



# IDAHO WATER RESOURCE BOARD

## MEETING MINUTES 5-11

Shilo Inn  
Idaho Falls, Idaho  
October 7, 2011

**C.L. "Butch" Otter**  
Governor

**Terry T. Uhling**  
Chairman  
Boise  
District 2

**Roger W. Chase**  
Vice Chairman  
Pocatello  
District 4

**Bob Graham**  
Secretary  
Bonners Ferry  
District 1

**Charles "Chuck"  
Cuddy**  
Orofino  
At Large

**Leonard Beck**  
Burley  
District 3

**Vince Alberdi**  
Kimberly  
At Large

**Jeff Raybould**  
St. Anthony  
At Large

**Peter Van Der Meulen**  
Hailey  
At Large

Chairman Uhling was absent. Vice Chairman Chase called the meeting to order at approximately 9:30 a.m., and roll call was taken. There were 6 members present. Mr. Uhling and Mr. Graham were absent. A quorum was present.

### Agenda Item No. 1, Roll Call

#### *Board Members Present*

Roger Chase, Vice Chairman	Vince Alberdi
Chuck Cuddy	Jeff Raybould
Peter Van Der Meulen	Terry Uhling, <i>Absent</i>
Leonard Beck	Bob Graham, <i>Absent</i>

#### *Staff Members Present*

Brian Patton, Planning Bureau Chief	Helen Harrington, Planning Section Manager
Rich Rigby, Federal Liaison	Diana Ball, Administrative Assistant

#### *Guests Present*

Lynn Tominaga, IGWA	Lyle Swank, WD 1 Watermaster
Jon Bowling, Idaho Power Co.	Jim Tucker, Idaho Power Co.
Walt Poole, Idaho Fish and Game	Jim Wrigley, WedBush Securities Inc.
Dale Swenson, FMID	Hal Anderson, Idaho Water Engineering
Mike Webster, Governor's Office	Douglas Rosecrans, Foothill Ranch HOA
John O'Connell, Capital Press	Lloyd Hicks, South Fork Canals
Sarah Rupp, Friends of the Teton	Adona Ripple, Friends of the Teton
Kim Trotter, Trout Unlimited	

### Agenda Item No. 2, Agenda and Approval of Minutes 4-11

There were no changes to the agenda. Mr. Vince Alberdi made a motion to correct page 2 of Minutes 4-11 to reflect that Mr. Alberdi seconded the motion to nominate Mr. Chase as Vice Chairman and that Mr. Beck made the original motion. Mr. Raybould seconded the motion to approve Minutes 4-11 as corrected. Voice vote. All in favor. Motion carried. Minutes for Meeting 4-11 were approved as corrected.

### Agenda Item No. 3, Public Comment

Vice Chairman Chase asked for public comment regarding any items not included on the agenda. There were no public comments.

## **Agenda Item 4, IWRB Committees and Other Reports**

### **a. Water Resource Planning Committee**

Mr. Leonard Beck, committee Chair, provided a brief update to the Board and expressed his appreciation for staff assistance in organizing the meetings. Following the appointment of members to this committee in July, a meeting was held on August 19 and all appointed members were present. At this meeting, Ms. Helen Harrington reviewed what was previously done by the State Water Plan Committee. Mr. Clive Strong, Deputy Attorney General, educated members of the committee on the purpose of the committee.

Ms. Harrington provided a list of current activities being addressed by the newly restructured committee. Previously, this committee was addressing the State Water Plan, but the role and scope has been expanded. At this time, the committee's primary activities are related to the State Water Plan revision process.

The next committee meeting is scheduled for November 1, 2011, in Boise, Idaho. At the November 1 meeting, the State Water Plan revision process will be addressed and specifically, the Snake River Basin section. The anticipated timeline for completion of this process will be to present a complete draft revision to the full Board in March 2012 and hold public meetings / hearing across the state throughout the summer – anticipating 5 to 6 meetings. Tentative locations include Coeur d'Alene, Lewiston, Boise, Twin Falls, Preston, Salmon, and Idaho Falls. Following the required public comment period, revision will be made and then brought back to the IWRB for approval. The intent is that a final revised State Water Plan will be submitted to the 2013 Idaho Legislature.

### **b. Streamflow Enhancement and Minimum Streamflow Committee**

Ms. Harrington stated that this committee held a meeting on August 19, 2011. At that meeting, staff provided an overview of the purpose of the committee and the restructuring of the Board committees. Background briefings on the minimum streamflow program and authorities, along with the water transaction program were presented by Ms. Morgan Case, IDWR. The next meeting is scheduled for October 7, 2011, to begin upon adjournment of the Board meeting in Idaho Falls. The committee will focus on expanding the water transaction program beyond the Upper Salmon drainage. Friends of the Teton River will present information on expanding the program in the Teton basin.

Mr. Peter Van Der Meulen gave a brief overview of the 2011 Semi-Annual Columbia Basin Water Transaction Program (CBWTP) Qualified Local Entity (QLE) Meeting and field trip recently held in Idaho. Mr. Van Der Meulen highlighted examples of the logic models that staff uses to coordinate the entities involved to successfully come up with an end product. He attributed the success of the program to the energy and commitment of IDWR staff and individuals involved. This process is quite different in other states. In Idaho, the IWRB is the only QLE in the state, which is beneficial for acquiring the technical data required to complete the water transaction program applications.

Mr. Van Der Meulen stated that Bonneville Power Administration (BPA) and NFWF, which are the entities charged with administering BPA dollars, both communicated they are very pleased with the work that Idaho has accomplished. In the future, it will be more of a performance based reporting process. There will be more measurements of fish in the creek and additional redds in rewatered portions, and Idaho is doing a good job in these areas. QLEs from multiple states shared plans that they are still working on, while Idaho was able to share what has already been accomplished in our state.

Ms. Harrington stated Ms. Case played a key role in the development of the QLE meeting agenda, and other attendees requested an explanation as to the IWRB's role and the distinction between the IWRB and IDWR roles in the process. There was an overall positive response from attendees, and they enjoyed seeing the successful transactions completed by Idaho.

Vice Chairman Chase expressed his appreciation for the staff and their efforts in the water transaction program.

**c. Upper Snake River Advisory Committee (Operations Forum)**

Mr. Rich Rigby provided a brief update and stated there have been three meetings held to date. Board member Roger Chase has participated in these meetings as the Board's appointee. At the first meeting, the issue of too much water and the rate of runoff were addressed. At the last meeting, there was discussion about fall operations. Mr. Rigby stated he was pleased to see that BOR cooperated in a manner that benefited Idaho Power's fish operations. In this wet year, Idaho Power has worked hard to keep too much water from running through Brownlee and raising havoc with fall Chinook plan. The next committee meeting is scheduled for October 26, 2011. He stated that there is work to be done and the committee will likely solve problems as they come up. He also stated that establishing these relationships and the structure has been very helpful.

**d. Interim Natural Resources Legislative Committee**

Mr. Brian Patton provided a copy of the presentation he presented to the Interim Natural Resources Legislative Committee on August 29, 2011. Initially, Representative Raybould and the committee requested an update on the Teton study. At the committee meeting, there was a wide range of discussion, including IWRB storage investigations, aquifer planning activities, and Eastern Snake Plain projects. Mr. Chuck Cuddy was also in attendance at the committee meeting. He commended Mr. Patton for his participation and presentation to the committee.

**Agenda Item 5, Financial Items**

**a. Financial Program Status Report**

Mr. Brian Patton presented the Financial Program status report update as of September 1, 2011. Total IWRB funds committed but not disbursed are approximately \$15 million. The outstanding loan principal balance is \$18.2 million. The total uncommitted balance is approximately \$2.9 million. The Board will be taking action on one loan request for \$150,000 and monies are available. The Board will also be taking action on a request from High Country RC & D for ESPA CAMP cost-share funds. Mr. Patton informed the Board that the Harpster Water District and the Preston, Riverdale & Mink Creek Canal Co. have repaid their loans in full.

One potential larger loan application is the Marysville Canal Company phased program that is converting open canal to gravity pressure pipelines. The next phase would likely be a \$1 million loan and may be addressed at the November Board meeting.

**b. Foothill Ranch HOA Loan**

Ms. Harrington presented the Foothill Ranch HOA loan application in the amount of \$150,000. The loan funds will be used to repair an existing well with new casing, screens, filters, and pump with motor, and install 2 new 20,000-gallon underground water storage tanks. The well is currently inoperable and is needed to provide fire suppression water and irrigation water for the residences.

Mr. Doug Rosecrans, Foothill Ranch HOA, addressed the Board and responded to the Board's questions concerning fire district coverage for the Foothill Ranch area, as well as the operating and maintenance costs associated with the HOA and the basis for these costs. Mr. Rosecrans also clarified how the loan would be repaid. There are 30 properties in the HOA and the estimated \$700 / per homeowner would provide \$21,000 annually less \$4,000 annual operating costs leaving a balance of \$17,000. The \$15,444 annual loan repayment would be paid out of the \$17,000.

Staff recommended approval of the Foothill Ranch HOA Revolving Development Account loan in the amount of \$150,000 at 6% interest with a 15-year repayment term with conditions as specified in the resolution.

Mr. Beck made a motion to approve the Revolving Development Account loan to Foothill Ranch HOA as proposed. The motion was seconded by Mr. Van Der Meulen. Vice Chairman Chase called for a roll call vote.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Absent; Mr. Uhling: Absent. Roll Call Vote: 6 Ayes, 2 Absent. Motion carried.

Mr. Patton proposed making a change to the agenda to address Item 8, WD 1 Rental Pool Procedures, at this time to accommodate Mr. Lyle Swank. The Board was in agreement to move this agenda item.

**Agenda Item No. 8. WD 1 Rental Pool Procedures**

Mr. Lyle Swank addressed the Board about the requested changes to the WD 1 Rental Pool Procedures. Mr. Patton noted that there was a lengthy discussion regarding the proposed changes at the work session on October 6, and the Board has a resolution before them to adopt the proposed changes, which were approved and submitted by the Committee of Nine for the Board's consideration.

Mr. Raybould made a motion that the Board adopt the resolution to approve the proposed WD 1 Rental Pool Procedures as submitted. Mr. Beck seconded the motion. Voice vote. All were in favor. Motion carried.

The Board meeting returned to the published agenda order.

**Agenda Item 5, Financial Items**

**c. Ground Water Districts Bond Progress Update**

Mr. Patton provided a memo from Mr. Rick Skinner, the Board's bond counsel, which contained an update on the ground water districts bonds that will fund the purchase of the three fish hatcheries. Approximately 40% of the bond series will be taxable and 60% will have a tax-exempt status. The taxable series will allow the ground water districts to lease these facilities out and use the lease revenue to offset the cost, in accordance with IRS bonding rules. Security would be 125% annual assessment by each ground water district for their proportioned amount of the debt. It is the Board's bond counsel's preference for one loan agreement and that all ground water districts be signatories, jointly and severally liable for the debt. The ground water districts have submitted a request for judicial validation to the court, which allows them to enter into the debt. The hearing is scheduled for October 13 in American Falls.

There was a short break in the meeting.

**Agenda Item No. 6, Planning Activities**

**a. ESPA CAMP and Aquifer Management Efforts Update**

**(1) High Country RC & D Funds Request**

Mr. Rigby addressed the Board and provided a copy of the application letter on behalf of High Country RC & D requesting 40% of their 2010/2011 operating budget in the amount of \$158,292. Mr. Alberdi moved that in line with CAMP, the Board cover up to 40% of the \$45,000 needed to repair the 25 ground generators, non precedent setting, one time, in the amount of \$18,000. Mr. Cuddy seconded the motion. Mr. Beck requested that the maker and the second of the motion consider adding another \$2,000 to cover 40% of the funds requested to produce educational brochures. As the maker of the motion and the second, Mr. Alberdi and Mr. Cuddy amended the motion to pay a total of \$20,000 to High Country RC & D. Mr. Chase requested that the contract include a provision for submitting receipts to the Board prior to receiving funds. Mr. Patton stated that is the standard language used for these contracts. Vice Chairman Chase called for a roll call vote.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Abstain; Mr. Van Der Meulen: Aye; Mr. Graham: Absent; Mr. Uhling: Absent. Roll Call Vote: 5 Ayes, 1 Abstain, 2 Absent. Motion carried.

**(2) Aquifer Recharge Discussion**

Mr. Rich Rigby stated there is \$100,960 remaining in Board funds unobligated for recharge and IGWA funds available in the amount of \$31,776 for a total of \$132,736 available for recharge, which would be enough to recharge 44,245 acre-feet. Mr. Rigby thanked the Board for their support and counsel on this issue.

Lower valley requests for recharge that include payment are American Falls District #2 with 32,000 ac-ft estimated, 15,000 ac-ft for Northside Canal, and 3,000 ac-ft Southwest Irrigation Dist, or 50,000 ac-ft

total, which would exceed the 44,245 ac-ft. If less than that is recharged, the surplus would be recharged above American Falls and would be split between Aberdeen Springfield and Great Feeder. Fremont Madison has recharged about 44% in the past. The money that is being spent was appropriated by Legislature for managed recharge. There was discussion on where money will come from in the future for recharge efforts. To meet CAMP goals, recharge needs to occur above and below American Falls and needs to be balanced.

Mr. Lynn Tominaga, IGWA, addressed the Board and informed them that IGWA is hoping to pay another \$100,000 next year for recharge and will discuss making this a permanent program at their next meeting. They are also working with Aberdeen Springfield to build a structure that will allow recharge sooner.

Mr. Rigby presented a resolution to amend the Board's resolution from May to give first priority to areas below American Falls Dam and after meeting those opportunities, the Board would fund and apportion areas above American Falls.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Absent; Mr. Uhling: Absent. Roll Call Vote: 6 Ayes, 2 Absent. Motion carried.

Mr. Hal Anderson, Upper Snake Mitigation Solutions, LLC, addressed the Board in response to a question from Mr. Beck about mitigation credits and how and when those credits might be used.

#### **b. RP CAMP Status Update**

Ms. Harrington briefed the Board on the progress of the implementation process since the Plan was adopted by the Board in July. The Plan directs that the Board will provide leadership and coordination of the implementation of the Plan. To begin the implementation process, Ms. Harrington made presentations at the North Idaho Mayors' Coalition and discussed the status of the Plan. She also gave a presentation to the Aquifer Protection Council in northern Idaho. Staff proposed that implementation be initiated by forming small working groups to work on specific parts of the Plan.

Ms. Harrington also informed the Board that Mr. Gary Spackman, Interim Director of IDWR, will be meeting next week with the state of Washington water management officials to discuss a Memorandum of Agreement primarily related to cooperation on technical issues and data management. This MOA directs that the states meet to discuss aquifer water management issues. Planning staff will also be in attendance and participating to ensure that water planning efforts through the Board are part of the long-term water management decisions.

#### **c. Treasure Valley CAMP Status Update**

Ms. Harrington updated the Board on recent activities by the TV CAMP drafting group. A draft was presented to the full Advisory Committee in June with a 60-day response time for comments. Those comments are currently being integrated into the draft, and the drafting group will revise the draft plan and provide it to the full Advisory Committee. It is anticipated that a Draft TV CAMP document will be completed by next spring and then will be presented for public comment.

Mr. Jeff Raybould asked if RAFN (1996 Municipal Water Rights Act) is still a source of contention. Ms. Harrington stated that the issues are being discussed and resolved.

### **Agenda Item No. 7, Water Storage Studies Update**

#### **Lower Boise River Interim Feasibility Study**

Ms. Brian Patton stated that the screening analysis was completed and identified the top three sites as 1) enlargement of Arrowrock Dam, 2) Alexander Flats site, and 3) Twin Springs site. The Corps further investigated Arrowrock Dam for potential fatal flaws in the concept. The Corps has completed the investigation and found no fatal flaws and will plan on issuing an interim report on that concept to the Board at the November meeting.

### Henry's Fork Basin Study

At the last meeting, Lesa Stark of the Bureau of Reclamation presented a list of carry forward actions to the Board. It is anticipated that phase of the study will be completed by the end of this year.

### Weiser Galloway

At the Board meeting in July, approximately \$2 million was allocated to investigate two items: a geologic investigation to answer several questions involving the integrity of the site and a hydrologic operations analysis. The Board has entered into further agreements with the Corps to carry out those investigations. The Corps is also contributing funds to complete these investigations.

Mr. Patton confirmed that there are 8 proposed surface water storage alternatives, including Teton Dam, in the Henry's Fork Basin that are being investigated. Mr. Raybould stated that the Legislature funded the Teton rebuilding study and that Teton needs to receive adequate attention in these studies.

### **Agenda Item No. 8. WD 1 Rental Pool Procedures**

This agenda item was discussed after Agenda Item No. 4 in order to accommodate Mr. Lyle Swank's schedule as WD 1 Watermaster.

### **Agenda Item No. 9, Director's Report**

Mr. Patton presented items to the IWRB on behalf of Interim Director Gary Spackman. He presented a letter of appreciation from Mr. Spackman to Mr. Karl Wirkus, Regional Director of BOR, for BOR's actions during management of high runoff this spring during flood control operations. Mr. Patton informed the Board of draft legislation that IDWR will be presenting to the 2012 Legislature: 1) to address the water right licensing backlog all new permits that require proof of beneficial use would be completed by independent water rights examiners. Currently, the Department completes these, and the fees charged do not come close to covering the Department expense. 2) dam safety legislation, which covers three items, drop dams that are inspected by other parties or those that have federal dam inspection programs, further require those owners of high hazard dams that are not covered by this category to hire private sector engineers to complete the inspections required every 2 years, and change to regulation of small dams. The Department currently regulates dams taller than 10 ft and that impound more than 50 ac-ft, however, all dams less than 20 ft currently have no requirement to submit plans or specifications to the Department. In an effort to streamline processes and reduce costs, the proposed legislation would eliminate Department inspections for all dams less than 20 ft.

There was discussion about the inspection process and current legislation that applies to the dams less than 20 feet. Mr. Beck asked for clarification of the responsibility and costs of high hazard dam inspections. A suggestion was made that the proposed legislation be changed to include an option for owners of high hazard dams to use the Department for inspections at an increased fee.

### **Agenda Item No. 10. Other Items IWRB Members May Wish to Present**

There were no additional items that Board members wished to address.

### **Agenda Item No. 11, Next Meeting and Adjourn**

The next regular IWRB meeting is scheduled as a one-day work session and meeting, November 2, 2011, at the Idaho Water Center, 322 E. Front St., Boise, Idaho. A Water Resource Planning Committee Meeting is scheduled for November 1, 2011, at the Idaho Water Center in Boise, Idaho. Several Board members will also be attending the IWUA Law Seminar in Boise, Idaho, on November 3 and 4.

A draft 2012 calendar was provided. There was a general discussion about the proposed dates. All meetings will be held in Boise at the Idaho Water Center unless otherwise noticed. The 2012 meeting dates are scheduled as follows:

January 26 and 27  
March 15 and 16  
May 17 and 18  
July 26 and 27  
September 6 and 7  
November 27 and 28

The IWRB Meeting 5-11 was adjourned at approximately 11:40 a.m.

Respectfully submitted this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

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Bob Graham, Secretary

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Diana Ball, Administrative Assistant II

Board Actions:

1. Mr. Alberdi moved to approve Minutes for Meeting 4-11 as corrected. Mr. Cuddy seconded the motion. Voice vote. All were in favor. Motion carried. Minutes for Meeting 4-11 were approved as corrected.
2. Mr. Beck made a motion to approve the Revolving Development Account loan to Foothill Ranch HOA as proposed. Mr. Van Der Meulen seconded the motion.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Absent; Mr. Uhling: Absent. Roll Call Vote: 6 Ayes, 2 Absent. Motion carried.

3. Mr. Raybould made a motion that the Board adopt the resolution to approve the proposed WD 1 Rental Pool Procedures as submitted. Mr. Beck seconded the motion. Voice vote. All were in favor. Motion carried.
4. Mr. Alberdi made a motion to cover up to 40% of the \$45,000 needed to repair the 25 ground generators, non precedent setting, one time, in the amount of \$18,000. Mr. Cuddy seconded the motion. Mr. Beck requested that the maker and the second of the motion consider adding another \$2,000 to cover 40% of the funds requested to produce educational brochures. Mr. Alberdi and Mr. Cuddy amended the motion to cover a total of \$20,000 to High Country RC & D.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Abstain; Mr. Van Der Meulen: Aye; Mr. Graham: Absent; Mr. Uhling: Absent. Roll Call Vote: 5 Ayes, 1 Abstain, 2 Absent. Motion carried.