IDAHO WATER RESOURCE BOARD

MEETING MINUTES 8-13

Idaho Water Center
Conference Room 602C
322 East Front St, Boise ID 83720

C.L. "Butch" Otter
Governor

Roger W. Chase
Chairman
Pocatello
District 4

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

June 19, 2013

Chairman Roger Chase called the meeting to order at approximately 8:30 am. Mr. Bob Graham was absent. There were seven Board members present. A quorum was present.

Roll Call

Board Members Present

Roger Chase, Chairman
Vince Alberdi
Jeff Raybould
Albert Barker
Bert Stevenson
Chuck Cuddy
Peter Van Der Meulen

Staff Members Present

Brian Patton, Planning Bureau Chief
Mandi Pearson, Administrative Assistant
Clive Strong, Deputy Attorney General

Guests Present

Dave Shaw, ERO Resources
Stephen Goodson, Special Assistant to the Governor

Agenda Item No. 1, Executive Session

At approximately 8:30 am the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 67-2345 subsection (1)(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 9:05 am.

Agenda Item No. 2, Consideration of Blackfoot Equitable Adjustment Settlement Agreement

Mr. Clive Strong described a resolution to approve a proposed settlement for the Blackfoot River Equitable Adjustment. The Adjustment

provides for two tiers. The first tier provides for a credit and debit system so that in the event that the Basin 27 water users exceed the 45,000 acre-feet annual diversion, they can use credits that would be obtained in years that they use less than the 45,000 AFY. In the event the credits prove insufficient, there is provision for Equitable Adjustment water up to 10,000 acre-feet provided by the Committee of Nine. A third tier has been proposed that in the event that the first two tiers are not sufficient to allow Basin 27 water users to continue to divert at the historical level and would interfere with the tribal water right, another 10,000 acre-feet would be provided to the tribe by the Committee of Nine, the Basin 27 water users, and the Board. Mr. Strong recommended to the Board that they approve the agreement. He noted, however, that this is a unique situation and should not be viewed as precedent. There was further discussion among the parties about this situation not being viewed as precedent, as well as the Committee of Nine approval.

Mr. Raybould and Mr. Barker abstained from voting. Mr. Stevenson moved to approve the resolution in the matter of the Blackfoot River Equitable Adjustment Settlement Agreement. Mr. Van Der Meulen seconded the motion.

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

Agenda Item No. 3, Blue Lakes Pipeline Loan

Mr. Patton discussed the original approval of the loan for the Blue Lakes Pipeline, in the amount of 1.5 million dollars, to the five districts that own the Blue Lakes Trout Farm. Three of the districts have elected to pay their share up front and not borrow from the Board. It has been recommended that the Board amend its prior resolution to approve the pipeline replacement loan for North Snake Groundwater District and Bingham Groundwater District in an amount not to exceed $850,000.

Mr. Raybould moved for the adoption of the resolution in the matter of Pristine Spring Facility and the Blue Lakes Pipeline with the stated corrections. Mr. Alberdi seconded the motion.

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

Agenda Item No. 4, Other Non-Action Items Board members may wish to discuss

Mr. Raybould discussed a delivery dispute on Falls River. To resolve the dispute, the Court allowed for a separate delivery system to be installed to deliver water to a parcel of property with its attached water right. They discovered that that section of Falls River is a protected section under the Henry's Fork Basin Plan and it requires Board approval for that diversion to be changed. Mr. Raybould asked staff to review the diversion change and as long as there isn't any conflict to allow the diversion change to occur. Mr. Patton discussed the Henry's Fork Basin Plan related to the Falls River, and stated that the diversion should be allowed. Mr. Raybould requested that the matter be expedited.

Mr. Chase discussed the minimum flow issue at Swan Falls. There was discussion regarding the Board's commitment to use the Palisades storage water rights to backfill if the flows at the Murphy Gauge drop below the minimums.

Mr. Chase and Mr. Patton discussed a landslide due to a suspected leak in the Emmett Canal. The parties discussed the Board's offer to participate in a loan to Emmet Irrigation District if needed.

Mr. Chase discussed the possibility of a loan to Treasureton Irrigation District to pay off bonds. The parties discussed the proposed interest rate as well as legality of the loan.

Agenda Item No. 5, Adjourn

Mr. Raybould made a motion to Adjourn, and Mr. Van Der Meulen seconded the motion. Voice Vote. All were in favor. Motion Carried.

The IWRB Meeting 8-13 adjourned at approximately 9:35 am.

Respectfully submitted this 19th day of July, 2013.

Bob Graham, Secretary

Mandi Pearson, Administrative Assistant II

Board Actions:

1. Mr. Raybould and Mr. Barker abstained from voting. Mr. Stevenson moved to approve the resolution in the matter of the Blackfoot River Equitable Adjustment Settlement Agreement. Mr. Van Der Meulen seconded the motion. Roll Call Vote. Motion Passed.

2. Mr. Raybould moved for the adoption of the resolution in the matter of Pristine Spring Facility and the Blue Lakes Pipeline with the stated corrections. Mr. Alberdi seconded the motion. Roll Call Vote. Motion Passed.