

Water District 36A

PO Box 295
Hagerman, ID 83332

March 8, 2010

James E. Stanton, Sr. Water Resource Agent
IDWR
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301-3380

RE: Water District 36A

Dear Mr. Stanton,

Enclosed are the minutes from the Water District 36A annual meeting held March 1, 2010 in Hagerman. Please, note that Deloris Jones has retired as Secretary for the District and I have been elected to replace her. Also, note the change of address listed above. If you have questions, I can be reached on my cell phone at 208-539-1730.

Thank you.



Linda L. Lemmon
Secretary

enclosure

Agenda
ANNUAL MEETING of WATER DISTRICT 36A

Monday, March 1, 2010
1:00 PM, Legion Hall, Hagerman, Idaho

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MAR 11 2010
DEPT. OF WATER RESOURCES
SOUTHERN REGION

1. Call to Order
2. Welcome and Introductions
3. Election of Chairman and 2010 Advisory Board Members
4. Election of Secretary/Treasurer
5. Approval of Minutes of the 2009 Annual Meeting
6. Water Master's Report and Presentation of 2010 Proposed Budget
7. Election of Water Master and Adoption of 2010 Budget
8. Adoption of Resolutions
9. District News and Updates
 CAMP Update
 2010 Goals
10. Adjourn

2009 Water Master, Secretary/Treasurer, Chairman and Advisory Board Members:

Frank Erwin	Water Master
Deloris Jones	Secretary/Treasurer
Lynn Babington	Chairman
Gary Lemmon	Co-Chairman
Bryan Kenworthy	Board Member
John Mavencamp	Board Member
Howard Morris	Board Member
Gwen Tzanakakis	Board Member
Dan Yore	Board Member

RECEIVED

MAR 11 2010

DEPT. OF WATER RESOURCES
SOUTHERN REGION

Water District 36A – Annual Meeting

March 1, 2010

Legion Hall, Hagerman, ID

Gary Lemmon, Vice-Chairman, opened the meeting at 1:02 pm and introduced Frank Erwin and current Advisory Board members in attendance. He also explained that long time Secretary/Treasurer Deloris Jones was retiring. A handout available at the sign in sheet included the following information: Agenda for today's meeting, the minutes from the March 2, 2009 annual meeting, the minutes from the January 27, 2010 Advisory Board meeting, the Budget Summary, proposed 2010 Resolutions and Goals for 2010. Eighteen people were in attendance.

Election of the Chairman

Gary Lemmon led the Election of the Chairman to run today's annual meeting. **Bill Jones moved and Howard Morris seconded that Gary Lemmon be elected as Chairman of the meeting.** No other nominations were offered. **Motion passed by voice vote, with none opposed.**

Election of the Water District 36A Advisory Board

Gary Lemmon explained that Lynn Babington wanted to retire from the Board. Gary opened nominations from the floor. Gwen Tzanakakis nominated Billy McCarthy to replace Lynn Babington. **Bill Jones moved, and Pete Adkison seconded, that current Board members Gary Lemmon, Bryan Kenworthy, John Mavencamp, Howard Morris and Gwen Tzanakakis be re-elected to the Advisory Board and that Billy McCarthy replace Lynn Babington.** No other nominations were made. **Motion carried by voice vote with none opposed.**

Election of Secretary/Treasurer

Because Deloris Jones asked to retire, Linda Lemmon volunteered to serve as Secretary/Treasurer. **Bill Jones moved and Howard Morris seconded, that Linda Lemmon be elected Secretary/Treasurer.** No other nominations were offered. **Motion carried by voice vote with none opposed.**

Approval of 2009 Annual Meeting Minutes

Minutes from the 2009 Annual Meeting had been passed out with the agenda. **Bill Jones moved and Gwen Tzanakakis seconded that the minutes from the March 2, 2009 annual meeting be approved as presented.** **Motion carried by voice vote with none opposed.**

Water Master Report by Frank Erwin

Frank explained that Idaho Code dictates how water districts are to operate, and our district needs to make some changes to be in compliance with code. Frank also wants the District to make some operating changes not dictated by code so that it can operate more smoothly. The changes Frank suggests are on the Resolutions page and the Goals page which were included in the handout.

Resolutions: Frank Erwin explained that in the past, the District has operated by various individual motions. However, Idaho Code says that the District is to operate by resolutions. To get started, the Advisory Board developed draft resolutions included in the handout which will be discussed individually in detail later. At each annual meeting, water users will review/modify those resolutions and with a single motion will then approve all of the resolutions for operating the District that year. Since many of the resolutions will not have to be changed from year to year, this portion of the annual meeting can be streamlined and operating the District will be predictable.

Annual Diversion Reporting: Another change Frank wants to institute beginning this year will be to have water users submit their annual diversion reporting forms directly to the District for data input rather than sending those forms to IDWR. Sending forms to the District for data entry will allow Frank the opportunity to review the forms and verify measurements against the measurements he takes throughout the season before Linda Lemmon enters the data into the IDWR data base. It will also save water users the \$25 filing fee normally submitted with the

forms when they are sent to IDWR for data entry. The format of the form is not expected to change, and water users should collect and record water measurements during 2010 as they always have. Cindy Yenter, Water District 130 water master, suggested that we could request that users submit measurements on a periodic basis (for example, monthly, quarterly or biannually) rather than at the end of the year if that made it more efficient to review and input. Frank will let everyone know when those forms should be submitted to the District.

Assessment Accounting: Another change that the District will work toward but will not be implemented until 2011 is how the assessment fee is calculated. In the past, assessments were calculated on a sliding scale based on decreed amount, but this needs to be changed from decree to average annual diversion to be in line with Idaho Code. Having annual water report forms submitted directly to the District will aid Frank in making the correct calculations based on diversions. For 2010 only, assessments will be still be made using the old system.

Budget Review: Frank reviewed the Budget Summary handout. The 2009 approved budget was \$5,765.44, but only \$3,858.45 was spent, leaving a \$1,906.99 carryover from 2009 to 2010. No assessments were made in 2009. Frank proposed a budget of \$6,744.40 for 2010, but will only have to assess \$4,837.50 because of the carryover. If we use the current sliding scale and reduce the assessment amount in each tier by 25%, we will be able to collect enough to meet the proposed budget.

Frank reviewed the proposed expenses for 2010. Frank's salary will remain unchanged, but the Secretary/Treasurer salary is proposed to increase from \$300 to \$500 to compensate for added responsibilities associated with billing and data entry. Workman's comp insurance is estimated at \$300 based on last year's amount. The state withholding tax is 7.65% of wages. In the past, the District paid Frank and Deloris as contract laborers. Beginning in 2009, all Water Districts were told that water masters and secretaries that are elected or appointed are considered employees and cannot be paid as contract laborers. Office expenses are estimated at \$500, and will include PO Box rental since the District will no longer be using Deloris Jones' box, and possibly some additional computer expenses. The \$75 room rent is for the Legion Hall for today's annual meeting. No travel budget was proposed. The contingency category includes the carryover amount, and is intended for any other unanticipated expenses. Frank reminded everyone that any expense that is not considered usual and ordinary is always approved by the Advisory Board.

Frank was asked what additional meetings he usually attends since he didn't submit travel for 2009. Frank said he attended the District 130 annual meeting in Jerome, and almost all of the local ditch company annual meetings. In years past he has also gone to Idaho Water Alliance meetings in Twin Falls and the Idaho Water Users meeting in Boise. Pete Adkison suggested that mileage and meals for attending meetings out of the area should be included in the budget. Bryan Kenworthy agreed that the District should be picking up his travel expenses since Frank is now considered an employee rather than a contract laborer. Gwen Tzanakakis suggested that Frank should start keeping specific records and submit a voucher for reimbursement. Frank added that he may need travel assistance in the future if he needs to make trips to Twin Falls or Boise to figure out the new billing system, and would work with the Advisory Board if that time comes. Frank suggested that travel for 2010 could be approved by the Advisory Board from the contingency category.

Bill Jones objected to the changes being proposed, but Cindy Yenter said that the changes were required by law and asked that everyone be patient. She also reassured everyone that because we were implementing these changes that we probably wouldn't have to be absorbed into Water District 130 but could remain an independent water district. Gary Lemmon added that assessments would be fairer to individuals to use diversion amount rather than decreed amounts.

Bryan Kenworthy moved and Dan Yore seconded that the proposed budget for 2010 be adopted as presented. Motion passed by voice vote with none opposed. After further discussion on travel, Gary Lemmon asked if there were any amendments to the proposed 2010 budget. Gwen Tzanakakis suggested that \$500 be moved from the contingency category to the travel category, leaving \$1,601.49 in contingency. Cindy Yenter said that the state rate for travel is \$0.45/mile plus a meal per diem. Frank thought that \$500 should be adequate to cover travel

expenses in 2010. *Pete Adkison moved and Dan Yore seconded that the proposed 2010 budget be amended to move \$500 from contingency to travel. Motion passed by voice vote with none opposed.*

Election of Water master for Water District 36A:

Howard Morris moved and Gwen Tzanakakis seconded that Frank Erwin be elected as Water Master for Water District 36A for 2010. Motion passed by voice vote with none opposed.

Proposed 2010 Resolutions:

Gary Lemmon led the discussion on each resolution asking if any should be amended, then asked for a motion to approve the resolutions as amended.

- (1) We usually hold our meeting on the first Monday in March, but by code that is the last legal day to hold a meeting. Frank suggested changing the date to the third Monday in January so that ditch companies will be notified of their assessments prior to developing their budgets and scheduling their annual meetings. Amended resolution will read:

BE IT RESOLVED, that hereafter the annual meeting of Water District 36A shall be held on the third Monday in January each year.

- (2) This resolution describes how assessments will be made each year. For 2010, assessments will follow the rate schedule used in the past (decreased by 25%) that assesses by decree rather than average diversion. Therefore, there is no change to the resolution as written. The District will work to change the assessment schedule so that fees are charged in 2011 based on mean annual diversion rather than on decreed amounts.
- (3) Date on which payment is considered delinquent and subject to penalty and interest accrual is being changed from July 1st to April 15th, so that payment is received prior to the start of water delivery. The phrase "due and payable upon receipt" was omitted and needs to be inserted. Penalty and interest amounts are the same as used in the past. Amended resolution will read:

BE IT RESOLVED, that that the amounts payable by each ditch, canal company, or other water user, as shown by the approved budget, shall become due and payable upon receipt and shall be delinquent on April 15th, and said amount, if not paid, shall bear a penalty of 10% and interest from that date until paid, at a rate of 1% per month.

- (4) This resolution affirms that water will not be delivered until assessment has been paid. There is no change to resolution as written.
- (5) This resolution authorizes the Water Master to be in service between annual meeting dates rather than on a calendar basis. Change the resolution as written to reflect the amendment made to Resolution 1. Amended resolution will read:

BE IT RESOLVED, that the Water Master shall be in service for a full year, commencing on the date of the annual meeting and continuing until the next annual meeting, or until his successor has been duly qualified and elected.

- (6) This resolution specifically names the elected Water Master. Date must be changed to reflect amendment to resolution 1. Amended resolution will read:

BE IT RESOLVED, that Frank Erwin be elected Water Master of District 36A for the ensuing year beginning March 1, 2010 and ending the third Monday in January 2011.

- (7) This resolution specifically names the elected Secretary/Treasurer. Date must be changed to reflect amendment to resolution 1. Amended resolution will read:

BE IT RESOLVED, that Linda Lemmon be elected Secretary/Treasurer of District 36A for the ensuing year beginning March 1, 2010 and ending the third Monday in January 2011.

- (8) This resolution authorizes the need for two signatures on all District checks. No change to resolution as written.

Howard Morris moved and Bryan Kenworthy seconded that the proposed resolutions for Water District 36A be adopted as amended. There was no further discussion. ***Motion passed by voice vote with none opposed.*** Linda Lemmon will send a copy of the corrected resolutions with the assessment notices.

District News and Updates:

Gary Lemmon read a letter thanking Deloris Jones for her years of service to the District and presented her with a flower arrangement, gift card, and letter of thanks from the District.

Linda Lemmon reviewed CAMP activities. Linda Lemmon and Randy MacMillan were appointed by the Idaho Water Resource Board to be the spring user representatives on the CAMP Advisory Board. CAMP is designed to implement a number of different actions over a 20 year period which will result in a 600,000 acre foot change to the water budget of the ESPA. These actions include recharge, weather modification (more snow on the eastern Idaho mountains), conversions from groundwater to canal water so that pumps won't be turned on, demand reduction actions such as set-aside and/or retirement programs, crop mix changes, buy outs and buy downs, and specific projects that would redirect water to users, etc. The funding legislation which would have authorized water districts and counties to start collecting mandatory fees in 2011 to support CAMP activities was supposed to be submitted to the 2010 Idaho Legislature for adoption, but has been delayed until the 2011 session due to questions about whether the fee is actually a fee or a tax. Thus, the earliest fees can now be collected from water users delayed until 2012. The draft legislation at this point in time requires spring users below the rim from Bliss to Twin Falls to collectively contribute \$200,000 toward the annual goal of \$7-10 million. Approximately \$7,000 of that will be collected as a \$1/acre fee from irrigated lands below the rim. The remainder will be divided among all other spring users based on diversion. To help bridge the gap until funds can be collected and keep the planning process moving forward, Governor Otter has offered \$1 million from the stimulus package and another \$1.2 million from the Idaho Water Resource Board account to help fund "shovel-ready" projects that can be completed by July 2011. Those project ideas are due to the CAMP committee by March 12, 2010. Using those funds, CAMP will pay 40% of the project cost and the water user will pay 60%. Anyone applying for AWEP funding will also be eligible for CAMP assistance, with the out-of-pocket portion the user is required to pay reduced by 40%.

Goals for 2010:

The Advisory Board suggested the District put together a list of goals it wanted to accomplish for 2010. Included in the list are things that must be done to bring the District in line with Idaho code, as well as actions that should streamline operating activities. Frank Erwin discussed each of the 5 items on the list:

(1) Update District resolutions so that the District will be in statutory compliance by 2011:

(a) District assessment procedure (based on 5-yr average annual diversion)

Changing district assessment procedures from decree to annual diversion for 2011 was discussed as part of the resolutions.

(b) Annual meeting date

Changing the annual meeting date from first Monday in March to third Monday in January was discussed as part of the resolutions.

(c) Locking measuring devices

Frank will work on the 2 or 3 that still need improvements.

(d) Determine the amount of water being diverted by hydropower and other non-consumptive rights not currently being assessed so that a fair and equitable method for assessing such rights can be developed

The sliding assessment scale the District has used only includes irrigation, fish and some hydro water rights. Because there have been changes in ownership to some rights since the original scale was set and because not all water rights measured are included in the current diversion reporting schemes, Frank needs to review the assessment scale and recommend changes, if necessary. He will make a recommendation to the Advisory Board prior to the next annual meeting.

(2) Set up a system for the District secretary to input annual water measurement data into the IDWR data base rather than having water users submit that data directly to IDWR

Frank will work with IDWR and Cindy Yenter to set up a system for the District to input annual measurement data and will let everyone know when the reports will be due to him.

(3) Work with IDWR staff to develop the CAMP assessment list

Since the CAMP funding legislation will not be approved this year, we will wait for further direction from IDWR and the Idaho Water Resource Board on how to proceed with preparing for CAMP billings.

(4) Conduct an internal audit and get bids for a professional audit

Deloris Jones requested that an audit be performed. The Advisory Board will conduct an internal audit.

(5) Update the mailing list

Frank will continue to work with IDWR to update the mailing list so that everyone is notified of upcoming meetings.

No additional new or old business was discussed.

Pete Adkison moved and Gwen Tzanakakis seconded that the meeting be adjourned. Motion passed by voice vote with none opposed. Meeting adjourned at 2:20pm.

Minutes recorded by



Linda Lemmon, Secretary

Minutes certified for submission to IDWR by



Gary Lemmon, Meeting Chairman

Attachments: Adopted Budget
Adopted Resolutions