

State of Idaho

DEPARTMENT OF WATER RESOURCES

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C.L. "BUTCH" OTTER Governor

GARY SPACKMAN Director

February 5, 2013

RECEIVED

FEB 0 6 2013

Ron Shurtleff Watermaster, Water District 65 102 North Main St Payette, ID 83661

WATER RESOURCES WESTERN REGION

Re: Potential Conflict of Interest

Dear Mr. Shurtleff,

The Idaho Department of Water Resources (IDWR or Department) received your correspondence dated January 17, 2013. In your letter, you ask whether your appointment as watermaster of Water District 65 (WD65) and potentially serving on the board of directors for the Lower Payette Ditch Company (LPDC) would be a conflict of interest. The LPDC holds water rights from the Payette River that are delivered by you as watermaster of WD65.

Based on recent discussions you've had with IDWR staff, I believe you are aware that the Idaho Attorney General issued an opinion in 2010 about a different water district watermaster who was also serving as a director of an irrigation district (see attached Attorney General's opinion dated April 6, 2010). As I interpret the opinion, the law does not directly prohibit you from serving in both the watermaster and the canal company board of director positions. Nonetheless, a watermaster is considered an employee of the Department, and must adhere to the Department's guidelines of employee conduct. Importantly, the opinion stated:

... [T]he conflict of interest provisions of the Department's "Employee Conduct" policy generally would bar the same person from simultaneously serving as the WD34 watermaster and as a director of the BLRID. The Department's policy has an important exception, however: it does not apply "upon written authorization of the Director."

The granting of the authority to except from the general prohibition to you serving in both positions does not excuse you or me from our responsibilities to prevent the conflicts and appearances of conflict that the provisions of the Department's Employee Conduct protect against. As a result, I will appoint you as watermaster of WD65 but will expect the following actions in both your role as watermaster and as a LPDC director:

1. In any activities of the LPDC board, whether you are acting independently as a board member or collectively as an entire board, you must identify any possible conflict between the board activity and your watermaster responsibility.

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You cannot excuse yourself from your watermaster duties when there is a conflict. As a result, you must openly identify the conflict to avoid the appearance of conflict and recuse yourself from the LPDC activity when it conflicts or may conflict with your watermaster duties.

2. You should not receive any monetary compensation or pecuniary benefits for serving as a BLRID director, regardless of how small the compensation may be.

Note that the requirements listed above are intended to address potential conflict of interest issues that may arise. These requirements can be withdrawn from your duties if the conflict of interest is no longer present.

Congratulations on your re-election as watermaster. The Department appreciates the job that you have done in this position. Your strong work ethic, integrity and dedication to the WD65 watermaster position has made this authorization possible. I have great trust in you. Please contact me if you have any further questions or concerns on this matter. Your certificate of appointment for the ensuing year will be forwarded to you separately by the regional office.

Sincerely,

Gary Spackman

Director

Enclosures: Attorney General Opinion, April 6, 2010 & IDWR Employee Conduct Policy

C: John Westra, IDWR Western Region Manager Lower Payette Ditch Company