BEFORE THE DEPARTMENT OF WATER RESOURCES

OF THE STATE OF IDAHO

IN THE MATTER OF DISTRIBUTION OF WATER TO WATER RIGHTS HELD BY MEMBERS OF THE BIG WOOD & LITTLE WOOD WATER USERS ASSOCIATION DIVERTING FROM THE BIG WOOD RIVER

Docket No. CM-DC-2015-001

IN THE MATTER OF DISTRIBUTION OF WATER TO WATER RIGHTS HELD BY MEMBERS OF THE BIG WOOD & LITTLE WOOD WATER USERS ASSOCIATION DIVERTING FROM THE LITTLE WOOD RIVER

Docket No. CM-DC-2015-002

ORDER DENYING JOINT MOTION TO MODIFY REQUEST FOR STAFF MEMORANDA

BACKGROUND

On February 24, 2015, the Director ("Director") of the Idaho Department of Water Resources ("Department") received two conjunctive management water delivery call letters from counsel for members of the Big Wood & Little Wood Water Users Association ("Petitioners"). The letters allege senior surface water users on the Big Wood and Little Wood Rivers are being injured by water users diverting ground water hydraulically connected to the Big Wood and Little Wood Rivers. The letters request the Director regulate junior ground water users consistent with the prior appropriation doctrine.

The Director initiated new contested case proceedings and assigned each delivery call letter its own docket number. The Big Wood Delivery Call was assigned docket no. CM-DC-2015-001. The Little Wood Delivery Call was assigned docket no. CM-DC-2015-002.

On March 20, 2015, the Department sent letters to ground water users the Department identified as potentially affected by one or both of the above-described delivery calls. The purpose of the letters was to inform the water users of the delivery calls and notify them of a planned status conference. The letters invited the water users to file a written notice with the Department if they planned to participate in delivery call proceedings. The Department received over 100 notices of intent to participate, including notices filed by the City of Hailey and the City of Bellevue ("Hailey and Bellevue").

The Department also published general notice of the delivery calls and the status conference in the Idaho Mountain Express and Camas Courier on March 25th, 2015 & April 1st, 2015; and the Times News on March 26th, 2015 & April 2nd, 2015. The Director held a status conference on May 4, 2015.

On May 20, 2015, the Director sent a letter to counsel for Petitioners, requesting additional information about Petitioners' diversion and use of water ("Letter"). The Letter requested a response to the information request within thirty days.

On June 3, 2015, the Director held a prehearing conference. At the prehearing conference the participants discussed information in the Department's possession and how it might be disseminated to the parties and participants. The Director stated he would request that staff prepare memoranda regarding how water is delivered to the Petitioners. The Director also stated the staff memoranda would summarize relevant hydrologic and hydrogeologic data and information in the possession of the Department. The Director issued a *Request for Staff Memoranda* ("Request") on June 12, 2015.

On June 26, 2015, Hailey and Bellevue filed a *Joint Motion to Modify Request for Staff Memoranda* ("Motion to Modify"). Joinders in support of the Motion to Modify were filed by attorney James P. Speck on behalf of multiple respondents, and the City of Ketchum and City of Fairfield.

ANALYSIS

Hailey and Bellevue ask the Director to modify the Request in three ways. Each will be addressed below.

1) Modify the Request to Prohibit Department Staff from Determining Issues that Must be Decided by the Director

Hailey and Bellevue argue the "Request asks [Department] staff to evaluate an incomplete record and make determinations" of factors set forth in CM Rule¹ 42 that must instead be decided by the Director. *Motion to Modify* at 3. Specifically, Hailey and Bellevue reference the Director's request that staff prepare "[a] conceptual description of the interaction between ground water and surface water in the Camas Creek drainage, the Big Wood River drainage, the Silver Creek drainage, the Little Wood River drainage, and any other hydrologic units that may be hydraulically connected to the ground water and surface water in the larger Big Wood River and Little Wood River basins." *Id.* at 3-4. Hailey and Bellevue also reference the Director's request that Department staff prepare memoranda describing Petitioners' source of water supply; delivery systems; physical delivery and water application works; and hydrology, hydrogeology, and hydrologic data, methods, or tools. *Id.* at 4. Hailey and Bellevue argue it would be "fundamentally unfair" and "unduly prejudice the parties" if the Department prepares staff memoranda describing such information before "all potentially affected parties" have the opportunity to present their own evidence regarding the topics. *Id.* at 4-5.

The Request does not ask Department staff to opine regarding factors set forth in CM Rule 42 that are "[f]actors the *Director* may consider in determining whether the holders of water rights are suffering material injury and using water efficiently and without waste." IDAPA 37.03.11.042.01 (emphasis added). As Hailey and Bellevue acknowledge, the Director alone is

¹ The term "CM Rule" refers to the Department's Rules for Conjunctive Management of Surface and Ground Water Resources. IDAPA 37.03.11.

responsible for "evaluating evidence, finding facts, drawing conclusions, and ultimately making determinations concerning the Rule 42 factors and other issues that will be decided" in the Big and Little Wood Delivery Calls. *Motion to Modify* at 5. The Request only asks Department staff to prepare memoranda that will supply the parties with technical and scientific information within the Department's specialized knowledge and give the parties an opportunity to evaluate and potentially rebut the information. The Request will not prejudice, but rather benefit, parties in the Big and Little Wood Delivery Calls. There is no need for the Director to modify the Request to "prohibit staff from evaluating information or making determinations of the Rule 42 factors" and other issues the Director will decide in the Big and Little Wood Delivery Calls.

2) Modify the Request to Delay Issuance of Staff Memoranda or Prohibit Staff From Examining Information Submitted in Response to the Letter

Hailey and Bellevue ask the Director to "modify the Request to delay issuance of any staff memoranda until junior-priority ground water users have been given a meaningful opportunity to submit their own information to [the Department] for consideration" or to "prohibit [Department] staff from examining information submitted by Petitioners" in response to the Letter. *Motion to Modify* at 7. Hailey and Bellevue argue that allowing Department staff to review information submitted by Petitioners "without also having information from junior-priority ground water users, will unduly prejudice Bellevue and Hailey's due process rights." *Id.* at 6-7.

As discussed above, the Letter only requests additional information about Petitioners' diversion and use of water. This information may be relevant to the portion of the Request that asks Department staff to prepare a memorandum regarding Petitioners' surface water delivery systems. See Request at 3. Allowing Department staff to review information submitted by Petitioners prior to submittal of the staff memoranda at issue in the Request will not prejudice, but rather benefit, parties in the Big and Little Wood Delivery Calls. The parties may review, analyze, and offer any rebuttal to information presented in the staff memoranda. The parties will have full and fair opportunity to cross examine staff participating in writing staff memoranda at hearing. The Director will not modify the Request to delay issuance of staff memoranda or prohibit staff from examining information submitted in response to the Letter.²

3) Strike Language from the Request

Hailey and Bellevue request that "the Director remove topics 1, 2, and 5 from the Request because they ask staff to address the type of information that the Director may use to develop an area of common ground water supply ("ACGSW")" that Hailey and Bellevue argue "should be developed within the ACGWS rulemaking process" rather than in the Big and Little Wood Delivery Call proceedings. *Motion to Amend* at 8.

The Director is not required to initiate rulemaking to designate an ACGWS prior to responding to the Big and Little Wood Delivery Calls. See Order Denying Joint Motion to

ORDER DENYING JOINT MOTION TO MODIFY REQUEST FOR STAFF MEMORANDA - Page 3

² If Petitioners submit any information in response to the Letter, the Director will post that information to the websites for the Big and Little Wood Delivery Calls that may be accessed from the following website link: http://www.idwr.idaho.gov/legal_actions/.

Designate ACGWS by Rulemaking and to Dismiss Delivery Calls. Therefore, the Director will not remove topics 1, 2, or 5 from the Request.

Hailey and Bellevue ask the Director to strike additional language from the Request. Specifically, Hailey and Bellevue point to the Director's request "that Department staff review data and information in possession of the Department, and prepare staff memoranda reading [the Big and Little Wood Delivery Calls], which could include, without limitation" Request at 2 (emphasis added). Hailey and Bellevue also point to the Director's request that staff describe "Information about each calling party's physical delivery and water application works, including: [items (a)-(e)]; and (f) any other relevant information." Request at 3 (emphasis added). Hailey and Bellevue argue the above-quoted and emphasized language is too "open-ended" and "could lead [Department] staff to opine on CM Rule 42 factors." Motion to Modify at 9.

Again, the Request does not ask Department staff to opine regarding factors set forth in CM Rule 42 that are "[f]actors the *Director* may consider in determining whether the holders of water rights are suffering material injury and using water efficiently and without waste." IDAPA 37.03.11.042.01 (emphasis added). The Director alone is responsible for evaluating evidence, finding facts, drawing conclusions, and ultimately making determinations concerning CM Rule 42 factors and other issues that will be decided in the Big and Little Wood Delivery Calls. The Director will not modify the Request.

ORDER

Based upon and consistent with the foregoing, IT IS HEREBY ORDERED that the Motion to Modify is DENIED.

DATED this 22nd day of July 2015.

GARY SPACKMAN

Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 22nd day of July 2015, I served a true and correct copy of the above and foregoing document by placing a copy of the same in the United States mail, postage prepaid and properly addressed and by e-mail to participants who have provided e-mail addresses to the Department for service to the following:

BIG WOOD WATER USERS ASSN
LITTLE WOOD WATER USERS ASSN
C/O JOSEPH F. JAMES
BROWN & JAMES
130 FOURTH AVENUE WEST
GOODING ID 83330
joe@brownjameslaw.com
dana@brownjameslaw.com

SOUTH VALLEY GROUNDWATER
DISTRICT
C/O ALBERT BARKER
BARKER ROSHOLT & SIMPSON LLP
PO BOX 2139
BOISE ID 83701-2139
apb@idahowaters.com
sle@idahowaters.com

HAILEY CEMETERY MAINTENCE DIST JACOB & RUTH BLOOM C/O PATRICK D BROWN PATRICK D BROWN PC PO BOX 125 TWIN FALLS ID 83303 pat@pblaw.co

IDAHO GROUND WATER APPROPRIATORS
INC
C/O RANDALL C BUDGE
THOMAS J BUDGE
JOSEPH G BALLSTAEDT
RACINE OLSON
PO BOX 1391
POCATELLO ID 83204-1391
rcb@racinelaw.net
tjb@racinelaw.net

jgb@racinelaw.net

CITY OF FAIRFIELD
CITY OF KETCHUM
C/O SUSAN E BUXTON
CHERESE D MCLAIN
MOORE SMITH BUXTON & TURCKE
950 W BANNOCK ST STE 520
BOISE ID 83702
seb@msbtlaw.com
cdm@msbtlaw.com

SINCLAIR OIL CORPORATION DBA SUN
VALLEY COMPANY
C/O SCOTT L CAMPBELL
MATTHEW J MCGEE
MOFFATT THOMAS
PO BOX 829
BOISE ID 83701-0829
slc@moffatt.com

CITY OF HAILEY
VALLEY CLUB INC
C/O MICHAEL C CREAMER
MICHAEL P LAWRENCE
GIVENS PURLSEY LLP
PO BOX 2720
BOISE ID 83701-2720
mcc@givenspursley.com
mpl@givenspursley.com
lisahughes@givenspursley.com
lorigibson@givenspursley.com

STROM RANCHES INC
DENNIS STROM
C/O S BRYCE FARRIS
SAWTOOTH LAW OFFICES PLLC
PO BOX 7985
BOISE ID 83707-7985
bryce@sawtoothlaw.com

AF 2014 TRUST
GEOFFREY SMITH LLC
MARIANA S PAEN TRUST
C/O FRITZ HAEMMERLE
HAEMMERLE & HAMMERLE PLLC
PO BOX 1800
HAILEY ID 83333
fxh@haemlaw.com

ANIMAL SHELTER OF WOOD RIVER VALLEY DENNIS J CARD & MAUREEN M MCCANTY **EDWARD A LAWSON** FLYING HEART RANCH II SUBDIVISION **OWNERS ASSN** HELIOS DEVELOPMENT LLC SOUTHERN COMFORT HOMEOWNERS ASSN THE VILLAGE GREEN VCHOA C/O JAMES R LASKI HEATHER O'LEARY LAWSON LASKI CLARK & POGUE PLLC PO BOX 3310 KETCHUM ID 83340 heo@lawsonlaski.com jrl@lawsonlaski.com

WATER DISTRICT 37-B GROUNDWATER GROUP C/O DYLAN B LAWRENCE VARIN WARDWELL LLC PO BOX 1676 BOISE ID 83701-1676 dylanlawrence@varinwardwell.com

IDAHO FOUNDATION FOR PARKS AND LANDS INC C/O CHAS MCDEVITT MCDEVITT & MILLER LLP PO BOX 2564 BOISE ID 83701 chas@mcdevitt-miller.com

C/O EILEEN MCDEVITT 732 FALLS VIEW DR TWIN FALLS ID 83301 emcdevitt1@msn.com CITY OF BELLEVUE
MICHELLE WOLF
C/O CANDICE MCHUGH
CHRIS BROMLEY
MCHUGH BROMLEY PLLC
380 S 4TH STREET STE 103
BOISE ID 83702
cmchugh@mchughbromley.com
cbromley@mchughbromley.com

ECCLES FLYING HAT RANCH LLC
ECCLES WINDOW ROCK RANCH LLC
HOLLY FARMS LTD
J EVAN ROBERTSON
SUN VALLEY WATER & SEWER DISTRICT
C/O J EVAN ROBERTSON
ROBERTSON & SLETTE PLLC
PO BOX 1906
TWIN FALLS ID 83303-1906
erobertson@rsidaholaw.com

IDAHO POWER COMPANY
C/O JOHN K SIMPSON
BARKER ROSHOLT & SIMPSON LLP
PO BOX 2139
BOISE ID 83701-2139
jks@idahowaters.com

jlw@idahowaters.com

AIRPORT WEST BUSINESS PARK OWNERS **ASSN INC AQUARIUS SAW LLC** ASPEN HOLLOW HOMEOWNERS ASSN (ALLAN PATZER & WILLIAM LEHMAN) B LAMBERT TRUST (TOBY B LAMBERT) BARBER FAMILY ASSOCIATES LP **BARRIE FAMILY PARTNERS** BELLEUE FARMS LANDOWNERS ASSN BLAINE COUNTY RECREATION DISTRICT BLAINE COUNTY SCHOOL DIST NO. 61 **CAROL BURDZY THIELEN** CHANEY CREEK RANCH LLC **CHARLES & COLLEEN WEAVER** CHARLES L MATTHIESEN CLEAR CREEK LLC CLIFFSIDE HOMEOWNERS ASSN INC COMMUNITY SCHOOL (JANELL L GODDARD) DAN S FAIRMAN MD & MELYNDA KIM STANDLEE FAIRMAN DEER CREEK FARM (LYNN CAMPION) DON R & JUDY H ATKINSON DONNA F TUTTLE TRUST ELIZABETH K GRAY F ALFREDO REGO FLOWERS BENCH LLC GOLDEN EAGLE RANCH HOA INC GREENHORN HOMEOWNERS ASSN (JEFFREY T SEELY) GRIFFIN RANCH PUD SUBDIVISION HOA (CHERI HICKS) **GRIFFIN RANCH SUBDIVISION HOA** (CHERI HICKS) GULCH TRUST (TERESA L MASON) HEATHERLANDS HOMEOWNERS ASSN HENRY & JANNE BURDICK IDAHO RANCH LLC JAMES K & SANDRA FIGGE JAMES P & JOAN CONGER KIRIL SOKOLOFF LAURA L LUCERE LINDA WOODCOCK LOUISA JANE H JUDGE MARGO PECK MARION R & ROBERT M ROSENTHAL MATS & SONYA WILANDER MICHAEL E WILLARD MID-VALLEY WATER CO LLC PIONEER RESIDENTIAL & RECREATIONAL PROPERTIES LLC R THOMAS GOODRICH & REBECCA LEA

PATTON

RALPH R LAPHAM RED CLIFFS HOMEOWNERS ASSOCIATION REDCLIFF PARTNERS LP (RANNEY E DRAPER) RHYTHM RANCH HOMEOWNERS ASSN RIVER ROCK RANCH LP (SHEILA WITMER) ROBERT ROHE SAGEWILLOW LLC SALIGAO LLC SANDOR & TERI SZOMBATHY SCI PROPERTIES LLC (BRENDA A LEVINE) STARLITE HOMEOWNERS ASSN STONEGATE HOMEOWNERS ASSN LLC THE ANNE L WINGATE TRUST THE BARKER LIVING TRUST THE DANIEL T MONOOGIAN REVOCABLE **TRUST** THE JONES TRUST THE RALPH W & KANDI L GIRTON 1999 REVOCABLE TRUST THE RESTATED MCMAHAN 1986 REVOCABLE TRUST THE VERNOY IRREVOCABLE TRUST THOMAS W WEISEL TIMBERVIEW TERRACE HOA INC WEBB LANDSCAPE INC (MARK PALMER) C/O JAMES P SPECK SPECK & AANESTAD **PO BOX 987** KETCHUM ID 83340 jim@speckandaanestad.com

DEAN R ROGERS INC (DEAN R ROGERS III) C/O LAIRD B STONE STEPHAN KVANVIG STONE & TRAINOR PO BOX 83 TWIN FALLS ID 83303-0083 sks&t@idaho-law.com

CATHERINE S DAWSON REVOCABLE
TRUST
DEER CREEK RANCH INC
ROBERT L BAKER REVOCABLE TRUST
SYRINGA RANCH LLC
C/O TRAVIS L THOMPSON
BARKER ROSHOLT & SIMPSON LLP
195 RIVER VISTA PL STE 204
TWIN FALLS ID 83301-3029
tlt@idahowaters.com

ANTHONY & JUDY D ANGELO PO BOX 3267 KETCHUM ID 83340 judydangelore@gmail.com

BARBARA CALL PO BOX 4 ROSS CA 94957 barbcall@sbcglobal.net

BERNARD I FRIEDLANDER PHD 116 VALLEY CLUB DRIVE HAILEY ID 83333

BLUEGROUSE RIDGE HOA C/O BRIAN MCCOY PO BOX 3510 KETCHUM ID 83340 brian@seabrd.net

BRIAN L SMITH & DIANE STEFFEY-SMITH PO BOX 629 BELLEVUE ID 83313 brianlamarsmith@me.com

BRITTA S HUBBARD PO BOX 1167 KETCHUM ID 83340 brittahubbard@gmail.com

BRUCE & KAREN TRUXAL PO BOX 431 BELLEVUE ID 83313 btruxal@powereng.com

CANADIAN CLUB HOMEOWNERS ASSN PO BOX 4041 KETCHUM ID 83340

COLD SPRINGS WATER COMPANY PO BOX 254 KETCHUM ID 83340 DAVID BERMAN PO BOX 1738 CAVE CREEK AZ 85327 berman.dlb@gmail.com

DOUGLAS C WALTON DIANA L WHITING 109 RIVER GROVE LN HAILEY ID 83333

ERNEST & JUDITH GETTO TRUST ERNEST J GETTO 417 ENNISBROOK DR SANTA BARBARA CA 93108

GARY HOFFMAN PO BOX 1529 KETCHUM ID 83340

GREGORY R BLOOMFIELD REVOCABLE TRUST PO BOX 757 HAILEY ID 83333

HARRY S RINKER 949 SOUTH COAST DR STE 500 COSTA MESA CA 92626 hrinker@rinkercompany.com

HARRY S RINKER PO BOX 7250 NEWPORT BEACH CA 92658 toni@rinkercompany.com

HULEN MEADOWS WATER COMPANY AND ASSN INC PO BOX 254 KETCHUM ID 83340

INNOVATIVE MITIGATION SOLUTIONS LLC 2918 N EL RANCHO PL BOISE ID 83704 JAMES D WHITE PO BOX 367 BELLEVUE ID 83313 jdwhite@q.com

JARED R WILLIAMS REVOCABLE TRUST PO BOX 99658 SEATTLE WA 98139

JIM W KOONCE PO BOX 2015 HAILEY ID 83333

KATHERINE BRECKENRIDGE B BAR B INC PO BOX 685 PICABO ID 83348

KEN SANGHA ASAM TRUST PO BOX 9200 KETCHUM ID 83340 kensangha@gmail.com

KEVIN D LAKEY WATER DISTRICT 37 107 W 1ST SHOSHONE ID 83352 watermanager@cableone.net

LAWRENCE SCHOEN 18351 US HWY 20 BELLEVUE ID 83313

LUBOFF SENAVSKY &
CHARLES TIMOTHY FLOYD
PO BOX 1240
EAGLE ID 83616
bsfloyd@mac.com

MARLYS J SCHMIDT 10901 HWY 75 BELLEVUE ID 83313 mischmidt49@msn.com NANCIE C TATUM & THOMAS F HENNIG PO BOX 1365 SUN VALLEY ID 83353

PAUL & POLLY CARNEY LLOYD & DEANN RICHINS MARK & SUSAN WILLIAMS FISH CREEK RESERVOIR RANCH, LLC 384 2 2900 E PAUL ID 83347

PAUL & TANA DEAN 40 FREEDOM LOOP BELLEVUE ID 83313

PETER ZACH SEWELL LORI SEWELL PO BOX 3175 HAILEY ID 83333 zlsewell@gmail.com

PHILIP J VANDERHOEF KATHLEEN MCKAY 5069 HAROLD PL NE SEATTLE WA 98105

POPPY ENGLEHARDT 10965 HIGHWAY 75 BELLEVUE ID 83313

ROBERT BOUTTIER PO BOX 476 BELLEVUE ID 83313

ROBERT & JUDITH PITTMAN 121 LOWER BROADFORD RD BELLEVUE ID 83313

ROBERT J STRUTHERS 762 ROBERT ST PICABO ROUTE BELLEVUE ID 83313 RUSTY KRAMER
WATER DISTRICT 37B
PO BOX 591
FAIRFIELD ID 83327
waterdistrict37b@outlook.com

SAGE SPRINGS HOMEOWNERS ASSN INC PO BOX 254 KETCHUM ID 83340

SILVER SAGE OWNERS ASSN INC C/O CAROL'S BOOKKEEPING PO BOX 1702 KETCHUM ID 83340

STARWEATHER OWNERS ASSN INC PO BOX 254 KETCHUM ID 83340

STEVEN C FUNK 90 FREEDOM LOOP BELLEVUE ID 83313

SV RANCH LLC PO BOX 333 FAIRFIELD ID 83327 camascreek@hughes.net THOMAS & AMY MISTICK 149 ASPEN LAKES DR HAILEY ID 83333

USDA FOREST SERVICE ATTN JAMIE GOUGH 324 25TH ST OGDEN UT 84401 jgough@fs.fed.us

VALLEY CLUB OWNERS ASSN INC PO BOX 254 KETCHUM ID 83340

WILLIAM R & KATHRYN L RATLIFFE 206 BAYHORSE RD BELLEVUE ID 83313

WOOD RIVER LAND TRUST 119 E BULLION ST HAILEY ID 83333

COURTESEY COPY TO:

ED REAGAN COURIER NEWS PO BOX 339 FAIRFIELD ID 83327 news@highway46.org

Emalee Rushing

Administrative Assistant