IDAHO WATER RESOURCE BOARD

MEETING MINUTES 3-14

Idaho Water Center
Conference Rooms 602 B, C, and D
322 East Front Street, PO Box 83720, Boise, Idaho 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

March 20, 2014
Work Session

Chairman Roger Chase called the meeting to order at approximately 8:30 am. Pete Van Der Meulen was absent. All other Board members were present.

During the Work Session the following items were discussed:

- Water Supply Update by Liz Cresto
- Lemhi River Ground Water-Surface Water Interaction Study by Alison Burnop
- Water Supply Bank by Remington Buyer
- Storage Studies Update by Cynthia Bridge Clark
- Henrys Fork Basin Study Results by Bob Schattin
- ESPA Management by Neal Farmer and Neeley Miller

No action was taken by the Board during the Work Session.

March 21, 2014
IWRB Meeting

Chairman Roger Chase called the meeting to order at approximately 7:30 am. Pete Van Der Meulen was absent. All other Board members were present.

Agenda Item No. 1, Roll Call

Board Members Present

Roger Chase, Chairman
Bob Graham, Secretary
Vince Alberdi
Albert Barker
Jeff Raybould
Chuck Cuddy
Bert Stevenson

Staff Members Present

Gary Spackman, Director
Brian Patton, Planning Bureau Chief
Helen Harrington, Planning Section Manager
Clive Strong, Deputy Attorney General
Harriet Hensley, Deputy Attorney General
Garrick Baxter, Deputy Attorney General

Cynthia Bridge Clark, Engineer
Mandi Pearson, Administrative Assistant
Remington Buyer, Water Supply Bank Coordinator

Guests Present

Walt Poole, Idaho Fish and Game
Jon Bowling, Idaho Power
Hal Anderson, Idaho Water Engineering
Liz Paul, Idaho Rivers United
Mark Mendenhall, US Army Corps of Engineers
Aileen Frey, Weiser River Trail
Dick Frencer, Boise Valley Fly Fishers
Jim Nunley, Idaho Wildlife Federation
Lynn Tominaga, Idaho Ground Water Association

Agenda Item No. 2, Agenda and Approval of Minutes

At approximately 7:35 am the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 67-2345 (1) subsections (c) and (f), for the purposes of considering the acquisition of an interest in real property not presently owned by a public agency and to communicate 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 9:00am.

Agenda Item No. 3, Agenda and Approval of Minutes

There were no additions or deletions from the agenda. Mr. Stevenson made a motion that the minutes for meetings 1-14 and 2-14 be approved as printed. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 4, Public Comment

Chairman Chase opened up the meeting for public comment. Mr. Dick Frencer of Boise Valley Fly Fishers discussed concerns regarding the effect of raising Arrowrock Dam and discussed conserving water by changing irrigation methods and planning practices. There was discussion among the parties regarding incidental recharge and flood control.

Jim Nunley of Idaho Wildlife Federation addressed the Board. He expressed concerns regarding the possibility of dam building on the Boise River and Weiser River. He suggested that conservation practices should be encouraged. He discussed wildlife and cost issues that should be addressed before building new dams. There was discussion regarding the importance of studies.

Aileen Frey, of Friends of the Weiser River Trail addressed the Board. She provided information regarding the Weiser River Trail and discussed the impacts that building a dam on the Weiser River would have on the trail. There was discussion among the parties regarding the Weiser River Trail newsletter.

Liz Paul of Idaho Rivers United expressed concerns regarding the emphasis on building new storage capacity. She encouraged conservation practices as an alternative solution to water supply issues. She shared a video discussing the importance of the Boise River to the lives of residents of the Boise Valley. There was discussion among the parties regarding the return flows from the Boise River.

Agenda Item No. 5, Legislative Update *(Garrick Baxter, Deputy Attorney General)*

Mr. Baxter provided an update on the most recent legislative session. He discussed RS22415, Water Remediation, which was withdrawn; RS 22416, Managed Ground Water Recharge, which was held in committee; House Bill 410, Injection Well Definition Amendment, which was signed into law by the Governor; House Bill 411, Returning Applications to Appropriate Water in Moratorium Areas, which was held in committee; House Bill 412, Director Qualifications, which was signed into law by the Governor; House Bill 479, IDWR/ IWRB Add'l Appropriation, which was signed into law by the

Governor; House Bill 513, Distribution of Cigarette Tax Funds to Aquifer Recharge Planning & Management, which was replaced by H547; House Bill 547, Distribution of Remaining Cigarette Tax Revenue, which was signed into law by the Governor; House Bill 526, Applications for Aquifer Recharge/ Public Waters Use, which has been transmitted to the Governor; House Bill 618, IDWR Appropriation, which has been transmitted to the Governor; House Bill 644, Dept of Parks & Recreation Sale of Aqua Life Aquaculture Facility to IWRB, which has been transmitted to the Governor; House Concurrent Resolution 57, CSRBA Coeur d'Alene Tribe-Federal Water Rights Negotiations, which was replaced by HCR62; House Concurrent Resolution 62, CSRBA Coeur d'Alene Tribe- Federal Water Rights Negotiations, which was passed by the House and Mr. Baxter was unsure if it was passed in the Senate; Senate Bill 1345, Conditions for Crediting a Water Right for Releases & Diversions, which was held in Committee; and Senate Bill 1412, Use as Storage of Water, which was also held in Committee.

There was discussion among the parties regarding the Columbia Basin Treaty Resolution.

Agenda Item No. 6, Committee Reports

a. **Water Resource Planning** *(Helen Harrington, Staff)*

Ms. Harrington provided a short update on the activities of the Water Resource Planning Committee. Since November 2013, the Water Resource Planning Committee has met three times to continue progress on the Idaho State Water Plan revisions and to develop a recommendation for integrating Sustainability into the Idaho State Water Plan. Ms. Harrington discussed the proposed revisions and stated that the committee will be developing recommended revisions for submission to the Board. There was discussion regarding the timeline and the hearings that are required. She expressed appreciation for the Committee Chairman Raybould and Committee members. There was discussion regarding scheduling the next committee meeting.

Ms. Harrington provided an update on the most recent panel discussion on the concept and perspectives of different interests regarding sustainability. A third presentation will be planned in the near future. Mr. Raybould expressed appreciation for staff's work on these tasks, and reiterated the importance of keeping the process moving.

b. **Water Supply Bank** *(Brian Patton, Staff)*

The Water Supply Bank Committee met on March 6, 2014, and heard an Annual Report for the Water Supply Bank, as well as a Financial Report, Bank initiatives for 2014, and Procedural Guidance. Committee Chairman Alberdi expressed appreciation for staff and their work in providing structure for Bank activities, as well as for Committee members' work on these tasks.

c. **Finance** *(Brian Patton, Staff)*

The Finance Committee met on March 20, 2014 following adjournment of the Work Session. The Committee developed a recommendation for a restructuring of the Board's loan interest rates. There was discussion among the parties regarding whether the approval would be in the form of a motion or a resolution. Committee Chairman Graham discussed the recommendation of the committee to reduce the rates to 3.5% and to eliminate the dual rates.

d. **Upper Snake River Advisory** *(Brian Patton, Staff)*

The Upper Snake River Advisory Committee met on February 27, 2014 and was well attended. Upper Snake operations, releases from Palisades, water supply projections, and hydropower generation were among the topics discussed. The next meeting is scheduled for April 11, 2014.

Agenda Item No. 7, Planning Programs

a. **South Fork Clearwater River Basin Plan- Crooked River Rehabilitation Project** *(Helen Harrington, Staff)*

Ms. Harrington gave a brief overview of Comprehensive Basin Plans. She discussed the proposed project on the Crooked River Recreational Reach. The US Forest Service has proposed a stream channel reconstruction project on the Crooked River within the IWRB-designated reach. The purpose of this project is to improve habitat for Endangered Species Act-listed steelhead and bull trout, as well as spring/summer Chinook salmon and cutthroat trout. The project is developed with the Nez Perce Tribe and would be funded by Bonneville Power Administration. The Crooked River Recreational River designation contained in the South Fork Clearwater River Comprehensive State Water Plan explicitly allows for channel reconstruction projects if approved by the IWRB. Staff recommends approval of this proposed project through a resolution.

Mr. Cuddy made a motion to adopt the resolution in the matter of the US Forest Service Crooked River Rehabilitation Project. Mr. Barker seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 8, Financial Program

a. **Status Update** *(Brian Patton, Staff)*

The Board has about $17.6 million committed but not disbursed, about $16.1 million total loan principal outstanding, and a total uncommitted balance of about $5 million dollars. Mr. Patton discussed loans that have been repaid, as well as potential loans.

b. **Interest Rate** *(Brian Patton, Staff)*

Mr. Patton discussed the proposed restructuring of the Board's interest rate from the current 5.5% and 6% rates to 3.5%. Mr. Graham moved to approve the loan interest rate reduction to a single rate at 3.5% for the next year and to review the rate in a year. Mr. Raybould seconded the motion.

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

Agenda Item No. 9, Water Supply Bank *(Remington Buyer, Staff)*

Mr. Buyer provided a brief review of the Water Supply Bank topics discussed during the Work Session. He discussed an amendment made to the Procedural Guidance Memo.

Mr. Barker made a motion to approve Water Supply Bank Memo No. 2 as amended. Mr. Alberdi seconded the motion.

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

Agenda Item No. 10, Water District 01 Rental Pool Procedures *(Remington Buyer, Staff)*

Mr. Alberdi made a motion to adopt the resolution approving the local Rental Pool Procedures for Water District No. 1. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 11, Galloway Project *(Cynthia Bridge Clark, Staff)*

Ms. Clark discussed the Federal Energy Regulatory Commission (FERC) Application for Preliminary Permit for the Weiser-Galloway Hydroelectric and Water Storage Project. The purpose of a preliminary permit is to allow potential applicants to secure data and perform the necessary investigations that are required to determine the feasibility of the project. This does not grant land disturbing rights or other rights. This permit will preserve the right of the permit holder to have first priority in applying for a license of the project being studied. This application is not a determination of the feasibility of the project. There was discussion among the parties regarding changes to the resolution to include "municipal preference."

Mr. Raybould moved to adopt the resolution in the matter of the FERC Application for

Preliminary Permit for the Weiser-Galloway Hydroelectric and Water Storage Project, with the suggested amendment to include municipal preference. Mr. Barker seconded the motion. There was further discussion regarding public notice clarifying the intent of this application. Voice Vote. All were in favor. Motion passed.

Agenda Item No. 12, IDWR Director's Report *(Gary Spackman, Director)*

Director Spackman discussed the possibility of the Board partnering with others to develop infrastructure for ground water recharge. Specifically, Mid-Snake Water Resource Commission is willing to partner with the Board. Mr. Alberdi and Mr. Stevenson provided further background on the Commission. There was discussion among the parties regarding follow-up with Mid-Snake Water Resource Commission. Director Spackman discussed complexities regarding staff positions to accommodate the increased workload. There was discussion among the parties regarding next year's budget and the possibility of requesting additional funding, as well as the expectations of the legislature regarding the additional funding that was provided to the Board.

Mr. Patton discussed a Managed Recharge Plan that provides a time table and cost estimates for Managed Recharge, which will be discussed at the May Board meeting. There was discussion among the parties regarding the Managed Recharge Plan.

Director Spackman also discussed the Inter-Governmental Board Meeting that he attended recently. This meeting along with outreach from Department and Board staff has resulted in a good relationship with the Shoshone-Bannock tribes. Director Spackman discussed an issue regarding allocation of storage and possible impact on the tribe. There was discussion among the parties regarding this issue.

Agenda Item No. 13, Other Non-Action Items for Discussion

Mr. Alberdi discussed the importance of publically responding to concerns brought up during the public comment period. He suggested the possibility of putting together a video that explains the merits of dams. There was discussion among the parties regarding this issue.

Agenda Item No. 14, Next Meetings and Adjourn

The Board will be attending a tour at the Mountain Home Air Force Base on April 2, 2014. May 14-15, 2014 is a planned trip to the Hells Canyon Complex with Idaho Power. The next regularly scheduled meeting is May 16th in Boise. The Board will be meeting July 17-18, 2014 in Bonners Ferry and on September 18-19, 2014 in Boise. There was discussion among the parties regarding other events planned for the year. Mr. Alberdi made a motion to Adjourn, and Mr. Barker seconded the motion. Voice Vote. All were in favor. Motion Carried.

The IWRB Meeting 3-14 adjourned at approximately 12:15 pm.

Respectfully submitted this 16th day of May, 2014.

Bob Graham, Secretary

Mandi Pearson, Administrative Assistant II

Board Actions:

1. Mr. Stevenson made a motion that the minutes for meetings 1-14 and 2-14 be approved. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

2. Mr. Cuddy made a motion to approve the resolution in the matter of the US Forest Service Crooked River Rehabilitation Project. Mr. Barker seconded the motion. Voice Vote. All were in favor. Motion passed.

3. Mr. Graham moved to approve the loan interest rate reduction to a single rate at 3.5% for the next year and to review the rate in a year. Mr. Raybould seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent. Motion passed.

4. Mr. Barker made a motion to approve Water Supply Bank Memo No. 2 as amended. Mr. Alberdi seconded the motion. Roll Call Vote. 7 Ayes, 1 Absent.

5. Mr. Alberdi made a motion to adopt the resolution approving the local Rental Pool Procedures for Water District No. 1. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

6. Mr. Raybould moved to adopt the resolution in the matter of the FERC Application for Preliminary Permit for the Weiser-Galloway Hydroelectric and Water Storage Project, with an amendment to include municipal preference. Mr. Barker seconded the motion. Voice Vote. All were in favor. Motion passed.