



IDAHO WATER RESOURCE BOARD

MINUTES OF MEETING NO. 04-06

May 19, 2006, 8:37 a.m.

Idaho Department of Water Resources at the Idaho Water Center – 6th Floor
Conference Room D, 322 East Front Street, Boise, Idaho

Dirk Kempthorne
Governor

Jerry R. Rigby
Chairman
Rexburg
At Large

Terry T. Uhling
Vice Chairman
Boise
District 2

Dick Wyatt
Secretary
Lewiston
District 1

Leonard Beck
Burley
District 3

Bob Graham
Bonners Ferry
At Large

L. Claude Storer
Idaho Falls
District 4

Gary M. Chamberlain
Challis
At Large

Lawrence 'Vic' Armacost
New Meadows
At Large

Meeting No. 04-06 of the Idaho Water Resource Board was called to order by Chairman Rigby at the Idaho Water Center in Boise Idaho.

Agenda Item No. 1, Roll Call

Board Members Attending

Jerry Rigby, Chairman
Terry Uhling
Dick Wyatt – Secretary

Gary Chamberlain
Leonard Beck by phone
Vic Armacost

Department of Water Resources Staff

Hal Anderson
Patsy McGourty

Bill Graham
Brian Patton

Guests

Jim Wrigley, Wells Fargo
Rich Rigby, BOR
Linda Lemmon, Twin Springs
Lynn Tominaga, IGWUA

Jon Bowling, Idaho Power
John Simpson, Barker Rosholt
Jim Tucker, Idaho Power

Agenda Item No. 2, Minutes

Mr. Anderson directed the Board's attention to the minutes from several past meetings. Mr. Armacost requested a change in wording on the minutes from the March 17, 2006 meeting. The change was noted and approved by members. Mr. Wyatt moved that the minutes from meetings 08-05B, 09-05, 10-05, 11-05, 12-05, 13-05, 14-05, 15-05, 16-05, 17-05, 19-05, 02-06, 02B-06, 03-06 be approved. Mr. Chamberlain seconded and all were in favor. Minutes approved.

Agenda Item No. 3, Public Comment

There was no public comment.

Agenda Item No. 4, Dworshak Status Report

Mr. Anderson introduced Brian Patton who presented the financial reports for Dworshak. As of May 1, 2006, the power plant has produced a total of 120,345,835 kilowatt hours for sale through the Bonneville Power Administration. This fiscal year the power plant has produced returns above expenses of \$324,961 that has been deposited into the Revolving Development Account. Mr. Patton noted that the Dworshak Project refunding revenue bonds had been completed resulting in a return of \$93,289 from the bond reserve fund. There were some questions from Board members.

Agenda Item No. 5, IWRB Financial Program

5a. Status Report

Mr. Anderson introduced Brian Patton, who reported on the status of Board programs. As of May 1, 2006, the Board's available balances were as follows: Revolving Development Account Fund, main account - \$1,512,872.00 available; in the Eastern Snake Plain sub-account - \$1,266,854.00 available; in the Water Management Account - \$27,930.00 for a total of \$2,807,656.00.

5b. Whiskey Creek Water Users Assoc

This project was put on hold due to project questions until the next meeting.

5c. Bell Rapids Long-Term Financing

Mr. Anderson introduced Mr. Jim Wrigley, Wells Fargo, who addressed the Board regarding the Bell Rapids Water Rights Purchase of certain flows of the Snake River upstream from Swan Falls with \$21,300,000 appropriated by the Legislature House Bill 392. A total of 60,000 acre feet of water was leased to the Bureau of Reclamation with a total repayment of \$21,000,000 with payment terms as listed in the Lease Agreement. Mr. Wrigley also outlined the long-term financing of the Bond Debt obligation to the State General Fund for repayment of outstanding funds for the Bell Rapids purchase. Mr. Wrigley answered Board members questions.

5d. Pooled Bond Loan Refunding

Mr. Anderson again asked Mr. Wrigley to address the Board on the Refunding of Pooled Revenue Bonds for the Caldwell Irrigation Lateral District/New York Irrigation District. Mr. Wrigley noted the bonds were purchased by Wells Fargo & Company including continuing the existing Guaranteed Investment Contract with Bank of America with 6.30% interest. The Board's fee collected was \$30,187.50. Mr. Wrigley answered questions of Board members.

Agenda Item #6, 2006 Recharge Activities Update

Mr. Anderson introduced David Blew who updated the Board on the status of recharge activities. He noted that a Request for Proposals would be completed by the end of May along with agreements for easements and property purchases. NEPA documentation is in process by the Bureau of Reclamation and will be completed by June. Mr. Blew answered questions from Board members. Several recharge sites have been employed in the Upper Snake River Basins resulting in an increase of 25-30,000 acre-feet of water. As of May 8th, 11,500 acre-feet have been recharge in the Little Wood River. Due to high water flows in the river difficulties have been experienced at Devils Headgate. Total recharge for this Spring is estimated at 45,000 acre feet. Mr. Blew answered questions for Board members.

He further stated that DEQ is providing \$20,000 to the Department for water quality testing associated with recharge activities. The Idaho Irrigation District is interested in some water sampling for which they would provide funds.

Agenda Item #7, Planning Status Report

Mr. Anderson summarized the Board's activities to move ahead with the Eastern Snake Plain Aquifer Management Plan. Staff plans to obtain names of candidates who could serve as facilitator for the Board on the development of the plan. These names will be provided at the telephonic meeting set for June 8th at 8:30 a.m. along with meeting notes from the work session to create a list of management goals. Additionally, other staffing needs will be discussed at that time.

Bill Graham noted for the Board that other planning studies are ongoing including the Boise Basin. The suburban irrigation study is nearly completed. New projects are being considered using LIDAR technology. An ESA Section 6 Conservation Plan and Agreement in the Pahsimeroi Basin that is mandated by the Nez Perce Settlement Agreement is also anticipated in the near future. Hydrology work and Mike Basin models continue to be created in the Upper Salmon River Basins. Twenty-eight stream gages are being maintained in this area. In the Rathdrum-Spokane Basin a conservation plan guidance document has been developed for water right applicants. The hiring process for a new planner is nearing completion and a new planner will be on board soon. A new basin planning process chart will be developed for the ESPA Comprehensive Management Plan and provided to the Board.

There was some discussion regarding the State Water Plan update. Due to staff shortages and budget constraints work has lagged on this important project. Chairman Rigby suggested the Board discuss this at the next meeting. Mr. Graham pointed out that attention was still needed for a Wood River Basin Comprehensive Plan, but with shifting priorities the date is uncertain.

Agenda Item #8, Memorandum of Understanding with The Nature Conservancy

Mr. Anderson presented an agreement with the Nature Conservancy in regard to water transactions involving Pacific Coast Salmon Recovery funds. A resolution was before the Board authorizing the Chairman to sign the Memorandum of Understanding with the Nature Conservancy. Mr. Chamberlain moved that the resolution authorizing the Chairman sign the MOU with The Nature Conservancy be approved. Mr. Wyatt seconded the motion. Mr. Uhling suggested that the Agreement be attached to the resolution.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer and Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Absent; Mr. Uhling, Aye; Chairman Rigby, Aye. Five Ayes, three absent. Motion passed.

Agenda Item #9, Director's Report

Director Karl Dreher addressed the Board. He first introduced the Department's new Financial Analyst with the Department of Financial Management, Maria Barratt. Director Dreher first discussed the lack of salaries to recruit and keep professional employees. He told the Board he would be requesting a line item amount of money to deal with this salary problem in the 2007 budget. This could include salary enhancements for planning and technical staff that are having similar problems. He encouraged the Board to develop a request for additional resources to give to him prior to the budget request submission.

The Director discussed the recent Order for the Blue Lakes and Clear Springs' Delivery Calls. He next discussed the flooding situations in the Boise River and Big Wood River basins. Board members addressed questions to the Director.

Agenda Item #10, Other items Board Members May Wish to Present

Mr. Chamberlain suggested the Water Bank Committee meeting set for the afternoon be postponed.

Agenda Item #11, Next Meeting

Board members discussed the July meeting date that is in conflict with the Western States Water Council meeting. Mr. Anderson suggested the meeting be moved one week so the Director could attend. July 13 and 14th were the dates selected for the meeting in Twin Falls.

At this time, Lynn Tominaga addressed the Board regarding the CREP program. Representing the groundwater districts, he requested that IGWA be allowed to make a presentation at the next Board meeting. He also noted that workshops are scheduled for the North Idaho Adjudication in Moscow, Post Falls and perhaps Sandpoint.

Agenda Item #12, Adjournment

Mr. Wyatt moved to adjourn the meeting. Mr. Chamberlain seconded. All were in favor. Meeting adjourned.

Dated this 14th day of July 2006.



D. Richard Wyatt, Secretary



Patsy McGourty, Administrative Assistant II

Board Actions

1. Mr. Chamberlain moved that the resolution authorizing the Chairman sign the MOU with The Nature Conservancy. Mr. Wyatt seconded the motion.

Roll Call Vote:

Mr. Wyatt, Aye; Mr. Armacost, Aye; Mr. Storer and Mr. Beck, Absent; Mr. Chamberlain, Aye; Mr. Graham, Absent; Mr. Uhling, Aye; Chairman Rigby, Aye. Five Ayes, three absent. Motion passed.