

IRRIGATION DIRECTORS HANDBOOK

INTRODUCTION

Water is the lifeblood of Idaho, a priceless resource that requires our best efforts to safeguard and use wisely. Bringing water to the land and distributing it equitably is the mission of Idaho's irrigation districts and canal companies.

This booklet was prepared to assist the board of directors to do its job effectively and efficiently. As the performance of the board improves, so will management. The water user will benefit from the improved service of the board and the management team.

Many of the ideas in this booklet were originally gathered at the irrigation directors' workshops in Caldwell, Burley, Pocatello and Idaho Falls in September, 1967. The Idaho Reclamation Association, now the Idaho Water Users Association, recommended that the ideas be put into a directors' handbook that would prove useful to the membership.

The handbook was prepared by the following men appointed by Russell Mohlman, Chairman of the Idaho Reclamation Association education committee: Dorrell C. Larsen, University of Idaho Extension Service; Theodore (Ted) Nelson, U.S. Bureau of Reclamation; Royce Van Curen, Boise Project Board of Control; Jack Barnett, Idaho Department of Reclamation; and Carlos Randolph, U.S. Bureau of Reclamation.

This handbook was updated in 1983 by the following committee appointed by Elmer McDaniels, Chairman of the Idaho Water Users Association education committee: Kent Foster, Holden, Kidwell, Hahn & Crapo; Roger Ling, Ling, Nielson & Robinson; John Rosholt, Nelson, Rosholt, Robertson, Tolman & Tucker; Norm Young, Idaho Department of Water Resources; Hank Koelling, Water District 63; Charles Yost, Wilder Irrigation District; Russ Merrigan, A & B Irrigation District; Roy Bodine, East Greenacres Irrigation District; Dorrell C. Larsen, University of Idaho Extension Service; and Virgil Temple, U.S. Bureau of Reclamation.

A further update of the handbook was conducted in 2002 by the following members of the Idaho Water Users Association's Education Committee: Chairman Randy Bingham, Burley Irrigation District, Steve Howser, Aberdeen-Springfield Canal Company, Terrell Sorensen, Falls Irrigation District, Howard Neibling, Twin Falls Research & Extension Service, Vince Alberdi, Twin Falls Canal Company, Dan Shewmaker, Twin Falls Canal Company, Dan Temple, A&B Irrigation District, Lynn Harmon, Big Wood Canal Company, Doug Hillam, Fremont-Madison Irrigation District, Roy Orr, Black Canyon Irrigation District, Darryl Beckmann, U.S. Bureau of Reclamation and Norm Semanko, Idaho Water Users Association.

I. OBJECTIVES

The objectives of an irrigation district or canal company should be as follows:

1. To distribute water on a fair and equitable basis to each water user.

2. To use the best methods of water management to assure an efficient, economical operation and provide the best possible service to the water users.
3. To operate and maintain a system capable of storing and delivering water to users in the most efficient manner.
4. To attract and retain capable employees, to compensate them in accordance with their responsibilities and abilities, and to provide opportunities for advancement.
5. To encourage wise use and conservation of our water and soil resources.
6. To safeguard the water rights from competing interests and water users.

II. THE ROLE OF THE BOARD OF DIRECTORS

The board of directors faces a two-fold challenge: 1) It represents the entity and the water users served by that entity; 2) It is vested by law with the duty to reasonably conduct the affairs of the irrigation district or canal company. Its authority includes those powers provided by the laws of the State and contained in its Charter and By-laws, for the purpose of carrying out its responsibilities.

In concept, the board stands in place of the real owners, the water users. The board of directors acts as a body. Membership on the board gives an individual authority to act only as a part of the group. Individually, a director is no different from any other water user. Together as a board, directors serve as a trusteeship for the members.

Responsibilities. Directors have a legal obligation which is recognized as being personal and individual. They are expected to exercise good faith, undivided loyalty, reasonable care and complete integrity in performance of their trust. The board is held accountable to the members. However, the common law applicable to directors recognizes that a board must make business decisions and should be allowed to take reasonable risks and exercise reasonably free judgments.

Generally accepted legal responsibilities of the board of directors are as follows:

1. Directors cannot abdicate their responsibility to direct.
2. They must manage the business along lines imposed through contracts, articles of incorporation and by-laws.
3. They are responsible for appointing officers and delegating authority to them for carrying out the functions of the corporation.
4. Directors must have knowledge of corporate affairs to enable them to perform their duties effectively.
5. Directors must act in good faith and with reasonable care in handling the business.
6. They are considered in law as representing a trusteeship to stockholders or water users consisting of qualified electors owning lands within the district or company service area.
7. They must attend board meetings on a regular basis. Absence from board meetings does not constitute freedom of a board member from responsibility for decisions by the board.

8. Directors may not be held personally responsible for losses incurred by the corporation unless their actions are unreasonable.
9. Become educated as to their duties, and gain a knowledge of local and state water problems.

The functions of a board of directors are:

1. Top decision center
2. Advisory
3. Trustee
4. Perpetuating
5. Symbolic

Top Decision Center. A successful organization can have only one decision center coordinating the enterprise. The board is primarily concerned with decisions on the board course of action. It establishes basic objectives and broad policies.

The means for carrying out these policies or the day-to-day decisions are reserved for the chief executive or manager.

The board of directors functions as the decision center by establishing objectives; formulating, approving and adopting policies; approving goals; programs and plans; and by selecting the manager and approving and controlling executive actions. The board provides initiative. It must appraise and evaluate overall performance but it cannot do this objectively if it assumes responsibility for operating decisions that should be delegated to the executive.

Advisory Function. The board, directly or indirectly, advises water users of changes requiring their action or sanction. It keeps water users informed.

The board has responsibility to advise the manager. Alert managers will seek advice from the board on major operating problems. It is important that the executive maintain leadership or the responsibilities for decision-making delegated by the board can easily be "gobbled back up" by the board.

Trustee Function. The board has a position of trust to water users, creditors, and the general public for effective management of the district or company. The board carries out its trustee function by auditing and appraising the executive's stewardship over resources committed to the organization. The board should employ independent auditors to review the books. It should be alert to new practices and ideas, seek advice, and exchange ideas with adjoining organizations, state and federal agencies.

Perpetuating Function. There is a duty to provide for continuity of the district or company by making sure that 1) capable, well-trained personnel are available, and, 2) a capable and effective board always exists to direct affairs. A board should interest qualified people to run for election and they should have a program to orient and train new board members.

Symbolic Function. A directorship is a position of honor, responsibility and trust. It is a position reserved for leaders who accept civic responsibility.

III. QUALIFICATIONS OF DIRECTOR

A director should have the following qualifications in addition to the ones listed in the by-laws of the organization or state law:

1. Be a resident landowner in district or company service area.
2. Be interested in giving public service.
3. Display keen interest and knowledge in area and state water problems.
4. Be supportive of the board's final decisions.
5. Represent the entire district or canal company.

IV. THE BOARD CHAIRMAN

1. Takes charge -- assumes the role of leadership.
2. Uses tact -- impartial.
3. Is punctual -- prepared for meetings.
4. Works closely with manager and directs the preparation of meeting agendas.
5. Gains and maintains the respect of fellow board members.
6. Knows meeting procedures and rules of order.
7. Brings discussions to orderly and timely conclusions.
8. Is diplomatic and persuasive, but accepts the majority decision.
9. Keeps meetings on schedule and adjourns at a reasonable time.

The traditional and recognized duty of a chairman is to convene, conduct, and adjourn the meetings. This is only a small part of the job. The chairman must prepare, with the assistance of the manager, the agenda prior to the meeting. The chairman must weigh the problems at hand and be able to fully inform fellow board members of the effect each decision may have on the future of the organization.

V. THE ROLE OF THE MANAGER

1. Maintains a high standard in operation and maintenance of the facilities under the authority granted by the board.
2. Willingly carries out all specifically assigned duties as well as others that may be delegated from time to time by the board.
3. Never attempts to assume the authority or responsibility of the board.
4. Will always refer to the board any items not covered by existing guidelines with particular attention to those which are the full responsibility of the board.
5. Insists upon equitable delivery of water to each user with continued emphasis on conservation practices as well as compliance with state law.
6. Will provide a realistic, progressive program of all major current and future replacement, rehabilitation, and operation and maintenance needs of the organization and will thoroughly discuss these with the board for their approval.

7. Provides the board with the proper information related to current operation and maintenance costs with recommendations for future needs to assist them in settling new assessments.
8. Is directly responsible to the board at all times for any action taken relating to physical operation decisions.
9. Answers to the board for all employees. Should attempt to recruit, train, and keep employed the best operating personnel available under the employment policies of the board with delegation of proper authority to various employees, but always being personally responsible.
10. Will always promote the proper relationship between the board and the water user, the board and the employee, and the employee and the water user.
11. Will be dedicated to showing the best possible return for the dollar expended in operation and maintenance.
12. Will be prepared at all times to prudently make the day-by-day decisions that are necessary in water delivery and maintenance of the facilities.
13. Will keep employees informed of all current and new operating and maintenance policies established by the board and management.

VI. THE BOARD-MANAGER TEAM

In order that the physical operation of a district or canal company is carried on smoothly with the least possible tension, the board and the manager must form a team. Careful selection of the manager by the board is highly important as the manager helps to keep the board informed and uses managerial skills to guide and supervise personnel. Communications within the organization must never be allowed to break down or the effectiveness of the team will be impaired.

The board will make policies that provide the guidelines. Then the manager can proceed with the day-to-day functions of operating and maintaining. The directors should keep abreast of the water user problems in their respective areas so that the team may become informed and give necessary direction.

The manager must respect the board and its authority. The board must have full confidence in the manager they have selected and give him their sincere backing.

To stimulate healthy, individual thinking, differences of opinion should be acknowledged, but once an issue is settled by a majority vote of the board, it becomes a unanimous rule for the team. If teamwork is uppermost in the minds of the board and the manager, and it is strengthened at each opportunity, a smooth, harmonious operation will result.

VII. LEGAL RESPONSIBILITIES OF A DISTRICT OR COMPANY

Irrigation districts are formed under provisions of the Idaho Code. They have powers to assess and place liens on property for failure to pay assessments. The statutes provide for the formation and operation of an irrigation district and are specific with regard to many functions. The board of directors is legally responsible for operating the district in compliance with state statutes. This is one of the reasons a bond is required for each director.

Every director should be familiar with the provisions of Title 43 of the Idaho Code because it sets forth the responsibilities that directors are legally bound to discharge. Twenty-five chapters discuss almost every function of the district. The statutes specify how a district will be organized; how the directors may be elected; and the powers and duties of the board of directors. They describe the manner in which the district may use bonds and how these bonds are to be paid; they discuss the levying or collection of assessments and describe how property may be attached for failure to pay assessments; and they describe how lands may be annexed within an existing district and how lands can be excluded from a district.

Irrigation companies are generally formed under the corporate laws of the State of Idaho. They are considered non-profit corporations. The functions of directors for irrigation companies are controlled by the by-laws and articles of incorporation adopted by the organization at the time it is incorporated. Any shortcomings or gaps in these documents may be filled in by the statutes governing non-profit corporations. Therefore, the director of an irrigation company should consult the by-laws and articles of incorporation before discharging their duties so that they are aware of the legal responsibilities they have to perform.

There are additional statutes relating to the distribution of water, and districts or companies are responsible for compliance with these provisions. Title 42 relates to the distribution of water. Directors should become familiar with this title.

VIII. DIRECTOR-WATER USER RELATIONSHIP

The relationship between a director and the water user is of great importance and trust.

A director of an irrigation district or canal company becomes a member of a team directing the operation of an organization in the best interest of all the people.

Directors should have a concern for problems on a service area-wide basis, with commitments based solely on the majority of the board and manager agreement.

A director is obligated to become acquainted with project-wide facilities and operational procedures.

Directors should meet all water users on common ground, with a friendly attitude, without committing the district by individual action.

Water user complaints or problems brought to the attention of an individual director should be referred to the manager.

IX. THE DIRECTOR-EMPLOYEE RELATIONSHIP

It is highly important that directors maintain a proper relationship with the employees. There may be some variation from organization to organization, but generally the director will not have direct authority over the employee. The board will select a manager who will be responsible directly to the board. The manager will select personnel who will be responsible to the manager.

A director must be attentive to complaints of water users about employees, but should refrain from judgment. All information related to the complaint should be gathered and forwarded to the manager as soon as possible so corrective action can be taken if required by management.

The employee in conversation with water users should not be critical of a director, the board, or the manager. If each supports the other, it will enhance the public image of the organization. A director should be careful about asking special consideration from an employee unless it falls within operating rules and the employee can rightfully do the same for all other water users. Issuing a direct order should be avoided by a director unless it is permitted by policy.

The employee should recognize the director's position of responsibility, but should never ask any personal favors in the performance of assigned tasks. Fair and equitable treatment of the director-water user, and no more, is absolutely essential. To mingle politically in elections, especially with regard to the seating or unseating of a director, is a breach of ethics for an employee or manager.

If the proper relationship is maintained between the director and the employee, the board-manager team is strengthened.

X. POLICIES AND STANDARDS

To attain its greatest success, an irrigation organization, like any other cooperative enterprise, should have current and well-defined policies and standards. Growing population and increasing complexity of demands on water resources create problems that cannot be successfully met without definite guidelines.

Well-defined policies and standards will be of substantial assistance to management, will increase the productivity of new directors, and should provide clear and unmistakable understanding between the manager and the board. They will tend to assure a high standard of service and establish a basis for sound public relations.

Policies should be periodically reviewed and adjusted by the board to meet changing conditions. They should provide guidelines covering the activities of managing, operation and maintaining an irrigation system as suggested by the following items:

Water Management

1. Irrigation Season -- When it will begin and end.
2. Delivery Point and Operation of Delivery Structures -- Where water will be delivered, policy on additional delivery point. Only authorized personnel to operate structures.
3. Daily and Seasonal Quantities of Water Available for Delivery -- Method of delivery. How rationed when demands exceed normal capacity or when supply is limited.

4. Advance Notice Required for Water Delivery -- Length of time required for new deliveries, changes in quantity, or shutoff. Request cards. Contact points with water users.
5. Responsibility for Farm Waste Water -- Water user's responsibility for disposing of waste water to avoid damage to district facilities, county roads, and adjacent farms.
6. Stock Water -- When available and how charged.
7. Measuring Devices -- Operation, maintenance and record keeping.
8. Locking Headgates -- Policy and penalty for violation.
9. Delivery of Water to Small Tracts -- Intervals of delivery and quantities.
10. Water Transfers -- Under what circumstances can water be transferred from one delivery point to another or from one user to another.
11. Restarting Pumps -- Procedures in case of outages.
12. 1982 Reclamation Reform Act -- Information that will be required for future reports on acreage limitation.

Water Charges

1. Payment of Assessments and Tolls -- Due dates, where paid.
2. Minimum Assessment and Charges for Excess Water -- Quantity of water allowed with minimum assessment and when must excess water be paid for.
3. Seasonal Purchases from Other Users -- What limitations?

Control of Organization Works

1. Buildings -- Permit for private buildings on right-of-way.
2. Bridges and Other Crossing Structures -- Who is responsible for maintenance? When will new crossings be permitted?
3. Fencing and Cattle guards -- Interference with access roads. Access of birds and animals to irrigation channels and pasturing right-of-way.
4. Encroachment on Rights-of-Way -- Farming portion of rights-of-way. Unauthorized, construction and dumping wastes on right-of-way or into channels.
5. Subdivision of Farm Units -- Responsibility for water delivery, new structures, etc.
6. Cooperative Piping -- Policy for eliminating surface laterals and changing delivery facilities.
7. Cross Drainage Channels -- Prohibition on misuse of such structures.
8. Outlet Drains -- Policy concerning construction of such facilities as needed.
9. Operating Roads -- Provisions for and maintenance -- prohibition of misuse.
10. Weed Control -- Objective and policy. A cooperative endeavor.

Fiscal

1. Authority for handling and investing funds
2. Review and approve annual budget
3. Annual audit of books
4. Financial reports
5. Major expenditures and purchases

Personnel

1. Working periods and hours
2. Paydays
3. Overtime
4. Holidays
5. Sick and annual leave
6. Insurance: health and accident, cost sharing, workman's compensation
7. Dismissal
8. Layoff
9. Position description
10. Wages
11. Pension or retirement programs

Public Relations

1. Handling complaints
2. Employee-water user relations
3. Keeping the public informed

Safety Requirements

1. Employees
2. Public

XI. ANNUAL INSPECTIONS

A well-informed board of directors is the key to successful teamwork between the directors and manager. To be well informed, the board must see many of the management problems in the field. A well-informed board usually is an indication of an efficient and progressive operating entity attuned to the needs of the water users.

To provide each director and key staff member with an opportunity to become acquainted with important field problems and conditions, examination tours should be held at least annually. These should be scheduled from management's reports of system deficiencies. Examination tours should be made attractive by comfortable transportation, well-planned luncheon stops and with intercar radio communication if possible so explanations and discussions can be carried on while traveling to obtain the most information and benefit from travel time.

Photos and slides of field accomplishments and needs can also be effective in keeping the board informed. These and a well-prepared agenda with brief explanations of deficiencies, accomplishments, or proposals for the future are substantial aids in making a field tour more effective in informing the board of current problems, accomplishments, and plans for the future.

XII. WATER MANAGEMENT

Sound water management practices are fundamental and important. They must be based on equitable and dependable delivery of water to all users at the lowest cost commensurate with the integrity of the operating system. Water must be stored and delivered to meet irrigation requirements without excessive seepage and operational waste. It is incumbent upon management to promote the wise and efficient use of the available water supply, to be constantly alert to technical advancements, and to adopt new practices which will improve operating efficiency.

Suggestions for policies concerning water management are listed in Section X.

XIII. ELECTION PROCEDURES

Elections in irrigation districts and elections within irrigation companies differ, so the procedure will be determined by the type of organization.

The election of directors within an irrigation district is set forth by Chapter 2, Title 43 of the Idaho Code. Should any questions arise during election within an irrigation district, this chapter of the code should be consulted.

Once an irrigation district is formed and the divisions within the district specified, elections for directors must be held each year that a director's term expires, unless, after the expiration of the date for filing written nominations for the office of director, it appears that only one qualified candidate has been nominated thereby for each position to be filled, and in that event, it shall not be necessary to hold an election and the board of directors shall within five days after expiration of the date for filing written nominations declare such candidate elected as director. There shall be not less than three nor more than seven divisions in any irrigation district. Directors are elected to three year terms and the terms are staggered from division to division so that at least one director is elected each year. Every director must be a qualified elector and a resident of the division for which he is to serve as a director, and there can be but one director from each division. However, in districts of 15,000 acres or less, the board of directors and the landowners may adopt a by-law, by a two-thirds vote, allowing a director to live within 15 miles of the district, rather than residing in the division in which the director owns land. Each director is elected by the district at large.

The election, if it is to be held, must be held on the third Tuesday in May, or the Tuesday following the first Monday in November. Idaho Code Sec. 34-106(1). Irrigation Districts may also hold an election on the first Tuesday in February and on the first Tuesday in August on questions required to be voted upon by Title 43, (e.g., bond elections). Idaho Code Sec. 43-106 (10). Candidates must be nominated by written petition signed by at least 6 electors in districts having less than 100 resident electors and by at least 12 electors in districts having more than 100 resident electors, filed with the secretary of the district not less than 20 days nor more than 40 days before the date of election; and the name of the person so nominated shall be placed upon official ballot to be furnished by the district.

The secretary of the district shall give notice of all elections by posting the same in three public places in each precinct in the office of the board, at least four weeks before the day of such election, or by publication of the same once a week for two successive weeks in a newspaper having general circulation within the district. If notice be given by publication in a weekly newspaper the same shall be published in two successive issues thereof, or, if in a daily newspaper, at least six days shall elapse between the first and last dates of publication, and, in either case, publication shall be completed not less than 15 days before such election. Notices shall state the time of said election, polling place for each precinct and the officer to be elected. At least 10 days before the holding of any such election, the board of directors shall appoint three electors of each precinct to serve as judges of election for such precinct, and such judges shall constitute a board of election for such precinct.

In order for a person to be qualified as an elector and cast a vote in the election, that person must own property in the district and reside within the county in which a portion of the district is located. However, in districts of 15,000 acres or less, the board of directors and the landowners may adopt a by-law, by a two-thirds vote, allowing a landowner to vote if residing within 15 miles of the district. The voter shall possess all of the qualifications of electors under the general election laws of the state. Registration for an election is not required but the judges of the election require each elector to sign an elector's oath. The election of the directors is determined by popular vote of the electors of the district and is not in any way contingent on the total number of acres owned or the amount of water used by the electors. Elections on questions or whether a special assessment should be levied or whether a bond issue or bonded indebtedness should be made must be passed by a two-thirds majority.

Voting for directors and deciding issues within an irrigation company is guided by corporate laws. The procedure in voting is controlled by the articles of incorporation and Idaho's corporate laws. In general, unless otherwise specified in the by-laws of the corporation, each shareholder has one vote for each share of stock owned in the company. This is regardless of residence or qualifications under the general state voting requirements of an elector. In the case of irrigation companies, a vote can be cast by proxy unless prohibited by the articles of incorporation. Corporations owning shares in an irrigation company cast votes through their president, or other designated official, on the basis of shares owned in the irrigation company.

There may be exceptions in some irrigation districts or companies brought about by litigation and changes in the law. Your attorney should be consulted.

CONSIDER OUR WATER . . .

It is the universal liquid of life and part of our very being. It is everywhere around us, in the air and earth. Without it we could not survive, nor could any plant, animal, or other living thing.

It is a final necessity, for which man has devised no substitute.

Water can be so abundant as to invite waste and neglect. It can be so scarce as to set man in earnest contest for its vital uses.

It can produce crops, trees, and grass -- or the ugliness of raw gullies cut into an unprotected countryside.

It is a miraculous gift of God, given to us for our refreshment and endless uses. But our neglect can waste it; our misuse can turn it into offensive sewers of pollution.

Water tests our sense of responsibility to God and man. It asks for care, requires our self-discipline, and responds to management.

This priceless water has been here before and by God's plan will be returned again and again for us to use according to our maturity, either with wisdom or with shameful neglect. Consider our water. Consider it well.

"The Stream of Life" 1962