



IDAHO WATER RESOURCE BOARD

MINUTES OF MEETING NO 10-06

Idaho Department of Water Resources

322 E. Front St. 6th Floor
Idaho Water Center, Boise Idaho
November 14, 2006

James E. Risch
Governor

Jerry R. Rigby
Chairman
Rexburg
At Large

Terry T. Uhling
Vice Chairman
Boise
District 2

Dick Wyatt
Secretary
Lewiston
District 1

Leonard Beck
Burley
District 3

Bob Graham
Bonners Ferry
At Large

L. Claude Storer
Idaho Falls
District 4

Gary M. Chamberlain
Challis
At Large

Lawrence 'Vic' Armacost
New Meadows
At Large

Chairman Rigby called meeting No. 10-06 of the Idaho Water Resource Board to order at 8:30 a.m.

Agenda Item No. 1, Roll Call

Board Members Attending

Jerry Rigby, Chairman
Dick Wyatt – Secretary
Vic Armacost
Claude Storer

Terry Uhling, Vice-Chairman
Bob Graham
Gary Chamberlain
Leonard Beck

Department of Water Resources Staff

Hal Anderson, Administrator
Brian Patton, Engineer
Mike Keckler, Public Info.
Neely Miller, Planner

Bill Graham, Bureau Chief
Patsy McGourty, Admin. Asst. II
Karl Dreher, Director
David Blew, Special Proj. Coord.

Guests

Kevin Lewis, Idaho Rivers United
Jim Tucker, Idaho Power Company
Ted Diehl, North Side Canal Co.
Jonathan Bartsch, CDR Assoc.
Linda Lemmon, TSWUA
Jonathan Parker, IWUA
Lynn Tominaga, IGWA

John Simpson, Barker, Rosholt
Rich Rigby, Bureau of Reclamation
Larry Pennington, North Side Canal
Diane Tate, CDR Assoc.
Jon Bowling, Idaho Power Co.
Gregory Kaslo, Idaho Trout Co.

Chairman Rigby asked if there were any changes to the agenda. There were none.

Agenda Item No. 2, Approval of Minutes 08-06

Mr. Chamberlain moved that the minutes for meeting 08-06 be approved. Mr. Wyatt seconded. All were in favor.

Agenda Item No. 3, Public Comment

Mr. Gregory Kaslo, Vice-President of Idaho Trout Company, addressed the Board. He stated that his group had met with CDR Associates for two hours. He discussed water usage by small companies in his area noting declines in water flow. He verified the shortages in the aquaculture industry and noted that these types of businesses were not eligible for the CREP Program. He discussed aquifer levels that were being used to represent stabilization in the models and the conjunctive management issues. Mr. Kaslo was in favor of a management plan for the ESPA.

Agenda Item No. 4, Dworshak Status Report

Mr. Patton stated that the Dworshak power plant has produced 130 million kilowatt hours of energy. The current budget cash flow status shows revenues in excess of expenses by \$48,767. An additional \$31,000 has been placed in the repair replacement fund. Mr. Patton answered Board members questions.

Agenda Item No. 5, IWRB Financial Program

a. Status Report

Mr. Patton stated the Board's available balances are as follows: Revolving Development Account - \$2,740,154; ESPA Sub account - \$1,791,622; and the Water Management Account - \$31,296 available for a total of \$3,897,072. The City of Hope is constructing their slow sand filter water treatment plant. The Lower Payette Diversion Dam Reconstruction is also underway.

b. Cub River Irrigation Co.

Cub River Irrigation Company is requesting their existing loan be increased from \$500,000 to \$1 million dollars. This project is in conjunction with the State of Utah who has agreed to increase their loan to cover the additional acreage. Mr. Patton noted that the Cub River Irrigation Company delivers irrigation water to about 27,000 acres in the Bear River Basin with one-fourth in Idaho and three-fourths in Utah. This project would put 6,626 acres under gravity-pressurized pipeline that comprises nearly all the Idaho acreage. Staff recommends the increase in this project subject to the conditions in the resolution. Mr. Patton introduced the Chairman of the Board, Mr. Gale Moser.

Mr. Moser outlined the project and answered Board members questions. He noted that the project would be completed next spring. The construction is preceding problem free. He thanked the Board for their support.

Mr. Chamberlain moved that the loan be made with a 21-year repayment term. Mr. Wyatt seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nayes.

c. W-Canal Update

Mr. David Blew, IDWR Special Projects Coordinator, updated the Board on this pilot recharge project. A review of existing literature on the Eastern Snake Plain has been completed. A report on soil samples taken at the site will be received shortly. Core drilling will be started as soon as the area dries out from the recent rain. After the permit for the injection well is received, static head hydraulic conductivity testing of the sub-surface hydrology will take place. Staff is negotiating with the North Side Canal Company on the Water Delivery Agreement with completion expected by early 2007. An extension of the Option to Purchase Agreement was provided today for Chairman Rigby's signature. This additional time will be used to make decisions about the site before purchase. Another \$1500 is required for the delay to the property owner. Mr. Blew answered Board members questions.

d. CREP Update

Mr. Hal Anderson stated that David Blew and Brian Patton had been evaluating applications for this federally funded program. Mr. Blew noted the breakdown provided to the Board of applications received from qualified counties as of November 1, 2006. To date, 151 applications have been reviewed; 93 have been approved; 14 were ineligible and 44 were returned for revisions. A total of 11,666.9 acres have been approved. Approved acres by county include: Bingham – 5,128; Cassia – 2,581; Gooding 32; Jefferson/Clark – 372; Jerome – 609; Lincoln/Blaine – 594 and Minidoka – 348. Mr. Blew answered questions of Board members. There was general discussion about the program. Open enrollment continues to December 31, 2007.

e. ESPA Interim Measures

Mr. Anderson noted that in 2005 through HB 392 funds were allocated to the Board to resolve issues on the Eastern Snake Plain Aquifer. Staff has provided suggestions for projects and Mr. Blew outlined those to the Board. He stated that projects need to have preliminary work done and in place to go forward with recharge. The first project is Sugarloaf which was constructed using funds from the Legislature. Staff suggests that \$50,000 be used for engineering studies to solve problems at this site. The Millner-Gooding area and the Aberdeen Springfield Canal area are areas that staff recommends for selection studies, geo-technical investigations and project designs that would cost approximately \$150,000 each. The studies would be similar to what is being done on the W-Canal. With this preliminary work completed, the projects could go forward at a faster pace.

Mr. Uhling moved that the resolution authorizing ESPA Interim Measures be approved. Mr. Armacost seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nays.

f. Twin Lakes Canal Company Dam Update

Mr. Anderson stated that map information was provided to the Board today in addition to an update on this proposed dam project. Mr. Patton suggested the item be delayed until Mr. Clair Bosen the Chairman of the Twin Lakes Canal Company had arrived to address the Board. Later when Mr. Bosen arrived, he outlined the proposed dam construction. The FERC Application has been submitted. The project has caused controversy in the area. Roughly \$90,000 of the \$100,000 loan from the Board has been spent on a feasibility study. The purpose of the dam is to store water in Idaho before it flows out into Utah. The water source for storage is Bear River water that would be exchanged with water from Mink Creek. They have four reservoirs on the system: Foster, Winder and the Twin Lakes. The reservoir on the Bear River would cover land owned by Rocky Mountain Power and the Bureau of Land Management.

There are two reasons for building the dam: 1) for additional storage; and 2) the funds it would generate from hydropower would be used to convert the Twin Lakes canal system into a gravity system. The dam would double the capacity of irrigated acres for the canal company. Indian Tribes in the area are in favor of the project. Mr. Bosen's company has offered to reconnect Mink Creek for Bonneville Cutthroat Trout restoration. Mr. Bosen answered questions from Board members about the controversy in Franklin County. He noted that the feasibility study should be finished in the next three months and a copy will be furnished to the Board.

Agenda Item No. 6, Planning Status Report

a. ESPA

Mr. Anderson introduced Mr. Bill Graham to provide the status report. Mr. Graham stated that CDR Associates would be providing a presentation to the Board of the status of the framework for the Comprehensive Management Plan. He introduced Jonathan Bartsch from CDR Associates.

Mr. Bartsch summarized discussions from the work session and the process for moving forward. After considering public comments at the October meetings, ideas have emerged for the framework. Further discussions on these ideas need to take place with smaller working groups made up of stakeholders. Topics include recharge, CREP and refining management goals and objectives. These groups would have a problem solving focus. There would be public notice of these meetings in newspapers and on the web site. Proposed dates are December 4, 13, 14, 18 and 19. Agendas would be developed with different stakeholders. The process is turning from discussing the problem to developing the solutions. CDR will identify areas of agreement and disagreement and develop options to solve issues.

Chairman Rigby asked Board members their ideas about the dates. There was discussion about conflicts and locations for the meetings. The decision was made to have the December 4th meeting in Twin Falls, the 13th or 14th meeting in Burley and the 18th or 19th meeting in Pocatello.

Mr. Bartsch answered Board members' questions. He agreed to provide an outline of the process to Board members next week. After the working groups meetings in December, management alternatives, goals and objectives along with funding strategies will be summarized for the Board at a telephonic meeting in December and the framework draft will be taken out to public meetings in January. The actual framework will be submitted to the Legislature in February. Mr. Bartsch stated that building a momentum was a goal of the process at this point.

Representative Stevenson suggested that the framework plan be submitted to the Legislature by early February at the latest to accommodate the budget setting process.

Chairman Rigby called for a short break and then the meeting resumed.

b. Upper Salmon

Mr. Graham discussed the interagency work group that addresses the installation of diversions and head gates on Federal land. The group brings all parties together to create a process to meet the requirements of the Wild and Scenic Rivers Act Settlement Agreement, the Endangered Species Act and the NEPA regulations. Work will begin in the Stanley Basin. Mary McGown is organizing a meeting in Water District 74 for presentations by Ron Shurtliff, the Payette Watermaster on automation of the diversion system. Mary is also making an inventory of Upper Salmon projects. The ratification of the Nez Perce Agreement is up coming. Mr. Chamberlain asked the department to extend their offer of providing a watermaster from 2005 to 2006 to 2006 through 2007 since little progress has been made this year.

c. Lower Boise

The Green Lidar Project has been delayed until December due to hurricane season which ends November 30. The US Army Corps of Engineers is having tabletop exercises for the Lower Boise on November 15, 2006. Mary McGown, Zena Cook and Sandy Thiel have created a poster on cultural/suburban irrigation for the IWRRRI Symposia that is scheduled for November 28th.

Zena Cook, the Planning Economist, is retiring effective November 16, 2006. Mr. Graham noted his official last day is January 16, 2007. Chairman Rigby thanked him for his good service.

Agenda Item No. 7. Water Transactions

Mr. Graham stated that Mr. LeMoyné had completed appraisals on four properties in the Lemhi Basin based on agreements not to divert. Meetings will be held with the four ranchers in early December and the appraisals will be presented to them at that time. The estimated value for 17.5 cfs is in the neighborhood of \$1.4 million. Mr. Graham said they would like to appraise the Stokes ranch since it is currently being sold.

Staff are working in the Upper Salmon with the Watershed Project Tech Team on two projects: 1) connecting Big Timber Creek to the Lemhi, a key fish spawning area; and 2) improving fish passage on the Pahsimeroi River.

Mr. Graham presented a resolution to authorize the Chairman to enter into Water Rental Agreements on behalf of the Board.

Mr. Chamberlain moved the water transaction resolution be approved. Mr. Uhling seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nays.

Mr. Graham added that Morgan Case would be presenting the Idaho Water Transactions Program at the IWRRRI Symposia on November 28th and 29th.

Agenda Item No. 8, Director's Report

Director Karl Dreher addressed the Board. He noted that deadlines are looming in the SRBA and staff is working overtime to get it done. The department is preparing to initiate the adjudication in Northern Idaho with computer programming for online payment of claims. Director Dreher discussed Judge Woods' Decision on the unconstitutionality of the conjunctive management rules. He pointed out a Law Review article by Doug Grant that discusses the principle of priority in time that is the main issue of the current litigation before the Idaho Supreme Court.

The Director discussed the current retirements in planning and asked the Board members to provide input on directions for planning efforts of the department. He asked them to submit in writing or to call him with their ideas. One change he wanted to make was a greater study of climate change and its effect on Idaho's water. He would like to have a technical study done water shed by water shed with the effects on energy resources. The Director presented facts that he has learned about projected climate changes. The Director would also like a greater study of the hydro-geologic characterization of the water supplies in the Boise foothills. Large developments are proposed and it is not clear where the water will come from. According to the Director, developers and county officials need education on the water supply situation. The water permitting process should be the first step in the process instead of the last.

The Director discussed the political transfer in the Governor's Office. He also informed the Board about an effort in the Legislature to move the Energy Division from water resources to the Department of Commerce. This would have a negative impact on the department's budget. The Director provided information to legislative representatives about the energy water connection that is becoming more and more important each year in the West. There was further discussion on hydro and ground water energy needs in the State. The Director answered questions from the Board about the effort to remove the Energy Division from the Department. There was discussion regarding the impacts this would have on the department. Mr. Tominaga commented that he had served on a legislative sub-committee that had discussed the need for more visibility of the Energy Division and recommended the move.

Mr. Armacost asked the Director when he would have input on the ESPA Comprehensive Management Plan draft. The Director responded that he would provide input when it is in a more final form before it goes to the Legislature.

Regarding the climate modeling, Mr. Bob Graham expressed dissatisfaction at the accuracy of the models being used. The Director responded that the value of models is in giving information about extreme conditions and that improves the ability to manage the outcomes. He noted that the University of Washington and NOAA in Boulder, Colorado have climate models that are predicting

important changes in their weather patterns for the future that will aid their planning efforts. The Board discussed future planning efforts and methods including techniques used by other states.

Agenda Item No. 9, Other Items Board Members May Wish to Present

Mr. Wyatt asked that the Board compose a letter of appreciation to Bill Graham to be signed by the Board president. Chairman Rigby requested that staff plan an event to honor Mr. Graham in the evening of the January work session. Mr. Beck asked if it was appropriate for citizens to contact Board members directly regarding the ESPA framework draft. Chairman Rigby said yes and to please encourage everyone to contact CDR directly to be a part of the working groups or to provide comments in writing or by phone to CDR.

The Director urged Chairman Rigby to get on the schedule for the legislative committees to present the final draft of the framework. Discussion followed on upcoming Board member appointments that will be expiring January 1, 2007.

The Director informed the Board that on December 9th he would be conducting a hearing in Rexburg on the formation of Water District 100.

Agenda Item No. 10, Next Meeting

Discussion followed on proposed meeting dates for 2007. The Board set the dates for the next year to January 22, 23; March 8, 9; May 17, 18; July 12, 13; Sept. 6, 7 and Nov. 27, 28.

Agenda Item No. 11 Adjourn

Mr. Chamberlain moved to adjourn the meeting. Mr. Wyatt seconded and all were in favor.

Dated this day 23rd of Jan 2007.



D. Richard Wyatt, Secretary


Patsy McGourty, Administrative Assistant II

Board Actions:

1. Mr. Chamberlain moved that the loan be made to the Cub River Irrigation Company with a 21-year repayment term. Mr. Wyatt seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nays.

2. Mr. Uhling moved that the resolution authorizing ESPA Interim Measures be approved. Mr. Armacost seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nays.

3. Mr. Chamberlain moved the water transaction resolution be approved. Mr. Uhling seconded.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer, Aye; Mr. Beck, Aye; Mr. Chamberlain, Aye; Mr. Graham, Aye; Mr. Uhling, Aye; and Chairman Rigby, Aye. 8 Ayes, 0 Nays.