

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

Chairman: Michael McEvoy
Vice Chairman: George McClelland
Secretary: Dean Charters

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Watermaster: Ron Shurtleff

Regular Board Meeting

Date: October 10, 2005
Time: 8:00 p.m.
Location: Payette River Irrigation Office, 102 North Main, Payette, Idaho

Attending: Marcia Herr, Dennis Lammey, Dennis Heaps, Joy Sisler, George McClelland, Norm Collinsworth, Gene Parks, Dan Surmeier, Marc Shigeta, Jim Standley, Ron Mio and Watermaster Ron Shurtleff.

Guests: Liz Robbins, IDWR, Jerrold Gregg, USBR

Vice-Chairman George McClelland is standing in the place of Chairman McEvoy for tonight's meeting.

Minutes: The minutes of the regular September 12, 2005 meeting were mailed to the members for their review along with the meeting notices; they were also presented to those attending in the meeting packets. Vice-Chairman George McClelland asked if there were any additions or corrections to be made to those minutes. **Gene Parks moved to accept the minutes as mailed, Dennis Lammey seconded the motion and the motion carried.**

Financial: Ron Shurtleff presented the financial report. Ron reported a checking account balance of \$728.36 and a savings balance of \$1,076,895.17. He pointed out that the \$250.00 in other current assets represents the two cell phones in inventory. No changes have been made in the last year and the fixed assets remain in the amount of \$54,101.30. As of September 30th the total liabilities and equity of the water district are \$1,135,198.28. Ron read through the Profit and Loss Statement and reported that the year to date income is at \$23,895.51. Also enclosed was the Budget Worksheet, indicating approved budget compared to actual activity for 2005. As of this date the actual activity indicates a -27% of the allowed amount. Ron asked if there were any questions. **Dennis Lammey moved to accept the financial report as presented, Gene Parks seconded the motion and the motion carried.**

Water
Accounting
Report:

Liz Robbins from the Department of Water Resources attended the meeting and provided copies of the Payette River stored water supply reconciliation. Liz reported as of October 9, 2005 there is 841,711.0 acre-feet accounted for storage; 40,352.0 unaccounted for storage for a total storage available of 882,063.0 which is the same as last months report. She reported that there has been a change to the canals and pumps and have used 220,760.2 acre-feet, Deadwood minimum flow has used 15,989.0, and the Endangered Species Flow of 130,000.0 acre-feet, resulted in a stored flow passing Letha of 161,591.5 acre-feet. This amounts to a total storage used of 414,314.2 acre-feet. The actual storage measured in the reservoirs compared to the Net Storage figure, calculated in the accounting system, results in a difference of -8,322.2 acre-feet considered to be acceptable as an averaging error, indicating that the water accounting does reconcile. She also pointed out that between Deadwood and Cascade we are holding 37,000 AF less than at the end of 2004.

Water Supply: Ron presented the Bureau of Reclamation Teacup Diagram and indicated that the storage facilities in the Payette River system, including Cascade and Deadwood reservoirs are at 53% of capacity as of October 9th and the Natural Flow on that day was 723cfs. Ron explained that the reservoirs have leveled out and will likely not drop below their current position. Ron elaborated on the lessor reservoir content than experienced in 2004. He explained that the fall rains of last year contributed about 30,000 AF of reduced storage consumption, and that this year Deadwood Reservoir missed a complete fill by about 8,800. Ron

said that when the two events are combined they total approximately the amount of reduced ending contents in the reservoirs.

Carryover
Projection:

Ron provided a copy of the 2005 Carryover Projection spreadsheet. It shows that Black Canyon currently has 99,811 remaining available storage; Emmett Irrigation District with 15,869 remaining; Farmer's Co-op with 12,238 remaining; Noble Ditch with 2,788 and Lower Payette with 5,177 remaining. The total current remaining storage is 103,443 and we are still approx. two months away from the final numbers. Black Canyon will be shutting down on the 12th of October and Farmer's, Noble and Lower Payette on October 20, 2005. Ron stated that he estimates the final remaining irrigators storage carryover will be around 98,000. This should place the irrigators in a good condition to protect against a low snowpack year.

Cost Share
Program:

Ron supplied a copy of the Cost Share Applications and Payments for 2005 and reminded the members that at the last annual meeting the District had decided to revisit the cost share applications in October and reallocate any released funding that might be available. The total approved budget for 2005 is \$200,000. As of this date \$116,892.99 has been awarded to completed projects and there is \$19,313.42 dedicated to projects that are expected to be completed. This results in \$63,793.53 of the approved budget being available for re-allocation. Ron presented seven applications that have been received for the 2006 program and explained that the project of Emmett Irrigation District for the C. Lateral should have been included in the 2005 list of projects but that it had been mistaken for a similar project and not presented. He stated that the Black Canyon project of rerouting and enclosing part of C-West will probably be held off until another year.

Jim Standley, representing the Emmett Irrigation District, explained that EID is facing a large project to replace the discharge pipe from the lift pumps at Black Canyon Dam extending to the beginning of their canal. Jim said that since the pipe crosses under State highway 52 the project may become very costly and may fall in an emergency classification because its failure would shut down their entire north side canal. Jim asked to have this project considered if cost shares funds are to be re-allocated. After considerable discussion it was decided that most of the project applications could wait for a decision at the November or December meetings with the exception of the Black Canyon Irrigation District's A-Line Ramp flume project that could be started immediately. **Dennis Lammey moved and Gene Parks seconded, to add the Black Canyon Irrigation District's A-line Ramp Flume project to the list of 2005 approved projects, but to postpone decisions on the remaining funds until more information is gained about the possible emergency project of Emmett Irrigation District. Motion carried.**

Ron explained that the Lower Payette Ditch Company's Diversion Dam Project, listed in the 2006 applications may have found the avenue to the needed additional funding necessary to complete the project. The Company is applying to the US Fish and Wildlife Services, Fish Restoration and Irrigation Mitigation Act (FRIMA) program. If successful this project will be requesting cost share monies from the 2006 or later programs to help complete the project.

Committee
Appointments:

Supplied in the packets was the list of persons that served on the Budget Committee and prepared the proposed budget for 2005. Vice Chairman McClelland asked for volunteers to serve on the Budget Committee for this year. After some discussion of the duties of the committee, **Jim Standley moved to appoint Michael McEvoy as the Committee Chairman and to also appoint Jim Standley, Dick Hamilton, Maynard Potter, Dan Surmeier, and Chuck Pollock to act again as the Budget Committee and prepare a proposed budget for the 2006 season and have it ready to present at the November Advisory board meeting. The motion was seconded by Gene Parks, and the motion carried.**

Ron told the newly appointed budget committee members that he would contact them by phone and set a meeting time and place in order to work on the 2006 budget.

Vice Chairman McClelland asked if there were any persons that would like to serve on the Nominations Committee. Ron stated that for the past two years the nominations committee has held their meeting just one hour prior to the November Advisory board meeting. This has worked well and has avoided adding another meeting day to the committee member's schedule. **Moved by Jim Standley, seconded by Dennis Lammey to re-nominate Joy Sisler, Chairman; Gene Parks, Robert Henggeler, Dan Surmeier, Ron Mio and George McClelland to the 2005 Nominations Committee. Motion Passed.**

Financial
Audit:

Ron received and presented a letter from Mr. Timothy Folke, CPA, confirming his understanding of the services to be provided for the Water District #65 for the year ending December 31, 2005. He stated he would audit the financial statements of Water Dist. #65 as of December 31, 2005 and for the year then ended. The objective of this audit is the expression of an opinion about whether our financials statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. This audit will begin approximately December 1, 2005 and he will issue the final, bound reports no later than January 15, 2006.

Ron said that the action required is to decide whether the Advisory board would like to once again employ Mr. Folke to perform the annual financial review. **Jim Standley moved and Dennis Lamney seconded to instruct Ron to complete the document that will again employ Mr. Tim Folke, CPA, to proceed with the Independent Financial Audit. Motion carried.**

Additional
Business:

George McClelland suggested that the board participate in a tour of the Cost Share Projects with the Ditch Managers. It was decided the best time would be sometime around August of 2006 and to remind the Chairman at that time.

USBR

Jerry Gregg announced the retirement of Rick Wells, Water Operations Specialist, for the Bureau of Reclamation. Jerry said that the Bureau will be filling this position during the coming winter and during the vacancy Mr. Brian Sauer, Water Conservation Engineer, will be performing the duties.

Mr. Gregg also reported that Idaho Rivers United has given a 60 day notice to sue, challenging the operations of the Bureau of Reclamation prescribed in the recently adopted Biological Opinion. Jerry said that he is sure we will be getting more information about this from our legal advisors and it is likely that the water using community may wish to become interested in the case since it could have direct effects to the operation of the Boise Project to include the Payette Basin.

Adjournment:

Vice-Chairman George McClelland asked if there was any further business to come before this board. Seeing none Mr. McClelland declared the meeting adjourned at 9:00 p.m.

Respectfully Submitted

Jamie White,
Recording Secretary,

Chairman Michael McEvoy
Water District No. 65