

An Open Letter To Pioneer Irrigation District Patrons

It is with regret that the Pioneer Irrigation District Board of Directors must inform you of a substantial increase in the 2008 irrigation tax assessment. The 2008 operation and maintenance assessments will be \$66 per acre, a 65 percent increase over 2007. The cost of the assessment expense has doubled from \$10 per account to \$20 per account.

To illustrate the impact, the increase raises the cost for a residential lot (1-acre or smaller) by \$36; the cost for an 80-acre parcel of land by \$2,090; and the assessment for a 40-acre parcel by \$1,050.

We understand the economic impact of the increase and feel it is critical that you know the reasons why an increase was needed:

- Most significantly, Pioneer must budget to accommodate a large financial burden to pay for water quality testing and legal fees resulting from its lawsuit against the City of Caldwell. Pioneer filed the suit in January to protect its private property rights, and to shield Pioneer and its patrons from being exposed to potentially financially devastating lawsuits growing out of flood and public health risks due to the illegal dumping of urban storm water runoff into Pioneer's canals and drains.

Pioneer tried for more than a year to reach some type of agreement with the City of Caldwell which could resolve the urban storm water sewer issue, but has been unsuccessful. Idaho law expressly prohibits encroachment into private property of irrigation entities. The City of Caldwell has ignored the law and created a policy requiring construction of municipal storm water sewers dumping polluted urban runoff into our canals and drains. We have no other recourse than to stand up to this clear abuse of municipal power.

- Operational and maintenance costs have risen by approximately 40 percent over 2007. This is attributable primarily to spiraling costs of fuel and chemicals.
- The number of patrons not paying their 2007 assessments has increased significantly, which reduces our revenues. The level of delinquency is expected to increase even higher in 2008.
- The District's portion of the costs for maintenance of the dams where our water is stored increased by 45 percent.

We hope this information helps answer your questions as to why this increase was necessary. Please contact us at (208) 459-3617 if you have any other questions. You may also visit Pioneer's website for additional information and updates – www.pioneerirrigation.com.

Alan Newbill – Leland Earnest – Robert Greenfield ~ Pioneer Irrigation District Board of Directors