



IDAHO WATER RESOURCE BOARD

C.L. "Butch" Otter
Governor

MINUTES MEETING NO. 3-17

Roger W. Chase
Chairman
Pocatello
District 4

Idaho Water Center
Conference Rooms 602 B, C, D
322 East Front Street, 6th Floor
BOISE

Jeff Raybould
Vice-Chairman
St. Anthony
At Large

March 23, 2017
Work Session

Vince Alberdi
Secretary
Kimberly
At Large

Peter Van Der Meulen
Hailey
At Large

Charles "Chuck" Cuddy
Orofino
At Large

Albert Barker
Boise
District 2

John "Bert" Stevenson
Rupert
District 3

Dale Van Stone
Hope
District 1

Chairman Chase called the work session meeting to order at 8:30 a.m. All Board members were present. **IDWR staff members present were:** Brian Patton, Cynthia Bridge Clark, Neeley Miller, Wesley Hipke, Rick Collingwood, Randy Broesch, Sean Vincent, Ken Neely, Craig Tesch, Liz Cresto, Matt Anders, Tim Luke, Tom Neace, Nikki Regent, Gary Spackman and Mat Weaver. **Guests present were:** Kyle Radek, Markus Green, Will Patterson, Donald Barksdale, John Simpson, Todd Glindeman, Doug McAlvain, Kevin Boggs, Randy Macmillan, Sarah Hijek, Rich Reavis, Ray Houston, John Roldan, Hal Anderson, Peter Anderson, Mark Solomon, Lynn Tominaga, Ed Squires, Charles Honsinger, Douglas Jones, Dan Ayers, Teresa Molitor, Eric Landsberg, Marie Kellner, Rob Van Kirk, Shaun Parkinson, and Jon Bowling.

During the Work Session the following items were discussed:

- A water supply update was given by Liz Cresto (IDWR)
- A discussion, led by Brian Patton (IDWR), of the Pristine Springs facility and the Board's intent to sell the facility to the College of Southern Idaho
- A status report on the Mountain Home Air Force Base (MHAFB) Water Sustainability Project by Randy Broesch (IDWR). Randy introduced a resolution for consideration by the Board on March 24.
- An update on the North Side Canal Company Canal Lining Update by Rick Collingwood (IDWR)
- An update on the ESPA Managed Recharge Program by Wes Hipke (IDWR).
- A presentation on Residential Irrigation Best Practices by a consortium of Wood River Valley interests.
- A status report on Surface Water Storage projects provided by Cynthia Bridge Clark.(IDWR)
- A status report on the Priest Lake Water Management Study by Neeley Miller (IDWR)

- A presentation by Shaun Parkinson (Idaho Power) on the Cooperative Cloud Seeding Program.

No action was taken by the Board during the Work Session. The session adjourned at 3:45 p.m.

March 24, 2017
Board Meeting No. 3-17

At 8:00 a.m. Chairman Chase called the meeting to order. All members were present.

Agenda Item No. 1: Roll Call

Board Members Present

Roger Chase, Chairman
Vince Alberdi, Secretary
Bert Stevenson
Chuck Cuddy

Jeff Raybould, Vice-Chairman
Pete Van Der Meulen
Dale Van Stone
Albert Barker

Staff Members Present

Gary Spackman, Director
Cynthia Bridge Clark, Water Projects Section Manager
Meghan Carter, Deputy Attorney General
Rick Collingwood
Remington Buyer
Aaron Golart

Brian Patton, Bureau Chief
Neeley Miller, Senior Planner
Randy Broesch
Garrick Baxter
Nikki Regent

Guests Present

Ann Vonde, Deputy Attorney General
Ron Miller
Walt Poole

Don Smith
Jim Wrigley

Agenda Item No. 2: Executive Session

Mr. Alberdi moved that the Board resolve into Executive Session. Chairman Chase seconded the motion. At approximately 8:00 am the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 74-206(1) subsections (f), for the purposes 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. All members were present. Topics discussed were: Water Rights Protests, Recharge Water Rights.

No action was taken by the Board during the Executive Session. The Board resolved out of Executive Session and into Regular Session at approximately 9:00 am.

Agenda Item No. 3: Agenda and Approval of Minutes

There were no changes to the agenda. Mr. Van Stone suggested the meeting minutes show that Mr. Cuddy was in attendance since he arrived late in the meeting for the 2-17 minutes. Mr. Barker reviewed the minutes and made a motion to approve the minutes. Seconded by Mr. Cuddy. Voice vote. All were in favor. Motion passed.

Agenda Item No. 4: Public Comment

Chairman Chase opened the meeting for public comment. Mr. Don Smith, member of 10 Mile Mining District addressed some concerns with the Board regarding the State Water Plan and protection of dredge mining in the South Fork of the Clearwater River.

Chairman Chase approved Mr. Ron Miller's request to address his concerns during Agenda Item 9.

Mr. Hal Anderson discussed the status of the proposed Cat Creek Energy project with the Board.

Agenda Item No. 5: Protest Settlement

Ms. Ann Vonde presented a potential settlement to resolve the Board's protest of water right application no. 37-22924. The application was for diversion of 0.32 cfs from groundwater in the Big Wood River Basin for irrigation of 15 acres and a 0.5 acre pond. The Board protested the application because residual pumping depletions could impact the Board's minimum streamflow right in the Big Wood River. Ms. Vonde presented details of a potential settlement that had been negotiated with the applicant.

Mr. Raybould made a motion to accept the proposed settlement and to authorize Ms. Vonde to sign the stipulation. Mr. Van Der Meulen seconded the motion. Voice vote: 7 were in favor, 1 abstained. Motion passed.

Ms. Vonde discussed the status of efforts to resolve protests to the Board's lower valley Snake River recharge water right application nos. 01-10609 and 01-7142. To resolve the protests, the Board was required to show it had permission from the irrigation entities from Minidoka to Milner to conduct the recharge in their canal systems. Memorandums of Intent (MOI) between the Board and each entity were developed which allow recharge to be conducted in each conveyance system. The MOIs are annual agreements that will renew in perpetuity unless cancelled by either party with 30 days' notice.

Mr. Raybould made a motion to approve the MOIs and to provide signatory authority to Chairmen Chase. Mr. Barker seconded the motion. Voice vote: 8 were in favor. Motion passed.

Agenda Item No. 6: Committee Assignments

Mr. Patton presented committee assignments to the Board for approval.

Mr. Van Stone moved to adopt the committee assignments. Mr. Stevenson seconded the motion. Voice vote: All were in flavor. Motion passed.

Agenda Item No. 7: Financial Update

Mr. Patton proved updates as of March 2nd on the Board's account balances. Mr. Patton indicated that the Board's various accounts and subaccounts have a total of \$35.6 million committed or ear-marked for projects. Additionally, he indicated the Board has a total loan principal outstanding of \$25.5 million. Mr. Patton also indicated that the Board has a total uncommitted balance of \$8.3 million dollars, which includes \$5 million dollars allocated from cigarette tax revenue from House Bill 547.

Mr. Patton informed the Board of three loan applications: Big Wood Canal Co., North Fremont Canal Co., and Samaria Irrigation Co. expected to be paid off within six months to one year.

Agenda Item No. 8: Pristine Springs

Mr. Patton gave a brief background on Pristine Springs, including the executed letter of intent for the facility to be sold to the College of Southern Idaho. A new appraisal was conducted by Integra Resources

and estimated the value at \$2.4 million. Senate Bill 1402, passed by 2016 legislature, required the proceeds from selling Pristine Springs be returned to the legislature. Mr. Patton presented a resolution to the Board to authorize the execution of the purchase and sale agreement.

Ms. Carter explained that the Board placed water right 36-2063c, with a place of use at Pristine Springs, into the Pristine Springs Trust for Water Right No. 36-2063C for the benefit of the Ground Water Districts, the City of Twin Falls and the Board. The Board is currently listed as the beneficiary. Ms. Carter highlighted language that has been included in the resolution that would change the beneficiary from the Board to the current legal owner of Pristine Springs. The water right will remain in the name of the Board and the Board will also be the trustee. Ms. Carter confirmed the resolution will not change the contract between the state and the ground water districts.

Mr. Alberdi moved to adopt the resolution. Mr. Stevenson seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, abstain; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, aye; Mr. Van Stone, aye; Chairman Chase, aye. 7 Ayes. Motion passed

Agenda Item No. 9: Stream Channel Alteration Permits on South Fork Clear Water River

Mr. Baxter introduced the findings and recommended orders issued by Hearing Officer James Cefalo regarding four stream channel alteration permits for suction dredging on the South Fork of the Clearwater River. Mr. Baxter provided background information on the permits reminding the Board that requests for hearing were filed by the applicants as they did not agree with the conditions placed on the permits. He explained that hearings associated with stream alteration permits must go before the Board in accordance with the corresponding Rules of Procedures and that the Board is required to take final action on the recommended order issued by the hearing officer.

Mr. Baxter reviewed the Hearing Offer's findings and discussed how the Board could address the three recommended orders where no petitions for reconsideration or exemptions were filed (stream channel alteration permits nos. S82-20058, S82-20059, and S82-20060) and how the Board could separately address the recommended order where a petition for reconsideration and exceptions were filed (stream channel alteration permit no. S82-20057). A resolution was presented for Board consideration regarding the first three permits which resolved to adopt the recommended orders as issued by the hearing officer.

With regard to stream channel alteration permit no. S82-20057, in the name of Ron Miller, Mr. Baxter described the potential options for Board response to the recommended order including the following: adopt the resolution provided to the Board for consideration affirming the hearing officer's decision; take additional time and finalize a decision at a later date; or remand the matter back to the hearing officer for further evidentiary hearings if the Board determines additional factual development of the record is necessary.

Mr. Ron Miller was in attendance and explained reasons for his protest to the Board, including concern about the use of the word "recreational" in the 380b small commercial dredge mining license permit as well as aspects of the South Fork Plan. He also requested the Board increase the number of dredge permits and the length of the dredging season.

Mr. Barker moved to adopt the resolution pertaining to stream channel alteration permits nos. S82-20058, S82-20059, and S82-20060. Mr. Van Stone seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, aye; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, aye; Mr. Van Stone, aye; Chairman Chase, aye. 8 Ayes. Motion passed

Mr. Raybould further moved to adopt the resolution pertaining to stream channel alteration permit no. S82-20057 as drafted, affirming the hearing officer's decision. Mr. Stevenson seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, aye; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, aye; Mr. Van Stone, aye; Chairman Chase, aye. 8 Ayes. Motion passed.

Agenda Item No. 10: ESPA Recharge

Mr. Hipke provided an update on the status of the ESPA recharge program and current recharge activities. He also discussed potential recharge opportunities within the New Sweden Irrigation District (NSID). He explained that NSID operates and maintains an irrigation delivery system that conveys water from the Snake River through various canals to areas with potential recharge sites. An evaluation is required to determine what infrastructure improvements would be required to increase the system's managed recharge capacity.

Mr. Hipke presented a resolution to the Board for consideration to authorize funding of up to \$330,000 from the Secondary Aquifer Fund, for an evaluation of managed recharge in the NSID system. The work would include evaluation of a minimum of three recharge basins and two injection well locations along with development of a Ground Water Quality Monitoring Program Application for the NSID Recharge Site. The Board expressed concerns about funding the project. Mr. Hipke suggested the Board postpone its decision on the resolution for a later Board meeting. The Board agreed to address this resolution in the July Board meeting.

Agenda Item No. 11: Update on Legislation of Interest

Mr. Baxter presented a few pieces of legislation of interest. House Bill 96- Bill authorizes alternate commissioners to the Bear River Commission and provides authority for alternates to vote. The bill has been passed by the House and Senate and has also been signed by the Governor.

House Bill 140 – Bill revised Board notification requirements associated with the State Water Plan. The revised bill states that the Board should use its best efforts to notify each member of the Legislature of changes in the State Water Plan on or before the first day of the Legislative Session following a change. The bill has been passed by the House and Senate, but no action has been taken by the Governor.

In response to an attempt by the State of Oregon to require Idaho Power to implement fish passage and re-introduction of endangered species above the Hells Canyon Project of Idaho Power, a number of bills are being considered by the legislature. Mr. Baxter explain the purpose and status of House Bills 169 and 170. Each bills have been passed by the House and Senate and are awaiting action by the governor.

Agenda Item No. 12: Water Supply Bank

Mr. Buyer presented two resolutions to the Board. The first resolution addressed annual evaluations of water supply bank rentals of ground water within the ground water management area for the Eastern Snake Plain Aquifer. The Water Supply Bank Committee believes the Board should exercise caution when approving rentals of ground water within the designated ground water management area. It was proposed that staff at the IDWR draft a condition that will allow the Board annually to reconsider whether the rental approval process conflicts with the groundwater management ESPA plan.

Mr. Barker suggested the third whereas in the resolution be re-written as "Whereas the director has designated ground water management area for the ESPA."

Mr. Barker moved to adopt the resolution with changes. Mr. Raybould seconded the motion. Voice vote: All were in flavor. Motion passed.

Mr. Buyer discussed a proposal and introduced a resolution for Board consideration to pursue a WaterSMART grant at the request of the Water Supply Bank committee members. Funding from the U.S. Bureau of Reclamation's WaterSMART grant program) can be utilized to contract for meeting facilitation, strategic planning, business analysis and software architecting services, which will augment the capacity of IDWR staff and water supply bank stakeholders to study, develop and implement strategies and projects to increase workflow efficiencies and improve water marketing opportunities within Idaho.

Mr. Barker moved to adopt the resolution. Mr. Stevenson seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, aye; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, aye; Mr. Van Stone, aye; Chairman Chase, aye. 8 Ayes. Motion passed.

Agenda Item No. 13: Ground Water Conservation Grants – City of Hailey

Mr. Collingwood presented a resolution to the Board to fund a ground water conservation grant for the City of Hailey (City). He explained that the City proposed to continue the current Water Conservation Rebate Program through 2018. The program would continue to target irrigation, which comprises approximately 70% of the annual water consumption in the City.

Mr. Collingwood also explained the details of the proposal as described in the materials provided to the Board. It included an offer of rebates for removing turf and replacing it with no-or low-water demand materials, such as drought-tolerant plants or hardscape elements. The City has also partnered with the Wood River Land Trust to hold water conservation workshops and to assist with public outreach. The City will monitor the water user accounts of the applicants and will track and report results of the project in 2018 and 2019. Results will be documented in a program booklet, which will include before and after photos of the transformed areas. A copy of the booklet will be submitted to the Idaho Water Resource Board at the end of the program.

Mr. Van Stone moved to adopt the resolution. Mr. Barker seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, aye; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, abstain; Mr. Van Stone, aye; Chairman Chase, aye. 7 Ayes. Motion passed.

Agenda Item No. 14: MHAFB Water Sustainability Project

Mr. Broesch provided an update on the Mountain Home Air Force Base Water Sustainability Project and is seeking a funding resolution from the Board to finance the next 10 months of work for the Owner's Advisor, Bond Counsel, and services to change the water right from agricultural use to DCMI use.

Mr. Barker moved to adopt the resolution. Mr. Raybould seconded the motion. Roll call vote: Mr. Alberdi, aye; Mr. Barker, aye; Mr. Cuddy, aye; Mr. Raybould, aye; Mr. Stevenson, aye; Mr. Van Der Meulen, aye; Mr. Van Stone, aye; Mr. Chairman Chase, aye. 8 Ayes. Motion passed.

Agenda Item No. 15: Director's Report

Mr. Spackman discussed highlights from the proposed 2017 Budget including stream gaging, additional funding for staff to address stock water claims and authorize a ground water modeler to the IDWR staff (as per the Governor's recommendations). Given the high runoff, Safety of Dams was a topic of interest. IDWR has worked closely with operators of Oakley Dam as the amount of flow that can be discharged has been restricted due gate limitations Mackey Dam is also being watched closely after the director asked them create more space in the reservoir due to the large snow pack.

Director Spackman discussed ongoing contested cases and informed the Board of a Water District 01 and Committee of Nine proposal for an amendment to the rental pool procedures to address the use of storage

water to irrigate new acres. The amendment was tabled, but a significant amount of time was spent on the topic and it was seen as a high importance to the Water District.

Agenda Item No. 16: Non-Action Items for Discussion

Mr. Patton discussed a resolution passed by Water District 1 using the language “the water users of Water District 1 urge the Idaho Water Resource Board to evaluate and if necessary develop new policies or rules to address new consumptive uses of water that can impact water supplies.” Mr. Patton suggested the Board think about how they would like to handle the resolution as it will be a topic in the future.

He also discussed the sale of Pristine Springs to the College of Southern Idaho. The House and Senate have passed a bill in support of the sale. Mr. Patton also noted that he and Mr. Miller met with the Forest Service recently for the Wild and Scenic Eligibility Plan. Mr. Patton expects it may take many years to pass a new plan.

Agenda Item No. 17: Next Meeting and Adjourn

Mr. Van Der Meulen motioned to adjourn the meeting. Mr. Stevenson seconded. Voice vote: All were in flavor. Motion passed

Respectfully submitted this 26th day of January 2018.



Vince Alberdi, *Secretary*

Nikki Regent, *Administrative Assistant II*