AGENDA
IDAHO WATER RESOURCE BOARD

Finance Committee Meeting No. 1-22
Friday, January 14, 2022
1:00 p.m. (MT)

Water Center
Conference Room 602 C & D / 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: 847 1012 2115 Passcode: 069679

1. Introductions and Attendance
2. Review Governor’s Proposed Budget for IDWR
3. Allowable Uses of ARPA Funds for Water Projects
4. Criteria for Large Water Sustainability Projects*
5. Allocation of Funds*
6. Other Items
7. Adjourn

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

* 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.
FY 2023 Governor’s Budget Recommendation for IDWR & IWRB

- Additional 15 FTP’s – Increase to General Fund - $1,386,900; ARPA Fund - $30,000; other funds - $168,200; total - $1,585,100
- Other adjustments – Inflation, replacement items, benefit costs, SWCAP, CEC – Increase to General Fund - $453,900; other funds - $169,400; total - $649,600
- Transfer from Revolving Development Fund - $716,000
- FY 2022 Supplemental Request – Transfer from General Fund to Water Management Fund - $75,000,000
- FY 2023 State Fiscal Recovery Fund - $100,000,000
Uses of American Rescue Plan Act (ARPA) Funds for Water Projects

- A certain amount of ARPA funds received by the State of Idaho may be used for water, sewer, or broadband infrastructure

- The Governor is proposing $250M in ARPA funds for the IWRB

- On January 6, U.S. Treasury issued a final rule on the uses of ARPA funds including uses for water projects

- ARPA funds may be used for certain projects, and certain projects are excluded

- When IWRB authorizes expenditure of ARPA funds, the link back to the U.S Treasury Rule must be clearly established – federal audit

- Timelines – ARPA funds must be allocated by 2024 and spent by 2026
Uses of American Rescue Plan Act (ARPA) Funds for Water Projects

- The Federal Infrastructure Bill included a provision, incorporated in the U.S. Treasury Rule, that ARPA funds may be used for the non-federal match of an authorized Bureau of Reclamation water project – Treasury states in the Final Rule it will provide further guidance on this provision - Anderson Ranch Enlargement

- Except for that provision, the Treasury rule limits water projects to those that are eligible under the DWSRF and CWSRF funds – EPA guidance controls that eligibility

- Drinking water projects qualify so the MHAFB Water Supply qualifies
Uses of American Rescue Plan Act (ARPA) Funds for Water Projects

• The document “Addressing and Mitigating Drought with the DWSRF” published by EPA states on Page 2 that the DWSRF may fund aquifer recharge projects

• The document “Overview of Clean Water State Revolving Fund Eligibilities” published by EPA on page 22 states that the CWSRF may fund aquifer recharge projects

• So, ARPA funds may be used for aquifer recharge infrastructure

• Other potential water project uses may be limited
Regional Water Sustainability Project Definition (Proposed):

“A project that helps achieve water resource sustainability on a regional, basin-wide, or state-wide basis”

Staff suggests this threshold for a project to be added to the Regional Water Sustainability Project Priority List
Regional Water Sustainability Projects that provide wide, regional, or state-wide benefits

### Tier 1 Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mountain Home Air Force Base Sustainable Water Project</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>Anderson Ranch Reservoir Enlargement</td>
<td>$90,000,000</td>
</tr>
<tr>
<td>Large Upper Valley ESQA Aquifer Recharge Project</td>
<td>$75,000,000</td>
</tr>
<tr>
<td>Aging Water Infrastructure Repair Fund</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>Cloud seeding Infrastructure in additional basins</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Lewiston Orchards Exchange Project</td>
<td>$35,000,000</td>
</tr>
</tbody>
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**TOTAL – TIER 1**  $286,000,000

### Tier 2 Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bear Lake Additional Storage</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Mountain Home Aquifer Water Supply</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>Governors Salmon Work Group Projects</td>
<td>$80,000,000</td>
</tr>
<tr>
<td>New York Canal Lining</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>Raft River Pipeline</td>
<td>$30,000,000</td>
</tr>
</tbody>
</table>

**TOTAL – TIER 2**  $225,000,000

### Tier 3 Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>Lemhi Basin Aquifer Recharge</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Lost Valley Reservoir Enlargement</td>
<td>$50,000,000</td>
</tr>
<tr>
<td>Palouse Basin Aquifer Water Supply</td>
<td>$70,000,000</td>
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<tr>
<td>Community Water Supply Projects</td>
<td>$50,000,000</td>
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<tr>
<td>Flood Management Grant projects</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Water quality projects statewide</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>Water Management Account &amp; Secondary Aquifer Fund</td>
<td>$100,000,000</td>
</tr>
<tr>
<td>Municipal water re-use projects</td>
<td>$20,000,000</td>
</tr>
</tbody>
</table>

**TOTAL – TIER 3**  $330,000,000

**GRAND TOTAL**  $843,000,000

- Adopted by Idaho Water Resource Board on July 21, 2021
Questions