

RECEIVED

AUG 04 2014

WATER RESOURCES  
WESTERN REGION

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

Chairman: Ron Mio  
Vice Chairman: Darlene Maxwell  
Secretary: Dennis Lammey  
Watermaster: Ron Shurtleff

102 North Main Street  
Payette, Idaho 83661

Phone: 208-624-4465  
Fax: 208-642-1042  
E-Mail: [wd65@srvinet.com](mailto:wd65@srvinet.com)

RECEIVED

AUG 04 2014

WATER RESOURCES  
WESTERN REGION

### Regular Board Meeting

**Date:** July 8, 2014  
**Time:** 8:00 p.m.  
**Location:** Payette River Irrigation Office

**Attending:** Marcia Herr, Ron Mio, Roy Maxwell, Dennis Lammey, Jim Hutchins, Joy Sisler, Jim Standley, Doyle Fackler, Walt Garman, Marc Haws, Jamie White, Recording Secretary and Watermaster Ron Shurtleff

**Guests:** Norm Semanko, Executive Director, IWUA and David Hoekema, IDWR, Technical Hydrologist

Chairman Ron Mio called the meeting to order

**Minutes:** The June 10, 2014, meeting minutes were presented in written form to all persons in attendance to review. Chairman Mio asked if there were any additions or corrections. **Dennis Lammey moved and Jim Standley seconded to approve the June 10, 2014, minutes as presented. Passed.**

**Financial Report:** Chairman Mio asked Ron to report on the financial statement for the district. Ron reviewed the budget to actual worksheet by line item and stated all funds are on track for the year. There is a checking account balance of \$39,709.77 and a balance in the State Treasury Fund of \$278,289.22 resulting in a checking and savings total of \$317,998.99. Total accounts receivable is at \$7,319.09; total fixed assets remain at \$82,556.22, producing a total assets balance of \$407,874.30. Ron then reviewed the profit and loss statement and stated that as of July 8, 2014, the District is showing a negative income of -\$18,775.69. Chairman Mio asked if there were any other questions or concerns. **Dennis Lammey moved and Doyle Fackler seconded to approve the Financial Statement as presented. Passed.**

**IDWR Update:** The floor was then turned over to David Hoekema, Idaho Department of Water Resources, Technical Hydrologist; he stated that the day of allocation is getting close and provided the South Fork of the Payette River near Lowman Daily Streamflow Chart. In comparing several years, he stated we are most on track with 2012 as of early July. He also provided the Payette River Flow Accounting Chart; he stated that the July 6, 2014, averaging error was -827.1 was really good.

Norm

Semanko:

Chairman Mio then turned the floor over to special guest Norm Semanko to update the board on the Columbia River Treaty and make a contribution request of \$7500 toward the effort stay abreast of the issue since the outcome could forever affect the way we manage our reservoirs.

Norm gave a brief history of the Columbia River Treaty; he explained it is the outcome of the second largest recorded flood on the Columbia River. The flood destroyed the industrial city of Vanport, a city that had been constructed in 1942 during the war effort for the purpose of ship building. At the time Vanport was the second largest city in Oregon. Many lives were lost during the flood and the City of Vanport was washed away forever.

In the 1940s, officials from the United States and Canada had begun a process for a joint solution to the flooding caused by the unregulated Columbia River and to the postwar demand for energy resources. That effort culminated in the Columbia River Treaty, an international agreement between Canada and the United States for the cooperative development of water resources regulation in the upper Columbia River Basin. It was signed in 1961 and implemented in 1964.

After 60 years the treaty was designed to allow either the United States or Canada to terminate provisions in the treaty either on or after September 16, 2014 with a minimum of 10 years prior notice to the other country. That date is approaching and Canada is proposing to require that all storage facilities on the Columbia River System become active in flood control on the lower Columbia before the Canadian Reservoirs can be called into action. Also fifteen Native American Tribes that were not consulted during the original formulating of the treaty have stated that this time they do not intend to be left out of the negotiations. The tribes concerns are defined as an Ecosystem and its management, which appears to resemble an un-dammed free flowing river system.

Norm explained the Idaho Water Users Association intends to become as involved as possible because neither the State of Idaho nor the Bureau of Reclamation has proven to be a reliable source of what is taking place in regard to treaty negotiations. Norm further explained the association has no budget resources to turn to for this direct involvement and he is requesting contributions to the Instream Flow Coalition by the upper and lower valley participants, mainly the Uppers Snake, the Boise, and the Payette Basins.

Norm said the association is contracting with the Ferguson Group in Washington DC where Mark Limbaugh would become the lobbyist who would work on the effort through the remainder of this year, at a prearranged cost of \$15,000. Norm said he expects the effort will continue beyond this year but rather than offer an extended contract the future commitment will be decided when the need is at hand.

Norm then stated he is coming to the Payette Basin with a request for \$7,500 to prime the coalition's resources which will allow the commitment with the Ferguson group to move forward.

**Moved by Marc Haws to contribute \$7,500 to the In-Stream Flow Coalition request. Motion failed due to lack of a second. More discussion ensued.**

**Moved by Dennis Lammey and seconded by Jim Standley to contribute \$3,000 to the In-Stream Flow Coalition request. 3 votes in favor, 5 opposed. Motion failed. More discussion ensued.**

**First motion restated by Marc Haws and seconded by Marcia Herr to contribute \$7,500 to the In-Stream Flow Coalition. 6 votes in favor, 2 opposed. Motion failed again due to the lack of a complete consensus vote, needed to be successful by District 65 rules.**

Consensus of the board was to defer this matter to the Payette River Water Users meeting.

**Watermaster**

**Report:**

Ron gave his Watermaster Report which reviewed the reservoir storage reports and the Payette River Basin Storage Reservoirs. It showed the present reservoir conditions are as follows; the Payette Reservoir System at 91% of capacity, which includes Cascade Reservoir at 90% full and Deadwood at 99%.

Ron included in the packets the Natural Flow at the Horseshoe Bend Gage; the chart shows that this year is averaging a little less than 2012 and a little above 2009.

Ron reported on the updated 2014 assignments to the Rental Pool to date; Out of Basin contributions are Black Canyon with 17,800af; Farmers Co-op with 25,000af; Noble Ditch with 9,947af; Lower Payette with 9,947af; Emmett Irrigation with 11,868af; Lake Irrigation Dist. at 2,106af and Kneen at 400af after July 1, 2014. The total leased for Out-of-Basin USBR usage is 77,068af; total assigned and leased for Flow Augmentation Usage is 172,676af plus 5,000 to be used for "In Basin" from Emmett Irrigation Dist. Total acre-feet assigned for 2014 is 177,676af.

Ron included in the packets for review only, the final 2014 approved Costshare projects as follows; Westside Lateral - Gus Young project for \$3,967; Washoe Irrigation Dist. – River Diversion Improvement Project for \$27,019; Enterprise Ditch Co. – Piping of 2 large lateral systems at \$25,000; Black Canyon Irr. Dist. – Purchase of equipment for "Aqualastic" for \$37,500; Lower Payette Ditch – Automation of canal check for \$4000 and the Letha Irrigation & Water – 3 automation site upgrades with Verizon for \$1,875 for a total requested assistance of \$95,394. Lower Payette has also requested \$3000 towards Water Turbidity Sampling and Sensors under the Water Quality Improvement Projects.

The 2015 Costshare applications to date were also included in the packet. The applications are accepted on a first come, first serve basis unless otherwise approved by the board; there are currently 10 applications submitted for funding. Total requests to date come to \$166,873.

Ron then open discussion regarding an idea for the use of the retired Campbell Scientific equipment from the updated automation sites. He suggested re-using the old equipment for more remote locations like the Montour site; although the equipment is outdated, it will still work quite well on some of these sites that have no information provided at all. Consensus of the board was to check with the entities with the obsolete equipment to see if they would allow the equipment to become repurposed at other locations in the district.

Quest CPA

Contract:

A contract renewal for 2014, 2015 and 2016, was received from Quest CPAs, P.C. for the Independent Audits. The objective for these yearly audits is too determine whether our financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to the supervision of Quest CPAs, P.C. personnel. The fees for the Year-End Financial Audit is as follows:

- 2014 - \$2,700
- 2015 - \$2,800
- 2016 - \$2,900

Audits begin on approximately December 1<sup>st</sup> and reports will be issued no later than January 15<sup>th</sup>. Kurt Folke will be the engagement partner and will be responsible for supervising the engagement and signing the reports; discussion ensued. **Moved by Jim Standley and seconded by Dennis Lamme to accept and sign the Quest CPAs, P.C. Annual Audit Contract. Passed.**

Adjournment: Chairman Mio 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

2:22 PM  
08/01/14  
Accrual Basis

**Water District No. 65**  
**Balance Sheet**  
**As of August 1, 2014**

	Aug 1, 14
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Checking - Water District	43,046.04
State Treasurer	278,289.22
Total Checking/Savings	321,335.26
Accounts Receivable	
A/R - Assessments	3,331.32
Acct. Rec. - Rental Pool	448.17
Total Accounts Receivable	3,779.49
Total Current Assets	325,114.75
Fixed Assets	
Office Equipment	20,217.57
Field Equipment	35,038.65
Vehicles	27,300.00
Total Fixed Assets	82,556.22
<b>TOTAL ASSETS</b>	<b><u>407,670.97</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Printing Expense Payable	902.72
Payable to Lessor - In Basin	6.00
Payable to IDWRB - Fees	0.60
Total Other Current Liabilities	909.32
Total Current Liabilities	909.32
Total Liabilities	909.32
Equity	
Equity - Equipment	82,556.22
Retained Earnings	343,184.45
Net Income	-18,979.02
Total Equity	406,761.65
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>407,670.97</u></b>

2:20 PM  
 08/01/14  
 Accrual Basis

**Water District No. 65**  
**Profit & Loss**  
 January 1 through August 1, 2014

	Jan 1 - Aug 1, 14
Ordinary Income/Expense	
Income	
Interest Income	240.68
Assessment Revenue	75,105.55
Administrative Fee Revenue	
Admin Fees - In Basin	3.90
Total Administrative Fee Revenue	3.90
Total Income	75,350.13
Gross Profit	75,350.13
Expense	
Payroll Expenses	
Salary - Watermaster	30,649.98
Payroll Taxes	
Company FICA Expense	1,900.30
Company Medicare Expense	444.42
Company Fed Unemployment Tax	42.00
Company State Unemployment Ta	167.04
Total Payroll Taxes	2,553.76
Benefits - Medical Insurance	5,549.93
Benefits - Retirement	3,064.80
Total Payroll Expenses	41,818.47
Office Rent	4,025.00
Office Assistance	2,800.00
Postage and Delivery	511.41
Postage Reimbursaal Account	0.00
Office Supplies	992.94
Telephone	782.33
ArcGIS License Maintenance fee	1,400.00
Professional Fees	
Accountant Fees	2,650.00
Total Professional Fees	2,650.00
Automobile and Mileage	2,199.23
Dues and Subscriptions	993.67
IWUA Basin Members Dues	23,208.80
Water Education	
Contributions	2,250.00
Water Education - Other	400.00
Total Water Education	2,650.00
Internet Services	372.65
Computer Repairs	203.33
Travel and Training	
IWUA Convention Expense	360.00
Meals and Lodging	242.48
Total Travel and Training	602.48
Repairs and Maintenance	
Equipment Repairs	449.95
Total Repairs and Maintenance	449.95
Interest Expense	
Interest Exp.- Rental Pool	268.00
Total Interest Expense	268.00
Insurance	
Property Insurance	99.00
Insurance - Other	21.00
Total Insurance	120.00

2:20 PM  
08/01/14  
Accrual Basis

**Water District No. 65**  
**Profit & Loss**  
January 1 through August 1, 2014

	Jan 1 - Aug 1, 14
Miscellaneous	313.90
Equip. Purchases, Office & Field	3,999.99
Cost - Share Incentive Prog. Water Management	3,967.00
Total Cost - Share Incentive Prog.	3,967.00
Total Expense	94,329.15
Net Ordinary Income	-18,979.02
Net Income	-18,979.02