



IDAHO WATER RESOURCE BOARD

MINUTES OF MEETING NO. 6-09

C.L. "Butch" Otter
Governor

March 20, 2009
Boise, Idaho

Terry T. Uhling
Chairman
Boise
District 2

Chairman Uhling called meeting 6-09 to order at 8:30 a.m. and requested roll call.

Gary M. Chamberlain
Vice-Chairman
Challis
At Large

Agenda Item No. 1, Roll Call

Board Members Present

Terry Uhling, Chairman
Gary Chamberlain
Chuck Cuddy
Jerry Rigby

Vince Alberdi
Roger Chase
Bob Graham, absent
Leonard Beck

Bob Graham
Secretary
Bonners Ferry
At Large

Staff Members Present

Charles "Chuck" Cuddy
Orofino
District 1

Brian Patton, Bureau Chief
Helen Harrington, Section Manager
Patsy McGourty, Admin. Asst.
Sandra Thiel, Planner
Stephanie Painter, Planner
Aaron Marshall, Sr. Water Rts. Agt.

Hal Anderson, Administrator
Dave Tuthill, Director
Bill Quinn, Engineer
Bob McLaughlin, Public Information
Brian Ragan, IDWR

Leonard Beck
Burley
District 3

Guests Present

Roger W. Chase
Pocatello
District 4

Stephen Goodson, Governor's Off.
Peter Anderson, Trout Unlimited
Jon Bowling, Idaho Power
Ed Rose, Monument Ridge HOA

Lynn Tominaga, IGWA
John Williams, Bonneville Power Admin.
Pat McCoy, Capital Press

Vince Alberdi
Kimberly
At Large

Jerry R. Rigby
Rexburg
At Large

Agenda Item No. 2, Welcome New Members & Sub-Committee Assignments

Chairman Uhling welcomed new Board members, Roger Chase and Vince Alberdi.

Mr. Anderson read new committee assignments.

Aquifer Recharge – Jerry Rigby, Chairman, Roger Chase and Leonard Beck

Dworshak Small Hydroelectric – Chuck Cuddy, Chairman, Bob Graham

Indian Negotiations (Nez Perce & Shoshone Paiute) – Dissolved

Minimum Stream Flow

Salmon River, Big Wood & SW Idaho including Snake River below Milner Dam

Vince Alberdi, Chairman, Terry Uhling, Gary Chamberlain. Duties of this committee will also include Water Transactions.

Panhandle (Kootenai, Pend Oreille, Coeur d'Alene, Spokane & Clearwater) –

Bob Graham, Chairman, Gary Chamberlain, Chuck Cuddy

Upper Snake (above Milner Dam) and Bear River – Roger Chase, Chairman, Leonard Beck

Rathdrum Prairie Aquifer – Bob Graham, Chairman, Chuck Cuddy

Snake River Basin Adjudication – Terry Uhling, Chairman, Jerry Rigby

State Water Plan – Gary Chamberlain, Chairman, Vince Alberdi, Leonard Beck

Storage – Terry Uhling, Chairman, Chuck Cuddy, Leonard Beck, Bob Graham

Treasure Valley Aquifer – Terry Uhling, Chairman, Gary Chamberlain

Underground Injection Control (UIC) Rules (Inactive) – Bob Graham, Chairman, Terry Uhling, Gary Chamberlain

Water Supply Bank – Leonard Beck, Chairman, Gary Chamberlain, Roger Chase

Chairman Uhling asked for a motion. Mr. Chamberlain moved that the new sub-committee appointments be accepted; Jerry seconded. All were in favor.

Agenda Item No. 3, Agenda and Approval of Minutes

Mr. Anderson stated that there were no changes to the agenda. He noted that Minutes 1-09, 2-09 and 3-09 were before the Board for approval. Mr. Chamberlain requested the following changes:

1-09 – page 4, change Milner Hydro “projected” to Project and eliminate an extra “to” in the 3rd paragraph from the bottom.

2-09 – page 3, change the word “rises” in the third paragraph to increases and eliminate a “to” before 2.3% in the following sentence. In the second paragraph from the bottom change the word “preserved” to presented. And in the last paragraph change Mr. “Brian” to Mr. Patton. Page 6 in the second paragraph change the second sentence to read: “Approximately 4860 acre feet were recharged at 30 cfs.” Page 7 add the word “was” to the ninth paragraph. Page 9 in the fourth paragraph change the word “said to” to “who had expressed a desire to” and add “Jeff” to all the Mr. Rayboulds. Page 10 third paragraph from the bottom change “word from” to “statement.” Page 12 second paragraph last sentence add after “bank” “to alleviate their concern over forfeiture.” Page 13 second paragraph the sentence beginning “credit which was authorized (add by) the Water Resource Development Act...”

3-09 – page 7 second paragraph last line change “he” to “Mr. Wrigley.” Page 9 second paragraph under Agenda Item No. 3 last sentence switch the word “contribution” (should be participation) with participation (should be contribution) so the sentence reads ...”the word participation

be substituted for contribution....” Page 10 fourth paragraph last line the word “delivery” should be deliver.

Mr. Cuddy moved that minutes 1-09, 2-09 and 3-09 be approved as changed. Mr. Chamberlain seconded. All were in favor.

Mr. Anderson stated that he had received a call from Joe Jordan who was not at the dinner honoring Mr. Rigby the night before. Mr. Rigby noted that he had received a call from Mr. Graham expressing his regret at missing the dinner.

Agenda Item No. 4, Public Comment

Mr. John Williams, Bonneville Power Administration, addressed the Board giving an update on BPA’s financial situation and other items. He stated that BPA faces a \$300 million shortfall due to the economy and rising power purchase costs. BPA will need to purchase power in order to meet customer demand. Chairman Uhling asked if the shortfall was due to water storage and Mr. Williams responded that it was and also the cost of purchasing additional power. Secondary revenue forecasts help BPA to maintain the market. BPA will continue to guarantee memorandums of agreement with various entities. Mr. Williams stated that there will be internal cost cutting of 2% for BPA.

Mr. Williams stated that BPA received borrowing authority in the new federal stimulus package which has to be repaid with interest. These monies cannot be used for the shortfall. Mr. Williams answered questions from the Board.

Regarding the Biological Opinion or “Biop,” Mr. Williams stated that everything is going well. The State of Oregon questioned whether or not BPA is addressing the hydrosystem. He mentioned groups that are requesting the federal government to address the salmon problem in the Northwest. They want the fish program out of the BPA. Other groups are requesting that hydro plants and dams be removed from the rivers for the fish. Mr. Williams noted that hydropower is the cleanest power producing system and the northwest has the cleanest air because of it. Chairman Uhling asked about a report on coal based energy production. Mr. Williams agreed that the findings were unsettling and reviews of that data are in the works. Mr. Williams stated that the new Secretary of the Interior is very interested in pump storage. An example of pump storage would be a hydro project reservoir that pumps the water back up into a reserve pond that could then be stored and used later for power production. Mr. Williams stood for questions.

Agenda Item No. 5, IWRB Hydropower Status Report

Mr. Patton presented the Hydropower Status Report. The Dworshak plant produced 170 million kwh for sale to the Bonneville Power Administration. The two Pristine Springs plants continue to generate power that is sold under contract to Idaho Power Company.

Mr. Patton stated that at Dworshak in 2009 the kwh rate increased 3%. At the Pristine Springs plants the sales rate increased 2.3%. He stated that cash flow from Dworshak this fiscal year to date is

\$87,000 deposited into the Revolving Development Account. \$61,000 has been deposited into the Repair Replacement Account. The two Pristine Springs plants have generated just under \$55,000 deposited into the Repair/Replacement Funds. He also noted charts showing production from the plants.

Mr. Anderson added that about \$25,000 in rental funds from SeaPac are received every month and placed in the Repair/Replacement Funds now totaling \$277,278. Chairman Uhling asked for that to be noted in the accounting. Mr. Rigby asked how large this fund was going to get. Mr. Patton stated that discussions are underway about the future of the Pristine Springs property and the Board will make decisions in the future about the course to take. Mr. Anderson stated that a two-year lease agreement with SeaPac is in effect. SeaPac is interested in a longer lease but other uses of the property are being considered right now. Mr. Anderson added that another hydropower plant was considered for that property and staff are investigating that possibility right now. Chairman Uhling asked that greenhouse gas credits be considered in these projects.

Mr. Patton explained to new Board members that the Repair/Replacement fund is kept to cover the costs of future repairs. Anything left after repairs and debt service are deposited in the Revolving Development Account. Mr. Patton stood for questions.

Agenda Item No. 6, IWRB Financial Program

a. Status Report

Mr. Patton stated that as of March 1st the Board has \$825,538 available to loan or for other projects. \$12.3 million has been committed but not spent. The Board has \$21.1 million in outstanding loan principal. Mr. Patton explained the difference between the Revolving Development Account and the Water Management Account to the new Board members. Mr. Chase asked if any federal stimulus funds would come to the Board. Mr. Patton responded no, but funds will go to Division of Environmental Quality for safe drinking and wastewater projects. Chairman Uhling stated that the Board has various policies around the accounts to manage the funds. There was discussion about other funding issues and Mr. Patton responded to questions. Chairman Uhling requested some explanatory notes on the account balances for the next meeting.

Mr. Patton noted that the City of McCammon has repaid their \$42,000 loan. The Board has received \$330,876 from the Upper Snake Rental Pool (Water District 01) and \$91,369 from the Payette Basin Rental Pool (Water District 65). Mr. Patton stood for more questions.

b. Loan Requests

Monument Ridge Homeowners Assn.

Mr. Patton presented the request from the Monument Ridge Homeowners Assn for \$360,000 to rehabilitate its irrigation supply system. The association is located in Northern Ada County near Star. A study was conducted by SPF Engineering of the current well system which was built in the 1960's. They recommended a new well be constructed. Mr. Ed Rose, representing the association, addressed the Board. He described the properties and the current well system history. The new proposed plan will

improve distribution and energy usage for many years. He discussed the assessments to homeowners and the rates of repayment. He also discussed the association's ability to place liens on properties for unpaid assessments. Mr. Rose answered Board member's questions.

Mr. Chamberlain moved that a loan in the amount of \$360,000 at 6% interest for a 10-year term be approved. Mr. Rigby seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes; 1 Absent. Motion Passed.

Preston-Whitney Irrigation Co.

Mr. Patton stated that staff are recommending holding this application until the next meeting.

c. Restructuring Groundwater District Loan

Mr. Anderson stated that Home Federal has decided not to move forward to acquire the groundwater district loan. Mr. Wrigley wants to move ahead with negotiations with other prospective investors. Mr. Anderson asked for the Board's direction. Chairman Uhling responded that the Board is supportive of investigating other opportunities.

d. Aquifer Recharge Program Update

Mr. Quinn summarized the recharge activities. He stated that eight canal companies or irrigation districts are signed up to participate in recharge. Mr. Quinn had just spoken to American Falls Irrigation District #2. They have started recharge just this morning. Based on the capacity of the eight enrolled systems, the ESPA CAMP goals could be met. Chairman Uhling asked what the amount of recharge would be for this season. Mr. Quinn responded that based on the 2006 year which is similar to this year, approximately 36,000 acre-feet is expected.

Mr. Quinn reported that 4860 acre-feet was recharged at the Egin Bench project between October 3 and December 13. Fremont-Madison Irrigation District received \$14,580 for that water.

In regard to the W-Canal Project, staff have decided that this site is no longer being considered as a testing site and no proposals will be made to the Board. Mr. Chase asked for a brief synopsis of the W-Canal Project. Mr. Quinn explained the history of the project. He noted that abandonment procedures are beginning. There will be approximately \$10,000 to \$15,000 in expenses to close out the site. The North Side Canal Company is considering the site for their use. Mr. Quinn answered questions.

Mr. Anderson stated that staff have been issuing requests for proposals for recharge. The Board authorized \$150,000 for wheeling costs occurred for recharge. Staff have been receiving proposals from the canal and irrigation companies. The Director wants to encourage people to recharge, but the only money available are Board funds. Mr. Patton added that \$14,000 was spent at Egin Bench and this year

the remainder of the \$150,000 will likely be spent. There was further discussion about the cost effectiveness of recharge. Mr. Patton stated that staff are in discussions with Idaho Power about future recharge. Some Board members wanted staff to research which recharge areas provide the most benefit since funding is scarce. Chairman Uhling stated that if the Board stays with the bidding process, the market will set the price. Since there are limited resources, the best aquifer benefit will become more important. Mr. Patton stated that the CAMP recommendations are the target goal. Chairman Uhling asked if the ESPA sub account funds were available for recharge. Mr. Patton stated that \$136,000 is remaining for this year. There are no other funds available. There is \$387,000 remaining in the W Canal budget. There was further discussion about funding issues. Mr. Beck asked staff to create a graph of the different canal and irrigation companies to see the amount of recharge and the cost to the Board. Chairman Uhling asked for a quarterly or yearly visual report on recharge. Mr. Patton and Mr. Quinn agreed to create such a report for Board members.

Mr. Anderson stated that staff are following the ESPA CAMP Plan and the plan says where the projects should be. Staff are moving ahead, but the plan is not fully funded yet. In the next year, the Implementation Committee will be in place working on funding mechanisms and recharge plans. This discussion has been very helpful today to guide staff for the future on the Board's wishes. Chairman Uhling requested an executive summary of the CAMP goals, the current projects with benefits and costs. Mr. Chamberlain stated that as soon as the results can be verified more parties will want to become involved.

Chairman Uhling called for a short break. After the break, Mr. Anderson introduced Pat McCoy from the Capital Express who will soon be retiring. She addressed the Board and discussed her many years reporting on agriculture and water issues in Idaho.

e. Idaho Water Transactions Program

Mr. Anderson noted that the Water Transactions Program has been moved to the financial part of the Board meetings since it deals with funds. Ms. Harrington presented the Water Transactions Program Summary for new Board members. The basic philosophy of the program is to improve fish and wildlife habitat while respecting private property rights, the values of irrigated agriculture working with market strategies and taking a balanced approach. Funding comes from a variety of sources including the Bonneville Power Administration, NOAA and U.S. Fish and Wildlife. These funds support staff and the costs of transactions. She answered Board member's questions. The Water Transactions Program will come under the jurisdiction of the Minimum Streamflow Sub-committee for the Salmon River which will be meeting soon.

Fourth of July Creek

Ms. Harrington presented a request to the Board to pay \$26,338.80 over 20 years to William and Anne Vanderbilt to lease 2.97 cfs for a minimum stream flow on Fourth of July Creek tributary to the East Fork of the Salmon River to support ESA-listed steelhead and resident bull trout. A 10% surcharge of the total cost would go to the Idaho Water Supply Bank. A resolution is attached for Board approval. Funds will come from the Bonneville Power Administration through the Columbia Basin Water Transaction Program to the department.

Mr. Chamberlain moved to approve the resolution for a 20 year lease to the Vanderbilts at a cost of \$26,338.80. Mr. Chase seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes; 1 Absent. Motion Passed.

Lower Lemhi Permanent Transactions

Ms. Harrington requested guidance on whether to pursue funding opportunities for the Mark Olson Lemhi Permanent Easement. She explained that the state has committed to maintaining target flows of 25-35 cfs in the Lemhi River at the L-6 diversion for migrating Chinook salmon and steelhead. The Board has purchased 7 permanent conservation easements for a total of 13.97 cfs at a cost of \$1,201,420.00. The Pacific Coast Salmon Recovery Fund grant provided \$860,901.25 towards these purchases. These conservation easements restrict diversions when flows drop below the target rate. The Board has also purchased 3.56 cfs from the City of Salmon and 17.46 cfs from annual agreements not to divert in 2009. All these purchases have secured the target flows for the 2009 irrigation season.

At the January 2009 meeting the Board approved the pursuit of funding a lease agreement with Mark Olson for the 3.25 cfs. Mr. Olson is also interested in the sale of a permanent easement to restrict the diversion of up to 1.86 cfs. The Board would need to secure \$195,000 from funding sources.

Mr. Rigby discussed the early years of the program and the difficulty in making these purchases. Now, this program is very successful in obtaining cooperation from property owners. The Board agreed that staff should pursue this opportunity.

Morgan Creek

Ms. Harrington presented a request for five-year agreements not to divert from Morgan Creek. This drainage is important for the spawning, migration and rearing of ESA-listed steelhead, bull trout and supports the rearing of juvenile Chinook salmon. The Morgan Creek water users will be compensated only when they are required to pump to maintain the 2 cfs minimum flow. The parties, Jones and Hughes, will enter into contracts for \$9747.21 and \$24,865.34 respectively. The total cost is \$34,612.55 as stated in the resolution.

Mr. Chamberlain moved that the resolution authorizing the expenditure of \$34,612.55 for agreements not to divert from Morgan Creek be approved. Mr. Rigby seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes; 1 Absent. Motion Passed.

Agenda Item No. 7, Planning Activities

a. ESPA CAMP Plan

Mr. Anderson updated the Board on the progress of the plan in the Legislature. Legislation has been drafted. Some revisions are being considered. The House Resource Committee may introduce legislation to adopt the plan next week.

b. AWEP

Mr. Patton stated that the 2008 Farm Bill established the Agricultural Water Enhancement Program under the Department of Interior's Natural Resources Conservation Service (NRCS). The goals of the program are to promote conservation of water resources and improvement of water quality. \$58 million is expected to be available in each of the next five years. Applications were accepted until March 2, 2009. Staff did file an application on behalf of the Board. The request is for implementing certain ESPA CAMP actions such as small-scale ground water-to-surface water conversion projects and certain demand reduction activities. The total amount requested for the 5-year period is \$15.2 million. Several CAMP Advisory Committee members participated in drafting the application.

This money, if received, would require some state matching funds and would help to fund the ESPA CAMP Plan. Mr. Patton added that a contract would be negotiated with NRCS if the application is accepted. Mr. Beck asked if specific projects were suggested. Mr. Patton responded that NRCS was requesting specifics; however, the department wasn't able to do that. Specifics will become known as the projects are developed. Mr. Patton stated that water management actions were identified instead. There was further discussion about specific projects.

Mr. Tominaga stated that AWEP funds go to the individual producer. The amount is limited to \$300,000 unless there is an environmental concern. The AWEP program allows for small surface water storage ponds. This could benefit canal companies. There was further discussion about specifics.

Mr. Patton added that this program should not place any other additional burdens on the Board. NRCS will make recommendations to the Washington, D.C. office.

c. Progress Report on Treasure Valley and Rathdrum Prairie CAMP

Ms. Harrington summarized the history of the aquifer planning process for new Board members. Two requests for proposals for future water demand studies and facilitation were issued for both the Treasure Valley CAMP and the Rathdrum Prairie CAMP. Ms. Harrington stated that the response was very gratifying and the quality of the bids was high. She stated the final bids are being evaluated. Groundwater monitoring networks have been expanded with additional monitoring sites to develop water budget. The Technical Section is developing contracts for hydrology work. Several projects are underway to evaluate storage opportunities: Teton, Minidoka Dam and Galloway.

In the Rathdrum Prairie CAMP a major hydrologic project was completed a few years ago and will be valuable data to support the planning process. Mr. Anderson added that some money was

available from these past studies that may be used for new technical studies. Ms. Harrington stood for questions.

c. State Water Plan Sub-Committee Update

Mr. Anderson noted that the draft State Water Plan was discussed in full yesterday. He asked Board members to address their questions to staff and at the May meeting the whole plan will be available for discussion.

d. Minimum Stream Flows

Mr. Anderson stated that at the work session this topic was fully discussed and sub-committees activated to deal with minimum stream flows. Ms. Harrington added that hearings will be held in late April for the Wood River Legacy Project and Mr. Beck and staff members will be attending. She introduced Aaron Marshall, IDWR staff, who is providing water right information for the hearings.

Agenda Item No. 8, Use of IWRB Palisades Storage in 2009

Mr. Anderson stated that after the work session discussion yesterday, staff would like to know the Board's desire for using this water in 2009. Mr. Beck stated that he would like there to be competitive bidding with the water being put in the rental pool or used for late season recharge. Mr. Rigby asked about the Murphy Gage option. There was discussion about various options.

Mr. Beck moved that the Board's storage water in Palisades Reservoir be put in the rental pool for 2009. Mr. Chamberlain seconded. Chairman Uhling called for a voice vote. All were in favor.

Agenda Item No. 9, 2008 Water Supply Bank Annual Report

Mr. Anderson stated that he had just returned from Utah and made a presentation about the Idaho Water Supply Bank. Utah is considering developing a water supply bank. He introduced Mr. Aaron Marshall from IDWR who addressed the Board with the 2008 Water Supply Bank Annual Report. He summarized the program for new Board members. In 2008 a financial post audit by the Legislative Services resulted in a very positive assessment of the program accounting. Also, last year a new data base was developed by staff to streamline the application process, audit the financial info and process reports. However, there is a backlog of applications for processing. He discussed the number of applications received. Over \$78,000 was received in payments. Administrative Fees totaled \$13,702.62. Payments to Lessors for water rented totaled \$64,662.26.

Chairman Uhling questioned the lost opportunity for not processing applications. Mr. Anderson agreed. Chairman Uhling asked if the process could be totally electronic. Mr. Marshall thought it could because the department does have a process for on-line payments. The limitation is IT staff time in the department. Mr. Rigby asked if there was on-line access to the public for finding out where applications are in the process. Mr. Marshall explained there was on the website in the Water Supply Bank page. However, there is not a process for individual's to track their rental process. Chairman Uhling stated

that this would be a good area to increase efficiency for the department. Improvement would be helpful. Mr. Anderson stated that as resources would allow an effort will be made to update the process. Mr. Beck asked what was causing delay for lease applications. Mr. Marshall stated that rental applications are given a higher priority. There was discussion about rental pools.

Mr. Tominaga addressed the Board about the Palisades storage water. Mr. Anderson stated the Board had already taken action. Mr. Tominaga stated that IGWA was interested in leasing this water from the Board. He discussed various reasons for doing this rather than going through the rental pool. Board members discussed with Mr. Tominaga the various options and expressed satisfaction with their decision to put the water in the rental pool

Agenda Item No. 10, Other Items Board Members May Wish to Present

Mr. Alberdi stated that he was very impressed with the way Board operates. He asked if there was an accounting statement available with the uses and sources of funds. He thought this would be helpful to everyone. Chairman Uhling suggested he work with Mr. Patton and Mr. Anderson. Mr. Anderson asked him to review the Financial Status Report and let staff know if he had suggestions to improve the accounting.

Mr. Cuddy suggested a revenue projection report for the Board to be able to see what will be available in the future. Mr. Beck discussed the Minidoka Dam Project. He asked for staff feedback. Mr. Anderson stated that progress is being made. He did not know of any problems with the Bureau of Reclamation review. There will be issues that come up in the later stages. The study will be completed by next November. There was further discussion on the terms of the study.

Mr. Rigby thanked the Board and staff for the dinner in his honor on Thursday evening.

Agenda Item No. 11, Next Meeting and Adjourn

The next meeting is set for May 28th and 29th in Boise. The State Water Plan will be the major agenda item. Mr. Anderson stated that he has had a lot of questions about the makeup of the Implementation Committee for the ESPA CAMP. A special Board meeting may be needed in April to discuss that issue and the litigation issues discussed in the Executive Session. He reminded the Board that at 1:30 p.m. the Senate Confirmation hearings will be held for Mr. Uhling, Mr. Beck, Mr. Chase and Mr. Alberdi.

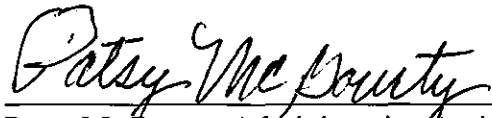
Mr. Chamberlain stated that the federal government may request the Board to address the Buster Back Ranch water right issues at the May meeting.

Mr. Rigby moved to adjourn. Mr. Chamberlain seconded. All were in favor.

Dated this 20th day of April, 2009.



Secretary



Patsy McGourty, Administrative Assistant II

Board Actions:

1. Chairman Uhling asked for a motion. Gary Chamberlain moved that the new sub-committee appointments be accepted; Jerry seconded. All were in favor.
2. Mr. Cuddy moved that the minutes 1-09, 2-09 and 3-09 be approved as changed. Mr. Chamberlain seconded. All were in favor.
3. Mr. Chamberlain moved that a loan in the amount of \$360,000 at 6% interest for a 10 year term be approved. Mr. Rigby seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes. 1 Absent. Motion Passed.

4. Mr. Chamberlain moved to approve the resolution for a 20 year lease to the Vanderbilts at a cost of \$26,338.80. Mr. Chase seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes; 1 Absent. Motion Passed.

5. Mr. Chamberlain moved that the resolution authorizing the expenditure of \$34,612.55 for agreements not to divert from Morgan Creek be approved. Mr. Rigby seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Chamberlain: Aye; Mr. Graham: Absent; Mr. Rigby: Aye; Chairman Uhling: Aye. 7 Ayes; 1 Absent. Motion Passed.

6. Mr. Beck moved that the Board's storage water in Palisades Reservoir be put in the rental pool for 2009. Mr. Chamberlain seconded. Chairman Uhling called for a voice vote. All were in favor.