



# STATE OF IDAHO

## IDAHO WATER RESOURCE BOARD

STATEHOUSE  
BOISE, IDAHO 83720

MINUTES OF MEETING NO. 9-84  
IDAHO WATER RESOURCE BOARD  
BOISE, IDAHO  
NOVEMBER 2, 1984

Meeting No. 9-84 of the Idaho Water Resource Board was called to order by Chairman Donald R. Kramer at 8:30 a.m., Friday, November 2, 1984 at the Department of Water Resources, Conference Room, Third Floor, State Towers Building, 450 W. State Street, Boise, Idaho.  
(Sony Recording Tapes #1-6.)

Agenda Item No. 1. Roll Call.

PRESENT:

Donald R. Kramer, Chairman	
Gene M. Gray, Vice Chairman	
Franklin Jones, Secretary	
Richard W. Wagner, Member	J. D. Williams, Member
James Shawver, Member	F. Dave Rydalch, Member
Robert M. Hammes, Member	

DEPARTMENT OF WATER RESOURCES STAFF PRESENT:

Director: A. Kenneth Dunn  
W. Haas, N. Young, D. Clapp, G. Saxton, J. Hammond, F. Sherman, D. Tuthill,  
H. Anderson, V. King, F. Eisenbarth, K. Weaver and A. Warntjes

OTHERS PRESENT:

Steve Ellis, BLM--Idaho State Office; Richard L. Hahn, Idaho Power Company;  
Fred Minckler, BLM--Idaho State Office; Robert E. Lewis, U.S. Geological  
Survey; Jeff Youtz, Legislative Budget Office; P. R. McCoy, Capital Press;  
Larry Woodard, BLM--Idaho State Office; Doli Obec, League of Women Voters;  
Sue Simmons, Division of Financial Management; Doyle Jensen, Big Lost River  
District; Rita M. Lundy; Harold C. Miles, Idaho Consumers Affairs & Idaho  
Wildlife Federation; Catherine Jensen; Tom Nelson--Nelson, Rosholt, Robertson,  
Tolman & Tucker; Ralph Barton, Mayor of Riggin; and Ron Zellar, Idaho  
Stateman.

Agenda Item No. 2. Approval of 7-84 Minutes of September 27, 1984 Board Meeting and 8-84 Minutes of October 5, 1984 Board Meeting.

Franklin Jones, Secretary, moved Board adoption of 7-84 Minutes of September 27, 1984 Board meeting as circulated to members. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Franklin Jones, Secretary, moved Board adoption of 8-84 Minutes of October 5, 1984 Board meeting as circulated to members. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Agenda Item No. 3. Snake River Water Rights

- A. Framework for Final Resolution of Snake River Water Rights Controversy
- B. Final Agreement
- C. Public Information Meetings

Donald R. Kramer, Chairman, reported that the Board held six information meetings throughout the state on the framework and final agreement of the Snake River water rights. Approximately 300 people, excluding the Board members and staff, attended the meetings.

Tom Nelson of Nelson, Rosholt, Robertson, Tolman & Tucker, representing Idaho Power Company, felt the Board had a good series of information meetings. At present, the final agreement has been signed and a semi-final legislative package is attached to it. Yesterday, Idaho Power Company filed an application with the Public Utilities Commission which is referred to in the agreement. Hopefully, the PERC filing will be made next week. Mr. Nelson suggested that the Board has to be the leader in the water policy field regardless the outcome of the constitutional amendment designating the legislature's review of the State Water Plan. Mr. Nelson felt that public hearings on the Snake River water rights in January and February may be too late--a massive program is planned for the legislature. If the Board holds the public hearings in December, the results can be taken to the legislature with the rest of the program. Mr. Nelson is planning to suggest no effective date be placed in the legislative package and allow the legislature in its usual course to pass a general bill effecting the date to be July 1, 1985. Mr. Nelson expressed his willingness to assist the Board during the hearings proceedings. A. Kenneth Dunn, Director, suggested the Board address two issues through the public hearing process: (1) Board's position on the total agreement package and (2) whether the Snake River minimum flow should be raised as proposed by the agreement.

Mr. Nelson reviewed with the Board Exhibit 6 of the agreement, which is recommended to be incorporated into Policy 32 of the State Water Plan. In Mr. Nelson's opinion, the Board can accomplish the recommended changes in Exhibit

6 by: (1) establishing a minimum daily flow at the Murphy gauging station through the Board's process of changing the State Water Plan, (2) wording in Policy 32 that re-establishes the daily minimum flow at Milner gauging station at zero, (3) determining if existing storage is being fully utilized before approving new storage projects above the Murphy gauge, (4) proposing for public input a certain amount of water to be reserved for future DCMI uses and receiving comments as guidance in determining the reserved block of water, and (5) requiring the department's director recognize the value of the water diverted between Milner and Murphy gauging stations during the winter months.

Donald R. Kramer, Chairman, suggested that staff have prepared at the next meeting a draft Policy 32 with the recommended changes of the agreement for the Board's consideration and adoption. The proposed Policy 32 would then be presented for public comments at the Board's hearings to change the State Water Plan.

Agenda Item No. 4. Review and Update of the State Water Plan

- A. Snake River Water Rights
- B. Ground Water
- C. Future Actions and Schedules

A. Snake River Water Rights. Frank Sherman, department staff, feels that the State Water Plan is the water policy of the state and the Snake River water rights negotiators are asking that the policy be changed to reflect a minimum flow of 3900 cfs summer flow and 5600 cfs winter flow. When the Board enters the water appropriation realm, the Board is an applicant to the department's director for a minimum stream flow application for water to be placed in the Board's name--this is not water policy.

B. Ground Water. Mr. Sherman stated that if the agreement is implemented with Exhibit 7, it establishes a framework for ground water and surface water interactions. Until legislation is passed, it is hard to appraise the effect of the agreement and contract on existing law and potential ground water policy. By continuing to issue ground water permits on aquifers which affect the flow in the river down to a specified amount, we are basically ignoring or bypassing that law which prevents ground water users from impacting surface right holders. The agreement provides the authority to the department to technically implement the agreement in face of state law. In terms of ground water policy, this negotiated agreement is suggested as a possible policy to manage all waters in the state. Mr. Sherman urged the Board to wait until the massive program on the Snake River water rights is passed by the legislature before pursuing a ground water policy.

C. Future Actions and Schedules. Mr. Sherman suggested that the Board hold at least six (6), the same number of State Water Plan hearings and in the same locations as the information meetings.

Donald R. Kramer, Chairman, agreed to staff's recommendations on the

number and location of the hearings and suggested the Board could better determine the dates of the hearings at its next meeting in December.

Agenda Item No. 5. IWRB Minimum Stream Flow Applications - Discussion of Results of Public Meetings and Determine Future Actions

- A. Falls River
- B. Warm River
- C. Teton River
- D. Bitch Creek

David Tuthill, department staff, reported on the information contained in the department's files in regard to minimum stream flow applications filed by the Board on June 19, 1981 on the streams of Falls River, Warm River, Teton River and Bitch Creek. The Board held public meetings in late September to receive comments on the applications. Since the meetings, the department has received letters in opposition and in favor of the applications. Mr. Tuthill passed the letters to the Board members for their review.

A. Falls River, tributary to Henry's Fork Snake River, minimum stream flow application No. 21-7281 was filed by the Board at the request of the Fish and Game Department for 140 cfs on approximately eight miles reach of the river. The result of the gauge analysis shows that the proposed minimum flow is met 90 percent of the time except in July and August. The flows at the gauging station are likely lower than it is upstream due to major canals within four miles upstream. Falls River has a significant amount of exchange water--Fremont Madison Irrigation District shows that 35,832 af/yr are exchanged through Falls River. The Fremont Madison Irrigation District objects to the minimum stream flow because in this reach it would inhibit the ability to exchange water through Falls River.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved the Board not place a minimum stream flow on this stretch of Falls River and withdraw its application. James Shawver, Member, seconded the motion.

Motion passed by voice vote: 7 Ayes, Jones, Nay.

B. Warm River, tributary to Henry's Fork Snake River, minimum stream flow application No. 21-7283 was filed by the Board for 141 cfs. The summary hydrograph of the flows at the gauging station, located at the upper end of the reach, shows a flat average flow rate indicating that the source of water supply for the river is ground water recharge.

Gene M. Gray, Vice Chairman and chairman of Minimum Stream Flow Committee, explained that the Board members after the public meeting elected to extend the minimum stream flow filing upriver to the general area known as the springs, approximately eight miles. The Board made a minimum stream flow application on the reach of Warm River located in an area designated in the State Water Plan as a future dam site. The Board recognizes the future dam

site and that the minimum stream flow applications on Warm River will be subordinated to the dam site as indicated in the State Water Plan.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved the Board file an additional application (ATTACHMENT 1) on Warm River to extend the flow from the original application upriver to and including the general area known as the springs. Franklin Jones, Secretary, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved the Board request the Director of the Department of Water Resources to proceed with the public hearings in regard to the original stream flow application and the second minimum stream flow application to extend the reach on Warm River. F. Dave Rydalch, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

C. Teton River, tributary to Henry's Fork Snake River, minimum stream flow application No. 22-7369 was filed by the Board for 106 cfs on approximately an eight mile reach of the river. The water rights which could impact the flow in this reach of the river total 171 cfs. The low flows in this river are during the winter period. During the period of water right diversions (June, July, August, September), the river is at its highest flows. Based on the flow duration curve at the Felt Dam site (report published in 1982 by CH2M Hill), the 106 cfs minimum stream flow request is available 100 percent of the time at a point downstream on the reach where one could expect the lower flow areas. The Teton River flows are diverted in exchange for flows provided downstream by the Fremont Madison Irrigation District. In the district's objection, a possible problem was indicated with interference to the exchange water. The exchange amount of water is 2308 acre feet annually.

Gene M. Gray, Vice Chairman and chairman of Minimum Stream Flow Committee, explained that at the Board's public meeting the Fish and Game Department and the utility had some misgivings about what each other was saying had happened at prior dates.

Gene M. Gray, Vice Chairman and chairman of Minimum Stream Flow Committee, moved the Board table this minimum stream flow application on the Teton River until the department has more information and there is an understanding on the events involved among the parties. F. Dave Rydalch, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

D. Bitch Creek, tributary to Teton River, minimum stream flow application No. 22-7370 was filed by the Board for 28 cfs. There is one recorded water right, in addition to the Board's filing on the stream, for a power generation site upstream point of diversion near the beginning of the reach where the

Board has made application, and the water would be piped down to a turbine near the end of the reach of the Board's filing. The water right is junior to the Board's permit. During the three years that flow data was gathered on the stream, it indicates that the stream is a ground water recharged stream.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved the Board request the Director of the Department of Water Resources proceed with the minimum stream flow hearings on Bitch Creek. Franklin Jones, Secretary, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved Board adoption of a resolution (ATTACHMENT 2) in the matter of minimum stream flow application No. 21-7281 on Falls River to withdraw the application and cause it to be of no further force or effect. F. Dave Rydalch, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Gene M. Gray, Vice Chairman and chairman of the Minimum Stream Flow Committee, moved Board adoption of a resolution (ATTACHMENT 3) in the matter of minimum stream flow applications Nos. 21-7283, Warm River; 21-7355, Warm River; and 22-7370, Bitch Creek requesting the Director to proceed with administrative actions. J. D. Williams, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Agenda Item No. 7. Staff Presentation on Remote Sensing Capabilities in Addressing Water Resource Problems and Issues

Hal Anderson, department staff, explained in 1975 the department became involved in the applications of utility remote sensing data for the inventory and monitoring of irrigated croplands in Idaho. The Governor established within the department the "Idaho Image Analysis Facility" and gave the department lead agency responsibility for the promotion and applications of digital image processing. Definitions: (1) digital image processing--analyze numerical pictures, (2) remote sensing--collect information without physical contact of object, and (3) geographic information systems--organized approach to storing, retrieving and manipulating specially reference (known location) data.

The department has spent the last five to six years utilizing the Landsat satellite (located 500 miles in space) sensor data for monitoring and inventorying irrigated croplands. The primary system the department is using on the satellite is the multispectral scanner. It collects information on a 100 square mile frame. The satellite beams digital values to earth, it is recorded on tape and placed in a machine that redevelops the light values into a photograph. The multispectral scanner is set up to see one particular color.

It can see green, red and two photographic infrared bands. The infrared bands reflect actively growing photosynthetic vegetation which is used for irrigated agricultural applications. The Thematic Mapper, a new sensor system on the satellite, senses the earth in seven channels instead of the previous four bands used and can resolve data to one quarter an acre. The satellite data has a minimum 18-day repeat cycle for acquiring imagery which is important for time analysis such as in farm crop growth. The department uses the acquired data from the Landsat satellite system for land cover classification, determining acreage, crops grown, monitoring change of crops and lands in and out of production. The Idaho Water Resource Information System (IWRIS) (ATTACHMENT 4) is a composite image based information system using many types of computer hardware and software. The Map Overlay System utilizes the satellite data and overlay maps to derive specific data; i.e., ground and surface water irrigation district boundary maps overlaid on satellite irrigation data will indicate specific areas for ground and surface water irrigation. According to a number of tests completed, accuracy was shown for irrigated and non-irrigated lands greater than 90 percent for each one acre cell within a grid. They can calculate the acreage within the grid within plus or minus three acres at greater than 90 percent accuracy. Through the IWRIS the technologies are constantly improving, the department's abilities to use the technologies are operational and the results are quantifiable and easily updated.

Agenda Item No. 6. IWRB Financing Program

- A. Application for a Grant and Loan From the Big Lost River Canal District
- B. Application for a Grant and Loan From the City of Riggins
- C. Application for a Grant and Loan From Preston-Whitney Reservoir Company
- D. Inducement and Bond Resolutions

Wayne T. Haas, Administrator, Resources Analysis Division, advised the Board that uncommitted funds in the Water Management Account available for grants is \$44,220 and unobligated funds in the Revolving Development Fund is \$392,060. Mr. Haas noted that a request was received yesterday from the City of Orofino for a \$50,000 grant. The City of Salmon is thinking of submitting an application for a \$3,000 grant for drip irrigation system on a golf course.

B. Application for a Grant and Loan From the City of Riggins. Fred Eisenbarth, department staff, reported that the City of Riggins owns and operates an irrigation system consisting of a headgate and canal system that diverts water from the Little Salmon River. The canal carries approximately 250 to 300 inches of water to 120 water users for domestic and municipal uses. The water level in the river no longer runs into the city's headgate and diversion. This problem was first noticed when an adjacent landowner bulldozed a gravel bar up on his bank to protect it, and in doing so, he lowered the river about two feet near the city's intake pipe. The City of Riggins is requesting a \$25,000 grant from the Board to permanently relocate the headgate to lower the intake pipe below the water level.

Ralph Barton, Mayor of Riggins, explained the town is located at the confluence of the Little Salmon River and Big Salmon River. Since the mill, the city's basic economy, closed down the city has become a depressed area. In 1971, the Riggins Water District was dissolved and the entire irrigation complex was reverted to the city. The city has an annual charge for its water of \$7.50 per lot or \$10.00 per acre with an annual revenue totaling approximately \$1200.

Richard W. Wagner, Member, moved Board adoption of a resolution (ATTACHMENT 5) to make a funding commitment of a grant up to \$25,000 to the City of Riggins to relocate and construct a headgate at a location on the river for the intake pipe to be lower than the water level. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by roll call vote: 8 Ayes, 0 Nays. Gray, Aye; Hammes, Aye; Jones, Aye; Kramer, Aye; Rydalch, Aye; Shawver, Aye; Wagner, Aye and Williams, Aye.

A. Application for a Grant and Loan From the Big Lost River Canal District. Fred Eisenbarth, department staff, recounted for the Board that during the September meeting in Lewiston the Board provided the Big Lost River Canal District a \$12,209 grant and a \$12,209 loan for repair of the Mackay Dam. The district is before you today for a \$7,500 grant to stabilize the Big Lost River and rehabilitate the McLoughlin diversion structure. The high runoff during the last several years has caused the Big Lost River to change its channel, erode the banks and bypass the McLoughlin diversion. The district proposes to protect the banks by riprapping 1,500 feet, diverting the water back into its original channel, and constructing an eight foot concrete wall adjoining the McLoughlin diversion to act as an overflow during high waters.

The district's attorney has advised the district that because it is a quasi-municipality, it cannot incur debt without a vote. Rita Lundy, Office Manager of the Big Lost River Irrigation District, took a poll on the voters willingness to incur the debt and the consensus was unfavorable due to the area's economic condition. Ms. Lundy conveyed that in the district's area, 50 farms have been foreclosed in the past two years. The district has 400 members. The district cannot go to the bank because it can only borrow money from the bank the year in which the assessment is due. Because the district cannot incur debt at this time, Ms. Lundy requested the Board consider accepting a mortgage on the district's equipment which is valued over \$100,000. The district is presently broke and will coast until the first of next year. At that time, the ordinary operation, maintenance and overhead will come out of assessments. The budget can be raised in February to meet the Board's loan. To date, expenses of \$27,383 have been incurred for work completed on the McLoughlin diversion. The Department of Water Resources has said that the district must deliver decreed water. To do this, repair had to be done on the river and diversion. Ms. Lundy requested the Board consider providing the district a grant of \$7,500 for riprapping the Big Lost River and constructing a concrete wall for an overflow near the McLoughlin diversion.



Doyle Jensen, Chairman of the Big Lost River Canal District, displayed a map of the Big Lost River and the McLoughlin diversion. Mr. Jensen explained the events and work that have occurred to date. Two hundred seventy loads of rock on 10 wheeler trucks were brought in to riprap the river plus the bulldozer and drag line work.

Gene M. Gray, Vice Chairman, moved the Board allow the loan of \$12,209 the Board provided to the Big Lost River Canal District at its 6-84 meeting be secured by a mortgage on the district's equipment if determined by staff to be within the rules and guidelines of the financing program. James Shawver, Member, seconded the motion.

Motion passed by roll call vote: 8 Ayes, 0 Nays. Gray, Aye; Hammes, Aye; Jones, Aye; Kramer, Aye; Rydalch, Aye; Shawver, Aye; Wagner, Aye; and Williams, Aye.

Richard W. Wagner, Member, moved that the Board adopt a resolution (ATTACHMENT 6) to make a funding commitment of a \$7500 grant to the Big Lost River Irrigation District for the placement of approximately 1,500 feet of riprap along the banks of the Big Lost River and to rehabilitate the McLoughlin diversion structure. F. Dave Rydalch, Member, seconded the motion.

Motion passed by roll call vote: 8 Ayes, 0 Nays. Gray, Aye; Hammes, Aye; Jones, Aye; Kramer, Aye; Rydalch, Aye; Shawver, Aye; Wagner, Aye; and Williams, Aye.

C. Application for a Grant and Loan From Preston-Whitney Reservoir Company. Fred Eisenbarth, department staff, recalled for the Board at its 6-84 meeting in Lewiston on September 12, 1984, the Board provided a \$15,000 grant and a \$15,000 loan to Preston-Whitney Reservoir Company for the repair and rehabilitation of Johnson Dam. Since that time, the expenses have accrued in excess of \$30,000 over the projected cost. The additional expenses were due to the sand layer being much deeper than anticipated and causing more excavation work.

J. D. Williams, Member, explained that Johnson Dam, being one of the oldest dams in the state, was not constructed properly. Last year, serious leaks started in the dam which need repair. The Preston-Whitney Reservoir Company is requesting the Board increase its previously made loan of \$15,000 to \$55,000 to cover the additional expenses.

Robert M. Hammes, Member, moved Board adoption of a resolution (ATTACHMENT 7) to make a funding commitment to increase a Board loan from \$15,000 to \$55,000 to Preston-Whitney Reservoir Company to repair and rehabilitate Johnson Dam. F. Dave Rydalch, Member, seconded the motion.

Motion passed by roll call vote: 7 Ayes, 1 Abstained. Gray, Aye; Hammes, Aye; Jones, Aye; Kramer, Aye; Rydalch, Aye; Shawver, Aye; Wagner, Aye; and Williams, Abstained.

D. Inducement and Bond Resolutions. Wayne T. Haas, Administrator, Resources Analysis Division, advised the Board an application for Board financing through the revenue bond program was received from Birch Power Company for \$2,250,000 to improve existing irrigation ditches, reduce bedloss and return the water to Birch Creek improving the fishery habitat. Total project cost is estimated at \$3,500,000. Power-related costs of \$1,250,000 have been subtracted from the request because of an IRS ruling which precludes use of tax-exempt financing for power production facilities. The department has prepared for the Board's consideration Inducement Resolution No. 84-26 to Birch Power Company for \$2,250,000.

James Shawver, Member, moved Board adoption of Inducement Resolution No. 84-26 (ATTACHMENT 8) to Birch Power Company for \$2,250,000 to improve existing irrigation ditches, reduce bedloss and return the water to Birch Creek. J. D. Williams, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 7, 1984 the department received an application for Board financing through the revenue bond program from G & M Farms for \$550,000 to purchase and install a linear irrigation system, power line pumping system and rock clearing to irrigate 720 acres of non-cultivated land. Total estimated cost of the project is \$555,000. An inducement resolution was passed at the 6-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-60 to G & M Farms, Inc. for \$550,000.

Gene M. Gray, Vice Chairman, moved Board adoption of Bond Resolution No. 84-60 (ATTACHMENT 9) to G & M Farms, Inc. for \$550,000 to purchase and install a linear irrigation system, power line pumping system and rock clearing to irrigate 720 acres of non-cultivated land. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 25, 1984 the department received an application for Board financing through the revenue bond program from Larry Clements for \$50,260 to purchase and install a center pivot irrigation system on existing farmlands. Total project cost is estimated at \$80,000. An inducement resolution was passed at the 7-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-62 to Larry Clements for \$50,260.

Robert M. Hammes, Member, moved Board adoption of Bond Resolution No. 84-62 (ATTACHMENT 10) to Larry Clements for \$50,260 to purchase and install a center pivot irrigation system for existing farmlands. J. D. Williams, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 25, 1984 the department received an application for Board financing through the revenue bond program from Hansen Farms, Inc. for

\$60,000 to purchase and install a center pivot irrigation system on existing farmlands. An inducement resolution was passed at the 7-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-65 to Hansen Farms, Inc. for \$60,000.

Gene M. Gray, Vice Chairman, moved Board adoption of Bond Resolution No. 84-65 (ATTACHMENT 11) to Hansen Farms, Inc. for \$60,000 to purchase and install a center pivot irrigation system. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 26, 1984 the department received an application for Board financing through the revenue bond program from Don Staker and Melvin Schwendiman for \$78,000 to purchase and install a center pivot irrigation system for existing farmlands. An inducement resolution was passed at the 7-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-66 to Don Staker and Melvin Schwendiman.

Gene M. Gray, Vice Chairman, moved Board adoption of Bond Resolution No. 84-66 (ATTACHMENT 12) to Don Staker and Melvin Schwendiman for \$78,000 to purchase and install a center pivot irrigation system on existing farmlands. F. Dave Rydaich, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 26, 1984 the department received an application for Board financing through the revenue bond program from Matsuura Brothers Company, Inc. for \$200,000 to purchase and install a center pivot irrigation system on existing farmlands. An inducement resolution was passed at the 7-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-68 to Matsuura Brothers Company, Inc. for \$200,000.

Richard W. Wagner, Member, moved Board adoption of Bond Resolution No. 84-68 (ATTACHMENT 13) to Matsuura Brothers Company, Inc. for \$200,000 to purchase and install a center pivot irrigation system on existing farmlands. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On September 26, 1984 the department received an application for Board financing through the revenue bond program from James W. Burkman for \$34,575 to purchase and install a center pivot irrigation system on existing farmlands. An inducement resolution was passed at the 7-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-69 to James W. Burkman for \$34,575.

Gene M. Gray, Vice Chairman, moved Board adoption of Bond Resolution No. 84-69 (ATTACHMENT 14) to James W. Burkman for \$34,575 to purchase and install a center pivot irrigation system on existing farmlands. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 3, 1984 the department received an application for Board financing through the revenue bond program from Cub River Irrigation Company for \$50,000 to construct a side channel spillway off the main irrigation canal to allow dewatering of the canal in the event of slides. Total project cost is estimated at \$75,000. An inducement resolution was passed at the 8-84 Board meeting. The department has prepared for the Board's consideration Bond Resolution No. 84-70 to Cub River Irrigation Company for \$50,000.

Gene M. Gray, Vice Chairman, moved Board adoption of Bond Resolution No. 84-70 (ATTACHMENT 15) to Cub River Irrigation Company for \$50,000 to construct a side channel spillway off the main irrigation canal. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 7 Ayes, Williams, Abstained.

On October 17, 1984 the department received an application for Board financing through the revenue bond program from the City of Salmon for \$999,000 for the upgrading and expansion of a municipal sewer system. Total project cost is estimated to exceed \$2.8 million. Additional funding will be provided by an EPA grant, Idaho Dept. of Health & Welfare and the city's capital improvement fund. The department has prepared for the Board's consideration Inducement Resolution No. 84-71 to the City of Salmon for \$999,000.

J. D. Williams, Member, moved Board adoption of Inducement Resolution No. 84-71 (ATTACHMENT 16) to the City of Salmon for \$999,000 to upgrade and expand the municipal sewer system. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 22, 1984 the department received an application for Board financing through the revenue bond program from Arlin Taylor for \$36,654 to purchase and install a center pivot irrigation system for existing farmlands. The department has prepared for the Board's consideration Inducement and Bond Resolutions No. 84-72 to Arlin Taylor for \$36,654.

Richard W. Wagner, Member, moved Board adoption of Inducement Resolution No. 84-72 (ATTACHMENT 17) and Bond Resolution No. 84-72 (ATTACHMENT 18) to Arlin Taylor for \$36,654 to purchase and install a center pivot irrigation system on existing farmlands. James Shawver, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 25, 1984 the department received an application for Board financing through the revenue bond program from Sherman Hess Inc. for \$92,500 to purchase and install a center pivot irrigation system on existing

farmlands. Total project cost is estimated at \$114,371. The department has prepared for the Board's consideration Inducement and Bond Resolutions No. 84-73 to Sherman Hess, Inc. for \$92,500.

F. Dave Rydalch, Member, moved Board adoption of Inducement Resolution No. 84-73 (ATTACHMENT 19) and Bond Resolution No. 84-73 (ATTACHMENT 20) to Sherman Hess, Inc. for \$92,500 to purchase and install a center pivot irrigation system on existing farmlands. Gene M. Gray, Vice Chairman, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 29, 1984 the department received an application for Board financing through the revenue bond program from Elwin Murdock for \$45,039 to purchase and install a center pivot irrigation system on existing farmlands. The department has prepared for the Board's consideration Inducement and Bond Resolutions No. 84-74 to Elwin Murdock for \$45,039.

James Shawver, Member, moved Board adoption of Inducement Resolution No. 84-74 (ATTACHMENT 21) and Bond Resolution No. 84-74 (ATTACHMENT 22) to Elwin Murdock for \$45,039 to purchase and install a center pivot irrigation system on existing farmlands. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 30, 1984 the department received an application for Board financing through the revenue bond program from Alden C. and Mark Hale, dba Hale Brothers for \$23,578 to purchase and install a center pivot irrigation system for existing farmlands. Total project cost is estimated at \$29,473. The department has prepared for Board consideration Inducement and Bond Resolutions No. 84-75 to Alden C. and Mark Hale, dba Hale Brothers for \$23,578.

Robert M. Hammes, Member, moved Board adoption of Inducement Resolution No. 84-75 (ATTACHMENT 23) and Bond Resolution No. 84-75 (ATTACHMENT 24) to Alden C. and Mark Hale, dba Hale Brothers for \$23,578 to purchase and install a center pivot irrigation system for existing farmlands. F. Dave Rydalch, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 31, 1984 the department received an application for Board financing through the revenue bond program from Eldon Ward & Sons, Inc. for \$70,000 to purchase and install a center pivot irrigation system on existing farmlands. Total project cost is estimated at \$85,714. The department has prepared for Board consideration Inducement and Bond Resolutions No. 84-76 to Eldon Ward & Sons, Inc. for \$70,000.

J. D. Williams, Member, moved Board adoption of Inducement Resolution No. 84-76 (ATTACHMENT 25) and Bond Resolution No. 84-76 (ATTACHMENT 26) to Eldon Ward & Sons, Inc. for \$70,000 to purchase and install a center pivot irrigation system on existing farmlands. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 31, 1984 the department received an application for Board financing through the revenue bond program from Kent A. Jensen for \$117,000 to purchase and install a center pivot irrigation system on existing farmlands. The department has prepared for Board consideration Inducement Resolution No. 84-77 to Kent A. Jensen for \$117,000.

Gene M. Gray, Vice Chairman, moved Board adoption of Inducement Resolution No. 84-77 (ATTACHMENT 27) to Kent A. Jensen for \$117,000 to purchase and install a center pivot irrigation system on existing farmlands. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On October 31, 1984 the department received an application for Board financing through the revenue bond program from Jay L. Stolworthy Farms for \$110,000 to purchase and install a center pivot irrigation system and replace an existing well, turbine pump and panel on existing farmlands. The department has prepared for Board consideration Inducement Resolution No. 84-78 to Jay L. Stolworthy Farms for \$110,000.

Richard W. Wagner, Member, moved Board adoption of Inducement Resolution No. 84-78 (ATTACHMENT 28) to Jay L. Stolworthy Farms for \$110,000 to purchase and install a center pivot irrigation system and replace an existing well, turbine pump and panel on existing farmlands. Robert M. Hammes, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On November 1, 1984 the department received an application for Board financing through the revenue bond program from Jay H. and Thelma Martin for \$24,000 to purchase and install a center pivot irrigation system on existing farmlands. Total project cost is estimated at \$29,785. The department has prepared for Board consideration Inducement Resolution No. 84-79 to Jay H. and Thelma Martin for \$24,000.

F. Dave Rydalch, Member, moved Board adoption of Inducement Resolution No. 84-79 (ATTACHMENT 29) to Jay H. and Thelma Martin for \$24,000 to purchase and install a center pivot irrigation system on existing farmlands. Robert M. Hammes, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On November 1, 1984 the department received an application for Board financing through the revenue bond program from Bar Open A Farms, Inc. for \$81,600 to purchase and install a center pivot irrigation system on existing farmlands. Total project cost is estimated at \$102,000. The department has prepared for Board consideration Inducement and Bond Resolutions No. 84-80 to Bar Open A Farms, Inc. for \$81,600.

James Shawver, Member, moved Board adoption of Inducement Resolution No. 84-80 (ATTACHMENT 30) and Bond Resolution No. 84-80 (ATTACHMENT 31) to Bar Open A Farms, Inc. for \$81,600 to purchase and install a center pivot irrigation system on existing farmlands. Richard W. Wagner, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

On November 1, 1984 the department received an application for Board financing through the revenue bond program from Craig J. Smith for \$80,908 to purchase and install a center pivot irrigation system for existing farmlands. Total project cost is estimated at \$122,589. The department has prepared for Board consideration Inducement and Bond Resolutions No. 84-81 to Craig J. Smith for \$80,908.

Richard W. Wagner, Member, moved Board adoption of Inducement Resolution No. 84-81 (ATTACHMENT 32) and Bond Resolution No. 84-81 (ATTACHMENT 33) to Craig J. Smith for \$80,908 to purchase and install a center pivot irrigation system for existing farmlands. J. D. Williams, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

The department has prepared for the Board's consideration Rescission Resolution No. 83-23, for Cogeneration, Inc. as the water project sponsor, requesting a loan amount of \$4,000 for a hydroelectric facility utilizing Twin Falls Canal Company's Laterals 9 and 10. Cogeneration, Inc. has dropped the project and has no intention to proceed.

Richard W. Wagner, Member, moved Board adoption of Rescission Resolution No. 83-23 (ATTACHMENT 34) for Cogeneration, Inc. as the water project sponsor, with a loan amount of \$4,000 to construct a hydroelectric facility. Franklin Jones, Secretary, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Wayne T. Haas, Administrator, Resources Analysis Division, commented that in July the Board changed its policy with regard to bond counsel services. The department has prepared for Board consideration an agreement for annual retention of bond counsel services to reflect the Board's changed policy. The agreement refers to only those projects with principal amounts of \$1,000,000 or less funded from proceeds of revenue bonds issued privately to financial

institutions under the Mirror Bond Program. The Board may wish to retain a law firm on bond issues over \$1,000,000. The Board presently has an agreement signed on November 4, 1982 with the law firm of Skinner, Donnelly, Fawcett & Mauk; and with the approval of the law firm, the department is recommending the Board approve the new agreement designating the firm of Skinner, Donnelly, Fawcett & Mauk as bond counsel.

J. D. Williams, Member, moved Board adoption of the agreement for annual retention of bond counsel services (ATTACHMENT 35) to retain the law firm of Skinner, Donnelly, Fawcett & Mauk on bond issues with principal amounts of \$1,000,000 or less; and to approve the Board retaining the law firm of Skinner, Donnelly, Fawcett & Mauk for bond counsel on bond issues over \$1,000,000. Robert M. Hammes, Member, seconded the motion.

Motion passed by voice vote: 8 Ayes, 0 Nays.

Agenda Item No. 8. Director's Report

A. Kenneth Dunn, Director, reported that at the Board's request the Bureau of Reclamation has furnished a letter and report on the potential hydropower sites at existing facilities in the Northwest.

Mr. Dunn stated that a letter has been sent notifying the clerk of the Supreme Court that the Board will be represented by separate legal counsel in the Montana Power Company v. A. Kenneth Dunn, et al. case (Mesa Falls minimum stream flow appeal). The Board's committee has selected Phil Barber as legal counsel for the Board.

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

Chairman Donald R. Kramer announced that a Water Resource Issues & Law Seminar will be held on November 30 and December 1 in Boise. If you wish to attend, please let the department know so that arrangements can be made.

Gene M. Gray, Vice Chairman, explained that the Governor has sent a letter to the Board requesting support of a new committee being formed entitled, Water Quality Programs Advisory Committee. The committee's purpose is to advise the Dept. of Health & Welfare on various facets of water quality including ground water protection, drinking water, construction and agricultural grants, as well as point and non-point source discharges. The Governor has asked the Board to nominate one individual for a two-year term on the committee to represent its interests and provide inter-agency coordination with the Department of Health & Welfare.

Robert M. Hammes, Member, moved that the Board nominate Donald R. Kramer for appointment to a two-year term on the Water Quality Programs Advisory Committee to represent the Board's interests and provide inter-agency coordination to the Dept. of Health & Welfare; purpose of the committee is to advise the Dept. of Health & Welfare on various facets of water quality including ground water protection, drinking water, construction and



agricultural grants, as well as point and non-point source discharges. Franklin Jones, Secretary, seconded the motion.

Motion passed by voice vote: 7 Ayes, 0 Nays, Kramer, Absent.

Franklin Jones, Secretary, recommended to the Board members for their review a presentation to the Idaho Public Utilities Commission entitled, "Magnetohydrodynamics" (MHD). "MHD is a method of electric power generation which utilizes the interaction of a flowing electrically conductive fluid with a magnetic field." According to the presentation material, the projections indicate that MHD could be the electric power generation process of choice for about 45 percent of the power plants built between the years 2000 and 2025.

The Board will meet for a work session on December 12 and Board meeting on December 13, 1984 in Boise.

Meeting adjourned at 2:27 p.m.

  
FRANKLIN JONES  
Secretary

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BOARD ACTIONS:

1. Approved 7-84 Minutes of September 27, 1984 Board meeting. (Page 2)
2. Approved 8-84 Minutes of October 5, 1984 Board meeting. (Page 2)
3. Agreed to not place a minimum stream flow on Falls River and withdraw the Board's application from the department. (Page 4)
4. Approved to file an additional application on Warm River to extend the minimum stream flow from the original application upriver to and including the general area known as the springs. (Page 5)
5. Requested the Director of the Department of Water Resources to proceed with the public hearings in regard to the original stream flow application and the second minimum stream flow application to extend the reach on Warm River. (Page 5)
6. Tabled minimum stream flow application on the Teton River until the department has more information and there is an understanding on the events involved among the parties. (Page 5)

7. Requested the Director of the Department of Water Resources to proceed with the minimum stream flow hearings on Birch Creek. (Page 6)
8. Adopted a resolution in the matter of minimum stream flow application No. 21-7281 on Fall River to withdraw the application and cause it to be of no further force or effect. (Page 6)
9. Adopted a resolution in the matter of minimum stream flow applications Nos. 21-7283, Warm River; 21-7355, Warm River; and 22-7370, Birch Creek requesting the Director to proceed with administrative actions. (Page 6)
10. Adopted a resolution to make a funding commitment of a grant up to \$25,000 to the City of Riggins to relocate and construct a headgate at a location on the river for the intake pipe to be lower than the water level. (Page 8)
11. Approved a request to allow the \$12,209 Board loan to the Big Lost River Canal District be secured by a mortgage on the district's equipment if determined by staff to be within the rules and guidelines of the financing program. (Page 9)
12. Adopted a resolution to make a funding commitment of \$7500 grant to the Big Lost River Canal District for the placement of approximately 1,500 feet of riprap along the banks of the Big Lost River and to rehabilitate the McLoughlin diversion structure. (Page 9)
13. Adopted a resolution to increase a Board loan from \$15,000 to \$55,000 to Preston-Whitney Reservoir Company to repair and rehabilitate Johnson Dam. (Page 9)
14. Adopted Inducement Resolution No. 84-26 to Birch Power Company for \$2,250,000. (Page 10)
15. Adopted Bond Resolution No. 84-60 to G & M Farms, Inc. for \$550,000. (Page 10)
16. Adopted Bond Resolution No. 84-62 to Larry Clements for \$50,260. (Page 10)
17. Adopted Bond Resolution No. 84-65 to Hansen Farms, Inc. for \$60,000. (Page 11)
18. Adopted Bond Resolution No. 84-66 to Don Staker and Melvin Schwendiman for \$78,000. (Page 11)
19. Adopted Bond Resolution No. 84-68 to Matsuura Brothers Company, Inc. for \$200,000. (Page 11)
20. Adopted Bond Resolution No. 84-69 to James W. Burkman for \$34,575. (Page 11 & 12)

21. Adopted Bond Resolution No. 84-70 to Cub River Irrigation Company for \$50,000. (Page 12)
  22. Adopted Inducement Resolution No. 84-71 to the City of Salmon for \$999,000. (Page 12)
  23. Adopted Inducement and Bond Resolutions No. 84-72 to Arlin Taylor for \$36,654. (Page 12)
  24. Adopted Inducement and Bond Resolutions No. 84-73 to Sherman Hess, Inc. for \$92,500. (Page 13)
  25. Adopted Inducement and Bond Resolutions No. 84-74 to Elwin Murdock for \$45,039. (Page 13)
  26. Adopted Inducement and Bond Resolutions No. 84-75 to Alden C. and Mark Hale, dba Hale Brothers for \$23,578. (Page 13)
  27. Adopted Inducement and Bond Resolutions No. 84-76 to Eldon Ward & Sons, Inc. for \$70,000. (Page 14)
  28. Adopted Inducement Resolution No. 84-77 to Kent A. Jensen for \$117,000. (Page 14)
  29. Adopted Inducement Resolution No. 84-78 to Jay L. Stolworthy Farms for \$110,000. (Page 14)
  30. Adopted Inducement Resolution No. 84-79 to Jay H. and Thelma Martin for \$24,000. (Page 14)
  31. Adopted Inducement and Bond Resolutions No. 84-80 to Bar Open A Farms, Inc. for \$81,600. (Page 15)
  32. Adopted Inducement and Bond Resolutions No. 84-81 to Craig J. Smith for \$80,908. (Page 15)
  33. Adopted a Rescission Resolution No. 83-23 for Cogeneration, Inc. for a loan amount of \$4,000. (Page 15)
  34. Adopted an agreement for annual retention of bond counsel services to retain the law firm of Skinner, Donnelly, Fawcett & Mauk on bond issues with principal amounts of \$1,000,000 or less; and to approve the Board retaining the law firm of Skinner, Donnelly, Fawcett & Mauk for bond counsel on bond issues over \$1,000,000. (Page 16)
  35. Nominated Donald R. Kramer for appointment to a two-year term on the Water Quality Programs Advisory Committee. (Page 16 & 17)
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BOARD ATTACHMENTS:

1. Minimum stream flow application on Warm River to extend the original application upriver to and including the general area known as the springs. (Page 5)
2. Resolution to withdraw minimum stream flow application No. 21-7281 on Falls River. (Page 6)
3. Resolution requesting the Director proceed with administrative actions on minimum stream flow applications Nos. 21-7283, Warm River; 21-7355, Warm River and 22-7370, Bitch Creek. (Page 6)
4. Idaho Water Resource Information System (IWRIS) chart. (Page 7)
5. Resolution to provide a grant up to \$25,000 to the City of Riggins to relocate and construct a headgate at a location on the river for the intake pipe to be lower than the water level. (Page 8)
6. Resolution to provide a \$7500 grant to the Big Lost River Irrigation District for the placement of approximately 1,500 feet of riprap along the banks of the Big Lost River and to rehabilitate the McLoughlin diversion structure. (Page 9)
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34. Rescission Resolution No. 83-23 for Cogeneration, Inc. for \$4,000. (Page 15)
35. Agreement for annual retention of bond counsel services. (Page 16)

The foregoing is a true and certified copy of the document on file at the department of Water Resources.

Signed this 2<sup>nd</sup> day of Jan, 1984

Patsy M. Barty