



IDAHO WATER RESOURCE BOARD

C.L. "Butch" Otter
Governor

MINUTES OF MEETING 9-09

July 24, 2009
Boise, Idaho

Terry T. Uhling
Chairman
Boise
District 2

Chairman Uhling called the meeting to order at 8:30 a.m. and asked for roll call.

Gary M. Chamberlain
Vice-Chairman
Challis
At Large

Agenda Item No. 1, Roll Call

Board Members Present

Bob Graham
Secretary
Bonners Ferry
At Large

Terry Uhling, Chairman
Gary Chamberlain
Chuck Cuddy
Jerry Rigby

Vince Alberdi
Roger Chase
Bob Graham, Absent
Leonard Beck

Staff Members Present

Charles "Chuck" Cuddy
Orofino
District 1

Gary Spackman, Interim Director	Hal Anderson, Administrator
Helen Harrington, Section Manager	Brian Patton, Bureau Chief
Cynthia Bridge Clark, Engineer	Bob McLaughlin, Public Information Off.
Bill Quinn, Engineer	Patsy McGourty, Admin. Asst. II

Leonard Beck
Burley
District 3

Guests Present

Roger W. Chase
Pocatello
District 4

Stephen Goodson, Deputy Att. Gen.	Shelley Davis, Barker Rosholt
Lynne Tominaga, IWUA	John Chatburn, Governor's Office
Aaron Kraft, Trout Unlimited	Dave Parrish, Dept. of Fish & Game
John Simpson, Attorney	Ted Tollefson
Kent Lauer, Idaho Farm Bureau	William Hazen, Idaho Water Alliance
Lyle Swank, Water District 01	John Tiedeman, Bureau of Reclamation
Jim Tucker, Idaho Power Co.	

Vince Alberdi
Kimberly
At Large

Jerry R. Rigby
Rexburg
At Large

Agenda Item No. 2, Agenda and Approval of Minutes

Mr. Anderson noted an addition to the agenda of 5e. Pristine Springs. Chairman Uhling called for a motion. Mr. Rigby made the motion and Mr. Chamberlain seconded. All were in favor.

Mr. Chamberlain moved that minutes from meeting 7-09 be approved. Mr. Alberdi seconded. The Chairman called for a voice vote. All were in favor. Mr. Chamberlain moved that minutes from meeting 8-09 be approved. Mr. Alberdi seconded. All were in favor.

Agenda Item No. 3, Public Comment

There was no public comment.

Agenda Item No. 4, IWRB Hydropower Status Report

Mr. Patton presented the Hydropower Status Report. Since coming on line Dworshak has produced 176 million kWh for sale to Bonneville Power. Pristine Springs #1 has produced just over 1 million kWh sold to Idaho Power Company. Pristine Springs #3 has produced 1.5 million kWh sold to Idaho Power Company. Mr. Patton noted that for Dworshak \$150,000 has been deposited into the Revolving Development Account. About \$93,000 has been deposited into the Repair and Replacement Account for Pristine Springs. This is the final accounting for the fiscal year ending June 30, 2009.

The two Pristine Springs plants have grossed \$104, 729. \$52,249 has been deposited into the Repair and Replacement Account. There is a balance of \$368,000 in this fund. Mr. Patton stood for Board questions.

Agenda Item No. 5, IWRB Financial Program

a. Status Report

Mr. Patton reported on funds in various accounts for the Board. This report contains estimated revenues, commitments and uncommitted funds over the next 12 months. The Board has as of July 1st, \$12.8 million committed but not dispersed; just under \$21 million loan principal outstanding; \$501,444 uncommitted balance; and \$3.37 million estimated uncommitted funds over the next 12 months. Mr. Patton noted that each account has estimated revenues over the next 12 months and the commitments from those revenues. \$1.6 million is available over the next 12 months for other uses. Mr. Patton also noted that the projections are extremely conservative.

b. Aquifer Recharge Program Update

Mr. Quinn discussed the early season recharge program. He presented a visual map showing the various canal companies and the amounts recharged geographically. The final accounting is still

in progress. Staff are currently making payments to canal companies. Mr. Quinn projected that there would be a slight downward adjustment to the total payments made by about 400 acre feet or .4% totaling \$215,182. The overall cost of the recharge was \$2.09 per acre-foot. Two thirds of the recharge was accomplished above American Falls and one-third below. The peak recharge day was April 25, 2009. This allowed staff to file for beneficial use on the Board's recharge water right.

Mr. Anderson noted that there is an opportunity for a fall recharge effort. He asked the Board to authorize staff to bring a recommendation at the September meeting. There was no objection. Chairman Uhling stated that a memo regarding late season recharge outlined involving the ESPA CAMP committees in this effort. The Chairman complimented Mr. Quinn on the recharge efforts.

c. Water Transactions

Big Hat

Ms. Harrington discussed the transaction for Big Hat Creek which supports bull trout spawning and migration. The only diversion on the creek could block this effort. The Board has previously rented some of this water and now the owners are interested in drying up the diversion and want to donate the water rights to the Board. The Columbia Basin Water Transactions Program would provide the water bank administrative fees. Staff recommend that the Board approve the resolution authorizing the chairman to make agreements creating this transaction.

Mr. Chamberlain moved that the Chairman be authorized to enter into a rental of water rights 75-2137 and 75-4199 for delivery to minimum stream flow water right No. 75-14189 on Big Hat Creek provided that the requested funding of \$96.89 is received from the Bonneville Power Administration through the Columbia Basin Water Transaction Program. Mr. Rigby seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed.

Lemhi River

Ms. Harrington discussed permanent conservation easements on the Lower Lemhi River. The Board has purchased seven permanent conservation easements to maintain target flows of 25-35 cfs. Currently, there are two additional conservation easements for which staff are requesting Board approval through funding opportunities with various entities. The owners, Dean Stokes and Mark Olson, would be paid \$511, 875 which includes increased watermaster expenses of \$60,375 for administration. Chairman Uhling asked how close staff are to the 25-35 cfs target. Ms. Harrington responded that 13.97 cfs are permanently in place and with the addition of these two, the total would be 22-23 cfs.

Mr. Anderson noted a typo in the resolution omitting the word seventy from three hundred (seventy) five.

Mr. Chamberlain moved that the resolution be approved authorizing the Chairman to execute agreements purchasing conservation easements restricting diversion from Lemhi River irrigators provided that funding in the amount of \$451,500.00 be received from the Pacific Coast Salmon Recovery Fund and the Bonneville Power Administration through the Idaho Fish Accord – Idaho Water Transactions Fund; and funding be received from the Columbia Basin Water Transactions Fund in the amount of \$511,875; and that the Chairman be authorized to enter into a contract with Water District 74 to administer said easements at a cost of \$60,375 which funds will be placed in the Board's Revolving Development Account. Mr. Chase seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed.

There was some further discussion about Big Hat Creek and the reasons the owners were drying up their water.

d. Northern Idaho Adjudication Claims Filing

Ms. Harrington discussed the fees required for the Board to file 18 minimum stream flow and lake level maintenance water rights in the Northern Idaho Adjudication. In Phase I, fees will total \$464,800 and need to be filed within the next year. There are no fees for Phase II; Phase III fees total \$1,259,400. In the Snake River Basin Adjudication over \$2 million in fees were required to be paid over a five-year period. She noted that applications and proof of beneficial use are not required at this time. Ms. Harrington asked if the Board desired to request these fees in the next budget cycle. The Board can request Phase I now and Phase III later. Mr. Chamberlain asked Ms. Harrington if she thought the Legislature would reinstate the 5-year payment schedule that was available in the Snake River Basin Adjudication. Ms. Harrington responded that she did not think a payment schedule would be in place. Ms. Harrington noted that the resolution before the Board was based on a 1989 resolution for the Snake River Basin Adjudication filing fees. No specific amount of money is specified since there might be other fees required. Chairman Uhling liked the way the resolution was written to cover unexpected fees.

Mr. Rigby moved that the resolution be approved authorizing Phase I Northern Idaho Adjudication Claims Filing fees be added to the next budget request to the Legislature and Mr. Chamberlain seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed.

e. Pristine Springs

Mr. Anderson reported that the term of the lease period with SeaPac of Idaho at the Pristine Springs facility is half complete and due to expire in April, 2010. For the future, SeaPac is interested in a longer term arrangement. Mr. Anderson requested that the Board authorize staff to enter into negotiations for a new lease of Pristine Springs. Chairman Uhling noted that a new year-by-year lease is one of the options and also that negotiations for Pristine Springs should continue from a State Water Board perspective.

Mr. Chamberlain moved that staff continue discussions with SeaPac on a new lease for Pristine Springs and that, from a State Water Board perspective, further negotiations be pursued. Mr. Alberdi seconded. Chairman Uhling called for a voice vote. All were in favor.

Agenda Item No. 6, Planning Activities

a. ESPA CAMP Plan

Mr. Anderson reported on the progress of the Implementation Committee for the Eastern Snake Plain Comprehensive Aquifer Management Plan. Working groups have been established for funding, conversions, demand reduction, recharge and weather modification. Meeting schedules have been established. The next Implementation Committee meeting has been set for August 13th in Chubbuck. Mr. Anderson stated that Senator Crapo will be attending that meeting. He encouraged Board members to attend.

Mr. Anderson noted that funding issues remain to be solved. Deputy Attorneys General including one from the Tax Commission will meet to consider options for collecting assessments and fees. Providing funding for public processes involve tax issues. Mr. Anderson stated that there are many statutes regarding taxing. The attorneys will work through the strengths and weaknesses of different options. Chairman Uhling responded that this is a critical element to the funding issues. Mr. John Chatburn from the Office of the Governor stated that the Governor would be happy to assist with expediting this process. Chairman Uhling asked for comments from those involved in the ESPA CAMP process.

Mr. William Hazen, the Idaho Water Alliance, addressed aquifer recharge issues. He stated that he was thrilled with the progress of the ESPA CAMP process and especially recharge issues. He stated one of the major issues is liability for recharge participants. He requested the Board's continued support for the CAMP process. Chairman Uhling asked for Mr. Hazen's support on the liability risk factor for recharge participants in the legislative process. Mr. Hazen discussed the recharge process further.

Mr. Jim Tucker with Idaho Power commented that the Implementation Committee and the working groups are proceeding very well. He asked for Board input on short-term measures and establishing continuity of the Implementation Committee. Since the ESPA CAMP is a 30-year process, there will be a need for ongoing oversight though some kind of structure. Chairman Uhling asked about the kind of structure that would be needed. Mr. Tucker responded that over the 30-year

term of the CAMP members will drop out of the process. If the Board needs input from an oversight committee, there needs to be a coordinated group in operation. Mr. Rigby added that in discussions with Mr. Bartsch of CDR Associates there does need to be some kind of protocol for the future. Mr. Tucker stated that the Implementation Committee needs input from the Board. If funding measures are put in place, there will be some kind of staffing needs and perhaps formal procedures. Chairman Uhling asked Mr. Anderson to put this issue on the agenda for the next Board work session.

Mr. William Hazen expressed support for Mr. Tucker's suggestion. He stated the demands of the aquifer are going to be changing over time and a group will need to address long-term management issues.

b. Progress Report on Treasure Valley and Rathdrum Prairie CAMP

Ms. Harrington stated that Mr. Joe McMahon the lead facilitator in both basins is now conducting interviews for the advisory committees for both CAMPS. She highlighted the brochure in the Board book providing information about the CAMP processes. A brochure will also be developed for the CAMP effort in the Treasure Valley.

A new contract with North American Weather Consultants has been signed for a weather modification study in the Boise Basin. A scope of work for a Climate Change Impacts Study has been distributed for comments from potential contractors. This study should begin within two months.

In the Treasure Valley several studies are underway to look at existing monitoring information to understand the hydrogeology of the area by adding sites and contracting with USGS for streamgaging and obtaining more information through seepage studies.

In the Rathdrum Prairie a recently completed hydro project is providing current information for the CAMP study. Staff are working with the INEL on thermal heat flow modeling to determine the flux from Lake Pend Oreille into the Aquifer. If this modeling is successful, it will also be used on Lake Coeur d'Alene.

c. State Water Plan Sub-Committee Update

Ms. Harrington reported that a very successful work session was held on July 22nd on the State Water Plan. The full Board discussed all policies completed by the subcommittee. Another meeting of the subcommittee will be held within the next few months. The public hearing schedule has been postponed until a final draft of the State Water Plan is completed. Mr. Rigby noted that the full Board attended all the public meetings in 1995. Chairman Uhling added that when the meeting schedule is set up, Board members will participate in meetings around the state. Mr. Chamberlain added that it would be beneficial to have Board members there. He complimented Ms. Harrington and staff on their fine work on the State Water Plan. Chairman Uhling also complimented the subcommittee and staff for their efforts. He added that he would like each Board member to create a vision for the state water resources and then compare it to the policies to see if they support that vision.

d. Wild and Scenic Eligibility for Upper Snake River

Mr. Anderson stated that the Bureau of Land Management is in the process of proposing wild and scenic designations in the Upper Snake River. Staff have been engaged with the BLM about this process.

Ms. Harrington stated that in March she provided information to the Board about the BLM efforts. Staff did attend a meeting in Idaho Falls recently and offered information about the Board's minimum stream flows and basin plans in the area. There were discussions and the result of the meeting was a request from BLM for a letter from the Board outlining their request. A letter was sent under Chairman Uhling's signature to the BLM addressing Upper Snake River issues and the wild and scenic designation. After the Environmental Impact Statement is completed this fall, a higher level of involvement will be needed in the discussions between the state and the federal government. There was discussion about this process between the state and federal government. Board members agreed that it was important for the state to exert its opinion in this matter.

Mr. John Chatburn of the Governor's Office stated that he had neglected to provide a copy of the Governor's letter to the State BLM to the Board. The Governor has received assurances from the State BLM Director that nothing will be done that does not go through the Water Resource Board process. Chairman Uhling stressed that relationships between the BLM and the state should remain respectful. Ms. Harrington stated she is also involved with the BLM in other areas of the state in similar processes.

e. Minimum Stream Flow Subcommittee

Ms. Harrington stated that both the Panhandle and the South/Central Minimum Stream Flow Committees met recently. The Panhandle group largely discussed minimum stream flow rights. Outdated methods were used to establish the flow rates on four of those water rights. The subcommittee recommended new hydrology studies for those recommended minimums. Also recommended by the subcommittee was working with the Department of Fish and Game to develop flow requirements recommendations. Two additional minimum stream flow applications (Clark Fork and Kootenai Rivers) are pending and the subcommittee recommended requesting delays. The department rules allow for one-year delays. The City of Bonners Ferry was allowed the opportunity to provide comment on the Kootenai River minimum flow recommendations due to historical information in the water right file.

The South/Central Subcommittee dealt with minimum stream flows in the Big Wood Drainage at their first meeting. The subcommittee asked staff to protect the Board's minimum stream flow water rights in the Big Wood Drainage. To that end staff filed protests on behalf of the Board on water right transfers since the deadline was the next day. Late yesterday, two letters from Mr. James Speck and Mr. James Lanski were received for this meeting. Both Mr. Speck and Mr. Lanski represent applicants or existing water right holders in the Big Wood Drainage. The letters from Mr. Speck and Mr. Lanski address larger issues in the Big Wood Drainage than just the minimum stream flows.

Chairman Uhling asked for a motion ratifying the action of the South/Central Minimum Streamflow Subcommittee directing staff to file protests of the transfer requests in the Big Wood Drainage that might affect the Board's minimum stream flow rights. Mr. Rigby so moved and Mr. Alberdi seconded. All were in favor.

Ms. Harrington discussed the pending application for the Malad River minimum stream flow which was held up for a hydropower water right application that has since been denied. The North Fork of the Payette River minimum stream flow application was delayed for input that has never been received from a local watershed council. Contact will be made with this group for their input. Requests for Extension of Time on both of these applications have been submitted by staff on the Board's behalf. There will be additional subcommittee meetings scheduled.

Mr. Anderson stated that both Mr. Lanski and Mr. Speck requested that their letters be read into the Board record. Mr. Anderson suggested that these letters be referred to the appropriate Minimum Streamflow Subcommittee with recommendations to be returned to the Board after the subcommittee meets. Chairman Uhling asked if any Board action was needed at this time. Ms. Harrington responded that there may be additional transfer applications filed and there may be a need to file more protests. The Chairman asked Mr. Anderson to convene the Board in a teleconference if direction was needed. Mr. Anderson noted a deputy attorney general had been assigned to assist in the protest process.

Chairman Uhling questioned how the protests would function in a conjunctive management system. From a planning perspective, he noted the Board needs to discuss this issue as the water allocation issues become more complicated.

Agenda Item No. 7, Water District 01 Rental Pool Procedures

Mr. Anderson stated that the Board had reviewed the new rental pool procedures at the work session. The Board is responsible for operation of the rental pool for Water District 01. He introduced Mr. Lyle Swank, the Watermaster for Water District 01, and asked him to address the Board.

Mr. Lyle Swank, Watermaster for Water District 01 and Regional Manager for the Eastern Idaho Office of the Department of Water Resources addressed the Board. He noted that the copy everyone should be reviewing is dated January 29, 2009. Mr. Swank discussed the changes to the rental pool rules and why they were changed. Mr. Swank stated that the table of contents was added to help with organization. He explained other changes to the rules including a section adding an Infrastructure Fund and an additional price for water below Milner Dam. The new rental price for storage rented below Milner Dam, except flow augmentation, was set at \$35 per acre-foot.

Chairman Uhling noted in section 4.5 that the Infrastructure Fund could build up to one million dollars and if it is over one million, the surcharge would go to the space holders. Mr. Rigby stated that this fund will not get over one million dollars because there are so many projects to be done. Mr. Swank agreed. Mr. Chase asked who would be able to use the fund. Mr. Swank stated the initial concept was for equipment or projects that help to improve the overall water distribution within

the district. There will be criteria to determine the most worthwhile projects. He stated Committee of Nine members would have input into those.

Mr. Swank stated that flow augmentation has stayed the same in the revised rental pool rules. He discussed the various view points to mitigate water distribution. The same rental pool formula remains and the same rainbow flow chart remains in effect with the same water for the Bureau of Reclamation. Mr. Swank stood for Board questions. Mr. Rigby noted that on page 11, in section 5.5.105 the Board wanted to modify the rental price for storage rented for purposes below Milner, excluding flow augmentation, making the cap at \$35.00 per acre-foot and eliminating the rest of the sentence which states, "or a higher price as set by the Committee." Mr. Swank discussed this section and stated he did not think that would be a big problem to eliminate the last phrase. There was discussion about making this change.

Chairman Uhling stated that one of the issues addressed in this resolution is that the Board is making these changes after April 1 for good cause. Mr. Rigby stated that the good cause is that it is very difficult to get these rules together by April 1. Due to strange weather patterns and with many parties' help good cause exists to request the Board approve these rules even though it is past the April 1 deadline.

Chairman Uhling suggested amending the proposed resolution in the last whereas after "should be" striking the remainder of the sentence and substituting, "amended to address the rental price for storage rented for purposes below Milner, excluding flow augmentation."

Mr. Rigby moved that with the suggested changes in the resolution, the local rental pool procedures for Water District No. 01, Upper Snake River be approved. Mr. Beck seconded. Chairman Uhling called for a voice vote. All were in favor.

Agenda Item No. 8, Storage

Ms. Cynthia Bridge-Clark gave the storage report. The agreement with the U.S. Army Corps of Engineers for the Boise River Basin Interim Feasibility Study was signed in May. Information from this study will be used in the ESPA CAMP process. A meeting was held June 29th in Walla Walla to coordinate a kickoff for staff working on the project. The Corps has awarded a contract to a local consultant to update flood plain mapping for the Boise River below Lucky Peak Dam. This will provide data for upstream storage facilities. Funding for this effort will not come out of the Board's funds. This study will be completed in March, 2012. The Corps has met with congressional delegations to discuss stimulus money. The total cost of the Boise River Study is \$1.74 million shared equally between the Corps and the Board. She explained other details of the project. Chairman Uhling asked that the Briefing Memo from the Corps be posted on the website. Ms. Clark answered Board members' questions.

Ms. Clark updated the Board on the Teton Basin Storage Appraisal Study. A Memorandum of Agreement was signed on June 26, 2009 with the Board as sponsor. The agreement will evaluate storage on the Upper Teton Basin. Reclamation intends to contract this study to a private contractor and the bidding process is underway.

Ms. Clark discussed the Galloway Dam Feasibility Study authorized by the Legislature. Due to budget constraints state money will not be used. Funding is being negotiated with Agua Caliente, a private company. Staff have been working with deputy attorneys general and attorneys for Agua Caliente to negotiate a contract. Some issues being raised are concerns about future condemnations and that the agreement will bind the state now and in the future. Staff have let Agua Caliente know that the Board cannot obligate future funds of the state. Representatives from Agua Caliente will come to Boise to meet with the Board and the Governor. Ms. Clark will let the Board know when the private investors can meet.

Ms. Clark discussed the Minidoka Dam five foot raise. The Bureau of Reclamation has entered into an agreement to study a five foot raise in the dam to accommodate storage. Mr. John Tiedeman, Bureau of Reclamation Activity Manager, was present to address the Board. He updated the Board on the progress of the study. The BOR has spent \$350,000 of the \$1.4 million allocation and completed the dam raise concept study. The field cost estimate of the raise is about \$165 million. The flood frequency study has been completed. Nearly complete is the groundwater report and the surface water report. The realty and inundation cost analysis is in progress. A report will be finished September 1st. The canal designs and power plant modifications will be complete with the spillway replacement. A value engineering and design estimate construction report has been completed. A report will be issued the end of August or first of September. The risk analysis will be completed the end of October. The full cost analysis of the project will be in November with the final draft available the end of November. No technical issues have been identified. The completion date is February 12, 2010. Mr. Tiedeman stated a caveat that some issues that the Board wanted covered have not been addressed: fish and wildlife, cultural resources, and recreation. He expressed concern that these issues need to begin as soon as possible. Other projects are being expected of Bureau of Reclamation simultaneously and staff are very busy.

Chairman Uhling asked when construction would need to start. Mr. Tiedeman stated in 2010 or 2011. A decision will be needed by the Board before then probably January, 2010. In September or October enough information should be available for the Board to make a decision. Mr. Anderson stated that the Board will do whatever it can as soon as possible as stated in the contract. He thought it was optimistic to have a Board decision by January 2010 without a final report. Mr. Anderson stated that the Minidoka Dam will be a regular agenda item from now on out.

Mr. Beck asked Ms. Clark if the contract was simply for a five-foot rise or was there language "up to" a five-foot rise. Ms. Clark responded the language states "up to" a five-foot rise. Mr. Beck asked Mr. Tiedeman the same question and he responded that it was a five-foot rise in 2004 as presented to the Board. Mr. Beck asked Mr. Tiedeman about inundation costs on the interstate for a five-foot rise. Mr. Beck asked if the BOR was moving forward with a five-foot level and Mr. Tiedeman responded that they were. Not all information has been obtained about inundation. In the 2004 study, inundation costs were not evaluated for a one-foot or four-foot level. Mr. Beck asked if other costs had been estimated at one foot and four foot rises. Mr. Tiedeman answered no.

Mr. Alberdi asked if the study encompassed water rights downstream from the five-foot increase. Mr. Tiedeman responded no. Mr. Rigby stated that from the Board's point of view, if a five-foot rise is not doable, would the Board be able to do a lower rise from looking at this study. Mr. Tiedeman stated that it should be possible to do that from the study. Mr. Rigby also expressed

concern that as the study is developed, can the BOR address in the study an extrapolation of figures at lower rises. Mr. Beck asked if another study would be needed for a four-foot rise or from the current study could that be determined. Mr. Tiedeman stated the current study could be modified to reflect that.

At this point in the meeting, Chairman Uhling had to leave. He turned the meeting over to Vice-Chairman Gary Chamberlain. He thanked Mr. Tiedeman and asked that the record reflect that the Board received another letter on Galloway.

Mr. Beck asked when the study was completed and the determination made about the height of the rise, if a four-foot rise is needed, would there be enough time to get it constructed. Mr. Tiedeman responded no. Mr. Beck asked Mr. Tiedeman if they had received a letter from the Burley Irrigation District. Mr. Tiedeman stated that Mr. Gregg had been out of the office and there have been internal discussions about that letter. He did not know if there would be a response from reclamation since the letter was written to the Department of Water Resources. Mr. Beck assured Mr. Tiedeman he would get a letter from the Burley Irrigation District.

A five-minute break was called. Chairman Chamberlain called the meeting back to order.

Agenda Item No. 9, Board Subcommittee Authority

Mr. Anderson stated that this issue was discussed at the work session. The question presented was how much authority the Board's subcommittees actually have. A memo from John Homan, Deputy Attorney General, outlines the authority of the subcommittees. According to Mr. Homan subcommittees can act for the Board except for funding or Board authorities which cannot be delegated. The subcommittees can make recommendations to the Board only. Mr. Chase asked if subcommittees can give staff direction and then ask for the Board ratification. Mr. Chamberlain and Mr. Anderson agreed that in crucial situations when time is short it is best if the subcommittee directs staff to take action with the Board to ratify their action as soon as possible.

Agenda Item No. 10. Interim Director's Report

Mr. Anderson stated he had forgotten that the rental pool rules require the Director of the Department of Water Resources to review rental pool procedures and make recommendations to the Board and he asked Interim Director Spackman to comment on that.

Interim Director Spackman thanked the Board for the opportunity address the Board. He discussed past memories of interaction with previous Board members. He noted that in the last 2 or 3 years the Board had become more active in meaningful activities now than in all the years he had been employed by the Department. Director Spackman felt this was a credit to the Board. He stated his role was as a partner with the Board and he looked forward to future collaboration.

Director Spackman discussed the rental pool procedures rules specifically rule 40 which states the Director shall review the local committee procedures and make recommendations to the Board.

He stated he would submit something in writing to the Board to complete the process. Director Spackman stated he had discussed with Mr. Swank the procedures new process to fund projects. Together they decided that a report on project funding would be helpful to the Board in the future. Director Spackman added that staff have reviewed the rental pool procedures against the rules requirements and thought they were in compliance. He expressed appreciation for the staff at Water District 01 and the Committee of Nine for their efforts especially Mr. James Cefalo from the Eastern Region Office. Director Spackman expressed approval for the rental pool procedures.

Director Spackman stated that replacement water for the Clear Springs Foods and Snake River Farms delivery calls was insufficient to meet the amount of water ordered to be delivered for the mitigation that was required by the Director. The technical staff determined what it would take in curtailment of water rights to make up the shortfall. Based on those numbers on July 22, 2009 a curtailment order was issued in the Eastern Snake Plain area from Wendell to Jerome. As part of that order, the groundwater districts have six days to comply with the provisions of the May 15th stay order issued by Director Tuthill and if they do not, on July 31st, the curtailment will be effective. Interim Director Spackman stood for Board questions. Chairman Chamberlain complimented Director Spackman on his new position.

Agenda Item No. 11, Non-action Items Board Members May Wish to Present

Mr. Rigby congratulated Director Spackman and expressed appreciation for his work for the department and welcomed him aboard.

Agenda Item No. 12, Next Meeting and Adjourn

Mr. Anderson requested the Board to set the date for the January, 2010 meeting to accommodate conference room meeting space. The Idaho Water Users Meeting will be held on January 19, 20 and 21, 2010. The Board set their meeting for the 21st and 22nd.

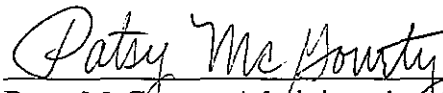
Mr. Chamberlain expressed his pleasure with the online Board agenda and linked materials. He stated it is easy to use and very convenient.

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

DATED this 5th day of August, 2009.



Secretary



Patsy McGourty, Administrative Assistant II

Board Actions:

1. Mr. Chamberlain moved that minutes from meeting 7-09 be approved. Mr. Alberdi seconded. The Chairman called for a voice vote. All were in favor. Mr. Chamberlain moved that minutes from meeting 8-09 be approved. Mr. Alberdi seconded. All were in favor.

2. Mr. Chamberlain moved that the Chairman be authorized to enter into a rental of water rights 75-2137 and 75-4199 for delivery to minimum stream flow 75-14189 on **Big Hat Creek** provided that the requested funding of \$96.89 is received from the Bonneville Power Administration through the Columbia Basin Water Transaction Program. Mr. Rigby seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed.

3. Mr. Chamberlain moved that the resolution be approved authorizing the Chairman to execute agreements purchasing conservation easements restricting diversion from **Lemhi River** irrigators provided that funding in the amount of \$451,500.00 be received from the Pacific Coast Salmon Recovery Fund and the Bonneville Power Administration through the Idaho Fish Accord – Idaho Water Transactions Fund; and funding be received from the Columbia Basin Water Transactions Fund in the amount of \$511,875; and that the Chairman be authorized to enter into a contract with Water District 74 to administer said easements provided that \$60,375 of the funds will be placed in the Board's Revolving Development Account. Mr. Chase seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed.

4. Mr. Rigby moved that the resolution be approved authorizing Phase I **Northern Idaho Adjudication Claims Filing Fees** be added to the next budget request to the Legislature and Mr. Chamberlain seconded. Chairman Uhling called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: Yes; Mr. Alberdi: Yes; Mr. Chase: Yes; Mr. Beck: Yes; Mr. Chamberlain: Yes; Mr. Graham: Absent; Mr. Rigby: Yes; Chairman Uhling: Yes. 7 Ayes, 1 Absent. Motion passed

5. Mr. Chamberlain moved that staff continue discussions with SeaPac on a new lease for **Pristine Springs** and that, from a State Water Board perspective, further negotiations be pursued. Mr. Alberdi seconded. Chairman Uhling called for a voice vote. All were in favor.

6. Chairman Uhling asked for a motion ratifying the action of the **South/Central Minimum Streamflow Subcommittee** directing staff to file protests of the transfer requests in the Big Wood Drainage that might affect the Board's minimum stream flow rights. Mr. Rigby so moved and Mr. Alberdi seconded. All were in favor.

7. Mr. Rigby moved that with the suggested changes in the resolution, the local rental pool procedures for **Water District No. 01, Upper Snake River** be approved. Mr. Beck seconded. Chairman Uhling called for a voice vote. All were in favor.