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JUN 05 2012

WATER RESOURCES
WESTERN REGION

Payette River Basin, State of Idaho Water District No. 65

Chairman: Doyle Fackler
Vice Chairman: Ron Mio
Secretary: Chuck Pollock
Watermaster: Ron Shurtleff

102 North Main Street
Payette, Idaho 83661

Phone: 208-624-4465
Fax: 208-642-1042
E-Mail: waterdist65@srvinet.com

Regular Board Meeting

Date: May 14, 2012
Time: 8:00 p.m.
Location: Payette River Irrigation Office

Attending: Marcia Herr, Fred Coburn, Ron Mio, Dennis Lammey, Doyle Fackler, Wayne Martin, Roy Maxwell, Jim Hutchins, Darlene Maxwell, C. Eugene Parks, Dan Surmeier, Jamie White, Recording Secretary and Watermaster Ron Shurtleff

Guests: Brian Sauer, Water Conservation Engineer P.E., USBR; Chris Beardsley, US Bureau of Reclamation, and Jerry Gregg, Snake River Area Manager, USBR.

Chairman Doyle Fackler called the meeting to order.

Minutes: The April 9, 2012, meeting minutes were presented in written form to all persons in attendance to review. Chairman Fackler asked if there were any additions or corrections. **Dennis Lammey moved and Jim Hutchins seconded to approve the April 9, 2012, minutes as corrected. Passed.**

Financial: Chairman Fackler asked Ron to review the financial statement for the district. Ron reported a checking account balance of \$618.66 and a balance in the State Treasury Fund of \$127,438.43 resulting in a checking and savings total of \$128,057.09. Total accounts receivable equaled \$7,417.67. The fixed assets will remain at \$72,037.21 producing a total assets balance of \$207,511.97. Ron then reviewed the profit and loss statement and stated that as of May 14, 2012, the District is showing a negative net income of -\$108,923.33. Ron stated this balance will change as soon as assessments are sent out. Chairman Fackler asked if there were any other questions or concerns. **Dennis Lammey moved and Darlene Maxwell seconded to approve the Financial Statement as presented. Passed.**

USRB

Update: The floor was then turned over to Jerrold Gregg, Snake River Area Manager, USBR, he reminded the manager's that they need to finalize water lease contributions as soon as possible, he stated that because of the positive water outlook the Bureau will be able to assemble the 487 K acre-feet of flow augmentation water for this 2012 season. The Bureau of Reclamation would like to receive 160,000 acre-feet of flow augmentation water from the Payette Basin with 95,000 AF from the Bureau's un-contracted space and the remaining 65,000 AF from irrigators contracted space. He also stated they are continuing to work on contract language verbiage for Ag Easements.

Brian Sauer, Water Conservation Specialist, US Bureau of Reclamation then presented a slide show and reviewed the Water Supply Outlook along with several slides of the SNOTEL sites comparing this year to years with similar conditions. He stated as of May 1, 2012, we are 93% of normal; Payette Basin is 87%. A year-to-date precipitation and snow water equivalent graph was also provided that showed the precipitation is actually a bit above average and snow equivalent is right on track. He also presented the six to ten day and 15-30 day precipitation and temperature outlooks which indicated below normal precipitation and above normal temperatures. Brian stated that all the slideshow reports and graphs can be found on the NRCS website if anyone wishes to review them at their leisure.

**Watermaster
Report:**

Watermaster Shurtleff stated a lot of his report was covered in Brian Sauer's presentation. The Payette Basin has an 87% of normal snowpack and the Boise Basin is at 85%, he pointed out that the Payette Reservoir System is 85% full, which includes Cascade Reservoir at 84% full and Deadwood at 89%. The runoff forecast shows Horseshoe Bend at 98% of normal compared to similar past years.

Also included in the packets was a letter from Al Barker, Barker Rosholt & Simpson LLP, arguing that Idaho is a "one-fill" state meaning that a reservoir can fill only once and if water is stored and released for flood control that the space cannot be refilled, unless the water right specifically provides otherwise. Mr. Barker is concerned about how this interpretation might affect storage accounting in the Boise and would like a chance to discuss it with the Water District #65 to understand how the water accounting system in the Boise meshes with the State's interpretation of the law at American Falls and Palisades.

Ron reported on a meeting that was held with Gary Spackman, Interim Director, Department of Water Resources. In the meet it became evident the different basins in Idaho have a diversity in their storage operations procedures. Ron did not believe the Department had any intention of changing the storage accounting and fill procedures in the various basins. However, they were not aware of the consequences to contracts without flood control stipulations and thus no refill clause in their contracts. Ron believed a large part of the issue could be resolved by defining the terms "use and refill" since they seem to have a different meaning when being applied to the flood control component in the separate basins. Discussion ensued and it was determined that this is an issue that will require our attention.

**Rental Pool
Leases:**

Ron provided the current 2012 leases to the rental pool. Farmers Co-op contributed 20,000AF on May 4th; Noble Ditch: 9,947AF on May 5th; Lower Payette: 9,947AF on May 14th; and Lake Irrigation Dist.: 2,106AF on May 14th. Black Canyon Dist. (Ex) contributed 2,800AF on Mar. 22nd for a total of 44,800AF. USBR un-contracted storage assigned to the rental pool is 95,000AF leaving an additional 20,200AF needed to reach the 65,000AF contributed by irrigation companies for out-of-basin use.

**Cost Share
Program:**

Ron then gave an update on the 2012 Cost Share Applications. He stated that to date, all but two projects have been completed and funded. The Washoe Irrigation river diversion improvement project and the Black Canyon automated check above Langley Siphon are the only two projects uncompleted. A total of \$48,504.63 has been paid out. Black Canyon Irrigation also submitted a Sand Hollow Drain Water Quality Improvement Project. Two applications have also been turned in for the 2013 Cost Share funding.

NICC:

Ron provided an invoice from the National Irrigation and Conservation Caucus for annual dues of \$250.00 along with the minutes from their 2011 Fall and 2012 Spring meetings. **Dennis Lammey moved and Gene Parks seconded to pay the \$250 annual dues invoice to the National Irrigation and Conservation Caucus. The Motion Carried.**

Adjournment:

Chairman Fackler asked if there was any further business that should be considered at this meeting, hearing none the meeting was adjourned.

Respectfully Submitted

Ron Shurtleff, Watermaster

Jamie White, Recording Secretary

Water District No. 65
Balance Sheet
As of June 3, 2012

	Jun 3, 12
ASSETS	
Current Assets	
Checking/Savings	
Checking - Water District	1,743.57
State Treasurer	127,438.43
Total Checking/Savings	<u>129,182.00</u>
Accounts Receivable	
A/R - Assessments	74,468.59
Acct. Rec. - Rental Pool	5,871.93
Total Accounts Receivable	<u>80,340.52</u>
Total Current Assets	<u>209,522.52</u>
Fixed Assets	
Office Equipment	20,724.56
Field Equipment	24,012.65
Vehicles	27,300.00
Total Fixed Assets	<u>72,037.21</u>
TOTAL ASSETS	<u><u>281,559.73</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	
SUI	46.92
Total Payroll Liabilities	<u>46.92</u>
Printing Expense Payable	902.72
Payable to Lessor - In Basin	2.00
Payable to IDWRB - Fees	0.20
Total Other Current Liabilities	<u>951.84</u>
Total Current Liabilities	<u>951.84</u>
Total Liabilities	951.84
Equity	
Equity - Equipment	72,037.21
Retained Earnings	243,446.25
Net Income	-34,875.57
Total Equity	<u>280,607.89</u>
TOTAL LIABILITIES & EQUITY	<u><u>281,559.73</u></u>

10:52 AM
 06/03/12
 Accrual Basis

Water District No. 65
Profit & Loss
 January 1 through June 3, 2012

Jan 1 - Jun 3, 12

Ordinary Income/Expense	
Income	
Interest Income	447.59
Assessment Revenue	74,552.30
512 - Expense Reimbursements	0.00
Finance Charge Revenues	115.15
Administrative Fee Revenue	
Admin Fees - In Basin	1.00
Admin Fees - Out of Basin	7,200.00
Total Administrative Fee Revenue	7,201.00
Total Income	82,316.04
Gross Profit	82,316.04
Expense	
Payroll Expenses	
Salary - Watermaster	19,550.00
Payroll Taxes	
Company FICA Expense	1,212.10
Company Medicare Expense	283.48
Company Fed Unemployment Tax	42.00
Company State Unemployment Ta	187.68
Total Payroll Taxes	1,725.26
Benefits - Medical Insurance	3,516.55
Benefits - Retirement	1,955.00
Total Payroll Expenses	26,746.81
Office Rent	2,875.00
Office Assistance	2,000.00
Postage and Delivery	317.36
Postage Reimbursasal Account	0.00
Office Supplies	882.75
Telephone	686.04
ArcGIS License Maitenance fee	3,600.00
Professional Fees	
Accountant Fees	2,500.00
Professional Fees - Other	60.00
Total Professional Fees	2,560.00
Automobile and Mileage	1,443.93
Dues and Subscriptions	500.00
IWUA Basin Members Dues	23,208.80
Water Education	
Contributions	1,000.00
Total Water Education	1,000.00
Internet Services	205.55
Meeting Expenses	55.41
Travel and Training	
IWUA Convention Expense	175.00
Meals and Lodging	78.53
Training Expense	180.00
Total Travel and Training	433.53
Workman's Comp Insurance	425.00
Interest Expense	
Interest Exp.- Rental Pool	624.65
Total Interest Expense	624.65
Insurance	500.00
Miscellaneous	221.85
Equip. Purchases, Office & Field	400.30

10:52 AM
06/03/12
Accrual Basis

Water District No. 65
Profit & Loss
January 1 through June 3, 2012

	<u>Jan 1 - Jun 3, 12</u>
Cost - Share Incentive Prog.	
Water Management	43,761.63
Cost - Share Incentive Prog. - Other	4,743.00
Total Cost - Share Incentive Prog.	<u>48,504.63</u>
Total Expense	<u>117,191.61</u>
Net Ordinary Income	<u>-34,875.57</u>
Net Income	<u><u>-34,875.57</u></u>

State Water District No 65

Payette River Basin, State of Idaho

Doyle Fackler, Chairman
Ron Mio, Vice Chairman
Chuck Pollock, Secretary
Ron Shurtleff, Watermaster

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Payette, Idaho 83661

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NOTICE OF ADVISORY BOARD MEETING ***June 11, 2012*** ***8:00 PM***

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JUN 05 2012
WATER RESOURCES
WESTERN REGION

June 3, 2012

Mr. John Westra
2735 Airport Road
Boise, ID 83705

Dear Mr. Westra,

The Advisory Board of State Water District No. 65 will meet on **Monday, June 11th**, at **8:00 P.M.** in the **Payette River Irrigation Office** located at 102 North Main Street in Payette Idaho.

The following tentative agenda items will be considered during the meeting.

- *Review to Approve May 14, 2012 Minutes*
- *Review to Approve Financial Statement*
- *Storage Conditions & 2012 Water Supply Outlook*
- *Water Bank (Lease-Assignment) Report*
- *Cost Share Program update*
- *Storage Refill Discussion*
- *International Coatings / Concrete Repair Products*
- *Any other business to be brought before the board*

Note, meeting time 8:00 PM !

I look forward to seeing you at the meeting on **June 11, 2012**, in the Payette River Irrigation Office.

Sincerely,

Ron Shurtleff