BIG WOOD RIVER GROUND WATER MANAGEMENT AREA ADVISORY COMMITTEE GROUNDWATER MANAGEMENT PLAN TERM SHEET – 01/18/2022

TERM SHEET PARTIES

The Big Wood River Ground Water Management Area (BWRGWMA) Advisory Committee members represent the following parties who are signatories to this Term Sheet Agreement (Term Sheet): Big Wood and Little Wood Water Users Association (BWLWWUA), Big Wood Canal Company (BWCC), South Valley Ground Water District (SVGWD), Galena Ground Water District (GGWD), Sun Valley Company (SVC), City of Hailey, and Water District 37B Ground Water Association (WD37B GWA). Additional signatories to this agreement include the City of Bellevue, City of Ketchum, and Sun Valley Water and Sewer District (SVWSD). The Cities of Bellevue, Ketchum, and Hailey are collectively referred to in this document as the Cities. SVGWD and GGWD are collectively referred to in this document as the GWDs.

The Cities, SVWSD, SVC, BWLWWUA, and BWCC entered into a separate term sheet (Cities-SVWSD-SVC Term Sheet) attached hereto as <u>Appendix A</u> and incorporated herein by reference. Portions of the Cities-SVWSD-SVC Term Sheet are summarized in the text of this broader Term Sheet. In the event of a conflict between the Cities-SVWSD-SVC Term Sheet and this Term Sheet, the terms of the Cities-SVWSD-SVC Term Sheet shall apply with respect to the parties thereto.

TERM SHEET PURPOSE

The Director of Idaho Department of Water Resources (IDWR) may approve a groundwater management area management plan to manage the effects of groundwater withdrawals on the aquifers from which the withdrawals are made and any other hydraulically connected sources of water. *Idaho Code § 42-233b*.

The purposes of the management and mitigation actions described in this Term Sheet are to: inform the development of a groundwater management plan pursuant to Idaho Code § 42-233b, support the delivery of water to senior surface water rights, support stream health, and improve and maintain aquifer health. The BWRGWMA Advisory Committee members agree that the water management actions and terms described herein shall be included in a Draft BWRGWMA Groundwater Management Plan (Management Plan) that shall be presented to the Director of IDWR.

TERM SHEET ITEMS

1. BASELINE MITIGATION ACTIONS

Groundwater users will accomplish the following actions every year regardless of the water supply conditions in the BWRGWMA.

A. Fallowed Acres within Ground Water Districts

A fallowed acre means an acre of land that has been irrigated using valid groundwater rights that will no longer be irrigated from either a groundwater or surface water source. The

GWDs will fallow irrigated acres each year to achieve an annual or baseline level of reduction in groundwater consumptive use. Baseline fallowed acres may have water rights from a groundwater source only, or from both groundwater and surface water sources (mixed sources). Surface water sources may include the Big Wood River and tributaries, Silver Creek and tributaries, or springs tributary to those sources.

The GWDs will fallow acres as follows:

- 1. At least 1,500 acres/yr. within SVGWD.
- 2. Up to 500 acres/yr. within GGWD.
 - a. Fallow at least 200 acres starting year one and increase up to 500 acres by year three.

3. Conditions for Fallowed Acres:

- a. Surface water rights from the Big Wood River and tributaries appurtenant to fallowed acres may be changed from irrigation use to managed aquifer recharge, subject to review and approval by IDWR. Surface water irrigation rights changed to recharge may continue to be diverted to canals or ditches and re-diverted to recharge pits to maintain incidental recharge under the same water rights. Surface water rights must be in priority when used for recharge.
- b. Surface water rights from Silver Creek and tributaries appurtenant to fallowed acres may be left in the natural stream channel and changed from irrigation use to mitigation by non-use, subject to review and approval by IDWR.
- c. Location of fallowed acres may change from year to year during the first one to three years. Fallowed acres shall be identified by the end of year three (2024) and stabilized through the Conservation Reserve Enhancement Program (CREP) or other long-term agreement.
- d. The GWDs shall identify the number and location of acres to be fallowed during each of the first three years, along with identification of appurtenant groundwater and surface water rights, to IDWR by April 25.

B. Groundwater Irrigation Season of Use Limits

- 1. Groundwater users will not irrigate before May 1 or after September 15.
 - a. Exception: Sept. 30 turn-off for specific circumstances, contingent on use being within individual groundwater user's reduction targets¹. Examples of specific circumstances may include potato crops, pasture, or landscape nurseries.

¹ Individual GWD water users will have assigned irrigation season pumping targets depending on forecasted water supply and recommended consumptive use reductions. For example, a user assigned a reduced seasonal pumping target of 200 AF who pumped only 175 AF by September 15, may pump up to 25 AF by September 30.

C. Conservation, Infrastructure and Efficiency Fund (CIEF)

- 1. The Cities', SVWSD's, and SVC's contributions to the CIEF are expressed in the Cities-SVSWD-SVC Term Sheet, attached hereto as Appendix A.
- 2. Each year other non-irrigation groundwater users who participate in the Management Plan shall contribute to the CIEF:
 - a. \$10/AF of groundwater users' withdrawals (using a five-year rolling average of prior annual non-irrigation groundwater diversions).
 - b. Funds will be used primarily for infrastructure improvements and other permanent measures that improve the efficiency of delivering senior water rights, protect groundwater levels, or increase surface water flows, and for purchasing storage water.
- 3. Each year WD37B GWA shall contribute \$10,000 to the CIEF.
- 4. CIEF funding decisions shall be approved by the CIEF Committee (CIEF Committee), which shall be comprised of an equal number of surface water right holders and groundwater right holders in Water Districts 37 and 37B who are elected/appointed in accordance with CIEF Committee bylaws, plus one representative of the Idaho Water Resources Board (IWRB).
- 5. CIEF Funds will be administered/held by the Wood River Resource Conservation and Development Council (WRRCD).
- 6. The CIEF Committee shall report on the following items to the BWRGWMA Advisory Committee, IDWR, and the IWRB by December 1 of each year: CIEF contributions and expenditures, CIEF Committee decisions, and the results of any actions taken by the CIEF Committee.
- 7. The CIEF Committee will investigate and engage in potential cost share opportunities as appropriate, including without limitation:
 - a. Potential State and Federal cost share.
 - b. Potential cost share through grants with assistance from NGOs.
 - c. Other cost share partners including water delivery entities, NGOs, etc.

D. Snake River Storage Delivery

Groundwater users will annually acquire and deliver storage water from the Snake River to the BWLWWUA, as set forth below.

Storage water from the Snake River will be delivered via the Milner-Gooding Canal and injected to 1) Little Wood River for re-diversion from the Little Wood River by BWLWWUA members holding senior priority water rights from the Little Wood River, and 2) to laterals within AFRD2 for re-diversion by BWLWWUA members holding senior priority water rights from the Big Wood River.

Delivery may occur during the irrigation season between May 1 and September 30 subject to Water District 01 Snake River storage water allocation procedures and available delivery capacity in the Milner Gooding Canal.

The amount of storage delivery is as follows:

1. Little Wood River

- a) 1,500 AF/yr. storage delivery (1,755 AF/yr. total with 17% conveyance loss)
 - i. Paid by the GGWD.
 - ii. The GGWD can market unused storage water after September 30.

2. Big Wood River

- a) 913 AF/yr. storage delivery (1,100 AF/yr. total with 17% conveyance loss)
 - i. Storage water will be acquired by GGWD and paid by the CIEF (see item 1.C.)
 - ii. Unused storage water can be marketed after September 30.
 - a. Proceeds of any unused storage water purchased through the CIEF that is marketed at the end of the irrigation season shall return to the CIEF.

3. Accounting of Storage Water Delivery

 a) Water District 37 shall report annual storage water deliveries to the BWRGWMA Advisory Committee, IDWR, and IWRB each year by December 1. The report shall show the amount of water delivered to each user and the locations of delivery.

E. Stream Flow Target

A goal of the Management Plan is to maintain a 32 cfs four-day moving average streamflow target from May 1 through September 30 at Station 10, Little Wood River near Richfield. This flow target is intended to support delivery of senior surface water rights and both stream and aquifer health. Importantly, the target allows for consumptive use of groundwater within the forecasted water supply tiers shown in Table 1, provided that the 32 cfs four-day moving average streamflow target is met. The target may be achieved by implementing actions described in items 1.A and 1.B above, and item 2. below. If the stream flow target is not met, additional consumptive use reductions beyond those identified in Item 2 or other mitigation actions will be required.

Management and mitigation actions to support stream flows may include:

- Fallowing to reduce groundwater consumptive use based on April 1 Hailey KAF
- Partial season self-curtailment of groundwater consumptive use based on April 1 and/or June 1 Hailey KAF
- Partial season self-curtailment based on inadequate stream flows
- Partial or full-season water right transfers to supplement inadequate stream flows
- Partial or full-season non-diversion of in-priority surface water rights to supplement inadequate stream flows

The four-day moving average flow at Station 10 may drop below the 32 cfs target in extremely dry years due to lack of natural water supply and other compounding factors outside the control of the groundwater users. During these dry conditions, maintaining adequate stream flows are critical to prevent damage to the stream and injury to senior water rights. In such years, groundwater users shall apply the mitigation actions described in this Term Sheet to achieve the 32 cfs target flow at Station 10. If application of the mitigation actions does not sustain the target flow, all users agree to cooperate to minimize lasting environmental damage by keeping as much water in the stream as possible.

Occurrences of flows less than 32 cfs at Station 10 after applying the management and mitigation actions described in this Term Sheet will trigger review of the analytic tools that predict allowable consumptive use of groundwater, with potential for modification of the tools and decision thresholds within the Management Plan to ensure more reliable flows in following years.

Actions to consider after each year during the first three-year period to maintain the stream flow target may include:

- Additional early season consumptive use reductions
- Changes in location or timing of partial season consumptive use reductions
- Management changes in use of upstream senior rights for short-term augmentation of flows at station 10.

The GWDs will submit a year-end report to IDWR by December 1 summarizing actions taken to maintain the stream flow target. Water District 37 will annually report surface water and groundwater deliveries as required by law.

F. Cloud Seeding

The Cities, SVWSD, and SVC will annually contribute \$3.60/AF of their respective five-year rolling average of prior annual non-irrigation groundwater diversions to cloud seeding projects undertaken by Idaho Power that directly benefit the Big Wood River Basin. These funds, payable to the WRRCD, will be used only for specific cloud seeding projects approved by the CIEF Committee as discussed in Item 3 of the Cities-SVWSD-SVC Term Sheet, and in consultation with Idaho Power and IDWR.

2. ADDITIONAL MITIGATION ACTIONS IN DRY YEARS

The BWRGWMA Advisory Committee, with support from IDWR, will review the predicted or forecasted flow volume (April-September) for the Big Wood River gage station at Hailey (Hailey) as published by the Natural Resources Conservation Service (NRCS) and the Northwest River

Forecast Center (NWRFC)². If the average of the NRCS and NWRFC forecasted flow volume at Hailey is above 210 KAF, the water supply is deemed adequate, and no additional mitigation actions are necessary. In years where the forecasted flow volume is at or below 210 KAF, the GWDs will take additional management actions in accordance with the recommended forecasted water supply tiers shown in Table 1.

Table 1: Recommended forecasted water supply tiers and additional management actions

	Avg. of	Recommended	Mandatory
	Apr-Sep	Additional GWCU	Additional Storage
	Volume	Reduction (AF)	Water Delivery (AF)
Irrigation Season	Forecasts	Based on April 1	Based on June 1
Water Supply	(KAF)	Forecast	Forecast
Adequate	> 210	=	-
Dry	155 – 210	1,275	650
Very Dry	100 – 155	11,260	1,300
Extremely Dry	< 100	17,016	1,300

¹ Volume shown is limited to amount of delivery. Volume purchased must include additional 17% for conveyance loss (761 AF or 1,521 AF).

Actions taken when the forecast is less than 210 KAF at Hailey include:

A. Groundwater Consumptive Use Reductions within GWDs

- 1. Using the Table 1 forecasted water supply tiers as a guide, the GWDs will implement additional, incremental groundwater consumptive use reductions through voluntary cuts in groundwater pumping. The GWCU reductions should be based on the average of NRCS and NWRFC April 1 forecasts at Hailey.
- 2. The GWDs shall annually report groundwater use reductions, when required, to IDWR by December 1. Reporting should be coordinated with and verified by the Water District 37 watermaster.

B. Additional Snake River Storage Delivery

1. Additional Snake River storage water, up to 1,300 AF/yr. maximum (1,521 AF/yr. with 17% conveyance loss), shall be delivered to BWLWWUA members holding senior priority water rights from the Little Wood River (water injected to Little Wood River via Milner Gooding Canal and re-diverted from the Little Wood River by individual BWWLWUA members). The additional storage water delivery shall be based on the average of NRCS and NWRFC June 1 forecasts at Hailey³.

² The BWRGWMA Technical Working Group (TWG) recommends using the mean of the NRCS SWSI and NWRFC published forecasts for decision making in year 1 and until the WRWC model has been finalized. See "Response to Request for Information from the BWRGWMA Advisory Committee – Prepared by the TWG, November 24, 2021."

³ On or after June 1, the volume forecast shall be the sum of the mean of the June-September 50% exceedance forecasts and the measured April-May discharge at the Hailey gage. If the sum, for example, is between 155 and 210 KAF, an additional 650 AF of storage water shall be delivered. If the sum is 155 KAF or less, an additional 1,300 AF of storage shall be delivered.

- 2. The additional Snake River storage water may be paid through the CIEF.
- 3. The additional Snake River storage water delivery may occur during the irrigation season between June 1 and September 30 subject to Water District 01 Snake River storage water allocation procedures and available delivery capacity in the Milner Gooding Canal.
- 4. Additional storage water delivery shall be reported to the BWRGWMA Advisory Committee, IDWR and IWRB each year by December 1, consistent with the requirements stated in Item 1.D.3. of this Term Sheet.

3. TERM AND ADAPTIVE GROUNDWATER MANAGEMENT PLANNING MEASURES

- A. This Term Sheet, and the term of the Management Plan if approved by the Director is three (3) years and automatically expires through no further action of the parties on December 31, 2024.
- B. Additional mitigation actions or measures, as determined by the parties, shall be implemented to meet the targets and purposes of the Term Sheet and approved Management Plan.
- C. The parties can discuss and mutually agree upon amendments to an approved Management Plan subject to approval by IDWR. Approved amendments may be implemented from year to year during the three-year term of the Management Plan.
- D. The Term Sheet is the result of compromise among the parties. An approved Management Plan, based in part on this Term Sheet, may be extended or modified by written consent of all the parties and with approval by the Director of IDWR. For example, adjustments to the projected tiered groundwater consumptive use reductions may be possible following the first season of additional data.
- E. This Term Sheet and an approved Management Plan establishes management practices for a three-year period. By assenting to the terms and conditions of this Term Sheet, the parties stipulate that the targets and purposes of this Term Sheet and an approved Management Plan are not binding on any party after the end of the three-year term.
- F. Nothing in this Management Plan shall be considered to moot the pending appeal, as a ruling from the court on appropriate and legally authorized management procedures is important to the Department and all parties for continued management of water rights in Basin37.

4. OTHER ACTIONS

- A. The parties agree to petition IDWR to issue a moratorium order specific to the BWRGWMA.
- B. The parties agree to support IDWR in initiating a computerized water right accounting program for the Big Wood River and the Little Wood River/Silver Creek systems to quickly compute natural flow and storage water available for delivery during the irrigation season, similar to accounting programs used in other river basins of the state, including for example the Upper Snake River and Boise River Basins.
- C. The parties agree to petition IDWR and the Idaho Water Resources Board (IWRB) to conduct a Camas Prairie aquifer study and to establish a Technical Advisory Committee to advise the development and completion of the study.
- D. The parties agree to petition IDWR to update the Wood River Valley Groundwater Flow Model before the end of the three-year management period so that the updated model can be used to evaluate the current measures.
- E. The parties agree to evaluate a new flow gage at Susie Q Bridge and make recommendations to IDWR based on the evaluation.
- F. The parties agree to petition IDWR and the Idaho Department of Fish and Game to remove beaver dams and relocate beavers on Silver Creek and Little Wood River below Sportsman's Access gage on Silver Creek, and down to Station 10 and Station 54 gages on the Little Wood River.
- G. The parties agree to petition the IWRB for funding contributions to the CIEF.
- H. The parties agree to collaborate with IDWR, the United States Geological Survey, Water Districts 37 and 37B, the Wood River Collaborative, or other entities to share, maintain and improve groundwater and surface water monitoring networks to supply accurate, representative data in support of existing or new hydrologic models or studies, and management of water resources within IDWR Administrative Basin 37.

5. SAFE HARBOR

A Management Plan, if approved by the Director of IDWR, establishes "safe harbor" from curtailment to participating groundwater users who are parties to this Term Sheet either individually or through a GWD or Association, and who implement their respective obligations as described in an approved Management Plan.

6. NON-PARTICIPANTS

This Term Sheet and subsequent Management Plan does not mitigate for the groundwater pumping impacts of any groundwater users not participating in the plan and it does not protect non-participant groundwater users from curtailment under any IDWR administrative process.

7. PERFORMANCE

All items identified in this Term Sheet shall be included in a final Draft Management Plan that is submitted to the Director of IDWR.

The director, upon determination that the groundwater supply is insufficient to meet the demands of water rights within all or portions of a water management area, shall order those water right holders on a time priority basis, within the area determined by the director, to cease or reduce withdrawal of water until such time as the director determines there is sufficient groundwater. Water right holders participating in the approved groundwater management plan shall not be subject to administration on a time priority basis so long as they are in compliance with the groundwater management plan. *Idaho Code* § 42-233b.

BIG WOOD CANAL COMPANY

Carl Pendleton

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Board Chair, Big Wood Canal Co

BIG WOOD AND LITTLE WOOD WATER USERS' ASSOCIATION (BWLWWUA)

Cooper Brossy Date

Cooper Brossy

Representative, BWLWWUA

GALENA GROUND WATER DISTRICT

Pat McMahon

Date

1/18/22

Board Chair, Galena Ground Water District

SOUTH VALLEY GROUND WATER DISTRICT

Kristy Molyneux

Date

Board Chair, South Valley Ground Water District

SUN VALLEY COMPANY

Corey Allen

Date

01/25/2022

Sun Valley Co. Representative

WATER DISTRICT 37B GROUND WATER ASSOCIATION

William "Rill" Simon Date William "Bill" Simon

Representative

2/15/2022

Date

Michael P. Lawrence, Attorney for City of Hailey

Print Name and Title

CITY OF BELLEVUE	
	Date

Print Name and Title

Date

Print Name and Title

CITY OF KETCHUM

SUN VALLEY WATER AND SEWER DISTRICT

Jim Loyd

Chair, Sun Valley Water & Sewer District

APPENDIX A

CITIES/SVWSD/SVC TERM SHEET RE: BIG WOOD RIVER GWMA MANAGEMENT PLAN

This term sheet describes participation in a management plan for the Big Wood River Ground Water Management Area ("GMWA") by the Cities of Bellevue, Hailey, and Ketchum (collectively, the "Cities"), Sun Valley Water & Sewer District ("SVWSD"), and Sun Valley Company ("SVC") for a term of three years, upon which the plan shall be reevaluated by the parties. For purposes of Paragraph 10 below, the parties ("Parties") to this term sheet are Cities, SVWSD, SVC, Big Wood Canal Company ("BWCC"), and the Big Wood and Little Wood Waters Users Association ("BWLWWUA"). This term sheet shall be part of a GWMA Management Plan ("GWMA Plan") for Basin 37 and is not effective unless a GWMA Plan is adopted by the Director of IDWR. The Cities, SVWSD, and SVC do not waive any claims or defenses with respect to their respective water rights or water uses or their potential groundwater pumping impacts on surface waters.

This term sheet addresses the Cities', SVWSD's, and SVC's contributions to the GWMA Plan only for the Cities' and SVWSD's municipal water rights and SVC's commercial water right for snowmaking at River Run. A list of these water rights is included as Attachment 1. The Cities of Hailey and Ketchum are members of the Galena Ground Water District with respect to their irrigation water rights, and their irrigation under those rights would be addressed in any GWMA Plan applicable to Galena Ground Water District. Pursuant to Idaho Code Section 42-233b, the Cities', SVWSD's, and SVC's non-irrigation water rights will not be subject to administration on a time priority basis so long as the Cities, SVWSD, and SVC are in compliance with an approved groundwater management plan.

Aside from naturally occurring low snowpack and low runoff events, surface water diversions and agricultural irrigation groundwater pumping are the largest contributors to streamflow reductions in the Big Wood River, Silver Creek, and the Little Wood River. The Cities', SVWSD's, and SVC's pumping under their respective non-irrigation groundwater rights represents a small fraction of total groundwater pumping in the GWMA according to the Wood River Valley Groundwater Flow Model v. 1.1. These figures are summarized in Table 1 below:

			Table 1
Area/Entity	2016-2021 Average Annual GW Pumping (Acre Feet)	% of GWMA Model Domain	Source
Total GWMA Pumping (1	,		
WRV1.1 Model Area	47,525		Irr season GW CU / on-farm efficiency + Nov-Mar pumping
Non-Irrigation Pumping	by SVC, Cities, an	nd SVWSD (20	016-2020)
Sun Valley Company	270.82	0.6%	WMIS No. 1000705
City of Bellevue	377.43	0.8%	WMIS Nos. 1000846, 1000847

City of Ketchum	3137.36	6.8%	WMIS Nos. 1000862, 1000863, 1000864, 1000865, 1000901, 1003175
City of Hailey	1606.62	3.4%	WMIS Nos. 1000850, 1000852, 1001308, 1001309, 1001310, 1001311
SVWSD	3101.22	6.5%	WMIS Nos. 1000868, 1000869, 1000870, 1000871, 1000872, 1000873, 1000874, 1000875, 1000883, 1001247, 1001267, 1001268, 1001346
Total	8493.45	17.9%	

After discussions with BWCC and BWLWWUA, there is consensus that there are few opportunities available at this time for the Cities, SVWSD, and SVC to mitigate their groundwater pumping impacts to the Big Wood River. The Cities, SVWSD, and SVC agree that limiting or reducing their groundwater diversions (and consumptive use) should be promoted to the extent practicable. After consultation with BWCC and BWLWWUA, the Cities, SVWSD, and SVC will participate in a GWMA Plan as follows:

- 1. Starting in 2022, and every year thereafter, by January 31 for the threeyear term of the GWMA Plan approved by the Director of IDWR, the Cities, SVWSD, and SVC each will contribute \$10 per acre-foot¹ of their average annual non-irrigation groundwater diversions (based on a 5-year rolling average of prior diversions) to an account known as the Conservation and Infrastructure, Efficiency Fund ("CIEF Fund"), as more broadly described in the GWMA Plan. The monies contributed to the CIEF Fund by the Cities, SVWSD, and SVC should be used for infrastructure improvements and other permanent measures and may be used for purchasing storage water. The first year's payment shall be based on the pumping volumes described in Table 1, above. Table 1 shall be updated annually to account for a continuing 5-year rolling average of prior diversions. When the Cities, SVWSD, and SVC make their contribution, they shall also provide to the GWMA Advisory Committee and the CIEF Fund Committee a short report detailing the Cities', SVWSD's, and SVC's respective non-irrigation rights and the measured withdrawals associated with those rights for the prior five years in order to explain the financial contribution to the CIEF Fund.
- 2. Any projects or storage water purchases funded by the monies contributed to the CIEF Fund by the Cities, SVWSD, and SVC, as described above, shall be approved by the CIEF Fund Committee. The CIEF Fund Committee shall be comprised of an equal number of surface water right holders and ground water right holders in the Water District 37 who are

Cities/SVWSD/SVC Term Sheet re: Big Wood River GWMA Management Plan

¹ This \$10 per acre-foot figure is based on a proposal by Carl Pendleton. The Cities, SVWSD, and SVC understand that \$10 per acre foot is the average annual amount Big Wood Canal Company shareholders pay in annual assessments based on reservoir releases.

- elected/appointed in accordance with the bylaws of the CIEF Fund Committee.
- 3. For the three-year term of the GWMA Plan, Cities, SVWSD, and SVC will annually contribute \$3.60 per AF² of their respective average annual non-irrigation groundwater diversions (based on a 5-year rolling average of prior diversions) to cloud seeding projects undertaken by Idaho Power that directly benefit the Big Wood River Basin, which funds will be used only for specific cloud seeding projects approved by the Committee (in consultation with Idaho Power and IDWR);
- 4. Cities', SVWSD's, and SVC's contributions to the CIEF Fund and cloud seeding projects shall be recalculated each year based on the prior 5-year rolling average of non-irrigation groundwater diversions according to WMIS data or other data deemed reliable by the Committee;
- 5. Cities and SVWSD will continue to implement water conservation measures they deem reasonable and appropriate under their respective circumstances, such as, but not limited to: (i) promoting connection to municipal water systems for uses otherwise authorized under I.C. § 42-111; (ii) adopting tiered rate structures to incentivize less water use; (iii) imposing timing and other restrictions for residential irrigation; (iv) enacting ordinances with maximum lot size and irrigated area targets for new development; and (v) approving development-specific conservation requirements;
- 6. Cities, SVWSD, and SVC will schedule a meeting with local environmental groups within 60 days of a full GWMA Plan being approved by the Director to investigate potential additional water conservation measures that could be implemented;
- 7. Cities, SVWSD, and SVC will investigate potential recharge projects to benefit the Big Wood River above Magic Reservoir, which projects may utilize existing water rights held by the Cities, SVWSD, and SVC as well as potential new appropriations of excess Big Wood River flows (i.e. flows existing in years that Magic Reservoir fills and/or releases water for flood control);
- 8. Cities', SVWSD's, and SVC's contributions to the CIEF Fund must be reevaluated each year by the Committee to ensure that future contributions are necessary for the purposes set forth in paragraph 2 above;

² This \$3.60 per acre-foot figure is based on information provided by Idaho Power on the average cost per acre-foot of water produced from its cloud seeding program.

- 9. Cities, SVWSD, and SVC shall not be required to contribute to the CIEF Fund or cloud seeding projects following the termination of any GWMA Plan these terms are incorporated into;
- 10. Pursuant to Idaho Code Section 42-233b, Idaho Code Section 42-237a.g., and the *Rules for Conjunctive Management of Surface and Ground Water Resources*, IDAPA 37.03.11, the Parties agree that so long as the Cities, SVWSD, and SVC are in compliance with the measures set forth in this term sheet, the Cities', SVWSD's, and SVC's non-irrigation water rights will not be subject to delivery calls or administration on a time priority basis; and
- 11. Subsequent to any termination of a GWMA Plan these terms are incorporated into, Cities, SVWSD, and SVC shall proportionally be entitled to seek credit (as determined by IDWR) in the event of water rights administration or delivery calls for every additional acre-foot of water capable of delivery to senior surface water users attributable to cloud seeding they funded or infrastructure improvements or other permanent measures funded by the CIEF Fund. At such time a credit is requested, any party is entitled to contest the credit being awarded with the determination by IDWR in their sole discretion.

The Cities, SVWSD, and SVC shall be subject to the terms set forth above only upon their incorporation into a GWMA Plan approved by the Director of IDWR. No party shall be bound by this term sheet upon its termination on December 31, 2024.

The effective date of this term sheet is January 20, 2022.

Signatures Of Counsel On Following Page

Approved as to form and content by counsel for the Parties.

1/27/2022 Chris M. Bromley Date J. Evan Robertson Attorney for Sun Valley Company Attorney for Sun Valley Water & Sewer Dist. Candice M. McHugh Michael P. Lawrence Date Date Attorney for City of Bellevue Attorney for City of Hailey Brian T. O'Bannon Chase T. Hendricks Date Date Attorney for City of Ketchum Attorney for Big Wood & Little Wood Water Users Assn. W. Kent Fletcher Date Attorney for Big Wood Canal Company

Approved as to form and content by counsel for the Parties.

Attorney for Big Wood Canal Company

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Michael P. Lawrence Date Attorney for City of Hailey		Candice M. McHugh Date Attorney for City of Bellevue	
		an Held	1/27/2022
Brian T. O'Bannon Da	te	Chase T. Hendricks	Date
Attorney for City of Ketchum		Attorney for Big Wood &	
		Little Wood Water Users Assn.	

Approved as to form and content by counsel for the Parties.

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