



IDAHO WATER RESOURCE BOARD

MINUTES OF MEETING NO. 08-08

L. "Butch" Otter
Governor

Red Lion Canyon Springs
Twin Falls, Idaho
May 9, 2008

Jerry R. Rigby
Chairman
Rexburg
At Large

Chairman Rigby called meeting 08-08 to order at 8:30 a.m. and requested roll call.

Terry T. Uhling
Vice Chairman
Boise
District 2

Agenda Item No. 1, Roll Call

Board Members

Bob Graham
Secretary
Bonners Ferry
At Large

Jerry Rigby, Chairman
Vic Armacost
Claude Storer
Bob Graham

Leonard Beck
Gary Chamberlain
Chuck Cuddy
Terry Uhling, absent

**Charles "Chuck"
Cuddy**
Orofino
District 1

Staff Members Attending

Leonard Beck
Burley
District 3

Hal Anderson, Administrator
Patsy McGourty, Admin. Asst. II
Helen Harrington, Section Mgr.

Brian Patton, Bureau Chief
Bob McLaughlin, PIO
Dave Tuthill, Director

L. Claude Storer
Idaho Falls
District 4

Guests

**Gary M.
Chamberlain**
Challis
At Large

Kevin Lewis, Idaho Rivers United
Linda Lemmon, TSWUA/IAA
Shelly Davis, Barker Rosholt
Clen Atchley, NF Canal System
John J. Williams, BPA
David Blew, Idaho Power
Ted Diehl, Northside Canal Co.
Norm Semanko, IWUA
Sharon Block, State Legislature
Lynn Tominaga, IGWA
Bob Muffley, MSRWRC

Peter Anderson, Trout Unlimited
Mathew Yost, SRFA
Kraig Bara, Jefferson Irrigation
Jim Wrigley, Wells Fargo
Julie Conrad, Milner Irrigation
Lynn Harmon, AFRD2/BWCC
Billy Thompson, Minidoka
John Chatburn, Governor's Office
Bill Block, JUB Engineers
Brian Ohmstead, TFCC
Jim Tucker, Idaho Power

**Lawrence "Vic"
Armacost**
New Meadows
At Large

Chairman Rigby thanked everyone for their attendance at the Pristine Springs Tour yesterday.

Agenda Item No. 2, Agenda and Approval of Minutes

Mr. Anderson stated that agenda Item 8. Director's Report be moved up to Item No. 6 to enable Mr. Graham and Mr. Tuthill to get back to Boise to catch a plane. Also, a new resolution for Pristine Springs was added under 5f. Mr. Armacost asked to discuss old business under Item 9 and it will be included in future Board books as a tabbed section.

Mr. Chamberlain moved that the minutes for meetings 02-08, 03-08, 04-08 and 05-08 be approved. Mr. Storer seconded. The Chairman called for a voice vote and all were in favor. Motion passed.

Agenda Item No. 3, Public Comment

Chairman Rigby invited the public to address the Board.

Mr. Norm Semanko was the first speaker. He discussed the legislative session. He noted that a new biological opinion was available for the Upper Snake and he discussed the details. Then Mr. Semanko discussed new bills in Congress including the Wild and Scenic Bill called the Headwaters Act that includes the areas of Jackson and Palisades Lake. He went on to discuss the details of this legislation and work being done by Idaho representatives to address the issues. Mr. Semanko stated that the Idaho Water Users Association has the law seminar scheduled for June 16-17 in Sun Valley. Board members will be discussing the State Water Plan along with panels on delivery calls and water storage.

Chairman Rigby thanked the Water Users and Norm Semanko for all their hard work on water issues in the state. Mr. Semanko answered some questions for Board members about canal issues. There was discussion about aging infrastructure and the solutions to the problem.

Mr. John Williams, Bonneville Power Administration, addressed the Board and discussed three items. First, BPA had to use 2007 methodology for the Residential Exchange Program to determine over payments for this year. Money has been refunded to public customers and qualifying companies. After 2009, the methodology will be changed. Next, Mr. Williams discussed the buyout/MOA regarding a pending court case. BPA is working with the tribes and the states to reach an agreement to gain certainty to establish future electrical rates. Several states have already signed. The third topic was the Columbia River Treaty with Canada. Mr. Williams noted that this treaty allowed three storage dams in Canada and the Libby Dam in Montana to regulate flood control. Canada shares in the generation of power profits with BPA. The treaty is due to be renewed in 2024 and the process to change the treaty takes ten years.

Chairman Rigby thanked Mr. Williams for his remarks. Mr. Williams answered Board members' questions. There was no further public comment.

Agenda Item No. 4, Dworshak Status Report

Mr. Patton noted that the Pristine Springs Hydropower Plants would have reports similar to Dworshak in the future.

He presented the Dworshak status report noting that since coming on line the Dworshak hydropower project had provided 155 million kWh of power sold to the Bonneville Power Administration. In January the energy sales rate increased from 3% to 4.92 cents per kWh. To date during this fiscal year the power plant produced \$110,000 income over and above expenses deposited into the Revolving Development Account with \$70,000 deposited into the Repair/Replacement Account. Mr. Patton offered a monthly breakout of income and expenses and a chart of monthly power generation in graph form.

Agenda Item No. 5, IWRB Financial Program

a. Status Report

Mr. Patton presented the financial report with an updated page 5-a-1 that accounts for the expenditure of money for the Pristine Springs Project and the allocation of money for the FMC Project. As of May 1, 2008 \$347,000 of Board funds are available for projects. About \$13.5 million are committed to loans approved and there is just under \$10.4 million in loan principle outstanding. The Pristine Springs cash flows will be in the new sub-account which now shows a zero balance. Rent payments and hydropower revenues will go into the sub-account. Also, a repair and replacement fund will be started. \$10 million for the Pristine Springs purchase has been expended to the groundwater districts and will be converted to a loan contract with principle outstanding.

The Revolving Development Account main fund balance of \$306,498 is based on monies coming in. The requests for loans today can be met through a staggered payout schedule.

b. Loan Requests

Jefferson Irrigation Company

Chairman Rigby excused himself since he had a conflict of interest and turned the meeting over to Secretary Graham. Mr. Patton presented the Jefferson Irrigation Company loan request for \$81,000. The Board has assisted with several prior projects and they have an outstanding loan balance and their payments have been made on time. The current request is for a replacement irrigation well. Staff recommends approval of the request. Mr. Patton introduced Kraig Bara from the Jefferson Irrigation Company.

Mr. Bara stood for Board questions about the request. Mr. Armacost asked staff what the repayment would be and the response was ten years. Mr. Beck asked if this was the deepest well. Mr. Bara responded that there are two deeper. Mr. Beck asked what the next level would be and Mr. Bara responded 150 feet. This well is currently about 70 feet. Some of the shallow wells go dry at the end of the summer. Mr. Chamberlain asked if some of the junior users had contributed to the lack

of water and if Jefferson Irrigation had considered taking junior uses to task for infringing on their right. Mr. Bara said they had thought about it but some of those people are their neighbors. Mr. Chamberlain noted that there is a finite water source and there is going to come a point when drilling and pumping becomes too expensive. Senior water rights will need to be honored. Mr. Bara noted that costs of pumping are going up this year.

Mr. Chamberlain moved that the loan to Jefferson Irrigation Company for \$81,000 at 5.5% for a 10-year term be approved. Mr. Storer seconded. Secretary Graham called for a roll call vote.

Roll call vote:

Mr. Cuddy, aye; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck, aye; Mr. Chamberlain, aye; Mr. Graham, aye; Mr. Uhling, absent; Chairman Rigby, abstain. Motion passed. 6 ayes, 1 absent, 1 abstention.

Secretary Graham asked Mr. Anderson if Mr. Wrigley from Wells Fargo Bank would make a presentation about funding loans. Mr. Anderson stated that if the Board approves the Marysville request, the Board will not be able to loan for about six months.

Secretary Graham noted that in addition to the Marysville request there are four additional requests and three are from associations that have a more difficult time getting funding. The Sourdough project is in trouble and needs additional money. Mr. Graham suggested that the Board have a policy to go through large loan requests more thoroughly before they are presented. Mr. Wrigley was introduced to discuss the Board's options.

Mr. Wrigley addressed the Board about different financing options. He stated that the Board might have three alternatives. The Board has great access to capitol markets and there is a history and knowledge to use that avenue. The first alternative is leveraging assets like the revolving development fund and the water management fund. Assets can be sold to a factoring agent and payments are made. This would probably be a last resort. The second option is to leverage the interest from the revenue streams from monies coming in from accounts and hydro facilities to make more loans. This might be used as a secondary credit source. The third alternative was used in the past and is known as the mirror bond concept. The Board can provide a function for other organizations by selling a bond to a bank similar to the Pristine Springs Project. The Board could put smaller loans together for presentation to a bank.

Mr. Wrigley discussed interest rates on bonds. He noted that associations have no bankable credits but they can form Local Improvement Districts to become a public entity and then they can borrow at tax exempt interest rates. On Monday Mr. Wrigley will meet with Mr. Anderson and Mr. Patton to discuss these options and will provide the Board with information.

Mr. Chamberlain asked about leveraging public funds to loan to private companies. Mr. Wrigley said that would be the intention.

Marysville Irrigation Company

Mr. Patton presented the Marysville loan request for \$1.1 million for Phase 2 of the project to convert open canals to gravity-pressurized pipelines. Phase 2 will cover 3730 acres near Ashton. The NRCS estimates the total cost at \$3,813,400 including their 50% cost share. There is some concern about reduced aquifer recharge to the ESPA; however, this water table has very little interaction with the main ESPA. Instead it goes into the Henry's Fork. Staff recommends this project be paid out in increments based on revenue streams from Board incomes through the Revolving Development Account. If the entire amount is loaned up front, the Board will be unable to make loans for about six months.

Secretary Graham asked about the complications with the Sourdough Project. Mr. Patton stated that the Board loaned about \$400,000 a year ago for a pumping and treatment plant near Pend Oreille Lake. The cost estimate was low and there were engineering errors. Because of this they have had to change engineering firms with increased costs to \$750,000. They are aware that the Board may not be able to loan more funds. Secretary Graham asked what their course of action would be. Mr. Patton stated that they could construct phases of the program without DEQ enforcement action until they could finish the project. Mr. Patton noted that this is a subdivision from the 1960's that has recently boomed.

Mr. Anderson stated that the resolution in the book is for \$1 million from the Revolving Development Account. Any other option would require another resolution. Secretary Graham asked if the Board considered leveraging options, would there be other options. Mr. Anderson said another option would be not to take any action until after the meeting with Mr. Wrigley. The Board could convene in a conference call to decide the Marysville loan request. There was discussion about how to proceed. A representative from Marysville was introduced to address the Board.

Mr. Clen Atchley addressed the Board. He stated that Phase 1 is nearly completed at a cost of \$1.2 million with seven miles of pipe. The Board is invited on June 28 for the opening celebration. Phase 2 bids will go out around the 10th or 15th of June with estimated costs from the NRCS of \$3,813,400. Phase 2 covers 3730 acres and will save 20,000 acre feet of water. Most years water has to be rented. Phase 3 is being planned now. Marysville wants to remove a structure on Fall River that is impeding fish passage. This will reduce costs of future phases. Secretary Graham asked if a delay in the loan approval would cause a problem with NRCS. Mr. Atchley stated that as long as the loan would be approved there should be no problem. However, it might cause a problem with the contractor because once the pipe is delivered, it must be paid for. Secretary Graham asked if payments could be made incrementally without causing problems. Mr. Atchley said that the staff's suggestion would be acceptable at \$200,000 per month.

Mr. Chamberlain moved that the resolution for a \$1,000,000 loan to Marysville Irrigation Company at 5.5% interest for a 15 year repayment be approved. Mr. Storer seconded. Secretary Graham called for further discussion. Mr. Patton answered other questions about funding. He stated that other loan applicants were aware that the Board might not be able to loan to them until fall. Secretary Graham thought the Board should hold off until Mr. Wrigley and staff had a chance to meet. Mr. Chamberlain stated that bids will be going out and Marysville Irrigation needs to have a

loan commitment in order to send out those bids. Mr. Armacost agreed that there wasn't extra time to consider this request. There was discussion about the bid process and timetable.

There was further discussion about the NRCS estimates and the time table. This is the best information available to represent the loan request. If there is a discrepancy between the actual bid costs and the loan amounts, the company would have to deal with that. They do not need to accept the bids. Mr. Atchley did not think the NRCS estimates would change very much. There was further discussion about the timetable for bidding. NRCS only needs to complete the written proposal with all the engineering. There was no further discussion. Secretary Graham called for a roll call vote.

Roll call vote:

Mr. Cuddy, no; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck; aye; Mr. Chamberlain, aye; Mr. Graham, no; Mr. Uhling, absent; Chairman Rigby, abstain. Motion passed. 4 ayes, 2 nays, 1 absent, 1 abstention. Motion passes.

Secretary Graham called for a short break.

After the break, Mr. Anderson introduced Mr. Patton.

c. Grant Request – Snake River Farmer's Assoc. – Swan Falls Guffey

Mr. Patton presented a grant request for \$50 to \$100,000 to conduct a study to raise the existing Swan Falls dam or to rebuild at the Guffey site. Because the Board has not been giving grants, staff takes no position on this request.

Mr. Matt Yost addressed the Board and stood for Board questions. He stated that he had had conversations with Idaho Power, environmental groups and will present to the Idaho Water Users Association soon. Chairman Rigby stated that the Board discussed this yesterday at the work session. There is quite a history on the Swan Falls-Guffey project already. Chairman Rigby felt it was important to look at this site for more storage. The Board will create a new sub-committee for storage to create priorities. The request for a grant at this time is premature until those priorities are made; however, he encouraged Mr. Yost to continue his support of this project. Idaho Power has agreed to provide any studies done this far and the department will provide any information developed so far to create an inventory of what has already been done. Staff have a methodology for basin planning. The Board expressed appreciation for Mr. Yost's interest.

Mr. Yost agreed that there are a lot of questions about the project and he agreed that creating an inventory was a good place to begin. Chairman Rigby added that finding out what has already been done is the first step. He asked for Mr. Yost's patience. Mr. Graham stated that the Board does need to get involved.

Director Tuthill stated that as he looks at the projects around the state this is one that is growing in interest and it is because of Mr. Yost promoting the idea. He committed the department's involvement in studying the potential for this project. Mr. Yost volunteered to work with the Department on the project. He asked about the Board's granting process. Chairman Rigby responded

that although the Board can make grants they ceased making them some time ago. Mr. Semanko noted that Mr. Yost will be presenting to the Idaho Water Users in July about this project idea. He stated that now is the time for the Water Board to change from preserving dam sites to actually building new storage. IWUA is interested in this project and supports additional storage. Mr. Yost asked how he should proceed in the future. Chairman Rigby responded that he could stay in touch with Mr. Patton and the new sub-committee for storage.

d. CREP Update

Mr. Patton presented the Conservation Reserve Enhancement Program status report. Staff has reviewed 43,734 acres for enrollment. 256 contracts have been approved for 31,945 acres. 56 contracts have been returned for revisions with 23 contracts at 2674 acres determined ineligible. Since January 1, 2008 632 acres have been withdrawn and contracts bought out due to the high prices of commodities. The new Farm Bill in Congress will probably contain extensions for this program. Mr. Patton stated that the Legislature appropriated \$3 million and there is \$2.4 million remaining for this program. Chairman Rigby asked if this money could be moved into the loan program and Mr. Patton noted that it was earmarked for CREP. Mr. Anderson asked the Director if the Interim Legislative Committee was meeting this summer and could discuss this topic. This money could also be used to implement CAMP alternatives.

Mr. Graham asked about the CREP buyouts and Mr. Patton responded that the farmer has to repay the CREP money plus interest if they decide to opt out of the program. These buyouts will probably cease in another year. Mr. Chamberlain asked about state money given to these farmers and Mr. Patton responded that this money is issued through the groundwater districts and they have to repay the Board for money borrowed. The groundwater districts are aware of these buyouts.

Chairman Rigby supported the idea of getting this issue on the agenda for the Interim Legislative Committee. Mr. Chamberlain thought the money should be used for the Snake River Plain. Mr. Anderson stated he would work with the Director and the Interim Committee.

e. Recharge Activities

Mr. Patton presented the recharge activities update. The Board allocated \$150,000 for costs associated with early spring recharge through canal systems infiltration. Request for Proposals was issued and agreements have been created; however, watermasters have determined that the Board's water right will not come into priority this year. The funds will carry over to next year.

Mr. Patton noted that the W Canal Company Project is proceeding on schedule. The North Side Canal Company installed a temporary head gate. Staff are creating a long term lease before construction begins. A pilot injection well system will be in place by late June or early July.

f. Pristine Springs

Mr. Anderson stated the Board now owns the facility although there are several financial transactions to complete. Both Twin Falls City and the groundwater districts need judicial confirmation to move forward. A resolution is before the Board today providing a funding

commitment to groundwater districts that would like to participate in the acquisition of water to mitigate junior uses. Included are the terms associated with the loan for the groundwater districts.

Mr. Chamberlain moved that the Pristine Springs resolution be adopted. Mr. Graham seconded. Chairman Rigby called for a roll call vote.

Roll call vote:

Mr. Cuddy, aye; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck, aye; Mr. Chamberlain, aye; Mr. Graham, aye; Mr. Uhling, absent; Chairman Rigby, aye. 7 ayes, 1 absent. Motion passed.

Agenda Item No. 6, Director's Report

Director Dave Tuthill presented a brief report. First, he discussed the water supply by showing a stream runoff forecast. He stated it is a good year in the panhandle and in the southern part of the state the percentages drop some as in the Salmon River Basin. There was discussion about Dworshak Reservoir and predicted water levels.

Director Tuthill discussed an article written by Don Easterbrook that predicts a cooling off period in the next decade. This theory is supported by NASA. A chart shows growing warmth; however, the next decade will actually be cooler for the next 25 to 30 years. This is the state's opportunity to build more storage.

The Surface Water Call Opinion was issued April 29th by Judge Schroeder according to the Director. The department is preparing Amended Order No. 8 to finalize the year 2007 and make predictions for 2008. It appears no mitigation plan will be required this year. Other calls are in various stages of the process. There is no acceptable mitigation Plan for the Snake River Farms call. The A and B call was denied in January and a hearing is set for December 8th. Through these calls the department is learning a lot more about conjunctive management.

Director Tuthill noted that MP3 audios are posted on the internet for the call hearings by Public Information Officer Bob McLaughlin. He encouraged the Board to put their recorded meetings on the website.

In regard to the next year's budget, only two positions were not restored by the Legislature. The agency was funded \$31 million including Board projects. North Idaho Adjudication is going forward with one basin removed by the Legislature since it is connected to Canada. On May 20 the Director will be meeting with officials of the Department of Justice in Washington, D.C. to start the process with the adjudication. The Director answered Board members' questions about the Federal process. This summer the adjudication process will begin in North Idaho.

The department is working with the Corps of Engineers on a Twin Springs Dam proposal. Other sites are being considered including the Teton Dam and the Minidoka Dam. The hearing officer said the ground water users need more storage water for long-term viability. The Legislature approved \$1.5 million for this study effort. The Director also discussed the Teton Dam study.

Agenda Item No. 7, Planning Activities

a. ESPA CAMP Draft Update

Mr. Anderson presented the ESPA Comprehensive Aquifer Management Plan Update from Jonathan Bartsch, CDR Associates. CAMP is moving ahead with a short amount of time for the Advisory Committee to formulate recommendations. Mr. Anderson welcomed Board members comments on the CAMP outline. Future meetings are set for May 29th in Pocatello and a June 19th meeting in Aberdeen. Staff are working on small, medium and large alternatives to recommend to the full CAMP meeting in Pocatello. These include adjustments to the water budget, recharge and conversions. Mr. Bartsch will be presenting at the Idaho Water Users meeting in July. He encouraged Board members to attend the CAMP meetings. Two sub-committees have been established for economic studies and environmental issues. Contractors are looking at incremental cost estimates for different adjustments. In the Environmental Sub-Committee the state planning model is being analyzed by staff and representatives from Idaho Power looking at outputs and linking models. Some information will be presented at the meeting in Pocatello.

Chairman Rigby stated that in the future potentially Jonathan Bartsch, CDR Associates, could be present at the Board meeting by teleconference. Mr. Anderson said it was very helpful to have the Board Chairman at the CAMP meeting. Mr. Anderson answered Board members' questions.

b. State Water Plan Update

Ms. Helen Harrington updated the Board on the State Water Plan revision process. The sub-committee has completed their initial review of all existing policies. A meeting is set for this afternoon and on the agenda is a presentation from the Idaho Ground Water Appropriators. The sub-committee will also look at the new format for the policies. A meeting is set in July following the Board meeting in Coeur d'Alene. Chairman Rigby asked about the timetable for a draft coming to the full Board. Mr. Chamberlain stated that after the CAMP process is complete a draft of the revised State Water Plan would come to the Board for consideration. Mr. Chamberlain also stated that different parties would be presenting at the sub-committee meetings.

Ms. Harrington noted that a completion date for the draft is targeted as March 31, 2009 to be taken before public meetings to develop the final plan. Chairman Rigby asked for ample opportunity for the full Board to review the revised plan before adoption is recommended. Ms. Harrington noted that past staff presentations need to be made to the full Board.

c. Minidoka-Teton Studies

Mr. Anderson stated that both of these studies are in cooperation with the Bureau of Reclamation. Staff are working on a Memorandum of Understanding for the Minidoka Dam feasibility study. Discussions are taking place with the bureau on the Teton Studies to define the study area for potential storage. The Bureau of Reclamation does not have as much money as the department had hoped to add to these studies. Chairman Rigby asked that this information be provided to the Board as soon as possible.

d. Aquifer Planning and Management Program

Ms. Harrington discussed the recently passed legislation providing for a statewide Comprehensive Aquifer Planning and Management effort. Twenty million dollars was funded by the Legislature for this new statute. \$2.7 million is available beginning July 1, 2008. Staff are working on how to approach this effort in view of the ongoing ESPA activities. The legal staff will be providing an opinion about the overlapping statutes and the direction staff should take. The first two basins are the Lower Boise and the Rathdrum Prairie. Lower Boise planning was started prior to 2003 and some work was done. The staff will provide a suggested approach and seek Board direction at the next meeting.

e. Middle Snake Comprehensive Plan Update

Ms. Harrington stated that a request had been received from the Middle Snake Regional Water Resource Commission requesting an update to the 1993 basin plan that covers the Snake River from Milner Dam to King Hill. The plan covered seven reaches in the river recognizing all the uses. Mr. Bob Muffley, a representative of the commission, was introduced to address the Board.

Mr. Muffley, the Executive Director, stated that his commission represents the counties of Gooding, Jerome, Cassia, Minidoka, Lincoln and Twin Falls for water quality and quantity. He noted that his commission worked closely with the department on the old plan. He discussed the history of the work that was done. A huge cleanup effort was undertaken. Many changes have happened since then. Mr. Muffley discussed new development on the Middle Snake since then and efforts being undertaken by the Department of Environmental Quality. Many other uses of the Middle Snake have necessitated a new plan for this reach of the river. He thanked the Board for their time and stood for Board questions.

Chairman Rigby stated that the Board prioritizes basin planning efforts. The Legislature has directed the Board to undertake basin planning when it is needed. The Chairman recognized Mr. Muffley's request. He suggested that perhaps after the Eastern Snake Plain Aquifer Management Plan is completed, the Middle Snake plan could be updated.

Agenda Item No. 8, Minimum Streamflow Program

Ms. Harrington informed Board members that the Board has five outstanding minimum stream flow applications for reaches under the Nez Perce Settlement Agreement. Partial decrees have been issued for these streams and the applications can now be withdrawn. These include Cayuse Creek, Little North Fork Clearwater River, Kelly Creek, North Fork Clearwater River, and the Salmon River. There is some difference in the decreed minimum flows set under the Nez Perce Settlement Agreement as compared to the Board's original application. Not much data is available. There was discussion about this issue.

Chairman Rigby asked if the legal staff had given any opinion about this issue. Ms. Harrington stated that staff would get information from the legal staff about withdrawing these applications before they decide to do it.

Agenda Item No. 9, Old Business

Mr. Armacost stated that there have been items that are brought up at previous meetings and then there are no resolutions of the issues. He wanted to see old business on the agenda to follow the resolutions of previous topics. Chairman Rigby agreed that there should be a tab in the Board meeting book to keep abreast of progress.

Agenda Item No. 10, Next Meeting and Adjournment

Mr. Anderson noted that the next meeting would be in Coeur d'Alene on July 17 and 18th at the Shiloh Inn. Also, staff will determine how to incorporate the well driller's comments for the next meeting.

Mr. Cuddy moved for adjournment and Mr. Chamberlain seconded. All were in favor.

Dated this _____ day of May, 2008.

Secretary

Patsy McGourty, Administrative Assistant II

Board Actions:

1. Mr. Chamberlain moved that the minutes for meetings 02-08, 03-08, 04-08 and 05-08 be approved. Mr. Storer seconded. The Chairman called for a voice vote and all were in favor. Motion passed.
2. Mr. Chamberlain moved that the loan to **Jefferson Irrigation Company** for \$81,000 at 5.5% for a 10-year term be approved. Mr. Storer seconded. Secretary Graham called for a roll call vote.

Roll call vote:

Mr. Cuddy, aye; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck; aye; Mr. Chamberlain, aye; Mr. Graham, aye; Mr. Uhling, absent; Chairman Rigby, abstain. Motion passed. 6 ayes, 1 absent, 1 abstention.

3. Mr. Chamberlain moved that the resolution for a \$1,000,000 loan to **Marysville Irrigation Company** at 5.5% interest for a 15 year repayment be approved. Mr. Storer seconded. Secretary Graham called for a roll call vote.

Roll call vote:

Mr. Cuddy, no; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck; aye; Mr. Chamberlain, aye; Mr. Graham, no; Mr. Uhling, absent; Chairman Rigby, abstain. Motion passed. 4 ayes, 2 nays, 1 absent, 1 abstention.

4. Mr. Chamberlain moved that the **Pristine Springs** resolution be adopted. Mr. Graham seconded. Chairman Rigby called for a roll call vote.

Roll call vote:

Mr. Cuddy, aye; Mr. Armacost, aye; Mr. Storer, aye; Mr. Beck; aye; Mr. Chamberlain, aye; Mr. Graham, aye; Mr. Uhling, absent; Chairman Rigby, aye. 7 ayes, 1 absent. Motion passed.