WHEREAS, House Bill 547 passed and approved by the 2014 Legislature allocates $5 million annually through 2019 from the Cigarette Tax to the Idaho Water Resource Board’s Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide aquifer stabilization; and

WHEREAS, House Bill 677 passed and approved by the 2018 Legislature allocated $5 million in ongoing General Fund dollars to the IWRB’s Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization; and

WHEREAS, restructuring of the loan to the various ground water districts on the Eastern Snake Plain has resulted in $4 million being repaid to the Secondary Aquifer Fund; and

WHEREAS, the IWRB has the opportunity to utilize up to $2.068 million provided by the Idaho National Laboratory for aquifer monitoring in the Eastern Snake Plain Aquifer and the Big Lost Basin Aquifer over a three-year period; and

WHEREAS, un-allocated funds already in the Secondary Aquifer Fund will be carried forward into the Fiscal Year 2019 budget; and

WHEREAS, many aquifers across Idaho are declining or have existing or potential conjunctive administration water use conflicts, including the Eastern Snake Plain Aquifer, the Mountain Home Aquifer, the Wood River Valley Aquifer, the Big Lost Aquifer, the Raft River Aquifer, the Malad Valley Aquifer, the Treasure Valley Aquifer, the Rathdrum Prairie Aquifer, the Palouse Basin Aquifer, the Lewiston Plateau Aquifer, and others; and

WHEREAS, the State of Idaho relies on spring discharge from the Eastern Snake Plain Aquifer (ESPA) through the Thousand Springs to assist in meeting the minimum streamflow water rights at the Murphy Gage established under the Swan Falls Agreement; and

WHEREAS, the ESPA has been losing approximately 216,000 acre-feet annually from aquifer storage since the 1950’s resulting in declining ground water levels in the aquifer and declining spring flows from the aquifer; and
WHEREAS, during parts of 2013 and 2014 flows at the Murphy Gage approached the minimum
flow, and in 2015 flows at the Murphy Gage went below minimum flows; and

WHEREAS, the ESPA has also been experiencing conjunctive administration water use conflicts
over the past two decades that have the potential to significantly impact Idaho's economy; and

WHEREAS, on June 30, 2015 members of the Idaho Ground Water Appropriations entered into an
agreement with the Surface Water Coalition whereby the ground water users agreed to reduce their
consumptive use from the ESPA by 240,000 acre-feet annually and take other actions, and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 138
supporting this agreement; and

WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA
averaging 250,000 acre-feet annually; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136
directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed
recharge to the ESPA by December 31, 2024; and

WHEREAS, the ground water use reduction and managed recharge are together designed to
stabilize and then recover the ESPA; and

WHEREAS, a recent study commissioned by the IWRB predicts that approximately 160,000 to
283,000 new acre-feet of water supply may be needed to meet the DCMI needs of the growing Treasure
Valley population over the next 50 years; and

WHEREAS, in October 2017 the Board approved entering into an agreement with the U.S. Bureau
of Reclamation to complete the Boise River Storage Feasibility Study; and

WHEREAS, conjunctive administration water delivery calls have been made in the Big and Little
Wood River Basins against junior priority upstream ground water uses; and

WHEREAS, the Mountain Home aquifer is being over-drafted by about 30,000 acre-feet annually;

WHEREAS, the deep aquifer in the Palouse Basin has been declining for decades despite
aggressive conservation measures; and

WHEREAS, the Department of Water Resources recently enacted Ground Water Management
Areas in the Malad Valley Aquifer and the Lewiston Plateau Aquifer in response to declining ground water
levels in those aquifers; and
WHEREAS, ground water levels in many aquifers are inadequate to sustain a supply of water for surface and ground water irrigation, hydropower, municipal, industrial, and other uses, the curtailment of which would cause severe economic harm to Idaho's economy; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 137 which recognized that stabilizing and enhancing aquifer levels is in the public interest, and directs the IWRB to take actions in aquifers across the state to stabilize and enhance aquifer levels thereby maintaining water supply for consumptive and non-consumptive uses and minimizing harm to Idaho's economy arising from water supply shortages; and

WHEREAS, on April 30, 2018 the IWRB Finance Committee met in Boise, Idaho, and recommended the approval of a Fiscal Year 2019 Budget for the use of available funds in the Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization purposes; and

NOW THEREFORE BE IT RESOLVED that the IWRB adopts the Fiscal Year 2019 Budget for the continuously-appropriated Secondary Aquifer Planning, Management, and Implementation Fund as shown in Attachment A to this resolution.

BE IT FURTHER RESOLVED that the budget may be adjusted if necessary based on the actual amount of Cigarette Tax funds received, interest income received, amount received from the Idaho National laboratory, or the actual amount of carry-over from Fiscal Year 2018.

BE IT FURTHER RESOLVED that funds for budgeted ESPA managed recharge infrastructure shall be approved by the IWRB by resolution for each individual project in excess of $20,000, detailing the terms and conditions of approval, and must include conditions maintaining long-term access for recharge by the IWRB in any facilities owned by others.

BE IT FURTHER RESOLVED that expenditures for identified ESPA managed recharge operations, investigations and engineering for further ESPA managed recharge capacity development may proceed with no further approvals, however, the IWRB shall be kept apprised of such expenditures.

BE IT FURTHER RESOLVED that the Idaho National Laboratory funded monitoring and investigation work in the Eastern Snake Plain Aquifer and the Big Lost Basin Aquifer may proceed with no further approvals up to the total amount provided by the Idaho National Laboratory, however, the IWRB shall be kept apprised of such expenditures.

BE IT FURTHER RESOLVED that expenditures for the Treasure Valley Ground Water Model, the Boise River Storage Feasibility Study, and for Aquifer Monitoring Network Enhancements In Priority Aquifers, and Assistance with Federal Issues, and Administrative Expenses may proceed with no further approvals, however, the IWRB shall be kept apprised of such expenditures.

BE IT FURTHER RESOLVED that expenditures for the Cooperative Cloud Seeding Program and the Cloud Seeding Modeling Project may proceed with no further approvals, however, the IWRB shall be kept
apprised of such expenditures. Further, it is the IWRB's stated goal that both the state and the water users financially participate with Idaho Power in the Cooperative Cloud Seeding Program.

BE IT FURTHER RESOLVED that all other expenditures from the Secondary Aquifer Fund shall require an additional approval by the IWRB by resolution.

BE IT FURTHER RESOLVED that the IWRB may modify this budget during Fiscal Year 2019 at a properly noticed meeting of the IWRB.

DATED this 18th day of May, 2018

[Signature]
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
## ATTACHMENT A – Fiscal Year 2019 Secondary Aquifer Planning, Management, and Implementation Fund Budget

### Carry-Over From FY18
- General Fund (HB 677):
  - HB547 funds - receipt of Cigarette Tax proceeds: $5,000,000
  - IGWA Loan Repayment to the Secondary Fund: $4,000,000
  - DOE-INL SEP Funds ($2.068 M over 3 years): $690,000
  - Estimated interest: $250,000

**TOTAL:** $17,838,760

### BUDGET TRACKING

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<tr>
<th>Category</th>
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<td>Cooperative Cloud Seeding Program:</td>
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<td>RESERVE FOR WORK IN OTHER PRIORITY AREAS OR CARRY-FORWARD INTO FUTURE YEARS</td>
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<td>GRAND TOTAL</td>
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BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE BEAR LAKE WATER STORAGE

WHEREAS, the Bear River flows through the States of Idaho, Wyoming, and Utah. It begins in the Uinta mountain of Utah, meanders back and forth between Utah and Wyoming, before entering Idaho near Montpelier and finally flowing through Idaho to Utah before ending in the Great Salt Lake, and;

WHEREAS, the entire flow of the Bear River is diverted in Idaho at Stewart Dam into Mud Lake and Bear Lake. The water is subsequently returned to the Bear River’s natural channel, and;

WHEREAS, the Bear River is subject to an interstate Compact dated February 8, 1980 and codified by Idaho Code 42-3402 (“Bear River Compact”); and

WHEREAS, the Bear River Compact sets forth, among other things, allocation in the Lower Division as between Idaho and Utah for future water development, including ground water, and;

WHEREAS, under the Bear River Compact Idaho has the first right to the remaining water in the Lower Division resulting in an annual depletion of not more than 125,000 acre-feet, and Utah has the second right to the remaining water in the Lower Division resulting in an annual depletion of not more than 225,000 acre-feet, and;

WHEREAS, State Water Policy 5A provides: “Water use and management in the Bear River Basin shall conform to the allocations agreed to in the Bear River Compact.”, and;

WHEREAS, State Water Plan Policy 5B provides: “The Idaho Water Resource Board supports enhancing water supplies, increasing water use efficiency, and implementing water supply bank mechanisms to help meet future water needs in the Bear River Basin, and;

WHEREAS, State Water Plan Policy 5B further provides: “[T]he state should move forward with the development of Idaho’s depletion allocation as provided for in the Compact.”, and;

WHEREAS, pursuant to the designation of the Bear River Ground Water Management Area, a Management Plan for the Bear River Ground Water Management Area was prepared by a committee of local stakeholders and adopted by IDWR in 2003. Among other recommendations, the Management Plan states: “The advisory committee recommended preparation of a comprehensive state water plan for the Bear River Basin in Idaho. A water plan could recommend feasibility studies for new storage facilities and other water supply enhancements. Additional storage could facilitate development of the first 125,000 acre feet of
WHEREAS, the Idaho Water Resource Board ("IWRB") holds a minimum lake level from the bottom of Bear Lake to elevation 5902, and;

WHEREAS, Pacificorp owns the facilities used to store water in Bear Lake and operates the reservoir portion of Bear Lake between elevations 5902–5923.65 feet, and;

WHEREAS, Pacificorp entered into the July 2, 2004 Amended and Restated Bear Lake Settlement Agreement with various Idaho and Utah entities regarding irrigation water delivery, and;

WHEREAS, Pacificorp entered into the October 5, 1995 and April 18, 2000 Operation Agreement with Utah, Wyoming, and Idaho regarding operations of Bear Lake Reservoir, and;

WHEREAS, under normal conditions, Bear Lake operations by Pacificorp sets a March 31st lake level target elevation of 5918 feet, known as the PTE, which is set to maintain space in the lake for flood control during high runoff periods while meeting contract requirements for Bear Lake storage water; and

WHEREAS, there appears to be an opportunity to utilize the space in Bear Lake between elevation 5918 and 5923.65 to store water that is otherwise released from the lake or bypassed past the lake to maintain the March 31 target elevation of 5918; and

WHEREAS, the space in Bear Lake between elevations 5918 and 5923.65 is approximately 400,000 acre-feet; and

WHEREAS, the opportunity to store additional water in Bear Lake would assist both Idaho and Utah interests, and may assist both states with development of their respective compact entitlements; and

WHEREAS, it appears that the State of Utah, acting through its Division of Water Resources, has interest in being a joint applicant along with the Idaho Water Resource Board in any water right filing to store additional water in Bear Lake; and

WHEREAS, achieving the ability to store additional water in Bear Lake may entail some significant challenges, including acquiring or developing downstream flood conveyance capacity in the Gem Valley area, acquiring the ability to utilize inlet and outlet facilities owned by Pacificorp, re-negotiation of the April 18, 2000 Operations Agreement, and potentially other challenges; and

WHEREAS, on March 23, 2018 the IWRB passed a resolution authorizing the filing of a water right application to store additional water in Bear Lake in cooperation with the State of Utah, and the water right application was filed the same day; and
WHEREAS, there are expenses associated with proceeding with this Bear Lake effort, including working with Utah on modeling studies, potentially acquiring flood easements in the Gentile Valley, and others; and

NOW, THEREFORE BE IT RESOLVED that the Idaho Water Resource Board hereby authorized the expenditure of up to $100,000 from the Revolving Development Account for participating in modeling studies with the State of Utah which also may entail retaining consultants to help carry out the work.

NOW THEREFORE BE IT FURTHER RESOLVED that because the work to be performed is still somewhat undefined, all expenditures shall require the direction of the Chairman of the Idaho Water Resource Board.

DATED this 18th day of May, 2018.

ATTEST: ROGER CHASE, Chairman

VINCE ALBERDI, Secretary
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF FLOOD MANAGEMENT GRANTS

WHEREAS, House Bill 712 passed and approved by the 2018 legislature transferred $1,000,000 from the General Fund to the Water Management Fund creating a Flood Management Grant Program administered by the Idaho Water Resources Board (IWRB) to be used for the purpose of flood-damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention projects; and

WHEREAS, House Bill 712 allows for the award of grants larger than $50,000 for the Flood Management Program, at the discretion of the IWRB; and

WHEREAS, House Bill 712 directs the IWRB to require the availability of fifty percent (50%) matching funds for all projects to be considered under the grant program; and

WHEREAS, House Bill 712 directs the IWRB to prioritize projects on a competitive statewide basis; and

WHEREAS, on April 30, 2018 the IWRB Finance Committee discussed criteria and recommended staff update the criteria for consideration at the May 17 and 18 IWRB meeting; and

WHEREAS, the IWRB intends to allocate these funds no later than July 30th; and

NOW, THEREFORE BE IT RESOLVED that the IWRB adopts the criteria attached hereto in Attachment A for the award of Flood Management Grants and directs staff to issue a statewide solicitation for Flood Management projects.

DATED this 18th day of May 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF APPLICATION )
FOR STREAM CHANNEL ALTERATION ) RESOLUTION
PERMIT NO. S01-20253 )

WHEREAS, on February 12, 2018, the Idaho Department of Water Resources ("IDWR")
received Joint Application for Permits No. S01-20253 ("Application") filed by David Shackleton
(“Shackleton”) for a stream channel alteration permit to suction dredge mine within Iowa Creek
from July 10, 2018, to August 10, 2018; and

WHEREAS, on April 9th and 10th, 2018, IDWR sent letters to Shackleton denying his
request to operate recreational mining equipment within Iowa Creek from July 10, 2018, to
August 10, 2018; and

WHEREAS, Shackleton requested in writing within fifteen days after service of
IDWR’s letters a hearing before the Idaho Water Resource Board (“IWRB”) on IDWR’s denial of
Shackleton’s request to operate recreational mining equipment within Iowa Creek from July 10,
2018, to August 10, 2018; and

WHEREAS, it is necessary for the IWRB to appoint a hearing officer to preside over the
hearing requested by Shackleton and issue a recommended order in accordance with Idaho Code
§§ 67-5243(1)(a) and 67-5248;

NOW THEREFORE BE IT RESOLVED, the IWRB hereby appoints James Cefalo,
Water Resources Program Manager, IDWR Eastern Region, as the hearing officer in the above-
captioned proceedings.

Adopted this 18th day of May 2018.

ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: VINCE ALBERDI, Secretary

Resolution for Shackleton Hearing Officer Appointment – Page 1
WHEREAS, House Bill 547 passed and approved by the 2014 Legislature allocates up to $5 million annually from the Cigarette Tax to the Idaho Water Resource Board’s (IWRB) Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide aquifer stabilization; and

WHEREAS, Senate Bill 1175 passed and approved by the 2017 Legislature allocated $5 million in ongoing General Fund dollars to the IWRB’s Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization; and

WHEREAS, the State of Idaho relies on spring discharge from the Eastern Snake Plain Aquifer (ESPA) through the Thousand Springs to assist in the meeting minimum streamflow water rights at the Murphy Gage established under Swan Falls Agreement; and

WHEREAS, the ESPA has been losing approximately 216,000 acre-feet annually from aquifer storage since the 1950’s resulting in declining groundwater levels in the aquifer and declining spring flows from the aquifer; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024; and

WHEREAS, on May 19, 2017, the IWRB adopted the Secondary Aquifer Fund Fiscal Year 2018 Budget, which included $2,500,000 in ESPA Recharge Operations for Conveyance Cost to recharge excess water in the ESPA; and

WHEREAS, the 2017/2018 recharge season started on August 30, 2017 and will have recharged over 500,000 acre-feet of water by the end of the recharge season;

NOW THEREFORE IT BE RESOLVED that the IWRB increases the ESPA Recharge Operations Conveyance Cost for the Fiscal Year 2018 Budget to $4,700,000.

DATED this 18th day of May, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

VINCE ALBERDI, Secretary
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF BIG TIMBER CREEK 2018-2037 WATER TRANSACTION CONTRACT

WHEREAS, Chinook salmon and steelhead habitat in the Lemhi River basin is limited by seasonally disconnected tributaries; and

WHEREAS, Big Timber Creek provides steelhead and juvenile Chinook salmon habitat and the 2004 Snake River Water Rights ("Nez Perce") Agreement commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment stream flows; and

WHEREAS, it is in the interest of the State of Idaho to reconnect Lemhi River tributaries to encourage recovery of ESA-listed Chinook salmon and steelhead fish; and

WHEREAS, the Idaho Water Resource Board (IWRB) is authorized to expend Bonneville Power Administration funds for flow restoration through the Columbia Basin Water Transaction Program and the Idaho Fish Accord Water Transaction Fund; and

WHEREAS, IWRB staff has developed a twenty-year agreement not to divert water from Big Timber Creek to maintain an additional 1.38 cfs to increase stream flow for anadromous and resident fish; and

WHEREAS, the water user has changed the point of diversion to pump from the Lemhi River and the funds paid under the agreement will approximate the power expenses incurred, over a 20-year period, by changing the points of diversion; and

WHEREAS, funds are available from the Bonneville Power Administration through the Idaho Fish Accord Idaho Water Transaction Fund; and

WHEREAS, IWRB staff anticipates the funds being placed into the Idaho Water Resource Board (IWRB) Revolving Development Account for annual payment to the water right owners; and

WHEREAS, the Big Timber Creek transaction is in the public interest and is consistent with the State Water Plan; and

NOW, THEREFORE BE IT RESOLVED that the Board authorizes the Chairman, or his assigns, to enter into a contract with Leadore Land Partners or subsequent owners for an agreement not to divert out of Big Timber Creek in the amount of one hundred seventeen thousand, nine hundred thirty-seven dollars ($117,937.00).

NOW, THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the IWRB receives the requested funding from the Bonneville Power Administration through the Idaho...
Water Transaction Program in the amount of one hundred seventeen thousand, nine hundred thirty-seven dollars ($117,937.00).

DATED this 18th day of May, 2018.

[Signature]
ROGER W. CHASE, Chairman
Idaho Water Resource Board

[Signature]
VINCE ALBERDI, Secretary
WHEREAS, Chinook salmon and steelhead habitat in the Lemhi River basin is limited by low flow and seasonally disconnected tributaries; and

WHEREAS, Bohannon Creek provides steelhead and juvenile Chinook salmon habitat and the 2004 Snake River Water Rights ("Nez Perce") Agreement commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment stream flows; and

WHEREAS, it is in the interest of the State of Idaho to reconnect Lemhi River tributaries to encourage recovery of ESA-listed Chinook salmon and steelhead fish; and

WHEREAS, the Idaho Water Resource Board (IWRB) is authorized to expend Bonneville Power Administration funds for flow restoration through the Columbia Basin Water Transaction Program and the Idaho Fish Accord Water Transaction Fund; and

WHEREAS, the Bohannon Creek-3 diversion can dewater the lower reach of Bohannon Creek and impair the spawning and rearing of ESA-listed steelhead and Chinook salmon; and

WHEREAS, IWRB staff has developed twenty-year agreements not to divert water with two water users on the Bohannon Creek-3 diversion to maintain full season connectivity and increase stream flow for anadromous and resident fish; and

WHEREAS, the water users have changed their point of diversion to pump from the Lemhi River and the funds paid under the agreement will approximate the power expenses incurred, over a 20-year period, by changing the points of diversion; and

WHEREAS, funds are available from the Bonneville Power Administration through the Idaho Fish Accord Idaho Water Transaction Fund and the Columbia Basin Water Transaction Program fund; and

WHEREAS, IWRB staff anticipates the funds being placed into the IWRB Revolving Development Account for annual payment to the water right owners; and

WHEREAS, the Bohannon Creek transaction is in the public interest and is consistent with the State Water Plan; and

NOW, THEREFORE BE IT RESOLVED that the Board authorizes the Chairman, or his assigns, to enter into contracts with E. Dale Jolley and Betty W. Stokes and/or their heirs or subsequent owners for agreements not to divert out of Bohannon Creek in the amount of one million, three hundred seventy thousand, three hundred seventy dollars ($1,370,370.00).
NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the IWRB receives the requested funding from the Bonneville Power Administration through the Idaho Water Transaction Program in the amount of one million, three hundred seventy thousand, three hundred seventy dollars ($1,370,370.00).

DATED this 18th day of May, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

VINCE ALBERDI, Secretary
WHEREAS, the State of Idaho owns the Priest Lake Dam (dam) which was constructed in 1950
and reconstructed in 1978 as an outlet control structure to maintain lake levels in the Priest River in
accordance with Idaho Code §70-507; and

WHEREAS, Senate Bill 1261 passed and approved by the 2018 Legislature updated Idaho Code
§70-507 to 1) clarify that management of the state-owned dam on Priest Lake at Outlet Bay is under the
jurisdiction of the Idaho Water Resource Board, and 2) to allow for flexibility of the management of the
lake level to a range between 3 feet and 3.5 feet on the USGS Priest Lake Outlet gage (located upstream
of the dam) after run-off of the winter snowpack until the close of the main recreational season; and

WHEREAS, as a result of drought conditions in northern Idaho in 2015 and 2016, it was difficult
to maintain required pool levels and downstream flow in the Priest River during the recreational season;
and,

WHEREAS, the Priest Lake, Upper Priest Lake and Priest River are significant draws for tourism
and recreation, and are highly valued environmental and economic assets for Bonner County and the
State of Idaho; and

WHEREAS, in 2016 the Idaho Water Resource Board (IWRB) authorized the expenditure of up to
$300,000 from the Revolving Development Account to complete the Priest Lake Water Management
Study (study) to evaluate strategies to meet long-term water management objectives for the Priest Lake
and Priest River system; and

WHEREAS, the study has been completed and recommended temporarily raising surface level 3
to 6 inches during the recreation season of dry years and integrating real time streamflow data to allow
more flexibility; and

WHEREAS, the study also recommended making outlet dam structural and operational
improvements; and

WHEREAS, the study also recommended replacing the current existing porous breakwater with a
sediment retention feature and dredging of the Thorofare; and

WHEREAS, the estimated cost for these recommended improvements is approximately $5
million; and

WHEREAS, in November 2017 the IWRB accepted and endorsed the recommendations in the
Priest Lake Study and recommended proceeding with the project if and when funding becomes
available.
WHEREAS, House Bill 677 passed and approved by the 2018 Legislature included 1) a $2.4 million transfer from the General Fund to the Revolving Development Account, and 2) a redirect of $2,419,600 in the Revolving Development from the Conservation Reserve Enhancement Program (CREP) to be used for the Priest Lake Water Management Project; and

WHEREAS, Mott MacDonald has been selected, through a competitive process, to assist the IWRB with this project; and

NOW, THEREFORE, BE IT RESOLVED that the IWRB authorizes the expenditure of funds not to exceed $600,000 from the Revolving Development Account for the Engineering and Design phase of the Priest Lake Water Management Project, which includes preliminary engineering, regulatory permitting, final engineering, and public/stakeholder support; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the IWRB authorizes its chairman or designee to execute the necessary agreements or contracts to complete the Engineering and Design phase of the Priest Lake Water Management Project.

DATED this 18th day of May, 2018

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
WHEREAS, natural origin Chinook salmon, steelhead, and bull trout habitat in the Middle Fork Salmon River basin is impacted by flow-limited tributaries; and

WHEREAS, Knapp Creek, tributary to Marsh Creek, has been identified as a high priority stream for flow restoration efforts, to provide high quality spawning and rearing habitat for natural origin anadromous Chinook salmon, steelhead, and resident bull trout, and

WHEREAS, it is in the interest of the State of Idaho to increase flow in Knapp Creek to encourage recovery of ESA-listed Chinook salmon, steelhead, and bull trout fish; and

WHEREAS, Water Right No. 77-4207 has been historically diverted from Knapp Creek for irrigation purposes; and

WHEREAS, the Idaho Water Resource Board (IWRB), pursuant to Section 42-1734, Idaho Code, has the authority to acquire, purchase, lease, or exchange land, rights, water rights, easements, franchises, and other property deemed necessary or proper for the construction, operation, and maintenance of water projects; and

WHEREAS, the Water Right owner desires to sell to IWRB all their legal interests in Water Right No. 77-4207 appurtenant to 159 acres, so that the water may remain in Knapp Creek to enhance fish habitat; and

WHEREAS, upon acquisition, Water Right No. 77-4207 may be leased into the Idaho Water Supply Bank and rented out through the Idaho Water Supply Bank for permanent delivery to minimum stream flow Water Right No. 77-14210 on Marsh Creek; and

WHEREAS, funds are available from the Pacific Coast Salmon Recovery Fund (PCSRF) for a purchase of the water right; and

WHEREAS, the Knapp Creek transaction is in the public interest and is consistent with the State Water Plan; and

NOW, THEREFORE BE IT RESOLVED that the IWRB hereby agrees to purchase the assignment of Water Right 77-4207 for seven hundred seventy-five thousand, three hundred twenty-two dollars ($775,322.00) contingent upon the IWRB and the Water Right Owner executing a written agreement governing the rights and responsibilities of the parties resulting from the assignment of the water right.
NOW, THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that
the IWRB receives the requested funding from the PCSRF in an amount of seven hundred seventy-five
thousand, three hundred twenty-two dollars ($775,322.00).

DATED this 18th day of May, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary