

**Water District 37 ANNUAL MEETING MINUTES**  
**Monday, January 11, 2021 1:30 p.m.**  
**Zoom/Conference Call**

Join the meeting by visiting: zoom.us, click JOIN A MEETING, enter Meeting ID 937 4689 4479 and Passcode 2020. To participate by phone, call 669-900-6833 then enter Meeting ID 937 4689 4479

(Copies of Meeting Agenda, 2020 Annual Meeting Minutes, Proposed Resolutions 2021, Proposed Budget 2021, Proposed Amendment to Idaho Code, were made available by request and on IDWR website: <https://idwr.idaho.gov/water-rights/water-district/active.html>)

**1:00 p.m. pre-meeting**

- Roll call of attendees entering the Zoom meeting via internet or phone.
- Designation of voting eligibility from those in attendance.

**1:30 p.m. meeting** - To help this virtual meeting operate more smoothly, a Nay vote will be requested first on all voted items. The Yaw vote will then be determined by subtracting the Nay vote number from the number of total eligible voters.

**ITEM #1 CALL TO ORDER AND INTRODUCTION**

Watermaster Kevin Lakey called the meeting to order at 1:30pm. K. Lakey welcomed everyone to the unconventional meeting and reminded members that a vote of opposition would be requested first to expedite the voting process.

**ITEM #2 SELECTION OF A CHAIRMAN**

Watermaster Lakey called for a nomination for meeting chairman. Fred Brossy nominated Pat McMahon as Chairman of the Annual Meeting. Call for any other nominations. Motion passed unopposed.

**ITEM #3 SELECTION OF MEETING SECRETARY/RECORDER**

Sharon Lee nominated Sunny Healey as Secretary of the Annual Meeting. Call for additional nominations. Call for nay votes. Motion passed unopposed.

**ITEM #4 APPROVAL OF MINUTES FROM THE 2020 ANNUAL MEETING**

Chairman McMahon allowed time for review of the Meeting Minutes from 2020 and called for a motion to approve. Harry Hagey made a motion to approve the 2020 Annual Meeting Minutes. Motion seconded by Dave Bell. Call for discussion. Call for nay votes. Motion passed unopposed.

**ITEM #5 ADOPTION OF 2021 RESOLUTIONS**

Watermaster Lakey read through the resolutions, gave an overview of each resolution, then called for questions. Brett Bashaw asked if these are the same resolutions year after year. K. Lakey confirmed these are all stand-by resolutions, noting Resolution #14 passed two years ago and that there were no new resolutions this year. B. Bashaw commented there were only seven or eight resolutions in the past and there has been evolution of the resolutions. Kala Golden (IDWR) attempted to comment but had technical difficulties. Request from Larry Schoen to explain Resolution 13a how the labor costs for monitoring groundwater and how the method for charging for water use might be different than for surface water. K. Lakey explained that surface water diversions are checked every other day and groundwater meters are checked three times per year, noting there are 600+ groundwater diversions. L. Schoen noted that if groundwater monitoring increased, then the resolution would need to be updated, and that he would be bringing this matter up again in the review of the budget. K. Golden noted a correction in resolution season date should be Nov 1, 2020. K. Lakey noted that Resolution 13a and cloud seeding would be discussed again during review of the budget. Tim Luke noted a typo in the cloud seeding budget listed in the resolutions. Discussion regarding changing the order of the agenda to allow for discussion on the budget before voting on approving the resolutions. Dave Bell made a motion to swap Agenda items item #5 and #6. Motion seconded by Carl Pendleton. Vote. Motion passed unopposed. Chairman McMahon continued to Item #6 in the Agenda.

On return to Item #5, Chairman McMahon noted two changes to the resolutions \$89,000.00 to \$89,000.00 and Nov 1, 2021 to Nov 1, 2020. Sharon Lee made a motion to adopt the 2021 resolutions with corrections. Motion seconded by Brett Bashaw. Call for further discussion. Vote. Motion passed unopposed. Note: the motion to adopt the 2021 resolutions occurred after the motion to adopt the 2021 Budget.

#### ITEM #6 ADOPTION OF 2021 BUDGET

Chairman McMahon called for discussion on the proposed budget. Watermaster Lakey read through the budget aloud, describing an increase in budget line item 5008 from \$8500 to \$15,000 in preparation of curtailment enforcement, noting that the District is not in position to read all groundwater meters daily but initiation of daily readings of larger meters did occur in the south valley, and that additional monitoring would require additional funding. K. Lakey continued reading the budget with additional explanations for: Account 5037 auto expense for groundwater recording position, Account 6303 Willow Creek measuring station which was managed by Idaho Power, taken over by another company while it was broken down for six weeks, and for which ultimately a different company was chosen at a lower cost, and Account 6311 changed contracts to save money. K. Lakey explained the one-time reduction in cost of cloud seeding from \$150,000 to up to \$89,000, citing a study requested by the Idaho Water Resource Board (IWRB) highlighting the equality of benefit/cost to different users. K. Lakey explained that until the study is complete, Idaho Power and IWRB set the rate at 17%, the same as the entity paying the lowest amount, noting that Water District 37 (WD37) was paying 33% of airplane time, seed material, and ground generators. K. Lakey asked K. Golden for further summarization. K. Golden explained the rate was set relative to the costs of Water District 1 in the Upper Snake River area and is in addition to what the IWRB already pays, at 17% the Boise Basin rate was also reduced, Phase 1 of the study is complete, and from the first level of analysis they now have the tools and resources from the National Center for Atmospheric Research to begin Phase 2, which may take a year or more. K. Golden asked for any questions. There were no further questions.

L. Schoen asked about financial carry over from cloud seeding efforts when there are a limited number of storms and thus less opportunity to seed clouds. Shaun Parkinson with Idaho Power explained the fixed-cost nature of the program citing the pilot and aircraft in hangers ready to fly being the bulk of the cost, and cost of flares and fuel when not flying. S. Parkinson explained the use of average cost of funding over multiple years and noted that Idaho Power pays the remainder in more expensive years and does not ask customers to make up the difference. S. Parkinson noted there has been less seeding in January but the long-term forecast for February is showing active systems, and March remains unknown. L. Schoen was thankful for the explanation.

L. Schoen raised an issue with budget line item 5008 for increased groundwater monitoring. Discussion regarding fairness of groundwater measurement frequency. L. Schoen commented that we are under order that our water should be managed as one resource, some use is improper, this is long overdue, suggested groundwater and surface water should be treated the same, and money left over from last year should be used to support increased groundwater monitoring. Chairman McMahon asked to suggest that surface water monitoring is a historical practice, and that groundwater monitoring is relatively new and will need time to be incorporated. L. Schoen mentioned the BWRGWMA Management Plan timeline and reiterated his sentiments. Kristy Molyneux explained how the groundwater meters recorded, the reasoning for the first monitoring in the spring is to check that the meters are working, the second monitoring is to check for working meters and take a reading, and the third monitoring to take a cumulative end-of-season reading. Sharon Lee suggested to move through the budget process citing it will be difficult to know what to budget for until the BWGWMA Advisory Committee process is complete. Pete Vandermeulen commented that L. Schoen is speaking to enforcement of conjunctive management that groundwater and surface water be treated equally. Discussion on surface water measurement process vs groundwater measurement process, very few surface water diversions have recorders on them and are measured at the headgates, groundwater meters are cumulative and read in total gallons and/or total acre-feet per season, there are over 600 meters, to record them daily 2-3 full time employees would be needed at a cost of over \$50k. Chairman McMahon called for discussion. There was no further discussion. Dave Bell made a motion to adopt the 2021 Budget. Motion seconded by Justin Stevenson. Call for further discussion. Larry Schoen Nay. Vote. Motion passed. Chairman McMahon returned to Item #5 in the Agenda.

ITEM #7 CURRENT ADVISORY BOARD MEMBERS

Watermaster Lakey called for nomination for Advisory Board members and explained that person would have to fit the description using an example that a hydropower representative must be a hydropower person. Chairman McMahon asked for nominations for new Advisory Board members. No nominations were made. No motion was entertained.

2021 Advisory Board for Water District 37

- (2) Big Wood River Representatives:
  - 1- Above Magic Sharon Lee
  - 1- Below Magic Howard Morris
- (1) Little Wood River/Silver Creek Nick Purdy
- (1) Hydropower Bill Arkoosh
- (2) Canal Companies/Irrigation Districts
  - 1-2021 Rep – American Falls Res. Dist #2 Rod Hubsmith
  - 1-2021 Rep – North Side Canal Company Mike Elliott
- (1) Groundwater Municipals Pat McMahon
- (1) Groundwater Small Users (Less / 40 Acres) Dave Bell
- (1) Groundwater Large Agricultural (Larger /40 Acres) Justin Stevenson

ITEM #8 DISTRICT NEWS AND UPDATES

Watermaster Lakey gave an overview of the goals of the proposed amendment to Idaho Code §42-612 and read the proposal aloud. K. Lakey explained that only hydropower users are allowed to have a varied rate and explained the process of users diverting water outside the D37, injection into D37, then rediverting, and that D37 assesses for the second diversion. K. Lakey announced that water users are requesting a varied assessment for water diverted in D37 that would be taken off the injected water and spread across the District, there would likely be a new resolution that would cause most assessments to go up around 30%. K. Lakey noted there has been a lot of work done by the BWRGWMA Advisory Committee but there is a lot of work left to be done. Nick Purdy requested that K. Lakey reiterate how big of an impact the amendment to Idaho Code §42-612 will have on water users. K. Lakey gave an example of \$10/acre and noted that it would be a pretty big increase to some of the larger users. Discussion on portion vs rate, changing assessment vs fees, what would happen if we had to go to credentials, and that entities can't vote solely on the fee amount. Travis Thompson asked a question about a 30% increase noting that assessed shepherded water is about 15% of the budget. Discussion on possibility of 15% increase vs 30%. Chairman called for comments. There were no additional comments.

ITEM #9 ADJOURN

Fred Brossy made a motion to adjourn. Motion seconded by Sharon lee. Call for Nay vote. Call for discussion. Motion passed unopposed. Meeting Adjourned at 2:30pm.

Respectfully,

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Pat McMahon, Chairman

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Sunny Healey, Minutes Secretary

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Cyndi McCowan, Treasurer