

*Signed*

**Minutes of Regular Meeting of the Board of Directors  
of the Wood River Valley Irrigation District # 45  
March 11, 2013**

The Regular Meeting of the Board of Directors of the Wood River Valley Irrigation District # 45 was **called to order** by Director Super at 5:00 p.m. on March 11, 2014 at the Bellevue City Hall, Bellevue, Idaho, as noticed.

**QUORUM**

Director Super declared that a *quorum* was present, consisting of Directors Super, Gardner and Frugard.

**PRIOR MINUTES APPROVED**

The minutes of the meeting of February 10, 2013 were presented, read, approved and signed by the Directors.

**INTRODUCTION OF AND PRESENTATION BY CRAIG WOLFROM  
REGARDING PROPOSED WHITEWATER "WAVE" PARK**

Director Super introduced Craig Wolfrom, who provided a 30 minutes presentation on the proposed WhiteWater Park. The Directors invited Mr. Wolfrom to return with a further presentation at a special meeting in the very near future, the date, time and place for which will be noticed and placed on the District's Web site. Mr. Frugard asked Mr. Wolfrom to provide written detailed information in advance of the special meeting so his materials can be more fully evaluated.

**SECRETARY/TREASURER'S REPORT/AND ACTIONS THEREON**

Jim White reported that the monthly bank statement and financial statements had been presented to the directors prior to the meeting; that the Statements of Amounts Collected for January 20, 2013 and January 20, 2014 have been completed and copies were provided to the Directors; that in accordance with statutory requirements, a proposed Balance Sheet as of the end of October, 2013 has been prepared by Linda Gates, our current book keeper, from the data available to her and as instructed by Mr. White for publication in the local newspaper; that the balance sheet was presented to the Directors for their consideration along with a copy of the applicable statute and last year's published balance sheet; that two line items in the current proposed balance sheet, when compared to last year's published balance sheet, required

clarification and careful consideration, after discussion, on motion duly made by Director Super and seconded by Director Gardner, and upon the unanimous approval of the Directors, Mr. White was instructed to proceed with the PUBLICATION OF THE DISTRICT'S BALANCE SHEET Of October 31, 2013, as presented to the Board with an additional footnote to be added addressing the Board's determination to more specifically evaluate the two line items as additional information and expertise is brought to bear on the matter; the Board then considered the IDAHO WATER USER'S ASSOCIATION INVOICE of January 2, 2014 for continued membership in the lobbying association, which is a voluntary membership; after discussion, the board, on motion by Director Gardner, seconded by Director Super, with Director Frugard abstaining, voted 2-0 to authorize payment of a revised invoice for continued membership provided payment is predicated on 8000 irrigable acres in the district rather than the 11,000 acres upon which the invoice of January 2, 2014 was presented; the Board then considered this month's payables and approved and signed the checks, including a check for Linda Gates, our current book keeper which Mr. White explained included additional time this month for work which involved addition reports prepared as instructed by the Secretary for the board and her investigation and research as to why the third quarter 2012 employee withholding taxes had not been paid timely nor the 3<sup>rd</sup> quarter 941 tax return filed timely which resulted in a penalty assessment by the IRS of over \$500.00 to the district; Mr. White further explained that with Ms. Gates assistance, he was able to determine from the records and from discussions with the IRS that the tax form 941 had eventually been filed by the prior book keeper and the taxes paid, albeit late, and that Mr. White had negotiated with the IRS, and demonstrated to the IRS that the oversight had been unintentional on the part of the district and an aberration from past practices and as a result that the IRS has waived the penalty assessment, but will require payment of accrued interest on account of the late payment which interest will be recalculated by the IRS and for which the district will receive an updated bill which Mr. White expects will be approximately \$40.00; Mr. White then announced that he had provided the directors with his written report dated March 7, 2014 entitled "PRELIMINARY REPORT REGARDING ANALYSIS OF EIGHT ACCOUNTS SHOWING OVERDUE BALANCES FOR CERTAIN WATER YEARS" and explained that he had additional copies available for distribution and that the sum and substance of the report was to explain that the evidence demonstrates and the report details that although the records of the district show overdue balances for the eight accounts identified in the report, those accounts had in fact been materially overcharged as a result of incorrect and irregular assessments in the years of 2008 thru 2012 and that under statutory authority of Idaho Code Title 43, section 705, it was appropriate for the board to correct the irregular assessments by eliminating the irregular assessments on these properties for the years identified in the report and instead, consider re-assessing these properties using a correct assessment model construct; Mr. Super suggested that the board determine, if possible from the District's records, what the effective operating and maintenance budget and assessment amounts were in the years in question and then re-assess these properties for those years in accordance with their respective proportions of the water rights turned into the district's system, whereupon the board considered the matter and Mr. Super summarized the findings of the report and the basis for the determination that the assessments in question had, in fact, been irregularly constructed and assessed, whereupon the matter was tabled for future consideration and action; Mr. White then raised the issue of the Survey and easement matters affecting Beck/ Gardner/ Browning/

Campbell properties and suggested the matter be taken up in Executive Session; the board then considered the matter of the recent letter and materials from Chuck Brockway respecting the Rinker property, whereupon Mr. Super indicated that he had spoken with Mr. Brockway and Mr. Rinker and from them he understood the letter was intended to be a petition for annexation of Mr. Rinker's property into the district, and on that basis, on motion by Director Gardner, seconded by Director Frugard, and unanimously approved, the board voted for APPROVAL OF THE THE RINKER REQUEST FOR CONSIDERATION OF HIS ANNEXATION REQUEST and instructed the Secretary to give the appropriate notice of the filing of the "petition for annexation" by Mr. Rinker and to place the item on the agenda for a future board meeting at which the matter of the petition and any objections thereto may be considered and acted upon by the board; whereupon the board took up the RENEWAL OF THE TURCO WATER BANK APPLICATION and the board, after discussion and on motion by Director Gardner, seconded by Director Frugard, and unanimously approved, the Secretary was instructed to notify the IDWR Water Bank officials of the District's consent to the renewal of the Turco Water Bank renewal application with the continuing condition of a 20% hold-back to the district for conveyance loss; whereupon the Board took up the matter of the date for the election in May of 2014 and a location and the matter of judges for the election and, after discussion, the board set and confirmed the DATE OF MAY 20, 2014 FOR THE ELECTION and on motion by Mr. Frugard, seconded by Mr. Super, the board voted 2-1, (with Directors Super and Frugard in favor and Director Gardner against) to authorize Mr. White to offer up to \$550.00 per month to rent space for the district in the office complex at the south end of Bellevue within the district on a month to month basis; whereupon the Board took up the question of the appointment of judges for the election; Mr. Super selected Jan Super for the judge from Division 2 and Directors Gardner and Frugard announced they were deferring their respective selections for Division 3 and 1 respectively until further consideration, notice and announcement; whereupon, on account of time constraints, Mr. Super called for the suspension of further reports from Mr. White and that the board proceed to take up the matter of the reports from Mr. Shannon.

### **MANAGER'S REPORT**

MANAGER KELLY SHANNON reported on ditch matters, including status and condition of the head gates and the seven measuring devices located and thus far cleaned and prepared for use, with one yet to be inspected and certified for use by Mr. Brockway; he then submitted information respecting the portable measuring devices he has investigated; he identified and discussed the matter of areas of freeboard concern, ditch clean up status and planning, and his plan to take the berm placed behind the main headgate out early; he offered a resume for a potential hire for seasonal help (to be discussed in executive session); he passed out information respecting the chemical's he is using and supplied data sheets and information to the directors and made available to the attendees at the meeting.

### **PUBLIC COMMENT TIME**

Paul Dean inquired about the need for measuring devices. Director Super suggested Mr. Dean check the IDWR web site where he will find the requirements respecting the need for

measuring devices.

Pepin Corso Harris commented that she was informed by Mr. Drussel that he had not received his bill, but Mr. Super indicated that the district's records show that Mr. Drussel had in fact paid his bill, whereupon, Ms. Harris then indicated she had made an information request by sending an email to the district's email address, (but she acknowledged she had not sent the request to the District's Post office box) for information respecting the collection of penalties and interest for water years 2013 and 2014. Mr. White indicated he had not noted the receipt any such request by email, but that he would look into the matter further and provide the board with additional information respecting Mr. Harris's request after making inquiry of the current book keeper.

No other persons asked to speak at public comment time, whereupon the meeting proceeded as follows.

### **NEW BUSINESS**

The board considered Mr. Super's presentation last month for possible alternative assessment modeling, and, after discussion, the board members indicated that they saw no need at this time to vary from the modeling used in the most recent water year assessment model other than to evaluate use of different averaging data, to be evaluated in this year's assessment discussions.

Director Gardner indicated she had no announcement to make regarding the planning for a new petition for partition of the district.

### **NEXT MEETING**

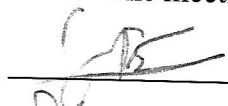
The Board then set the NEXT MEETING DATE for April 8, 2013 at a place to be determined and noticed.

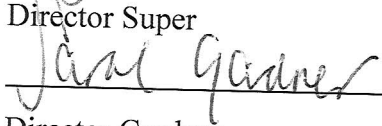
WHEREUPON the board went into EXECUTIVE SESSION.

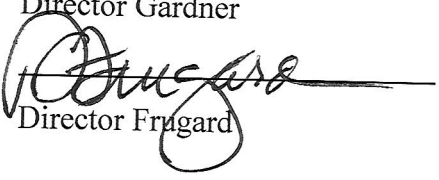
After executive session, on motion made by Director Gardner, seconded and unanimously approved, the board instructed the Secretary to proceed with the preparation by district's counsel of a formal easement agreement or agreements in recordable form for the new ditch placed between the Beck and Campbell properties and the Browning and Gardner properties just north of Pero Road, which Mr. Shannon had indicated had been done with the consent of all four property owners.

## ADJOURNMENT

The meeting was adjourned at 7:15 p.m.

  
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Director Super

  
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Director Gardner

  
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Director Frugard