



AGENDA

IDAHO WATER RESOURCE BOARD

Finance Committee Meeting No. 1-26
Thursday, January 22, 2026
3:00 p.m. (MT) / 2:00 p.m. (PT)

Water Center
Conference Rooms 602 B – D
322 E. Front Street
BOISE

Brad Little
Governor

Jeff Raybould
Chairman
St. Anthony
At Large

Jo Ann Cole-Hansen
Vice Chair
Lewiston
At Large

Dean Stevenson
Secretary
Paul
District 3

Dale Van Stone
Hope
District 1

Albert Barker
Boise
District 2

Brian Olmstead
Twin Falls
At Large

Marcus Gibbs
Grace
District 4

Patrick McMahon
Sun Valley
At Large

Livestream available at <https://www.youtube.com/@iwrp>

1. Introductions and Attendance
2. FY26 Supplemental Flood Grant Awards*
3. Loan Program
 - a. Magic Valley Ground Water District*
 - b. Lost Valley Reservoir Enlargement Project*
4. Other Items
5. Adjourn

Committee Members: Chair Jo Ann Cole-Hansen, Jeff Raybould, Marc Gibbs, Dale Van Stone, and Dean Stevenson.

Aquifer Stabilization Committee Meeting No. 1-26 **Upon Adjournment of Finance Comm. Meeting 1-26**

Livestream available at <https://www.youtube.com/@iwrp>

1. Roll Call
2. ESPA Recharge Program Capacity Infrastructure*
 - a. BGWD – Dubois/Riverside Site
 - b. BMLCC canal improvements
 - c. FMID – Wilford Canal land app
 - d. SWID – Searle Well Project
3. Non-Action Items for Discussion
4. Adjourn

Committee Members: Chair Dean Stevenson, Jeff Raybould, Brian Olmstead, and Al Barker.

* Action Item: A vote regarding this item may be made at this meeting. Identifying an item as an action item on the agenda does not require a vote to be taken on the item. **Americans with Disabilities Act:** If you require special accommodation to attend, participate in, or understand the meeting, please contact the Department no later than five days before the meeting. To request an accommodation, please send an email to Megan.Jenkins@idwr.idaho.gov or call (208) 287-4800.

Memorandum



To: IWRB Finance Committee
From: Neeley Miller, Planning & Projects Bureau
Date: January 15, 2026
Re: Flood Management Grant Applications – supplemental round

Action: Consider funding resolution

Background:

FY 2026 Flood Management Grant – round one

Staff received a total of eight (8) applications in June 2025. The applications were evaluated, scored, and ranked according to criteria adopted by Board. On July 25, 2025, the IWRB adopted resolution no. 33-2025 awarding \$460,646 in grant funds toward the projects.

Action Item:

FY 2026 Flood Management Grant – supplemental round

Staff received a total of four (4) applications on January 2, 2026. The applications have been reviewed and meet the criteria adopted by the Board. The total amount requested by the four applications is \$559,358. Staff have prepared a funding recommendation as described in Attachment A to the attached resolution.

On November 21, 2025, the IWRB adopted resolution no. 51-2025 amending the Water Management Account FY 2026 Spending Plan. The Amended Spending Plan budgeted \$794,899 for the supplemental round of Flood Management Grants for FY2026.

Attachment(s):

Resolution with Attachment A

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF FLOOD MANAGEMENT
GRANTS

RESOLUTION TO AWARD FUNDS

1 WHEREAS, House Bill 248 passed and approved by the Idaho Legislature in 2025 transferred
2 \$1,000,000 from the General Fund to the Water Management Fund for a Flood Management Grant
3 Program administered by the Idaho Water Resources Board (IWRB) to be used for the purpose of flood-
4 damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention
5 projects; and
6

7 WHEREAS, on November 21, 2025, the IWRB adopted resolution no. 51-2025 amending the Water
8 Management Account FY 2026 Spending Plan. The Amended Spending Plan budgeted \$794,899 for the
9 supplemental round of Flood Management Grants for FY2026; and
10

11 WHEREAS, House Bill 248 directs the IWRB to prioritize projects on a competitive statewide basis;
12 and
13

14 WHEREAS, on March 21, 2025, the IWRB adopted on-going criteria for the award of Flood
15 Management Grants; and
16

17 WHEREAS, four (4) Flood Management Grant applications were received by the deadline, and the
18 applications were evaluated and staff have determined they meet the criteria adopted by IWRB; and
19

20 WHEREAS, on January 22, 2026, the Finance Committee met and discussed the projects and
21 recommended the IWRB provide funding for the projects as specified in Attachment A to this resolution;
22 and
23

24 NOW, THEREFORE BE IT RESOLVED that the IWRB approves the award of Flood Management
25 Grants as specified in Attachment A to this resolution.
26

DATED this 23rd day of January 2026.

JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST _____
DEAN STEVENSON, Secretary

Resolution No. _____

Attachment A: January 2026 Flood Management Grant - supplemental round

Entity	Project	IWRB District	Funds Requested	Total Project Costs
Bear Lake SWCD	Hardcastle Riverbank Stabilization Project	4	\$34,621	\$69,242.25
Bear Lake SWCD	Bear Lake Surface Water Control Project	4	\$124,740	\$249,480.00
Clearwater SWCD	Cedar Creek Project	1	\$199,997	\$421,247.00
FCD #10	Update BRMT/LIDAR	2	\$200,000	\$723,375.00
Total Funds Requested			\$559,358	\$1,463,344.25

Funds awarded by IWRB District:

District 1	\$199,997	35.75%
District 2	\$200,000	35.76%
District 3	\$0	0.00%
District 4	<u>\$159,361</u>	<u>28.49%</u>
	\$559,358	100.00%

MEMO



To: IWRB Finance Committee
From: Justin Ferguson
Date: January 16, 2026
Subject: Magic Valley Ground Water District – New Water Project Loan Application

REQUESTED ACTION: Consider a loan request to the MVGWD of \$10,000,000.00

1.0 INTRODUCTION

The Magic Valley Ground Water District (MVGWD) has requested a new loan in the amount of \$10,000,000 from the Idaho Water Resource Board (IWRB), to match with grant funding received under the IWRB’s Conversion Grant program, towards the MVGWD’s Magic Valley Pumping Project. Water for the conversions will come from water rights that have been leased through the Minidoka Irrigation District and through agreements with local tribal entities.

2.0 BACKGROUND

The MVGWD was formed in the 1990's as a way to bring individual groundwater right holders together to mitigate and organize conservation. Their patrons include roughly 112 farm operations across 6,000 acres and over 28 non-irrigators, including food processors, other businesses, and domestic water supply providers. Currently, the MVGWD mitigates for approximately 136,000 acres and more than 30 cfs of non-irrigation water rights.

3.0 PRIOR LOANS

The MVGWD has held several loans through the IWRB in the past, with payments made on time annually. At the time of this memo, the most current loan has approximately 2 payments remaining until it is paid in full.

4.0 PROPOSED PROJECT

The proposed project will construct an approximately 9-mile pressurized pipeline system and a pumping station to move water from Lake Walcott through the Minidoka Irrigation District delivery infrastructure to the MVGWD water users.

Maps, engineering documentation, proposed alternatives, and drawings for the proposal have been provided in the application package and can be provided by Staff.

5.0 BENEFITS

Through the construction of the pump station and pressurized pipeline, the MVGWD will be able to replace groundwater with surface water in nearly 8 out of 10 years. Along with the conversion grant funding, this proposal would help the MVGWD contribute towards the Statewide efforts to stabilize the ESPA.

6.0 FINANCIAL ANALYSIS

Current estimates for the project were \$26,683,560 with a proposed contingency of \$377,375.80 for a total of \$27,060,935.80. The District was awarded two IWRB Conversion grants for the project totaling \$17,060,935.80, leaving a remaining unfunded balance and loan request of \$10,000,000.

The current assessment per share is \$20.00 per acre, measured at each diversion using electromagnetic flowmeters across the approximately 135,922 acres served. Additionally, the MVGWD collects income through the rental of a fish hatchery. Based on a 4.88% interest rate and the requested 20-year term and 3 equal disbursements, Staff have estimated that annual payment at approximately \$800,000. Per the application, the MVGWD plans to raise their assessments \$4.00 per share for the next 20 years to be put towards the annual payment for this request.

There is an outstanding loan to the IWRB with an annual payment due; however, the balance of the obligation is projected to be paid off within the next 2-3 years. There is also an outstanding balance due on a 2012 Series A Bond in the amount of \$5,235,000; however, based on the financial information submitted and the change in assessments, staff have no concerns about the District's ability to make the annual payment.

Because the applicant is a Ground Water District, judicial confirmation is required for this project. Per the applicant, this will be brought before the Court in the next several weeks. Staff would propose making the approval contingent upon the outcome of this confirmation.

7.0 SECURITY

As the MVGWD is a government entity with taxing and assessment authority, shareholder assessments have been offered as collateral to secure the loan.

8.0 CONCLUSION AND RECOMMENDATION

The funds requested will be used to construct a pump station and pipeline, moving surface water supply to the Magic Valley Ground Water District. With the additional supply, the District will be able to continue its work towards ESPA stabilization through both mitigation and conservation.

As a Ground Water District, the shareholder assessments will be used as security to meet the estimated annual payment and will provide adequate collateral to secure the loan.

The applicant meets the qualification criteria, and the proposed project is consistent with the goals established by the IWRB in the Idaho State Water Plan. Staff recommend approval of the loan request, for the total amount of \$10,000,000.00.

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE MAGIC VALLEY GROUND
WATER DISTRICT LOAN REQUEST

RESOLUTION TO AUTHORIZE LOAN FUNDING
FOR COSTS RELATED TO THE MAGIC VALLEY
PUMPING PROJECT

1 WHEREAS, The Magic Valley Ground Water District (MVGWD) submitted a loan application to
2 the Idaho Water Resource Board (IWRB), requesting a loan for \$10,000,000 to construct a pump station
3 and pressurized pipeline; and
4

5 WHEREAS, the MVGWD was established in the 1990's to bring individual groundwater users
6 together to work towards mitigation and conservation; and
7

8 WHEREAS, the MGVD provides mitigation for approximately 136,000 acres, including 112 farm
9 operations and more than 28 non-irrigation entities; and
10

11 WHEREAS, the proposal is requesting funds to construct a pump station and pipeline from Lake
12 Walcott, through the Minidoka Irrigation District Infrastructure, to the MVGWD water users; and
13

14 WHEREAS, alternative options were explored but did not provide the District with a sufficient a
15 long-term solution for their patrons; and
16

17 WHEREAS, the District will increase assessments to their shareholders to cover costs associated
18 with the annual loan payments; and
19

20 WHEREAS, the District is a qualified applicant, and the proposed Project is eligible for a loan
21 from the Board's Water Management Account; and
22

23 WHEREAS, the proposed Project is in the public interest and is in compliance with the State
24 Water Plan.
25

26 NOW THEREFORE BE IT RESOLVED that the IWRB provides authority to the Chairman of the
27 Idaho Water Resource Board, or his designee, to enter into contracts, to effectuate the loan, with the
28 MVGWD on behalf of the IWRB.
29

30 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB approves a loan not to exceed
31 \$10,000,000 from the Water Management Account at 4.88 % interest with a 20-year repayment term.
32

33 NOW THEREFORE BE IT FURTHER RESOLVED that the funds for the loan will come from the
34 Statewide Efficiency and Capacity Improvements to Canal Systems, in the amount of \$5,000,000, and
35 the Statewide Monitoring and Measuring Grants, in the amount of \$5,000,000.
36

37 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB Water Management Account
38 Spending Plan, authorized under resolution 51-2025, shall be amended to reflect the use of these funds
39 for this loan.

40
41 NOW THEREFORE BE IT FURTHER RESOLVED that this resolution and the approval of the loan are
42 subject to the following conditions:

- 43
- 44 1) The District shall comply with all applicable rules and regulations that apply to the proposed
45 Project.
 - 46 2) Prior to the disbursement of any funds, the District shall comply with all statutory
47 requirements for incurring debt and will provide the IWRB with Judicial Confirmation as
48 soon as possible

DATED this 23rd day of January, 2026.

JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST _____
DEAN STEVENSON, Secretary

MEMO



To: IWRB Finance Committee

From: Justin Ferguson

Date: January 16, 2026

Subject: Lost Valley Reservoir Loan Application – IWRB Loan Program

REQUESTED ACTION: *Consider Lost Valley Reservoir's Loan Application*

The Lost Valley Reservoir project proposes to raise the existing dam structure to capture more storage water within the basin, increasing the current capacity of 10,000 AF to a total of 30,000 AF.

As new areas are to be inundated, an environmental assessment is required, specifically regarding the Endangered Species Act (ESA) listed Northern Idaho Ground Squirrel. Lost Valley was awarded \$560,000 under the Regional Sustainability Priority list for pre-construction work including the EIS necessary to understand if raising the existing dam is a viable storage option. Work on these impacts is underway with an expected completion date in the next 2-3 years.

To date, the IWRB has helped fund the installation of automation equipment, flow control and monitoring equipment at the reservoir, and a 2018 study on the Northern Idaho Ground Squirrel.

Lost Valley has submitted a loan application in the amount of \$17,662,000 to the IWRB Loan Program, in conjunction with their application to the Bureau of Reclamation's Small Storage Grant program.