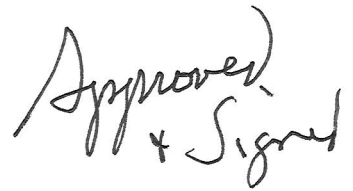


 DRAFT VER 4

 Approved
& Signed

**Minutes of Regular Meeting of the Board of Directors
of the Wood River Valley Irrigation District # 45
April 8, 2014**

The Regular Meeting of the Board of Directors of the Wood River Valley Irrigation District # 45 was **called to order** by Director Frugard at 5:00 p.m. on April 8, 2014 at the office of the district located at Unit 4B, 1411 S. Main Street, Bellevue, Idaho.

QUORUM

Director Frugard assumed the chair and declared that a *quorum* was present, consisting of Directors Gardner and Frugard. Director Super arrived shortly after the meeting was called to order. Director Frugard continued to chair the meeting.

PRIOR MINUTES APPROVED

The minutes of the meeting of January 25, 2014 were re-signed by the Directors. The minutes of the meeting of March 25, 2014 were read, approved and signed by the Directors.

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 he had presented to the board the results of his further investigation and recommendations for the correction of the eight irregular assessments which were the subject of his Preliminary Report and his recommendations for proposed resolutions in that regard,

Whereupon, after discussion, and on motion by Director Frugard and seconded by Director Gardner, the following resolutions were unanimously adopted:

RESOLVED, THAT the eight accounts receivable identified in the Secretary/Treasurer's Preliminary Report of March 7, 2014 (*to wit*, Property #s 124, 192, 128, 181, 159, 148, 174, & 209) for the Years in Question (*to wit*, the "Incorrect Assessment Years of 2008-2012) as identified in said Report shall be and hereby are "corrected" in accordance with the statutory authority provided to the board by Idaho Code Title 43 Section 43-705, in the following respects:

THAT the accounts receivable showing on the books of account of the District for each of said eight accounts are hereby corrected and reduced to zero *ab initio* for the reasons identified in said Report, except as to penalty and interest on the

corrected and re-assessed amounts as determined by these resolutions as may accrue from and after 90 days after being invoiced;

THAT the assessments for each said property for the respective Years in Question as to such property are hereby re-assessed based upon the % of the current year which said property was assessed for the 2014 water year, with such percentage being applied for the respective year in question to the following total amounts deemed to have been assessed in such years:

2008	\$74,755.48
2009	\$72,399.22
2010	\$75,010.00
2011	\$85,537.65
2012	\$168,193.23

THAT the Secretary/Treasurer is authorized and directed to notify the owners of each such property of the action taken in accordance with these resolutions and to invoice such properties in accordance with such corrections and reassessments and these resolutions and to take such other and further steps as he deems reasonably necessary to correct the effect of the irregular assessments and to collect such re-assessed amounts as against such properties.

Mr. White then reported that the QuickBooks current settings are not able to charge penalties and interest except by individually forcing each account and Linda Gates is working on determining whether the settings can be set to charge penalties and interest without forcing each account.

Mr. White commented on the map project and the need for a usable map in recordable form for the coming election. Mr. Frugard indicated he will re-contact Galena Engineering to determine the specifications for a map in recordable form.

Mr. White reported that the survey and Easement Matters affecting Beck/ Gardner/ Browning/ Campbell properties remains in process.

Mr. White reported on the status of inquiries to Attorney Waldera re questions of dry lot voting and absentee voting;

where record title is in the name of four person, and each owner is otherwise eligible to vote, then each person would be entitled to vote;

where dry lots are within the boundaries of the district and the owners are otherwise eligible to vote, then persons owning dry lots are entitled to vote, unless the owners elect to opt out by signed a document in recordable form and recording such document; Mr. White commented that we do not yet have the names and

addresses of dry lot owners.

Director Frugard opened the meeting for Public Comment on dry lot voter matters only:

Mike Harris commented that he understand that Attorney Waldera was offering only his opinion as opposed to citing specific statutes.

Whereupon Mr. White corrected Mr. Harris and quoted the statutory and case law authority upon which Attorney Waldera's opinion was based and which Attorney Waldera specifically cited in his email to the directors and Mr. White suggested that if Mr. Harris had a contrary legal opinion, he should bring it forth, but as of this point in time there has been no contrary legal opinion offered by anyone.

Lynne French commented that she is a dry lot owner and is excited about voting and wanted to know if efforts would be put forth to communicate with dry lot owners about the coming election.

Pepin Corso Harris commented that she believed that the people who pay the assessments should be the only ones who vote. Ms. Harris asserted that Minidoka and Burley irrigation districts don't allow dry lots in their districts to vote and they are not assessed. Ms. Harris commented that in those districts the voters have shares.

Jan Super commented that she didn't believe those districts are under Title 43, particularly since, as Ms. Harris asserted, the voters in those districts have "shares", which is completely unlike our district where the members own their own water rights.

Ray Goettsch commented that great care should be exercised should the district consider not following the opinion of its attorney as that could lead to putting the district at risk for litigation at great cost to the district.

[TRANSCRIPT SEGMENT:

Director Super: I think it would be wise that we direct Jim White to get with Andy Waldera to send out something to at least the list that we have of dry lot owners and state look, ... that you could be excluded if you follow this ... but you do have the right to vote if you choose to vote.

Director Frugard: I think that would be a good idea.

Director Super: I think we need to do that and move on. I am not willing to go against Andy Waldera's recommendation. Dry lot owners get to vote.

Director Frugard: I agree with you 100%. I support what you are saying. But ... also if we are going to put out an information piece we should talk about all the things downstream; you can opt out, you can opt in, if you opt out and want to come back in it may be more difficult. If we could do an information piece that the people had all the information they needed to make an informed decision that would be the way to do it. Maybe we could task Andy with that.

Director Super: We have our members who are putting their water into the water bank and if the delivery system goes past dry lot owners, they could rent that water right out of the water bank.

55:09 Director Gardner: Jim, I have a question I have a question for you. Are you inclined to take a vote on this or, as the Chairman, or are you saying that it is Andy's opinion that it is not an option for the directors to consider...

Director Super: It's not an option...

Director Gardner: I just want to be clear on that.

Director Frugard: That's the way I read it.

Director Gardner: I agree with what you were saying earlier, but to me it doesn't make sense; it doesn't sit right with me. But I don't know. Reading Andy's opinion, and I agree it's also not very wise to not follow your attorney's opinion, but if Andy is saying this is not something that the Directors can consider... I mean the way I interpret that ... I guess my question is are the Directors even going to vote on it, or is Andy directing us ...?

Director Super: I think some place in this whole thing .. is... it's not even an option.

Director Frugard: That's the way I read it.

Director Super: I remember reading somewhere ...

Mr. White: Its it the first line...

56:11 Director Gardner: He said "its not merely even an opinion for the directors to consider".

Mr. White: No, you misquoted... (Reading from Attorney Waldera's email:) "It is not merely an option..."

Director Gardner: Oh, "an option", I'm sorry. Because I had asked specifically if this was something that the directors voted on or if this is something that we are told that this is the law and this is how you do it.

Director Super: I think his opinion is that it's the law and this is how we have to do it. I think we should conduct ourselves in that manner.

Director Frugard: That's the way I read it.

END OF TRANSCRIPT SEGMENT ON THIS TOPIC]

Director Super suggested that it might be wise if the board were to direct Mr. White to get together with create a letter allowing dry lot owners to opt out of the district. Director Frugard wanted the piece to be more extensive to include all the information they needed, (e.g., they could opt out, they could opt in, if they opted out and wanted to come back in later it might be more difficult). Director Super observed that members are putting their water into the water bank and if the water flows past dry lot owners, dry lot owners could rent water from the water bank. No formal action was taken at this meeting for such a letter.

Director Frugard then commented that he had heard from Pepin Corso Harris that there was new legislation impacting on the issue of absentee voting. Director Frugard called upon Ms. Harris to inform the board in this regard.

Ms. Harris commented that she knew of a new law that came into effect in 2013, citing Title 9 section 1406, which she asserted would allow for absentee ballots to be signed without a need for the voter to sign the electors oath under penalty of perjury in front of a election judge.

Mr. Goettsch commented that he wondered how the district would be able to go about informing the electorate of absentee voting availability at this point in time given the present date of May 20, 2014 for the election.

Director Gardner commented we could hold a special meeting to consider absentee voting.

Director Super commented he was concerned that absentee ballots would be more prone to potential voter fraud and that without the specific processes in place for the district, which is very much *not* like a general election under the control of the county election officials, he would not be in favor of absentee voting.

Director Frugard suggested getting an answer from Andy Waldera as to whether the offered information from Ms Harris and Director Gardner (who supplied a photo copy of the purported law) regarding section 1406 is present law and whether it applies to our district, and then, if valid, call for a special session to consider a process to implement absentee voting.

Mr Frugard called upon Ms. Harris and asked if she had any information on districts that have a process in place for absentee voting.

Ms. Harris replied that she knew of many districts that have processes in place for absentee voting, specifically referring to Nampa Meridian, Black Canyon, Big Lost, Boise Cunan, Haden Lake, Idaho Irrigation District, Houston Orchard... (whereupon she was interrupted by Mr. Frugard who asked Ms. Harris to leave him three phone numbers and he would follow up).

Director Gardner suggested a date be set for the special meeting to take up the matter of absentee voting.

Director Gardner made a motion to remove the proposed by-law that was previously designated as item 2 from the ballot for the May 20, 2014 election; Director Frugard seconded the motion and after discussion, the motion was unanimously passed.

[Secretary's Note: Item number 2 had been as follows:

“Whether, under Idaho Code Section 43-111, the District shall adopt a by-law allowing non-Blaine County resident district landowners (i.e., those who own land within the District, but do not reside on that land or otherwise reside in Blaine County, Idaho) to vote in landowner elections; provided that the non-resident landowners also meet the remaining irrigation district elector qualifications of Titles 43 and 34, Idaho Code, and provided that the non-resident landowners reside within 15 miles of the District.”]

Director Frugard suggested we set a special meeting, whereupon Mr. White commented that he would need to notice a special meeting at least 48 hours, whereupon Directors Frugard and Gardner called for a special meeting for April 14, 2014 at 5:00 p.m. to take up the matter of the possibility of implementing absentee voting for the May 20, 2014 election. Mr. White was instructed to post notice of the special meeting at least 48 hours in advance.

Mr. White returned to the information supplied by Attorney Waldera. Specifically, whether a person who owns two parcels in the district (and who otherwise qualifies to vote (*i.e.*, resides in Blaine County and is an Idaho registered voter), is that person entitled to vote twice. Mr. White reported that Attorney Waldera opined that the answer to this issue was “No”. As there were no questions raised or comments made by the directors on this opinion, Mr. White indicated that Attorney Waldera was still looking into the implications of this opinion on the related issue of the propriety of a person voting multiple time in a representative capacity under current law (*i.e.*, for one or more trusts, limited liability companies, corporations or partnerships).

Whereupon, Directors Frugard and Gardner announced that they had not yet found anyone to serve as an election judge for their respective divisions.

Mr. White reported that on the materials received from the Brockway firm for Mr. Rinker respecting the possibility of annexing some of Mr. Rinker's property, that Mr. White had circulated an email to the directors that the materials received did not satisfy the requirements of

the statutes (specifically, that the materials were not signed under penalty of perjury, they did not describe the land to be annexed and the power of attorney was not sufficiently broad, but only related to water rights, not rights in land) and therefore Mr. White recommended that the board take no action other than instructing Mr. White to so inform the Brockway firm, as Mr. Rinker's agent.

Mr. White reported on the Turco Water Bank Application matter and that given that the minutes just signed included the necessary revised resolution, he would proceed to provide that revised resolution to Pam Skaggs, who handles the water bank matters for IDWR and report back to the board if she has any further needs or inquiries.

Mr. White reported that two of the three minutes as had been requested by Ms. Harris have been provided and that the third set of minutes had just been resigned at this meeting which he would provide to her tomorrow.

MANAGER'S REPORT

MANAGER KELLY SHANNON reported on ditch matters as follows;

The Kingsbury concrete work is done; that Mr. Brockway is expected to inspect measuring devices, which, if approved, would give us a total of seven devices in the system; that the in ditch berm behind the headgate at the river has been removed and after that, he had to stop water by sandbagging the head-gate for road work by Blaine County crews for concrete pouring, including placing excess concrete in the system at places as directed by Kelly; that the white-water park was denied by the City of Bellevue and that Kelly has heard from a press person at the City meeting that someone asserted that the district did not support the project; that burning on 75 would be proceeding soon and water trucks are lined up and a public service announcement would be put in paper and signs obtained from the highway department warning drivers of smoke on the highway; that a drought declaration is anticipated; that there was vandalism at the main head-gate (removal of posts and chains).

PUBLIC COMMENT TIME

Bette Gower inquired if an announcement would be made respecting the May 20 election and whether an updated and proper map of the district has been obtained.

Mr. White reported that a formal notice will be posted tomorrow for the May 20, 2014 Election, including being posted on the WebSite, which will have the language of the two propositions which will be on the ballot.

Mr. White reported that the district still does not have a map in recordable form, but that Mr. Frugard is working with Galena Engineering in that regard.

Lynne French inquired how dry lot owners will be informed of their ability to vote, in light of past publicly taken positions of the district that a water right was a requirement of voting.

Mr. White reported that the district does not yet have a list of dry lots owners. Director Super reported that he has a partial and preliminary list which includes some dry lots.

Mr. Harris commented that if dry owners can vote, they also would have the right to run for a seat on the board.

Mr. Frugard commented that that could be a good thing.

Mr. Goettsch commented that he recalled discussions that the district would sponsor a forum on the issue of acreage weighted voting (AWV).

Director Frugard commented that he had suggested the idea some time ago and he would chair such a meeting and he believed it was really important to have a forum; that he had asked rhetorically in the past for three good reasons why an elector would vote for AWV and he never got an answer, but that he now understands the a reason to vote for AWV would be that if AWV does not pass, the persons who had pursued a petition for partition (PFP) in the past would again put forth a new petition for partition.

Mr. White commented that he supported and recommended setting a date and holding an open house forum for discussions on AWV and the PFP at our new office.

Jan Super commented she would like to a structure at a forum at which positions for and against the PFP and AWV be presented.

Director Super suggested Director Frugard find people willing to present the respective positions at the forum.

Director Frugard commented that since Mr. White would be posting a notice tomorrow about the election, that a footnote could be added to the notice for a date, place and time for the forum at which positions, pro and con, would be presented.

Whereupon, Director Frugard picked the date of Wednesday, April 23, 2014 at 5:30 p.m. for the open house/forum and commented he felt objective enough to talk about both AWV and the petition. Director Gardner announced she would provide Director Frugard with a list of people who could speak on the topics and their phone numbers.

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

OTHER OLD BUSINESS

Director Frugard inquired of Mr. White to provide to Director Frugard as to what the requirements are for a map in recordable form.

Director Super moved to authorize Director Frugard and Mr. White to meet with Galena Engineering and to procure a map in whatever form Mr. White considered necessary to satisfy recording requirements, provided it not cost more than \$200.00. Director Gardner seconded the motion which was then unanimously adopted.

Director Frugard had no update on the status of his efforts for the formation of the *Ad Hoc* group, but he expected to have more information at the next regular meeting.

Director Gardner indicated she had an update on the Petition for Partition and stated that the petition has been updated and the filing date is being held.

Mr. White inquired of Director Gardner as to what she meant by her statement that "the petition for partition has been updated and the filing date is being held".

Director Gardner responded by stating that was all the information she had and that she had been informed of this information just five minutes before the meeting and that as she understood the information, the Petition for Partition has not yet been filed.

NEXT REGULAR MEETING

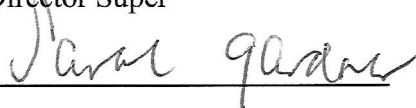
The Board then set the NEXT REGULAR MEETING DATE for May 12, 2014 at the office of the district located at **Unit 4B, 1411 S. Main Street, Bellevue, Idaho.**

ADJOURNMENT

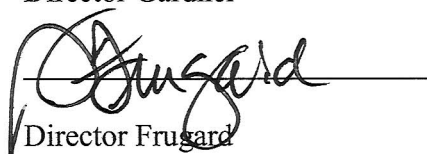
The meeting was adjourned at 6:54 p.m.



Director Super



Director Gardner



Director Frugard