



AGENDA

WATER SUPPLY BANK AND MITIGATION BANK COMMITTEE MEETING NO. 2-15

C.L. "Butch" Otter
Governor

August 21, 2015 at 1:00 pm

Idaho Water Center
Conference Rooms 602C and 602D
322 E. Front St., Boise, ID 83702

Roger W. Chase
Chairman
Pocatello
District 4

Jeff Raybould
Vice-Chairman
St. Anthony
At Large

Vince Alberdi
Secretary
Kimberly
At Large

Peter Van Der Meulen
Hailey
At Large

**Charles "Chuck"
Cuddy**
Orofino
At Large

Albert Barker
Boise
District 2

John "Bert" Stevenson
Rupert
District 3

Dale Van Stone
Hope
District 1

-
1. Welcome and Introductions
 2. Program Updates
 - a. Addressing indefinite leases
 - b. Selection of a contractor for development of software for the Bank
 - c. Review of the efficacy of the interim ground water rental policy in the Wood River Valley
 3. Items for Committee Consideration
 - a. Renewal of the interim ground water rental policy in the Wood River Valley for 2016
 - b. Prioritization of ESPA mitigation by non-use rentals in 2016
 - c. Adjustments to current rental administrative procedures
 5. Adjourn

Committee Members – Albert Barker (Chairman), Vince Alberdi, Dale Van Stone, Roger Chase

Americans with Disabilities

The meeting will be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations to attend, participate in, or understand the meeting, please make advance arrangements by contacting Department staff by email Mandi.Pearson@idwr.idaho.gov or by phone at (208) 287-4800.

Memorandum

To: IWRB Water Supply Bank and Mitigation Bank Subcommittee
From: Water Supply Bank Coordinator
Date: August 21, 2015
Re: Water Supply Bank and Mitigation Bank Subcommittee Meeting 2-15



Members of the Water Supply Bank and Mitigation Bank Subcommittee will receive an update on the current status of Water Supply Bank initiatives to address indefinite leases, as well as selection of a contractor to develop software for the Water Supply Bank. Committee members will also receive an update on the efficacy of the 2015 interim Wood River Valley ground water rental policy. The Committee is called upon to consider a renewal of the ground water rental policy in the Wood River Valley for 2016. The Committee is also asked to consider providing guidance to the Bank on changes to rental procedures which are proposed to be implemented in the Water Supply Bank during 2016.

1) Update on the indefinite leases

Department staff has reviewed the Water Supply Bank database in preparation of issuing letters to individuals and corporations who are the owners of record for 204 water rights that are indefinitely leased to the Water Supply Bank. There are 101 individuals who are the owners of record for the indefinitely leased rights. Letters will be issued to these 101 individuals informing them that the Bank desires to update to their indefinite lease and that they can assist our office by advising whether they desire to have their water rights remain in the Bank for up to an additional five years, or whether they would like to have their water rights be released from the Bank.

The Bank will begin issuing these letters in the coming weeks. Once lessors confirm their desire regarding their lease contracts, the Bank will issue confirmation letters to lessors to acknowledge the new, updated status of their water right lease contracts. The Idaho Water Resource Board holds five water rights that are indefinitely leased to the Bank (73-12206, 73-12207, 73-12208, 73-12209 and 73-12211) that will not be released through this effort and Morgan Case has been contacted to determine whether any Central or Northern Idaho water rights should be retained in the Bank indefinitely to accommodate other IWRB programs. The Committee will receive an update on this effort once all water right holders of indefinite leases have been contacted by the Bank.

2) Selection of a contractor for development of software for the Bank

The Water Supply Bank has initiated the process to select a contractor for development of software for the Bank. A request for qualifications for IT programming professionals has been issued through the project service order process of the Department of Administration, purchasing division. The evaluation process is currently underway. The Bank intends to conclude our evaluation process and select a contractor to conduct software development, beginning in September.

3) Reviewing the efficacy of the interim ground water rental policy in the Wood River Valley

By resolution of the Water Resource Board, the Bank implemented a one year ground water rental policy for the Wood River Valley in 2015. The policy covered the following:

- Delineation of the Wood River Valley and Bellevue Triangle into six transaction zones (five ground water zones and a river zone);
- Seeking to restrict rentals to within zones and to discourage rentals across zones;
- Requiring stream depletion analyses for all rentals going across zone boundaries;
- Limiting new rental agreements to one year durations; and,
- Subordinating to the IWRB's minimum stream flow water rights, all ground water rentals that move within one hundred feet of the river, or that move up-gradient, across a zone boundary.

It is the position of the Water Supply Bank that the interim ground water rental policy in the Wood River Valley has been a success. Of 308 transactions processed thus far by the Water Supply Bank in 2015, one third (99) have come from Basin 37. Furthermore, one third of all Basin 37 transactions (32 of the 99) have been rental requests, a majority of which were for ground water in the Wood River Valley. Almost all ground water rentals remained within transaction zones, and only one ground water rental moved closer to the river and was thus subordinated to the Board's minimum stream flow right.

In light of the efficacy of the interim policy, the Bank is seeking a committee recommendation that the Water Resource Board renew the interim ground water rental policy for 2016.

4) Renewal of the ground water rental policy for the Wood River Valley

A copy of the public service announcement pertaining to the interim ground water rental policy is provided for the consideration of committee members. The Bank is seeking a renewal of the policy with two changes: 1) the inclusion of a visual, decision-matrix flow chart, to better explain the evaluation process regarding administration of ground water rentals under the policy; and, 2) greater detail on how mitigation may be calculated and applied by the Department, to avoid injury when modeling results indicate depletions are occurring to the river during the irrigation season.

A copy of decision-matrix flow chart is provided for your review. The Department is currently investigating how mitigation requirements might be established and met for ground water rentals. Subject to the inclusion of this decision-matrix flow chart graphic, and a determination by the Department as to how mitigation may be required through ground water modeling of rental transactions, the Bank is seeking from the Committee a recommendation that the Board renew the interim rental policy in 2016.

5) Prioritization of ESPA mitigation by non use rentals

The Bank received two rental requests in 2015 from Ground Water Districts, seeking to rent ground water, irrigation water rights for the beneficial use of mitigation by non-use. The Bank has been holding these rental requests, pending the conclusion of the negotiated settlement between Ground Water Districts and the Surface Water Coalition. In anticipation that additional rental requests for 2016 will be received from Ground Water Districts, the Bank is seeking guidance from the Committee regarding how to best prioritize rentals by Ground Water Districts.

Water Supply Bank rental evaluation procedures require that the Bank consider whether a rental is in the local public interest. If it is the position of the Committee that rentals by Ground Water Districts for mitigation by non-use or ground water recharge activities are in the local public interest, the Bank can give preference to such rentals over all other rentals. The Bank is seeking from the Committee guidance on this matter, and a Committee recommendation for a Board resolution to address rentals by Ground Water Districts is requested.

6) Adjustments to the current rental administrative procedures of the Bank

The Bank proposes for consideration by the Committee three significant adjustments to the current rental administrative processes. Specifically, the Bank is requesting that the Committee consider and provide guidance on the following:

- A. Allowing for variable rental rates in the Wood River Valley,
 - Partially or fully removing the ceiling on rental rates requested by lessors, and
 - Requiring lease/rental companions packages to report private rates for rental water,
- B. Allowing renters to submit silent bids on rental applications, and,
- C. Implementation of a rental application filing fee, and an expedited rental processing fee

A) Allowing for variable rental rates in the Wood River Valley

Allowing for a floating or variable rental rate in the Basin 37 will increase transparency and improve price discovery related to market rates for rental water in the Wood River Valley. The Bank is aware that many renters are already paying private, negotiated rental rates above \$17/AF, so there is a basis for allowing lessors to request rental rates above this price. By lifting the ceiling on the current rental rate of \$17/AF, the Bank may incentivize water right holders to lease additional water rights to the Bank, thus increasing the supply of water available to satisfy rental demand. Allowing for a higher rental rate will also improve the fiscal health of the Bank by allowing for the collection of more than \$1.70/AF for rentals.

By restricting variable pricing to a single basin, the Bank can experiment with market based pricing in a controlled environment. Lessons learned regarding how to accommodate market prices can be applied in other basins if it can be successfully accomplished in Basin 37. The Bank can partially implement this policy by lifting the ceiling on rental rates that may be requested by Basin 37 water right holders who bring their water directly to the Bank. The Bank can also support this effort by requesting that all privately-negotiated lease/rental transactions report the rental rate that has been voluntarily agreed upon by the parties. A updated Water Supply Bank rental application form that can accommodate the collection of such information has been drafted and is provided for the Committee's consideration.

The following options are proposed for the Committee's consideration:

- 1) Setting a fixed term, with a sunset date, during which time variable pricing of lease contracts and rental agreements will be permitted within Basin 37,
- 2) Raising or fully removing the cap on rental rates that may be requested by a water right holder who leases their water right to the Bank,
- 3) Requesting or requiring that all private lease/rental transactions report their agreed upon rental rates.

The Bank is looking for Committee support and guidance pertaining to allowing for variable rental rates in the Wood River Valley, beginning in 2016.

B) Allowing for silent bidding on rental applications

In addition to providing space for renters to report privately agreed upon rental rates, the update to the rental application form can accommodate silent bidding for competitive rental requests. Allowing for silent bidding can improve rental application processing by eliminating confusion regarding how to assign water rights to rental agreements when demand for water rights is greater than the supply available.

Each year, the Department receives a limited number of rental applications from different individuals who request to rent the same water rights. The Bank has successfully addressed this issue in past years by requiring that such competing renters (and more often consultants representing renters) discuss between themselves whether alternative water rights might satisfy their rental needs. Requiring that applicants cooperate and resubmit rental requests necessarily prevents the Bank from expeditiously processing all rental requests in a timely manner, and it requires that one party must redo paperwork and water modeling.

A solution to address this issue is to allow renters to submit a silent bid on their rental requests. If two or more parties request to rent the same water rights, the rental can go to the applicant who submits the highest bid. This is an efficient and transparent method to allow applicants to voluntarily communicate their desire renting competitive water rights and it is more effective than conducting a lottery, or pro-rating a rental request among the parties.

If the Committee supports the Bank's intent to pursue a silent-bid mechanism for rental applications, a Committee recommendation to support a Board resolution authorizing such an action is requested.

C) Implementation of a rental application filing fee, and an expedited rental processing fee

The last proposal for consideration by the Committee pertains to the implementation of a rental application filing fee and an expedited processing fee. A rental application filing fee would benefit the Bank by helping close the gap between fixed, operational costs necessary to run the Bank, and the variable revenue collected through lease application filing fees and the 10 percent administrative charge on rental fees. Additionally, an expedited rental processing fee would also help improve the fiscal health of the Bank and it would allow for additional prioritization of rental applications based on an applicant's desire to pay a value-added service fee for expedited processing.

A rental application filing fee (equal to the lease application filing fee of \$250) applied in the years 2012, 2013 and 2014 would have resulted in additional revenue during those years of \$18,000, \$33,000, and \$28,000, respectively. Though this would not have been sufficient to completely cover operational deficits of \$58,000 in 2013 and \$72,000 in 2014, it would have assisted the Bank in narrowing the fiscal gap.

Additionally, a rental application filing fee may discourage rental agreement amendment applications, in which renters request to change their use of rental water, but they do not rent any additional volumes. In such situations, no additional volumes are rented, and thus no fee is collected for what amounts to the issuance of an entirely new rental agreement. (There were five rental agreement amendments in 2015). Processing rental agreement amendments is an uncompensated service provided by the Bank that delays us from processing new rental agreements. A rental application filing fee would allow the Bank to recoup the cost of providing this service.

Implementing a rental application filing fee would also deflect pressure away from the need to look at raising rental rates in order to improve the fiscal health of the Bank. During calendar year 2014, 30 rental agreements were processed in which the Bank collected less than \$250 in administrative fees. The median sub-\$250 administrative rental fee levied in 2014 was \$98.45 with the smallest rental admin fee being \$0.85. As of July 2015, 26 sub-\$250 admin fees have collected, with the median administrative rental fee being \$38.93 and the smallest admin fee collected being \$3.60. Implementing a rental application filing fee can thus help the Bank can offset fixed operational costs through collection of revenue from a fixed source.

Regarding an expedited processing fee, the Bank is sympathetic to the sense of urgency experienced by some water users who would like to request expedited service, but who are presently unable to obtain such a service. Situations have arisen in the Bank where rental applicants in the backlog of the processing queue do not need immediate approval of their rental requests however their priority in the queue puts them ahead of individuals who are insistent upon immediate service. Such situations often arise in late spring and early summer. Allowing renters to pay a premium fee for the expedited processing of their rental request is a discussion to which the Bank is open and to which Committee and Board guidance is requested.

In light of all the aforementioned, the Bank is seeking guidance and support from the Committee to proceed in experimenting with some or all of the above items. A Committee recommendation of support is sought for a Board resolution to allow for variable rental pricing in the Wood River Valley during 2016. A Committee recommendation of support a Board resolution to authorize the silent bid mechanism on the rental applications is also being sought. Finally, if the Committee supports investigating further the merits of a rental application filing and/or an expedited rental application processing fee, the Bank is prepared to begin public outreach and listening sessions through winter and spring 2016 to obtain public comments on these proposals. Public comments will be brought back for Committee consideration. If public support is found to be in place for an application filing fee and an expedited rental application processing fee, the Bank can prepare for formal discussions on the matter to be held in Committee and at Board meetings during Summer 2016, as is required under negotiated rule making procedures.



State of Idaho

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C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

1/29/2015

RE: Water Supply Bank Interim Ground Water Rental Policy for the Wood River Valley

The surface and ground waters of the Big Wood River drainage are interconnected and diversions of ground water from wells can deplete the surface water flow in streams and rivers. Wood River Valley water users can be injured if Water Supply Bank rentals authorize ground water pumping that in turn causes extended depletions of the Big Wood River. To protect prior appropriators in the Wood River Valley while simultaneously ensuring efficient operation of the Water Supply Bank, the Idaho Water Resource Board (IWRB) has approved a temporary ground water rental policy for the Water Supply Bank (Bank) in the Wood River Valley.

The IWRB authorized an interim ground water rental policy for the Wood River Valley on January 23, 2015. The interim ground water rental policy is applied solely to ground water rental requests and does not pertain to rentals of surface water or rentals that propose to change a water source between surface and ground water. The interim policy is in effect until January 23, 2016.

The interim ground water rental policy establishes a safe distance within which all ground water rental requests can be considered and it creates six ground water transaction zones to guide how the Water Supply Bank can process all other rental requests.

The Water Supply Bank considers that where a point of diversion for a ground water rental request is equal to or less than 657 feet (200 meters) from a point of diversion for a water right leased to the Water Supply Bank, diversions of ground water from both the lease and the rental points of diversion will be similar. Therefore, subject to standard rental review procedures, all requests can be accepted where a rental of water is less than 657 feet from the original (leased) point of diversion.

Additionally, the Water Supply Bank accepts that impacts to surface and ground water resources caused by ground water pumping can be significantly limited and restrained if ground water pumping is restricted to specific areas or transaction zones. Under this interim ground water rental policy, when a point of diversion for a leased right and the point of diversion for a rental request are both found within the same transaction zone, the Bank will not require any additional information to accept and review the rental request. Subject to standard rental review procedures, the Bank may approve rental requests where the lease and rental points of diversion occur within the same transaction zone.

When the distance between the points of diversion for a leased right and a rental request is more than 657 feet, and when such a request seeks to rent ground water from a well that is located in a different zone than that in which a leased water right is located, the Bank requires that a stream depletion analysis or a ground water impact analysis be submitted with the rental request. If the results of a stream depletion or ground water impact analysis indicate that the rental would cause a larger depletion of water resources than that which would normally occur by diversion of water under the leased water right, mitigation may be required to offset the impacts of the rental. Additionally, if a request is made to rent a water right across a transaction zone, up gradient of the original location of the leased right, or a request is made to rent water across a zone, within one hundred feet of the Big Wood River (or a major tributary), the approval of any such rental may be subject to curtailment once the minimum stream flow of the Big Wood River is not being satisfied.

Wood River Valley Transaction Zones

This interim ground water rental policy delineates the Wood River aquifer into six zones:

- 1) The River Zone,
- 2) The Ketchum Zone,
- 3) The Hailey Zone,
- 4) The Bellevue Zone,
- 5) The Eastern Triangle Zone, and
- 6) The Western Triangle Zone

The river zone is a two hundred foot wide buffering of the Big Wood River and the major tributaries of Croy Creek, Deer Creek, East Fork, Trail Creek and Warm Springs Creek. Due to the direct and immediate connection between surface and ground waters within this two hundred foot wide river zone, all ground water pumping within the river zone will have a direct and immediate impact on surface water resources. No stream depletion analysis is required for rentals within the river zone, however all ground water rentals within this zone should be satisfied by ground water rights that are leased into the Bank from within this zone. All rentals of ground water within the river zone may be subject curtailment once the minimum stream flows of the Big Wood River are not being met.

The Ketchum zone covers all ground water rights located north of the point of diversion for the Hiawatha Canal (effectively the intersection of Highway 75 and Ohio Gulch Road). All ground water points of diversion north of Hiawatha Canal and not within the 200 foot wide river zone are part of the Ketchum Zone. The Ketchum zone includes all northern tributary valleys for the Big Wood River including Eagle Creek, East Fork, Greenhorn Creek, Lake Creek, Trail Creek and Warm Springs Creek. No stream depletion analyses are required for ground water to ground water rental requests that both originate (are leased) from and are satisfied (rented) within this zone. All rental requests remain subject to standard rental review procedures to guard against injury and enlargement of water use.

The Hailey zone covers all ground water points of diversion south of the Ketchum zone, outside the river zone and north of the point of diversion for the Irrigation District #45 Bellevue Canal. The Hailey zone extends to all central tributaries of the Big Wood River including Croy Creek, Deer Creek, Indian Creek and Quigley Creek. No stream depletion analyses are required for ground water to ground water rental requests that both originate from and are satisfied within this zone and rental requests remain subject to standard rental review procedures to guard against injury and enlargement of water use.

The Bellevue zone extends from the Hailey zone to the point of diversion for the Bypass Canal (effectively Glendale Road) and includes all ground water points of diversion tributary to Seaman's Creek/Muldoon Canyon. No stream depletion analyses are required for ground water to ground water rental requests that both originate from and are satisfied within this zone and rental requests remain subject to standard rental review procedures to guard against injury and enlargement of water use.

The final two zones cover the western and eastern halves of the confined and unconfined aquifers of the Bellevue triangle. Ground water in the western half of the triangle is hydraulically connected to surface water flowing to the Big Wood River while eastern ground waters flow into Silver Creek and the Little Wood River. The two zones correspond roughly to all lands east and west of Kingsbury Lane. No stream depletion analyses or ground water impact analyses are required for ground water to ground water rental requests that both originate from and are satisfied within a zone and rental requests remain subject to standard rental review procedures to guard against injury and enlargement of water use.

For reference, a map of the rental transaction zones is provided in Figure 1, and detailed cross sections of the zone transitions is provided in Figures 2-4.

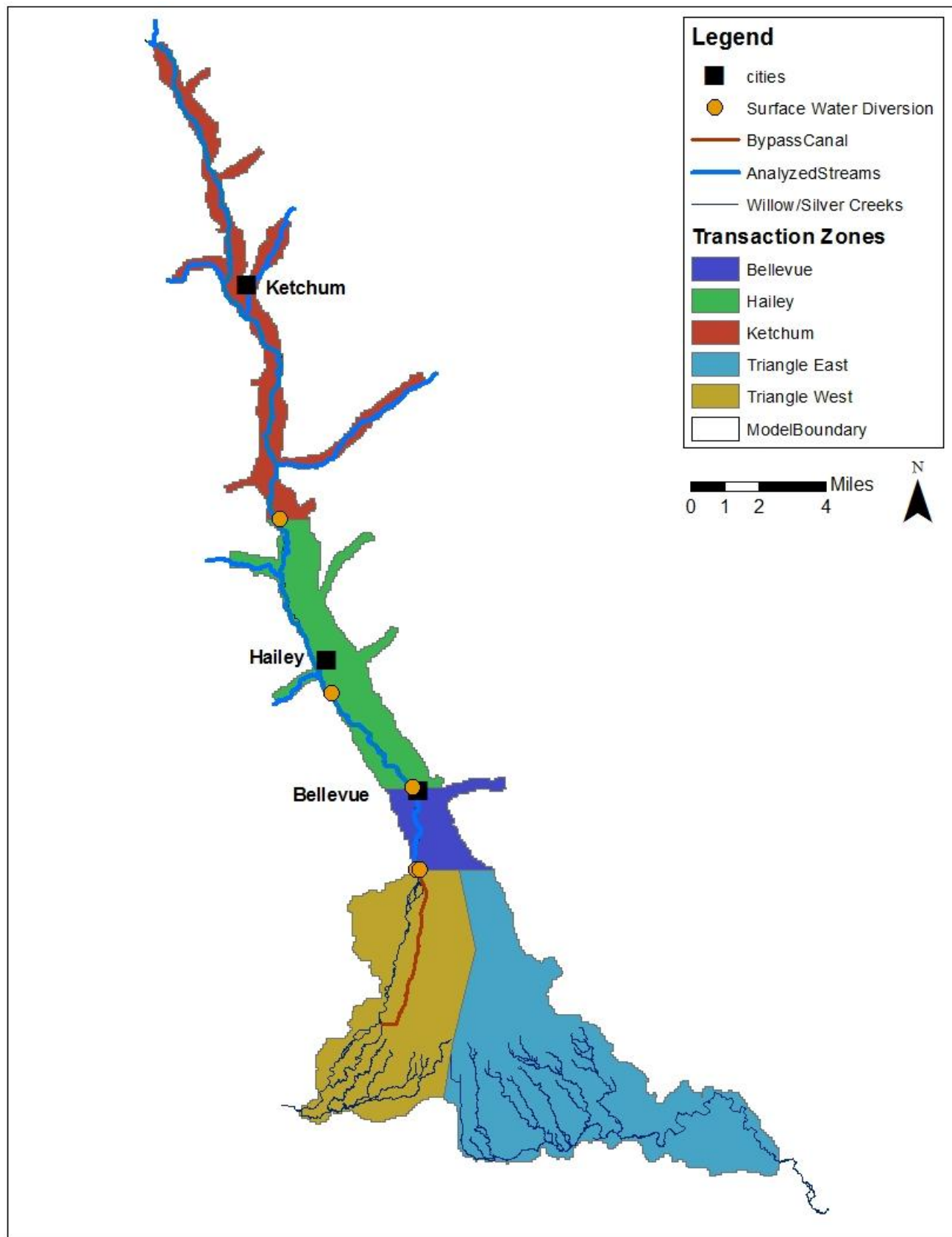


Figure 1. Map of the Water Supply Bank Transaction Zones within the Wood River Valley

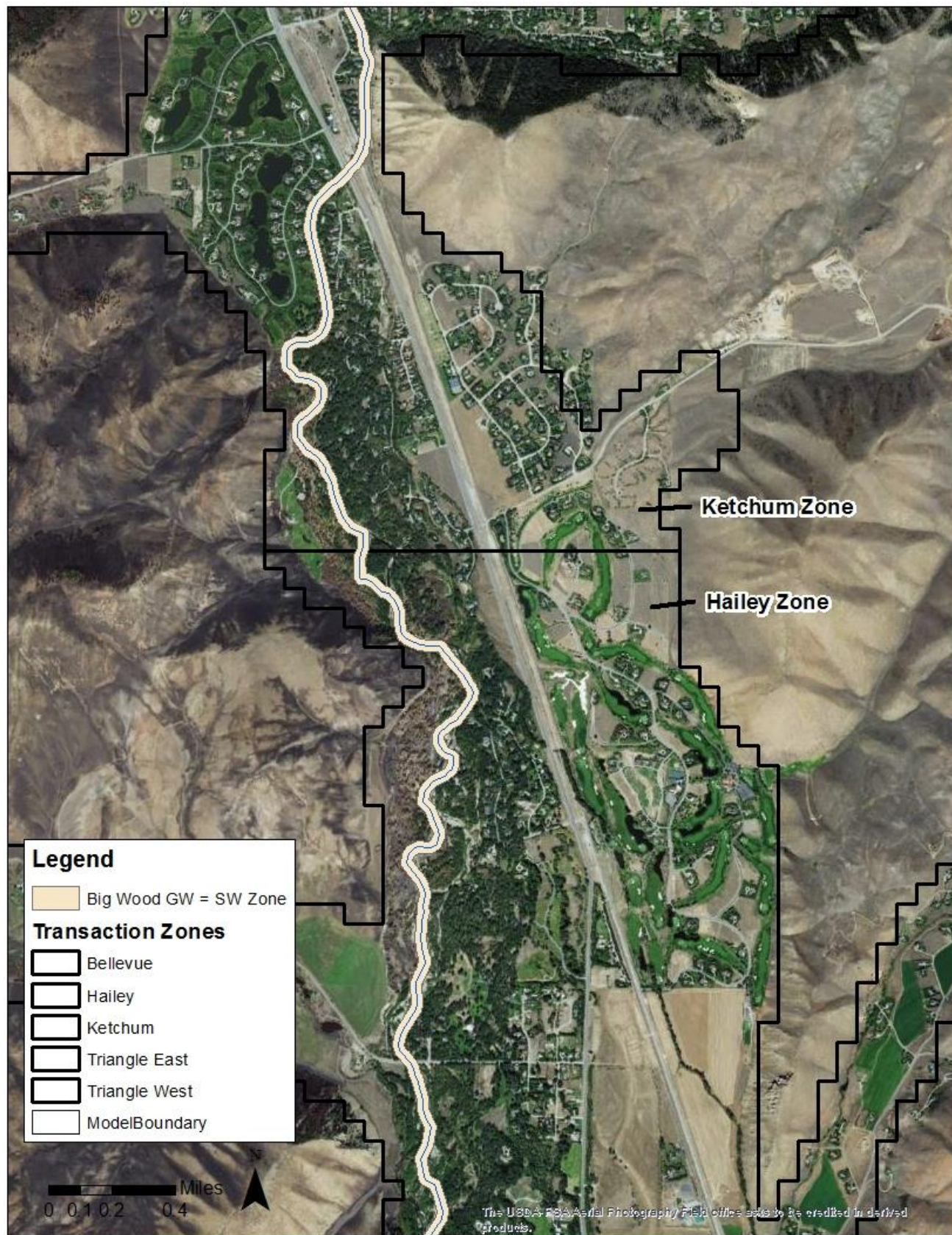


Figure 2. Transition between the Ketchum and Hailey Zones

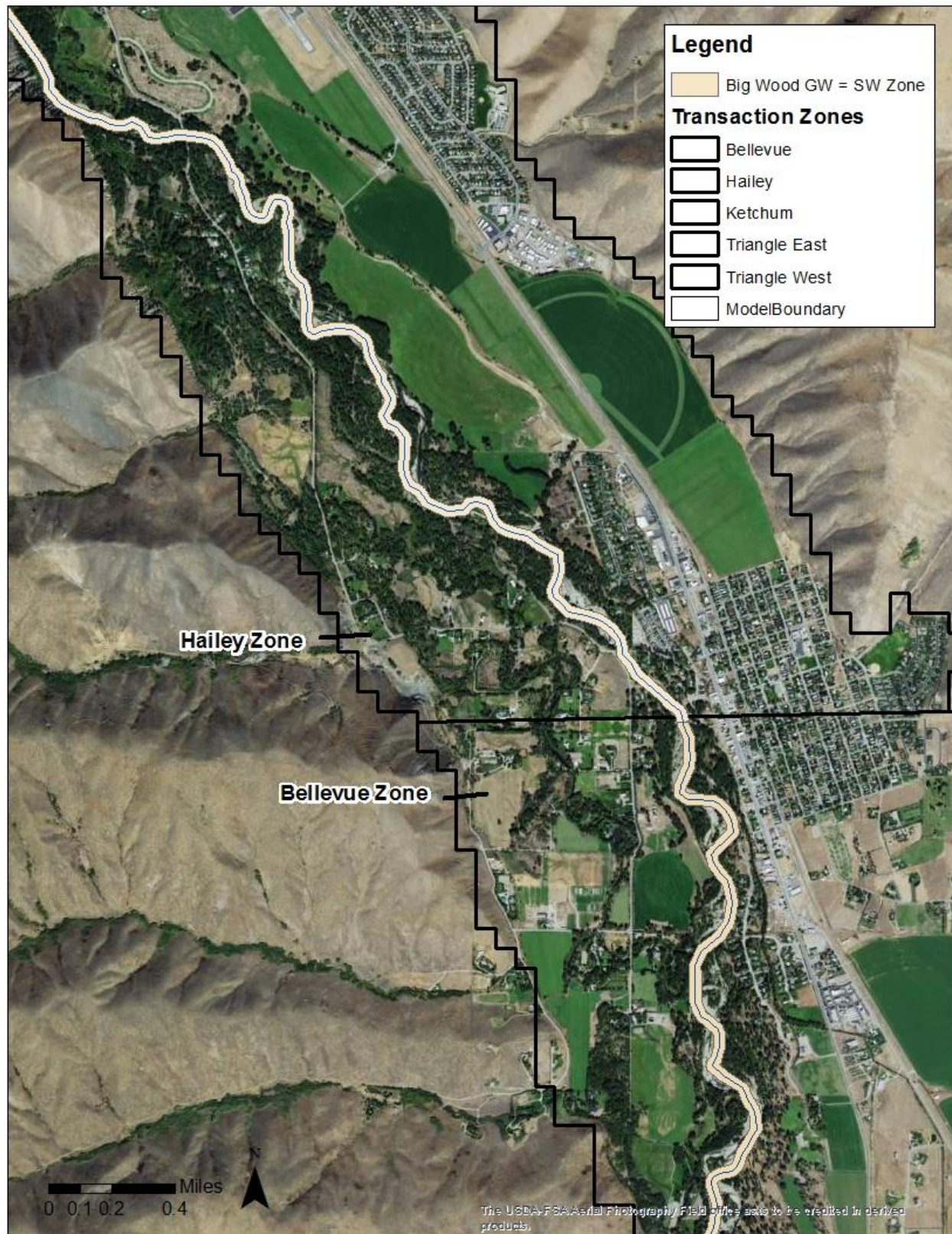


Figure 3. Transition between the Hailey and Bellevue Zones

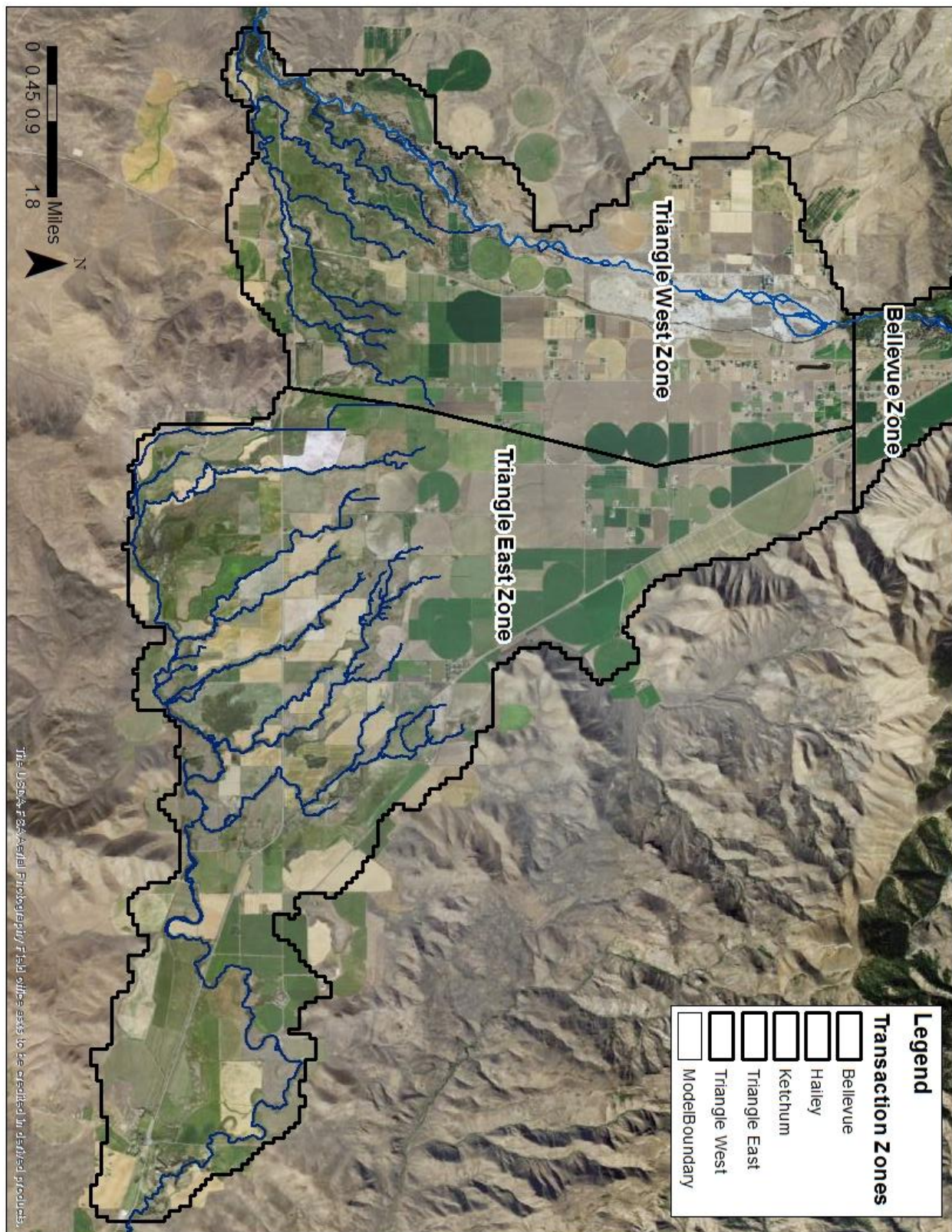


Figure 4. Transition between the Bellevue and Triangle Zones

Supplemental Impact Analyses for Cross-Zone Rental Transactions

Rental requests that both originate from and are satisfied within a transaction zone need not submit any additional information supplemental to the rental application form however where a rental request is located further than 657 feet from a point of diversion for a leased water right, and the rental seeks to pull the water right across the boundaries of a transaction zone, such proposals will require a stream depletion analysis and/or ground water impact analysis supplemental to the standard rental application.

Stream depletion analyses are required for all cross-boundary rental requests within the River, Ketchum, Hailey or Bellevue zones, whereas a Theis ground water impact analysis should be submitted with all cross boundary ground water rental requests in the Bellevue Triangle. Where the results of a stream depletion or Theis ground water impact analysis indicate that a ground water rental may cause a significantly larger depletion of water than what would regularly occur under the right leased to the Bank, mitigation may be required. The Water Supply Bank will consider all stream depletion and Theis ground water impact analyses to advise rental applicants on whether mitigation will be required.

The type of stream depletion analysis submitted for a cross-zone rental request is to the discretion of the applicant however the Water Supply Bank can expedite processing of all rental request that submit stream depletion analyses using the Alluvial Water Accounting System (AWAS) which is free software available from Colorado State University at: <http://www.ids.colostate.edu/projects.php?project=awas/awas.html>.

Information on how to use AWAS, including a user guide and quick tutorial, are available through the website above however the following information may be of assistance to rental applicants seeking to utilize AWAS to complete a cross-zone stream depletion analysis:

Start by selecting **new IDS (modified)** under the file menu to begin your modeling. Use **Year Type: Calendar** and **Time Scale: Days** or **Months** with the starting year and the ending year corresponding to the starting year of the rental request and ending year being the year following the final year of the rental request. In the initial screen (**Input**) click **New Well** twice, once to model the ground water point(s) of diversion for the leased water right being rented, and once to model the point(s) of diversion being utilized for the rental request. If multiple ground water rights are being rented to satisfy a single rental, multiple wells should be modeled.

The **Well Name** can be set as the water right being rented (for the leased right) and the renter's name for the rental point of diversion. **Type** should be set to **Recharge** for the leased right and **Irrigation** for the rental site. The aquifer **Boundary Condition** should be set to **Alluvial Aquifer** for both wells. The **W (Feet)** field should be populated with the linear distance (measured in feet) from the model boundary to the Big Wood River (or major tributary being modeled) at the location of the lease or the rental, while the **X (Feet)** field should be populated with the linear distance between the lease/rental points of diversion and the Big Wood River (or major tributary). The **Transmissivity (GPD/FT)** value may be ascertained by referencing the map in Figure 5, selecting a value between the minimum and maximum values of the corresponding color ramp, and multiplying the value by 7.48 to convert from feet/day to gallons/day. For applicants that have access to geographic information systems, GIS raster and spatial data can be downloaded from IDWR's website. **Specific Yield** should be set as 0.20 while **Show in Output** should be checked and **Use Partial Stream** should not be checked.

For the leased water right being rented, the radio button selection should be left as **Recharge** and the daily (or monthly) acre foot amounts can be populated by calculating the total acre foot volume of water available to be rented, divided by the total number of season of use days (or months) authorized by the water right. Similarly, the rental radio button should be left as **Consumptive Use** and daily or monthly acre-foot volumes should be populated based on the total intended rental volume, divided by the days or months of the intended season of use. **Run Start:** should be left as **Jan year one** to **year two** and the box should be checked for **Ignore pumping/recharge after: Dec year one**.

Examples of model inputs are provided in Figures 6 and 7.

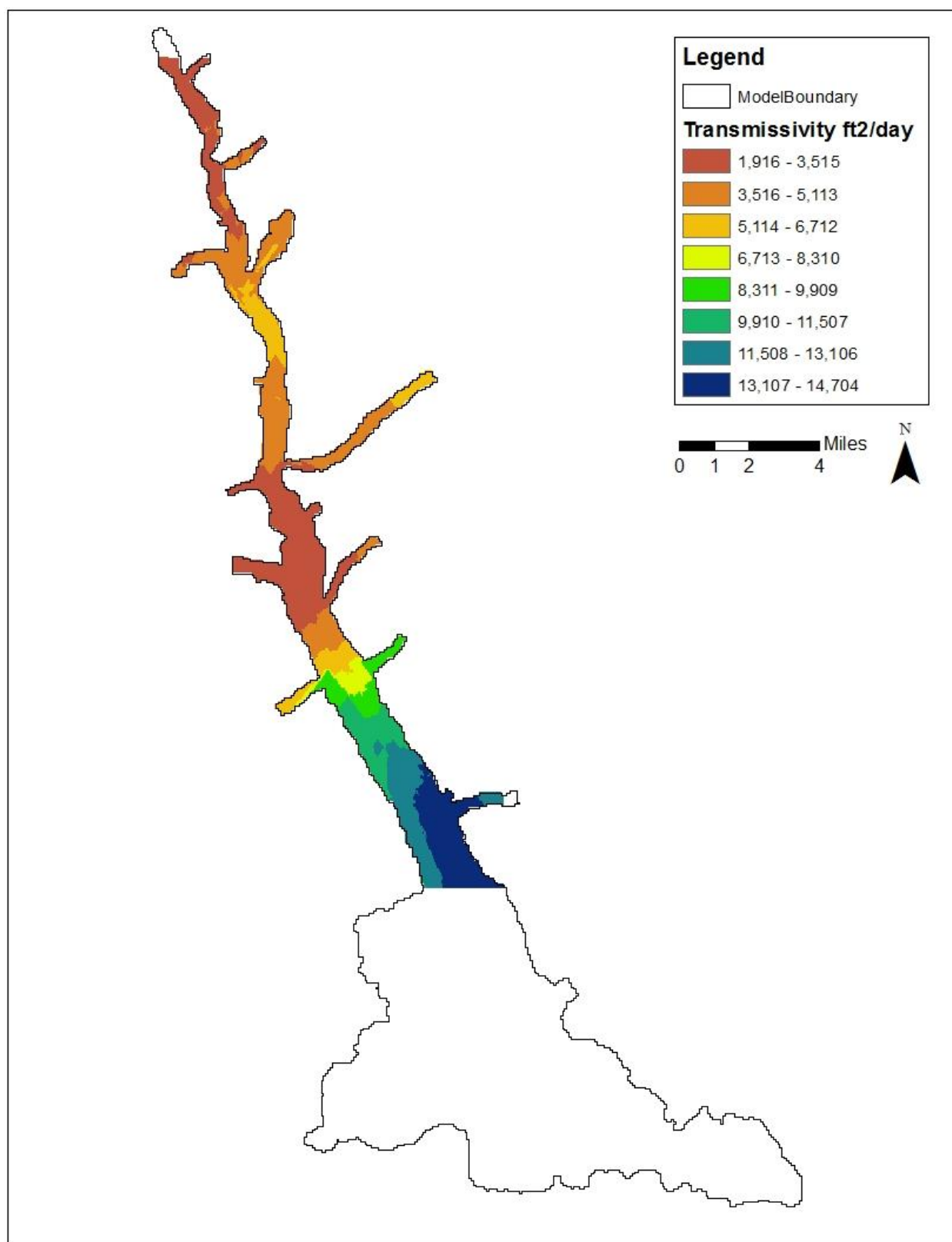


Figure 5. Transmissivity ratings for the Wood River Valley

This map models the speed of ground water movement through the Wood River Valley aquifer.

AWAS -- Alluvial Water Accounting System - [C:\Users\rbuyer\Documents\AWAS\Daily Run.dsi]

File Functions View Window Help

Input Output

Start Year: 2014
End Year: 2015

Set Properties Set Custom Output

Well Name	Description	Type	Boundary Condition	W (Feet)	B (Feet)	Transmissivity (GPD/FT)	Specific Yield	X (Feet)	SDF	Show in Output	Use Partial Stream	Left limit of stream segment	Right limit of stream segment
lease		Recharge	Alluvial Aquifer	700	0	10000	0.2	400	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	0
rental		Irrigation	Alluvial Aquifer	1000	0	60000	0.2	200	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	0

New Well
Delete Wells
Set URFs

Pumping Record Calculation Data
☒ Consumptive Use
☐ Q
☐ App Eff

Consumptive Use for rental (acre-feet)

Month/Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
Mar/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Apr/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
May/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Jun/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Jul/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Aug/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sep/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Oct/2014	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Nov/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dec/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Run Start: Jan 2014 To 2015 ☒ Ignore pumping/recharge after: Dec 2014

RUN YEARS PAST SYNTHESIZED YEARS ASSUMED TO HAVE NO WELL CU/RECHARGE

For Help, press F1

Figure 6. Daily Inputs

AWAS -- Alluvial Water Accounting System - [C:\Users\rbuyer\Documents\AWAS\Monthly Run.dsi]

File Functions View Window Help

Input Output

Start Year: 2014
End Year: 2015

Set Properties Set Custom Output

Well Name	Description	Type	Boundary Condition	W (Feet)	B (Feet)	Transmissivity (GPD/FT)	Specific Yield	X (Feet)	SDF	Show in Output	Use Partial Stream	Left limit of stream segment	Right limit of stream segment
lease		Recharge	Alluvial Aquifer	700	0	10000	0.2	400	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	0
rental		Irrigation	Alluvial Aquifer	1000	0	60000	0.2	200	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	0

New Well
Delete Wells
Set URFs

Recharge Record Calculation Data
☒ Recharge
☐ Inflows
☐ Outflows
☐ EOM Storage
☐ Acres
☐ Pond Evap
☐ Days Evap

Recharge for lease (acre-feet) Initial EOM Storage: 0

Month/Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	0	0	0	60	62	60	62	60	62	60	0	0
2015	0	0	0	0	0	0	0	0	0	0	0	0

Run Start: Jan 2014 To 2015 ☒ Ignore pumping/recharge after: Dec 2014

RUN YEARS PAST SYNTHESIZED YEARS ASSUMED TO HAVE NO WELL CU/RECHARGE

For Help, press F1

Figure 7. Monthly Inputs

Once all inputs are completed, the red **Run** button can be clicked. The **Net Impact on Stream** results for all rental years should be selected, and the scale should be set to Daily if such results have been modeled. A screen shot of the model results can be printed, or a printout of the model results printed from Excel is possible if the **Export Open in Excel** is selected under **Display Options**.

See Figure 8 for an example of the outputs of a model run.

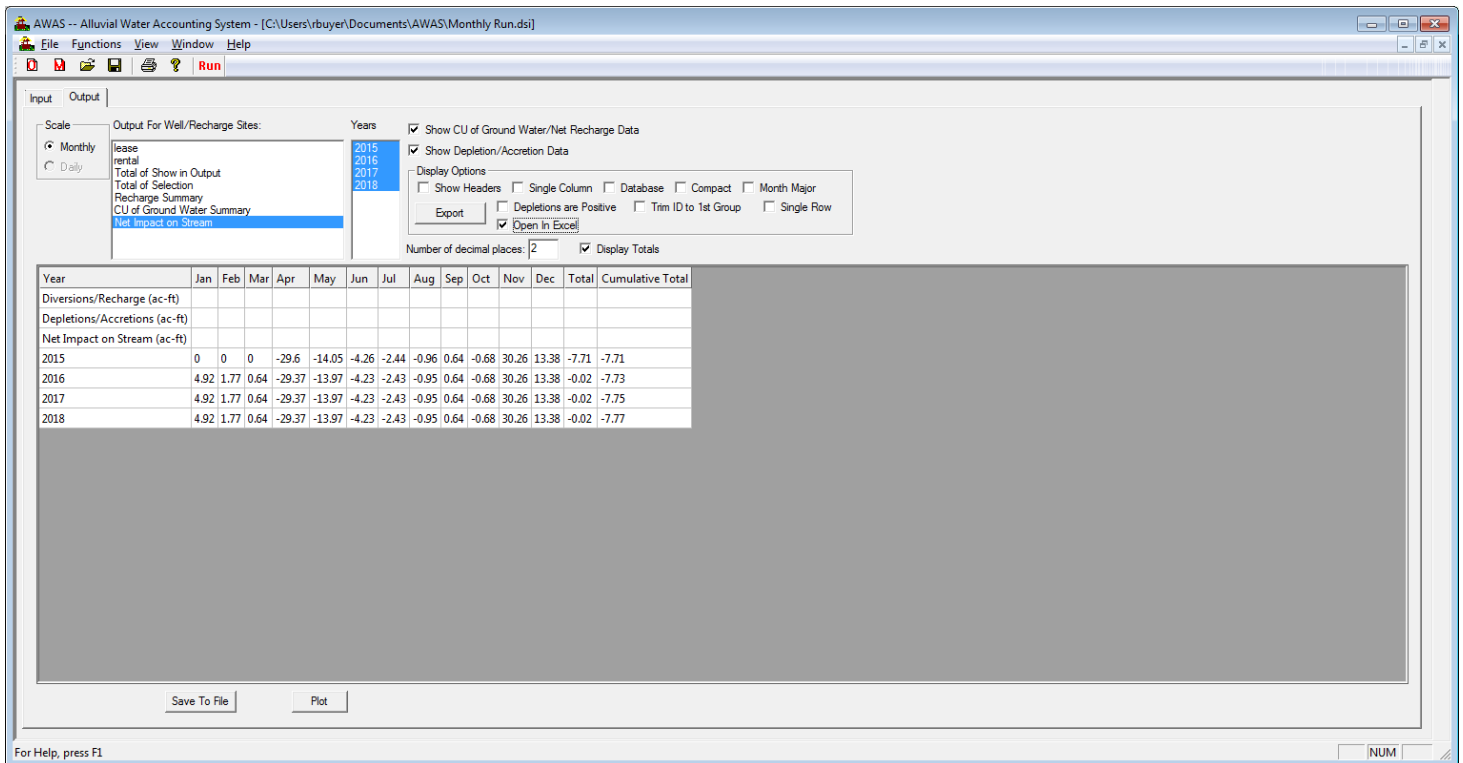


Figure 8. AWAS Model Outputs

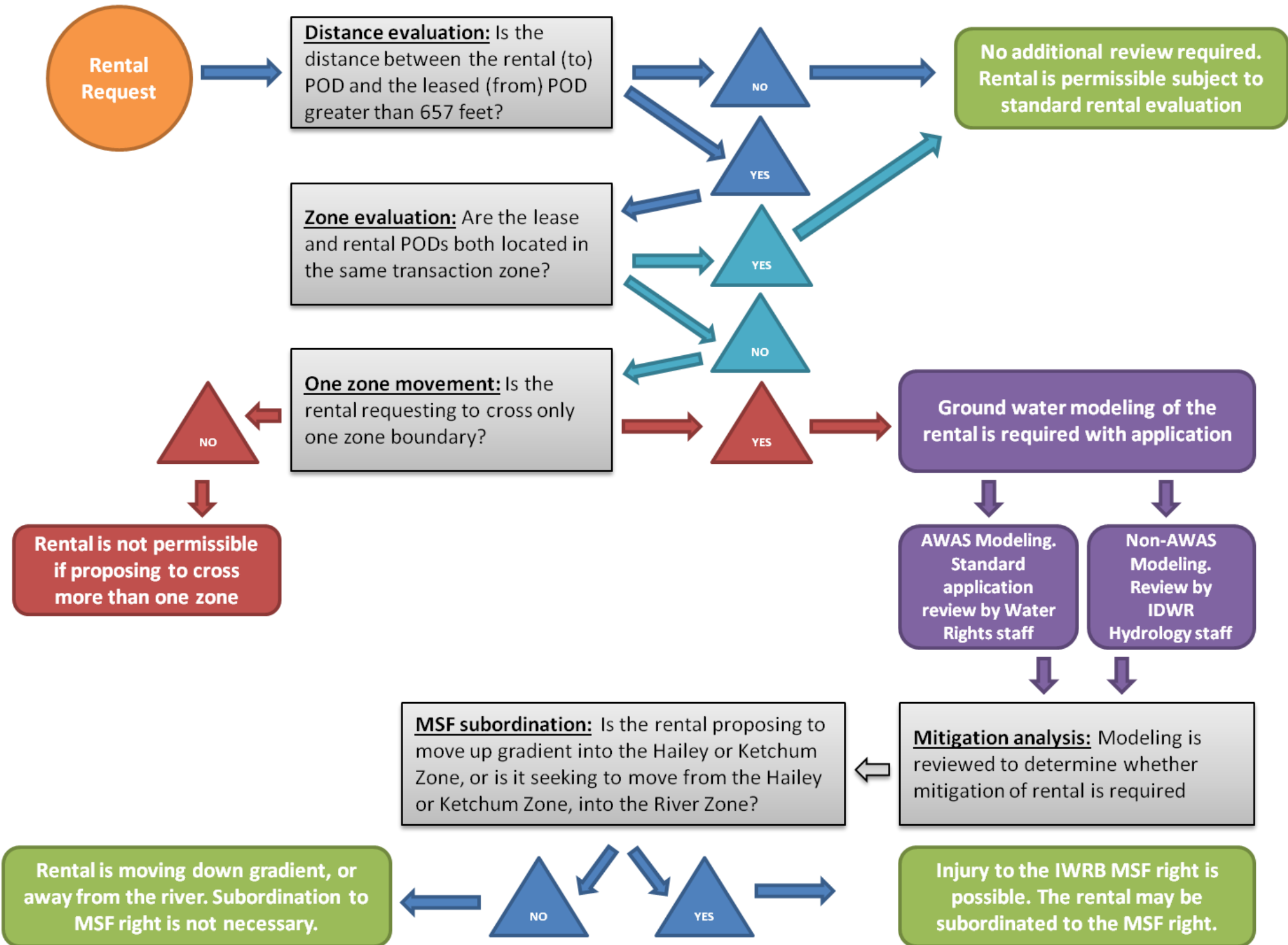
For rental requests that seek to rent ground water rights across zones within the Bellevue Triangle, a Theis ground water impact analysis should be conducted. The Department of Water Resources is currently working on guidance that can be made available on how to complete a Theis analysis in the triangle. Any water users intending to submit a cross-zone rental request in the triangle can contact the Department for information on how they might complete a Theis analysis.

Additional Information on the Interim Ground Water Rental Policy

The Water Supply Bank has implemented this temporary ground water rental policy to ensure optimal administration of ground water rental requests in the Wood River Valley while the Idaho Department of Water Resources and the US Geological Survey continue to work toward completion of a hydrologic model of the Wood River Valley. The Water Supply Bank anticipates an Idaho Department of Water Resources directive on transfers of ground water rights in the Wood River Valley once the Wood River Valley model has been completed, tested and approved for use in modeling ground water transfers.

In light of future IDWR policy pertaining to ground water transfers, this interim ground water rental policy has been approved for one year and will sunset on January 23, 2016. All ground water rental requests approved pursuant to this interim policy are therefore only in effect for one year as well. The Water Supply Bank will closely monitor the efficacy of the interim ground water rental policy during 2015 and welcomes public comment on the new approach to administer ground water in the Wood River Valley. Public comments can be sent to:

Remington Buyer
 Water Supply Bank Coordinator
 (208) 287-4918
remington.buyer@idwr.idaho.gov



STATE OF IDAHO
WATER RESOURCE BOARD

Print form one-sided

APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: _____

Is this application being submitted with a lease application as a lease/rental package? Yes ☐ No ☐

An *Application to Rent Water from the Board's Water Supply Bank* must be completed in accordance with the minimum requirement checklist below to be acceptable for processing by the Idaho Department of Water Resources (IDWR). This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Applications to rent water should be submitted well in advance of the desired start date for the use of water. Rental applications may be submitted as early as November 1 of the year prior to the intended use of rental water. Rental applications submitted more than one year in advance of the proposed start date for water use will not be accepted and will be returned to applicants. Rental applications will not be processed if they are received after the end of the rental season of use.

One rental application per beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources. For multiple beneficial uses of water, individual rental requests should be submitted for each unique beneficial use of water.

For additional instructions on completing a rental application, visit the Department's website at www.idwr.idaho.gov.

Checked All Items as Either Attached (Yes) or Not Applicable (N/A)			
<p>YES</p> <p><input type="checkbox"/> Completed <i>Application to Rent Water from the Board's Water Supply Bank</i></p>			
Attachment	N/A	YES	
2	<input type="checkbox"/>	<input type="checkbox"/>	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	<input type="checkbox"/>	<input type="checkbox"/>	Detailed information on a proposed use of rental water
3E	<input type="checkbox"/>	<input type="checkbox"/>	Authorization from the owner/operator of the rental point(s) of diversion
3G	<input type="checkbox"/>	<input type="checkbox"/>	Water modeling to account for the impacts of the rental request
3J	<input type="checkbox"/>	<input type="checkbox"/>	Documents justifying a need to rent water for irrigation at a rate of flow greater than 0.02 cfs/acre
3K	<input type="checkbox"/>	<input type="checkbox"/>	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	<input type="checkbox"/>	<input type="checkbox"/>	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	<input type="checkbox"/>	<input type="checkbox"/>	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

- A. Applicant _____
- Mailing _____ Address _____
- _____ Email _____ Address _____
- _____ Phone Number _____
- B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☐ No ☐
- If yes**, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.
- Representative _____ Professional Title _____
- Organization _____ Relationship to _____ Applicant _____
- Mailing Address _____
- Email Address _____ Phone Number _____

2. MAP

[Create a map](#) of the proposed point(s) of diversion, place(s) of use, and water diversion, delivery and distribution systems. Make sure the place of use is outlined with an obvious, bolded line. For irrigation purposes, note that the place of use outlined on your map cannot exceed the number of acres you are proposing to rent. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

- A. Describe the purpose of your rental request. Include any anticipated rates of water application, water use practices or number of stock (if any). If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of rental water required. Attach additional sheets if required and label it **Attachment 3A**:

- B. Enter the desired and/or minimum necessary rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Acres (if applicable) (Acre)
CFS	AF	CFS	AF	AC

Sometimes water rights available for rent provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

- C. Enter the proposed start date and latest possible start date for using rental water. Also provide the number of years you would like to rent water:

Proposed Start Date (month/day/year)	Latest Possible Start (month/day/year)	* Proposed Rental Duration (Max 5 Years)	** For multi-year rentals, indicate whether you desire to rent water for remaining years if a rental request cannot be approved for the first year?	
			<input type="checkbox"/> Yes , approve rental for all remaining future years.	<input type="checkbox"/> No , return rental request if first year is unapprovable.

- * *The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.*
- ** *Subject to the availability of rentable water. A multi-year rental that cannot begin during the first year requested may be approved for some or all remaining years, depending on availability. Rental requests will be returned if no water is available to rent in the first and/or subsequent years of the rental request.*

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

- D. Refer to the map you created in item 2 and specify the location of the point(s) of diversion (POD) from which rental water is proposed to be diverted:

Water Source	TWP	RGE	SEC	¼	¼	¼	County	Other water rights for the same purpose diverted from this POD

The entry in this grid must match the map from item 2 on the application.

- E. Do you own and/or possess the authority to divert water from the above POD(s)? Yes ☐ No ☐
If no, provide documentation from the owner/operator confirming your authorization to use the POD(s) and label it **Attachment 3E**.
- F. Do any POD(s) identified in Question 3D divert from a water source that may require water modeling? Yes ☐ No ☐
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.
- G. Has water modeling been provided with your rental request? Yes ☐ No ☐
If yes, include as **Attachment 3G**. Otherwise please explain why modeling was not provided:

Rental applications that require modeling will be returned if modeling is not provided.

- H. Specify the proposed beneficial use: ☐ Irrigation ☐ Commercial ☐ Industrial ☐ Municipal
☐ Groundwater Recharge ☐ Mining ☐ Stockwater ☐ Other: _____
- I. Refer to the map you created in item 2 and specify below the places you propose to use water. If for irrigation, specify the number of acres to be irrigated per ¼ ¼ tract. Otherwise indicate usage by marking the ¼ ¼ tracts with the first letter of your proposed use identified above:

TWP	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
The entry in this grid must match the map from item 2 on the application.																			Total Acres (for irrigation)

- J. For irrigation uses, do you propose a water diversion rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☐
If yes, explain the justification for this rate of flow and attach any supporting documents as **Attachment 3J**:

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☐ No ☐
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. Describe your water distribution system and how water will be delivered from the POD(s) to the proposed POU(s):

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

M. List all other water rights and sources of water at the rental place of use for the same purpose and explain why additional water is required. Include privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company, or any other water deliver entity:

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☐ No ☐

If yes, specify below the water rights you are requesting to rent. Otherwise continue to Section 5 of this application form.

Please note: Diversion rates and volumes to be rented from a leased water right must be proportionate to the per acre diversion rates and per acre volume limits of the water right leased to the Bank. Applicants should query a water right's rental availability by reviewing active lease and rental documents, searchable via [IDWR's website](#), to ensure all elements of a water right remain available in sufficient quantity to satisfy a rental request.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany the rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.**

For leased rights with combined limits, applicants should request to rent against the combined limit diversion rate, volume or acre limits.

Elements of Water Rights Leased to the Bank (Contract Details)								Leased totals minus water actively engaged in rental agreement equals rental availability	Rental Request		
Water Right Number	Nature of Use	Water Source	Rate (CFS)	Volume (AF)	Acres (AC)	Start (year)	End (year)		Rate (CFS)	Vol. (AF)	Acres (AC)
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre that have been leased to the Water Supply Bank								TOTAL			
									CFS	AF	AC

Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

- C. Does your rental request propose to change the nature of use for any water right(s) being requested? Yes ☐ No ☐

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented, as well as the new consumptive use amount for your proposed beneficial use. Attach a separate page if space is insufficient and label it **Attachment 4C**:

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☐

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☐

If yes, describe: _____

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☐

If yes, describe the date and location of the NOV.

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws.

Signature of Applicant

Printed Name of Applicant

Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

Print form one-sided

Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within the Eastern Snake Plain Aquifer (ESPA) and other selected administrative areas: If your proposed rental falls within the boundaries of the ESPA or other selected administrative area (as explained below) you must identify specific water rights leased into the Bank to use for your rental. Item 4 of the rental application can be used for this purpose. Use the information below to determine whether modeling the potential impacts of your proposed rental is necessary. If you submit an application to rent water from within the ESPA and/or a special administrative area and it is determined that your rental request requires water modeling, your rental request will be returned if water modeling is not provided.

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The application proposes the use of a regulated water source within an administrative area and the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources areas may include:

- A. Ground water within the Eastern Snake Plain Aquifer (ESPA);
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are within the same or adjacent model cells. If lease and rental POD(s) are separated by more than one model cell, however, groundwater modeling must be completed and submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting:

www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit www.idwr.idaho.gov/AboutIDWR/legal.htm for information on other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented is authorized to divert ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are sufficiently hydraulically connected. The ground water and surface water sources must have a direct and immediate hydraulic connection (at least 50 percent of the total depletion must be detectable in the original source in one day). The existing POD and proposed POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☐ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. **If no**, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, applicants should request to rent against the combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right combinations.

Rental applications are prioritized based on an applicant's place in the rental processing queue. In the event that two or more applicants have equal priority in the processing queue and are requesting to rent the same water rights, IDWR will consider rental rate information and assign water rights to the highest bidding applicant. In the case of lease/rental packages where a private rental rate has been agreed upon by the parties, the rental rate agreed upon by the parties should be entered in this column.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request			
Water Right / Combination Limits	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)	Rental Rate (\$/AF)
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	CFS	AF	AC	

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:
