



IDAHO WATER RESOURCE BOARD

MINUTES OF TELEPHONIC BOARD MEETING NO. 13-08

L. "Butch" Otter
Governor

Boise, Idaho
October 29, 2008

Jerry R. Rigby
Chairman
Rexburg
At Large

Chairman Rigby called meeting 13-08 to order at 8:30 a.m. and requested roll call.

Terry T. Uhling
Vice Chairman
Boise
District 2

Agenda Item No. 1, Roll Call

Board Members by Phone

Bob Graham
Secretary
Bonners Ferry
At Large

Jerry Rigby, Chairman	Vic Armacost
Gary Chamberlain	Claude Storer, absent
Chuck Cuddy	Bob Graham
Terry Uhling, absent	Leonard Beck

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

Guests by Phone

Leonard Beck
Burley
District 3

Gail McGarry, BOR	Harriet Hensley, Deputy Attorney General
Jonathan Bartsch, CDR Associates	Peter Anderson, Trout Unlimited
Linda Lemmon, IAA	John Chatburn, Governor's Office
Steven Goodson, Governor's Office	Sean Cannon
Josh Tewalt, DFM	

L. Claude Storer
Idaho Falls
District 4

Staff Members Attending

**Gary M.
Chamberlain**
Challis
At Large

Patsy McGourty, Admin. Asst.	Brian Patton, Bureau Chief
Hal Anderson, Administrator	Helen Harrington, Section Manager
Dave Tuthill, Director	Bob McLaughlin, Public Info Officer

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

Agenda Item No. 2, Public Comment

There was no public comment.

Agenda Item No. 3, Presentation of Draft ESPA CAMP Plan

Mr. Anderson stated that this meeting was called to discuss the draft ESPA CAMP prior to presenting it to the Advisory Committee on Oct. 30. He asked Mr. Bartsch to go over the draft plan explaining what was included to help the Board understand and review. On November 5 at the Board's work session the plan will be studied in detail. On November 6, the plan will be approved by the Board to go out to public hearings. He introduced Jonathan Bartsch, CDR Associates.

Mr. Uhling commented that one key component of the ESPA Plan are funding requirements. He expressed concern that with the current economy a lot of work will need to be done on funding mechanisms.

Mr. Bartsch began with discussing the process. The draft ESPA Plan is being reviewed by the Advisory Committee. On Oct. 30 in Idaho Falls the committee will work on recommendations and hopefully, it will be finalized on November 4 at the Board meeting. Public meetings will be held in December to review the draft ESPA Plan: Tuesday, Dec. 2 in Pocatello; Dec. 4 in Twin Falls; and Dec. 10th in Idaho Falls. There are future opportunities for input from the public, the Advisory Committee and the Board.

Chairman Rigby stated he would turn the meeting over to Mr. Bartsch for direct questions.

Mr. Bartsch noted on the Table of Contents that there is an Executive Summary including the benefits of the CAMP plan and the consequences of not proceeding. Section 2 is Management Alternatives, Section 3. is Packaging of Alternatives and Section 4. is Economic Analysis and Funding Strategies, and Section 5. Camp Recommendations and 6. is Adaptive Management.

Mr. Bartsch began with the Executive Summary. This section describes the intended water budget change and how it would be accomplished by the year 2030. Several measures including aquifer recharge, groundwater conversions and demand reduction strategies are included in this effort. Without CAMP implementation the state will lose a major opportunity to manage the resource. In addition to the long-term hydrological efforts is the collaborative work within the committee to develop Phase I action for 1-5 years. Specific strategies are laid out in detail within the plan. The plan recommends the establishment of a CAMP Implementation Committee to continue the collaborative effort.

Mr. Bartsch stated the funding need is between \$35 to \$50 million for Phase I or the first five years and 70 to 100 million for the full 10 years of Phase 1. It would take \$600 million to complete all phases. The Advisory Committee realizes that the plan will be implemented in increments. There is agreement on actions and components of the plan. Work needs to be done on the funding strategies for collection mechanisms and water user contributions. This is the summary of the total plan. He asked for Board member's questions.

Mr. Cuddy asked Mr. Anderson if he had spoken to the chairs of the Joint Finance Appropriations Committee. Mr. Anderson responded that he had e-mailed both chairpersons and stated the funding numbers. He also had discussed with some legislators. A Natural Resource Legislative Committee will be held in December and the plan will be presented.

Mr. Bartsch asked if there were additional questions. There being none, he proceeded with the benefits of implementing the plan and the consequences of inaction. Mr. Bartsch stated that one consequence of inaction is that ESPA water issues would have to be addressed as they were in the past and a lack of implementation would inhibit the collaborative effort of solving aquifer problems.

Mr. Bartsch addressed the Management Alternatives Analysis of A) managed recharge – Existing Facilities; B) Managed Recharge – Constructed Facilities; C) Groundwater to Surface Water Conversions; D) Demand Reduction Strategies; E) Additional surface Water Storage; F) Experimental Weather Modification Project; G) Below Milner Exchange; and H) Water Conservation Measures. Each alternative is described, hydrologic benefits are identified, timeframe and costs are stated and environmental considerations are listed.

Mr. Bartsch pointed out that Section 3 Packaging of Alternatives includes the small, medium and large packages. In Section 4 Economic Analysis and Funding Strategies are considered with needs, requirements, conversions, aquifer recharge and demand reduction strategies are delineated. Funding Principles and Alternatives are laid out in an overview as to what is possible on current issues. Section 5 contains CAMP Recommendations on long-term hydrologic goals in each of the phases.

Mr. Bartsch asked if Board members had input that he could take back to the Advisory Committee Meeting on Oct. 30. He asked Board members if the plan was headed in the right direction. Also, given uncertainty in these economic times, he asked how should the Advisory Committee move forward on funding efforts.

Mr. Cuddy expressed that the consequences of not moving forward were very important for this effort and should be emphasized. Mr. Bartsch responded that he made that case generally in the Executive Summary. Mr. Cuddy asked about a cost benefit analysis. Mr. Anderson responded there is an incremental cost analysis. Discussions about cost analysis seemed to polarize committee members so the Advisory Committee took a different approach of an economic analysis of the costs of implementing actions instead of one industry's benefit as opposed to another industry's benefit. Mr. Bartsch stated that his view was that this amount of progress would not have been paid if the other approach had been taken. The incremental analysis and the cost effectiveness of actions are included.

Mr. Beck asked if the Advisory Committee thought if the plan wasn't implemented, it would have negative effects on the economy. Mr. Bartsch stated there are a number of reasons the committee supports the ESPA CAMP including the economic issue. Mr. Anderson noted that the municipal entities volunteered to add their own funding to this effort to keep their communities productive.

Mr. Beck asked if anyone had ever done a study of the values produced by municipalities versus farm ground. Mr. Anderson responded that the Advisory Committee has not looked at one industry versus another to avoid polarizing the committee. The focus has been on actions and options. Mr. Beck stated his view that the municipalities are valued at \$700,000 when the farm ground is valued at \$3 million. Mr. Bartsch responded that it was important to keep all water users at

the table for a collaborative plan. There are still some aspects that may need to be addressed in the long term.

Mr. Armacost asked if there was support for establishment of an overall water management improvement district to create an entity to work with. The plans are broad based and he questioned who the parties are to work with. Mr. Bartsch stated that this gets to the collection of funds for financing. A water management improvement district would take legislative action to give the Board authority to create it. Other options were considered.

Mr. Bartsch discussed the funding options. He asked how the Board wanted the Advisory Committee to proceed. Chairman Rigby stated that Mr. John Chatburn from the Governor's Office was on the line. He asked Mr. Chatburn for his thoughts.

Mr. Chatburn stated he would be at the CAMP meeting the next day. In Jerome at a previous meeting he suggested that the Board and the Advisory Committee put into place mechanisms to collect water users' fees for the projects if no more money is provided by the Legislature. If this fund is created, then on years when the state has more money, the Legislature could provide monies over time. Presently, we don't know in October how much money will be available in January and February. He asked if they needed the money from the State first or could they collect from water users first? The effort could get started with priority projects and show progress.

Mr. Bartsch appreciated Mr. Chatburn's suggestion. There is a lot of uncertainty for funding. How to move forward is the big question. The Board and the Advisory Committee need to find ways to get started and how to fund them.

Mr. Anderson noted that from the Advisory Committee's standpoint they can identify scope and size of the project; however, the Governor's Office and the Legislature need to identify funding mechanisms. The Legislature has already provided some money to the Board for ESPA projects that could be used for Phase I. Mr. Chatburn noted that the Governor's Office and the Legislature are expecting a draft recommendation from the Board of how to collect the funds, who is going to make decisions about prioritizing and dispersing funds in the draft plan. The Board does have funds to do some of the CAMP projects. Money from the General Fund on a good year would be an added benefit. Requesting millions each year from the General Fund could be a problem.

Mr. Bartsch questioned how much farther the Advisory Committee could go to recommend funding mechanisms. That's why he was requesting guidance from the Board. This is the dilemma.

Mr. Graham acknowledged he was on the line, but had to leave.

Mr. Beck stated that it would be a step backwards if this effort did not progress. The consequences of not proceeding are important. Mr. Armacost added that the members of the Advisory Committee need to be kept engaged in this effort for implementation over time. Mr. Anderson commented that the committee has reached a critical point. The Advisory Committee core group is invested in the plan being successful. Water supplies are their livelihoods. He said we need to move ahead. Chairman Rigby asked if others on the phone wanted to comment.

Mr. Bartsch stated that how to raise the funds is a big issue. Mr. Chatburn stated that the Governor's Office wants to see this move forward and they are impressed at how the water users have come together to work through issues.

Director Tuthill commented that he was working on the Order to implement the surface water coalition call. He stated that the water in the aquifer needs to be enhanced for the junior users. He emphasized that junior water users are in a very bad position surviving drought in the past and unless something is done aquifer-wide, the future holds trouble. The State needs to move forward to address future problems. Flow enhancement is critical to the future of this aquifer. The Director stated he would be very supportive of this effort with the Joint Finance Appropriations Committee.

Ms. Linda Lemmon, IAA, stated that communication and effort should not end. She agreed with the Director that there needs to be regional aquifer enhancement. Some of the public still have questions. Mr. Bartsch asked what those questions might be. Ms. Lemmon stated the questions are hydrological in nature and areas that need targeting are the spring's area. More things can be done after the first five years. Dedication to the long-term is very important. There is the question of stabilizing at less than the value of a water right. Attitudes remain that if you can make a call to the department, you will be dealt with first. Every water right holder needs to be dealt with on an equal basis. Mr. Bartsch responded that the key to moving forward on long-term goals is getting started and doing something. As the facilitator he is neutral to the content, but getting started is the goal.

Mr. Bartsch concluded his presentation and ended his discussion. He noted that he would be outlining the goals and objectives of the public meetings. Chairman Rigby acknowledged his appreciation of Mr. Bartsch's work and the Advisory Committee's work. He stated that with the Director's comments, he agreed that it is important to address the aquifer.

Mr. Cuddy stated that the Advisory Committee should know the Board is looking at every option for funding.

Agenda Item No. 4, Other Items Board Members May Wish to Present

There was nothing.

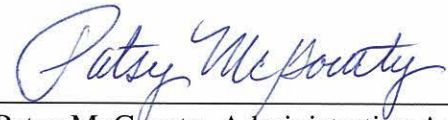
Agenda Item No. 5, Adjourn

Mr. Chamberlain moved to adjourn; Mr. Cuddy seconded. All were in favor.

Dated this 17th day of Dec, 2008.



Secretary



Patsy McGourty, Administrative Assistant II

Board Actions:

No Board actions were taken.