



IDAHO WATER RESOURCE BOARD

MEETING MINUTES 8-14

C.L. "Butch" Otter
Governor

Kootenai River Inn
Ktunaxa Room
7169 Plaza Street, Bonners Ferry, ID 83805

Roger W. Chase
Chairman
Pocatello
District 4

July 17, 2014
Work Session

Peter Van Der Meulen
Vice-Chairman
Hailey
At Large

Bob Graham
Secretary
Bonners Ferry
District 1

Charles "Chuck" Cuddy
Orofino
At Large

Vince Alberdi
Kimberly
At Large

Jeff Raybould
St. Anthony
At Large

Albert Barker
Boise
District 2

John "Bert" Stevenson
Rupert
District 3

Chairman Roger Chase called the meeting to order at approximately 8:00 am and designated Bob Graham to chair the meeting. Mr. Chuck Cuddy was absent. All other Board members were present.

During the Work Session the following items were discussed:

- Financial Status Report by Brian Patton
- Review of A&B Irrigation District Loan Request by Brian Patton
- Island Park and Storage Studies Update by Cynthia Clark
- North Idaho Future Water Demand by Neeley Miller, Mark Solomon, and Paul Klatt
- State Water Plan by Brian Patton
- Project and Program Tracking and Reporting by Cynthia Clark
- ESPA Recharge Strategic Planning by Brian Patton

No action was taken by the Board during the Work Session.

July 18, 2014
IWRB Meeting

Chairman Roger Chase called the meeting to order at approximately 8:00 am and designated Bob Graham to chair the meeting. Mr. Chuck Cuddy was absent. All other Board members were present.

Agenda Item No. 1, Roll Call

Board Members Present

Roger Chase, Chairman
Bob Graham, Secretary
Vince Alberdi
Albert Barker

Peter Van Der Meulen, Vice-Chairman
Jeff Raybould
Bert Stevenson

Staff Members Present

Gary Spackman, Director
Brian Patton, Bureau Chief
Neeley Miller, Senior Planner
Morgan Case, Biologist

Mat Weaver, Deputy Director
Cynthia Bridge Clark, Engineer
Chad Goodwin, Water Resource Agent
Mandi Pearson, Admin. Assistant

Clive Strong, Deputy Attorney General
Harriet Hensley, Deputy Attorney General

Guests Present

Jeff Tyler, NWPOA	Aaron Bohachek, Bonners Ferry Herald
Phillip Cerner, Coeur d'Alene Tribe	Howard Funke, Coeur d'Alene Tribe
Richard Hart, Coeur d'Alene Tribe	Dylan Hedda, HFA
Mark Solomon, Idaho Water Resources Research Institute	Dan Temple, A&B Irrigation District
Heather Scott, Bonner County	Lynn Tominaga, Idaho Ground Water Appropriators
Doug and Maureen Paterson, Bonner County	Representative Cindy Agidius, Idaho State Legislature
Sage Dixon, Bonner/Boundary County	Caroline Troy, District 5 House candidate
Janet Conlin, Farm Bureau	Eric Redman, District 2B House candidate
Molly McCahon, Lakes Commission	
Senator Shawn Keough, Idaho State Legislature	
Bill Booth, Northwest Power and Conservation Council	

Agenda Item No. 2, Executive Session

At approximately 8:05 am the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 67-2345 (1) subsection (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. 3, Agenda and Approval of Minutes

There were no additions or deletions from the agenda. Mr. Raybould made a motion that the minutes for meetings 4-14, 5-14, 6-14, and 7-14 be approved as printed. Mr. Alberdi seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 4, Public Comment

Chairman Graham opened up the meeting for public comment. Mr. Jeff Tyler of Kootenai County, representing the North West Property Owners Alliance, expressed concerns for Northern Idaho water users due to the Tribe charging users for water. Mr. Barker stated that the Board strongly supports the State's position in those proceedings.

Agenda Item No. 5, Northern Idaho Adjudication Update

Mr. Chad Goodwin provided an update on the Northern Idaho Adjudication. He discussed milestones that have been completed to date, and provided a timeline for projected milestones. Mr. Goodwin gave a summary of claims to be reported to the Court. He also reported on the status of the Palouse River Basin Adjudication. There was discussion among the parties regarding late claims.

Mr. Clive Strong discussed federal reserved water right claims in the Coeur d'Alene- Spokane River Basin Adjudication (CSRBA). He provided a background on the federal governments' power to reserve tribal water rights and specifically discussed the Coeur d'Alene Tribal reserved water right claims. Mr. Strong provided a summary of tribal claims submitted in the CSRBA. He also provided a summary of non-tribal federal reserved water rights, including Avista Corporation claims, United States Forest Service claims, and Bureau of Land Management claims. He discussed the next steps in the

adjudication. There was discussion among the parties regarding new claims and previously-decreed federal claims.

Agenda Item No. 6, North Idaho Future Water Demand Study Proposal

Mr. Neeley Miller discussed the Rathdrum Prairie CAMP (RP CAMP) Future Water Demand Study Proposal funding request. The RP CAMP identifies “studies necessary to support RAFN water right applications” as a critical action item for RP CAMP implementation. The Idaho Water Resources Research Institute (IWRRI) was asked by Rathdrum Prairie municipal water providers to develop a proposal to determine the extent of future water needs to ensure availability for future economic development. This proposal received support from the Rathdrum Prairie Advisory Committee.

Mr. Raybould moved to approve the resolution to allocate funds for the RP CAMP Future Water Demand Study Proposal. Mr. Stevenson seconded the motion.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 7, Spokane River Forum Conference Funding Request

Mr. Miller presented a request from the Spokane River Forum (SRF) to support the Spokane River Conference scheduled for November 18th-20th in Coeur d’Alene, Idaho. The organizers are requesting a \$5,000 contribution. The SRF is a clearinghouse of information about the Spokane River and more recently has been involved with the regional water issues, including the Spokane Valley-Rathdrum Prairie Aquifer. The 2014 Spokane River Conference brings together the public, technical experts and researchers, water users and governmental representatives to learn about and discuss regional water issues and solutions. Staff recommends support for the Spokane River Conference because SRF supports RP CAMP objectives. There was discussion among the parties regarding the cost and location of the conference.

Chairman Chase moved to approve the resolution to allocate \$5,000 for the Spokane River Forum Conference. Mr. Raybould seconded the motion.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 8, Northwest Power and Conservation Council Update

Mr. Bill Booth provided an update to the Board on the Northwest Power and Conservation Council (NPCC). Mr. Booth updated on the Board on salmon and steelhead returns to Bonneville Dam, the Council’s amendment process to its Fish and Wildlife Program, and on issues surrounding northern Idaho. There was discussion among the parties regarding public pressure to eliminate dams below Lewiston, boat inspections, de-listing/recovery of fish, Lake Pend Oreille lake level management, Lake Coeur d’Alene management, the restoration project on the Clark Fork delta, the Albany Falls wildlife settlement, and the Columbia River Treaty.

Agenda Item No. 9, Bohannon Creek Water Transaction

Ms. Morgan Case discussed the 2014 Bohannon Creek water transaction administration. On May 22, 2014, the Board entered into early season agreements with water users to maintain a flow of 2 cfs in Bohannon Creek through June 30. The Watermaster of Water District 74C visited the Bohannon Creek diversion daily during that period, which was above and beyond his typical Watermaster duties. The Water District has requested \$600 to compensate the Watermaster for his additional duties. Funds will come through the Columbia Basin Water Transactions Program or the Idaho Fish Accord. There was discussion among the parties regarding the ongoing nature of this issue, as well as the amount of the request.

Mr. Raybould moved to approve the resolution in the matter of the Bohannon Creek Water Transaction Administration. Mr. Alberdi seconded the motion.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 10, A&B Irrigation District Loan Request

Mr. Patton discussed a loan request from A&B Irrigation District (ABID). ABID is requesting a loan in the amount of \$7,000,000 for a new pumping plant and pipeline that will deliver water to areas of declining groundwater. This has been a high-priority project for the IWRB through the AWEP program as it will offset ground water withdrawals from the ESPA. Mr. Dan Temple of ABID discussed the purpose of the project. This project will 1) convert 1,500 acres from declining ground water to surface water supplies, 2) reliably deliver surface water to 1,500 acres that were previously converted from ground water to surface water but to which A&B has difficulty making reliable surface water deliveries, and 3) improve the reliability and efficiency of deliveries to approximately 4,500 acres. Mr. Temple discussed the current status of the project. There was discussion among the parties regarding water demand trends in the area, aquifer recharge, ABID cash reserves, and the interest rate.

Mr. Stevenson moved to approve the resolution in the matter of the funding commitment to A&B Irrigation District. Mr. Alberdi seconded the motion. Mr. Raybould suggested a change in the resolution to strike the phrase "at 3.5% interest rate" from the paragraph beginning "NOW THEREFORE BE IT RESOLVED."

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Abstain; Chairman Chase: Aye. Motion passed.

Mr. Temple thanked the Board for their time and consideration.

Agenda Item No. 11, Island Park Enlargement

Ms. Cynthia Clark discussed a draft resolution for the Board's consideration to commit funds and provide signatory authority for two activities related to the Island Park Enlargement project. Additional evaluation of potential impacts to land and real estate as a result of a raise of the Island Park Reservoir is required to determine the viability of the project. The resolution provides spending authority to advance an evaluation of those impacts. Also, staff recommends that the Board continue advisory services with Rick Gold as the project moves forward.

Mr. Barker moved to approve the resolution in the matter of the Island Park Reservoir Enlargement Project. Mr. Stevenson seconded the motion.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Abstain; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 12, Water District 02 WaterSmart Grant Update

Mr. Miller provided an update to the Board regarding the Water District 02 WaterSmart grant. Phase-one of the project is on-going. Installation and calibration of equipment is on-going and will continue through summer/fall 2014. In June 2014 the Bureau of Reclamation announced that the IWRB WaterSmart proposal for phase-two would receive funding in the amount of \$297,761.

Agenda Item No. 13, Regional Conservation Partnership Program Proposal

Mr. Miller provided an update on the Regional Conservation Partnership Program (RCPP) that was included in the 2014 Farm Bill. The RCPP replaced the Agricultural Water Enhancement Program (AWEP). A proposal drafting committee consisting of IWRB staff, NRCS, and other interested parties has been meeting since last summer to identify eligible future projects and develop a framework for a

proposal focused on ESPA stabilization. The drafting committee met on a weekly basis during June and early July 2014 to develop and submit a pre-proposal prior to the July 14th deadline. If the Board's RCPP pre-proposal is selected for further evaluation, staff will coordinate with the proposal drafting committee to submit a full proposal by September 26, 2014. NRCS will announce proposals that have been selected for funding on October 17, 2014.

In addition to the IWRB's RCPP proposal, the Upper Salmon Basin Watershed Program (USBWP) also submitted a proposal for RCPP funds. They requested RCPP program funding over five years to move habitat actions forward in the Upper Salmon Basin Watershed. The USBWP RCPP proposal will not compete for funding with the IWRB's RCPP proposal. There was discussion among the parties regarding how the USBWP proposal might impact the Columbia Basin Water Transactions program, and discussion among the parties regarding the match percentage.

Agenda Item No. 14, ESPA Recharge

Mr. Patton provided a status report on ESPA Managed Recharge. So far this calendar year, the Board has accomplished 10,753 acre-feet of early-season recharge. This is significantly below average, due to dry season conditions earlier in the year and limited availability of canal systems. This demonstrates the need to develop infrastructure availability to make use of flow present at the Milner Pool. Mr. Patton and Mr. Alberdi have been in discussions with canal companies that divert at Milner with the goal of getting them on board for winter recharge activities. Mr. Patton discussed further recharge activities that are ongoing this year, including discussions regarding expansion of the Mile Post 31 site, the geotechnical investigation at the Walcott site, and the identification and testing of additional potential recharge sites in several locations. There was discussion among the parties regarding the Walcott project, exploratory work to determine the viability of the potential recharge sites, and average early season recharge.

Mr. Alberdi moved to approve the resolution to allocate funds in the matter of the ESPA Managed Recharge Program. Mr. Stevenson seconded the motion.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 15, State Water Plan

Mr. Patton discussed a draft letter to the Legislature concerning the Board's review of certain policies in the State Water Plan. The letter outlines the findings of that review process and what the Board's proposed path forward would be.

Mr. Raybould moved to authorize the letter to be sent to the Cochairs of the Interim Natural Resources Committee as well as legislative leadership and anyone else the Chairman deems should receive a copy of it. Mr. Alberdi seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 16, Underground Injection Control Rule Change

Mr. Weaver presented a request to change a word in IDAPA 37.03.03-Rules & Minimum Standards for the Construction & Use of Injection Wells. He provided a background of the pertinent rules. A statutory revision to the definition of an "injection well" occurred this year. The passage of the revised injection well definition in the statute generated an inconsistency between the statute and the existing rule. There is concern that the inconsistency would broaden the exemption for underground injection wells as they deal with oil and gas. The current rule (IDAPA 37.03.03, Section 010.49.e) states "Provided however, that 'injection well' does not mean or include any well *drilled* for oil, gas, or geothermal production activities..." (emphasis added). Staff requests to change the word "drilled" to the word "used."

Mr. Barker moved to approve the resolution to amend the rules for the construction and use of injection wells. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 17, Aqua Life Facility

Mr. Patton provided background information on the Aqua Life Hatchery and the proposed 2nd Letter of Intent from Idaho Ground Water Appropriators (IGWA) requesting the use of some of the water from the Aqua Life Hatchery to assist with resolving water use conflicts in the Hagerman Valley. He discussed the water supplies associated with the hatchery and a history of state involvement with the hatchery. Mr. Patton discussed the House Bill 644 Statement of Purpose, the status of the purchase of the property from the Idaho Department of Parks and Recreation, and the status of the tenant lease.

Mr. Patton discussed IGWA's first and second Letter of Intent, and the Board's remaining assets if the second Letter of Intent were to be implemented. There was discussion among the parties regarding the springflow associated with the property. Mr. Lynn Tominaga of IGWA encouraged the Board to authorize the Second Letter of Intent in a timely manner in order to avoid the economic upheaval created by a curtailment. There was further discussion among the parties regarding the details of the Letter of Intent. Mr. Stevenson declared a possible conflict due to his ownership of water rights in the Magic Valley Ground Water District. He asked for unanimous consent that he be allowed to participate in the discussion and vote on the issue. None were opposed to Mr. Stevenson's participation on this item. Mr. Barker expressed concerns regarding the ownership of the water rights and the value of the property. He recommended that the Board go ahead with the negotiations with IGWA, but have a portion of the Board without a direct interest in the arrangement to be a participant in those negotiations. He suggested Mr. Raybould and Mr. Van Der Meulen to assist in those discussions. Mr. Tominaga discussed the value of owning water in the area. There was discussion among the parties regarding the resolution and negotiations with IGWA.

Mr. Barker moved to approve the resolution authorizing the execution of the Letter of Intent with an amendment to correct the date, and moved to appoint a subcommittee consisting of Mr. Van Der Meulen and Mr. Raybould to work with staff to negotiate the terms of the final agreement with IGWA. Mr. Alberdi seconded the motion. There was discussion among the parties regarding the sale of the water rights.

Roll Call Vote: Mr. Cuddy: Absent; Mr. Alberdi: Aye; Mr. Stevenson: Aye; Mr. Raybould: Aye; Mr. Van Der Meulen: Aye; Mr. Graham: Aye; Mr. Barker: Aye; Chairman Chase: Aye. Motion passed.

Agenda Item No. 18, IDWR Director's Report

Director Spackman discussed scheduled meetings and deadlines regarding delivery calls. He reminded the Board of the January 19, 2015 deadline by which the ground water users needs to provide at least 3.4 cfs of mitigation to Rangen to avoid a curtailment. There is a total obligation of 9.1 cfs that will need to be provided in stages over the next five years.

Director Spackman discussed staffing for the Board. He provided a background on reassignment of Board staff to Department tasks. He also discussed issues regarding Department staff retention, and staffing needs for Board projects. There was discussion among the parties regarding funding and staffing needs for Board projects, as well as the urgency and timeline for staffing needs.

Director Spackman also spoke about the potential for a Bear River Adjudication.

Agenda Item No. 19, Other Non-Action Items for Discussion

Chairman Chase, along with other Board members, expressed his appreciation to Mr. Graham for chairing the meeting, as well as for the opportunity to hold a meeting in Northern Idaho. Mr. Barker congratulated Mr. Strong on his award from the American Bar Association.

Agenda Item No. 20, Next Meetings and Adjourn

The next Board meeting is currently scheduled for September 18th and 19th in Boise, however a conflict was identified with those dates. The meeting was rescheduled for September 22nd and 23rd. A Cloud-Seeding Subcommittee will be scheduled around the first week of August. A Water Storage

Projects Committee will also be scheduled in late August or early September. Mr. Raybould made a motion to Adjourn, and Mr. Alberdi seconded the motion. Voice Vote. All were in favor. Motion Carried.

The IWRB Meeting 8-14 adjourned at approximately 12:15 pm.

Respectfully submitted this 23rd day of September, 2014.



Bob Graham, Secretary



Mandi Pearson, Administrative Assistant II

Board Actions:

1. Mr. Raybould made a motion that the minutes for meetings 4-14, 5-14, 6-14, and 7-14 be approved as printed. Mr. Alberdi seconded the motion. Voice Vote. All were in favor. Motion passed.
2. Mr. Raybould moved to approve the resolution to allocate funds for the RP CAMP Future Water Demand Study Proposal. Mr. Stevenson seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.
3. Chairman Chase moved to approve the resolution to allocate \$5,000 for the Spokane River Forum Conference. Mr. Raybould seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.
4. Mr. Raybould moved to approve the resolution in the matter of the Bohannon Creek Water Transaction Administration. Mr. Alberdi seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.
5. Mr. Stevenson moved to approve the resolution in the matter of the funding commitment to A&B Irrigation District. Mr. Alberdi seconded the motion. Mr. Raybould suggested a change in the resolution to strike the phrase "at 3.5% interest rate" from the paragraph beginning "NOW THEREFORE BE IT RESOLVED." Roll Call Vote. 6 Ayes, 1 Abstain, 1 Absent. Motion passed.
6. Mr. Barker moved to approve the resolution in the matter of the Island Park Reservoir Enlargement Project. Mr. Stevenson seconded the motion. Roll Call Vote. 6 Ayes, 1 Abstain, 1 Absent. Motion passed.
7. Mr. Alberdi moved to approve the resolution to allocate funds in the matter of the ESPA Managed Recharge Program. Mr. Stevenson seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.
8. Mr. Raybould moved to authorize the letter to be sent to the Cochairs of the Interim Natural Resources Committee as well as legislative leadership and anyone else the Chairman deems should receive a copy of it. Mr. Alberdi seconded the motion. Voice Vote. All were in favor. Motion passed.

9. Mr. Barker moved to approve the resolution to amend the rules for the construction and use of injection wells. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.
10. Mr. Barker moved to approve the resolution authorizing the execution of the Letter of Intent with an amendment to correct the date, and moved to appoint a subcommittee consisting of Mr. Van Der Meulen and Mr. Raybould to work with staff to negotiate the terms of the final agreement with IGWA. Mr. Alberdi seconded the motion. There was discussion among the parties regarding the sale of the water right. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.