



IDAHO WATER RESOURCE BOARD

MEETING MINUTES 6-12

C.L. "Butch" Otter
Governor

Red Lion Hotel
Port 6 Conference Room
621 21st Street, Lewiston, Idaho

September 7, 2012

Terry T. Uhling
Chairman
Boise
District 2

Roger W. Chase
Vice-Chairman
Pocatello
District 4

Bob Graham
Secretary
Bonners Ferry
District 1

Charles "Chuck"
Cuddy
Orofino
At Large

Leonard Beck
Burley
District 3

Vince Alberdi
Kimberly
At Large

Jeff Raybould
St. Anthony
At Large

Peter Van Der Meulen
Hailey
At Large

Chairman Terry Uhling called the meeting to order at approximately 7:30 am. All Board members were present.

Agenda Item No. 1, Executive Session

At 7:30 am the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 67-2345(1)(f), for the purpose of communicating with legal counsel regarding legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. No action was taken by the Board during the Executive Session. The Board resolved out of Executive Session and into Regular Session at approximately 8:45 am.

Agenda Item No. 2, Roll Call

Board Members Present

Terry Uhling, Chairman
Bob Graham, Secretary
Jeff Raybould
Leonard Beck

Roger Chase, Vice-Chairman
Vince Alberdi
Peter Van Der Meulen
Chuck Cuddy

Staff Members Present

Brian Patton, Planning Bureau Chief
Cynthia Bridge Clark, Engineer
Mat Weaver, Engineer
Diana Ball, Administrative Assistant

Helen Harrington, Planning Section Manager
Morgan Case, Biologist
Brian Ragan, Hydrologist

Guests Present

Jon Bowling, Idaho Power
Walt Poole, IDFG
Vanessa Grieve, Idaho State Journal

John Tracy, University of Idaho
Dick Wyatt, Clearwater Water Dist.

Agenda Item No. 3, Agenda and Approval of Minutes 5-12

Mr. Patton requested that Agenda Item No. 5, the IWRRI Advisory Committee Appointment, be moved ahead of Public Comment, to accommodate Mr. John Tracy's schedule. Minutes 5-12 were not available for approval.

Agenda Item No. 4, IWRRI Advisory Committee Appointment (*John Tracy, IWRRI Director*)

Mr. Tracy presented a copy of a letter he sent to the IWRB on August 3, 2012, requesting that the IWRB consider appointing a member or designee to the IWRRI External Advisory Board (EAB). The purpose of the IWRRI EAB is to provide direction to IWRRI in initiating research activity that could be important to the future of the State of Idaho and to provide a mechanism for the research to be utilized to initiate discussion and educate the next generation of water users. Mr. Tracy provided information regarding the makeup of the Board and the time commitment. He requested that an appointment be made by the end of September. There was discussion among the parties regarding the history of IWRB members serving on the IWRRI EAB.

Agenda Item No. 5, Public Comment

Chairman Uhling asked for public comment regarding any items not included on the agenda. Mr. Dick Wyatt, representing Lyle Smith, discussed a project by the Clearwater Water District to remove colloidal material in their water. Mr. Wyatt discussed the possibility of applying for a loan from the Board to complete this project. There was discussion among the parties regarding the current Board loan rates and a need to review loan rates.

Agenda Item No. 6, Director's Report (*Gary Spackman, IDWR Director*)

Director Gary Spackman discussed his desire to collaborate with the Board on future actions regarding water user violations. The Director also discussed draft legislation on municipal water rights and minimum stream flows. There was discussion among the parties regarding initiating legislation by the deadline. Director Spackman discussed legislation regarding the licensing of hydropower rights. He shared with the Board his desire for help from the Board in developing qualifications for the Director's position, as well ongoing recreational mining issues. Director Spackman discussed his meeting with the Nez Perce County Commission regarding water level problems and possibly a larger area of ground water management in the area.

Agenda Item No. 7, IWRB Committee and Other Reports

a. **Stream Flow Enhancement and Minimum Stream Flow Committee** (*Roger Chase, Chair ; Helen Harrington, Staff*)

Ms. Harrington provided a status report on the July 20th committee meeting. The committee made positive recommendations on two proposed water transactions in the Upper Salmon River Basin, which will be addressed later in the meeting. At the committee meeting, Ms. Sarah Rupp with Friends of the Teton River presented a status update on water transactions efforts underway in the Teton River Basin. Ms. Harrington also discussed a draft appraisal for the Alturas Lake Creek water rights.

b. **Water Storage Projects** (*Terry Uhling, IWRB; Cynthia Bridge Clark, Staff*)

Ms. Bridge Clark provided a status update on the August 20th storage committee meeting. The agenda included an update on the Henry's Fork Basin study by the US Bureau of Reclamation and a field trip to view the drilling activities at the Weiser-Galloway project site.

c. **Upper Snake River Advisory (Operations Forum)** (*Roger Chase, IWRB; Rich Rigby, Senior Advisor; Mat Weaver, Staff*)

Mr. Weaver provided an update on the September 5th Upper Snake Advisory committee meeting. The agenda included discussion on climate conditions for the 2012/2013 winter season; a presentation from Mr. Mike Beus of US Bureau of Reclamation regarding low carry-over at the end of the season; discussion on natural flows; minimum pool volumes in the American Falls Reservoir; a report from Watermaster Lyle Swank on the rental pool; an update from Jon Bowling on Idaho Power Operations; and recharge goals. The next meeting is scheduled for November 8th.

Agenda Item No. 8, Water Transactions Program (*Morgan Case, Staff*)

a. **Status Report**

Ms. Case provided a status report on the overall water transactions program.

b. Kenney Creek

Ms. Case provided an update on Kenney Creek water transactions. Projects are in development to remove some of the small water right users from Kenney Creek in order to simplify the management of the easement and remove any other high flow diversions that might adversely impact the creek. The Nature Conservancy has been working with Ms. Gail Andrews on a project to put a small pumping station on a wastewater ditch that runs along the Andrews property. In order to protect the flows instream and minimize the financial impact of pumping waste water, staff proposes entering into a 20-year agreement not to divert. The cost of the agreement would be based on pumping cost estimates over 20 years - \$10,219.79. The funds would be requested from the Idaho Fish Accord to be placed into the Board's revolving development water transaction subaccount to be paid out annually.

Mr. Roger Chase made a motion to approve the resolution to make a funding commitment in the matter of the Kenney Creek Transaction. Mr. Bob Graham seconded the motion.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Chairman Uhling: Aye. Motion carried.

c. Big Springs Creek (Lemhi)

Ms. Case also reported on a Big Springs Creek (Upper Lemhi) transactions. Staff has been working with The Nature Conservancy on a potential water transaction that would increase flows by 1.36 cfs in Big Springs Creek and 1.36-4.54 cfs in a 3.6 mile reach of the Upper Lemhi River. In order to accomplish those flow benefits, Beyeler Ranches would consolidate some of its Lemhi River water rights and all of its Big Springs water rights into one diversion. In order to protect the flows instream and minimize the financial impact of pumping water, staff proposes entering into a 20-year agreement not to divert. The cost of the agreement would be based on pumping cost estimates over 20 years plus a small annual payment of \$500 to Y Livestock Ranch for the increased burden of maintenance on the LBSC 5 diversion ditch. Total project cost would be \$69,438.50. The cost would be requested from the Idaho Fish Accord to be placed into the Board's revolving development water transaction subaccount to be paid out annually. There was discussion among the parties regarding the range in increased flows in the Upper Lemhi River.

Mr. Jeff Raybould made a motion to approve the resolution to make a funding commitment in the matter of the Big Springs Creek and Upper Lemhi Transaction. Mr. Vince Alberdi seconded the motion.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Chairman Uhling: Aye. Motion carried.

Agenda Item No. 9, IWRB Financial Program

a. Status Report (Brian Patton, Staff)

As of July 1, the Board has approximately \$17.4 million in funds committed but not yet disbursed, approximately \$16.4 million in loan principle outstanding, and a total uncommitted balance of approximately \$4 million. During the month of July, the Board committed about \$1.5 million in loans. There was discussion among the parties regarding the Bear River loan, and the interest rate on the revolving development fund.

b. Ground Water District Revenue Bonds (Brian Patton, Staff)

Mr. Patton provided an update on the ESPA Ground Water District Revenue Bonds. The Southwest Irrigation District (SWID) has completed its purchase of 15% interest in the trout farms that were purchased by four ESPA ground water districts utilizing the proceeds of revenue bonds issued by IWRB. There was discussion among the parties regarding the interest rates on the loans.

c. Bear River Bonds (Brian Patton, Staff)

Mr. Patton provided an update on the Bear River Bond issuance. Treasureton Irrigation Company submitted a letter with a proposed resolution concerning the bond issue process. There was discussion among the Board members and Mr. Patton regarding the financing structure of the bonds, communication occurring between the parties involved, and suggestions to improve the process.

Agenda Item No. 10, UIC Rules Update *(Brian Ragan, Staff)*

Mr. Ragan provided an update on the proposed UIC Rule Revision. New language regarding aquifer exemptions has been added to the proposed Underground Injection Control (UIC) rules since the last presentation to the Board. He summarized the negotiated rule-making meetings that have occurred and provided a timeline for future meetings and deadlines. Mr. Ragan discussed aquifer categorization and the process for aquifer exemptions. There was discussion among the parties regarding the rules to be submitted in November and resources needed to handle the agencies' involvement.

Agenda Item No. 11, Proposed State Water Plan *(Helen Harrington, Staff)*

Ms. Harrington provided an update on the public hearings and information meetings that are being held around the state as the public comment period progresses for the Proposed Revisions of the State Water Plan. It is anticipated that recommendations for final revisions will be provided for consideration to the IWRB accompanied by a recommendation of adoption of the Revised State Water Plan at the November Board meeting. There was discussion among the parties regarding written comments received and the number of attendees at previous meetings.

Agenda Item No. 12, RP CAMP *(Helen Harrington, Staff)*

Ms. Harrington provided an update on the Rathdrum Prairie Comprehensive Aquifer Management Plan (RP CAMP). The RP CAMP Advisory Committee met on July 9th and the goal of the meeting was to establish a process and procedures for CAMP implementation. Due to the small number of attendees, the meeting primarily focused on prioritizing actions and discussing the funding which the IWRB recently made available for RP CAMP implementation. The Advisory Committee will be meeting on a quarterly basis.

Agenda Item No. 13, TV CAMP *(Helen Harrington, Staff)*

Ms. Harrington provided an update on the Treasure Valley Comprehensive Aquifer Management Plan (TV CAMP). The public comment period for the proposed TV CAMP is currently open and continues through September 30, 2012. Public comment hearings are scheduled for Caldwell (Monday, September 10) and Boise (Tuesday, September 11). The Treasure Valley Partnership submitted a request for \$500 toward funding a Treasure Valley Water Quality Summit. Matching funds are being requested from other organizations. Discussion ensued regarding other funding sources.

Mr. Roger Chase made a motion to approve the resolution to allocate funds in the matter of the projects associated with the recommended Treasure Valley Comprehensive Aquifer Management Plan. Mr. Vince Alberdi seconded the motion.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Chairman Uhling: Aye. Motion carried.

Agenda Item No. 14, ESPA CAMP and Aquifer Management Efforts Update *(Mat Weaver, Staff)*

Mr. Weaver provided an update on recent ESPA-related activities. The future of AWEF past 2013 is unknown. The ESPA is not likely to be recognized as a project within the Revised Farm Bill, so staff will need to apply for funding through it. He also provided an update on the End Gun Removal Program. Staff has met with the NRCS to discuss revising or increasing incentive funding for end gun removal. Staff is requesting that NRCS look at a 2007-2011 average, which would increase the incentive to \$150-\$175 per acre.

Mr. Weaver discussed the Board's recharge water right applications. Staff is currently preparing for the hearing on the Board's contested applications. They have held four meetings with stakeholders and are planning on at least two more meetings. The next status conference meeting with Director Spackman will be held on October 29th.

Mr. Weaver updated the Board on the Lake Walcott recharge site. Currently there is discussion with US Bureau of Reclamation (US BOR) and Magic Valley Ground Water District regarding power generation revenue and water supply for recharge above Minidoka Dam. There was discussion among the parties regarding the Lake Walcott recharge site.

Mr. Weaver updated the Board on the Mile Post 31 Recharge site. Construction improvements are being recommended by staff not to exceed \$35,000 or the 40% of actual project costs. American Falls Reservoir District No. 2 will fund the remaining project costs. There was discussion among the parties regarding the Mile Post 31 recharge site and the quantity of water to be diverted for recharge.

Mr. Leonard Beck made a motion to approve the resolution to allocate funds in the matter of Eastern Snake Plain Aquifer managed recharge program Mile Post 31 recharge site. Mr. Roger Chase seconded the motion.

Roll Call Vote: Mr. Cuddy: Aye; Mr. Alberdi: Aye; Mr. Chase: Aye; Mr. Beck: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Chairman Uhling: Aye. Motion carried.

Mr. Weaver also updated the Board on late season recharge. To date in 2012 we have recharged 107,371 acre feet of water in the ESPA. This is above the average annual goal. In anticipation of a potentially dry water year in 2013, staff suggests the Board should continue to recharge in 2012 to "bank" as much recharge as possible. To this end we are targeting a late season recharge goal of approximately 20,000 acre feet.

Agenda Item No. 15, Water Storage Studies Update *(Cynthia Bridge Clark, Staff)*

Weiser-Galloway Project

Ms. Bridge Clark provided an update on the Weiser-Galloway Project. The US Bureau of Reclamation is performing the drilling and testing activities in coordination with the US Army Corps of Engineers. It is estimated that drilling activities may extend into November. Results of core tests are scheduled for completion by December 2012. The Operational Analysis is expected to be completed in the fall of 2013.

Lower Boise River Interim Feasibility Study

Ms. Bridge Clark also updated the Board on the Lower Boise River Interim Feasibility Study. The Corps is making an effort to streamline and modernize the feasibility process (Planning Modernization initiative). As a result of this initiative the Corps advised the Board that federal support of the study may be contingent on a revision of the agreement to include completion of a full feasibility study. A scoping effort is currently being scheduled by the Corps for this fall and will include a comprehensive technical team. In the interim, the Corps and IDWR staff has been briefing Treasure Valley community leadership on the study and opportunities to participate in the study process. There was discussion among the parties regarding the estimated cost of the study.

Henrys Fork Basin Study

The IWRB and the US Bureau of Reclamation (Reclamation) are conducting a study of water resources in the Henrys Fork River basin to develop alternatives to improve water supply conditions in the Eastern Snake Plain aquifer and Upper Snake River basin. In August 2012, Reclamation staff presented results of the technical analyses to the IWRB Storage committee. The alternatives recommended for further study include surface water storage projects, agricultural conservation and management, and market based alternatives in conjunction with conservation and storage alternatives. A breakdown of potential study costs to assist with prioritization of the alternatives was provided to the Board. There was discussion among the parties regarding the alternatives.

Agenda Item No. 16, Other Items IWRB Members May Wish to Present

Chairman Uhling mentioned the written request from Governor Otter to take up sustainability, and stated that the Board will give the issue due consideration. There were no other items presented by IWRB members.

Agenda Item No. 14, Next Meeting and Adjourn

The next regular IWRB Meeting is scheduled for November 28 in Boise, Idaho, and is scheduled as a work session in the morning with regular meeting and Executive Session in the afternoon. There was discussion about the potential for committee meetings on the afternoon of November 27. During that week, Idaho Water Users' Association will also be holding their annual convention.

The IWRB Meeting 6-12 adjourned at approximately 12:30 pm.

Respectfully submitted this 25th day of January, 2013.



Bob Graham, Secretary



Mandi Pearson, Administrative Assistant II

Board Actions:

1. Mr. Roger Chase made a motion to approve the resolution to make a funding commitment in the matter of the Kenney Creek Transaction. Mr. Bob Graham seconded the motion. Roll Call Vote. Motion carried.
2. Mr. Jeff Raybould made a motion to approve the resolution to make a funding commitment in the matter of the Big Springs Creek and Upper Lemhi Transaction. Mr. Vince Alberdi seconded the motion. Roll Call Vote. Motion carried.
3. Mr. Roger Chase made a motion to approve the resolution to allocate funds in the matter of the projects associated with the recommended Treasure Valley Comprehensive Aquifer Management Plan. Mr. Vince Alberdi seconded the motion. Roll Call Vote. Motion carried.
4. Mr. Leonard Beck made a motion to approve the resolution to allocate funds in the matter of Eastern Snake Plain Aquifer managed recharge program Mile Post 31 recharge site. Mr. Roger Chase seconded the motion. Roll Call Vote. Motion carried.