



## **Eastern Snake Plain Aquifer (ESPA) Comprehensive Aquifer Management Plan**

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### **Funding Working Group Meeting**

#### **Draft Meeting Summary July 10, 2009 (Teleconference Call)**

#### **Meeting Summary**

Jonathan reviewed the June 30<sup>th</sup> meeting notes. Concerns regarding the concept of ‘sweat equity/in-kind’ were discussed, including what criteria to use to approve such actions and how to accurately account for them. Criteria discussed included 1) whether proposed actions support Plan goals and 2) whether the proposed implementation steps would be cost-effective. In the future, requests for sweat-equity credit will be addressed in the management alternative specific WGs, and discussed by the full Implementation Committee. The Funding WG will further discuss criteria at a subsequent meeting.

#### **New District Approach**

Phil Rassier outlined a potential funding collection option based on the example of health district. Health districts were developed on a state-wide basis indicates that there is a precedent to create an ESPA management district with taxing authority. A new governance mechanism would need to be established, with Directors including local officials to ensure that there is genuine local control. One of the challenges of the ESPA Plan is the need to differentiate between user categories; Phil noted that it is hard to justify a tax that is not equal payment across all sectors. While it is possible to collect the \$1 an acre and then use the GW districts to collect the remaining \$1 for a total of \$2 per acre, there are many significant legal challenges and obstacles.

#### **Water District Collection**

The option of collecting ESPA Plan funds through the Water Districts was also discussed. Phil outlined that Water Districts are currently a vehicle for the administration of the prior appropriation doctrine and have no taxing authority. Rather, the Water Districts assess users for the distribution of water and enforce the law through cutting off delivery of water. If WDs were given new taxing authority, even for collection of ESPA Plan funds, it would change the nature and structure of the organization. Hal Anderson noted that HB620 (?) raised revenues for monitoring/measurement in the ESPA and has set a precedent that this may be able to occur. Phil noted HB 620 pushed the boundaries of water ‘administration’ and he felt it would be difficult to push the distinction any further. Others questioned whether it would be easier to change the state code for WDs to collect than it would be to set up a new district and whether the legislature can direct a WD to collect a tax was discussed without an election. The rationale is that the state cannot establish a local tax on only one area (taxation without representation). If WD were to

enforce the tax there would need to be a lien against the property and would need to empower district to separately enforce the lien.

### **User Fees**

Alex LaBeau noted that a mandatory fee base system was potentially the administratively efficient and least bureaucratic. The core principle is that fees collected in one area, ESPA, have to benefit the intended area – i.e. those who pay for it have to have to benefit, it cannot be a folded into general funds. Alex noted that there are numerous types of user fees (impact, transportation, air quality fees) and that it may be the best option for the ESPA. One challenge identified, as with the other options, is the unequal assessment of fees (sw/gw/spring users etc...) although examples of newer vehicles paying more than older vehicles exist. This option could provide a greater degree of flexibility.

### **Next Steps**

- 1) Alex will develop a short concept paper regarding a user fee approach, with examples of fees that are not applicable to everyone in the state
- 2) Phil, Harriet and Hal will work with the Tax Commission (Ted Spangler) and evaluate further the new District and Water District collection mechanisms and develop a draft concept for WG review on August 7.
- 3) A Funding Working Group status teleconference call will be held to prepare for Implementation Committee – **August 7, at 10 am (same call-in number)**

### **Attendees**

Randy MacMillan  
Alex Lebeau  
Lloyd Hicks  
Hal Anderson  
Phil Rassier  
Harriet Hensley  
Jeff Raybould  
John Chatburn