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JAN 24 2011

DEPT. OF WATER RESOURCES
SOUTHERN REGION

Water District 36A

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January 19, 2011

Jeff Cooper
IDWR, Southern Region
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301-3380

RE: Water District 36A

Dear Mr. Cooper,

Enclosed are the minutes from the Water District 36A annual meeting held January 17, 2011 in Hagerman. Please, note in the adopted resolutions that I was elected Secretary/Treasurer for 2011 and Frank Erwin was elected Water Master for 2011.

Thank you.



Linda L. Lemmon
Secretary

enclosure

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Water District 36A – Annual Meeting

January 17, 2011
Legion Hall, Hagerman, ID

Gary Lemmon, Chairman, opened the meeting at 1:05 pm and introduced Frank Erwin, current Advisory Board members in attendance, and Cindy Yenter from IDWR. Handouts available at the sign in sheet included the following: Agenda for today's meeting, the minutes from the March 1, 2010 annual meeting, the minutes from the December 7, 2010 Advisory Board meeting, the Budget Summary, 2011 Treasurer's Report, proposed 2011 Resolutions, and a handout describing Assessment Calculations. Twenty three people were in attendance.

Election of the Chairman and Water District 36A Advisory Board

Gary Lemmon led the Election of the Chairman to run today's annual meeting. *David Cropper moved and Lynn Babington seconded that that Gary Lemmon be elected as Chairman to run today's election, and that current Board members Gary Lemmon, Bryan Kenworthy, John Mavencamp, Howard Morris, Billy McCarthy, Gwen Tzanakakis and Dan Yore be re-elected to the Advisory Board for 2011.* No other nominations were offered. *Motion passed by voice vote, with none opposed.*

Approval of 2010 Annual Meeting Minutes

People were given the opportunity to review the minutes from the 2010 Annual Meeting prior to the start of the meeting. *Howard Morris moved and David Cropper seconded that the minutes from the March 1, 2010 annual meeting be approved as presented. Motion carried by voice vote, with none opposed.*

Water Master Report and Presentation of the Proposed 2011 Budget by Frank Erwin

Frank reviewed the 2011 Treasurer's report. There was a carryover of \$2,603.88 from 2010. Linda explained that a one-time deposit of \$85.64 was received from a class action settlement with the State Insurance Fund.

Frank reviewed his proposed 2011 Budget for the District. Frank explained that, after keeping track of his hours, he was recommending to increase his salary from \$3000 to \$3600. Secretary salary remains unchanged. Because there is still considerable uncertainty about the amount of extra time and travel between Hagerman and Twin Falls that may be required to set up the water measurement data base, Frank recommended keeping the carryover from 2010 in a contingency category for another year. Thus, the proposed budget includes \$5,767.00 in assessments plus the carryover.

Frank was asked how 2010 flows compared to previous years. Frank noted that the gage at Fisheries Development (the point along the creek where total creek flow is measured) hit an all time low for a short period in July, but that the 1-2 cfs drop probably reflected actions taken up stream of the gage rather than the continued downward trend in flow we have seen for many years.

Assessment Calculations

Frank reminded everyone that we were switching from the old sliding scale system that assessed users based on the amount of water decreed to one based on actual diversion. He explained that the old system, while illegal, was used because diversions were largely unmeasured when the district was first formed. Since diversions are now measured, it is imperative that we bring the assessment calculations in line with Idaho Code.

Frank referred to the December 7, 2010 Board of Directors meeting minutes to help explain the definitions of consumptive-to-the-system and non-consumptive-to-the-system as these terms relate to assessment calculations. He was asked if other districts use this phrasing and Cindy Yenter explained that that other districts have chosen to use this language. Frank also explained that the code allows for a minimum assessment of up to \$50, and that he

will use that as the minimum when calculating the 2011 assessment for zero and low flow diversions since it costs the same to measure a zero flow as it does to measure a large flow.

Using the Assessment Calculation Handout, Frank explained how the assessments would be calculated. Assessments for 2011 will be based on the cumulative annual diversions reported on the 2009 measuring reports since Frank has not received all of the 2010 reports yet nor has he had enough time to enter data and verify their accuracy. Frank knows from experience and from the measurements he took throughout the season that a few reports he received this year have incorrect data, possibly because the wrong flow charts were used. Frank was asked how cumulative flows would be calculated when water users aren't required to collect data every day. Cindy Yenter explained that the computer can automatically interpolate flow between the days actual flow was recorded so that 365 values can be totaled. Frank also said that, even though he can base the assessment on an average of flows from multiple recent years, he was choosing to use one year at this time because (a) he doesn't have enough accurate consecutive data yet, and (b) he estimates that the difference between using an average vs a single year's flow would be pennies to the individual user, yet it would cost the District more overall because of the amount of time involved in calculating the average. Idaho Code stipulates that voting at annual meetings is done by majority vote, unless a user calls for a credentials committee to permit voting by the assessed amount. This has caused problems in other districts because larger water users voting by the amount they were assessed can control the vote on a particular issue. Since assessments are based on diversion, larger diverters are also at a disadvantage because the amount of effort it takes the Water Master to measure and monitor larger flows isn't always proportional to the total amount of water. Frank explained that approximately 1/3rd of the water in this district was diverted by consumptive-to-the-system users and 2/3 was diverted by non-consumptive-to-the-system users. To keep both the assessment and voting fair between consumptive-to-the-system and non-consumptive-to-the-system users, the cumulative flow diverted by non-consumptive-to-the-system users would be divided by 3 prior to multiplying by the base rate. Cindy said she uses this same rationale in Water District 130, and similar rationale is used in other Districts.

Gwen Tzanakakis moved and Bud Huntley seconded that the proposed budget for 2011 be adopted as presented. There was no further discussion. ***Motion passed by voice vote, with none opposed.***

Adoption of 2011 Resolutions

Gary read the proposed resolutions. Resolutions No. 5 and 6, respectively, designate Frank Erwin as the Water Master and Linda Lemmon as Secretary/Treasurer for 2011. ***Bud Huntley moved and Dirk Bogard seconded that the proposed resolutions be adopted as presented.*** There was no further discussion. ***Motion passed by voice vote, with none opposed.***

District News and Updates:

Frank announced that he has put together booklets to assist water users along laterals organize themselves into associations. Idaho Code says that if there are 3 or more users along a ditch, that they must form a legal entity for assessment purposes. There are still a few laterals that need to form associations.

Frank reminded users that the \$25 filing was no longer necessary when submitting flow measurement reports to the District.

Linda reported that the AWEF program received funding for 2011. Users need to check with Steve Thompson on the deadline.

Cindy Yenter commended the District on efforts taken to align with Idaho Code, and stated that the District would be able to remain independent and was no longer in jeopardy of being absorbed into Water District 130.

Cindy Yenter reported that IDWR had drafted two bills, one changing how Water Districts operated and one changing how Water Masters can be removed, but that only the latter bill was still being considered for submission

to the Legislature this year. The fist bill ran into trouble with new language that added a surcharge to diverters who required extraordinary amount of administrative work, such as those involved in mitigation or requiring credits.

No additional new or old business was discussed.

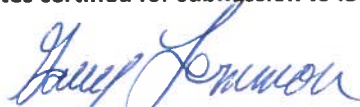
Gwen Tzanakakis moved and David Cropper seconded that the meeting be adjourned. Motion passed by voice vote, with none opposed. Meeting adjourned at 3:15 pm.

Minutes recorded by



Linda Lemmon, Secretary

Minutes certified for submission to IDWR by



Gary Lemmon, Meeting Chairman

Attachments: Adopted Budget
Adopted Resolutions

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WATER DISTRICT 36A
BUDGET SUMMARY (as of 1/17/11)

	<u>2010</u>		2011 Adopted
	Adopted	Actual	
Beginning Balance	1,906.99	1,906.99	2,603.88
<u>INCOME</u>			
Insurance Settlement	0.00	85.64	
Assessments	<u>4,837.50</u>	<u>4,785.00</u>	<u>5,767.00</u>
Total	\$6,744.49	\$6,777.63	\$8,370.88
<u>EXPENSES</u>			
Water Master Wages	\$3,000.00	\$2,770.50	3,600.00
Secretary/Treasurer Wages	500.00	461.75	500.00
State Insurance Fund	268.00	229.00	268.00
Federal Withholding	300.00	535.50	627.00
Operating/Office Expenses	500.00	102.00	500.00*
Room Rent	75.00	75.00	75.00
Travel to meetings	500.00	0	250.00
Contingency	<u>1,601.49</u>	<u>0</u>	<u>2,550.88**</u>
Total Expenses	\$6,744.49	\$4,173.75	\$8,370.88
Ending Balance	0.00	2,603.88	0.00

* **2011 Operating/Office Expenses** category is intended for typical office expenses such as administrative fees, audit, PO Box rental, postage, computer expenses, software, paper, ink, envelopes, etc.

****2011 Contingency** category includes carryover from 2010, and is intended for any other unanticipated expenses such as additional costs to set up new reporting and assessment requirements, etc.

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WATER DISTRICT 36A - PROPOSED RESOLUTIONS FOR 2011DEPT. OF WATER RESOURCES
SOUTHERN REGION

1. **BE IT RESOLVED**, that hereafter the annual meeting of Water District 36A shall be held on the third Tuesday in January each year.
2. **BE IT RESOLVED**, that the amounts payable by each ditch, association, canal company, or other water user, as shown by the approved budget, shall become due and payable upon receipt and delinquent on April 15th, and said amount, if not paid, shall bear a penalty of 10% and interest from that date until paid, at a rate of 1% per month.
3. **BE IT RESOLVED**, that no ditch, association, canal company, or other water user shall have the right to demand and receive water, and the Water Master shall not deliver to such person(s) or entity(ies), until the amount due and payable from such user(s), as fixed by the budget, has been paid.
4. **BE IT RESOLVED**, that the Water Master shall be in service for a full year, commencing on February 1st of each year and continuing until the following January 31st, or until his successor as been duly qualified and elected.
5. **BE IT RESOLVED**, that Frank Erwin be elected Water Master of Water District 36A for the ensuing year, beginning February 1, 2011, and ending January 31, 2012.
6. **BE IT RESOLVED**, that Linda Lemmon be elected Secretary/Treasurer for Water District 36A for the ensuing year, beginning February 1, 2011, and ending January 31, 2012.
7. **BE IT RESOLVED**, that the elected Treasurer of Water District 36A should only disburse monies from the Water District accounts upon a voucher approved by the Water Master. All Water District checks can be signed either by the Treasurer or Chairman, but must be co-signed by an Advisory Board Member. Advisory Board Members Gwen Tzanakakis or Billy McCarthy shall serve for the purpose of co-signing all Water District 36A checks.
8. **BE IT RESOLVED**, that Water District 36A assessments shown in the adopted budget shall constitute a final determination of the amount due for that year (per Idaho Code 42-612).
9. **BE IT RESOLVED**, that Water District 36A assessments shall be based on the most recent reliable data available to the Water Master and shall be assessed in 24-hour second feet (per Idaho Code 42-612).
10. **BE IT RESOLVED**, that for the year 2011, a minimum charge of \$50.00 shall be assessed to each individual or entity that owns a water right, whose share of the total budget is less than the above specified amount.

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Agenda
ANNUAL MEETING of WATER DISTRICT 36A

Monday, January 17, 2011
1:00 PM, Legion Hall, Hagerman, Idaho

1. Call to Order
2. Welcome and Introductions
3. Election of Chairman and 2011 Advisory Board Members
4. Approval of Minutes of the 2010 Annual Meeting
5. Water Master's Report and Presentation of 2011 Proposed Budget
6. Discuss Minutes of the December 7, 2010 Board Meeting & New Assessment Calculations
7. Adoption of 2011 Resolutions
8. District News and Updates
Annual Reports
9. Adjourn

2010 Water Master, Secretary/Treasurer, Chairman and Advisory Board Members:

Frank Erwin	Water Master
Linda Lemmon	Secretary/Treasurer
Gary Lemmon	Chairman
Bryan Kenworthy	Board Member
Billy McCarthy	Board Member
John Mavencamp	Board Member
Howard Morris	Board Member
Gwen Tzanakakis	Board Member
Dan Yore	Board Member