

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF THE PROPOSED)
EXPANSION OF THE MORGAN CREEK)
SUB-DISTRICT WITHIN WATER)
DISTRICT NO. 170)

NOTICE OF PUBLIC HEARING

On April 6, 2006, the Director of the Idaho Department of Water Resources (“Department” or “Director”) issued *Amended Final Order Creating Water District No. 170* (a copy of the order is posted on the Department’s website: <http://www.idwr.idaho.gov/water/districts/UpperSalmon.htm>). That order established Water District No. 170 to include all surface water and ground water rights in the Idaho Department of Water Resources Administrative Basins 71 and 72, other than de minimis domestic and stock water rights as defined by sections 42-111 and 42-1401A(11), Idaho Code. Existing water districts located within the boundaries of Water District No. 170 are designated as sub-districts of Water District No. 170 by the Director’s Amended Final Order. The order provides that sub-districts shall be responsible for distribution of water rights within their respective boundaries upon holding an annual meeting to elect a watermaster and adopt a budget in accordance with provisions of chapter 6, title 42, Idaho Code. Existing sub-districts in Water District No. 170 are shown in the attached map. The Department proposes to modify sub-district No. 72-F (Morgan Creek and tributaries) within Water District No. 170 by expanding the boundaries to include all surface and ground water rights administered by Water District No. 170 with points of diversion in Administrative Basin No. 72 downstream of the confluence of Challis Creek and the Salmon River, as shown on the attached map. The proposed sub-district will allow affected water users to set an annual budget and elect a local watermaster to deliver water rights in accordance with Idaho law.

NOTICE IS HEREBY GIVEN that the Idaho Department of Water Resources (IDWR) will conduct a public hearing regarding the proposed modification of the sub-district within Water District No. 170, as follows:

PUBLIC HEARING FOR THE PROPOSED SUB-DISTRICT MODIFICATION:
9:00 AM, January 13, 2010 at the Custer County Courthouse
801 Main St, Challis, ID

Information and testimony presented at the hearing on January 13, 2010, will create a record which will assist the Interim Director in determining whether modification of the sub-district is appropriate, and if so, how the sub-district should be modified. The Interim Director will serve as the hearing officer. Persons attending the hearing will be provided an opportunity to make an oral presentation regarding the proposed sub-district modification. It is important that holders of water rights understand the proposed action and participate in the hearing. The hearing record will remain open until January 26, 2010. Users that are unable to attend the hearing and those that wish to submit additional testimony may submit written comments at any time prior to the close of the written comment period on January 26, 2010. Written comments not presented at the hearing should be sent to the Interim Director, Department of Water Resources, PO Box 83720, Boise, Idaho, 83720-0098.

The Interim Director proposes that all water rights, except those used solely for domestic and/or stock water purposes as defined in sections 42-111 and 42-1401A(11), Idaho Code, with points of diversion located within Administrative Basin 72 below the confluence of the Salmon River with Challis Creek be included in the sub-district. As this action relates to the overall operation of

Water District No. 170, this notice of hearing has been sent to all Water District No. 170 water right holders of record.

At the hearing, the Interim Director will present information about why he is proposing to modify the sub-district, and a timeline for sub-district modification. The Interim Director proposes that the sub-district, as modified by this action, will be operational in 2010.

The hearing will be conducted in a facility that meets the accessibility requirements of the Americans with Disabilities Act. Should you require special accommodations in order to attend, participate in, or understand the hearing, please contact the Department of Water Resources at least 10 days prior to the hearing.

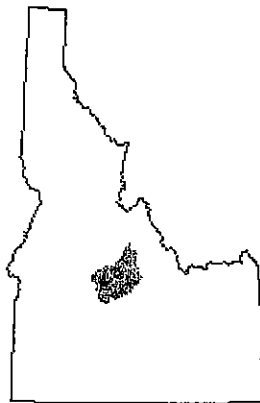
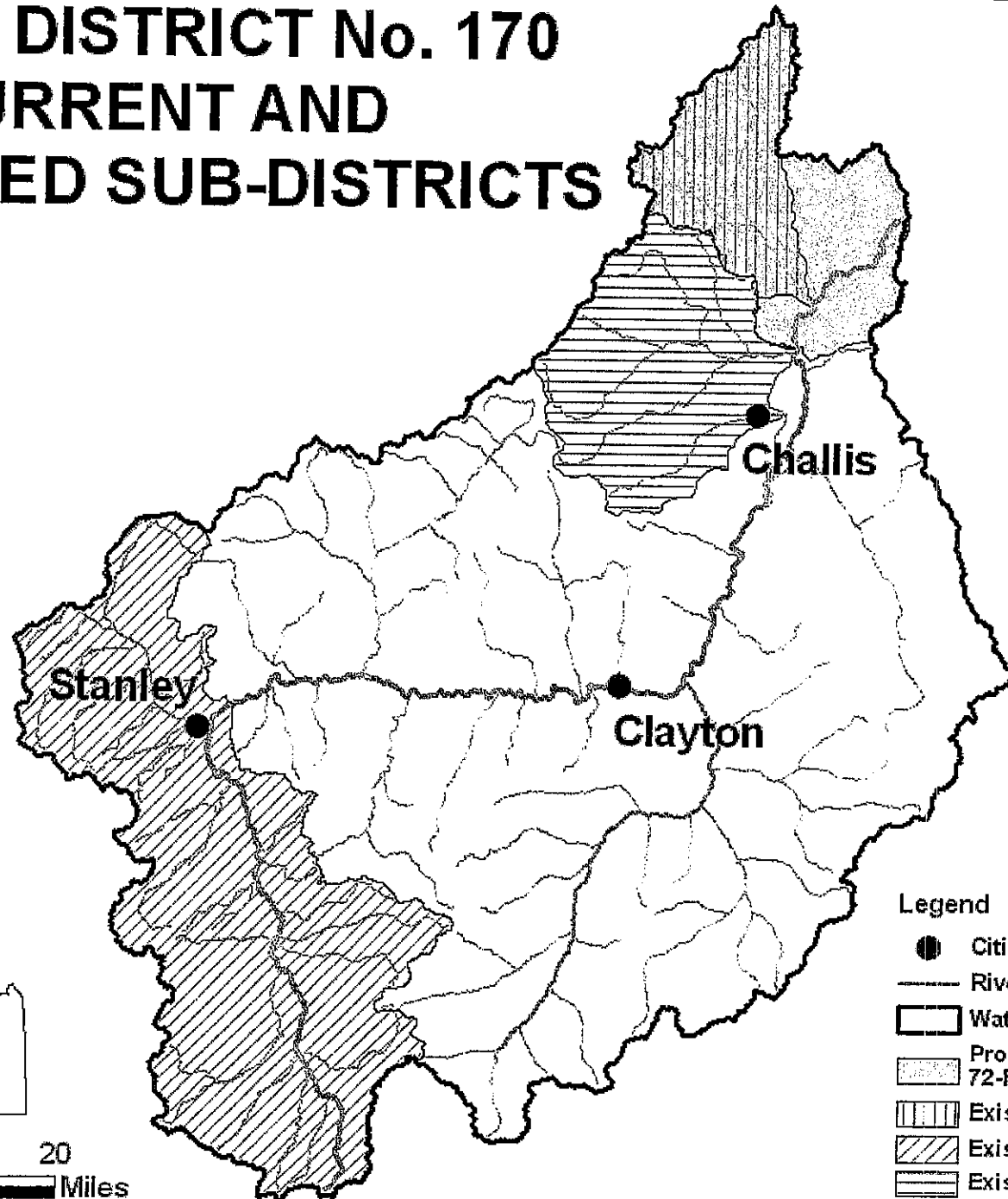
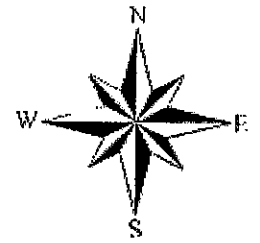
If you have questions concerning this notice, please call the Department of Water Resources hotline at (800) 451-4129. You can also contact the Department's regional office in Twin Falls at (208) 736-3033 or the state office in Boise at (208) 287-4958.

DATED this 22nd day of December 2009.










Gary Spackman.
Interim Director

WATER DISTRICT No. 170 CURRENT AND PROPOSED SUB-DISTRICTS



Legend

-  Cities
-  Rivers and Streams
-  Water District No. 170
-  Proposed Expanded 72-F Sub-district
-  Existing Sub-district 72-F
-  Existing Sub-district 71
-  Existing Sub-district 72-A

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF THE PROPOSED)
CREATION OF A CLAYTON AREA)
SUB-DISTRICT WITHIN WATER)
DISTRICT NO. 170)

NOTICE OF PUBLIC HEARING

On April 6, 2006, the Director of the Idaho Department of Water Resources (“Department” or “Director”) issued *Amended Final Order Creating Water District No. 170* (a copy of the order is posted on the Department’s website: <http://www.idwr.idaho.gov/water/districts/UpperSalmon.htm>). That order established Water District No. 170 to include all surface water and ground water rights in the Idaho Department of Water Resources Administrative Basins 71 and 72, other than de minimis domestic and stock water rights as defined by sections 42-111 and 42-1401A(11), Idaho Code. Existing water districts located within the boundaries of Water District No. 170 are designated as sub-districts of Water District No. 170 by the Director’s Amended Final Order. The order provides that sub-districts shall be responsible for distribution of water rights within their respective boundaries upon holding an annual meeting to elect a watermaster and adopt a budget in accordance with provisions of chapter 6, title 42, Idaho Code. Existing sub-districts in Water District No. 170 are shown in the attached map. The Department proposes to create an additional sub-district within Water District No. 170 to administer surface and ground water rights in the Clayton area including the East Fork Salmon River drainage basin and surrounding areas as shown on the attached map. The proposed sub-district will allow affected water users to set an annual budget and elect a local deputy watermaster to deliver water rights in accordance with Idaho law.

NOTICE IS HEREBY GIVEN that the Idaho Department of Water Resources will conduct a public hearing regarding the proposed creation of the sub-district within Water District No. 170, as follows:

PUBLIC HEARING FOR THE PROPOSED SUB-DISTRICT CREATION:

**6:00 PM, January 12, 2010 at the Clayton Community Center
US Highway 75, Clayton, ID**

Information and testimony presented at the hearing on January 12, 2010 will create a record which will assist the Interim Director in determining whether formation of a sub-district is appropriate, and if so, how the sub-district should be formed. The Interim Director will serve as the hearing officer. Persons attending the hearing will be provided an opportunity to make an oral presentation regarding the creation of the proposed sub-district. It is important that holders of water rights understand the proposed action and participate in the hearing. The hearing record will remain open until January 25, 2010. Users that are unable to attend the hearing and those that wish to submit additional testimony may submit written comments at any time prior to the close of the written comment period on January 25, 2010. Written comments not presented at the hearing should be sent to the Interim Director, Department of Water Resources, PO Box 83720, Boise, Idaho, 83720-0098.

At the hearing, the Interim Director will present information about why he is proposing creation of the sub-district, and a timeline for sub-district formation and operation. The Interim Director proposes that the sub-district become operational in 2010. Upon creation of the sub-district, a meeting of the holders of water rights within the sub-district will be held during the spring of 2010

for the purpose of adopting a budget and conducting other business necessary to initiate operation of the sub-district. The Interim Director proposes that the sub-district be responsible for certain duties under the direction and supervision of the Water District No. 170 Watermaster, including: (1) measurement and reporting of diversions under water rights; (2) administration of water rights in priority; (3) curtailment and enforcement against unauthorized or excessive diversions.

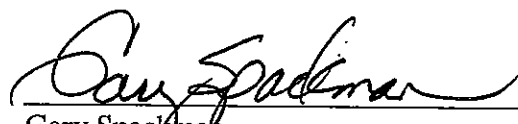
The proposed sub-district will operate similar to an independent water district, but will remain a part of Water District No. 170. The proposed sub-district will adopt its own budget for purposes of measuring, recording, reporting, and regulating diversions within the sub-district and will fund one or more seasonal or full-time deputy watermasters who will serve as deputy watermasters under the watermaster for Water District No. 170. The proposed sub-district will meet annually to adopt a budget and conduct other business necessary to operate the sub-district, such as adopting resolutions and selecting a deputy watermaster. A sub-district that adequately measures, records, reports, and controls diversions should not be subject to future assessments to fund the watermaster for the Upper Salmon Water District for purposes of measuring, recording, reporting, and regulating diversions within that sub-district. However, the sub-district may be subject to future assessments for costs associated with oversight of the sub-district. Oversight costs may include, but may not be limited to, technical assistance, enforcement assistance, training of deputy watermasters, collection and quality control review of diversion data, periodic field checks of diversions, periodic or miscellaneous field calibration measurements of measuring devices, review of annual sub-district and budget reports, coordinating distribution of water to the Wild and Scenic River minimum instream flow water rights for the Salmon River as necessary, and general coordination with federal, state, and local agencies regarding water district operations, water use, and water right administration issues.

The Interim Director proposes that all water rights, except those used solely for domestic and/or stock water purposes as defined in sections 42-111 and 42-1401A(11), Idaho Code, with points of diversion located within the East Fork Salmon River drainage basin, and from the Main Salmon River and tributaries above the Challis Irrigation Company diversion upstream to and including the Warm Springs Creek drainage at Robinson Bar, be included in the sub-district. As this action relates to the overall operation of Water District No. 170, this notice of hearing has been sent to all Water District No. 170 water right holders of record.

The hearing will be conducted in a facility that meets the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in, or understand the hearing, please contact the Department of Water Resources at least 10 days prior to the hearing.

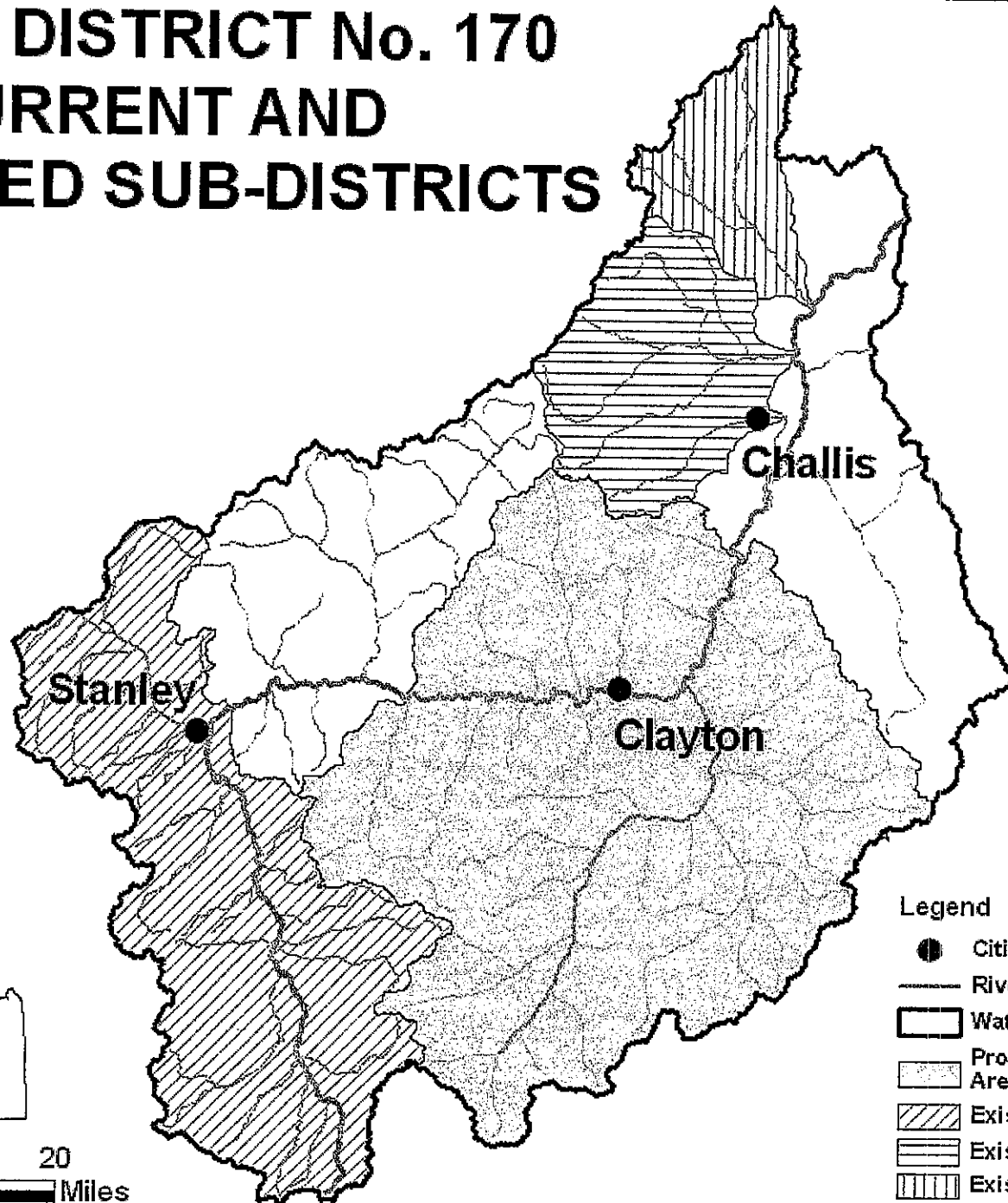
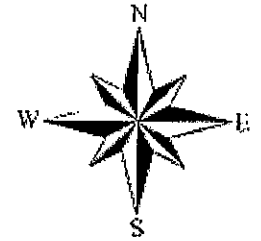
If you have questions concerning this notice, please call the Department of Water Resources hotline at (800) 451-4129. You can also contact the Department's regional office in Twin Falls at (208) 736-3033 or the state office in Boise at (208) 287-4958.

DATED this 22nd day of December 2009.



Gary Spackman.
Interim Director

WATER DISTRICT No. 170 CURRENT AND PROPOSED SUB-DISTRICTS



Legend

- Cities
- Rivers and Streams
- ▭ Water District No. 170
- ▨ Proposed Clayton Area Sub-district
- ▧ Existing Sub-district 71
- ▩ Existing Sub-district 72-A
- Existing Sub-district 72-F

