 Deputy Watermaster. This sub-committee has been given the authority by the full Committee of Nine from the April 18, 2019 meeting in Pocatello.

Tony Olenichak's hourly rate will increase to \$45.85 per hour effective May 6, 2019. This represents anticipated annual earnings of \$95,363.84 and is consistent with the 10% increase authorized and approve by the full Committee of Nine.

Craig Chandler's hourly rate will increase to \$33.37 per hour effective May 6, 2019. This represents anticipated annual earnings of \$69,409.60. This increase is in anticipation of Craig's new responsibilities as deputy water master and is consistent with the increase authorized and approved by the full Committee of Nine.

Sincerely,

Rod Dalling
Chairman
Committee of Nine
Water District 01

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MAY 06 2019

DEPARTMENT OF
WATER RESOURCES

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE IDAHO DEPARTMENT OF WATER RESOURCES AND
WATER DISTRICT NO. 1**

This Memorandum of Understanding ("MOU") is made and entered into this 2nd day of May, 2019 ("Effective Date"), by and between the Idaho Department of Water Resources ("Department"), and the water users of Water District No. 1, Upper Snake River ("Water District No. 1") acting through the water district advisory committee known as the Committee of Nine.

RECITALS

- A. The statutes of the State of Idaho authorize the Director of the Department to direct and control the distribution of the waters of the state to those holding valid rights in the state.
- B. On March 5, 2019, Water District No. 1, by resolution, authorized the Committee of Nine, as advisors to and elected representatives of Water District No. 1, to enter into contracts and agreements as may be deemed necessary or convenient by the Committee of Nine.
- C. The Committee of Nine will, among other things, serve as advisors to the Department and the Watermaster of Water District No. 1 ("Watermaster") in matters relating to the distribution of the natural flow and stored water within Water District No. 1.

AGREEMENT

The Department and Water District No. 1 agree as follows:

A. Previous Memorandum of Understanding Superseded

This MOU supersedes and replaces the memorandum of understanding effective March 10, 1993.

B. Definitions

1. "Federal cognizant agency" is the federal agency providing the largest dollar value of direct federal awards to the Department, as set forth in 2 C.F.R. §200.19 and Appendix V to Part 200, paragraph F.1.
2. "Indirect costs" are the centralized costs to the Department that are not included in material costs or Watermaster and Department employee labor costs.
3. "Water district year" begins the day of Water District No. 1's annual meeting and ends the day before the next annual meeting.

C. Department

Upon annual election of an employee of the Department as Watermaster and the adoption of an annual budget authorizing expenditures in accordance with this MOU by the water users of Water District No. 1 at their annual meeting, the Department agrees to provide the following services to Water District No. 1:

1. The Department will provide Watermaster services to Water District No. 1. Watermaster services will be carried out under the direction of the Director of the Department consistent with the provisions of Title 42, Idaho Code.
 - a. If the Department employee elected Watermaster is the regional manager of the Department's Eastern Region, the regional manager will dedicate 2/3 of the regional manager's salaried time carrying out the duties and responsibilities of the Watermaster throughout the water district year.
 - b. If the Department employee elected Watermaster is not the Department's regional manager, the Department employee will dedicate all of the employee's salaried time carrying out the duties and responsibilities of the Watermaster throughout the water district year.
2. In addition to the services of the Department employee elected Watermaster, the Department will provide additional part-time or full-time employees as necessary for the water distribution and administrative operations of Water District No. 1 in accordance with Water District No. 1's adopted budget.
3. The Department will provide office space as necessary for the operations of Water District No. 1.
4. The Department will provide Department vehicles for use by employees of the Department to conduct the business of Water District No. 1.
5. The Department will share the use of other Department equipment and facilities as are necessary for the operations of Water District No. 1.

D. Water District No. 1

Water District No. 1 agrees as follows:

1. To pay the Department, in advance, sufficient funds to cover the monthly costs incurred in providing Watermaster and water district services to Water District No. 1.
 - a. If the Department's regional manager is elected Watermaster, payment for the Watermaster shall be 2/3 of the Department's personnel costs for the regional manager. If Water District No. 1 approves an annual change in compensation for the Watermaster exceeding the compensation approved by the Department for the Watermaster as a Department employee, Water District No. 1 shall pay the

Department for the difference, in addition to the agreed-upon 2/3 of personnel costs.

- b. If the Department employee elected watermaster is not the Department's regional manager:
 - i. The regional manager shall supervise the Watermaster. Water District No. 1 shall pay the Department for 100% of the personnel costs of the Watermaster. The Watermaster shall supervise Department staff employed exclusively for the water distribution and administrative operations of Water District No. 1.
 - ii. Water District No. 1 shall pay the Department for the regional manager's supervision of the Watermaster and Water District No. 1 functions. For this purpose, Water District No. 1 shall pay the Department 10% of the regional manager's personnel costs. The 10% rate may be modified by addendum to this MOU, upon agreement by Water District No. 1 and the Department, at any time on or after the date of the Water District No. 1 annual meeting in 2020.
2. Water District No. 1 will also pay indirect costs at the rate approved by the Department's Federal cognizant agency at the time of the Water District No. 1 annual meeting. The approved indirect rate shall be reduced in recognition of the Department's statutory responsibility to supervise water distribution by subtracting from the indirect calculation any personnel costs included for the Director, the Water Allocation Bureau Chief, and the Compliance Bureau Chief. Mileage and per diem costs will be based on the rate established by state law for state employees.
3. Water District No. 1 will also pay costs incurred by the Department in conducting Water District No. 1 business, including the salaries and benefits of Department employees necessary for the water distribution and administrative operations of Water District No. 1.

E. Department and Water District No. 1

The Department and Water District No. 1 mutually agree that:

1. Any persons employed by the Department as classified state employees, performing duties on behalf of Water District No. 1 under this MOU will only perform duties necessary to:
 - a. Deliver and account for distribution of natural flow and stored water within Water District No. 1.

- b. Administer the Water District No. 1 rental pool consistent with the rental pool procedures approved by the Committee of Nine and the Idaho Water Resource Board.
 - c. Prepare reports and proposed budgets as required by Title 42, Idaho Code.
 - d. Provide general information and customer assistance, technical assistance, and technical information to the Committee of Nine, Water District No. 1 water users, and the Department relative to the water distribution duties of the Watermaster.
- 2. For projects or other activities within Water District No. 1 that are beyond those identified under E.1, the Committee of Nine will arrange separately to accomplish those projects or activities.
 - 3. Employees of the Department are protected by and must adhere to all Department policies and procedures and the rules and laws of the state of Idaho.
 - 4. The Director and the chairman of the Committee of Nine, or designee, shall consult annually concerning the continuation of this MOU in its entirety and any need to modify it.
 - 5. Nothing in this MOU will act to change, modify, or release either party of any obligation or responsibility otherwise provided by contract or by law.

F. Term and Termination

- 1. This MOU will continue from year to year and can be terminated on the date of the Water District No. 1 annual meeting upon at least 90 days' prior notice by either the Department or Water District No. 1.
- 2. Upon termination of this MOU any funds advanced to the Department by Water District No. 1 that have not been used by the Department will be refunded to Water District No. 1. Upon termination of this MOU any funds expended by the Department for Water District No. 1 but not yet reimbursed by Water District No. 1 shall be paid in full.
- 3. This MOU can be amended by mutual agreement of the Department and Committee of Nine in writing.

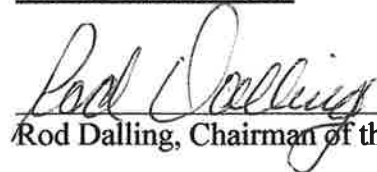
The parties have executed this MOU to be effective on the Effective Date defined above.

Idaho Department of Water Resources



Gary Spackman, Director

Water District No. 1



Rod Dalling, Chairman of the Committee of Nine

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