



AGENDA

IDAHO WATER RESOURCE BOARD

Special Board Meeting No. 6-22

Tuesday, June 7, 2022

1:30 P.M. (MT)

Brad Little

Governor

Jeff Raybould

Chairman

St. Anthony

At Large

Roger W. Chase

Vice-Chairman

Pocatello

District 4

Jo Ann Cole-Hansen

Secretary

Lewiston

At Large

Dale Van Stone

Hope

District 1

Albert Barker

Boise

District 2

Dean Stevenson

Paul

District 3

Peter Van Der Meulen

Hailey

At Large

Brian Olmstead

Twin Falls

At Large

Sun Valley Resort

Limelight Ballroom

1 Sun Valley Road

SUN VALLEY

and

Water Center

Conference Room 602 B / Online Zoom Meeting

322 E. Front St.

BOISE

Board Members & the Public may participate via Zoom

[Click here to join our Zoom Meeting](#)

Dial in Option: 1(253) 215-8782

Meeting ID: 839 7381 3221 Passcode: 898869

1. Roll Call
2. Criteria for Aging Infrastructure Projects*
3. Criteria for Regional Water Sustainability Projects*
4. Non-Action Items for Discussion
5. Next Meeting & Adjourn

* Action Item: A vote regarding this item may be made 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

The meeting will be held telephonically. If you require special accommodations to attend, participate in, or understand the meeting, please make advance arrangements by contacting Department staff by email jennifer.strange@idwr.idaho.gov or by phone at (208) 287-4800.

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 Fax: (208) 287-6700 Website: idwr.idaho.gov/IWRB/

Memorandum

To: Idaho Water Resource Board
From: Neeley Miller, Planning & Projects Bureau
Date: June 3, 2022
Re: Aging Infrastructure Grant Criteria



Action: Consider Adoption of Aging Infrastructure Criteria

In May the Finance Committee met to discuss the Aging Infrastructure Grant Criteria. The IWRB elected to open a 30 day comment period to receive comments on the draft criteria. Staff has compiled the comments and provided a redline proposed updated criteria for the IWRB to consider today.

Attachment(s):

Public Comments
Proposed Redline Criteria
Resolution to Adopt Aging Infrastructure Grant Updated Criteria
Updated Aging Infrastructure Grant Criteria

Miller, Neeley

From: Ashlee Teeter <teetera@cityofnampa.us> on behalf of Tom Points <pointst@cityofnampa.us>
Sent: Thursday, May 5, 2022 2:46 PM
To: Miller, Neeley
Cc: Mark Steuer; Jeff Barnes; Tom Points
Subject: IWRB Regional Water Sustainability Priority List Letter to the Board
Attachments: IWRB Regional Water Sustainability Priority List Letter to the Board-Final.pdf; Water Wisely Brochure - City of Nampa.pdf

Hello Mr. Miller,

The City has written a letter in response to the Idaho Water Resource Board's request for public comments, in regards to developing the Regional Water Sustainability Priority Program. The City of Nampa Public Works Department is taking several proactive steps to sustainably manage water resources and greatly appreciates the opportunity to collaborate on programs and projects that further those goals. Please find attached the response letter as well as a "Watering Wisely" brochure used in our efforts to promote best practices for watering throughout the community.

A hard copy of the letter and brochure has been sent via mail.

If you have questions regarding our communication please contact myself via email & cc Ashlee Teeter, my executive assistant, teetera@cityofnampa.us, or you may contact me via phone at 208-468-4423.

Thank you for your participation and allowing us to be part of the solution for achieving water sustainability in Idaho.

Sincerely,



Tom Points, P.E.
Senior Director of Public Works
O: 208.468.4423,
[City of Nampa, Like us on Facebook](#)
NAMPAReady

Notice: All communication transmitted within the City of Nampa Email system may be a public record and may be subject to disclosure under the Idaho Public Records Act (Idaho Code 74-101 et seq.) and as such may be copied and reproduced by members of the public. In addition, archives of all City emails are generally kept for a period of two years and are also subject to monitoring and review.

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May 4, 2022

Neeley Miller
Water Resource Planner, Senior
Planning and Projects Bureau
Idaho Department of Water Resources
322 E. Front St
Boise, ID 83702

RE: Idaho Water Resource Board Regional Water Sustainability Priority List

Dear Mr. Miller and Members of the Board,

The City of Nampa would like to thank you for developing the Regional Water Sustainability Priority program. We appreciate the Idaho Water Resource Board inviting public comments and allowing us to be part of the solution. Achieving water sustainability throughout Idaho is undoubtedly, a collaborative effort between all agencies involved. The following are the City's comments for your consideration.

- The City recommends removing the criteria to resolve a long-standing water conflict as stated in the current proposal, as this metric appears too broad and difficult to summarize.
- The City recommends incorporating scoring criteria based on the Cost/Benefit (C/B) ratio. For the example the C/B could be the total requested funding for the project divided by the number of acre-feet per year of water benefit created. Creating a scoring system ensures the highest value projects for the State are funded, encourages competitive applications, and encourages agencies to provide a larger portion of matching funds.
- The City recommends incorporating scoring criteria for environmental protections, including improving water quality in the Waters of the US.
- The City recommends developing a tiered local agency match to assist small cities and counties with low populations, to allocate funds more equitably across the state, providing a 100 percent grant funding for cities with populations under 5,000 and all irrigation districts; 50 percent grant funding for cities with populations between 5,000 to 100,000; and 25 percent grant funding for cities over 100,000 in population.
- The City recommends allocating a percentage of available funding for conservation outreach, not just for infrastructure, to better educate the public. Providing customers with information on water conservation for irrigation is a very effective tool and offers a much lower cost than building infrastructure.

Neely Miller
Idaho Water Resource Board Regional Water Sustainability Priority List
May 3, 2022
Page 2 of 2

Nampa is taking several proactive steps to sustainably manage water resources. As part of our public outreach Nampa has drafted a "Water Wisely" Boucher for distribution as well as having established a partnership with Jos Zamzow to film a lawn care video-series to be made available on YouTube and Facebook. A link to the first video in the series can be found on the aforementioned brochure, provided as an attachment to this letter.

Through our drought committee in Nampa and on-going efforts, we can see that people generally want to help with the solution. There are many innovative projects and agencies that can help throughout Idaho, and we are excited to be a part of the conservation effort.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Points", with a long horizontal flourish extending to the right.

Tom Points, PE
Senior Director of Public Works

Enclosures

DROUGHT

and what it really means

A drought is a period of drier-than-normal conditions that results in water-related problems. When rainfall is less than normal for several weeks, months or years, the flow of streams and rivers declines, water levels in lakes and reservoirs fall, and the depth to water in wells increases. If dry weather persists and water-supply problems develop, the dry period can become a drought.

WATER RIGHTS

Guaranteed **VS** Right to Access

According to the Idaho Dept. of Water Resources, "A water right is authorization to use water in a prescribed manner, not to own the water itself." All irrigation customers pay for the **right to access** the water, but it is not a guarantee of how much water will be available. *Our water supply is completely dependent on conditions outside our control such as temperature, precipitation and snowmelt received.*

WATER LESS AND KEEP THE GREEN

Lawn Care Tips from Jos Zamzow



Build Your Lawn's Drought Muscle

When grass is slightly drought-stressed, the plants are encouraged to send roots down deeper in the soil in search of water. Your lawn becomes "water addicted" when it's being watered more frequently because it's encouraging the roots to stay near the surface. **The key to start building the drought muscle is at the very beginning of the season.** Leave your sprinkler system off entirely and manually turn it on for a good drink. Then wait to water again until the grass looks wilted, continue this pattern clear until early May.



Professional Recommendations

- A good guideline is to apply one inch (1") of water per week until Memorial Day and then up to two inches (2") per week during the hot summer months.
- The best time to water your lawn is when you have the most pressure because our irrigation is a pressurized system. If the majority of people are watering at the same time, there will be less pressure available to water. While watering in the evening or morning is generally best, if pressure is reduced, consider watering at an alternative time.
- Water your lawn on an odd/even address cycle. If your house number is an odd number you will water on odd days of the month and vice versa for even days; remember to focus on how much you are watering rather than the number of days watering.



Calibrate Your Watering System

Typical homeowners measure their water in time, making it hard to know how much water your sprinkler is actually putting out. Zamzows suggests performing a **water audit** in the spring. To do this, place three to five measuring cups in your lawn and run your water for 15 minutes. This will tell you how much water you are putting down in that area in a given time.

Reminders:

- Many homeowners have never adjusted their sprinkler system since its installation. Please remember that established lawns do not need as much water as new lawns.
- Please do not waste water on sidewalks or driveways.



Mowing Tips

Set your mower deck one notch below the highest setting. Longer grass blades will help shade the ground, reducing evaporation. Also, if you sharpen your mower blades it will help the grass heal faster and minimize the water loss from the cut.

IRRIGATION 101

WHERE DOES OUR IRRIGATION WATER COME FROM?

Nampa's irrigation water is primarily surface water supplied by Nampa-Meridian, Pioneer and Boise-Kuna Irrigation Districts. Pumps draw 54 million gallons of irrigation water each day from the canals and ditches to provide pressurized service to the city's customers.

HOW LONG IS IRRIGATION SEASON?

The length of the irrigation season is dependent on water in the reservoirs and canals.



HELPFUL WEBSITES



More information on
Nampa's Irrigation
System & Resources

← cityofnampa.us/irrigation

#2CWaterWiseTips
with Jos Zamzow video

→ <https://www.youtube.com/watch?v=tLVxrsfyEpQ>



University of Idaho
Drought Resources

← uidaho.edu/extension/drought




SNOWPACK

HOW DOES IT IMPACT OUR WATER?

- Snowpack is very important for our ecosystems, residents and agriculture community. The snowpack conditions determine our irrigation water for the year.
- Snow accumulates in the winter (snowpack), thaws in the spring and summer months and runs off the mountains (snowmelt), and fills our reservoirs.
- With the increase in temperatures, little precipitation and snowfall decline, the dry soil is absorbing the below-average snowpack which causes little runoff, resulting in drought seasons.

LET'S BE #2CWaterWise!

CITY OF NAMPA
**WATERING
WISELY** 
#2CWaterWise

2
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2
2

QUESTIONS?

Irrigation Related: (208) 468-5860
Billing: (208) 468-5711, option 3

As we prepare for Nampa's 2022 irrigation season, this brochure will provide you with facts and tips on watering your lawn so we can collectively extend our irrigation season this year and in future years!

Miller, Neeley

From: Hattie Zobott <HZobott@to-engineers.com>
Sent: Monday, May 16, 2022 2:48 PM
To: Miller, Neeley
Subject: IWRB Draft Criteria, Water Project Funding
Attachments: Finance-Committee-Meeting-No.-2-22-Materials_hz.pdf

Dear Neeley,

I redlined the proposed criteria with comments. Thank you for the opportunity to provide feedback.

The comments are also catalogued below:

- 1) IWRB Funding Program **Where does SAF fund?**
- 2) IWRB Regional Water Sustainability Priority List/Project consideration process/ **Prioritize federally funded through grant or congressional action projects or projects that have completed NEPA analysis and compliance.**
- 3) IWRB Aging Infrastructure Loan/Grant Criteria/ Loan/Grant Funding Available and Cost-Share
Component: **Strikeout "after accounting for all other grant funding sources. This requirement is intended to ensure project sponsors have a "stake" in the project and to maximize the use of available IWRB grant funds. (Example: \$1.5M project; project has obtained \$900,000 non-IWRB grant; After all other grant funding the project still requires \$600,000. Project is eligible for IWRB grant up to \$200,000)**
- 4) IWRB Loan/Grant Combination (30 points)/ **Add: Loan application submitted concurrently with grant application.**
- 5) Urgency and Effectiveness of Project (40 points)/**Add: Does the project address any goals or action items in the CAMP, Idaho Drought Plan or other regional water planning document? Will the project conserve water or measure and deliver water more efficiently? Does the project have additional sources of grant funding?**
- 6) Budget and Organizational Capacity of Project (85 points)/ **Strikeout "after accounting for all other grant sources"**
- 7) **General Comments: 1) Limiting the grant portion to "33% after accounting for all additional grant sources" could discourage development of additional grant sources. The additional grant sources should be viewed favorably by the program because it demonstrates that the entity has carefully prepared for the project. The comment stating that the entity needs stake in the project and to maximize the use of IWRB grant funds neglects the financial support needed to secure the grant funding. Many times, the entities have invested money for design work and funding development. Leveraging the state funds with Federal funds will maximize the states impact—not diminish it.**

2) The short timeline on the funding window means that projects may not be able to use both federal funds and state funds. This is a lost opportunity because the ARPA funds can match federal funds and increase the leverage of the state funding for the large, regionally significant projects. My recommendation is that projects that have secured federal funding would receive additional points for the year they apply or remove the time limit on use of the funds.

Sincerely,

Hattie



2471 S. Titanium Place | Meridian, Idaho 83642

O 208-323-2288 | C 208-421-8257

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BUILT ON SOLID GROU

WE'RE HIRING! CLICK HERE TO VISIT OUR CAREERS PAGE

IWRB Regional Water Sustainability Priority List

The Idaho Water Resource Board (IWRB) will partner with eligible entities on large projects that help achieve water sustainability on a regional, basin-wide, or statewide scale. The IWRB will maintain a Water Projects Priority List (List) of those projects. These are projects the IWRB has determined have the potential to help achieve water sustainability.

Eligible Entities: Irrigation Districts, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Municipalities, Counties

Eligible Geographic Area: Statewide

Water Projects Priority List: Projects that provide regional, basin-wide, or statewide benefits are eligible to be placed on the List; The List will be updated annually at the regularly scheduled January meeting of the IWRB. Projects are prioritized by the readiness of project to proceed.

Getting placed on the List is not a funding commitment, but rather a recognition that the project has the potential to help achieve water sustainability. Each project on the list is unique and will have its own implementation timeline and milestones.

Project Consideration Process

Possible metrics for qualification and tier prioritization:

- Demonstration of regional benefits
- Demonstration of broad stakeholder support
- Provides resolution of long-standing or anticipated water use conflicts
- Relative economic and public benefits, and/or improves water sustainability and resiliency.
- Project readiness (may influence tier)

Federally funded through grant or congressional action

IWRB Aging Infrastructure Loan/Grant Criteria

The Idaho Water Resource Board (IWRB) has identified a need to support projects that address aging water infrastructure needs as an investment in the Idaho economy and to ensure long-term water sustainability. The IWRB provides financial assistance on a statewide competitive basis through loan and grants to entities interested in pursuing projects to rehabilitate or improve aging water infrastructure.

The IWRB defines an aging water infrastructure project as any project intended to address repair, maintenance, replacement, or improvements to existing infrastructure that supports water delivery, storage, treatment, and application of water.

Eligible Entities: Irrigation Districts, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Municipalities, Counties

Eligible Geographic Area: Statewide

Loan/Grant Funding Available and Cost-Share Component:

- Projects that demonstrate a cost-share component by leveraging IWRB funding will be prioritized. The IWRB Preferred Funding Package = IWRB Low Interest Loan for 2/3rd (67%) of total project costs + IWRB Grant for a maximum of 1/3rd (33%) of total project costs.
- IWRB grant portion cannot exceed 1/3rd (33%) of total project costs after accounting for all other grant funding sources. If other non-IWRB grant funding is awarded to the project after a IWRB funding award is made, the IWRB's grant will be limited to 1/3rd (33%) of total project costs ~~after accounting for all other grant funding sources. This requirement is intended to ensure project sponsors have a "stake" in the project and to maximize the use of available IWRB grant funds. (Example: \$1.5M project; project has obtained \$900,000 non-IWRB grant; After all other grant funding the project still requires \$600,000. Project is eligible for IWRB grant up to \$200,000)~~
- Funding awards may be reallocated if a project is not initiated prior to May 1, 2023.
- Funding will not be made available unless the project is fully permitted. Sponsor is responsible for providing permit documentation to IWRB staff.

Evaluation Criteria: To maximize the effective and efficient use of available funds, applications and sponsor's grant document will be evaluated, scored (215-point scale), and ranked according to the following criteria:

First Time Applicants (10 points)

- First time applicants will receive points

IWRB Loan/Grant Combination (30 points)

- Applicants that elect the IWRB loan/grant combination will receive points. Grants not contingent on IWRB loan combo, but applications that propose loan/grant combination will receive additional points

Loan application submitted concurrently with grant application.
Public Interest of Project (Up to 50 points)

- Projects that address a public interest, including consideration of the communities, population, irrigated acres, and economic activity provided by the aging infrastructure for water storage or delivery system.

Urgency and Effectiveness of Project (40 points)

- What is the urgency of the project and how does it specifically focus on repairing, replacing, or improving aging infrastructure? (10 points)
- What are the objectives and benefits of the project? (10 points)
- How does the proposed project solution address the objectives? (10 points)
- Are project sponsors using relevant and appropriate information to develop the proposed project? (Sponsor should include references to relevant design plans and specifications, studies, assessments, reports, management plans, etc.) (10 points)

Budget and Organizational Capacity of Project (85 points)

- Lead sponsor of project is identified and there is a description of other affected stakeholders and jurisdictions. (10 points)
- Project sponsors will provide documentation that affected local stakeholders and jurisdictions have been consulted. (5 points)
- Is the proposed budget, scope of work and schedule provided? (15 points)
- Are plans and specifications included in the submission package? (15 points)
- Projects that propose grant amounts below 33% of total projects costs ~~after accounting for all other grant sources will receive additional points~~ (1 point for each additional 1% decrease up to 20 additional points).
- What is the sponsor's history of successful accomplishments on projects similar to this one? The sponsor shall provide several past project examples, if possible. (10 points)
- Please describe what level of sponsor and consultant staffing that will be directed toward the implementation of the proposed project? Discuss the number of sponsor and consultant staff and amount of time dedicated for each for the project. Will the project utilize volunteers? If so, how? Include brief resumes or list of qualifications for each member of the project team. (10 points)

Application Process:

- Application Deadline: August 5, 2022
- Project Funding Recommendations: Early September 2022 Finance Committee
- Funding Awarded: September 2022 IWRB meeting

Loan/Grant Implementation Process:

- Loan and grant contracts will be developed following IWRB funding awards, and funds will be distributed and/or reimbursed per those contracts.

IWRB Districts are:

District No. 1: Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, Nez Perce, Lewis and Idaho counties.

District No. 2: Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, Elmore and Owyhee counties.

District No. 3: Camas, Gooding, Jerome, Twin Falls, Cassia, Blaine, Lincoln, Minidoka, Lemhi, Custer and Butte counties.

District No. 4: Clark, Fremont, Jefferson, Madison, Teton, Bingham, Bonneville, Power, Bannock, Caribou, Oneida, Franklin and Bear Lake counties.

** No more than 50% of the total budget may be spent within a single IWRB district. This limit may be waived if there are no competing funding demands.*

Urgency and Effectiveness of Project: Does the project address any goals or action items in the CAMP, Idaho Drought Plan or other regional water planning document?

Will the project conserve water or measure and deliver water more efficiently?

Does the project have additional sources of grant funding?

General Comments:

1) Limiting the grant portion to "33% after accounting for all additional grant sources" could discourage development of additional grant sources. The additional grant sources should be viewed favorably by the program because it demonstrates that the entity has carefully prepared for the project. The comment stating that the entity needs skin in the game neglects the skin needed to secure the grant funding. Many times the entities have invested money for design work and funding development.

2) The short timeline on the funding window means that projects may not be able to use both federal funds and state funds. This is a lost opportunity because the ARPA funds can match federal funds and increase the leverage of the state funding for the large, regionally significant projects. My recommendation is that projects that have secured federal funding would receive additional points for the year they apply, or remove the time limit on use of the funds.

Miller, Neeley

From: Dylan Lawrence <dylan@varinthomas.com>
Sent: Wednesday, May 18, 2022 1:23 PM
To: Miller, Neeley
Subject: IWRB funding criteria comment letter
Attachments: 2022-05-18 to IWRB re funding criteria.pdf

Neeley,

I have attached here a comment letter regarding the IWRB's criteria for prioritizing water projects on the Regional Water Sustainability Priority List. Please let me know if you have any problems or issues with the attachment. Also, if you could please quickly reply to confirm receipt, I would greatly appreciate it.

I hope these are helpful.

Thanks,
Dylan

Dylan Lawrence

242 N. 8th Street, Ste. 220
PO Box 1676 | Boise, ID 83701
(208) 345-6021
VarinThomas.com



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ATTORNEYS AT LAW

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F: 1.866.717.1758
VARINTHOMAS.COM

May 18, 2022

VIA EMAIL

Neeley Miller
Idaho Department of Water Resources
322 E. Front Street
Boise, Idaho 83702
Neeley.Miller@idwr.idaho.gov

Re: Comments on Regional Water Sustainability Criteria

Dear Neeley:

I am writing on behalf of the Board of Commissioners of Elmore County. This letter provides the County's comments regarding the draft criteria recently proposed by the Idaho Water Resource Board's (IWRB) Finance Committee for placing and prioritizing projects on the Regional Water Sustainability Priority List (the "Priority List"). Thank you for the opportunity to provide comments.

Eligible entities. As currently drafted, the Priority List is limited to projects proposed by irrigation districts, canal companies, drainage districts, groundwater districts, ditch companies, municipalities, and counties. Under the Idaho Code, there are other special purpose districts not included in this list that have authority to construct water projects. For example, the statutes in Title 50, Chapter 17 of the Idaho Code confer broad authority on cities, counties, and other governmental entities to form local improvement districts (LIDs) for the construction of a variety of infrastructure projects, including water projects. *See* IDAHO CODE § 50-1703(a)(6). Functionally, LIDs are similar to some of the entity types already identified as eligible, such as irrigation districts, drainage districts, and groundwater districts. Elmore County believes the list of eligible entities should be expanded to include LIDs and other special purpose districts with authority to construct water projects under Idaho law.

Demonstration of regional benefits. Some of the other metrics identified by the Committee deal more specifically with the "benefits" of a project. Presumably, this particular metric is intended to focus less on specific benefits and more on whether such benefits are "regional" in nature. Because the terms "region" and "regional" are capable of multiple definitions, the County believes it will be

helpful to define those terms in more detail and in a manner that reflects the context of funding water projects within the State of Idaho.

For example, Merriam-Webster defines “region” to include “an indefinite area of the world or universe.” In some contexts, that definition makes sense. In the context of ranking water projects within a state, it does not. The stated goal of the List is to “help achieve water sustainability on a regional, basin-wide, or statewide scale.” The implication of this hierarchical list is that “regional” is intended to encompass a geographical area that is smaller than “basin-wide” or “statewide,” which makes sense in this context.

The County does not necessarily believe that “regional” needs to be defined on a granular level. However, it is still an important concept in the development of the Priority List and should reflect the IWRB’s intent. Perhaps the following is a good starting place for the Committee to consider in defining this term:

The terms “region” and “regional” refer to a discrete, identifiable geographical area within the State of Idaho that is characterized by similar physical features and that shares a common water source or supply. While these terms are not capable of precise definition, a “region” may consist of an area smaller than a basin, but should be large enough for project benefits to be realized by a variety of water users and stakeholders within the identified region.

Demonstration of broad stakeholder support. As with “regional,” the term “stakeholder” can have different meanings in different contexts. Often, it can refer broadly to anyone with an interest in a particular endeavor, no matter how attenuated. In the context of funding water projects, the County believes it should be defined somewhat more narrowly to refer to those people and entities that are located within the specific region that would be affected by a particular project.

For example, a public interest organization may oppose a particular project based upon the project’s expected impacts to the environment. Certainly, those concerns deserve to be heard and evaluated. However, there are already existing administrative processes in which such concerns are “front and center,” such as water right proceedings, land use hearings, and the NEPA environmental review process. The County does not believe this type of external opposition should factor into the IWRB’s determination of whether there is broad support among stakeholders under these metrics. Instead, the focus should be on those citizens who are more directly affected by a proposed project.

Provides resolution of long-standing or anticipated water use conflicts. At the outset, the County very much appreciates the Committee’s inclusion of “anticipated” water use conflicts in this metric. As the IWRB knows, ground water levels on the Mountain Home Plateau (MHP) have been declining for decades, requiring groundwater users to continue to deepen their wells. While there is

not a current delivery call on the MHP, a call seems inevitable if these trends are not reversed. One of Elmore County's primary motivations in proactively addressing this challenge is to avoid a situation in which fellow County residents are fighting with one another in expensive legal proceedings.

With that said, the County believes this metric can be slightly improved. The phrase "provides resolution" suggests that there needs to be a high level of certainty that the conflicts will be completely resolved by the project. This would be a difficult outcome to achieve in many cases. In addition, the County does not believe this metric needs to be so narrowly focused only on "conflicts." Therefore, the County suggests revising it to state that the project, "Provides or contributes to resolution of long-standing water supply challenges or existing or anticipated water use conflicts."

Relative economic and public benefits, and/or improves water sustainability and resiliency. The use of the term "relative" in this metric suggests that two sets of benefits are being compared to one another. The County believes it would be helpful to identify the two sets of benefits being compared.

From the County's perspective, it makes the most sense to compare the benefits of a particular project within the affected region against the "baseline" case of not building the project. Conversely, the County does not believe the IWRB should compare the economic benefits of particular projects against each other and base its funding decisions on the difference between those sets of benefits. Different regions of the state have different populations and economies, rendering such an undertaking an "apples to oranges" comparison.

In absolute dollar terms, a project benefiting smaller communities will have a difficult time exceeding the "value" of benefits in more populous regions of the state. However, incrementally, the same number of dollars spent on a project in a smaller community can have an outsized impact compared to the benefits generated in more populous regions. Elmore County believes it is important to avoid unintended obstacles for smaller and rural communities in this process, and this approach to evaluating benefits will help to achieve that goal.

Project readiness (may influence tier). Elmore County believes project readiness is a function of two primary factors: permitting status and level of design. Here, the term "permitting" is used in a broad sense to include the water rights, environmental permits, land use approvals, NEPA review, easements, rights-of-way, and other legal entitlements necessary to construct the project. Regarding level of design, Elmore County believes a project with a level of design of 30% or higher should be considered sufficiently "ready" to be the subject of funding. In the County's experience, it is often difficult to proceed beyond the 30% design stage without a funding commitment.

Neeley Miller
May 18, 2022
Page 4

Financial resources. One potential metric not included on the Committee's initial list is the ability of those within the affected region to fund the project without financial assistance from the IWRB. The County believes the IWRB should prioritize projects in which its participation has the most relative impact. The County further believes the IWRB's participation is most impactful when there is a financial need to be filled. By way of example, the webpage for the grant program administered by the U.S. Department of Agriculture's Rural Development arm states that, "Applicants must be unable to finance the project from their own resources and/or through commercial credit at reasonable rates and terms." "Community Facilities Direct Loan & Grant Program in Idaho," *available at* <https://tinyurl.com/3d9hnu4c> (last visited May 17, 2022). A similar approach to the Priority List seems appropriate. Consistent with a prior comment in this letter, this will help to ensure that smaller and rural communities can benefit from this process.

Again, thank you for the opportunity to provide these comments. If you have any questions or there is anything else the County and I can provide that would be helpful, please do not hesitate to contact me.

Sincerely,

VARIN THOMAS



Dylan B. Lawrence

cc: Board of Commissioners, Elmore County

Miller, Neeley

From: Davis, Kresta <KDavis2@idahopower.com>
Sent: Friday, May 20, 2022 9:27 AM
To: Miller, Neeley
Cc: Pugrud, Scott
Subject: Idaho Power comments re: IWRB Funding Criteria
Attachments: IWRB Funding Response - Idaho Power_20220520-Signed.pdf

Good morning, Mr. Miller,

Attached you will find Idaho Power's comments to the Idaho Water Resource Board's Finance Committee's draft funding criteria. If you have any questions regarding the company's comments, please let me know.

Best Regards,

Kresta

Kresta Davis

WATER RESOURCES AND POLICY SENIOR MANAGER

Idaho Power | Water Resources and Policy

208-388-2602

Email kdavis2@idahopower.com

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May 20, 2022

Hon. Jo Ann Cole-Hansen, Chair
Finance Committee
Idaho Water Resource Board
332 E. Front Street
Boise, Idaho 83702

Submitted via email to Neeley.Miller@idwr.idaho.gov

RE: Draft Criteria for Funding Water Projects Statewide

Dear Ms. Cole-Hansen,

Thank you for the opportunity to submit comments on the Idaho Water Resource Board's ("IWRB") draft criteria for the funding programs that IWRB is proposing to finance water projects statewide. As you know, Idaho Power Company ("Idaho Power") is a regulated electric utility, engaged in the generation, transmission, and distribution of electricity in eastern Oregon and southern Idaho. Idaho Power provides reliable and affordable service on a nondiscriminatory basis to more than 600,000 customers in a service area spanning an estimated 24,000 square miles. Idaho Power owns and operates hydroelectric dams along the Snake River and its tributaries, spanning from the American Falls Reservoir to the Hells Canyon Complex, located on a portion of the Snake River that makes up the border between Oregon and Idaho.

The Idaho State Legislature passed House Bill No. 769, which in part, appropriated \$75 million from the General Fund ("General Fund appropriation") to the Idaho Department of Water Resources ("IDWR") to be used for large water projects, such as the Anderson Ranch Dam capacity increase, Mountain Home Air Force Base water supply project, and recharge projects in the Upper Snake River Valley. Of this funding, no more than one-third can be used for grants. The legislature also directed IWRB to develop criteria for the expenditures of money for grants that must be prioritized based on the public benefits they provide.

In the same legislation, the Legislature appropriated \$250 million from the American Rescue Plan Act ("ARPA") to support projects managed by the IWRB ("ARPA appropriation"). ARPA funds were directed to be used for managed aquifer recharge sites above Milner Dam, enlargement of Anderson Ranch Reservoir, water delivery and treatment systems for Mountain Home Air Force Base, and the other ARPA-eligible water resource management programs to be approved by the Board.

At the outset, it is unclear whether the request for comments on the draft criteria is intended to apply to the General Fund appropriation or the ARPA appropriation. For the purpose of these comments, Idaho Power assumes that the criteria are meant to apply to the General Fund appropriation. This is because in Section 7 of the HB. 769, which refers back to the General Fund appropriation, the Legislature identified that the moneys provided shall be used for expenditures, loans, or grants for water projects, including studies to address water sustainability, rehabilitate or improve

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aging water infrastructure, or support flood management. Aging infrastructure and water sustainability are the two subjects that IWRB is soliciting feedback on.

Section 7 of H.B. 769 also contained a public benefit requirement. The legislature defined public benefit criteria as "includ[ing] the protection of existing water rights, the uses identified in Section 42-1760(2)(d), Idaho Code, which include consideration of the *value of existing hydropower to the state's economy*, providing water for future development, and addressing aging water storage and delivery infrastructure for projects that provide environmental, safety, or recreational benefits."

Comments on IWRB Regional Water Sustainability Priority List

The IWRB's request for comment included a cite to a project list previously generated by the IWRB. This list identified "Tiers" whereby proposed projects were placed. Many of these projects have previously been reviewed by the Board. In fact, Anderson Ranch, Mountain Home and ESPA recharge are all now approved from this list. It is unclear how these "Tiers" were created, how various projects were placed on the list, and how the projects meet the goal(s) outlined in the appropriation legislation. Without further explanation, it is difficult to provide meaningful comments.

The Board should consider stepping back and first developing the sustainability goal(s), then the criteria to judge proposed projects and ultimately, the development of the project list consistent with these newly developed goals. It is reasonable to envision that many of the projects on the present list will also be included on any "new" list. However, if public input is going to be effective, the transparency from starting with clearly established goals based upon the State Water Plan and the developed "Sustainability" section would seem appropriate. Perhaps, this is how the IWRB first developed the project list identified. However, given the passage of time and the changing circumstances associated with the recently available state and federal funding, further explanation on this list should be provided prior to moving forward.

Additionally, to date the IWRB list of eligible entities inherently excludes many of the water uses recognized in Idaho Code 42-1760, including "water quality, fish and wildlife, recreation, and hydropower." The legislature recognizes that these uses provide economic value to the state and its citizens, and Idaho Power recommends that IWRB include these entities in its list of eligible entities for allocations from the water management account.

Comments on IWRB Aging Infrastructure Loan/Grant Criteria

IWRB is proposing to provide grants and loans to entities interested in pursuing projects to rehabilitate or improve aging water infrastructure. While its definition of aging infrastructure would cover facilities that have a hydroelectric component to them, IWRB should ensure that any aging infrastructure definition include those recognized benefits identified in statute. As noted above and consistent with the legislative intent of the appropriation bill, the scope of entities should also be expanded to include hydropower interests.

The evaluation criteria for ranking these projects should also be amended. Idaho Power agrees that public interest should be a priority for the evaluation of grant or loan funds. However, that the public interest criteria do not identify the value of low-cost, clean hydropower is an oversight.

According to the draft criteria, the IWRB has identified a need to support projects that address aging water infrastructure needs as an investment in the Idaho economy and to ensure long-term water sustainability. However, the evaluation criteria do not directly measure or give credit for projects with a public safety component, future benefits, account for population growth, capture future pressures on water supply, nor integrate climate change into the ranking criteria. The IWRB should consider adding these factors into its proposed criteria for aging infrastructure.

If you have any questions about these comments, please contact me at KDavis2@idahopower.com or (208)388-2602.

Sincerely,

Kresta Davis

Digitally signed by Kresta Davis
DN: cn=Kresta Davis, o=Idaho Power, ou=Water Resources
and Policy, email=kdavis2@idahopower.com, c=US
Date: 2022.05.20 09:22:26 -0600

Kresta Davis, Senior Manager
Water Resources & Policy
Idaho Power Company

Miller, Neeley

From: Dan Steenson <dan@sawtoothlaw.com>
Sent: Friday, May 20, 2022 10:20 AM
To: Miller, Neeley; Patton, Brian
Cc: Roger Batt (Roger@amgidaho.com); paul@iwua.org
Subject: TVWUA comments on DRAFT Criteria for Aging Infrastructure and Water Sustainability Funding
Attachments: TVWUA Comments on draft IWRB grant criteria (5-20-22).docx

Neely and Brian,

Attached is a word version of the DRAFT Criteria for Aging Infrastructure and Regional Water Sustainability Funding programs, showing comments and suggested changes that I'm submitting on behalf of the Treasure Valley Water Users Association (TVWUA). As you know, TVWUA has been actively engaged in and supportive of the legislative appropriations which made these programs possible, and TVWUA maintains the same level of interest as these programs come fruition.

You and the Board have done an outstanding job with the Flood Management Grant Program and we know you'll do the same with these programs. The attached comments and suggested changes address issues we've discussed with you, and are intended to help clarify and focus the proposed criteria on key grant proposal elements and qualities that can be evaluated, scored and ranked. Our understanding is that, as with the Flood Management Grant Program, funding proposals submitted by eligible applicants for eligible projects, that meet the Aging Infrastructure grant program's application requirements (i.e. provide the required information), will be scored and ranked using the criteria you develop. We also understand that translating qualitative assessments of project funding proposals into quantitative scores is an imprecise science, but we do believe this is the most effective way to allocate funding in the event qualified requests exceed available funding.

I'm sending Paul a copy of TVWUA's comments because we've worked closely with him and the IWUA advocating for these appropriations and programs over the last year, and corresponded and shared our thoughts on the draft criteria.

Roger and I are happy to meet with you if you have any questions regarding the attached comments and suggested changes, or any other aspects of these important IWRB programs.

Thanks again gentlemen for your fine work and support for our water users!

Dan

Daniel V. Steenson
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IWRB Regional Water Sustainability Priority List

The Idaho Water Resource Board (IWRB) will partner with eligible entities on large projects that help achieve water sustainability on a regional, basin-wide, or statewide scale. The IWRB will maintain a Water Projects Priority List (List) of those projects. These are projects the IWRB has determined have the potential to help achieve water sustainability.

Eligible Entities: Irrigation Districts, Irrigation Boards of Control, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Flood Control Districts, Municipalities, Counties, Irrigation Districts (formed per Title 42, chapter 18, Idaho Code), Water Districts to provide financial support for water users to implement water measurement-related improvements, and other public and private supporting stakeholders.

Eligible Geographic Area: Statewide

Water Projects Priority List: Projects that provide regional, basin-wide, or statewide benefits are eligible to be placed on the List; The List will be updated annually at the regularly scheduled January meeting of the IWRB. Projects are prioritized by the readiness of project to proceed.

Getting placed on the List is not a funding commitment, but rather a recognition that the project has the potential to help achieve water sustainability. Each project on the list is unique and will have its own implementation timeline and milestones.

Project Consideration Process

Possible metrics for qualification and tier prioritization:

- Demonstration of regional benefits
- Demonstration of broad stakeholder support
- Provides resolution of long-standing or anticipated water use conflicts
- Relative economic and public benefits, and/or improves water sustainability and resiliency.
- Project readiness (may influence tier)

IWRB Aging Infrastructure ~~Loan/~~Grant Criteria

During its 2022 session, the Idaho legislature appropriated to the Idaho Department of Water Resources (IDWR) \$75,000,000 to “be used for expenditures, loans, or grants for water projects, including studies, to address water sustainability, rehabilitate or improve aging water infrastructure or support flood management.” H.B. 769, §§ 6, 7. The legislature provided that “no more than one-third of these moneys shall be used for grants”, and directed the Idaho Water Resource Board (IWRB) to:

develop criteria, taking into account the public's input for the expenditures of money for grants, which shall be competitive, matching grants that prioritize projects based on the public benefits they provide. Considerations of public benefits should include the protection of existing water rights, the uses identified in Section 42-1760(2)(d), Idaho Code, which include consideration of the value of existing hydropower to the state's economy, providing water for future development, and addressing aging water storage and delivery infrastructure for projects that provide environmental, safety, or recreational benefits. H.B. 769, § 7.

The Idaho Water Resource Board (IWRB) has identified a need to support ~~p~~Projects that address ~~aging~~rehabilitate or improve Idaho's water infrastructure ~~needs as an investment in support~~ the Idaho economy, provide economic value and to ensure long-term water resource stability and sustainability. Pursuant to House Bill 769, the IWRB has developed these criteria to provide financial assistance on a statewide competitive basis through ~~loan and~~ grants to entities interested in pursuing projects to rehabilitate or improve aging water infrastructure.

Eligible Projects: The IWRB defines an aging water infrastructure project as any project intended to ~~address~~repair, ~~maintenance~~in, replacement, or ~~improvements to~~ existing infrastructure that supports irrigation water delivery, storage, drainage, treatment, and applicationuse of water for irrigation.

Eligible Entities: Irrigation Districts, Irrigation Boards of Control, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Lateral Ditch Users Associations, Municipalities Irrigation Districts (formed per Title 42, chapter 18, Idaho Code), Counties and Water Districts to provide financial support for water users to implement water measurement-related improvements.

Eligible Geographic Area: Statewide

~~Loan/Grant Funding Available and Cost-Share Component~~Considerations:

- ~~Projects that demonstrate a cost-share component by leveraging IWRB funding will be prioritized. The IWRB Preferred Funding Package = IWRB Low Interest Loan for 2/3rd (67%) of total project costs + IWRB Grant for a maximum of 1/3rd (33%) of total project costs.~~
- IWRB grant portion cannot exceed 1/3rd (33%) of total project costs. ~~after accounting~~

Commented [DS1]: See the highlighted portion of H.B. 769 below. These criteria are for competitive grants. Some of the criteria incentivize loan applications, but are not criteria for loan application/review/approval.

Commented [DS2]: Since these considerations are listed in the appropriation, the ranking criteria should include points for them. See “Public Interest” criteria

Commented [DS3]: From 42-1760(2)(d).

Commented [DS4]: TVWUA concurs with IWUA's comment on this provision.

for all other grant funding sources. If other non-IWRB grant funding is awarded to the project after a IWRB funding award is made, the IWRB's grant will be limited to 1/3rd (33%) of total project costs after accounting for all other grant funding sources. This requirement is intended to ensure project sponsors have a "stake" in the project and to maximize the use of available IWRB grant funds. *(Example: \$1.5M project; project has obtained \$900,000 non-IWRB grant; After all other grant funding the project still requires \$600,000. Project is eligible for IWRB grant up to \$200,000)*

- Funding awards may be reallocated if a project is not initiated prior to May 1, 2023 completed within the grant period of the grant award contract.
- For projects that require local, state or federal permitting, funding will not be made available unless the project is fully permitted. Sponsor is responsible for providing permit documentation to IWRB staff.

Commented [D55]: This limitation on grant funding is atypical of grant federal and state grant programs, and will be complicated to administer. Many, if not most, IWRB grant applicants who receive other grants will obtain them after receiving an IWRB grant. A grant applicant's acquisition of grant funding from other sources to reduce their out-of-pocket costs should not limit the IWRB grant.

Commented [D56]: Project timelines may vary due to a variety of circumstances. Reallocation should be triggered only by failure to complete a project within the grant period in the grant award contract.

Commented [D57]: Based on Guidelines for the Flood Management Grant Funding Program

Grant Application Requirements: Grant applications will be submitted on IDWR forms, which will require the applicant to provide the following information:

- Project background (infrastructure description, repair, rehabilitation, improvement needs/objectives/benefits)
- Project sponsor description (organization type, background, revenue sources, current operations)
- Project description (narrative, map, conceptual plan and design, land entitlements at project location)
- Cost estimate and budget
- Project funding sources (IWRB grant, other state and federal grants, sponsor's contribution)
- Project implementation schedule

Evaluation Criteria: To maximize the effective and efficient use of available funds, grant applications and sponsor's grant document submitted by eligible entities for eligible projects will be evaluated, scored (215100-point scale), and ranked according to the following criteria: If qualifying applications exceed available funding, project scoring will be used to approve grants and allocate funding.

First Time Applicants (405 points)

- First time applicants for an aging infrastructure grant will receive 5 points.

Commented [D58]: Note that, in the first year of the grant program, all applications will receive these points.

Project Proposal Clarity and Detail (up to 30 points)

- Clarity and detail of project proposal: need, description, budget and benefits (up to 10 points)
- Plans and specifications included with the grant application (up to 10 points)
- Description of the personnel (sponsor employees, contractors and/or volunteers) that will plan, design, construct and implement the proposed project (descriptions may include the number, qualifications (resumes if applicable) and time of personnel that will be involved in the project. (Up to 10 points)

IWRB Loan/Grant Combination (30 points)

- Applicants that elect the IWRB loan/grant combination will receive points. Grants not contingent on IWRB loan combo, but applications that propose loan/grant combination will receive additional points

Public Interest of Project (up to 50 points)

- Projects that address a public interest, Economic values supported by the infrastructure, including consideration of the communities, population, irrigated acres, future development and economic activity provided/served by the aging water infrastructure (up to 10 points) for water storage or delivery system.
- Uses/benefits identified in Section 42-1760(2)(d), Idaho Code (up to 10 points):
 - water quality
 - fish and wildlife
 - recreation
 - hydropower
 - water supply stability and sustainability
 - drought resiliency
 - public safety
 - recreation
 - other benefits to the citizens of the State

Commented [DS9]: This criteria skews the ranking to favor large projects. The relative size of the project should not be a scoring consideration.

Commented [DS10]: These considerations are required by the appropriation.

Urgency and Effectiveness of Project (up to 40 points)

- What is the urgency of the project (e.g. infrastructure age, risk of failure and potential property damage, impaired infrastructure function) (up to 10 points)
- and how does it specifically focus on repairing, replacing, or improving aging infrastructure? (10 points)
- What are the objectives and benefits of the project? (10 points)
- How does Effectiveness of the proposed project solution address in accomplishing the project objectives and benefits (e.g. nature and magnitude of operational efficiency improvement and/or water savings)? (up to 10 points)
- Budget cost/benefit (i.e. reasonableness of labor and materials costs, comparison of those costs to project outcomes) (up to 5 points)
- Are project sponsors using relevant and appropriate information to develop the proposed project? (Sponsor should include references to relevant design plans and specifications, studies, assessments, reports, management plans, etc.) (10 points)

Commented [DS11]: This information should be required for all applications as a condition of IWRB consideration, not a basis for ranking points.

Budget and Organizational Capacity of Project Applicant (Up to 85 points)

Lead sponsor of project is identified and there is a description of other affected stakeholders and jurisdictions. (10 points)

Project sponsors will provide documentation that affected local stakeholders and jurisdictions have been consulted. (5 points)

~~Is the proposed budget, scope of work and schedule provided? (15 points)~~

- ~~• Are plans and specifications included in the submission package? (15 points)~~
- ~~• Projects that propose grant amounts below 33% of total projects costs after accounting for all other grant sources will receive additional points (1 point for each additional 1% decrease up to 20 additional points).~~
- ~~• What is Has the sponsor's demonstrated the capacity, authority and ability to complete the project? Demonstration may include a synopsis of the sponsor's organization and descriptions history of successful accomplishments on of similar projects completed by the Sponsor similar to this one? The sponsor shall provide several past project examples, if possible. (up to 10 10 points)~~
~~Please describe what level of sponsor and consultant staffing that will be directed toward the implementation of the proposed project? Discuss the number of sponsor and consultant staff and amount of time dedicated for each for the project. Will the project utilize volunteers? If so, how? Include brief resumes or list of qualifications for each member of the project team. (10 points)~~

~~Grant Percentage and IWRB Loan/Grant Combination (up to 15 points)~~

- ~~• Projects that propose grant amounts below 33% of total projects costs will receive additional points (1 point for each additional 1% decrease, up to 10 additional points).~~
- ~~• Grants are not contingent on financing a portion of the project's costs through an IWRB loan, but applications that propose an IWRB loan/grant combination will receive additional points (up to 5 additional points).~~

Commented [DS12]: This information should be required for all applications as a condition of IWRB consideration, not a basis for ranking points.

Commented [DS13]: Redundant of 4th criteria under project "Urgency and Effectiveness"

Application Grant Process:

- Application ~~D~~deadline: August 5, 2022
- ~~IWRB staff makes P~~project ~~F~~funding ~~R~~recommendations to IWRB Finance Committee: ~~E~~arly September 2022 ~~Finance Committee~~
- ~~IWRB reviews Finance Committee recommendations and makes grant F~~funding ~~A~~warded: September 2022 IWRB meeting

Loan/Grant Implementation Process:

- ~~Loan and g~~IWRB notifies project sponsors of grant approval: September
- Grant contracts ~~between IWRB and project sponsors~~ will be developed ~~and executed~~ following IWRB funding awards ~~and notice to project sponsors~~
- ~~During and/or after project implementation, IWRB will ,and funds will be distributed~~ and/or reimbursed ~~grantees for project costs~~ per ~~those grant~~ contracts.

IWRB Districts are:

District No. 1: Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, Nez Perce, Lewis and Idaho counties.

District No. 2: Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, Elmore and Owyhee counties.

District No. 3: Camas, Gooding, Jerome, Twin Falls, Cassia, Blaine, Lincoln, Minidoka, Lemhi, Custer and Butte counties.

District No. 4: Clark, Fremont, Jefferson, Madison, Teton, Bingham, Bonneville, Power, Bannock, Caribou, Oneida, Franklin and Bear Lake counties.

** No more than 50% of the total budget may be spent within a single IWRB district. This limit may be waived if there are no competing funding demands.*



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May 20, 2022

SENT VIA EMAIL: Neeley.Miller@idwr.idaho.gov

Jo Ann Cole-Hansen, Finance Chair
Idaho Water Resource Board

Ms. Cole-Hansen:

On behalf of the Idaho Water Users Association (IWUA), thank you for the opportunity to provide comments on the draft criteria for two new funding opportunities administered by the Idaho Water Resource Board (IWRB or Board). This is a matter of significant importance to Idaho's water user community. We appreciate the opportunity to participate in the drafting process.

IWUA is a non-profit corporation representing approximately 300 canal companies, irrigation districts, ground water districts, municipal and public water suppliers, hydroelectric companies, aquaculture interests, agri-businesses, professional firms and individuals throughout Idaho. Our purpose is to promote, aid and assist in the development, control, conservation, preservation and utilization of Idaho's water resources. IWUA members operate water storage, recharge, delivery and drainage facilities throughout Idaho.

Aging Infrastructure Loan / Grant Criteria

Below are a number of comments / questions relating to the criteria for IWRB grants.

Title of Criteria: The criteria are currently identified to apply for a Board "loan / grant." The Board already has a working loan program. It is unclear why individuals or entities seeking a loan would be required to demonstrate many of the criteria identified in this document. Identifying this as "loan" criteria could lead to confusion about the existing loan program. IWUA suggests changing the title as follows: IWRB Aging Infrastructure Grant Criteria. Reference to "loans" in the section headings should also be removed.

Definition of Aging Water Infrastructure / Eligible Entities: The Board must be careful not to create a program that is too broad. The criteria and definitions should be tailored to the legislatures intended use of the appropriated funds. The current definition of aging water infrastructure includes "existing infrastructure that supports water delivery, storage, treatment and application of water." "Eligible entities" are then defined to include "municipalities, and counties." This aging infrastructure program should not be viewed as an alternative to the existing Clean Water or Drinking Water State Revolving Fund loan programs administered by the Idaho Department of Environmental Quality (IDEQ) for municipal water and wastewater projects. IWUA suggests adding the following language as part of the definition of "aging water infrastructure" in the criteria: "For purposes of this grant program, the term 'aging water

infrastructure' does not include municipal drinking or wastewater systems." In addition, the definition of "eligible entities" should include drainage districts.

Grant Funding Available & Cost-Share Component Bullet #1 (Prioritizing projects with loans): This provision prioritizes those projects for which the applicant has obtained an IWRB grant and loan package. Project proponents should not be penalized if they don't need a loan because they have secured the necessary funding for the project, either through saving funds or other grant programs. IWUA members appreciate that there is no "silver bullet" grant opportunity to pay the entire cost of their projects. As such, they will be proactive in searching out additional funding opportunities. In many instances, a loan may not be necessary. Such proactive measures should not be a detriment in the grant consideration. IWUA recommends deleting this entire bullet.

Grant Funding Available & Cost-Share Component Bullet #2 (Limitation of Grant Amounts): We appreciate the Board's desire to provide funding to as many projects as possible and that limiting grant size will help meet this goal. Idaho's water user community has a very real need for funding assistance in addressing aging infrastructure issues throughout the State. The grant limitations in the current criteria would be difficult to apply and lead to confusion among applicants. Further, grant programs should be sufficient to incentivize projects. IWUA recommends that grants be provided for up to 33% of the total project cost.

Grant Funding Available & Cost-Share Component Bullet #3 (Initiation Requirement): The draft criteria currently mandate that projects receiving grants must be "initiated" no later than May 1, 2023. IWUA appreciates the need to ensure that monies granted are spent and that the projects do not languish. However, given the delays and increasing costs facing projects today, it may not be possible to initiate projects within that timeline. The timeline of the project should be determined by the Board and the grant recipient in the grant contract. IWUA recommends that the language be rewritten as follows: "Funding awards may be reallocated if a project is not completed within the grant period of the grant award contract."

Evaluation Criteria: The following are comments relating to the evaluation criteria:

- **First Time Applicants:** Given that this is a new program, it is unclear what this criteria means. There have been no prior applicants. Will every applicant automatically receive the points?
- **Grant / Loan Combo:** See the comments above regarding penalizing proactive applicants who do not require a loan to fund their project. In addition, this criteria also fails to provide standards for the combo. For example, an applicant could request a grant for \$150,000 and a loan for \$5 and receive all of the allotted points. IWUA recommends that this criterion be deleted.
- **Public Interest:** H769 includes the mandate that the Board consider the public interest in awarding grants. It includes specific criteria for consideration in that process. This

provision should be amended consistent with the legislative language. IWUA recommends that this criterion be deleted and replaced with the following language:

Applicants should explain how their project provides a public benefit. Considerations of public benefits includes a description of how the project:

1. *Protects existing water rights and uses identified in I.C. § 42-1760(2)(d), including consideration of the value of existing hydropower to the state's economy.*

I.C. § 42-1760(2)(d) states: Any project selected pursuant to paragraph (c) of this subsection must protect all existing water rights and consider the effects of such projects on other water uses, such as water quality, fish and wildlife, recreation, and hydropower, that provide economic value, stability, water sustainability, drought resiliency, and other benefits to the citizens of the state.

2. *Provides water for future development; and*

3. *Addresses aging water storage and delivery infrastructure for projects that provide environmental, safety or recreational benefits.*

- Urgency & Effectiveness of Project: Some of the criteria is not clear.
 - What does “urgency” mean in the context of this criteria. Does it mean risk of failure? How soon? 1 year? 5 years? 20 years? IWUA recommends that the Board define “urgency” for purpose of this grant program.
 - The criteria speaks to “relevant and appropriate information” used to develop the project. What does this mean in the context of the grant criteria? It further states that the “sponsor should include reference to relevant design plans and specifications, studies, assessments, reports, management plans, etc.” There is some inconsistency in the document, as “plans and specifications” are required under the “Budget & Organizational Capacity of Projects” section of the criteria. Indeed, “design plans and specifications” should be provided as part of the application process (not merely a “reference” in the application). IWUA recommends that the phrase “design plans and specifications” be removed from the “Urgency & Effectiveness of Project” criteria.
- Budget & Organizational Capacity of Project:
 - Bullet #5 should be amended consistent with the proposed changes identified above relating to the limit of grants under this program.

- Bullet #6 awards additional points for organizations that have a “history of successful accomplishments on projects.” This criterion disadvantages small organizations who have not been able to complete projects in the past due to funding or other constraints.

This is often referred to as a “once in a generation” opportunity to address water needs. With record state surplus monies – some of which is provided to the Board for this grant program – and additional federal funding opportunities. Given these unprecedented times, many organizations that have not been able to address infrastructure needs in the past, will now be able to complete vital projects – ensuring that Idaho’s water infrastructure can safely and efficiently deliver water for generations to come. IWUA recommends deleting this criterion.

- Additional Comments:

- Many applicants seeking a grant through the Board will also seek grants through other programs – i.e., Reclamation’s WaterSMART program. IWUA would recommend a streamlined application process that prevents applicants from having to duplicate their work. IWUA also recommends that applicants be provided flexibility to “downsize” the scope of their projects, in the event that anticipated WaterSMART funding is not approved.
- We understand that the Board intends to finalize this criteria and accept applications through August 5. At that time, the Board will review applications and award any grants during their September meeting. This is a very quick timeline. We would anticipate that several entities would not be able to apply for a grant until 2023. IWUA recommends that the Board limit the total funds available for grants in 2022 to allow for entities to prepare and submit applications in future years.

Regional Water Sustainability Priority List

Beginning in the spring of 2021, the Board began the process of identifying large water projects throughout the State. Many of the identified projects have been the focus of conversations for several years (i.e., Mountain Home Air Force Base water supply, Anderson Ranch Dam Raise, Upper Snake recharge, etc.). The list was formally adopted by the Board in the fall of 2021.

Since that time, several have questioned (1) what does being on the list mean for the projects identified; and (2) what is the process and criteria to be applied for adding additional projects onto the list.

The draft criteria begin to answer the first question: “Getting placed on the List is not a funding commitment, but rather a recognition that the project has the potential to help achieve water sustainability.” Additional language would be helpful to clarify the intent of the Board in developing the list. Some unanswered questions include:

1. Does inclusion on the list mean that the Board will help advocate for funding opportunities?
2. Does a project on the list have priority consideration under the Board's grant and/or loan programs?
3. Will the Board help with letters or other support relating to permitting or other necessary authorizations?

As to the second questions, the process and criteria, more information is needed. The criteria includes a list of possible metrics for consideration. IWUA and its members stand ready to assist the Board in fleshing out the details of this criteria. Additional considerations include:

1. What does "regional benefit" mean? Does it depend on geography? Number of impacted individuals? As an example, the Board should prioritize projects that advance the goals of the SWC-IGWA Settlement Agreement, or that provide multiple benefits (e.g., recharge, efficiencies, facilitating administration of water rights that are not currently administered).
2. What type of information should be submitted for a request to include additional projects on the list?
3. Setting an annual request submission deadline – for example, requests to include a specific project on the list must be submitted no later than the Board's November meeting.
4. Further criteria relating to the determination of tiers for projects on the list (including project readiness, scope of the "regional benefits" etc.).

Thank you, again, for the opportunity to comment on the draft criteria. IWUA and its members appreciate the Board's efforts in this process.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Arrington", with a long horizontal flourish extending to the right.

Paul L. Arrington



May 20, 2022

Mr. Neeley Miller
Senior Water Resource Planner
Idaho Department of Water Resources
Via email

Re: Comments on Draft Criteria for the Regional Water Sustainability Program

Dear Mr. Miller,

Trout Unlimited (TU) has more than 300,000 members and supporters nationwide. Our mission is "to bring together diverse interests to care for and recover rivers and streams so our children can experience the joy of wild and native trout and salmon."

In pursuit of this mission across the West, TU works with farmers, ranchers, Tribes, states, governmental agencies, local contractors, local businesses, and many others to restore streams and rivers while also sustaining working lands and vibrant communities.

I am writing today to respectfully submit comments on the Department's draft criteria to evaluate projects for the new Regional Water Sustainability Program (RWSP). We appreciate the opportunity to provide input as you complete the criteria that will be used to make funding decisions through this program.

It can often be illuminating to consider an example of the type of project an entity considers to be a great fit for a new program. In this case and for the reasons described in more detail below, TU maintains that the Lewiston Orchards Water Exchange and Title Transfer (LOEP) represents an excellent model for the type of project that should be funded through the RWSP, and we strongly recommend the Idaho Water Resources Board (IWRB) allocate funding this year to fully complete this project.

Require Projects be Derived from Collaborative Processes that Include Diverse Stakeholders:

We agree that current funding levels represent a once in a lifetime opportunity to fund important water projects statewide. As such, we know that the IWRB will want to focus on those projects that will provide the most impactful and meaningful results. Over decades

working across the west to help solve water and fish challenges, TU time and again has found that solutions crafted through collaborative processes that include diverse stakeholders achieve the most successful and long-lasting regional results.

Limited water supplies create problems for everyone, and the best solutions take all needs into account. As such, TU recommends that RWSP criteria include a requirement that funded projects be derived from collaborative processes. The LOEP represents an excellent example of this type of process and resulting project.

Ensure Funding is Allocated to a Variety of Basins in Idaho:

Before finalizing funding decisions each year for the RWSP, we recommend the IWRB make sure that projects will be funded in a variety of different locations throughout Idaho. Many areas are struggling with the impacts of drought, climate change, and an increasing imbalance between water supplies and demands. As such, it is important for the IWRB to allocate the RWSP funds to several regions rather than just one or two. There is no other project in the region that could address regional water sustainability goals in such a significant way as the LOEP.

Prioritize Multi-Benefit Projects to Stretch Available Funding as Far as Possible

The statement announcing the opportunity to provide comment on criteria for the RWSP indicates that a key goal for the new RWSP is to stretch available funding as far as possible. The best way to achieve this objective is to prioritize multi-benefit projects when considering projects for funding. Multi-benefit projects result in resilient water systems that sustain communities, irrigation, as well as fish and wildlife. Healthy watersheds lead to more secure water availability for everyone.

Completion of the LOEP will provide the Lewiston Orchards Irrigation District (LOID) 20,000 patrons with a much more stable and reliable water supply, especially during drought, than currently exists.

In addition to the benefits provided to LOID and its patrons, completion of the LOEP will restore flow reliability to streams in the Lapwai Watershed, including Sweetwater Creek. Because of the unique characteristics of Sweetwater Springs, the biological value of these streams for ESA-listed steelhead is very high and the project will contribute to increasing the resilience of steelhead to climate change impacts. The restoration of these biological values will resolve the project's impacts to the Nez Perce Tribe and its people, including impacts cultural and religious water uses.

As emphasized by Department officials, placement on the IWRB's list of Regional Water Sustainability Projects is a **"recognition that the project has the potential to help achieve water sustainability"** (*emphasis added*). Since the IWRB's list was first released last year, the LOEP has been identified as a top tier project. TU agrees with this recognition and urges the IWRB, this year, to provide the funds necessary to fully complete this project.

Thank you again for the opportunity to provide these comments. Please contact me anytime at kira.finkler@tu.org or (208) 563-3486 if you have questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Finkler', with a stylized flourish at the end.

Kira Finkler
Director
Idaho Water & Habitat Program

IWRB Aging Infrastructure ~~Loan~~/Grant Criteria

During its 2022 session, the Idaho legislature appropriated to the Idaho Water Resource Board (IWRB) \$75,000,000 to “be used for expenditures, loans, or grants for water projects, including studies, to address water sustainability, **rehabilitate or improve aging water infrastructure** or support flood management.” H.B. 769, §§ 6, 7. The legislature provided that “no more than one-third of these moneys shall be used for grants”, and directed the IWRB to:

develop criteria, taking into account the public's input for the expenditures of money for **grants**, which shall **be competitive, matching grants that prioritize projects based on the public benefits they provide**. Considerations of public benefits should include the protection of existing water rights, the uses identified in Section 42-1760(2)(d), Idaho Code, which include consideration of the value of existing hydropower to the state's economy, providing water for future development, and addressing aging water storage and delivery infrastructure for projects that provide environmental, safety, or recreational benefits. H.B. 769, § 7.

~~The Idaho Water Resource Board (IWRB) has identified a need to support p~~Projects that ~~rehabilitate or improve Idaho’s address aging water water~~ infrastructure ~~needs as an investment in support~~ the Idaho economy, provide economic value, and ~~to~~ ensure long-term water resource stability and sustainability. ~~–Pursuant to House Bill 769, T~~he IWRB has developed these criteria to provides financial assistance on a statewide competitive basis through ~~loan and~~ grants to entities interested in pursuing projects to rehabilitate or improve aging water infrastructure.

Eligible Projects: The IWRB defines an aging water infrastructure project as any project intended to ~~address~~ repair, maintain~~ance~~, replacement, or improvements ~~to~~ existing infrastructure that supports irrigation water delivery, storage, drainage, treatment, and ~~application use~~ of water for irrigation. For purposes of this grant program, the term ‘aging water infrastructure’ does not include municipal drinking or wastewater systems.

Eligible Entities: Irrigation Districts, Irrigation Boards of Control, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Lateral Ditch Users Associations, ~~Municipalities~~ Irrigation Districts (formed per Title 42, chapter 18, Idaho Code), ~~Counties~~ Municipalities, Counties and Water Districts

Eligible Geographic Area: Statewide

~~Loan/Grant Funding Available and Cost-Share Component~~Considerations:

- ~~• Projects that demonstrate a cost-share component by leveraging IWRB funding will be prioritized. The IWRB Preferred Funding Package – IWRB Low Interest Loan for 2/3rd (67%) of total project costs + IWRB Grant for a maximum of 1/3rd (33%) of total project costs.~~

- IWRB grant portion cannot exceed 1/3rd (33%) of total project costs ~~after accounting for all other grant funding sources. If other non-IWRB grant funding is awarded to the project after a IWRB funding award is made, the IWRB's grant will be limited to 1/3rd (33%) of total project costs after accounting for all other grant funding sources. This requirement is intended to ensure project sponsors have a "stake" in the project and to maximize the use of available IWRB grant funds. (Example: \$1.5M project; project has obtained \$900,000 non-IWRB grant; After all other grant funding the project still requires \$600,000. Project is eligible for IWRB grant up to \$200,000)~~
- Funding awards may be reallocated if a project is not ~~initiated prior to May 1, 2023~~ completed within the grant period of the grant award contract.
- For projects that require local, state, or federal permitting, Ffunding will not be made available unless the project is fully permitted. Sponsor is responsible for providing permit documentation to IWRB staff.

Budget for Round One: IWRB limit total funds available in round one up to \$12.5 million.

Grant Application Requirements: Grant applications will require the applicant to provide the following information:

- Project background (infrastructure description, repair, rehabilitation, improvement needs/objectives/benefits)
- Project sponsor description (organization type, background, revenue sources, current operations)
- Project description (narrative, map, conceptual plan and design, land entitlements at project location)
- Cost estimate and budget
- Project funding sources (IWRB grant, other state and federal grants, sponsor's contribution)
- Project implementation schedule

Evaluation Criteria: To maximize the effective and efficient use of available funds, grant applications ~~and sponsor's grant document~~ submitted by eligible entities for eligible projects will be evaluated, scored ~~(215100-point scale)~~, and ranked according to the following criteria: Project scoring will be used to prioritize funding.

First Time Applicants (105 points)

- First time applicants for an aging infrastructure grant ~~will receive 5 points.~~ In the first year, all applicants will receive these points.

Project Proposal Clarity and Detail (up to 30 points)

- Clarity and detail of project proposal: need, description, budget and benefits (up to 10 points)
- Plans and specifications included with the grant application (up to 10 points)
- Description of the personnel (sponsor employees, contractors and/or volunteers) that will plan, design, construct and implement the proposed project (descriptions may include the number, qualifications (resumes if applicable) and time of personnel that will be involved in the project. (up to 10 points)

~~IWRB Loan/Grant Combination (30 points)~~

- ~~Applicants that elect the IWRB loan/grant combination will receive points. Grants not contingent on IWRB loan combo, but applications that propose loan/grant combination will receive additional points~~

Public Interest of Project (Up to 2050 points)

- Projects that address a public interest, including consideration of the communities, population, irrigated acres, and economic activity provided by the aging infrastructure for water storage or delivery system. Economic values supported by the infrastructure, including consideration of the communities, irrigated acres, provision of water for future development and economic activity served by the water infrastructure (up to 10 points)
- Uses/benefits identified in Section 42-1760(2)(d), Idaho Code (up to 10 points):
 - water quality
 - fish and wildlife
 - recreation
 - hydropower
 - water supply stability and sustainability
 - drought resiliency
 - public safety
 - other benefits to the citizens of the State

Urgency and Effectiveness of Project (up to 2040 points)

- ~~What is the urgency of the project and how does it specifically focus on repairing, replacing, or improving aging infrastructure? (10 points)~~
- ~~What are the objectives and benefits of the project? (10 points)~~
- ~~How does the proposed project solution address the objectives? (10 points)~~

- ~~Are project sponsors using relevant and appropriate information to develop the proposed project? (Sponsor should include references to relevant design plans and specifications, studies, assessments, reports, management plans, etc.) (10 points)~~
- Urgency of the project (e.g., infrastructure age, risk of failure and potential property damage, impaired infrastructure function) (up to 10 points)
- Effectiveness of the proposal in accomplishing project objectives and benefits (e.g., nature and magnitude of operational efficiency improvement and/or water savings) (up to 5 points)
- Budget cost/benefit (i.e., reasonableness of labor and materials costs, comparison of those costs to project outcomes) (up to 5 points)

Budget and Organizational Capacity of Project (85 points)

- ~~Lead sponsor of project is identified and there is a description of other affected stakeholders and jurisdictions. (10 points)~~
- ~~Project sponsors will provide documentation that affected local stakeholders and jurisdictions have been consulted. (5 points)~~
- ~~Is the proposed budget, scope of work and schedule provided? (15 points)~~
- ~~Are plans and specifications included in the submission package? (15 points)~~
- ~~Projects that propose grant amounts below 33% of total projects costs after accounting for all other grant sources will receive additional points (1 point for each additional 1% decrease up to 20 additional points).~~
- ~~What is the sponsor's history of successful accomplishments on projects similar to this one? The sponsor shall provide several past project examples, if possible. (10 points)~~
- ~~Please describe what level of sponsor and consultant staffing that will be directed toward the implementation of the proposed project? Discuss the number of sponsor and consultant staff and amount of time dedicated for each for the project. Will the project utilize volunteers? If so, how? Include brief resumes or list of qualifications for each member of the project team. (10 points)~~

Organizational Capacity of Applicant (Up to 10 points)

- Has the sponsor demonstrated the capacity, authority and ability to complete the project? Demonstration may include a synopsis of the sponsor's organization and descriptions of similar projects completed by the Sponsor. (up to 10 points)

Grant Percentage and IWRB Loan/Grant Combination (up to 15 points)

- Projects that propose grant amounts below 33% of total projects costs will receive additional points (1 point for each additional 1% decrease, up to 10 additional points).
- Grants are not contingent on financing a portion of the project's costs through an IWRB loan, but applications that propose an IWRB loan/grant combination

will receive additional points (up to 5 additional points).

Grant Application Process:

- Round one application deadline: August 5, 2022
- IWRB staff make project funding recommendations to IWRB Finance Committee.
Early September 2022 Finance Committee
- IWRB reviews Finance Committee recommendations and makes grant funding awards at a IWRB Meeting
Funding Awarded: September 2022 IWRB meeting
- —

Loan/Grant Implementation Process:

- IWRB staff will notify project sponsors of grant approval
- Grant contracts and grant between the IWRB and project sponsors will be developed and executed following IWRB funding awards.
- During and/or after project implementation, IWRB will distribute and/or reimburse grantees for projects costs
contracts will be developed following IWRB funding awards,
and funds will be distributed and/or reimbursed per those contracts.
- Additional funding rounds will be held in six-month intervals. Application deadlines will be announced.

IWRB Districts are:

District No. 1: Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, Nez Perce, Lewis and Idaho counties.

District No. 2: Adams, Valley, Washington, Payette, Gem, Boise, Canyon, Ada, Elmore and Owyhee counties.

District No. 3: Camas, Gooding, Jerome, Twin Falls, Cassia, Blaine, Lincoln, Minidoka, Lemhi, Custer and Butte counties.

District No. 4: Clark, Fremont, Jefferson, Madison, Teton, Bingham, Bonneville, Power, Bannock, Caribou, Oneida, Franklin and Bear Lake counties.

** No more than 50% of the total budget may be spent within a single IWRB district. This limit may be waived if there are no competing funding demands.*

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF AGING WATER
INFRASTRUCTURE GRANTS

RESOLUTION TO ADOPT CRITERIA

1 WHEREAS, House Bill 769 passed and approved in 2022 by the Idaho Legislature
2 appropriated to the Idaho Water Resource Board (IWRB) \$75,000,000 to be used for
3 expenditures, loans, or grants for water projects, including studies, to address water
4 sustainability, rehabilitate or improve aging water infrastructure or support flood management;
5 and

6
7 WHEREAS, the Idaho Legislature provided that no more than one-third of these moneys
8 shall be used for grants and directed the IWRB to develop criteria, taking into account the public's
9 input for the expenditures of money for grants, which shall be competitive, matching grants that
10 prioritize projects based on the public benefits they provide. Considerations of public benefits
11 should include the protection of existing water rights, the uses identified in Section 42-
12 1760(2)(d), Idaho Code, which include consideration of the value of existing hydropower to the
13 state's economy, providing water for future development, and addressing aging water storage
14 and delivery infrastructure for projects that provide environmental, safety, or recreational
15 benefits; and

16
17 WHEREAS, in May 2022 the IWRB's Finance Committee met to discuss a proposed Aging
18 Infrastructure Grant Criteria developed by staff. The Finance Committee decided to open a 30
19 day comment period to receive public comments on the draft criteria; and

20
21 WHEREAS, staff has compiled and reviewed the comments and updated this criteria
22 based upon public comments received, and

23
24 NOW, THEREFORE BE IT RESOLVED that the IWRB adopts the attached criteria for the
25 award of Aging Infrastructure Grants.

26
27 NOW THEREFORE BE IT FURTHER RESOLVED that loans for an aging water infrastructure
28 project, as defined by IWRB Resolution No. 38-2021, and with a term of 20 years or less, shall
29 receive an interest rate incentive of 70% of the Program Interest Rate, and shall apply to loans
30 made from either the Revolving Development Account or the Water Management Account. The
31 Program Interest Rate is defined by IWRB Resolution No. 38-2021 as equal to the Federal Prime
32 Rate on the first day of each quarter.

DATED this 7th day of June 2022.

JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST _____
JO ANN COLE-HANSEN, Secretary

IWRB Aging Infrastructure Grant Criteria

During its 2022 session, the Idaho legislature appropriated to the Idaho Water Resource Board (IWRB) \$75,000,000 to “be used for expenditures, loans, or grants for water projects, including studies, to address water sustainability, **rehabilitate or improve aging water infrastructure** or support flood management.” H.B. 769, §§ 6, 7. The legislature provided that “no more than one-third of these moneys shall be used for grants”, and directed the IWRB to:

develop criteria, taking into account the public's input for the expenditures of money for **grants**, which shall **be competitive, matching grants that prioritize projects based on the public benefits they provide**. Considerations of public benefits should include the protection of existing water rights, the uses identified in Section 42-1760(2)(d), Idaho Code, which include consideration of the value of existing hydropower to the state's economy, providing water for future development, and addressing aging water storage and delivery infrastructure for projects that provide environmental, safety, or recreational benefits. H.B. 769, § 7.

Projects that rehabilitate or improve Idaho’s water infrastructure support the Idaho economy, provide economic value, and ensure long-term water resource stability and sustainability. Pursuant to House Bill 769, the IWRB has developed these criteria to provide financial assistance on a statewide competitive basis through grants to eligible entities interested in pursuing eligible projects to rehabilitate or improve aging water infrastructure.

Eligible Projects: The IWRB defines an aging water infrastructure project as any project intended to repair, maintain, replace, or improve existing infrastructure that supports irrigation water delivery, storage, drainage, treatment, and use of water for irrigation. For purposes of this grant program, the term ‘aging water infrastructure’ does not include municipal drinking or wastewater systems.

Eligible Entities: Irrigation Districts, Irrigation Boards of Control, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Lateral Ditch Users Associations, Municipal Irrigation Districts (formed per Title 42, chapter 18, Idaho Code), Municipalities, Counties and Water Districts

Eligible Geographic Area: Statewide

Grant Funding Considerations:

- IWRB grant portion cannot exceed 1/3rd (33%) of total project costs.
- Funding awards may be reallocated if a project is not completed within the grant period of the grant award contract.
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Budget for Round One: IWRB limit total funds available in round one up to \$12.5 million.

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- Cost estimate and budget
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Project Proposal Clarity and Detail (*up to 30 points*)

- Clarity and detail of project proposal: need, description, budget and benefits (*up to 10 points*)
- Plans and specifications included with the grant application (*up to 10 points*)
- Description of the personnel (sponsor employees, contractors and/or volunteers) that will plan, design, construct and implement the proposed project (descriptions may include the number, qualifications (resumes if applicable) and time of personnel that will be involved in the project. (*up to 10 points*)

Public Interest of Project (*up to 20 points*)

- Economic values supported by the infrastructure, including consideration of the communities, irrigated acres, provision of water for future development and economic activity served by the water infrastructure (*up to 10 points*)
- Uses/benefits identified in Section 42-1760(2)(d), Idaho Code (*up to 10 points*):
-water quality

- fish and wildlife
- recreation
- hydropower
- water supply stability and sustainability
- drought resiliency
- public safety
- other benefits to the citizens of the State

Urgency and Effectiveness of Project (*up to 20 points*)

- Urgency of the project (e.g., infrastructure age, risk of failure and potential property damage, impaired infrastructure function) (*up to 10 points*)
- Effectiveness of the proposal in accomplishing project objectives and benefits (e.g., nature and magnitude of operational efficiency improvement and/or water savings) (*up to 5 points*)
- Budget cost/benefit (i.e., reasonableness of labor and materials costs, comparison of those costs to project outcomes) (*up to 5 points*)

Organizational Capacity of Applicant (*up to 10 points*)

- Has the sponsor demonstrated the capacity, authority and ability to complete the project? Demonstration may include a synopsis of the sponsor's organization and descriptions of similar projects completed by the Sponsor. (*up to 10 points*)

Grant Percentage and IWRB Loan/Grant Combination (*up to 15 points*)

- Projects that propose grant amounts below 33% of total projects costs will receive additional points (*1 point for each additional 1% decrease, up to 10 additional points*).
- Grants are not contingent on financing a portion of the project's costs through an IWRB loan, but applications that propose an IWRB loan/grant combination will receive additional points (*up to 5 additional points*).

Grant Process:

- Round one application deadline: August 5, 2022
- IWRB staff will make project funding recommendations to IWRB Finance Committee.
- IWRB reviews Finance Committee recommendations and makes grant funding awards at a IWRB Meeting
- IWRB staff will notify project sponsors of grant approval

- Grant contracts between the IWRB and project sponsors will be developed and executed following IWRB funding awards.
- During and/or after project implementation, IWRB will distribute and/or reimburse grantees for projects costs per those contracts. Grant reimbursement requests should be sent to IdwrPayable@idwr.idaho.gov
- Additional funding rounds will be held in six-month intervals. Application deadlines will be announced.

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