

Attn:
Lee Sim

HUNTINGTON CREEK DISTRIBUTION SYSTEM

FEBRUARY 22, 2005

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The annual meeting of the Huntington Creek Distribution System was called to order by Chairman Lee McElprang at 11:20 a.m. Chairman McElprang asked Mark Page to read the minutes from the 2004 meeting. One correction was made in regards to the JC3 "Well" noted in paragraph #3. A motion was made by Darrell Leamaster, and seconded by Vernell Rowley, to accept the minutes with the noted correction. The motion passed.

The next item of business to come before the water users was the Commissioner's Report which was given by Mr. Kay Jensen. He indicated that 2004 was a below average water year with water deliveries made at 0.18 acre-feet/share. There was very little high water in the spring. Electronic monitoring equipment has been installed at each of the reservoirs to monitor the storage and release of water except at Huntington Reservoir where a flume will be installed below the outlet in 2005. Some repair work is also required at the end of the outlet pipe/energy dissipater structure. This will also be done in 2005. Water was held in the Left Fork reservoirs and released during the winter to insure the operation of the Huntington Power Plant. This was possible because of the exchange of 3000 acre-feet of water. This was executed between the Emery Water Conservancy District and Hunting-Cleveland Irrigation Company. There are plans to automate the gates at the head of the canals and possibly the outlet gates on some of the upstream reservoirs. This should help insure the efficiency of water delivered on the system. Some corrections need to be made to the summary page in the report (page 22) before the assessments can be calculated. The regional office will work with the commissioner to resolve the outstanding issues. Page 16 of the report, the Deer Creek Mine Discharge sheet will also be added to the report. None of the discharge was used in the Huntington Plant in 2004. A motion was made by Darce Guymon, and seconded by Vernell Rowley, to accept the Commissioner's Report. The vote was unanimous.

Chairman McElprang requested that John Larsen review the 2004 Financial Statement. Mr. Larsen indicated that on January 1, 2004, there was \$7400.47 in the Trust Account. Receipts for the year totaled \$27,779.09, which included \$18,789.00 in regular assessments, \$8770.00 for commissioner's insurance, \$89.68 in interest, and \$130.41 in previous assessments and penalties. Expenditures totaled \$30,103.71, which included \$13,491.15 in budgeted expenditures and \$16,612.56 in special expenditures. There was a balance of \$5075.85 in the Trust Account on December 31, 2004. It was noted that the travel expenses should have been taken out of the contractual services item rather than travel expenses. This accounted for \$6000.00 of the special expenditures. The remaining amount dealt with the commissioner's insurance expenses. Mr. Sim also indicated that the commissioner still owes \$1730.23 to the account for funds spent for his insurance. In the future, the insurance issue will be handled differently to avoid the problems of the past. Craig Johansen made a motion to accept the Financial Statement. The motion was seconded by Cody Allred, and the motion passed.

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It should be noted that as of the date of this meeting, the Mammoth-Cottonwood Snotel site recorded 107% of average. The Red Pine station recorded 107%, and the Seely Creek Station did not register a reading.

Chairman McElprang indicated that the next item of business was the preparation of a budget for 2005. Mr. Jensen asked for a \$1200.00 raise feeling that the Huntington and Cottonwood systems should pay the same because of comparable work. There was some discussion about the matter. A vote was called for by Chairman McElprang, and there were 5 votes for and 5 votes against. The chairman voted against the matter. A motion was made by Cody Allred and seconded by Darce Guymon to give the commissioner \$600.00 additional salary. The vote passed. Mr. Sim indicated that in 2005 the insurance premiums would be paid from that account rather than the commissioner reimbursing the fund after receiving his salary. After a lengthy discussion, the following budget was prepared:

Commissioner's Salary	\$3460.00
Social Security	265.00
Retirement	0.00
Contractual Services (Travel Expense)	5000.00
State Engineer's Assessment	1369.00
Insurance (Workman's Comp, Health, Dental)	9216.00
Annual Report	150.00
Miscellaneous	70.00
Total	\$19,530.00

Craig Johansen made a motion to accept the budget as proposed. The motion was seconded by Vernell Rowley. A majority of the water users voted in favor with the motion.

A motion was made to set the assessment at \$19,530.00 by Darce Guymon, and seconded by Craig Johansen. The motion passed.

The appointment of a committee to serve during 2005 was the next item of business. Kay Jensen made a motion that the same committee serve during 2005 as served in 2004. The motion was seconded by Cody Allred, and the motion passed. The committee is as follows:

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Lee McElprang	Chairman
Darce Guymon	Vice Chairman/Industrial Representative
Kay Jensen	Secretary
Craig Johansen	Committee Member/Lower Users
Vernell Rowley	Committee Member/Upper Users

Vernell Rowley requested that a page with the points of diversion be added to the report in the future.

Mr. Sim also discussed three bills that are currently before the legislature. House Bill 29 clarifies the duties of the State Engineer. House Bill 38 provides for graduated criminal penalties for various criminal provisions pertaining to the regulation and distribution of water. House Bill 157 defines the enforcement procedures and penalties available to the State Engineer in the performance of his duties.

With no further business, the meeting was adjourned at 12:20 p.m.

Those present at the meeting included the following:

Lee McElprang	Chairman
Kay Jensen	Commissioner/HCIC Secretary
Craig Johansen	Lower Huntington Creek Users
Roger Rigby	PacifiCorp
Cody Allred	PacifiCorp
Darce Guymon	PacifiCorp
Earl Fillmore	Emery Water Conservancy District
Vernell Rowley	Huntington Creek Water User
Darrell Leamaster	Castle Valley Special Service District
Danny Johnson	Huntington-Cleveland Irrigation Company
Marie Johnson	Huntington-Cleveland Irrigation Company
Ray Jensen	Self
Gary Kofford	Self
Diane Bott	Emery Water Conservancy District
Lee Sim	Division of Water Rights
John Larsen	Division of Water Rights
Mark Page	Division of Water Rights