

Payette River Basin, State of Idaho

## Water District No 65

George McClelland, Chairman  
Dean Charters, Vice Chairman  
Dan Surmeier, Secretary

102 North Main Street  
Payette, Idaho 83661

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Ron Shurtleff, Watermaster

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WATER RESOURCES  
WESTERN REGION

July 2, 2006

### NOTICE OF ADVISORY BOARD MEETING

July 10, 2006

8:00 P.M.

Dear Advisory Board Member;

The Water District No. 65 Advisory Board will meet on **Monday, July 10<sup>th</sup>** at **8:00 P.M.** in the **Payette River Irrigation Office** located at 102 North Main Street in Payette Idaho. The following tentative agenda items will be considered during the meeting.

- ***Review to Approve May 8<sup>th</sup> Minutes***
- ***Review to Approve Financial Statement***
- ***US Bureau of Reclamation***
  - ***2006 Flow Augmentation Rentals***
  - ***Managing for Excellence***
- ***Idaho Department of Water Resources***
  - ***Natural Flow Report***
  - ***Water Accounting & Reconciliation***
- ***"In Basin" Water Lease Update***
- ***Any other business to be brought before the board***

There will also be a Meeting of the Payette River Water Users Association, board of directors following the water district meeting. Members please find the meeting notice enclosed with this mailing.

Remember: **July 10<sup>th</sup>, 8:00 PM**, at the Payette River Irrigation Office.

Sincerely,



Ron Shurtleff

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

Chairman: George McClelland  
Vice Chairman: Dean Charters  
Secretary: Dan Surmeier

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Watermaster: Ron Shurtleff

**Regular Board Meeting**

**Date:** May 8, 2006  
**Time:** 8:00 p.m.  
**Location:** Payette River Irrigation Office, 102 N. Main, Payette, Idaho

**Attending:** Dennis Lammey, Robert Henggeler, Rick York, Marcia Herr, Dennis Heaps, George McClelland, C. Eugene Parks, Margaret Barker, Dan Surmeier, Jim Robertson, Maynard Potter, Ron Mio, Marc Shigeta, Dean Charters, Chuck Pollock, Michael McEvoy and Watermaster, Ron Shurtleff.

**Guests:** Mr. Jerrold Gregg, United States Bureau of Reclamation, Brian Sauer, Bureau of Reclamation, Miss Liz Robbins, Idaho Department of Water Resources, and Mr. Dave Tuthill, Idaho Department of Water Resources.

The meeting was called to order at 8:07 by Chairman George McClelland.

**Minutes:** The minutes of the regular April meeting had been mailed to the board members for their review along with their May meeting notice. Gene Parks pointed out a typographical error in the closing statement of those minutes. **Gene then moved to approve the minutes for the April 10<sup>th</sup> meeting as corrected, the motion was seconded by Dennis Lammey, and the motion carried.**

**Financial:** Chairman McClelland asked Ron Shurtleff to review the financial statement. Ron reported a checking account balance of \$16,163.08 and a saving balance in the State Treasury Fund of \$350,978.29. Ron pointed out Accounts receivable in the amount of \$42,454.61 and explained that the annual assessment notices had recently been mailed and many payments are yet to be received. Ron reported that there remains a payable amount of \$68,041.29 for projects funded through the 2005 Cost Share Program that have not yet requested payment. Ron explained the discrepancy in the equity account at the last meeting where he had forgotten to manually move the cost of the color printer from the Retained Earnings, Closing Account, to the Equity in Equipment account. Ron explained the income and expenses on the Profit and Loss Statement and pointed out that at the present the District is showing a positive net income of \$20,179.24. Ron also showed progress towards the annual budget and pointed out that this years budget indicates outflows of funding in excess of income by \$91,565.98. Chairman McClelland asked if there were any questions about the financial Statement. **Dean Charters moved to approve the Financial Statement as reported, Dennis Lammey seconded the motion and the motion carried.**

**Receivable  
Write-offs:**

During the April meeting it was suggested that the list of delinquent invoices under Account Receivable should be brought to the May meeting to determine if some of the

amounts should be written off as bad debts. Ron presented a spread sheet with a list of invoices that were more than 90 days overdue. Each account had a recommendation from Ron based on his knowledge of the account. Ron recommended to write-off ten invoices for annual assessments for a total of \$170.00 and six invoices for Rental Pool fees for a total of \$884.48. Ron explained that in his opinion there is little chance that these invoices have a responsible party to connect to the debt. This is due to ownership changes, and forfeiture of Water Rights. **Dean Charters moved to accept the advice from Ron and to write off the suggested invoices as un-receivable debts. The motion was seconded by Maynard Potter and the vote was all in favor.** Ron said that he will check with our auditor to insure that it is handled properly. (The list of invoices will accompany these minutes as Attachment A.)

**BOR Report &  
Water Supply**

**Outlook:**

Brian Sauer from the Bureau of Reclamation displayed via a Power Point Program the status of the reservoir system in the Payette and Boise Basins. With the Tea Cup diagram Brian reported the Payette Basin at 60% of a full condition, and the Boise basin at 71% of full. Brian showed the remaining snow pack on the Banner Summit, Big Creek and Secesh Summits. He compared the remaining snow levels with this timing in 1997 as well as the 30 year average. Brian reported the projected runoff for the April 1 through July 31 at the Horseshoe Bend gage, with a prediction of 1,746,000 AF, nearly equal to the 1997 year and well above the 30 year average. Brian reported the Deadwood River at Deadwood Reservoir runoff projection at 160,000 AF and the North Fork of the Payette at Cascade Reservoir at 644,000 AF. Brian then presented charts that indicated the storage space target that was met, this should allow for sufficient containment of the runoff in the reservoirs without risk of excessive river flows. Mr. Sauer presented the outflow chart for Cascade Reservoir and explained that with an orderly melt it is likely that the release rate at Cascade Reservoir may have already reached its peak level at of 3,550 CFS. Brian also reported that the release rate at Deadwood Reservoir will be increased to 250 cfs by May 9<sup>th</sup> and increased levels will be maintained as needed. Chairman George McClelland thanked Mr. Sauer for his report.

**BOR Report**

**Litigation:**

Mr. Jerrold Gregg, Area Manager for the Snake River Region of the Bureau of Reclamation reported recent developments in the ongoing battle between the environmental groups and the challenge they have presented against the Biological Opinion for operations of the Uppers Snake River. Mr. Gregg reported that the judge had not given a ruling but that the environmental groups are trying to get the current BiOp struck down in favor of one Biological Opinion that would join the Upper Snake region with the Federal Columbia River Power System's Biological Opinion. Mr. Gregg said that Federal and State lawyers, and representatives for the Nez Perce Tribe have provided effective argument that the combining of the regions would cause disruption to the recently adopted Nez Perce Agreement and that the requirements of the Endangered Species Act were being properly addressed with the current Biological Opinion that is in place. Jerrold concluded that there is a possibility that the current BiOp will be struck down and it may be difficult to retain the separation of the Upper Snake River from the FCRPS. Marcia Herr asked if the combination were to happen, would it effect operations of our system during this current year. Mr. Gregg stated that he thought that we are far enough into the current season that operations would not likely be effected during this irrigation season.

Hydro-Gen  
IDWR:

Mr. Dave Tuthill Water Management Administrator for the Idaho Department of Water Resources was introduced by Ron Shurtleff. Mr. Tuthill attended them meeting to present an opportunity for Water District to become a sponsor in a feasibility study for Low Head Power Generation. Mr. Tuthill explained that with the Idaho Water Center in Boise there is opportunity for communications between the Federal, State agencies, the University of Idaho and CH2M Hill in regards to water development in Idaho. In the past year and a half this connection has proved to be beneficial when specific topics are discussed. One opportunity that has come from the connection with the University of Idaho is that Professor Claus Jorde, International Expert of Hydro-Electric Power Generation has become interested in Idaho and its potential for power generation. Mr. Tuthill reported that the University of Idaho is looking for sponsors to raise \$15,000. The funding would be used to locate sites and conduct feasibility studies where potential for low head power generation might exist. Dr. Jorde would work with a graduate student from the U of I to perform the study. The student would produce a thesis for his graduate requirements on the results of the feasibility studies. Two other districts, the Boise Board of Control and the North Side Canal Company have taken the roll of sponsorship and Mr. Tuthill said that he would like to extend the same offer to the Payette Basin. The Water District would be asked for a sponsorship contribution of \$5,000. Mr. Tuthill stated that in his opinion there would result at least one site in each of the sponsoring districts where a feasibility study would be conducted.

Vice Chairman Dean Charters asked specific questions concerning a potential site on the Last Chance Ditch Company system, and Rick York, Manager of the Farmers and Noble Ditch companies also expressed interest in regards to potential on the Farmers Coop Irrigation system.

Ron Shurtleff directed member's attention to the District's Budget where he had indicated items that will likely have extra funding. He stated that the \$5,000 contribution could be met without exceeding the District's total budget for 2006.

**Mr. Robert Henggeler moved to approve a contribution of \$5,000 to provide sponsorship for the Hydro-Generation study, and commented that if the District experienced difficulty fitting the amount in the budget, that individual Canal Companies could secure the funding. Dean Charters seconded the motion and the motion carried.**

IDWR Report: Chairman McClelland introduced Liz Robbins, Idaho Department of Water Resources and asked if she had anything that she would like to present. Miss Robins said that she had not prepared a formal report for tonight's meeting but that at prior meeting she had stated that the Department of Water Resources is working on a water accounting program that will operate on the PC computers. Liz said that at about 4:45 today she had achieved a successful run of the accounting program for the Payette Basin, on the new PC Program. Liz elaborated that she did not have sufficient time to comb through the data to insure its accuracy so she did not bring an accounting report to this meeting.

**Runoff Status:** Ron Shurtleff presented Snotel charts for the North Fork and South Forks of the Payette drainage, along with charts showing reservoir status, and river flows in comparison to average conditions as well as last years. Ron also showed stream flow predictions for the Horseshoe Bend gage and the gage at Payette. The charts indicate that the threat of receiving flood stage flows is becoming less as the spring progresses. Ron concluded with a satellite weather view that indicated that dry weather is expected for the next few days.

**Water Bank**

**Lease Status:** Ron stated that the irrigation companies and districts are feeling very confident with the water supply for the 2006 season and that he has received sufficient leases to the water bank to possibly satisfy the request for out of basin flow augmentation use. Ron presented in the information packets a listing of the leases to the water bank for "out of basin" usage. The total amount leased for flow augmentation to date is 57,000 acre-feet. Ron explained that he has not received any commitments for in basin rentals however there will likely be a need for about 5,500 acre-feet of water to supply in basin needs. Mr. Jerrold Gregg commented that he will need to check his calculations to see how much water will need to be rented from the Payette Basin in the 2006 flow augmentation program.

**NWRA Irrigation & Conservation**

**Caucus:**

Ron presented correspondence from the National Water Resource Association concerning the Spring Irrigation and Conservation Caucus. Ron explained that for the past several years the Water District has supported the Caucus with its \$250.00 assessment as requested by the association. Included in the packets was a copy of the 2005 Caucus Annual Meeting Minutes along with a request for support in the 2006 season. **Dean Charters moved to pay the \$250.00 assessment as requested by the National Water Resource Association. Michael McEvoy seconded the motion and the motion carried.**

**Idaho Power**

**Pump Data:**

Ron presented a sample of correspondence that he has used to gather pump location numbers and meter numbers so that the district can begin to receive data from the Idaho Power Company. The data will be "Real Time" data and can greatly improve the accuracy and timing of the water accounting. Ron said that he has not had a very good response to his request and that he suggests an addition mailing that spells out the alternative methods that will be required. These will be either using the rate of diversion allowable by each user's water right and place these values in the accounting, or have each water user keep a detailed log of their operation that can be furnished at the end of each season and entered after the fact.

**Facility Tour:**

Ron reported that he has received good response to the invitations that have been sent to surrounding basins, and that he is working with each of our District and Company Managers to prepare an itinerary and route for the tour. Ron said that the bus has been secured for that date and the lunch meal will be catered by Matsy's Restaurant and will be served somewhere in Emmett. Ron said that he would like to have the meal in one of the Bureau of Reclamation Parks near Black Canyon Dam. Mr. Jerrold Gregg said that he would seek the correct contact person and forward the information. Ron said that he is open to suggestions and would appreciate any ideas that people for the district would like to include. Ron also said that he has received two offers from competing

companies that offer Acoustic Doppler Equipment, and each would like to give demonstrations of their products during the tour.

Other  
Business

Chairman George McClelland asked if there was any further business to be discussed.

Adjournment: Hearing no request for further business Mr. George McClelland declared the meeting adjourned at 9:40 P.M.

Respectfully submitted

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Ron Shurtleff, Watermaster

Recommended for Write off:  
 Open Invoices  
 Accounts Receivable  
 5/8/2006

Name	Invoice #	Date	Amount	Type
Nebeker	1047	03/31/02	\$ 10.00	Assessment
Ray Nissula	1063	03/31/02	\$ 10.00	Assessment
Charles Thompson	1094	03/31/02	\$ 10.00	Assessment
Nebeker	1207	04/04/03	\$ 10.00	Assessment
Ray Nissula	1223	04/04/03	\$ 10.00	Assessment
Charles Thompson	1258	04/04/03	\$ 10.00	Assessment
Nebeker	1383	04/08/04	\$ 10.00	Assessment
Ray Nissula	1399	04/09/04	\$ 10.00	Assessment
J. McCallum	1566	2/29/05	\$ 80.00	Assessment
Ray Nissula	1575	03/29/05	\$ 10.00	Assessment
<b>Total</b>			<b>\$ 170.00</b>	<b>10</b>

Name	Invoice #	Date	Amount	Type
Ray Nissula	274	02/28/01	\$ 24.32	Rental Pool
R.P. Montgomery	957	01/15/02	\$ 570.88	Rental Pool
R.P. Montgomery	958	01/15/02	\$ 228.80	Rental Pool
Ray Nissula	1116	12/31/02	\$ 23.36	Rental Pool
Ray Nissula	1294	12/26/03	\$ 21.12	Rental Pool
Ray Nissula	1462	12/31/04	\$ 16.00	Rental Pool
<b>Total</b>			<b>\$ 884.48</b>	<b>6</b>

**Water District No. 65**  
**Balance Sheet**  
 As of June 30, 2006

	Jun 30, 06
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Checking - Water District	1,313.17
State Treasurer	344,170.35
<b>Total Checking/Savings</b>	345,483.52
Accounts Receivable	
A/R - Assessments	3,602.00
Acct. Rec. - Rental Pool	1,467.21
<b>Total Accounts Receivable</b>	5,069.21
Other Current Assets	
202 - Automation Equipment Inventory	250.00
<b>Total Other Current Assets</b>	250.00
<b>Total Current Assets</b>	350,802.73
<b>Fixed Assets</b>	
Office Equipment	18,432.72
Field Equipment	11,196.95
Vehicles	25,371.62
<b>Total Fixed Assets</b>	55,001.29
<b>TOTAL ASSETS</b>	405,804.02
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Cost - Share Funds Payable	68,041.29
Payroll Liabilities	
Federal Withholding	370.00
FICA	
Company FICA	254.06
Employee FICA	254.06
<b>Total FICA</b>	508.12
Medicare	
Company Medicare	59.41
Employee Medicare	59.41
<b>Total Medicare</b>	118.82
State Withholding	374.00
SUI	100.68
<b>Total Payroll Liabilities</b>	1,471.62
Payable to Lessor - In Basin	-870.00
Payable to IDWRB - Fees	-87.00
<b>Total Other Current Liabilities</b>	68,555.91
<b>Total Current Liabilities</b>	68,555.91
<b>Total Liabilities</b>	68,555.91
<b>Equity</b>	
Equity - Equipment	55,001.29
Retained Earnings	306,801.55
Net Income	-24,554.73
<b>Total Equity</b>	337,248.11
<b>TOTAL LIABILITIES &amp; EQUITY</b>	405,804.02



**Water District No. 65**  
**Profit & Loss**  
 January through June 2006

	Jan - Jun 06
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Interest Income	7,626.44
Assessment Revenue	58,824.84
Administrative Fee Revenue	
Admin. Fees - In Basin	7.30
<b>Total Administrative Fee Revenue</b>	7.30
<b>Total Income</b>	66,458.58
<b>Expense</b>	
<b>Payroll Expenses</b>	
Salary - Watermaster	24,586.38
Payroll Taxes	
Company FICA Expense	1,524.36
Company Medicare Expense	356.50
Company Fed Unemployment Tax	56.00
Company State Unemployment Ta	198.41
<b>Total Payroll Taxes</b>	2,135.27
Benefits - Medical Insurance	4,170.06
Benefits - Retirement	2,458.62
<b>Total Payroll Expenses</b>	33,350.33
Office Rent	3,450.00
Office Assistance	2,400.00
Postage and Delivery	609.14
Postage Reimbursasal Account	0.00
Office Supplies	993.75
Telephone	595.29
Professional Fees	
Accountant Fees	2,350.00
<b>Total Professional Fees</b>	2,350.00
Automobile and Mileage	1,732.11
Dues and Subscriptions	500.00
Water Education	
Contributions	750.00
Water Education - Other	7,321.00
<b>Total Water Education</b>	8,071.00
Internet Services	163.75
Travel and Entertainment	
IWUA Convention Expense	480.00
Meals and Lodging	165.00
<b>Total Travel and Entertainment</b>	645.00
Workman's Comp Insurance	243.00
Interest Expense	8,195.08
Insurance	518.00
Miscellaneous	7.50
Cost - Share Incentive Prog.	
Water Management	27,189.36
<b>Total Cost - Share Incentive Prog.</b>	27,189.36
<b>Total Expense</b>	91,013.31
<b>Net Ordinary Income</b>	-24,554.73
<b>Net Income</b>	-24,554.73

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