

**WATER DISTRICT NO. 02 - MILNER TO MURPHY
2016 DRAFT RESOLUTIONS**

The water users of Water District 02 (Snake River from Milner Dam to Murphy Gage below Swan Falls Dam), meeting at the annual district meeting on Tuesday, January 12, 2016 at Mountain Home, Idaho, HEREBY ADOPT THE FOLLOWING RESOLUTIONS:

1. That the watermaster perform the duties as required by Chapter 6, Title 42, Idaho Code and in accordance with the duties described in the Final Order Creating Water District 02, signed by the Director of the Idaho Department of Water Resources (IDWR), July 10, 2012.
2. The Idaho Department of Water Resources be elected to provide the watermaster services for Water District 02 and that the Director of IDWR appoint Rob Whitney, an employee of IDWR, or other employees of IDWR as may be necessary, to serve as the watermaster for the ensuing fiscal year or as otherwise provided in Idaho Code §42-608.
3. Chris Alzola, be elected as Water District 02 secretary/treasurer, for the 2016 fiscal year and be compensated in the amount as approved in the 2016 annual budget. The duties of the secretary/treasurer for 2016 will be to prepare and collect annual assessments, maintain the Water District 02 checking account, approve expenses, oversee disbursement of Water District funds, and prepare and authorize a review of financial affairs of the district at the end of each fiscal year, in accordance with Idaho Code §42-619.
4. The budget for Water District 02 for the fiscal year 2016 beginning February 1, 2016 and ending on January 31, 2017, shall be \$102,650 as shown in the attached itemized budget sheet.
5. The Watermaster of Water District 02 is hereby authorized to collect the assessments of the Water District in accordance with Idaho Code § 42-618.
6. Given that the water district cost for administering water for many water users is greater than their normal assessments would be based upon their total water right, it is resolved that pursuant to Idaho Code § 42-612 (4) the watermaster of Water District 02 is authorized to assess a \$50 minimum charge for watermaster services for water users within his or her jurisdiction.
7. Whereas Idaho Code § 42-612 and 42-615 require that proposed water district budgets and annual assessments to individual right holders be prorated based upon the amount of water delivered or used by individual right holders during the past season or seasons (not to exceed five seasons) and, whereas records of water delivery currently do not exist for all diversions within the newly created Water District 02; it is therefore resolved that Water District 02 will use water right acres for all water use that is consumptive to the river within the district for 2016. This type of assessment structure shall be reviewed annually and voted on by the water users of the district.
8. In accordance with Idaho Code §42-605A, be it resolved that the Idaho Water Resource Board (IWRB), holding the Bell Rapids water rights in Water District 02 (2-7353 and 2-10205), a majority of which are rented by the US Bureau of Reclamation for flow augmentation purposes; and the Idaho Power Company (IPC), holding numerous non-consumptive hydropower water rights in Water District 02, both be assessed 15% each of the amount set forth in Resolution No. 4.

9. An advisory committee shall be elected to provide input to the watermaster and the Director of IDWR. Advisory committee seats for the 2016 year shall total 9. The number of advisory committee seats may be revised by adoption of resolutions at annual water district meetings. The advisory committee will meet as often as needed to address the structure, governance and operation of the district. A quorum shall be made up of a minimum of 6 advisory committee members. Decisions or recommendations of the advisory committee must be made with at least 66% of advisory members present in favor. The advisory committee is as follows:

Mark Henslee- Chairman
Jon Bowling
Mark Frost

Vic Conrad
Billy Wolfe
Mark Noble

Steve Tabet
Merrill Brown
(vacancy)

10. The elected chair of the Advisory Committee for Fiscal Year 2016 is Mark Henslee. The water users of Water District 02 hereby empower the elected chairman of the advisory committee created herein to do the following as approved by the committee:

Enter into a Memorandum of Understanding between Water District 02 and the Department of Water Resources for watermaster services

Enter into a service contract between Water District 02 and any qualified party, in exchange for monetary compensation, as necessary and as authorized by the adopted annual budget.

Authorize and schedule external financial reviews as needed.

11. The watermaster, working with the water district advisory committee, shall prepare a proposed budget prior to the annual meeting of the water users of Water District 02 in accordance with Idaho Code § 42-615, 42-612 and 42-605(A).
12. The advisory committee shall make available a copy of the recommended resolutions, including the recommended budget, at least 30 (days) days prior to the annual meeting by posting the copy on IDWR's website. Any proposed changes to the resolutions made prior to the annual meeting will be highlighted. This shall not preclude any member from proposing any new resolution or proposing changes to resolutions at the annual meeting.
13. Current year assessments shall be due to Water District 02 on or before April 1 of each year.
14. All payments for assessments not received by January 1 of the year following the billing date shall accrue penalties in the amount of 10% of the charge plus interest in the amount of 1% per month, as of the April 1 due date and as provided pursuant to Idaho Code Section 42-617. It is resolved that the Watermaster is authorized pursuant to Idaho Code Section 42-618, to withhold or suspend deliveries of water to any water user who has not paid their assessment charges by January 1 of the year following the billing date.
15. The annual Water District 02 meeting shall hereafter be held on the second Tuesday of January, of each year unless the Director of IDWR should find it necessary to change the meeting date or unless changed by resolution of the district at any annual meeting. The 2016 annual meeting date shall be January 10, 2017.
16. The watermaster and watermaster assistants are authorized as employees of IDWR under Idaho Code § 42-1701(5) to make reasonable entry on lands within the district, in accordance with IDWR policy, to carry out the duties of the watermaster as instructed by IDWR.

17. In the event that a vote by shares pursuant to Idaho Code § 42-605 (4), is requested during any annual meeting, a credentials committee will be assembled to determine the number of votes cast by individual water users. The credentials committee shall be comprised of the following parties:
- a. the current appointed Watermaster
 - b. an IDWR representative (other than any IDWR representative who may be appointed as watermaster)
 - c. the current appointed secretary/treasurer
18. The Advisory committee shall appoint three advisory members with signing authority to disperse water district funds with secretary/treasurer to be one of two required signatures.

2016 Recommended Budget

Expenses:

Watermaster	\$ 82,000.00	
Audit	\$ 750.00	
Treasurer	\$ 2,500.00	
2 equip. Site sets to have on hand @ \$3,500	\$ 7,000.00	
Syringa	\$ 8,400.00	(\$700 per month x 12 months)
Misc. Equipment to have on hand & supplies	<u>\$ 2,000.00</u>	
Total Expenses	\$ 102,650.00	

Water District No. 2
Balance Sheet
As of January 11, 2016

	<u>Jan 11, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
US Bank Checking	8,623.58
Total Checking/Savings	8,623.58
Accounts Receivable	
Accounts Receivable	943.12
Total Accounts Receivable	943.12
Total Current Assets	9,566.70
TOTAL ASSETS	9,566.70
LIABILITIES & EQUITY	0.00