BIG LOST RIVER IRRIGATION DISTRICT BY-LAWS AND POLICIES 2010

STATEMENT OF OBJECTIVES

To deliver to landowners the decreed water from the Big Lost River to which they are entitled pursuant to the water rights held by the individual landowner, and to deliver storage water of the Irrigation District to landowners within the district in the amounts to which said storage water has been apportioned to the lands within the district, all in the most efficient manner and consistent with good management practices. It is also an object of the Irrigation District to transport, by agreement, groundwater for use by landowners on lands within the district and for delivery to the outer boundaries of the district for use on lands outside of the district.

It is the further purpose to maintain the total irrigation system to the degree necessary to preserve the capacity and to maintain the condition of the facilities in a manner, which avoids undue depreciation; and to store and deliver irrigation water as required by the landowners within the Irrigation District.

It is also the object of the Irrigation District to maintain sound fiscal policies, including the maintenance of adequate reserves, and to promote the wise and efficient use of available water and the conservation of the lands within the district; and to hold a minimum, system seepage and operational waste, and to be constantly alert to technical advancement and the adoption of new practices which will improve system operating efficiency.

The Irrigation District is a public quasi corporation, organized; however to conduct a business for the private benefit of owners of land within its limits and it holds its property in a proprietary rather than a governmental capacity. Its quasi-municipal character renders Irrigation District subject to the constitutional requirements concerning electors. The Irrigation District is organized for the specific purpose of providing ways and means of irrigating lands with the district and maintaining the irrigation system for that purpose. The Irrigation District is not strictly municipal in the sense of exercising governmental functions other than those connected with raising revenue to defray expenses of irrigation systems. It is a mutual cooperative corporation organized not for a profit, but it is not a public service corporation in its broad sense. The Irrigation District though a quasi municipality corporation is nevertheless liable for negligence of its officers.

CONTROL OF FACILITIES

Ownership, operation and maintenance of the distribution facilities, dam and reservoir of the Irrigation District is vested in the Irrigation District, for the benefit of the landowners owning lands with the Irrigation District. The business and affairs of the Irrigation District shall be managed and conducted by the Board of Directors of the Irrigation District, which will employ and appoint such agents, officers and employees as may be required and prescribe their duties.

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors shall hold a regular monthly meeting in the office of the Irrigation District on the first Tuesday in every month or such date each month as it shall fix by resolution and of business. All special meetings shall be ordered by the President or a majority of the Board, the order must be entered of record and the Secretary must give each member not joining in the order five-(5) days' notice of such special meetings. The order must specify the business to be transacted at such special meeting and none other than that specified shall be transacted, provided, that whenever all members of the Board are present, however called, the same shall be deemed a legal meeting and any lawful business may be transacted.

All meetings of the Board must be public, and a majority shall constitute a quorum for the transaction of business; but on all questions requiring a vote, there shall be concurrence of at least a majority of the members of the Board. All records of the Board shall be open to the inspection of any elector during business hours.

Minute Procedures adopted in minutes of June 1, 1999. Minutes are limited to motions and actions made by the Directors.

Written minutes of all meetings of the Board of Directors shall be taken, but neither a full transcript nor a recording of the meeting is required. Minutes of executive sessions may be limited to material the disclosure of which is not inconsistent with the provisions of 67-2345, Idaho Code, but shall contain sufficient detail to convey the general tenor of the meeting.

EXECUTIVE SESSIONS, IDAHO STATUTES 67-2345

Nothing contained in this act shall be construed to prevent, upon a two-thirds vote recorded in the minutes of the meeting by individual vote, a governing body of a public agency from holding an executive session. An executive session may be held: a) to consider hiring a public officer, employee, staff members or individual agent. This paragraph does not apply to filling a vacancy in an elective office; b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student; c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency; d) To consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code. 2) Labor negotiations may be conducted in executive session if either side requests closed meetings.

Notwithstanding the provisions of section 67-2343, Idaho Code, subsequent sessions of the negotiations may continue without further public notice. 3) No executive session may be held for the purpose of taking any final action or making any final decision.

ROBERTS RULES OF ORDER

Duties of the Chairman are generally as follows: To open the session at the time at which the assembly is to meet, by taking the chair and calling the members to order; to announce the business before the assembly in the order in which it is to be acted upon, to recognize members entitled to the floor, to state and to put to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote; to protect the assembly from annoyance from evidently frivolous or dilatory motions by refusing to recognize them; to assist in the expediting of business in every way compatible with the rights of the members, as by allowing brief remarks when undebatable motions are pending, if he thinks it advisable; to restrain the members when engaged in debate, within the rules of order; to enforce on all occasions the observance of order and decorum among the members, deciding all questions of order (subject to an appeal to the assembly by any two members) unless when in doubt he prefers to submit the question for the decision of the assembly; to inform the assembly, when necessary, or when referred to for the purpose, on a point of order or practice pertinent to pending business; to authenticate, by his signature, when necessary, all the acts, orders, and proceedings of the assembly declaring its will and in all things obeying its commands.

OFFICERS AND EMPLOYEES

No individual member of the Board of Directors may, except when authorized by the Board, interfere with the supervisory functions of any appointed or employed personnel, nor with any district employee in the performance of that employee's duties. Individual Directors should refrain from exercising any direct authority over any employee, and the Board shall act, as a unit, pursuant to decisions made in duly called Board meetings.

MACKAY RESERVOIR

The BLRID manages the Mackay Reservoir, which was purchased in 1935 by the bonding of the people of Lost River Valley for \$235,000. The reservoir to elevation 6,062 ft. to elevation 6,066 ft. is an "easement only".

In May 1959, this easement was in a court action with Leland Zollinger. This property is now Six X ranches. This extended easement brings the reservoir capacity to 44,505-acre feet. Since the filling of the reservoir is to easement level, any storage water above the noted 44,505 AF whether by flood or otherwise would be constructed as trespass and be subject to legal action by the property owners being trespassed by the said water. In 1990 a survey was performed by Bill Erickson, to establish the boundaries, the crew installed fence posts. At the same time, the surveyor stated that it appeared that the Six X ranches were farming some the reservoir lands belonging to the BLRID. Attorney Roger Ling

stated that there was not any adverse or prescriptive use against a political entity, so this farming was not a problem.

The river has a capacity to carry a maximum of 2700 CFS during flooding, and even that is subject to river bank erosion.

The court judge in the case of Johnson, Donahue vs. BLRID was advised that the BLRID was only a canal company and to "stay out of the river". In that context, our crew must never be in the river unless it is to protect our headings. We have a 400 feet emergency permit for heading protection from the Corp. of Engineers.

The BLRID owns the following properties: the water rights, dam, reservoir and irrigation system of said project, in their entirety. All of the land where the campground and boat landing belongs to the BLRID and is leased with a 99-year lease to the Bureau of Land Management. Since this property, boat dock etc. is leased. Anyone wishing to do any work must obtain a sub-lease from the BLM. 20 acres in the W2SW4NE4 section 12, T7N, R23E.

Acquired as land patent number 11-69-0059 recorded May 13, 1973. This is the 20 acres where the caretaker's dwelling was for many years. 40 acres described as NW4SE4 section 12, T7N, R23E. Quit claim deed to BLRID from William Clark, June 16, 1942. 160 acres in NW4NW4, S2NW4, NE4SW4 section 12, T7N, R23E acquired by the purchase of the Mackay reservoir. Now being leased to Scott McAffee for \$10.00 per year and to Idaho Fish and Game for the campground. VERY IMPORTANT that Scott McAffee is not allowed to forfeit payment because although the BLRID is political subdivision its possible it would require court action if Mr. McAffee filed for prescription or adverse use to claim ownership of the property. This same rule applies to the land that the 6X (according to the surveyor) farm that belongs to BLRID. Lots 18-24 in block 11 Mackay Original townsite, according to the official plat on file with the Custer county recorder. These are the lots where our shop and equipment are stored. Lots 1-3 N2 3 Mackay Original townsite block 11, this is the office.

$\underline{\mathbf{B}} \underline{\mathbf{Y}} - \underline{\mathbf{L}} \underline{\mathbf{A}} \underline{\mathbf{W}} \underline{\mathbf{S}}$

BIG LOST RIVER IRRIGATION DISTRICT Butte and Custer Counties, Idaho

-----000008888800000-----

ARTICLE I.

NAME, BOUNDARIES AND DIVISIONS.

Sec. 1. The name of this District is BIG LOST RIVER IRRIGATION DISTRICT.

Sec. 2. The boundaries of this District are as shown in the official map thereof and as described in the order of the Board of County Commissioners of Butte County, Idaho, of date July 3, 1920, both of which are on file in the County records of said County, and also in the files and records of said District, reference to which is hereby made for a more complete description thereof. (Together with all additions, changes, and revisions made pursuant to order of the Board and filed in the recorders office of the appropriate county. Reference is made to Idaho Code 43-101 to 43-118.) (Added to By-Laws June 2, 1964)

Sec. 3. The District is divided into five (5) divisions, the boundaries of which have been fixed as provided by law and are as follows: (Changes from three to five divisions made May 10, 1962)

Division No. 1.

All that part of the Irrigation District south and east of the Arco diversion with the District boundaries.

Division No. 2.

All that part of the Irrigation District south and west of the Moore diversion, being west of the Big Lost River and James Creek channels to the Arco diversion.

Division No. 3.

All that part of the Irrigation District east and south from the Moore diversion and east of the Big Lost River and James Creek channels to the Arco diversion.

Division No. 4.

All that part of the Irrigation District east and south of the Pass Creek road between sections 3 & 4, Twp 6N, Rge 25 EBM, across the valley on section lines between sections 5 & 8, sections 4 & 9, and section 3 & 10, all in Twp 5N, Rge 26 EBM to district boundaries.

Division No. 5.

All that part of the District from the Mackay Dam and upper Ceder Creek to the County road running north and south between sections 3 & 4 Twp 6N, Rge 25 EBM (commonly known as Pass Creek road), crossing the railroad from the Leslie store south and following the County road south to the Butte, north and west around the Butte to the Darlington ditch and district boundary.

ARTICLE II.

DISTRICT OFFICE.

Sec.1. The office of the Board shall be located at Mackay, Custer County, Idaho.

ARTICLE III.

BOARD OF DIRECTORS.

- Sec. 1. The Board of Directors shall consist of five (5) members, and elected from each division of the District, they shall have the qualifications and exercise the powers conferred upon them by law. (Reference Idaho Code 43-201 & 213)
- Sec. 2. The Board of Directors shall meet on the first Tuesday of January following their election and organize as a board, elect a Chairman, and appoint a Secretary and Treasurer and such other officers and employees as they may deem necessary, who shall hold office during the pleasure of the Board and perform such duties as shall be imposed upon them by law. The office of Secretary and Treasurer and that of any other officer may be combined in one person, at the discretion of the Board.

- Sec. 3. The Board of Directors shall have power to appoint such agents, or officers or employees as may be required and prescribe their duties and fix their salaries. The Board of Directors shall have such powers as are enumerated in Section 42-304 of the Idaho Code Annotated, 1932, and any acts amendatory thereof, any and all powers which the Statutes of Idaho provide for an Irrigation District.
- Sec. 4. The Board of Directors shall hold a regular monthly meeting in their office on the first Tuesday of every month and such special meetings as may be required for the proper transaction of business.
- Sec. 5. All special meetings of the Board of Directors shall be ordered by the Chairman or a majority of the Board. The order must be entered of record, and the Secretary must give each member not joining in the order five days' notice of such special meeting. The order must specify the business to be transacted at such special meeting and none other than that specified shall be transacted; provided that all members of the Board are present at a meeting, the same shall be deemed a regular meeting and any lawful business may be transacted. All meetings of the Board must be public and a majority shall constitute a quorum for the transaction of business. On questions requiring a vote, there should be a quorum of at least a majority of all members of the Board. All records of the Board shall be open to the inspection of any elector during business hours.
- Sec. 6. The members of the Board of Directors shall each receive a minimum sum per day spent attending meetings of the Board, or while engaged in official business under order of the Board, and actual and necessary expenses. Such actual and necessary expenses shall include all traveling and hotel expenses necessary to be incurred by any Director when absent from his residence in the performance of the duties of his office.

ARTICLE IV.

ELECTIONS.

Sec. 1. Elections shall be held in the District as provided by existing law of the State of Idaho and amendments thereto, The person receiving the highest number of votes for any office to be filled at such election shall be declared elected thereto, and shall hold said office for the time prescribed by the laws of the State of Idaho, and until his successor is elected and qualified. (Per Idaho Code 34-106, if the only petition received is

from the incumbent, there will not be an election and the incumbent shall be sworn in at the next regular meeting.

Sec. 2. Within ten days after receiving certificates of election as provided by law, the officer so elected shall take and subscribe an official oath and file the same in the office of the Board of Directors and execute an official bond in the form prescribed by law in the sum of not less than \$1000.00, nor more than \$5000.00, for the faithful performance of his duties as such officer the amount of such bond to be determined and approved by the Judge of the Probate Court of Butte county, Idaho, (when required) and recorded in the office of the County recorder of said County and filed in the office of the Board of Directors.

Sec. 3. Any other officers or employees of the District shall furnish bonds at the discretion of the Board and if required by it and in such an amount as the Board may determine.

ARTICLE V.

OFFICERS, THEIR DUTIES AND COMPENSTION.

- Sec. 1. The officers of the District shall consist of a Chairman (President), Secretary and Treasurer. The Chairman shall be chosen by the Directors from among themselves. The Secretary and Treasurer shall be appointed by the Board of Directors and they shall serve during the pleasure of the Board of Directors.
- Sec. 2. The Chairman of the Board of Directors shall preside at all meetings of the Board of Directors and shall sign, as Chairman, all instruments in writing which have first been approved by the said Board of Directors. He or she shall call meetings of the Board of Directors wherever he deem it necessary, or when requested so to do by any other member of the Board.
- Sec. 3. It shall be the duty if the Assistant Secretary-Treasurer to keep accurate records of the business transacted by the Board of Directors at their meetings. The Secretary-Treasurer shall countersign all the warrants drawn upon the treasury of the District, and with the assistance of the Assistant Secretary-Treasurer shall keep proper account books and discharge such other duties as pertain to his office and as shall be prescribed by the Board of Directors and the laws the State of Idaho.

- Sec. 4. It shall be the further duty of the Secretary to give notice at the time prescribed by law of all elections held within the District, and of all meetings of the Board of Directors which are held to correct assessments, and shall give all other notices that may be required by the statutes of Idaho.
- Sec. 5. The Treasurer shall on his appointment execute and file with the Secretary an official bond in a lawfully qualified Surety Company in such amount as may be fixed by the Board of Directors of the District, which shall not be less than \$5000.00, and he shall thereafter from time to time execute and file such further bonds as may be required by said Board in amounts fixed by it, which amounts shall be of at least fifty percent of the maximum amount of money in the Treasurer's hands at any one time.
- Sec. 6. It shall be the duty of the Assistant Secretary-Treasurer to safely keep all moneys belonging to the District, making a deposit thereof in such Bank or Banks as may from time to time be directed by the Board of Directors. The Treasurer shall disburse moneys belonging to the District under direct authority of the Board of Directors.
- Sec. 7. Representing the Secretary-Treasurer, the Assistant Secretary-Treasurer is hereby required to be in attendance at the time and place specified by the Board of Directors and as provided by law, to receive assessments and tolls, which must be paid in lawful money of the United States or by labor or services performed as may be authorized by said Board. The Assistant Secretary-Treasurer must make the date of payment of any assessments in the assessment book at the proper place, giving a receipt to the person paying, specifying the amount of the assessment, and if delinquent, the amount of costs and penalties thereon.

ARTICLE VI.

GENERAL MANAGER.

- Sec. 1. It shall be the duty of the Board of Directors to appoint a General Manager of the District.
- Sec. 2. It shall be the duty of the General Manager of the District to take an oath of office and file the same with the Board, to take charge of all property belonging to the District, rendering an account thereof to the Board of Directors from time to time as required; to make returns to the Board of all persons employed by the District and

statement of all expenditures accompanying the same, with the necessary vouchers, and he shall make such reports to the Board as may be from time to time required. The General Manager shall not, however, have the power to sign notes or contracts for the District; neither shall he have power to incur any indebtedness unless authorized by the Board of Directors. He shall have general charge of the distribution of water furnished by the District to consumers, and also general charge of the canals and laterals belonging to the District, and the care and maintenance of the same.

ARTICLE VII.

CONTROL OF DISTRICT'S IRRIGATION SYSTEM AND DISTRIBUTION OF WATER TO CONSUMERS.

- Sec. 1. The Mackay Dam and Reservoir, and the control and diversion gates at said Mackay Dam and Reservoir, and all main canals and laterals and all diversion and distribution of water, and all storage and natural flow rights owned by Big Lost River Irrigation District, shall be under the direction and supervision of the General Manager, whose duty it shall be to distribute water to the consumer thereof according to their rights under these By-Laws and the laws of the State of Idaho, and under such special rules as may be from time to time made by the Board of Directors in any emergency.
- Sec. 2. It shall be the duty of all consumers of water supplied by the District to build and maintain laterals and measuring headgates whereby water is drawn from main canals or laterals of the District.
- Sec. 3. All the headgates or measuring devices shall be built and placed in position under the direction of the general manager, and shall be removed and replaced from time to time if considered necessary by the General Manager. The expense of removing and replacing headgates or measuring devices in main canals owned or operated by the District shall be borne by the District. The General Manager shall have authority, in the event that any headgate or measuring device on any lateral of any consumer of water shall not be in proper condition to have water diverted therefrom, either to construct a new headgate or measuring device and the cost thereof shall be charged to the said water consumer, or to refuse to deliver water to said consumer, or to

refuse to deliver water to said consumer, first serving five (5) days written notice thereof upon said water consumer.

- Sec. 4. All measuring devices shall be constructed in accordance with rules of the Department of Reclamation and irrigation practice. Any person desiring to use water upon land owned or controlled by him, must make application therefor at least forty-eight (48) hours before such water is to be turned on or off. [Nothing herein contained shall be construed to mean that more than one inch of water to the acre, measured on an acre foot basis, shall be used by any consumer unless there is a surplus of water in the canals and storage reservoir of the District.] (This paragraph was deleted from By-Laws June 2, 1964).
- Sec. 5. Any water consumer who has a water right under the Assessment and Apportionment of Benefits under the District's bond issue voted May 18, 1935, and approved and confirmed by the District Court of the Sixth Judicial District of the State of Idaho in and for the County of Custer, on January 6, 1936, and thereafter approved by Reconstruction Finance Corporation, shall have the right to any water belonging to him by such storage right or direct flow under said Assessment and Apportionment of Benefits, in the District's Reservoir, [but such water consumer shall be required first to give forty-eight (48) hours notice to the General Manager of the District or to the office of the District of his intention to store said water, and such water consumer shall likewise give forty-eight (48) hours notice to the General Manager or to the office of the District of his desire again to use water.] (This paragraph was deleted from By-Laws June 2, 1964).
- Sec. 6. No water consumer shall be entitled to holdover storage water from year to year in the District's Reservoir whereby he may claim water for irrigation purposes.
- Sec. 7. The Board of Directors shall have power to reduce the quantity of storage water demanded by any consumer in case of a shortage in the Mackay Reservoir, or by reason of breakage in the banks of canals, headgates or dams, whereupon it shall be the duty of the Board of Directors to apportion the water available pro rata among all consumers.

- <u>Sec. 8</u>. All users of decreed water storing the same in the Mackay Reservoir, shall be charged with their proportion of evaporation losses in such Reservoir.
- Sec. 9. No obstructions shall be placed in any of the canals or diversion works of the District without the consent of the Board of Directors in writing. No water wheels for generation of power or elevation of water shall be placed in any of the canals of the District except upon the written consent of the Board of Directors, and the payment of an annual fee therefor, such fee to be in such amount as the Board of Directors shall deem fit and proper.
- Sec. 10. Consumers of water must not interfere with gates or measuring devices after the same have been set by the watermaster, or ditch rider.
- Sec. 11. The number of headgates necessary for the irrigation of any tract of land may be determined by the Board of Directors, and no unnecessary headgates shall be maintained or operated.
- Sec. 12. The banks of canals or laterals must not be out or trampled by livestock. Fences across the banks of canals or laterals must be constructed with proper gate-ways on the banks to be traveled by the watermaster and ditch rider. Fences across canals shall be so constructed as to be above water and so that drift will not collect against them.
 - Sec. 13. Wasting of water will not be permitted.

ARTICLE VIII.

FISCAL YEAR.

Sec. 1. The fiscal year shall begin January 1st and shall end December 31st of each year.

ARTICLE IX.

BUDGET ESTIMATES.

Sec. 1. It shall be the duty of the Board of Directors at its regular meeting in February of each year to ascertain and determine the amount of money necessary for the transaction and conduct of the District's business and the payment of the outstanding maturing obligations and for such other purposes as may have been specially and lawfully authorized, all as may be required for the twelve months' period commencing on the first day of May of each year.

ARTICLE X.

TOLLS, ASSESSMENTS AND MAINTENANCE CHARGES.

Sec. 1. The toll system has been definitely adopted by the District. For the purpose of defraying the expenses of the care, maintenance, operation, management and repair of the canals, dams, reservoirs, diversion works and other property of the District, and for the payment of the salaries of officers and employees of the District, the Board of Directors shall have the right to levy and collect a toll charge for the payment of such expenses, either in whole or in part. The Board shall meet on its regular meeting date on or before the first Tuesday of March of each year, beginning with the year 1937, levy and fix such toll charges, which toll charges may be either in whole or in part of the total amount required for such expenses.

Sec. 2. The Board of Directors, in its order fixing or levying such tolls each year shall fix the date or dates on or before which the same must be paid, and shall require the same payable in advance of the delivery of any water during the year for which the same are fixed, and may make provision for the collection thereof and the keeping of a toll book by the District Treasurer.

[Sec. 3. If water assessments or toll charges are not paid by July 1 of each year, the Board of Directors shall have the right to redistribute and pro rate the amount of storage water represented by such unpaid water assessments and toll charges among the consumers within the District entitled to water from said District.] (Minutes of August 1, 1961. NOW THEREFORE, BE IT RESOLVED, that this said Section 3 of the By-Laws be, and hereby, canceled and removed from said By-Laws of the District, effective this date.)

Sec. 4. No owner or user of decreed water will be permitted to store water in the District's Reservoir until such time as all assessments of every kind and character due said District against said decreed water and against the land to which said decreed water is appurtenant, have been paid.

ARTICLE XI.

SEAL.

- Sec. 1. The corporate seal of this District shall have engraved thereon the full name of the District and the name of the State.
- Sec. 2. The corporate seal of this District shall always remain in the custody of the Secretary.

ARTICLE XII.

ALTERATION OF BY-LAWS.

Sec. 1. These By-Laws may be altered, amended, or repealed at any meeting of the Board of Directors.

ARTICLE XIII.

POSSESSION OF BY-LAWS.

Sec. 1. These By-Laws shall always remain in the possession of the Secretary of the District and kept in the office of the District.

STATEMENT OF OBJECTIVES

To deliver to landowners the decreed water from the Big Lost River to which they are entitled pursuant to the water rights held by the individual landowner, and to deliver storage water of the Irrigation District to landowners within the district in the amounts to which said storage water has been apportioned to the lands within the district, all in the most efficient manner and consistent with good management practices. It is also an object of the Irrigation District to transport, by agreement, groundwater for use by landowners on lands within the district and for delivery to the outer boundaries of the district for use on lands outside of the district.

It is the further purpose to maintain the total irrigation system to the degree necessary to preserve the capacity and to maintain the condition of the facilities in a manner, which avoids undue depreciation; and to store and deliver irrigation water as required by the landowners within the Irrigation District.

It is also the object of the Irrigation District to maintain sound fiscal policies, including the maintenance of adequate reserves, and to promote the wise and efficient use of available water and the conservation of the lands within the district; and to hold a minimum, system seepage and operational waste, and to be constantly alert to technical advancement and the adoption of new practices which will improve system operating efficiency.

The Irrigation District is a public quasi corporation, organized; however to conduct a business for the private benefit of owners of land within its limits and it holds its property in a proprietary rather than a governmental capacity. Its quasi-municipal character renders Irrigation District subject to the constitutional requirements concerning electors. The Irrigation District is organized for the specific purpose of providing ways and means of irrigating lands with the district and maintaining the irrigation system for that purpose. The Irrigation District is not strictly municipal in the sense of exercising governmental functions other than those connected with raising revenue to defray expenses of irrigation systems. It is a mutual cooperative corporation organized not for a profit, but it is not a public service corporation in its broad sense. The Irrigation District though a quasi municipality corporation is nevertheless liable for negligence of its officers.

CONTROL OF FACILITIES

Ownership, operation and maintenance of the distribution facilities, dam and reservoir of the Irrigation District is vested in the Irrigation District, for the benefit of the landowners owning lands with the Irrigation District. The business and affairs of the Irrigation District shall be managed and conducted by the Board of Directors of the Irrigation District, which will employ and appoint such agents, officers and employees as may be required and prescribe their duties.

MEETINGS OF BOARD OF DIRECTORS

The Board of Directors shall hold a regular monthly meeting in the office of the Irrigation District on the first Tuesday in every month or such date each month as it shall fix by resolution and of business. All special meetings shall be ordered by the President or a majority of the Board, the order must be entered of record and the Secretary must give each member not joining in the order five-(5) days' notice of such special meetings. The order must specify the business to be transacted at such special meeting and none other than that specified shall be transacted, provided, that whenever all members of the Board are present, however called, the same shall be deemed a legal meeting and any lawful business may be transacted.

All meetings of the Board must be public, and a majority shall constitute a quorum for the transaction of business; but on all questions requiring a vote, there shall be concurrence of at least a majority of the members of the Board. All records of the Board shall be open to the inspection of any elector during business hours.

Minute Procedures adopted in minutes of June 1, 1999. Minutes are limited to motions and actions made by the Directors.

Written minutes of all meetings of the Board of Directors shall be taken, but neither a full transcript nor a recording of the meeting is required. Minutes of executive sessions may be limited to material the disclosure of which is not inconsistent with the provisions of 67-2345, Idaho Code, but shall contain sufficient detail to convey the general tenor of the meeting.

EXECUTIVE SESSIONS, IDAHO STATUTES 67-2345

Nothing contained in this act shall be construed to prevent, upon a two-thirds vote recorded in the minutes of the meeting by individual vote, a governing body of a public agency from holding an executive session. An executive session may be held: a) to consider hiring a public officer, employee, staff members or individual agent. This paragraph does not apply to filling a vacancy in an elective office; b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student; c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency; d) To consider records that are exempt from disclosure as provided in chapter 3, title 9, Idaho Code. 2) Labor negotiations may be conducted in executive session if either side requests closed meetings.

Notwithstanding the provisions of section 67-2343, Idaho Code, subsequent sessions of the negotiations may continue without further public notice. 3) No executive session may be held for the purpose of taking any final action or making any final decision.

Feb 2012

ROBERTS RULES OF ORDER

Duties of the Chairman are generally as follows: To open the session at the time at which the assembly is to meet, by taking the chair and calling the members to order; to announce the business before the assembly in the order in which it is to be acted upon, to recognize members entitled to the floor, to state and to put to vote all questions which are regularly moved, or necessarily arise in the course of the proceedings, and to announce the result of the vote; to protect the assembly from annoyance from evidently frivolous or dilatory motions by refusing to recognize them; to assist in the expediting of business in every way compatible with the rights of the members, as by allowing brief remarks when undebatable motions are pending, if he thinks it advisable; to restrain the members when engaged in debate, within the rules of order; to enforce on all occasions the observance of order and decorum among the members, deciding all questions of order (subject to an appeal to the assembly by any two members) unless when in doubt he prefers to submit the question for the decision of the assembly; to inform the assembly, when necessary, or when referred to for the purpose, on a point of order or practice pertinent to pending business; to authenticate, by his signature, when necessary, all the acts, orders, and proceedings of the assembly declaring its will and in all things obeying its commands.

OFFICERS AND EMPLOYEES

No individual member of the Board of Directors may, except when authorized by the Board, interfere with the supervisory functions of any appointed or employed personnel, nor with any district employee in the performance of that employee's duties. Individual Directors should refrain from exercising any direct authority over any employee, and the Board shall act, as a unit, pursuant to decisions made in duly called Board meetings.

MACKAY RESERVOIR

The BLRID manages the Mackay Reservoir, which was purchased in 1935 by the bonding of the people of Lost River Valley for \$235,000. The reservoir to elevation 6,062 ft. to elevation 6,066 ft. is an "easement only".

In May 1959, this easement was in a court action with Leland Zollinger. This property is now Six X ranches. This extended easement brings the reservoir capacity to 44,505-acre feet. Since the filling of the reservoir is to easement level, any storage water above the noted 44,505 AF whether by flood or otherwise would be constructed as trespass and be subject to legal action by the property owners being trespassed by the said water. In 1990 a survey was performed by Bill Erickson, to establish the boundaries, the crew installed fence posts. At the same time, the surveyor stated that it appeared that the Six X ranches were farming some the reservoir lands belonging to the BLRID. Attorney Roger Ling

Feb 2012 4

stated that there was not any adverse or prescriptive use against a political entity, so this farming was not a problem.

The river has a capacity to carry a maximum of 2700 CFS during flooding, and even that is subject to river bank erosion.

The court judge in the case of Johnson, Donahue vs. BLRID was advised that the BLRID was only a canal company and to "stay out of the river". In that context, our crew must never be in the river unless it is to protect our headings. We have a 400 feet emergency permit for heading protection from the Corp. of Engineers.

The BLRID owns the following properties: the water rights, dam, reservoir and irrigation system of said project, in their entirety. All of the land where the campground and boat landing belongs to the BLRID and is leased with a 99-year lease to the Bureau of Land Management. Since this property, boat dock etc. is leased. Anyone wishing to do any work must obtain a sub-lease from the BLM. 20 acres in the W2SW4NE4 section 12, T7N, R23E.

Acquired as land patent number 11-69-0059 recorded May 13, 1973. This is the 20 acres where the caretaker's dwelling was for many years. 40 acres described as NW4SE4 section 12, T7N, R23E. Quit claim deed to BLRID from William Clark, June 16, 1942. 160 acres in NW4NW4, S2NW4, NE4SW4 section 12, T7N, R23E acquired by the purchase of the Mackay reservoir. Now being leased to Scott McAffee for \$10.00 per year and to Idaho Fish and Game for the campground. VERY IMPORTANT that Scott McAffee is not allowed to forfeit payment because although the BLRID is political subdivision its possible it would require court action if Mr. McAffee filed for prescription or adverse use to claim ownership of the property. This same rule applies to the land that the 6X (according to the surveyor) farm that belongs to BLRID. Lots 18-24 in block 11 Mackay Original townsite, according to the official plat on file with the Custer county recorder. These are the lots where our shop and equipment are stored. Lots 1-3 N2 3 Mackay Original townsite block 11, this is the office.

Feb 2012