

**Minutes of Regular Meeting of the Board of Directors
of the Wood River Valley Irrigation District # 45**
January 13, 2013 *2014 JDW*

The Regular Meeting of the Board of Directors of the Wood River Valley Irrigation District # 45 was **called to order** by Director Wilson at 5:00 p.m. on January 13, 2014 at its regular place of meeting located at 110 Honeysuckle Street, Bellevue, Idaho.

Director Wilson declared that a *quorum* was present, consisting of Directors Wilson, Super and Gardner. Director-Elect Gary Frugard was also present.

The minutes of the meetings of December 16, 2013 were read, corrected and approved by the Directors for circulation and signature.

OLD BUSINESS Director Wilson informed the board that he had written a letter to John Stevenson, as he had been requested by the board to do, to thank Mr. Stevenson for providing over-spray watering, as the District had requested, of a portion of the Gannett Road property claimed by the district from a pivot on Mr. Stevenson's adjoining property, but confirming that such over-spray watering (and the crop thereby created on the district's property and harvested by and donated to Mr. Stevenson) was done with the District's permission and in no way should be considered by Mr. Stevenson, or anyone else, as acts adverse to the interest's of the District in the Gannett Road property.

Director Wilson, having completed his three year term, and with Gary Frugard, the Director-Elect present, Mr. Wilson yielded the chair to Director Super, the Vice-Chairman. Whereupon, Director Super then provided and administered to Mr. Frugard the Director's OATH, and Mr. Frugard then executed the OATH, read the oath aloud and whereupon formally took his seat as the Director for Division 1.

Director Frugard requested and was granted time to address the meeting and commented on certain of his observations and suggestions for the board to consider in the coming months. Director Frugard's comments included the following: that he had been attending public meetings of the board for over five years; that he had developed the impression that considerable progress in many areas had been made in the last two years, particularly with respect to the creation and implementation of a quantitative approach for the creation of the assessment rate structure, based on data gathered over the last 37 years by District 37 and recent measurement data collected by our district's water manager, Kelly Shannon; that Mr. Shannon brings considerable intelligence and skills to his job for the district; that the board has made a concerted effort to reach out to all property owners, large and small, and that many have taken the opportunity to come to meetings and to present their views and that those view have been listened to by the board and the

members; that Director Wilson, as Chairman, having invested far more time than expected, and Directors Super and Gardener had done a good job in balancing the tasks of managing the district and listening to the members; that Mr. Frugard hopes to contribute to the continued improvement of the district and that he put forward several suggestions for the future. The first is that he hopes to see the board develop a detailed operating plan, perhaps a three or five year plan; that he would like to facilitate an outreach program and form some sort of advisory group consisting of people with experience on both sides of the issues to help bridge the issues AND TO PROVIDE INPUT FOR THE OPERATING PLAN; that he hopes the board will develop concrete metrics for measuring the District's performance going forward; that the board must address the uncertainty and confusion of the current state of affairs arising from the fact that the District has, at present, no official nor agreed upon map of the district's boundaries and lands in the district and no certainty as to the lands which may or may not be in the district and thus, as he sees it, some electors appear to have been disenfranchised at times while others may have been allowed to vote who might not have been truly eligible to vote, and thus, as an absolute priority he believes the district needs to develop a proper map for the district as soon as possible and before the coming election set by the prior board, and if that election is to proceed, he feels strongly that the district needs to make a concerted effort to fully inform all eligible electors about the pros and cons of the matters up for their consideration given that a vote "for" acreage weighted voting, would, in effect, be, as he sees it, a vote to self-disenfranchise, possibly forever; that considerable attention needs to be given to set standards for voting, and that given the fact that certain members who had advanced a prior petition for partition of the district have informed him that they intend to submit a new petition for partition soon, consideration must be given to determine, given the current state of affairs, whether the election scheduled for February 4, 2014 should proceed as scheduled, be postponed or cancelled.

Director Super announced that the board was prepared to OPEN PUBLIC COMMENT TIME, but first he indicated he wanted to formulate some guidelines and rules for public comment. Mr. Super commented that he believed a two minute per person limit would generally suffice; that the person should clearly state his or her name; that all comments should be directed to the board and not otherwise; that comments should be on point and must be made in a respectful manner; that if the comment included an inquiry for clarification, directors may choose to respond or not as they see fit; that as Chairman, in the event of a violation of these standards, he would ask the commenting member to cease further comment and take their seat and that in the event of a second violation by that member, Mr. Super would ask the member to leave the meeting. Mr. Super indicated he would like PUBLIC COMMENT RULES to be formally adopted and notice provided on future sign in sheets. To facilitate the process, Mr. Super read the following statement from the Notice and Agenda which had been posted by the Secretary:

"All public comments should be simple and clear statements addressed to the board. The board members may or may not choose to respond. Public comment is not a question and answer session. In all respects, all public comments should be presented in a respectful manner and tone and observe all appropriate decorum."

IN PUBLIC COMMENT TIME,

Mr. White commented that he wished to offer an apology to anyone who may have been offended by his conduct in the past as it related to district matters, that he recognized that he had often been strident in the pursuit of matters which he considers to be matters of principle occasioned by what he believed had been conduct by others in ways that were improper and out-side of the statutory guidelines for the district; and that he wanted to acknowledge that he has come to recognize that the tasks required of the District's Secretary and Treasurer were far more time consuming than he had believed prior to being appointed to those positions in February of 2013 and that he therefore wanted to recognize and acknowledge Pepin Corso-Harris for her considerable efforts and the time she had to invest in the past performance of her duties as Secretary and Treasurer from time to time; that he was hopeful that going forward, we could all find ways to work together in a productive manner and that he was committed to seeing the district perform its obligations well and to stay together as one district, if possible.

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

SELECTION OF CHAIRMAN/PRESIDENT AND VICE CHAIR/VICE PRESIDENT

The Directors discussed their understandings of the District's past practices and the requirements of Title 43 as they relate to the appointment of a Chairman, and/or a President, Vice Chairman and Vice President, whereupon the matter of the selection of each was opened for nominations with the understanding that the use of the term "Chairman" or "President" would be subject to amendment when the nominal requirements of the statute were clarified.

Director Frugard nominated Mr. Super for Chairman/President and Director Gardner seconded that nomination. No other nominations were made. All directors voted in favor of designating Director Super as Chairman/President.

Director Gardner nominated Mr. Frugard for ViceChairman/Vice President, Director Super seconded that nomination. No other nominations were made. All directors voted in favor of designating Director Frugard as ViceChairman/Vice President.

The Board then discussed and designated Director Gardener as the contact person between the Board and the water manager, Kelly Shannon. Director Gardner accepted the assignment.

APPOINTMENT OF OTHER OFFICERS

Director Frugard then moved that Mr. White be retained as Secretary/Treasurer.

Director Gardner seconded that motion. All directors then voted in favor of retaining Mr. White as Secretary/Treasurer for the current year.

NEED FOR A NEW MEETING PLACE

Mr. White announced that he had been informed that the space at 110 Honeysuckle Street, Bellevue, Idaho would only be available thru the February 2014 meeting and that the Board needed to find alternative space thereafter.

The Directors indicated that they would each make calls to members to see what might be made available for the district and Mr. White indicated he would seek to ascertain the availability and costs of commercial space both for office space for record keeping and a meeting space.

The matter is to be taken up again at the February meeting.

REPORTS:

MANAGER KELLY SHANNON: Reported on ditch matters, including, his ditch bank clean up and burning plans; his meeting with a bio-chemical vendor to find more suitable and environmentally sound weed, grass and tree stump sprays; the status of sale efforts of the old pick up truck; on the condition and location of currently six in place working measuring devices (and one device which needs additional repair work) and plans to assure sufficient measurement tools in the future and his evaluation of a portable measuring device under consideration; the recent discovery of some IDWR data on one of the wells on the Gannett Road property; and his discussions with the promoters of plans for a white water park.

SEC-TREAS JIM WHITE: Reported on the financial condition of the District, including the fact that some large land owners had not paid their assessments and had stopped payment on some payments initially made, and that he was engaged in a concerted effort to collect assessments; on matters related to Election (set by prior board) for a February 4, 2014 election on three issues; and on the Gannett Road property matters.

OTHER OLD BUSINESS REPORTS:

Mr. Frugard volunteered and moved that he would assist Mr. White in collection efforts from large land owners who have not paid their assessments; Director Gardner seconded the motion and all directors voted in favor.

DIRECTOR SUPER presented a new rate comparison analysis for the board to study and consider; volunteered to write a letter respecting the Boards' favorable consideration for possible contribution to a Cloud Seeding Project, but not at the

present time; lead the discussions for the authority and direction for new district mapping project and Mr. Frugard volunteered to contact Galena Engineering to seek clarification as to the two different versions of maps that they had provided in recent years; lead discussions for consideration for further action regarding proceeding with, canceling or postponing election set by prior board for February 4, 2014 on three issues, including possible appointment of Judges and designation of polling hours, and related matters if election is to proceed.

DIRECTOR GARDNER moved to adopt the shorter hours allowed by statute for the polls to be open from 1 p.m. to 7 p.m., whereupon all directors voted in favor.

DIRECTOR FRUGARD moved that the election currently scheduled for February 4, 2014 be postponed to May, 2014 so as to allow time for the mapping matters to be fully addressed and elector eligibility matters to be fully addressed and clarified. Director Super seconded that motion. The directors then voted on the motion: Directors Super and Frugard voted in favor while Director Gardner voted against.

NEW BUSINESS:

DIRECTOR SUPER addressed the issue of calculation of ditch loss, noting that Chuck Brockway has provided Mr. Super and Kelly with charts to use in conjunction with the working measuring devices currently in place; Mr. Super commented that Kelly has done an excellent job collecting data this past season and that he should continue that effort and this coming year expand the focus to the east side of Gannett Road to collect additional data for study; that, so far, the data tends to show a ditch loss rate of 15% from the river to the splits at Gannett Road; that there is considerable practical utility to the data gathering effort, including but not limited to providing the board with information to be able to address conveyance hold backs from water bank contributors.

DIRECTOR FRUGARD moved for the board to develop an three to five year operating plan. No second was forthcoming, but the concept is to be revisited at future meetings when more specifics are provided.

DIRECTOR FRUGARD moved for a resolution of board support for the concept of soliciting participants to join in an *ad hoc* informal working group of persons with knowledge and experience to meet periodically to study issues faced by the board and make suggestions and recommendations to the board, FOR EXAMPLE, INFRASTRUCTURE UTILIZATION OF THE FULL WATER ALLOTMENT FROM DISTRICT 37, THE ASSESSMENT MODEL, CONJUNCTIVE MANAGEMENT MATTERS, INCLUDING USE OF A GROUND WATER USERS ENTITY, (but, AS DIRECTOR SUPER CLARIFIED, THE INPUT

FROM THE GROUP WOULD BE without any binding effect on the board or in any way diminishing the power and authority of the board). After discussion, the motion received a second by Director Gardner. Director Super solicited public comments. Jan Super commented that she did not see the need since people come to the board meetings already offering their suggestions. Judy Grigsby commented that it might be a good idea to have such a group since sometime people would rather have their ideas kicked around with others ahead of time rather than present an idea to the board only to have it shot down which then makes a person less likely to offer future suggestions at board meetings. There were no further comments offered.

Mr. Super asked for a vote, whereupon all directors voted in favor of the motion and the motion passed. Mr. Frugard indicated he would recommend some names for the working group at the next meeting.

DIRECTOR FRUGARD suggested the board consider creating some performance metrics to gauge performance of the district in the future, *E.G.*, DOLLARS PER MINER'S INCH DELIVERED, PERCENT COMPLETION OF THE 3-5 YEAR OPERATING PLAN OBJECTIVES. No second was forthcoming. The directors suggested the issue be discussed further at the next meeting.

DIRECTOR FRUGARD suggested the board consider how to create and implement a concerted effort by the district to identify and educate the electorate in advance of the election in May. The directors discussed ideas and agreed to evaluate the matter further at the next meeting. Mr. Super invited public comment. Judy Grigsby suggested the creation of a pamphlet of pros and cons. The directors agreed to revisit the matter at the next meeting.

SEC-TREAS: Mr. White reported (and Director Gardner) confirmed that no new petition for partition has been filed as yet.

CLOSING PUBLIC COMMENT TIME

Ms. Corso-Harris commented that she believes the board needs reiterate that the District is not willing to bear any costs in connection the planning or implementation of the water park being considered by others. Mr. Super concurred and noted that the District has not given approval to any plan and would not be interested in any plan that called for the district to bear any share of any expense related to the possible park contemplated by others.

Mr. Goettsch commented that he considered large land owners being in default by not paying their assessments demonstrates not only a lack of good faith, but to his mind, it demonstrates actual bad faith. Director Frugard commented that based on discussions he has had with at least one large land owner, their concerted action in

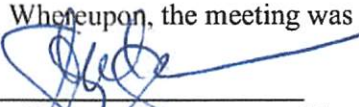
not paying their assessments and by stopping payments on check as had been provided was a "shot across the bow" and meant to demonstrate their displeasure with the amount of legal expenses that the District has authorized and paid. Mr. Super invited public comment. Jan Super commented that this is another example of why the large land owners cannot be trusted and that the message that Mr. Frugard asserts they are trying to send, is, in Ms. Super's opinion, a message that should not be sent. Director Super commented that three years ago, at a time when the board was controlled by large landowners, the board had passed a budget with a line item for what were then anticipated as litigation expenses of \$35,000 over and above a line item for ordinary legal expenses. Mr. Super commented further that the large landowners knew or should have known that when they took their action of presenting a petition for partition of the district that such action would, should and did result in the board having to incur legal expenses to properly evaluate the situation created by the presentation of the petition for partition; that it was the result of the conduct of a handful of larger land owners that caused the board to have to incur those legal expenses and thus their effort to send a message now is, in Mr. Super's opinion, hypocritical, at best.

Mr. White commented that the Gardners are current with their assesement.

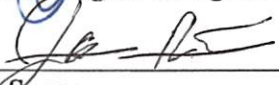
NEXT MEETING DATE of February 10, 2014 is CONFIRMED

ADJOURNMENT

Whereupon, the meeting was adjourned at 8:20 p.m..




Director Wilson, as to matters addressed
prior to Mr. Frugard taking the oath of office.



Director Super



Director Gardner



Director Frugard, as to matters addressed
upon and after taking the oath of office.