

# Payette River Basin, State of Idaho

## Water District No. 65

Chairman: Darlene Maxwell  
Vice Chairman: Roy Maxwell  
Secretary: Wayne Martin  
Watermaster: Ron Shurtleff

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### 2017 Annual Meeting

**Date:** January 17, 2017  
**Time:** 1:00 p.m.  
**Location:** USDA Service Center, 1805 Highway 16, Emmett, Idaho

**Attending:** Ken Mineard, Joan Howell, Roy Maxwell, John Hartman, Fred Coburn, Dan Surmeier, Dennis Lammey, Marcia Herr, Marc Haws, Walter Garman, Jim Standley, D E Burr, Allen Gatfield Jr., Robert Gatfield, Lola Gatfield, Wayne Martin, Marc Shigeta, Doyle Fackler, Betty Knox, Recording Secretary, and Watermaster, Ron Shurtleff

**Guests:** Angie Grimm, IDWR, Justin Shearer, IDWR, Steve Spencer, Forest Service, Jeff Peppersack, IDWR, Dan Stanaway, IDWR, Kurt Folke, Quest CPAs PC, Tim Hoyt, Quest CPAs PC, Roland Spriger, USBR, Lanie Paguin, USBR, Bryan Sauer, USBR.

**Welcome:** Vice Chairman Maxwell called the meeting to order and thanked everyone for attending. He reported Chairman Darlene Maxwell could not attend and that he would be conducting the meeting today in her absence. He then suggested that we go around the room and state our name and what entity each person is representing.

**Minutes:** Vice Chairman Maxwell then directed everyone to the minutes of the previous year Annual Meeting which started on page 2 of the meeting packet. Mr. Maxwell asked everyone to read through the minutes of the previous meeting in preparation for their approval. A few misspellings and typographical errors were identified, but no errors of material significance were pointed out. **Mr. Dan Surmeier moved to approve the Annual Minutes of January 12, 2016. Mr. Marc Haws seconded the motion as corrected, and the motion carried.**

**Audit Report:** Vice Chairman Maxwell introduced Mr. Kurt Folke, from the Quest Accounting Firm who had performed the Annual Audit for the water district. Mr. Folke stated that the audit is for the recently completed water year of 2016.

Mr. Folke directed everyone to page 10 of the handout which contained a portion of his report titled, Budgetary Comparison Schedule- General Fund. Mr. Folke reported the district entered 2016 with fund balances of \$461,170, and ended the year with a balance of \$461,381. This represents a gain in net position of \$211 or about as close to breakeven as you can get. Mr. Folke stated this is normal for a Non- Profit entity.

Mr. Folke reported the State of Idaho has adopted a different method this year, for entities like this Water District which receive substantial revenue from sources other than assessments. The change is in regard to how Fixed Assets are treated. He stated from this time forward Fixed Assets will be depreciated just as in a proprietary entity. He stated this has caused a reduction in the District's overall net position, but will also reflect a truer value of the District.

Mr. Folke noted the Water District had funded several Cost Share improvement projects during 2016 and that the total amount contributed to the program increased by \$40,000 when compared to the previous year.

Mr. Folke reported this years audited had been performed in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General. Mr. Folke further reported the district appears to be functioning as it should, and is serving the water users well. The financial accounting is being performed in accordance with generally accepted financial accounting methods. Mr. Folke thanked everyone for their attention and asked if anyone had any questions pertaining to the audit. Seeing no questions Vice Chairman Maxwell asked if the members were ready to approve the financial statements of the district. **Doyle Fackler moved to accept the 2016 Audited Financial Report as presented by Mr. Kurt Folke. Wayne Martin seconded the motion, and the motion carried.**

**B.O.R**

**Update:**

Vice Chairman Maxwell introduced Mr. Roland Springer the Snake River Area Manager, Bureau of Reclamation. Mr. Springer noted that the change of administration has brought about changes throughout the Bureau. He reported, Ryan Zinky, a Republican from Montana was appointed to the position of Secretary of Interior. Mr. Springer reported the Bureau of Reclamation has an interim Commissioner, with that position being filled by Mr. David Murillo. He also reported the retirement of Deputy Regional Director Terry Kent moved Mr. Robert Skordas to fill this position, and Mr. Dave Mabe, previously with NOAA has also taken a Deputy Regional Director position and will be working on NEPA compliance. Mr. Springer introduced his Staff members that were in attendance: Lanie Paguin, Deputy Area Manager, Brian Sauer, Conservation and Operations Specialist.

Mr. Springer talked about the focus of the Bureau of Reclamation and mentioned some large projects which included the addition of a 12.5 Megawatt Generator unit to be added to Black Canyon Dam. He also mentioned projects under consideration in the Boise Basin in an attempt to gain more storage capacity and improve flood control. Mr. Springer also mentioned the ongoing study at Deadwood Reservoir in regard to Bull Trout which may result in a recommendation to alter operations.

**Brian Sauer**  
**USBR:**

Vice Chairman Roy Maxwell thanked Mr. Springer and then introduced Mr. Brian Sauer, Bureau of Reclamation, to give his report on the 2017 Water Supply Outlook. Mr. Sauer stated that with all the moisture this year the Payette Basin is looking at a promising runoff for 2017. Last year the runoff at about 99% of normal. SNOTEL sites last year at the higher elevations like Deadwood had above normal snow, in contrast however, the lower elevation sties like Cozy Cove were significantly below normal. And even though the Payette Basin's peak snow water equivalent came in at 125% of average, the early heat in April and May caused an early melt. As a result much of the water came down in May instead of lasting through June to extend our river flows. Brian displayed a comparison of reservoir conditions between this year and last year at this date.

<u>Comparison 2016</u>	<u>Vs</u>	<u>Comparison 2017</u>
The Payette for 2016 = 58%		Payette for 2017 = 61%
The Boise for 2016 = 39%		Boise for 2017 = 48%

Brian reported the winter storms this season have favored the southern part of the State and the lower elevations. This has left the Payette Basin' SNOTEL sites a little below normal. The recent storms have improved our numbers and it appears the forecast is for storms that more closely target the west central mountains.

Mr. Sauer went on to talk about Reclamation's WaterSmart, Cost Share Program, as well as the smaller scale water efficiency grants with awards up to \$75,000. He invited anyone with a project to visit the web page [www.grants.gov](http://www.grants.gov).

**Daniel**  
**Stanaway**  
**IDWR :**

Vice Chairman Maxwell thanked Mr. Sauer for his report and introduced Mr. Dan Stanaway, Technical Hydrologist, from The Department of Water Resources.

Mr. Stanaway handed out packets of the presentation that he presented on screen. He reported the 2016 water year in review with a snowpack above normal at 109%. He stated the reservoirs did reach a complete fill, and thus any storage usage prior to the reservoirs becoming full was cancelled on the Day of Allocation. He reported all spaceholders did receive 100% of their allocation as well. He also reported the early season snow melt did not treat us very well by causing an early Day of Allocation, June 29<sup>th</sup>. This exposed the basin to a longer storage usage season during 2016. Mr. Stanaway stated that data collected over the past 60 years indicates that our usual day of allocation has moved earlier in the season by about two weeks over that same period of years.

Mr. Stanaway reported the Payette Basin Reservoir Storage Reconciliation indicating 893,226 acre feet of Total Storage Available, Total Storage used at 426,923 acre feet, resulting in a computed figure of 466,303 acre feet that should be remaining in storages. This figure is then compared to the actual measured contend of the reservoirs on October 31<sup>st</sup>. That figure equaled 466,109 acre feet,

a difference of only 194 acre feet. This indicates the accounting is in fact doing what it is designed to do.

Mr. Stanaway reported that Liz Cresto had intended to report on a project being conducted in the Payette Basin by the Idaho Power Company. Ms. Cresto was unable to attend so Dan displayed a slide with the following title: SNOWIE, Seeded & Natural Orographic Wintertime clouds; the Idaho Experiment. Dan invited everyone to visit the Idaho Power Web site to learn about this subject.

**Water Master Report:**

Vice Chairman Maxwell asked Watermaster Ron Shurtleff to give his 2016 Report.

Watermaster Shurtleff started by pointing out the differences between the past few years. He reported, that in a span of only four years the Payette System has experienced one of the latest days of allocation, July 31, 2011, and one of the earliest day of allocation, which occurred on June 15<sup>th</sup> of 2015. Ron said he considers July 7<sup>th</sup> as the normal date of allocation and this year turned out to be quite early since river flow, and river demand coincided on June 29<sup>th</sup>.

Ron continued his report with actual Storage use figures noting storage usage in 2015 totaled 245,406 acre feet in contrast to this year's usage of 201,023 acre feet a reduction of 43,383 acre feet. He reported the 2016 Flow Augmentation program participation in the Payette Basin was near normal with Irrigators contributing 70,000 acre feet while the Bureau of Reclamation contributed their usual 95,000 acre feet from their uncontracted storage space.

Ron presented some weather prediction slides which indicated below normal temperatures with above normal precipitation forecast for the next 6 to 14 days.

Ron continued by reporting on the District's Cost Share Program which in 2016 had a budget amount of \$134,000. The budget also offered an additional \$3,000 for water quality projects. He displayed the list of completed projects and also showed photos of in progress, and completed projects.

**Budget Committee:**

Vice Chairman Maxwell called on Dan Surmeier, to give the Budget Committee Report.

Mr. Surmeier reported, the committee had met to prepare the budget and asked everyone to turn to page 29 of the meeting packets. He said there were very few changes to this year's budget from the previous year. He noted they did give the Watermaster an increase in pay of 1.5%. He then asked Watermaster Shurtleff to point out any changes that he may be overlooking. Ron noted the medical insurance had taken a \$2,000 increase. The other notable change was in the interest to lessors which was increased by \$1,600 because interest rates have improved during the past year. Ron pointed out the most significant change is the Cost Share Budget item which moved from \$134,000 to \$150,000 for the 2017 season. Mr. Surmeier stated the Budget Committee would like to presented this

proposed budget to the members at this meeting with a do pass recommendation and asked if there were any questions. After some discussion, **Jim Standley moved to accept the budget as presented on page 29 and to attachment it to the Resolutions as Exhibit A, with a recommendation for approval as the 2017 budget. Doyle Falkner seconded the motion, and the motion carried.**

**Nomination  
Committee:**

Vice Chairman Maxwell asked Mr. Surmeier once again for the Nominations Committee report.

Committee Chairman Surmeier had everyone turn to page 31 of the packets to view the prepared list of Advisory Board Members, Advisory Board Officers, and Nominations and Budget Committee Members for the 2017 season. Mr. Surmeier pointed out the officers for this year remain the same as last year with, Darlene Maxwell nominated for Chairman/Treasure, Roy Maxwell for Vice Chairman, and Wayne Martin for Secretary. He stated the Advisory Board member list has been updated and nominated as presented on page 31. Dan also stated the Budget and Nomination Committee, is listed the same as the previous year with one change placing Mr. Jim Standley as Chairman of the committee. He then asked if there were any nominations from the floor. Hearing none he presented the nominations list to the members with a do pass recommendation. **Mr. John Hartman moved to attach the proposed nominations list to the Resolutions as Attachment B. and to do this with a recommendation for approval as the Water District Advisory Board and Officers. Jim Standley seconded the motion and the motion carried.**

**Adoption  
Resolutions:**

Vice Chairman Maxwell suggested approving all resolutions, 1 through 15 with one motions but asked Watermaster Shurtleff to read the resolutions so everyone could fully understand their purpose. After discussing the list of resolutions it was decided that Resolution #11 should be amended to state the District's mileage compensation will be set at the federal government allowable rate per mile. **John Hartman moved to approve the Federal mileage compensation rate per mile De Burr seconded the motion, and the motion carried.**

**Dan Surmeier moved to approve all Resolutions, No. 1 through No. 15 as amended. Marc Haws seconded the motion, and the motion carried.**

A copy of the Resolutions will be attached to these minutes.

**Set 2018 Annual  
Meeting Date:**

Vice Chairman Maxwell stated it is time to set the date and time for next year's Annual Meeting. He further stated it has been suggested to set it for this third Tuesday in January which will be January 16, 2018 at 1:00 PM at this same location. **Marc Haws moved, and Dan Surmeier seconded to set the meeting for January 16, 2018 at 1:00 PM in the USDA Service Center, 1805 Highway 16 Emmett, ID. The motion carried.**

**Adjournment:**

Vice Chairman Maxwell asked if there is any other business that should be brought before this 2017 Annual Meeting. Hearing none, thanked everyone for attending and declared the meeting adjourned.

Respectfully Submitted

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Vice Chairman, Roy Maxwell

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Betty Knox, Recording Secretary

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

Watermaster,  
Ron Shurtleff

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March 1, 2017

Department of Water Resources  
Western Region  
2735 Airport Way  
Boise, ID 83705-5082

RECEIVED

MAR 03 2017

WATER RESOURCES  
WESTERN REGION

Re: Annual Meeting District Meeting Checklist

Attn. Rachel Neely

Dear Ms. Neely,

Enclosed please find the Annual Water District Meeting Checklist for the Payette River Basin, Water District No. 65 Annual Meeting, which was held on January 17, 2017. Also included are the minutes for the meeting and a copy of the resolutions that were adopted at that meeting.

Please let me know if there is anything further that is needed from District No. 65

Sincerely,

  
Ron Shurtleff