

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE REGIONAL
WATER SUSTAINABILITY PRIORITY LIST

RESOLUTION TO ADOPT CRITERIA

1 WHEREAS, in July 2021 the IWRB adopted an initial Regional Water Sustainability Priority
2 List to help guide the Idaho Water Resource Board's (IWRB's) spending for large, regional water
3 sustainability projects from ARPA funds, state general funds, or other applicable sources; and
4

5 WHEREAS, in January 2022 the IWRB adopted a threshold criteria indicating that for a
6 project to be included on the Regional Water Sustainability Priority List it must "help achieve
7 water supply sustainability on a regional, basin-wide, or state wide basis;" and
8

9 WHEREAS, state general funds made available for regional water sustainability projects
10 are placed into the Water Management Account, which is managed by the IWRB. Idaho Code
11 42-1760(2)(d) requires that when authorizing the use of funds from the Water Management
12 Account the IWRB "must protect all existing water rights and consider the effects of such projects
13 on other water uses, such as water quality, fish and wildlife, recreation, and hydropower, that
14 provide economic value, stability, water sustainability, drought resiliency, and other benefits to
15 the citizens of the state.;" and
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17 WHEREAS, on April 20th 2022 staff presented the Finance Committee with a proposed
18 criteria for inclusion on the Regional Water Sustainability Priority List. The Committee chose to
19 open a 30-day public comment period on the draft criteria for funding water projects statewide;
20 and
21

22 WHEARAS, on September 8th 2022 staff presented the Finance Committee with an
23 updated criteria and discussed the public comments that were received. The Committee chose
24 to open a second 30-day public comment period on the updated draft criteria for funding water
25 projects statewide; and
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27 WHEREAS, on October 20th 2022 the IWRB's Finance Committee met to discuss the an
28 updated criteria incorporating the new round of public comments. The Finance Committee
29 reviewed the comments recommended the attached criteria be adopted by the IWRB; and
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31 NOW, THEREFORE BE IT RESOLVED that the IWRB adopts the attached criteria for
32 inclusion on the Regional Water Sustainability Priority List.

DATED this 26th day of October 2022.



JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST 

JO ANN COLE-HANSEN, Secretary

IWRB Regional Water Sustainability Priority List

Sustainability focuses on the overall stewardship of the state's water resources for the good of the people of the State of Idaho. In the [Sustainability section](#) of the [State Water Plan](#) (SWP) the Idaho Water Resource Board (IWRB) defines sustainability as the active stewardship of Idaho's water resources to satisfy current uses and assure future uses of this renewable resource in accordance with state law and policy. Since Idaho's water resources are not inexhaustible, stewardship also includes taking affirmative steps to address declining trends in Idaho's water supplies.

The IWRB will support implementation of water sustainability projects, including studies (collectively projects), that provide benefits on a regional, basin-wide, or statewide scale. The IWRB will maintain a [Regional Water Sustainability Priority List](#) (List) of those projects the IWRB has determined have the potential to help achieve regional water sustainability.

Eligible Entities: Irrigation Districts, Irrigation Boards of Control, Canal Companies, Drainage Districts, Groundwater Districts, Ditch Companies, Flood Control Districts, Regional Water Supply Organizations, Municipal Irrigation Districts (formed per Title 42, chapter 18, Idaho Code), Water Districts, cities, counties, and water-related stakeholders.

Eligible Geographic Area: Statewide.

Regional Water Sustainability Priority List: During its July 2021 meeting, the IWRB adopted a priority list of water projects that provide regional benefits. The IWRB updated the list at their January 2022 meeting to reflect funding allocations and related decisions and actions by Congress, the Idaho legislature and the IWRB. The updated "Idaho Water Resource Board Regional Water Sustainability Priority List" is attached hereto.

Projects, including studies, to be undertaken by eligible entities that provide water sustainability on a regional, basin-wide, or statewide scale are eligible to be included on the List. An eligible entity that requests inclusion of the project on the list is a "Project Sponsor." For projects that are included on the List, the IWRB may 1) help advocate for Federal funding opportunities for these projects, 2) facilitate state funding consideration, and 3) help with letters of support related to necessary funding and/or permitting authorizations.

Inclusion on the List is not a funding commitment, but rather a recognition that the project has the potential to help achieve water sustainability. To obtain funding from an existing grant, loan or other funding program, the Project Sponsor will be required to submit the requisite application(s), and the project will be considered for funding pursuant to the procedures and criteria of the program. Additionally, the IWRB may at its discretion assist the Project Sponsor in obtaining funding from other funding sources.

Each project on the List is unique and will have its own implementation timeline and milestones.

Process for inclusion on the List: Two ways for a project to be included on the list: 1) Project Sponsors will submit a request to the IWRB for a project to be added to the List by December 1st,

and 2) the IWRB can add projects to the List at its discretion.

The IWRB Finance Committee will consider these requests and make a recommendation to the IWRB. The List will be updated annually at the regularly scheduled January IWRB meeting.

Project Sponsors will provide the following information:

- Cover letter with project summary.
- 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, description of any known environmental issues).
- Cost estimate and budget.
- Project funding sources.
- Project implementation schedule.

Considerations for List Qualification and Tier Prioritization:

- Project helps to achieve water sustainability.
- Project provides sustainability benefits on a regional scale (basin-wide or statewide) based on geographic area or number of impacted individuals. Projects with multiple benefits may be prioritized.
- Relative economic and public benefits including consideration of public benefits such as 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
- Project has broad stakeholder support or provides solutions that have been developed through collaborative processes.
- Project provides or contributes to resolution of long-standing water supply challenges or anticipated water use conflicts.
- Project leads to stabilization and recovery of groundwater levels in basins where

74 groundwater declines are occurring.

75 • Project readiness (may influence tier).

76 **How a project is removed from the List:**

77 • Project is fully funded and/or implemented.

78 • Sponsor of the project requests the project be removed.

79 • IWRB at its discretion removes project.

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
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17 WHEREAS, staff prepared an updated criteria for the award for Aging Infrastructure
18 Grants based upon feedback from round one; and
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20 WHEREAS, on October 20th 2022 the IWRB's Finance Committee met to discuss the
21 updated Aging Infrastructure Grant Criteria developed by staff. The Finance Committee
22 recommended the attached criteria be adopted by the IWRB; and
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24 NOW, THEREFORE BE IT RESOLVED that the IWRB adopts the attached criteria for the
25 award of Aging Infrastructure Grants.

DATED this 26th day of October 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 ensures 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 new project, or new phase of an improvement project intended to repair, maintain, replace, or improve existing infrastructure that supports irrigation water delivery, storage, drainage, treatment, and use of water for irrigation. Projects that are already completed or underway by the application deadline are not eligible for this funding opportunity. Additionally, 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, Reservoir Districts, 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.
- Permits are not required during the application phase. For those projects that are funded and require local, state, or federal permitting, funding reimbursement will not

be made unless the project is fully permitted. Sponsor is responsible for providing permit documentation to IWRB staff.

Budget for Round Two: \$12.5 million.

Grant Award Limit: \$2 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, description of any known environmental issues).
- 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 submitted by eligible entities for eligible projects will be evaluated, scored (*100-point scale*), and ranked according to the following criteria. Project scoring will be used to prioritize funding. Applications shall discuss how the project under consideration meets the evaluation criteria.

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 25 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 15 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 25 points)

- Urgency of the project (e.g., infrastructure age, infrastructure function) (up to 15 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 (up to 10 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).

Grant Process:

- Application deadline will be set by IWRB for each round
- IWRB staff will make project funding recommendations to IWRB Finance Committee
- IWRB reviews Finance Committee recommendations and makes grant funding awards
- IWRB staff will notify project applicants of grant approval.
- Project sponsors will provide notice to the IWRB of acceptance of funding within 90 days after they have been notified 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 if more funding becomes available.

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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 THE
THE IWRB LEASE OF WATER RIGHT NO. 77-
4208 ON KNAPP CREEK

RESOLUTION TO MAKE A FUNDING
COMMITMENT

1 WHEREAS, natural-origin Chinook salmon, steelhead, and bull trout habitat in the Middle
2 Fork Salmon River Basin is impacted by flow-limited tributaries; and
3

4 WHEREAS, Knapp Creek, tributary to Marsh Creek, has been identified as a high priority
5 stream for flow restoration efforts, to provide high quality spawning and rearing habitat for
6 natural-origin anadromous Chinook salmon, steelhead, and resident bull trout, and
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8 WHEREAS, it is in the interest of the State of Idaho to increase flow in Knapp Creek to
9 promote recovery of ESA-listed Chinook salmon, steelhead, and bull trout fish; and
10

11 WHEREAS, Water Right No. 77-4208 has been historically diverted from Knapp Creek for
12 irrigation purposes; and
13

14 WHEREAS, the Idaho Water Resource Board (IWRB), pursuant to Section 42-1734, Idaho
15 Code, has the authority to acquire, purchase, lease, or exchange land, rights, water rights,
16 easements, franchises, and other property deemed necessary or proper for the construction,
17 operation, and maintenance of water projects; and
18

19 WHEREAS, the Water Right owner has leased a portion of the water right to the Water
20 Supply Bank (WSB) since 2018 and is compensated through a Columbia Basin Water Transactions
21 Program (CBWTP) payment contract with the IWRB; and
22

23 WHEREAS, the Water Right owner desires to continue to lease to the IWRB a portion of
24 Water Right No. 77-4208 so that the water may remain in Knapp Creek to enhance fish habitat;
25 and
26

27 WHEREAS, the current WSB lease contract expires December 31, 2022, and the CBWTP
28 payment contract expires October 31, 2023; and
29

30 WHEREAS, a 6-year WSB lease contract, with a term of 2023 to 2028, will be developed
31 to leave water in Knapp Creek and improve stream flow for anadromous and resident fish; and
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33 WHEREAS, a new CBWTP payment contract with a term of 2024 to 2028 will be presented
34 for IWRB approval during the 2024 program fiscal year; and
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36

37 WHEREAS, the Idaho WSB lease application fee for Water Right No. 77-4208 is \$250; and

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39 NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman or designee to
40 lease Water Right No. 77-4208 to the WSB for a period of 6 years, from 2023 to 2028; and

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42 NOW THEREFORE BE IT RESOLVED that the IWRB will pay up to \$250 in lease application
43 fees to facilitate this transaction; and

44
45 NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition
46 that the IWRB receives the requested funding from the Bonneville Power Administration
47 Columbia Basin Water Transaction Fund in the amount of \$250.

DATED this 26th day of October 2022.



JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST 

JO ANN COLE HANSEN, Secretary

BEFORE THE IDAHO WATER RESOURCE BOARD

**IN THE MATTER OF THE 2023–2027 HAT
CREEK WATER TRANSACTION CONTRACTS**

**RESOLUTION TO MAKE A FUNDING
COMMITMENT**

1 WHEREAS, resident bull trout, juvenile Chinook salmon, and adult steelhead in Hat
2 Creek are limited by low flow in the lower reaches of Hat Creek; and

3 WHEREAS, Hat Creek provides habitat for resident bull trout, juvenile Chinook
4 salmon, and adult steelhead habitat, and the 2004 Snake River Water Rights (“Nez Perce”)
5 Agreement commits the state to providing incentives for improving fish habitat which includes
6 improving or protecting flow conditions to augment stream flows; and

7 WHEREAS, it is in the interest of the State of Idaho to increase flow in Hat Creek to
8 encourage recovery of ESA-listed bull trout, Chinook Salmon, and steelhead; and

9 WHEREAS, the Idaho Water Resource Board (IWRB) owns minimum streamflow Water
10 Right No. 75-14189 on Hat Creek; and

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

15
16 WHEREAS, the water right owners have agreed to donate a portion of Water Right Nos.
17 75-2137, 75-4199, and 75-4200 to the IWRB for delivery to the Hat Creek minimum stream flow
18 Water Right No. 75-14189; and

19 WHEREAS, staff is developing a 5-year Lease and Rental Agreement through the Idaho
20 Water Supply Bank to leave water in Big Hat Creek and Hat Creek to improve stream flow for
21 anadromous and resident fish; and

22 WHEREAS, a proposal for \$3063.93 will be submitted to the Columbia Basin Water
23 Transaction Program to fund the lease and rental fees of said water rights through the Idaho
24 Water Supply Bank; and

25 WHEREAS, the Hat Creek transaction is in the public interest and in compliance with the
26 State Water Plan; and

27 NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman or designee to
28 rent Water Right Nos. 75-2137, 75-4199, and 75-4200 for the purpose of increasing flows in Big
29 Hat Creek and Hat Creek; and

30 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB will pay up to \$500 in lease
Resolution No. 42-2022

31 application fees and \$2536.93 in Water Supply Bank rental fees to facilitate this transaction; and

32 NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition
33 that the IWRB receives the requested funding from the Bonneville Power Administration through
34 the Columbia Basin Water Transaction Program in the amount of \$3063.93.

DATED this 26th day of October 2022.



JEFF RAYBOULD, Chairman
Idaho Water Resource Board

ATTEST: 

JO ANN COLE HANSEN, Secretary