

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

Phone: 208 642-4465
Fax: 208-642-1042
Email: waterdist65@srvinet.com
Ron Shurtleff, Watermaster

September 29, 2006

NOTICE OF ADVISORY BOARD MEETING

October 9, 2006

8:00 P.M.

RECEIVED

OCT 02 2006

WATER RESOURCES
WESTERN REGION

Dear Advisory Board Member;

The Water District No. 65 Advisory Board will meet on **Monday, October 9th 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 August 14th Minutes**
- **Review to Approve Financial Statement**
- **Idaho Department of Water Resources**
 - **Water Accounting & Reconciliation**
- **Bureau of Reclamation**
 - **2006 Flow Augmentation Report**
 - **Reservoir Content Status**
- **Storage Consumption Report**
- **Report Special Operations at Black Canyon Dam**
- **Lower Payette Diversion Dam Report**
- **New York Canal, Mora Drop, Low Head Power Generation**
- **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: October 9th, 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

102 North Main Street
Payette, Idaho 83661

Phone: 208-624-4465
Fax: 208-642-1042
E-Mail: waterdist65@srvinet.com
Watermaster: Ron Shurtleff

Regular Board Meeting

Date: August 14, 2006
Time: 8:00 p.m.
Location: Payette River Irrigation Office, 102 N. Main, Payette, Idaho

Attending: Marsha Herr, Chuck Pollock, Jim Standley, C. Eugene Parks, Joy Sisler, Robert Henggeler, Dan Surmeier, Dick Hamilton, George McClelland, Michael McEvoy and Watermaster, Ron Shurtleff.

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

Chairman George McClelland called the meeting to order.

Minutes: The minutes of the regular July meeting had been mailed to the board members for their review. **Marc Shigeta moved to approve the minutes for the July 10th meeting, the motion was seconded by Michael McEvoy, and the motion carried.**

Financial: Chairman McClelland asked Ron Shurtleff to review the financial statement. Ron reported a checking account balance of \$1,157.23 and a saving balance in the State Treasury Fund of \$322,712.82 for a total checking / savings of \$323,870.05. There is an account receivable for the rental pool of \$894,257.29 for a total asset of \$1,276,750.63. Chairman McClelland asked if there were any questions about the financial Statement. **Michael McEvoy moved to approve the Financial Statement as reported, Chuck Pollock seconded the motion and the motion carried.**

**IDWR
Report:**

Liz Robbins with the Idaho Department of Water Resources gave her report on the Water Accounting Reconciliation and the Natural Flow Comparison. She stated that there was a correction from the last meetings report and assured the board that no irrigators will be charged for evaporation losses until both reservoirs were down to the maximum storage capacity or below. The Payette River stored water supply "accounted for" storage is at 841,711.0, "unaccounted for" is at 40,247.9 for a total storage available of 881,958.9. Stored water passing Letha for Endangered species is at 113,030.70 and an evaporation of 9,452.9. The Storage Based on Actual Reservoir Contents is 690,637.3 with an averaging error of 3,256.7. Liz stated that on June 23rd the Bureau began releasing storage water for flow augmentation. The natural flow at Letha is still above zero, meaning that there is enough natural flow in the system to satisfy all the irrigation demands. The change in reservoir contents was used to calculate salmon flow. On July 6th, Deadwood got down to its storage right of 161,000af. Prior to that date the flow released from Deadwood was not considered flow augmentation water. On July 12th, the

remaining natural flow at Letha dropped to 0. From that date forward, flow augmentation water is calculated as the stored flow passing the Letha.

Storage
Report:

Ron Shurtleff gave a brief report on the major storage reservoirs in the Boise and Payette River Basins with the presentation of the USBR Tea Cup diagram. He reported that the Cascade Reservoir is currently at 75% full condition and the Deadwood Reservoir is at 80%. The natural flow on August 13th was reported at 495 CFS by the chart. Ron also showed the draw down curves for Cascade and Deadwood Reservoirs in relation to the previous year and the 30 year average rates. Ron also included the river accounting report for August 13th and reported that the river was currently serving water rights with a priority date of 1908 or earlier in all but the bottom reach of the river where all water rights through 2006 were being supplied.

Water Bank
Update:

Ron Shurtleff gave an update on the 2006 Local Rental Pool. He stated that the USBR's request for Out-of-Basin Flow Augmentation water from the irrigators was 57,000af. The Bureau of Reclamation has assigned 95,000af of uncontracted space resulting in 152,000af of water leased and assigned to be sent down as flow augmentation. Ron estimated earlier that in-basin needs would require about 6,000af. Currently 8,000af has been leased for in-basin use so there should be not difficulty meeting the demand for stored water to rent during the season.

Operational
Loss:

Included in the packets was a note from Jerold Gregg, Area Manager for the U.S. Bureau of Reclamation. It stated that the BOR is willing to contribute 5,000 acre-feet of uncontracted storage space towards operational loss, in order to give the Watermaster some extra comfort room at the Letha Gage. This will be important after Labor Day till the end of the irrigation season when all operational losses will otherwise be charged to the irrigators that own storage space. This offer is good, if the irrigators will match this contribution with 5,000 acre-feet of their contracted space. This means that up to 10,000 acre-feet, the BOR is willing to share the operational loss with the irrigators, in an attempt to avoid any time when flows might become so low that aquatic life in the river might become endangered. After some discussion, a **motion was made by Bob Henggeler, seconded by Gene Parks to match the Bureau of Reclamation's contribution with 5,000af of contracted space from the irrigators towards operational losses, this to insure that the minimum flow at Letha is maintained and thus avoid any risk to aquatic life in the River. Motion passed.**

Cost Share
Program:

A letter from the Emmett Irrigation District was included in the packet regarding the cost share project for the Black Canyon Dam piping, road and pump project. It stated the total cost to date for this project is \$119,463.05 less the \$18,148.74 being paid by the State of Idaho and they are requesting reimbursement of the \$48,760.00 set aside in the 2005 cost share budget. The project has not yet been completed; however, the amount spent for materials thus far exceeds the amount being paid through the Water District #65. Ron pointed out that this cost share commitment has been carried into the 2006 season as a payable. Ron stated that there is no action necessary to allow him to make payment. The

Emmett Irrigation board also wanted to express their gratitude to Water Dist. #65 for their financial assistance with the project.

Diversion Dam

Project:

Ron updated the board on the progress of the Lower Payette Ditch Companies Diversion Dam replacement Project. Ron stated that the project is underway at this time but that the work to date has been focused towards bringing the ingress and egress to the job site up to a standard that will allow the construction to occur without any risk of interruption that might be caused by road failure. Ron reported that the decision to proceed with the project had to be made back in the first week of March of this year to insure the correct delivery date of the dam components. After that decision there was no ability delay the project past its window of opportunity this fall, which is mid August through the month of October. Ron said that water control for this project is one of the most difficult components of the project. Ron said that there have been some tense moments at the job site when Black Canyon Irrigation District experienced an emergency shut down. Ron said that he is seeking cooperation from the other canal companies to help keep river flows at a manageable level during certain critical stages of the construction. Ron said that it is likely that he will be requesting that some canal systems continue to operate a little later than is typical, just to keep the river flows at a reduced level.

Adjournment: Chairman George McClelland asked for any additional business to be brought before the board, hearing none he declared the meeting adjourned.

Respectfully submitted

Jamie White, Recording Secretary

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

Sep 30, 06

ASSETS	
Current Assets	
Checking/Savings	
Checking - Water District	1,122.80
State Treasurer	1,157,167.94
Total Checking/Savings	1,158,290.74
Accounts Receivable	
A/R - Assessments	3,372.00
Acct. Rec. - Rental Pool	1,257.29
Total Accounts Receivable	4,629.29
Other Current Assets	
202 - Automation Equipment Inventory	250.00
Total Other Current Assets	250.00
Total Current Assets	1,163,170.03
Fixed Assets	
Office Equipment	18,432.72
Field Equipment	11,196.95
Vehicles	25,371.62
Total Fixed Assets	55,001.29
TOTAL ASSETS	1,218,171.32
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Cost - Share Funds Payable	19,281.29
Payroll Liabilities	
Federal Withholding	370.00
FICA	
Company FICA	356.36
Employee FICA	356.36
Total FICA	712.72
Medicare	
Company Medicare	83.34
Employee Medicare	83.34
Total Medicare	166.68
FUTA	13.20
State Withholding	187.00
SUI	52.75
Total Payroll Liabilities	1,502.35
Payable to Lessor - In Basin	-870.00
Payable - Lessor-Out of Basin	672,600.00
Payable to IDWRB - Fees	68,313.00
Total Other Current Liabilities	760,826.64
Total Current Liabilities	760,826.64
Total Liabilities	760,826.64
Equity	
Equity - Equipment	55,001.29
Retained Earnings	306,801.55
Net Income	95,541.84
Total Equity	457,344.68
TOTAL LIABILITIES & EQUITY	1,218,171.32

Water District No. 65
Profit & Loss
 January through September 2006

	Jan - Sep 06
Ordinary Income/Expense	
Income	
Interest Income	13,124.03
Assessment Revenue	58,824.84
Administrative Fee Revenue	
Admin. Fees - In Basin	7.30
Admin. Fees - Out of Basin	152,000.00
Total Administrative Fee Revenue	152,007.30
Total Income	223,956.17
Expense	
Payroll Expenses	
Salary - Watermaster	36,879.57
Salary - Deputy & Assistants	1,650.00
Payroll Taxes	
Company FICA Expense	2,388.83
Company Medicare Expense	558.68
Company Fed Unemployment Tax	69.20
Company State Unemployment Ta	248.21
Total Payroll Taxes	3,264.92
Benefits - Medical Insurance	6,255.09
Benefits - Retirement	3,687.93
Total Payroll Expenses	51,737.51
Office Rent	5,175.00
Office Assistance	3,600.00
Postage and Delivery	891.81
Postage Reimbursaal Account	0.00
Office Supplies	1,541.51
Telephone	1,212.05
Professional Fees	
Accountant Fees	2,350.00
Total Professional Fees	2,350.00
Oper. & Maint. - River Gage	12,747.00
Automobile and Mileage	2,835.62
Dues and Subscriptions	780.55
Water Education	
Contributions	750.00
Water Education - Other	7,321.00
Total Water Education	8,071.00
Internet Services	223.65
Travel and Entertainment	
IWUA Convention Expense	530.00
Meals and Lodging	347.69
Total Travel and Entertainment	877.69
Workman's Comp Insurance	461.00
Interest Expense	8,195.08
Insurance	518.00
Miscellaneous	7.50
Cost - Share Incentive Prog.	
Water Management	27,189.36
Total Cost - Share Incentive Prog.	27,189.36
Total Expense	128,414.33
Net Ordinary Income	95,541.84
Net Income	95,541.84