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DEPARTMENT OF WATER RESOURCES

May 30, 2012

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Jeff Peppersack Water Allocation Bureau Chief Idaho Department of Water Resources 322 E. Front Street P.O. Box 83720 Boise, ID 83720-0098

Andrew J. Waldera

Dylan B. Lawrence

In the Matter of Water Users Association of Grays Creek Ditch Lateral Response to Petition for Appointment of Lateral Manager

MTBR&F File No. 25226,0000

Dear Mr. Peppersack:

Please find enclosed an original and one copy of Grays Creek Canal Association's Response to the Legg Family Trust's Petition for Appointment of Lateral Manager. Please conform the copy and return it the envelope provided.

Additionally, Exhibit D to the Response is enclosed on a CD-Rom for your convenience. Should the Department need the shape file of this exhibit, please advise and we will have SPF Water Engineers provide it promptly.

Thank you for your attention.

Campbell

Very truly yours,

SLC/dll

cc:

Enclosure

Dana L. Hofstetter

Grays Creek Canal Association

Moffatt Thomas

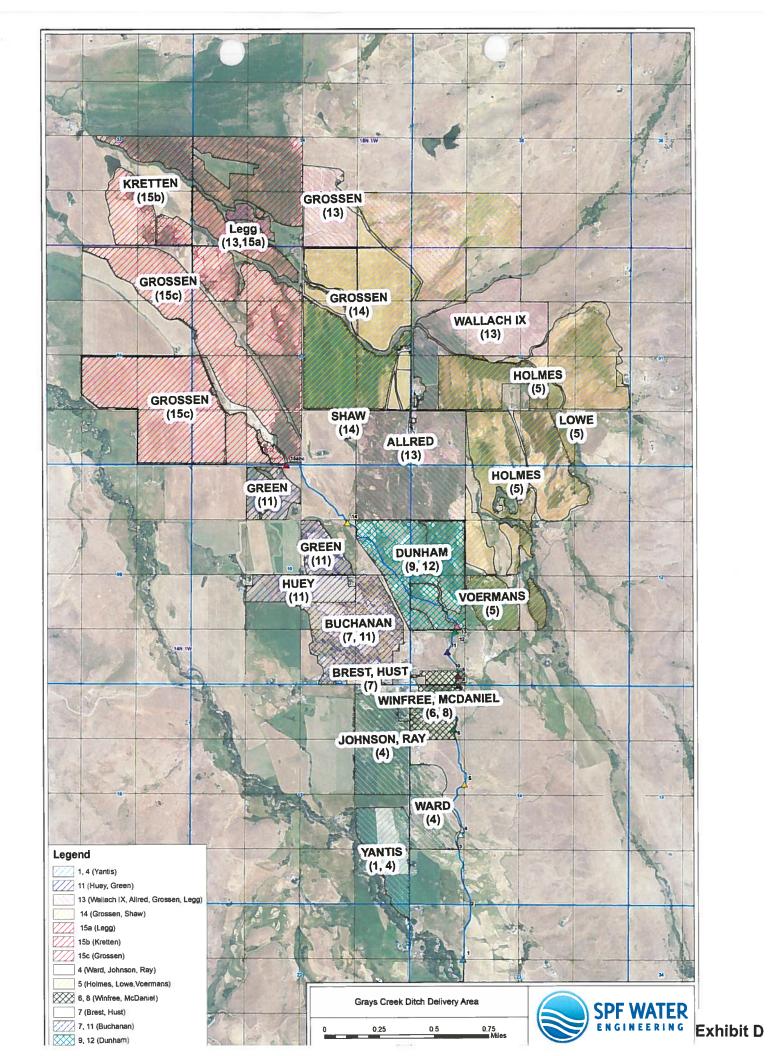
MOFFATT THOMAS BARRETT ROCK & FIELDS, CHTD. 101 S. Capitol Blvd., 10th Floor

Boise, ID 83702 208-345-2000 ~ 208-385-5384 Fax

CD-ROM Disk 1 of 1 May 30, 2012

Exhibit D SPF Map of Grays Creek Ditch Delivery Area

Grays Creek Canal Association's Response to Petition for Appointment of Lateral Manager



MAY 3 1 2012

DEPARTMENT OF WATER RESOURCES

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Attorneys for Grays Creek Canal Association

BEFORE THE DEPARTMENT OF WATER RESOURCES OF THE STATE OF IDAHO

IN THE MATTER OF WATER USERS ASSOCIATION OF GRAYS CREEK DITCH LATERAL

RESPONSE TO PETITION FOR APPOINTMENT OF LATERAL MANAGER

The Grays Creek Canal Association (the "Association") by and thought its undersigned counsel of record, Scott L. Campbell of Moffatt Thomas Barrett Rock & Fields, Chtd., hereby responds to the Petition for Appointment of Lateral Manager (the "Petition") submitted to the Idaho Department of Water Resources on May 10, 2012, by the Legg Family Trust (the "Trust").

I. INTRODUCTION

The Association will respond to the Petition by initially describing the organizational status and composition of the Association. It will then deny or admit the allegations of the Petition, and then it will state and allege other factual information and legal argument supporting the position of the Association.

II. ORGANIZATIONAL STATUS AND COMPOSITION OF ASSOCIATION

The Association was established on April 1, 2012. *See* Exhibit A. The purpose of the Association is to construct a dam on the Little Weiser River and distribute water to the lateral ditches from the Grays Creek Canal. The Directors of the Association are: Jim Buchanan, President; Loren Brest, Director; Dean Dunham, Director; and Adrian Hust, Secretary/Treasurer.

Subsequent to its organization, the Association met on April 19, 2012, to discuss actions for delivery of water through the Grays Creek Canal. *See* Exhibit B. Subsequently, on May 8, 2012, the Association met to consider actions dealing with water delivery. *See* Exhibit C. Prior to its organization on April 1, 2012, the Association conducted its affairs as an informal ditch association. On or about March 26, 2012, a meeting of that ditch association was conducted pursuant to the actions of the Legg Family Trust.

III. RESPONSE TO PETITION ALLEGATIONS

The Association responds to the following numbered allegations contained in the Petition.

- 1. The Association does not have sufficient information to admit or deny the allegations contained in Paragraphs 1, 2, or 3 of the Petition, and therefore denies them all.
- 2. The Association denies the allegation that the Idaho Department of Water Resources has jurisdiction over this proceeding pursuant to Idaho Code Section 42-1308 contained in Paragraph 4 of the Petition.
- 3. The Association denies the allegation contained in Paragraph 5 of the Petition.
- 4. The Association denies the allegations of Paragraphs 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 contained in the Petition.

IV. FACTUAL INFORMATION AND LEGAL ARGUMENT

The Association fundamentally disagrees with the allegations of the Trust regarding any duty to deliver water to the property allegedly owned by the Trust. At no time within the last 50 years, has the Grays Creek Canal/Ditch assumed any responsibility for delivery of water past the designated point known as the Concrete Splitter, designated as Location No. 13 on the map prepared by SPF Water Engineers. *See* Exhibit D. These facts are demonstrated by the attached witness statements of Joe Holmes and Malcolm Huey. *See* Exhibits E and F, respectively. Additionally, this description of the facts is supported by the witness statement of Ronald D. Dunham. *See* Exhibit G.

Based upon the historical facts of the operation of Grays Creek Canal/Ditch, there is no legitimate basis for the Petition. This is particularly true regarding the Trust's allegations that the entire Grays Creek Canal/Ditch is responsible for delivery of water to the Trust property. In fact, the Grays Creek Canal/Ditch has only assessed and been responsible for delivery of water from the Little Weiser River to the Concrete Splitter, designated as Location No. 13 on the SPF map.

The Association further asserts that the actions of the Trust are an attempt to force the entire group of water users benefiting from the Grays Creek Canal/Ditch to pay for and assure the delivery of water through the individual lateral ditch which supplies the water to the Trust property. The delivery of water through that lateral has historically been the responsibility of the individual water users on that lateral and not the responsibility of the entire Grays Creek Canal/Ditch Association.

Based upon these historical facts, the Association respectfully requests that the Director of the Idaho Department of Water Resources deny the Petition. Alternatively, if the

Director determines there is any question about the historic basis for water delivery on the Grays Creek Canal/Ditch, the Association requests that a formal hearing be conducted before the Director in order to fully evaluate the credibility of witnesses, the entire historical record, and the applicable Idaho law in this matter.

Respectfully submitted this 302 day of May, 2012.

MOFFATT, THOMAS, BARRETT, ROCK & FIELDS, CHARTERED

3y____

Scott L. Campbell – Of the Firm Attorneys for Gray Creek Canal

Association

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this day of May, 2012, I caused a true and correct copy of the foregoing RESPONSE TO PETITION FOR APPOINTMENT OF LATERAL MANAGER to be served by the method indicated below, and addressed to the following:

Dana L. Hofstetter

() U.S. Mail, Postage Prepaid

HOFSTETTER LAW OFFICE, LLC

() Hand Delivered

608 West Franklin Street

() Overnight Mail

Boise, ID 83702

() Facsimile

Email: Dana@IdahoWaterLaw.com

Fax: (208) 424-8774

Scott L. Campbell

Grays Creek Canal Association

644 Indian Valley Road

Indian Valley, ID 83632

May 7, 2012

The Grays Creek Canal Association was established on April 1, 2012. Its purpose is to build a dam on the Little Weiser and distribute water to various laterals on the Grays Creek Canal. The directors will assess each share holder appropriately and collect fees annually. The Grays Creek Canal is overseen by Board of Directors which are elected yearly and current directors are as follows:

Jim Buchanan, President

Loren Brest, Director

Dean Dunham, Director

Adrian Hust, Secretary/Treasurer

🥸 ignatures:

Jim Buchanan, President

Adrian Hust, Secretary/Treasurer

04-19-2012 Association came to order 4-19-12 at 605 pm. Meeting started by telling Everyone about the maps of the Drays Crack Const and Lateralo. Everyone was invited to take a look at them any time. Put there was talk about flood waters and how to Charge for it. Jim Buchanan and Dean Dunkan Said Should they charge 1/8 or A full There? Some on Drays Creek Canal gat

Glood water and Some don't, 50 Jerry Jeager Explaned now some other usignation association. do the charging. Some discussion was don on

the metter for Dunham made a notion,

The Board of Drays Creek Conal asse. (Jen

Bushanan, Dean Dunham, Loven Brest Scarried

The motun.

M sloolm Huy talked about cleaning the Laturel dutales on sel persons property and how it is each persons duty to clean there own ditch. Marien Ogle said where the water comes out of the sever it become LCD. As water and They I hould take care of the ditches, Ron Dunhum Saw a S.C.D.A. then siable for Bridges and all other materines? Him Buchanan wondered was there a legal presidence refer to appending . Juny George Faid it was spilled out very clearly in appendif &. Dem hager said when prestons over the Doord has the right to him a

Water moester. He said Lateral \$2-905 weers. Little Weiser River Assignation Diter Co. stepts to getting water when you don't get your fair share. But LWRIDCo. Can't help well a water master.

Ren Dunken said what is the Interal dital, please Establish the meaning. Dave Vesella said Usion River is mot a Lateral dital, 42-908 says and 3 persons drawing of of one Lateral can him Their our water master. Yeary Jeager said it want work, Because the manager has otherity over the Lateral he must put in whire on all ditakes.

Discussion on why downed a ditch master, and material on the ditch, and continuous water flow nothing was settled.

Dean Deenham talked about splitting the ditch and putting in a weir on the top. Marion Ogle said the ditch is & CCauc's and they are susponsable for her ditch. Delbert Ogle and Morron Lon't like the facts. Dean Dunham said we need to get a ditch moster.

The next dry at the cost of 300 an hour. Fin Dunham wants to associal someon to make sure Ogies get their water. People seemed to think for Otigpich would be a reat for that for Ran wanted to appoint him and compensate him as he has that on some thing. I have the tacker about putting weeks on all the disher. Dand Develle made a motion to hime a lawyer motion was carried by the Board. A warning to the Board the least family Trust would persure a dutch master, Dean Dunhan said he already said there would be a water master, Talked about having the Books audited. Morion lyle asked when was the last timy they had bun done. Bon Dunham said there was how tax money in valid so we could have an intermal audit of the Books. Board approved internal audit.

Motion was made by Jum Buchanan
To Elect advan R. Hust Debutage & Treasurer
Jou Grays Creek Canal Association motion
Carried, Board members Jum Buchanan, Dean
Dumham, and I view Brest all 5 aid year. Meeting
adjourned.

Sicretary Palean Affect

05-08-12 10:03 am Drays Creek Canal Association Meeting Muturg called to order by frem Buchanan President. Received Bills topay. Moffatt 1800 sloopay Fire Department 20 Les soom for 84-16-2012 meeting, Jun B. Sugned cheeks to pay billo. Descussion of all the papers the Low yer meded us to send them. Board sugned the aggrement for the Charges whwill pay for the lawyers services. Discussion on ditch moster Turna advan Hust got U.S. Bank manan ger fanet Mayer to audit who Books all the way back to 2005. At me cost to 6CC assoc. Descuesed when ditch would be turned on, no date just very soon. Discussed Legg Family Trust Marion Ogle) acres (how many 137 + 136) and ditch master. Dital master for Kretten and Grossen, Legg and Grossen Just thou Lateral would need a ditch master, Dary allred, Boo. Elias, Tom Grossen, and Legg all on the same ditch, The Ditch Master would be paid by the people on the See what they think.

the ditch that meded done

Talked about some maintance en

the meeting Juni B seconded
Meeting adjourned Dresent were President Tim Buchanan Vosen Brest Dean Dunham advant Hust Trees Tang

	I Joe Holmes have lived in Indian Valley
	all my life (51 pps). Our Family has maintained
	the Caylor ditch from divirsion \$5 since
	the mid 1950's. with no compensation from
	appy one else. I was also in charge of
**************************************	the Grays Creek ditch from 2004 - 2011
	duties included putting dam in the River
makes and groups, and associated as a sub-larger of the sub-larger	maintaining the Headgate and measuring
	device and cleaning the ditch to diversion
	Goe Holmo
	JOE HOUNG
	r n
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- Company of the state of the s	Approximation of the second contract of the s
) with $\mathcal A$ is the distribution and $\mathcal A(\mathcal C)$ is a local source of such that $\mathcal A(\mathcal C)$	
The experience of the second section (in the second section) is a second section (in the second section).	The state of the s
	<u> </u>

I, Malcolm Huey, purchased our Indian Valley ranch in 1969. In 1971 I was appointed in charge of the Grays Creek Ditch by Jim Cole. The duty required me to keep water in the ditch by putting a dam in the Little Weiser River to divert water into the Grays Creek Ditch, and to maintain the ditch — removing all obstructions and cleaning the ditch using zyline if necessary.

A new diversion for the Caylor Ditch (lateral 5) was constructed in what is now property owned by Victor Ward approximately one mile from the river.

The Grays Creek Ditch ended at the concrete splitter (map #13) on property currently owned by Ronald Dunham approximately 1 3/4 miles from the river. The concrete splitter (map #13) was in existence when I took charge of the ditch. The Grays Creek Ditch runs from the Little Weiser River to this splitter (map #13).

Several laterals serve the individual water users from the Grays Creek Ditch. I, as Ditch Master of the Grays Creek Ditch for approximately 33 years, did not maintain or supervise the water distribution on any of the individual laterals. The approximately 14 laterals each maintain their own ditches and settle their own disputes.

Funds were assessed by Scotti Yantis, secretary-treasurer, to maintain the Grays Creek Ditch and to pay for equipment to install the river dam. This assessment was not used for the maintainence or management of the individual laterals leading from the main ditch.

In June 2010 we sold our ranch and I no longer have an interest in this or any other irrigation system.

This information is provided to inform those interested how I operated the Grays Creek Ditch for approximately 33 years. I turned the duties over to Joe Holmes in 2004 with no formal organizational action, the same way I received the job.

May 3, 2012

Malcolm Huev

Molcoln Wheney

I, Ronald D. Dunham, moved to my current residence in Indian Valley, Idaho, in 1972. This statement is made to document what I know about the historic use of the Grays Creek Ditch.

It is the main lateral running from the Little Weiser River to the concrete splitter (map pt 13) located in the southeast corner of my property. Several sub-laterals are served by this main lateral known as the Grays Creek Ditch.

Each sub-lateral is operated and maintained by the individuals using water from that particular sub-lateral. The names used to identify the sub-laterals have changed through the years as the land owners have changed. An example is, what was once known as the Caylor Ditch is now commonly referred to as the Holmes Ditch, as the Holmes family owns the majority of the water and therefore does the majority of the maintenance on that sub-lateral ditch. Other sub-laterals are the Huey Ditch, the Orielle Lewis Ditch, the Indian Valley Village Ditch, and several other smaller ditches.

Funds were assessed to pay for the river dam and ditch maintenance from the Little Weiser

River to the splitter in Dunham's pasture (map pt 13). The sub-lateral ditch users were responsible

for their own headgates and ditch maintenance.

The ditch assessments have been kept to only what is absolutely necessary to meet current expenses. The only physical assets are the ditch with weir and the headgate at the river.

Ronald D. Dunham

May 4, 2012