



# IDAHO WATER RESOURCE BOARD

## MINUTES OF MEETING 12-09

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

November 4, 2009  
Boise, Idaho

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

Chairman Chamberlain called the meeting to order at 8:32 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, Absent	Vince Alberdi
Gary Chamberlain	Roger Chase, Absent
Chuck Cuddy	Bob Graham
Jerry Rigby	Leonard Beck

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

#### *Staff Members Present*

Gary Spackman, Interim Director	Hal Anderson, Administrator
Helen Harrington, Section Manager	Brian Patton, Bureau Chief
Cynthia Bridge Clark, Engineer	Jack Peterson, IDWR Fed. Liaison
Bill Quinn, Engineer	Patsy McGourty, Admin. Asst. II

**Leonard Beck**  
Burley  
District 3

#### *Guests Present*

**Roger W. Chase**  
Pocatello  
District 4

Stephen Goodson, Governor's Office	Shelley Davis, Barker Rosholt
Liz Paul, Idaho Rivers United	John Chatburn, Governor's Office
Peter Anderson, Trout Unlimited	Jerry Whitehead, Idaho Rivers United
Pete DeLuca, Trout Unlimited	John Schenben, Water Owner
Charlie Holt, Water Owner	Jim Speck, Attorney
Ellen Berggren, USDCE	Jim Wrigley, Wedbush Securities
Linda Lemmon, Idaho Aquaculture Assn.	John Heimer
Greg Stahl, Idaho Rivers United	

**Vince Alberdi**  
Kimberly  
At Large

**Jerry R. Rigby**  
Rexburg  
At Large

## **Agenda Item No. 2, Agenda and Approval of Minutes**

There were no changes to the agenda. Mr. Anderson presented minutes from Meeting No. 10-09. Mr. Graham moved that the minutes of Meeting No. 10-09 be approved as written. Mr. Cuddy seconded the motion. The Chairman called for a voice vote. All were in favor.

## **Agenda Item No. 3, Public Comment**

Ms. Liz Paul, Boise River Campaign Coordinator for Idaho Rivers United, expressed gratitude for Board members' service. She brought some petitions for concerns from the public about the proposed Twin Springs Dam. She read from the petition, "The North Fork and Middle Fork Boise Rivers are two of Idaho's most popular rivers. They are protected by the state of Idaho because of their outstanding fish and wildlife habitat and recreational diversity. Building a dam at Twin Springs would destroy miles of these unique free-flowing rivers. We urge you to reject the option of building a dam at Twin Springs and, instead, use the state's limited resources to investigate less harmful and less expensive alternatives."

Ms. Paul went on to say there are quite a few people interested in this process. She added that the Board has the authority to complete the Lower Boise River Basin plan and she felt this should be one of the Board's highest priorities before more progress is made in the Treasure Valley CAMP. Chairman Chamberlain stated that because of employee turnover and state economics the last several years this plan was not completed. The Chairman stated the Board would take this under advisement.

Mr. Peter DeLuca from Twin Falls and a Board member of the Ted Trueblood Chapter of Trout Unlimited, stated he was a recovering lawyer who enjoyed the out of doors. He added he was not opposed to dams, but they do alter the landscape and ecology. Once they are there; they are hard to take out. He requested the Board take a hard look at the proposed Twin Springs dam to see if the benefits will outweigh the costs. He stated the goals of Trout Unlimited. The Twin Springs dam would inundate both the Middle Fork and the North Fork of the Boise River and would destroy many outdoor recreation opportunities. Some questions he had are: 1) What benefits will the dam have; 2) Will it benefit agriculture; 3) What conservation efforts have already been made; 4) Will it endanger bull trout; 5) What future needs will this dam meet; and 6) How will we pay for it. The bottom line is that this dam will destroy a pristine ecosystem and we want to make certain that the benefits outweigh the costs. Trout Unlimited wants to be collaborative partner in this process. He thanked the Board for their time.

Chairman Chamberlain stated that the opportunity to participate will be afforded to him and the benefits of the proposed dam if it is built will be made known.

Mr. John Heimer, a retired 30-year fisheries biologist and businessman, discussed his rafting trip with the Board last summer and how much he enjoyed it. Lately he's had discussions with people about the state's economy and how desperate the state is. The state is in dire circumstances while proposing to spend money on a project that is marginal at best. He wondered about the connection between the two. The Lower Boise Plan is an important study that really needs to be completed.

Mr. Heimer went on to say that if the dam is built, the computer models can predict what we think might happen. Those things may never happen. He asked what would happen with the water

temperature on the Boise River. He stated that Bull Trout are very sensitive to higher temperatures. He stated he was suspicious about the computers and models that tell us what is going to happen. There is no more of a contentious project he said than the Twin Springs dam proposal. There are better things to do than build this dam. Mr. Heimer stated he worked with the department's employees for over 30 years. He requested that the department and the Board do a job that is needed instead of throwing money away on a project that is not needed. He discussed unknown unintended consequences. He thanked the Board and the department personnel for all their help. He invited Board members to go rafting with him again. He encouraged the Board to watch where they're headed.

Mr. Jerry Whitehead addressed the Board about the Twin Springs dam project. He stated he was on the Advisory Board years ago when it was decided the Boise River needed protection. He stated he had spent 48 years going up and down the river. He owns a cabin up along the river. He stated there is barely enough water in Arrowrock dam to keep it going. The usage of the river has grown and based on 20-year old findings that the river deserves protection, little has changed. He thanked the Board for their time.

Mr. Greg Stahl, Idaho Rivers United, addressed the Board in relation to water transfers in the Wood River Basin stating that Idaho Rivers United supports the Board's protests of transfers up to this point. They agree that the gauging information is inadequate and they support improvement. They caution that allowing the transfers to go forward could set a bad precedent. In-stream water rights are in the public interest and he asked the Board to recognize public interest. He stated that now is a time to move forward cautiously.

#### **Agenda Item 4, IWRB Hydropower Status Report**

Mr. Patton presented the hydropower status report. He stated that as of October 1, the Dworshak hydropower plant has produced about 183 million kWh sold to Bonneville Power Administration. Pristine Springs #1 hydropower plant has produced just less than 1.3 million kWh and the Pristine Springs #3 hydropower plant has produced just less than 1.9 million kWh.

In the financial reports this fiscal year to October 27th, Dworshak has accrued \$66,000 in revenue over expenses for deposit into the Revolving Development Account and \$26,000 into the Repair and Replacement Account. Pristine Springs #1 and #3 combined have produced just under \$6,000 over expenses.

Mr. Graham asked how many years the Board is committed under contract with the Bonneville Power Administration. Mr. Patton replied there is a 30-year contract that we are ten years into. The energy sales rates does increase 3% every year.

Chairman Chamberlain asked what happened with the billings for the FERC payments. Mr. Patton replied that payments are being made regularly to FERC about \$5,000 per year.

## **Agenda Item 5, IWRB Financial Program**

### **a. Status report**

Mr. Patton stated that as of October 1st there is \$12.8 million in funds committed but not disbursed. Total loan principal outstanding is \$20.2 million; total uncommitted balance as of October 1st is \$1.1 million. For the coming year the total estimated uncommitted funds is about \$3 million. The uncommitted balance is the loan payments from the groundwater districts.

Mr. Alberdi asked about committed but not distributed funds that might not be placed. Mr. Patton stated the total amount of sums is committed and will be spent through loans or direct project payments over time. This includes \$2.5 million for the CREP program.

Mr. Graham asked if money should be moved out of the Water Management Account. Mr. Patton stated there is about \$22,000 in that account not earning interest. The Chairman stated only about \$1,000 is needed in that account. Mr. Rigby moved that \$20,000 be moved to the Revolving Development Account. Mr. Graham seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: aye; Mr. Alberdi: aye; Mr. Chase: absent; Mr. Beck: aye; Mr. Chamberlain: aye; Mr. Graham: aye; Mr. Rigby: aye; Chairman Uhling: Absent. 6 ayes; 2 absent. Motion Passed.

### **b. Aquifer Recharge Program Update**

Mr. Quinn addressed the Board. At the September meeting Mr. Quinn presented a proposed plan for late season recharge. The total acre-feet estimate has been reduced from 60-70,000 acre feet to approximately 30,000 acre feet. The September plan was based on a 60-day recharge term and the Great Feeder Canals have dropped out due to fees charged for storage water. The 30,000 acre feet projection is still a possibility. Currently, the Egin Bench Canals have been recharging since early September about 155 acre feet per day for a total of 7,000 acre feet. The Southwest Irrigation district is recharging approximately 25-30 acre feet per day. Their total is approximately 150 acre feet since October 22<sup>nd</sup>. He cautioned that these numbers are subject to verification. The Milner-Gooding Canal will start at the end of this week. Staff are still looking at some late season recharge from North Side Canal. They are currently running water for IGWA and the Dairymen's Association.

Chairman Chamberlain asked for details on the Southwest Irrigation District. Mr. Quinn stated that the standard agreement has been executed with modifications for restrictions on well injections until the necessary permits are issued by IDWR. This agreement was executed on October 22 and they began recharge the next day. The new West Cassia Pipeline has three discharge points into a channel.

### **c. Bear River Canals & Southwest Irrigation District Pooled Loan Bond**

Mr. Anderson stated that Mr. Patton would lead this discussion.

Mr. Patton addressed the Board and stated that Mr. Jim Wrigley was present to ask questions about potential bonding. The Bureau of Reclamation has awarded Water District 11 a grant from federal stimulus funds. As part of that grant, money will go into the Bear River area to improve canal systems. Because the grant requires matching funds, these canal companies are requesting money from the Board. There are eight different canal companies requesting \$3.3 million in a short amount of time. Staff have been discussing the possibility of a pooled bond to finance the projects. At the same time, Mr. Wrigley was contacted by the Southwest Irrigation District to get long-term financing for about \$6.2 million for their pipeline construction. Mr. Patton wanted feedback from the Board and he asked Mr. Wrigley to add his comments.

Mr. Jim Wrigley added that the Board could create a new mechanism under their authorities to allow an assessment-type lien for a loan. This would benefit the canal companies who come to the Board. In the Bear River, this would make the canal companies a marketable credit. He discussed the Oakley canal company loan. Strong security is needed for the Bear River financing. He suggested a local improvement district or a sub-district in the irrigation district law to address this issue. The Chairman stated that Mr. Anderson would be discussing this issue with legislative leadership. The Chairman hoped there would be a positive outcome.

Mr. Anderson presented a Notice of Resignation for Mr. Wrigley who is no longer with Wells Fargo. Mr. Wrigley is now with Wedbush Securities. A motion is needed to have the chairman sign this resignation and return it to Wells Fargo. Mr. Graham moved that the Board authorize the chairman to sign the Wells Fargo resignation letter. Mr. Alberdi seconded. The Chairman called for a voice vote. All were in favor. Motion passed.

Mr. Anderson stated that he would work with Mr. Wrigley and department counsel to create a new agreement for Mr. Wrigley's services.

#### **5d. Water Transactions – Lemhi River City of Salmon/Thomas Donation**

Ms. Harrington stated that at the September Board meeting the Board approved a resolution to enter into an agreement with the City of Salmon for the Thomas donation of water. This agreement was to protect in-stream flows in the Lemhi River. In finalizing the contract, department counsel stated that the agreement would be non-binding since there was no cost to the irrigator. He suggested a minimal amount to make the contract binding. Staff are recommending a \$300 per year payment for the 12-year agreement coming from the Water Transactions Fund. The South/Central Minimum Stream Flow Committee recommends this action. Mr. Rigby moved that the Board sign a new resolution for the Lower Lemhi 2010 City of Salmon/Thomas Transaction charging \$300 per year for the water transaction. Mr. Cuddy seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: aye; Mr. Alberdi: aye; Mr. Chase: absent; Mr. Beck: aye; Mr. Chamberlain: aye; Mr. Graham: aye; Mr. Rigby: aye; Chairman Uhling: Absent. 6 ayes; 2 absent. Motion Passed.

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

### **a. ESPA CAMP Status Report**

Mr. Anderson stated that the ESPA Implementation Committee has established a series of working groups on various aspects of the plan to move the ESPA CAMP forward. The biggest struggle is that there is no funding available other than what the Board has made available on recharge. The Funding Work Group has been trying to come up with a mechanism to collect fees included in the plan. The group has met several times and draft legislation has been presented by Phil Rassier. Detailed discussions have taken place with County Treasurer representatives. The outcome of the last meeting is to move ahead with a tentative plan to use a combination of mechanisms for collecting fees. Various water user groups, cities and the state have target amounts to be paid. Fees will be imposed by the Legislature. The current proposal is for an across the board \$1 per acre for irrigated agriculture on the Eastern Snake collected through County Treasurers with the Assessors coming up with the acreage amounts. For the groundwater portion there is a \$2 per acre fee for to be collected by the irrigation districts that administer groundwater. The cities, spring users and industrial fees would be collected by the water districts. Mr. Anderson stated that progress is being made. The legislation will be a reasonably good starting point for the Interim Legislative Committee.

### **b. Treasure Valley CAMP Status Report**

Ms. Harrington stated that in mid-September the Chairman of the Board sent out an introduction letter to about 90 potential interviewees. A brochure and a letter from the facilitators were also included. Interviews were held in October and the situation assessment report should be done in late November-early December. This information and suggested Advisory Committee members will be brought to the Board for their approval.

Ms. Harrington went on to say that the Weather Modification Study is almost complete. Staff have received the final report which will be discussed with the new Advisory Committee. The future demands contractor has put together existing information and will complete their work by next March. They will also engage with the Advisory Committee when it is formed. The Climate Change study contract is in the negotiation stages and will be presented to the Advisory Committee in the spring.

Ms. Harrington discussed the Boise Storage Study which is a part of this CAMP. The Hydrology Section has several studies ongoing: geophysics, monitoring stations in the Boise River and a contract for modeling that covers this area.

### **c. Rathdrum Prairie CAMP**

Ms. Harrington presented the update for the Rathdrum Prairie CAMP. The situation assessment has been completed and nominations have been made for Advisory Committee members. Studies that will be the foundation include future demands work to be presented to the Advisory Committee. She stated that this group will make a presentation at the first Advisory Committee meeting in December or January. The climate impact study for the Treasure Valley and the Rathdrum Prairie will be done by the same contractor.

The Rathdrum CAMP is moving forward faster since data was available from the recently completed hydrologic study. Technical staff are refining information in the model for the large lakes coordinating with the INEL laboratory.

Ms. Harrington stated that the facilitators have recommended 18 members for the Advisory Committee within ten categories. The subcommittee has approved 16 of the 18 nominees to be appointed. They have directed the facilitators to return to the Conservation category groups for two new nominees for the subcommittee to consider. The Chairman asked Mr. Graham for his comments. Mr. Graham stated that Ms. Harrington's summary was accurate and complete.

Ms. Harrington stated two actions need to be taken: 1) a motion to establish the Advisory Committee; and 2) to appoint the nominees recommended by the Advisory Committee.

Mr. Cuddy moved to establish the Advisory Committee for the Rathdrum Prairie CAMP; Mr. Beck seconded. Chairman Chamberlain called for a voice vote. All were in favor. Motion passed.

Ms. Harrington read the nominees for the Rathdrum Prairie Advisory Committee:

Water Providers – Mike Galante, Ron Wilson, Alan Miller  
Wastewater Treatment Facilities – Paul Klatt and Ken Windram  
Utilities – Bruce Howard  
Natural Resource Industries – Hal Keever  
Business, Real Estate & Development – Kermit Kiebert and Bruce Cyr  
Tribes – Phil Cernera  
Local Government – Michael Neher, Jim Markley, Chris Beck, Todd Tondee  
At Large – Andy Dunau and Jonathan Mueller  
Conservation – to be named later

Mr. Rigby moved that the sixteen nominees for the Rathdrum Prairie Advisory Committee be approved by the Board. Mr. Beck seconded. The Chairman requested a voice vote. All were in favor. Motion passed.

#### **d. State Water Plan**

Ms. Harrington stated that the State Water Plan Subcommittee had met and reviewed the first group of policies and were into the second group. At each work session for the next five Board meetings, sections of policies will be reviewed by the Board. Hopefully, by the summer, the final draft will be ready for public review. The next subcommittee meeting is January 5<sup>th</sup> and additional policies will be brought to the work session in later January.

#### **e. Minimum Stream Flow Subcommittee Status Report**

Ms. Harrington stated that the South/Central Minimum Stream Flow Subcommittee met on October 29, 2009 to consider various issues that cover the area it oversees including the Salmon River, the Big Wood River and southwest Idaho including the Snake River below Milner Dam. The Board filed protests to transfers on the Big Wood River in June and July which could impact the Boards minimum

stream flow water rights. There was a discussion on these issues. This is a contested case and she stated there is a policy alternatives memo in the Board book that was discussed at the subcommittee meeting.

Ms. Harrington stated the subcommittee discussed the concept of a minimum stream flow in the Upper Salmon. The U.S. Forest Service attended and made a presentation to the subcommittee. They were asked to coordinate with staff and come back to the subcommittee with a formal request for the Board to submit an application for a minimum stream flow.

The Chairman asked Mr. Alberdi to comment. Mr. Alberdi stated the South/Central Minimum Stream Flow subcommittee has met three times. At the first meeting the discussion was about the Board's minimum stream flow water right. Mr. Rassier, Deputy Attorney General, stated the Board's minimum stream flow right is just like all other water rights. The subcommittee asked for reports from the people involved in the transfers. This was the topic for discussion at the second meeting. The hydrologic presentations were discussed and the subcommittee decided to have staff come up with alternatives. The Attorney General's Office aided this discussion. The third meeting was to discuss the alternatives which were 1) to change the minimum stream flow; 2) to leave it alone; or 3) someplace in between. There is a gauging station to measure the water. The Board has to protect their water right. The subcommittee does not have the authority to take action.

The Chairman asked if the recommendation from the subcommittee is that the water right stands as is. Mr. Alberdi responded yes, but if the Board wants to discuss this further, they can do that.

At this time, Mr. Jim Speck an attorney from Ketchum addressed the Board. He represents the applicants for the five pending transfers. He stated that he had not had an opportunity to discuss the alternatives presented by Ms. Harrington at the South/Central Minimum Stream Flow Subcommittee meeting. He asked if all the documents he had presented at subcommittee meetings including a letter containing his legal analysis, Dr. Brockway's memo containing alternatives and Dr. Brockway's presentation were included in the record. Ms. Harrington stated that Dr. Brockway's memo was not presented at the meeting, but she agreed to attach that along with all the documents to the subcommittee meeting minutes.

Mr. Speck discussed the alternatives proposed by staff. He stated that numbers one, three and four don't merit discussion. Three and four are the two extremes and as a resident of the Wood River Valley, he would not like to see the minimum stream flow water rights abandoned. As far as no change to the current actions, that is the other extreme. Number two is that the Board would recommend that for the time being they would request the department post certain conditions for transfers or have a policy for transfers. The overall issue which involves conjunctive management of water in the Big Wood River Valley is not going to be easily solved. He expressed hope that the Board would consider the third bullet point under number two allowing up to a specific quantity of transferred rights.

He went on to say that Dr. Brockway discussed at the last subcommittee meeting last week the accuracy of the gauge being plus or minus 5%. He discussed the reaches and the water measurement. Dr. Brockway suggested a plus or minus 2%. In Ms. Harrington's memo under 1B partial subordination would require a change in the Board's water right. The 4% mentioned there is very close to Dr. Brockway's suggested 2%. He asked the Board to consider agreeing to, for the time being, that total



transfers up to 3.78% of allowed diversions within upstream diversions as a result of transfers in the minimum stream flow reaches could go forward while the Board continues to develop policy.

In terms of the five applications and another client who has not filed, the total is sixteen and a half acres within the minimum stream flow reach. Typically, these new transfers would condition limiting the diversions out of the river to an inch to the acre .2 cfs for sprinkler irrigation. These are all residential irrigations for a total diversion of .33 cfs. For 70-75% efficiency of these systems, there would be a depletion of .2-.25 cfs as a result of all these pending transactions. This is just a little more than one-tenth of a percent of the minimum stream flow. Mr. Speck urged the Board to discuss and consider this alternative.

Chairman Chamberlain asked for questions or comments. Mr. Rigby stated he had not been very involved with this. He asked what has happened with development in the past. Is this the first incident or have other things been dealt with in the past.

Mr. Speck responded that since the minimum stream flow water rights were issued and licensed, there have been numerous transfers upstream in the reaches of similar amounts and in total more than what we are talking about today. They weren't protested by the Board. It wasn't an issue. It didn't become an issue until this last summer when it was brought up by IDWR staff when several transfer applications were filed together. The water is coming from the bottom of the reach at a district canal in Bellevue and is being transferred north of Bellevue. Mr. Rigby asked if rights below had been transferred up above. Mr. Speck stated that water rights have been transferred up before but not that far up.

Mr. Rigby asked Mr. Alberdi or anyone who the other protestants were. Ms. Harrington stated that as far as she knew that Trout Unlimited had just intervened in some of the cases. Mr. Speck stated that more to the point there is another protest in one of the surface transfers filed by the District 45 canal company. The gist of their protest is that they want to be sure that some of the water is left in the canal for carrying losses. The transfer on its face didn't specifically propose that, but they have also filed petitions to intervene in two other applications. There are more petitions to intervene coming.

Mr. Rigby stated to the Chairman that he needed to quit being an attorney and be a Board member. The Chairman responded that the South/Central Minimum Stream Flow Subcommittee had been involved with the Attorney General's office and given advice on this issue. Mr. Rigby stated he would like to be involved with the South/Central Minimum Stream Flow Subcommittee. Mr. Alberdi stated he was welcome on the subcommittee. Mr. Rigby said that was not necessary, but he would like updates and to be on conference calls.

Mr. Alberdi stated to Mr. Speck that the Board needed to protect their water right and that Mr. Speck should want to protect the state's water right. Mr. Speck responded that they were protecting it and the amount of change in the river flow was di minimus in its effect on the state's water right. In the event of a conjunctive management call in the Wood River area there will be bigger issues to deal with Mr. Speck said. Chairman Chamberlain stated that in looking to the future, the Board needed to consider the possibility of conjunctive management. At the present time, the recommendation of the Minimum Stream Flow Subcommittee is for the Board to take no action and allow the protests to go forward.

Mr. Jim Laski asked if the Minimum Stream Flow Subcommittee for the Wood River is disbanded? The Chairman stated that their work would continue. In respect to the protests, they would stand the Chairman added. Mr. Rigby stated that these transfers and protests will work through the system and there are many opportunities for mediation and negotiation. He stated that he supported the subcommittee to date. Mr. Speck thanked the Board. The Chairman thanked Mr. Speck and Mr. Laski.

The meeting took a short break.

### **Agenda Item No. 7, Storage Projects Update**

Ms. Cynthia Bridge Clark began with the Teton Basin Storage Appraisal Study. The Board executed an agreement with the Bureau of Reclamation and they intend to contract most of the work out to a consultant. They are delaying the start until February due to internal resource issues. She stated she would continue to update the Board as information becomes available.

Ms. Clark discussed the Galloway Dam Feasibility Study. Staff are exploring potential funding options for this study. She stated she would keep the Board updated as information becomes available.

Ms. Clark then summarized the Minidoka Dam Raise Special Study. At the work session yesterday, the BOR gave a presentation reporting that preliminary costs estimates for a 5 foot rise would cost \$186 million for an estimated 67,000 acre feet of additional storage. A draft report will be available by the end of this month. The final report will be out in January. The BOR was asked to generate an estimate of costs if the dam raise was conducted in the future and to make a presentation to the Legislative Interim Committee. If any Board member has any requests for the presentation, please let her know.

Mr. Beck asked if the BOR could include the structural soundness of adding an additional abutment later versus now. Would that cause them any concern? Ms. Clark agreed to ask them. Mr. Tiedeman will be identifying a timeline and any additional cost estimates.

Ms. Clark stated that the Army Corps of Engineers is partnering with the Board on the Boise Interim Feasibility Study to evaluate storage opportunities on the Boise River. Ms. Ellen Berggren from the Corps was present to address the Board.

Ms. Berggren thanked the Board for the opportunity to speak. She stated she is the Project Manager for the Lower Boise Interim Feasibility Study and also the team leader for the Corps' outreach office. She discussed the background of the Boise Interim Feasibility Study. She stated that in completing the Lower Boise Interim Feasibility Study, the Corps will provide water storage strategies for integrating with the Treasure Valley CAMP. Ms. Berggren stated that in May a partnership agreement was signed with the Board for a two phase feasibility study, a unique process that was done to accommodate the Board. Ms. Berggren went on to discuss the focus, the project management plan, and the Existing Conditions Inventory. She stated that there is new Green Lidar data that can be used to update the hydraulic model. The Corps has contracted with an engineering firm in Boise to begin the update to the hydraulic model to be completed by December 2009. She discussed the Water Storage Assessment and the 12 potential sites identified on the Boise River. Engineers are gathering data on

these sites and she provided a map to show where they were located. She stated a short list of about three sites will be developed. She discussed various informational meetings that have been held to coordinate the Boise Interim Feasibility Study and the Treasure Valley CAMP. She identified key milestones and said the study will be completed in three years. She thanked the Board for the opportunity to speak.

The Chairman asked for questions or comments. Mr. Rigby asked if she was the go to person for the whole state. She stated she could get answers to questions for other areas of the state. Mr. Rigby discussed the situation with Ririe Reservoir and the implications to Water District 01. Mr. Graham asked if she covered the entire state. Ms. Berggren explained the different district of the Corps and which areas of the state that they cover.

### **Agenda Item No. 8, Interim Director's Report**

Interim Director Gary Spackman remarked that he enjoyed listening to the issues presented at the Board meeting. He stated that the contribution of the Board to address the 7.5% shortfall for the department was a disproportionate share. This 7.5% holdback will become permanent in budget proposals to the Legislature for FY 2011. Director Spackman has been asked to come up with a plan for the department based on that budget. He is also finalizing the Zero Based Budgeting report to submit to the Division of Financial Management. In meeting with DFM and Mr. Anderson it was agreed that the Board's programs be ranked separately from the department recognizing the symbiotic relationship. To satisfy the 7.5% holdback, programs ranked at the bottom may be eliminated. Meetings are scheduled to discuss which programs and he stated he would share this information with the Board as soon as it is available. He added that he would also provide copies of the rankings.

Interim Director Spackman discussed the Zero Based Budgeting and changes in personnel and increased efficiencies. A couple of Board programs in planning will be slowed down. The basin plans are near the bottom to be developed only when necessary in the future. In the Water Management Division and Planning and Technical Services there is a crossover in the Water Supply Bank. The Water Supply Bank is under the Water Management Division currently because it involves detailed water right information. Other items that will be looked at for assessment are how to limit the number of water rights accepted into the bank for rental. The issue is whether the bank is being used for the free use of water or is the bank becoming a way to avoid forfeiture in the statutes. Staff are overwhelmed with incoming applications while actual rentals are down. The focus should be how we can get these rights into a market setting.

Mr. Rigby discussed one of his clients who is trying to get her rights into the water bank. The parking of water to avoid forfeiture is one of the concerns now that partial decrees are being granted. He discussed the issue in greater detail. This will become a bigger concern than in the past. He suggested that certain rights be put in to avoid forfeiture. He thought there was a need for that.

Director Spackman stated that just in terms of staff resources the limited time should be spent to rent water out to those who need it. Other water should sit on the shelf and perhaps the Idaho Code should be changed to provide for this need. Discussion is needed he stated. Mr. Rigby asked if there would be a way to recognize parking water rights to avoid forfeiture. Interim Director Spackman stated he would be willing to have these discussions. Another consideration is raising the rental fees. Interim

Director Spackman stated it could be like an escrow account. Another idea is limiting the lease period for five years.

Director Spackman addressed AWEP and the polarizing issues surrounding the program. He had discussed with Mr. Alberdi and others and expects other ideas and alternative proposals to be raised. The Director and Mr. Alberdi agreed it was a delicate situation requiring the Director to exercise great caution. He suggested discussing it with the Interim Legislative Committee for their guidance.

Lastly he discussed the curtailment order issued last July and other warning letters sent out to groundwater users describing the conditions and letting them know their obligations in the coming year. A letter just went out a few days ago. When Judge Melanson stayed the curtailment order, there were questions about certain obligations that needed to be satisfied because of shortfalls for 2009 and what might be okay in 2010. This is pending before the court and the department is awaiting their decision. Late season recharge and early season recharge credits are up in the air until that happens. He stood for Board questions.

Chairman Chamberlain thanked him for his presentation and called for other questions. There were none.

**Agenda Item No. 9, Non-action Items Board Members May Wish to Present**

Chairman Chamberlain called for input from Board members. There was none.

**Agenda Item No. 10, Next Meeting and Adjourn**

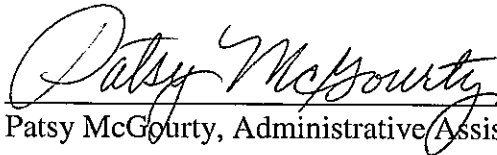
Mr. Anderson stated the next meeting is scheduled for January 21 and 22. The schedule for 2010 can be considered at that time. In 2009 the Board decided to have all meetings in Boise to save travel costs. This issue will be discussed in January also.

The meeting was adjourned.

Respectfully submitted this 24<sup>th</sup> day of November, 2009.



Bob Graham, Secretary



Patsy McGourty, Administrative Assistant II

Board Actions:

1. Mr. Graham moved that the minutes of Meeting No. 10-09 be approved as written. Mr. Cuddy seconded the motion. The Chairman called for a voice vote. All were in favor.
2. Mr. Rigby moved that \$20,000 be moved to the Revolving Development Account. Mr. Graham seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: aye; Mr. Alberdi: aye; Mr. Chase: absent; Mr. Beck: aye; Mr. Chamberlain: aye; Mr. Graham: aye; Mr. Rigby: aye; Chairman Uhling: Absent. 6 ayes; 2 absent. Motion Passed.

3. Mr. Graham moved that the Board authorize the chairman to sign the Wells Fargo resignation letter. Mr. Alberdi has seconded. The Chairman called for a voice vote. All were in favor. Motion passed.
4. Mr. Rigby moved that the Board sign a new resolution for the Lower Lemhi 2010 City of Salmon/Thomas Transaction charging \$300 per year for the water transaction. Mr. Cuddy seconded. The Chairman called for a roll call vote.

Roll Call Vote:

Mr. Cuddy: aye; Mr. Alberdi: aye; Mr. Chase: absent; Mr. Beck: aye; Mr. Chamberlain: aye; Mr. Graham: aye; Mr. Rigby: aye; Chairman Uhling: Absent. 6 ayes; 2 absent. Motion Passed.

5. Mr. Cuddy moved to establish the Advisory Committee for the Rathdrum Prairie CAMP; Mr. Beck seconded. Chairman Chamberlain called for a voice vote. All were in favor. Motion passed.
6. Mr. Rigby moved that the sixteen nominees for the Rathdrum Prairie Advisory Committee be approved by the Board. Mr. Beck seconded. The Chairman requested a voice vote. All were in favor. Motion passed.