

WATER DISTRICT #11 BEAR RIVER

Minutes of Special Meeting

March 21, 2007, 1:30 p.m.

Attending:

Wyn Doney
Bob Henderson
Dan Forsgren
Paul Nelson
Wade Harris
Tim Luke
Cindy Bird
Lyle Swank
Ryan Madsen
DeMar Romrell
Connely Baldwin
Kelly Holt
Bill Robison
Marc Gibbs
Joe Larsen
Don Harris
Austin Moses

Representing:

Riverdale Irr.
Riverdale Irr.
Thatcher Irr
Preston Montpelier Irr.
8-Mile Ranch LLC
IDWR
IDWR
IDWR
IDWR
Pegram Nupkee Canal
PacifiCorp
PacifiCorp
BR Otter & Dingle Irr.
Last Chance Canal Co
West Cache Irr. Co.
Gentile Valley Canal
Treasurer

Treasurer Austin Moses called the meeting to order and asked for nominations for meeting chairman. Marc Gibbs nominated Kelly Holt. Joe Larsen seconded. All approved.

Chairman Holt indicated the first item of business was to appoint a treasurer. Joe Larsen moved to reappoint Austin Moses. Connely Baldwin seconded. All approved.

Chairman Holt asked Connely Baldwin to present the resolutions from PacifiCorp. Connely presented Resolution #4 as follows:

WHEREAS, the water district currently has no expense policy for the watermaster clarifying the intent of the water users beyond the underlying requirements in Idaho Code Section 42-619(8), and

WHEREAS the water users desire that all expenses be documented and reimbursed in accordance with all applicable laws and best business practices

NOW, THEREFORE, BE IT RESOLVED by the water users of Water District #11, that the expense policy attached herein be adopted and adhered to by all employees and agents of Water District #11 in disbursing funds or reimbursing for expenses incurred and

BE IT FURTHER RESOLVED that this resolution shall supersede and take precedence over the requirements of Idaho Code Section 42-619(8).

Following the reading of the resolution, Marc Gibbs moved to approve the resolution. Bill Robison seconded. Motion passed.

After a short discussion, Marc Gibbs moved to authorize the advisory committee to make necessary changes to the policy if needed. Bill Robison seconded. Motion passed.

Connely Baldwin next read Resolution #5 as follows:

WHEREAS, the owner of a reservoir desiring delivery of storage water through natural channels in the state of Idaho is responsible to pay for delivery of stored water as is the case for PacifiCorp Energy, a water user in Water District #11, who is the owner and operator of the Bear Lake Reservoir and has a decreed right to use the natural channel of the Bear River to deliver storage water for supplemental irrigation to certain irrigators in Water District #11 and Utah and

WHEREAS Idaho Code Section 42-801 allows storage water delivery assessments to be based on the cost of delivering a unit of water and

WHEREAS water accounting (the Bear River interstate model) performed by the Idaho Department of Water Resources allows determination of the relative amounts of natural flow and supplemental water delivered to each water user, and

NOW, THEREFORE, BE IT RESOLVED by the water users of Water District #11, all salary, benefits and expenses for watermaster services and any other expenses incurred for district purposes for delivery of both storage water and natural flow be paid through Water District #11 and reflected in the budget and financial statements of the district.

BE IT FURTHER RESOLVED that:

1. The fee for watermaster services and all associated expenses to deliver storage water be proportional to the average 24-hour second-foot volume of water delivered in the preceding 5 years and shall be paid for by the owner of the reservoir;
2. The fee for watermaster services and all associated expenses to deliver storage water be computed in the same manner as natural flow assessments as specified in Idaho Code Section 42-801 and
3. The sum of the natural flow assessment and storage water delivery fees shall cover all salary, benefits and expenses of the district and no water user shall make non-budgeted or external payments to Water District #11 personnel.

Mr. Baldwin explained the difference between the old method of paying the watermaster by contract outside the District's budget and said the new method would put all expenditures within the budget. He said the Resolution #5 goes hand in hand with Resolution #6 which proposes to establish a five year average use assessment, doing away with the debits and credits which have been used in the past. The new method, he explained, would provide more consistent assessments from year to year without the widely fluctuating assessments. Paul Nelson asked if the natural flow assessments would be across the board higher than at present. Connely responded that it should not change much. Tim Luke asked who would pay for the storage water? Connely responded that the Power Co. would. Tim asked if the Power Co. would still pay for the power plant flow? Connely responded that that is non-consumptive use and there would be no change at this time. Marc Gibbs asked if the net effect of Resolution #5, would be to do away with the separate contract? Connely responded in the affirmative and also to make the assessments more fair, accounting for all expenses within Water District #11. Marc asked if this takes into account the canal companies that have contracts with PacifiCorp? Connely said yes. Bill Robison asked if the irrigator's costs would go up? Connely responded that natural flow users should not see much change. Storage irrigators will pay more, projected at about \$4,000 more during the current year.

There continued an explanation of the difference between storage users and natural flow users and the method of allocating the costs. Marc Gibbs also explained that this was not the ordinary inflationary increases but a new method of calculating assessments which would result in higher costs to storage user irrigators. He added that perhaps in the past the storage user irrigators have been getting a better deal than they should have and that if this proposed procedure were put to an audit, most would say it is a fair way of allocating costs.

Joe Larsen moved to approve Resolution #5. Connely Baldwin seconded. Motion passed.

Connely Baldwin then read Resolution #6 as follows:

WHEREAS, the current method of computing the assessment is unduly cumbersome and results in fluctuating assessments and

WHEREAS, water diversion information exists upon which the assessment can be fairly and accurately determined and

WHEREAS, Idaho Code Section 42-612(5) allows the simplification of the assessment procedure by not requiring the carrying forward debits or credits,

NOW, THEREFORE, BE IT RESOLVED by the water users of Water District #11, that all future assessments beginning with the 2007 assessments shall be based on the previous 5-year average 24-hour second-foot volume of water delivered.

Motion was made by Connely Baldwin to approve Resolution #6. Marc Gibbs seconded. Motion passed.

Chairman Holt asked for a short recess to caucus before proceeding with the election of the watermaster. Meeting recessed from approximately 2:20 pm to 2:30 pm.

Chairman Holt explained to those present that Pete Petersen would not be continuing as watermaster for the district, and asked for nominations from the floor for a new watermaster. Marc Gibbs nominated Rock Holbrook. Motion was made by Wade Harris that nominations cease. Joe Larsen seconded. Motion passed.

Marc Gibbs gave a short background on Mr. Holbrook, stating that he had worked for PacifiCorp for 30 years before retiring, and that he was familiar with operations on the Bear River from the power company side. Kelly Holt added that his background was as an electronics technician and that he managed 4-10 people while at PacifiCorp. Bill Robison asked if he looked on this job as a temporary one. Marc said he is 60 years old and feels like he has 5-10 years left. He added that Carley Burton, a former PacifiCorp manager, recommended Rock, and that he feels he has the ability and training for the job. Marc said he would still need some familiarization with the sites.

Tim Luke asked how the application process was handled? Marc Gibbs responded that advertisements were put in three newspapers and there were six applications received. Rock Holbrook and Cindy Bird were interviewed as the most qualified candidates and it is the consensus of the advisory board to recommend Rock. He added that the farmers were reluctant to turn the watermaster position over to the IDWR, but that Cindy is certainly qualified for the job and if Rock does not work out, the district can still use IDWR as backup. Bill Robison echoed Marc's comments, adding that Cindy is well qualified for the job but the irrigators just didn't want the State to take over that function. Connely said there were benefits to both candidates, but that the Power Company doesn't want to go against the irrigators on this issue. Vote will be by those attending, not by assessment.

Wade Harris moved to elect Rock Holbrook as watermaster. Don Harris seconded. Motion passed. Contact information will be forthcoming for Rock Holbrook but his cell phone was given as (208) 390-8333.

There was a short discussion about storage water level and snow pack levels. Consensus was that storage levels were good but snow pack was very poor; only 59% of normal.

Discussion moved to the budget for the 2007 fiscal year. Connely said that Rock had agreed to a salary for the remainder of the year of \$36,000 with home office rental of \$200 per month. The treasurer contract was also \$200 per month. There was a question as to whether the settlement with Pete Petersen had been paid. The response was that it was still in the works but that Pete had agreed to it. Marc Gibbs proposed a budget of 90% of last year's budget of \$74,000 which would be \$66,600. Bob Henderson seconded. Motion passed.

Marc Gibbs asked about the condition of the audit; if Austin Moses had contacted the auditors. Austin responded that he had not but that he will.

Bill Robison mentioned that Austin needed to be kept aware of the advisory committee meetings either by phone or email.

Connely Baldwin said that there is some automated information available on the web and that by using it, the watermaster may be able to cut down on mileage this season. The site is bearriverbasin.org.

Marc Gibbs said there was some discussion of getting power company information about inflows posted on the website and asked about progress in that regard. Connely responded that there was some progress. He needed to be sure the company was willing to give out that information. Chairman Holt said that it is public information, but that it just takes time to post. Marc indicated that the information helps them greatly.

Wade Harris moved to adjourn. Joe Larsen seconded. Meeting adjourned at approximately 3:00 p.m.

Minutes by Austin Moses