


MEMORANDUM

TO: File

FROM: Steve Lester 

DATE: October 31, 2002

RE: **63-S Water District Meeting**

The water district became inactive in 1996. A special meeting convened last week to reactivate the water district as required by approval of Transfer No. 68558 (63-12, 63-13 and 63-15, formerly Flora Co. but now Terteling). The newly elected secretary will submit minutes of the meeting soon. Meanwhile, this memo summarizes the meeting in and identifies follow up items for the members and IDWR.

Edwards Greenhouses, Quail Hollow Golf Course, Ryan and Terteling were represented. Ken Neely of IDWR also attended. I opened the meeting and was available for questions etc. as needed.

Garnet Monnie was elected to chair the meeting. Mary Ryan became the secretary, and Dave Hendrickson was elected as treasurer. All four of the attending members were selected as the advisory committee.

Voting was based on one vote per water user, with the understanding that any single vote could be based on prior assessments paid.

The members adopted a budget for 2002 of about \$1100 pending final determination of the remaining balance in the district's account. Additional assessments for 2002 were tabled pending a follow up meeting of the advisory committee (probably will not need to raise more money for 2002). Selection of a watermaster and compensation were also deferred to the advisory committee. IDWR will suggest ideas to help the committee find a watermaster. The last compensation (1996) for the watermaster was \$50 a day plus \$0.25 per mile plus payment of FICA. The daily rate might still be sufficient but current mileage is about \$0.34 per mile (federal standards for tax purposes). Members realize workers compensation (about \$300 per year?) is needed for any year in which a watermaster works (how is a "year" defined for this insurance?).

Discussion of a minimum fee per member followed. Due to some confusion over whether or not Ryan (decreed domestic right without need for watermaster deliveries) could vote if Ryan did not pay an annual assessment, the district adopted a resolution requiring a minimum annual fee of \$10 or an assessment based on water delivery, whichever is greater. After consulting the statutes and revisiting the water district files, I suggest this

item be reconsidered at the next advisory committee meeting. District **assessments are to be based on a 50/50 split** as follows (enacted in 1993 to start the district and documented in the February 7, 1994, IDWR letter to the membership):

- 50% for rights delivered by watermaster, cost per user proportional to the acre-feet amount of water delivered
- 50% for rights not delivered by watermaster, cost per user proportional to the cfs amount of the user's water right(s).

Ryan paid something when assessments were levied. Nelson (statutory claim 63-5195) has not paid under this plan but probably should have for the portion of costs related to the water right records. Assuming the district maintains this billing method and a vote based on paid assessments were called, Ryan could vote but Nelson could not. Nelson might have been unintentionally denied a voting voice in the past. It was assumed Nelson could not vote because the right was undeliverable. Actually the right is undeliverable *unless* all deliverable rights are fully satisfied and excess water is available. Based on past experience during regulated periods, it is improbable that Nelson's right could be delivered by the watermaster.

All of this might be speculative and is only mentioned because Nelson might have been unfairly omitted from past voting. Nelson might be similarly disenfranchised unless that right is assessed and payment is made each year under a portion of the 50/50 plan. IDWR should discuss this with the advisory committee and with Nelson to determine if Nelson wants to vote in future meetings.

Dave Hendrickson wondered if the district is becoming active to shut down wells once again. While that possibility exists, it appears improbable given what we know now. The recent Terteling transfer calls for mitigation of adverse effects if any are found. It would be surprising if shut downs were needed under the current arrangement.

Additional resolutions included the following:

- Assessments are to be paid by June 1 of the year in which the assessment is levied.
- Interest penalties will ensue as described by the statute for late payments.
- Water cannot be delivered by the watermaster until assessments are paid.
- Watermaster will serve all year to provide flexibility for monitoring etc. if the district needs this. A year runs from one annual district meeting to the next one for purposes of watermaster service.
- The 2003 meeting was set for 1:00, Monday March 3 at Quail Hollow Golf Course.

Follow up actions include these steps:

1. Advisory Committee will meet at 1:00 on December 5, 2002, at Quail Hollow Golf Course to select a watermaster and set the compensation, determine if additional money must be raised for 2002 (would require a special water district meeting), decide whether or not a minimum fee per user should be included, resolve the Nelson voting issue, and any other business as needed. Members are advised to contact the State Insurance Fund about workers compensation requirements before hiring a watermaster. For example, it is better to not hire until January 2003 to avoid 2002 costs?
2. IDWR will attend the December 5 meeting as requested.
3. Secretary will send certified minutes of the October 24 meeting to IDWR.
4. IDWR will send suggestions about hiring a watermaster plus budget¹ forms to Garnet (chairperson). The certified adopted budget for 2002 will be submitted to IDWR by the watermaster upon his or her selection.
5. IDWR will send copies of minutes from previous 63S meetings to Mary (secretary).
6. The selected watermaster will submit a proposed budget for 2003 to IDWR following the December 5 meeting. The budget will be based on the 50/50 split, with the watermaster delivery portion to be based on available delivery records of previous watermasters.
7. John Westra and Tim Luke of IDWR will be notified that 63S has been reactivated. Regional staff will coordinate with State Office regarding the current mailing list for the 2003 water district meeting, particularly since at least two attorneys are involved.

¹ IDWR help can be provided with the adopted and proposed budget forms.