

AUGUST 1, 2008

WATER USER
ADDRESS
CITY, STATE, ZIP

RE: ORGANIZATIONAL MEETING OF WATER USERS IN BASIN 71

Dear Water User:

This letter provides notice of a public meeting of water users to be held in Stanley, ID on August 22, 2008. The Purpose of the meeting is to discuss creation of a Basin 71 subdistrict within Water District No. 170. Basin 71 includes the Salmon River and tributaries upstream of Big Casino Creek.

TIME AND PLACE:

When: 2:00 p.m. Friday, August 22, 2008

Where: Stanley Community Center, Stanley, ID

BACKGROUND/PURPOSE:

On April 6, 2006, the Director of the Idaho Department of Water Resources (IDWR) issued an order creating Water District No. 170 (WD170). WD170 was created to administer water rights from the Salmon River and tributaries (including groundwater) upstream of the confluence with the Pashimeroi River. Because WD170 encompasses such a large geographic area, the order creating WD170 anticipated that a number of subdistricts could be created within the larger district to facilitate administration, limit costs associated with the district, and provide a level of local control. The meeting in Stanley is held to discuss organization of water users in Basin 71 into a subdistrict within WD170.

IDWR has agreed to provide watermaster services for WD170 for a limited initial period, after which users will elect and fund a WD170 watermaster. Currently, the WD170 Watermaster is performing the measuring and reporting duties in Basin 71 and is funded by IDWR. Although IDWR will continue to provide watermaster services for WD170 during 2009, the costs associated directly with measurement and reporting in Basin 71 will be funded by the Basin 71 users starting in 2009. Organizing into a subdistrict will provide the Basin 71 users more control over the cost of performing those activities. Furthermore, the Director of IDWR has stated that when IDWR no longer provides watermaster services to WD170 free of charge, users in a functioning subdistrict will not be required to fund the budget to operate WD170. In other words, users in a functioning subdistrict will be responsible only for funding that subdistrict and will not incur additional costs to fund the larger district.

If a subdistrict is not created in Basin 71, the WD170 watermaster will hire additional staff to perform the measurement and reporting in Basin 71 starting in 2009. The budget to fund the additional staff will be collected from users in Basin 71 through assessments by WD170.

WHAT TO EXPECT FROM A SUBDISTRICT:

A subdistrict is essentially a semiautonomous organization responsible for administering water rights within a defined area of the larger district. As the subdistrict is a part of the larger water district, the subdistrict watermaster would report to and be supervised by the WD170 watermaster. Although a subdistrict is not a water district in and of itself, a subdistrict would organize and operate similar to a water district, as provided in Chapter six of the Idaho Code. If a subdistrict is created, users will hold an annual meeting each spring to adopt a budget and elect a local watermaster to perform measurement, reporting, and regulation duties associated with day to day operation of the district. The budget will be collected from water users within the subdistrict based on each user's proportional use of water. The budget may be large or small, depending on the level of service the users choose to fund. As an example, users in Basin 71 may choose to elect a full-time watermaster and fund a full-time salary, or they may choose to adopt a policy that includes some level of self-reporting with only a seasonal, part-time watermaster at a lesser cost.

If the users at the August 22, 2008 meeting decide to pursue forming a subdistrict, the Director of IDWR will schedule a public hearing and will notify each water right holder in the proposed subdistrict of the time and place of the hearing. The hearing provides an opportunity for affected users to provide input on the creation of the subdistrict. After the public hearing is held, the director considers the input received at the hearing and any written comments submitted after the hearing and will issue an order creating the subdistrict if he determines it is appropriate to do so.

Questions, concerns or needs related to the scheduled meeting may be directed to Nick Miller at 208-287-4956, or by e-mail at Nick.Miller@idwr.idaho.gov. You may also contact Bob Foster at the IDWR Field Office in Salmon, Idaho at 208-756-6644, or by e-mail at Bob.Foster@idwr.idaho.gov.

Sincerely,



Nick Miller, P.E.
Staff Engineer, IDWR
Watermaster, Water District No. 170

ROSTER OF ATTENDANCE

WATER DISTRICT NO. 170
 UPPER SALMON RIVER
 BASIN 71 WATER USERS

) Organizational Meeting
)
) August 22, 2008 2:00 P.M.
) Stanley Community Center
) Stanley, ID

NAME	ADDRESS	REPRESENTING
NICK MILLER	BOISE, ID	IDWR
Tim LUKE	Boise	IDWR
Sara Baldwin	Ketchum	USFS - Sawtooth NRA
Kathryn Goodwin	Merida	
Paul MacNicol	Box 9909 Stanley	
Bob Kenward	Boise	USFS
GARY McELHENY	Boise	STATE AERONAUTICS
KARIE BRECKENRIDGE	Box 685, PICARD	SELF
Mary Mitchell	Box 380 Stanley	Self
E. Wayne Hughes	Stanley	Self
George & Estelle Cook	Box 40, Stanley	Self
Pat Brady	P.O. Box 2466 Idaho Falls ⁸³⁴⁰³	White Cloud Ranch
Thom Andersen	PO Box 216 Stanley ID	MT. VILLAGE RESORT
Cathy Freeman	PO Box 212 Stanley	Self
Tim Bennetts	Box 36 Challis	MT. VILLAGE

NAME

ADDRESS

REPRESENTING

Nadze Quomela	PO Box 51 Challis Quomela Ranch	
Bill Leavelle	HC 64, Box 9927 ^{Stanley}	Idaho Lumbermen's Assn
Margaret Watkins	HC 64 Box 9927	JJ Ranch
David Muscavage	Box 95 Stanley	Browning Mahoney, Sadler, Pardoe
Jon Marvel	Box 1602 Hailey	self
Steve Spina	1805 Hwy 16, Rm 5 Emmett, ID 83617	Forest Service

AGENDA
BASIN 71 WATER USERS MEETING
Friday, August 22, 2:00 pm
Stanley Community Center
Stanley, ID

Introduction – Purpose of meeting – 5 minutes	IDWR
Presentation – Background Info. – 10 minutes	IDWR
Questions/Discussion - ? minutes	Open
Review of Decisions/Next Steps – 5-10 minutes	IDWR

MEETING OF BASIN 71 WATER USERS

AUGUST 22, 2008, 2 P.M.
STANLEY COMMUNITY CENTER
STANLEY, ID

PURPOSE:

TO DISCUSS FORMING A
SUBDISTRICT WITHIN WD170

MEETING OF BASIN 71 WATER USERS

AUGUST 22, 2008, 2 P.M.
STANLEY COMMUNITY CENTER
STANLEY, ID

OUTLINE:

- BACKGROUND OF WD170 – OVERVIEW
- WD170 ORGANIZATIONAL STRUCTURE – WHY SUBDISTRICTS?
- OVERVIEW OF SUBDISTRICTS
- COST ESTIMATES
- TIMELINE

WD170 BACKGROUND

- **CREATED APRIL 2006**
 - BASINS 71 AND 72 ONLY
 - EXISTING WD BECAME SUB-DISTRICTS
 - IDWR OFFERS WM SERVICES AT NO COST FOR 2006/2007

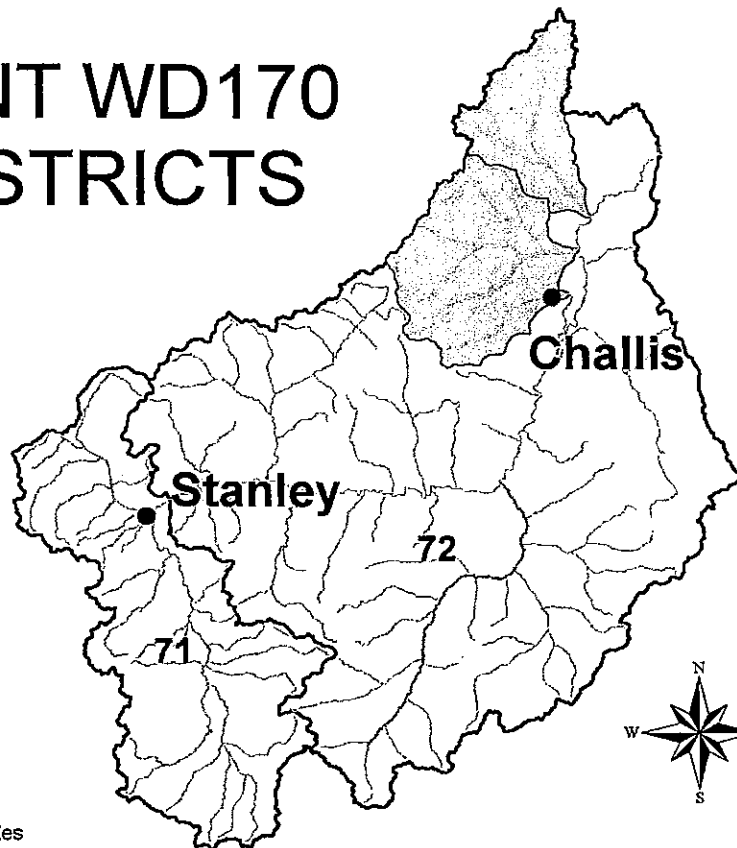
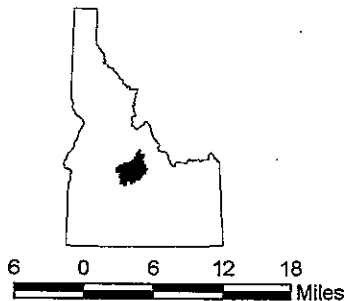
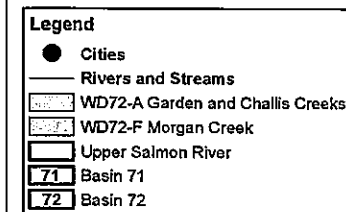
- **INCREMENTAL OPERATION**
 - MEASUREMENT AND CONTROL (2008/2009)
 - MEASUREMENT AND REPORTING (2009/2010)

WD170 BACKGROUND

Objectives of a water district

- a) Collect and record diversion data
- b) Deliver water rights in priority
- c) Curtail unauthorized or excessive diversions

CURRENT WD170 SUBDISTRICTS



WD170 CONCEPTUAL ORGANIZATION

Areas organized into subdistricts

- Will be largely autonomous.
- Will fund their own operations.
- Will likely not be required to fund WD170 WM.

Areas not organized into subdistricts

- Will measure and report through WD170 staff.
- Will directly participate in funding WD170 WM.

WD 170 ORGANIZATION Subdistricts

How Much Will it Cost?

- Depends on several factors
 - Full- vs. part-time WM
 - Salary, equipment, overhead
- Adopted budget funded by users
 - Proportional to water delivered
 - May adopt a minimum charge up to \$50

Stanley Basin Subdistrict Costs

Example 1

In this example, users have decided to elect a full-time, seasonal watermaster and will not do any self-reporting.

- Season 5/1 through 11/1 or approx. 27 weeks at 40hrs/wk
- Provide Computer, internet access, cellular telephone, mileage
- Assume no other equipment purchase or office rental

Example 1	
Mileage = 150/week @\$0.60/ mile	\$ 2,430.00
FICA/Medicare = 7.65%	\$ 826.20
Workers Comp Est. 6%	\$ 648.00
Salary 27 weeks @ 40 hrs \$10/hr	\$10,800.00
Telephone est \$50/month all year	\$ 600.00
Internet Access \$50/month all year	\$ 600.00
Office Supplies/misc	\$ 500.00
Computer	\$ 1,000.00
Total	\$17,404.20

* Budget includes salary for Watermaster and Treasurer.

Stanley Basin Subdistrict Costs

Notes on Cost Estimates:

- Approximately 570 cfs of applicable water rights in Basin 71
 - About 170 cfs in WSB
 - Not all rights diverted throughout the irrigation season
 - Assume, on average, 130 days of full diversion for 400 cfs (70% of maximum) – just a guess...
 - About 50,000 24-hr second-feet total water deliveries.

Stanley Basin Subdistrict Costs

How much will it cost me?

- Assuming about 50,000 24-hr cfs delivered:

Total Budget	Cost / 24-hr cfs delivered	
	No Minimum	\$50 minimum
\$ 10,000.00	\$ 0.20	\$ 0.15
\$ 20,000.00	\$ 0.39	\$ 0.36