



# Eastern Snake Plain Comprehensive Aquifer Implementation Committee

December 16, 2009





# Working Group Updates

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# Proposed Funding Legislation for the ESPA CAMP

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- CAMP establishes that 60% of the funds should come from water users and the balance from the state of Idaho.
- CAMP provides that all fees, assessments and interest collected for plan implementation be deposited in the Board's Revolving Development Fund, however the proposed legislation includes the newly crafted Aquifer Planning and Management Fund
- The Board formed a Working Group in January 2009 for the purpose of developing a specific recommendation for funding the CAMP.
- After much deliberation, the Working Group identified several sideboards for its funding recommendation.



- CAMP funding should be based upon the assessment of a mandatory fee rather than a tax.
- The Working Group and Implementation Committee agreed on a fee based approach because it can be tailored to the benefits received by each water user group. A fee is based upon benefits received it is likely to enjoy more public support.
- The fee should be collected through the counties or the water districts.
- The Implementation Committee considered a conservancy district, but was hesitant because it would entail the creation of another level of governance.
- The fee must be based upon the funding allocation set forth in the CAMP.



1. The Legislature would approve the fee structure.
2. The draft legislation contains a clear statement of legislative findings supporting the proposed fee structure, which demonstrates the relationship between the fee assessed and the benefits received.
3. Collection assistance from each affected county assessors, county treasurer, state water district, groundwater districts, irrigation district and the Department of Water Resources is required.



4. Considerable effort is required to determine the amount of the fee to be collected from individual water users or water delivery entities.
5. The legislation provides for when the collected fees must be paid to the state and the fund which fees would be deposited.
6. The legislation authorizes the retention of a percentage of the collected amount as the cost of administration for collection of the fee.



- Each water district would by law be required to collect the CAMP fee.
- The fee would be collected annually as part of the water districts created by the Director of the Department of Water Resources under chapter 6, title 42, Idaho Code.
- The fee would not be identified as an expense related to water distribution, but instead would be separately itemized as a CAMP implementation fee.





- The treasurer of each affected county would be required by law to collect the CAMP fee as imposed by the Legislature.
- The county treasurer would be required to mail a notice to each water delivery entity or affected water user stating the amount of the fee payable and the due date, and if not so paid, the amount of the penalty and monthly interest accruing until paid.



- The legislation authorizes the water districts, the county treasurers or the Water Resource Board to collect any mandatory fees due and unpaid.
  
- Enforcement by lien on property so as to be consistent with requirements needed to include in the county tax notice.
  
- Enforcement would include collection of any unpaid fee, penalty, interest and costs, together with reasonable attorney fees.



- The proposal satisfies the CAMP Implementation Committee's desire for a funding mechanism that is mandatory with no added level of governance.
  
- County Treasurers to collect one dollar or current year fee depending on state contribution, for all irrigated lands.
  
- Water Districts that administer groundwater will collect fee for all groundwater irrigated lands, cities, spring users and industrial groundwater users.
  
- Agreements between the Board and some individual participants will be necessary.



- Review of 2009 Cloud Seeding Coordination and Efforts
- Next Steps



## **Coordination with Counties**

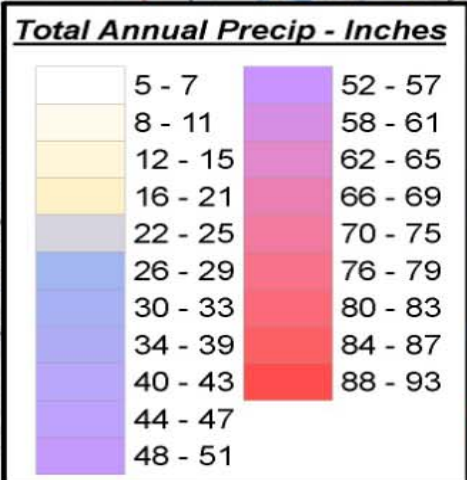
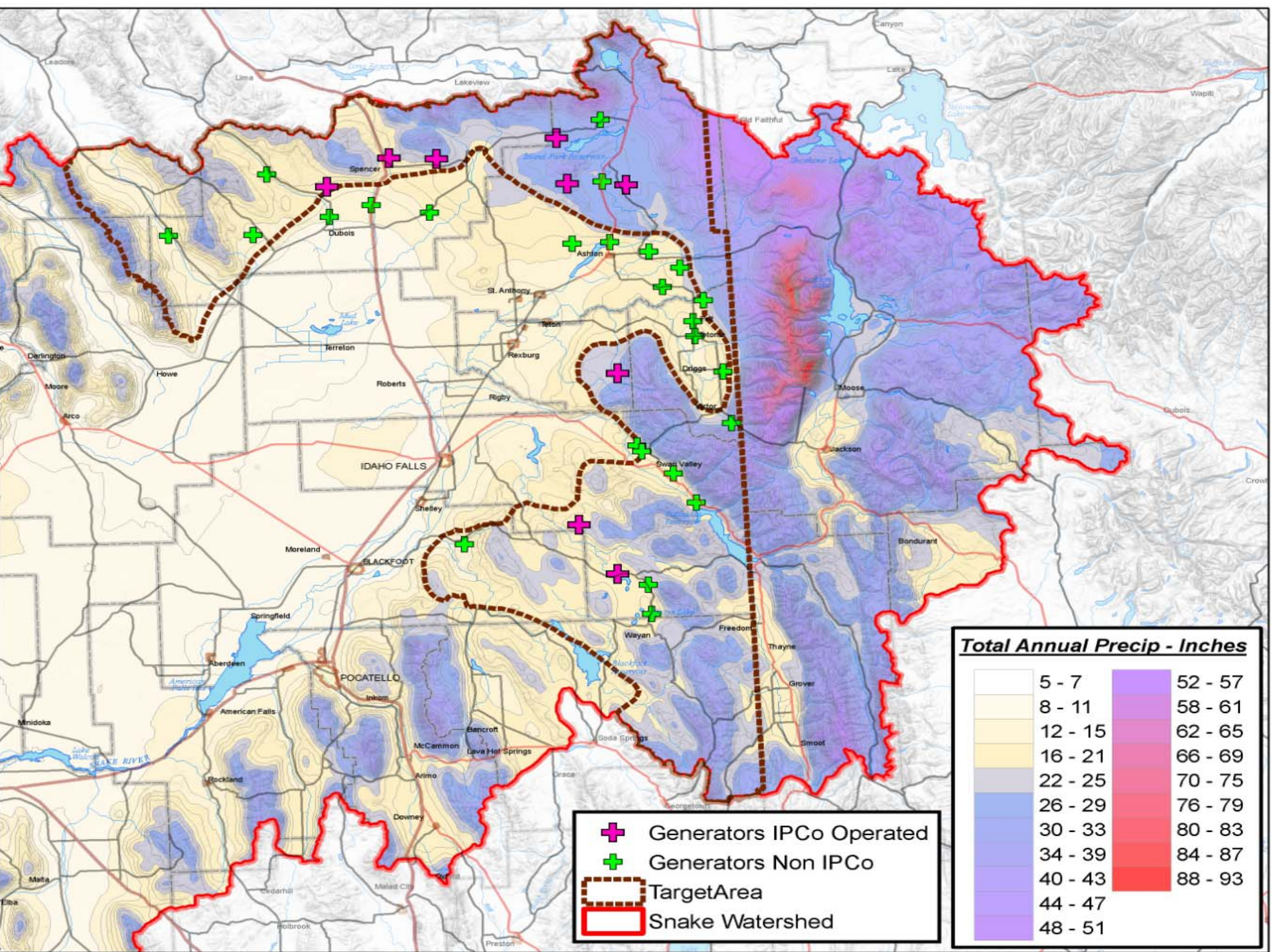
- Met with counties on 11/17/2009
  - Adopted suspension criteria – based on snowpack and streamflows
  - Idaho Department of Lands – more process required in future
- Started looking for sites for additional generators (next year)
- Idaho Power provides forecasting and operations guidance to County program.

## **Operations**

- 9 remote generators - IPC
- 25 manual generators - Counties.

## **Progress, as of December 13th**

- 55 hours of seeding
- 1100 grams Agl



- + Generators IPCo Operated
- + Generators Non IPCo
- Target Area
- Snake Watershed



- IPC and the Counties will continue weather modification/cloud seeding efforts in the Upper Snake in 2010
- Finalize the FAQ document
- Develop formal agreements between the IWRB and IPC and between the IWRB and counties (including how their financial contribution will fit under the ESPA Plan umbrella)



- PERC Program
  
- AWEF 2010
  - Aquifer Demand Reduction Strategies
  - Conversions to Dry Land Farming
  - Crop Mix Modifications
  
- Next Steps





- The Demand Reduction Working Group, over the fall of 2009, developed a proposal for a PERC Program. The PERC Program is a program to reduce the demand on the ESPA. At the December 2<sup>nd</sup> meeting, the Demand Reduction Working Group agreed to recommend the PERC Program to the Implementation Committee. *Please see the handout of the PERC Program overview*
- The Demand Reduction Working Group is recommending the PERC Program as both a stand-alone program and as additional incentives for CREP enrollment.
- The WG further recommends that the PERC Program be initiated when ESPA Plan funds are collected (rather than funded through another source).



- Three programs were included in the AWEF proposal for demand reduction strategies for 2010, They are:
  - Aquifer demand reduction incentives
  - Conversion to dry land farming
  - Crop mix modification
  
- NRCS supports additional funding for Thousands Springs projects in 2010 (originally for 2009 only) if there are viable projects. A meeting on December 21<sup>st</sup> with NRCS will address, in part, the issue of a potential Thousand Springs project.



- During January and February 2010, the Demand Reduction Working group will gauge interest in these projects, develop screening and ranking criteria, flush out the descriptions of each projects, amongst other administrative task associated with developing these programs.
- In March 2010, the application period will begin and the IWRB will work the District Conservationists to clarify each of the demand reduction strategies.
- In April 2010, NRCS will rank the applications based on the criteria developed by the Working Group, Implementation Committee and the IWRB.
- In May 2010, contracts will be signed.
- In June 2010, unused funds will be reallocated to D.C.

- Objective of Strategy: Utilize AWEF funds to assist property owners transitioning into PERC, and is designed to be wedded to PERC
- The Working Group is considering an interim program, if it can serve as a standalone program. If the incentives are sufficient (either alone or in coordination with another funding source), then the Working Group will move forward with designing a program.
- Additional data is being collected to determine if an interim program could provide enough incentive to property owners. This data will be discussed at a coordination meeting with NRCS on Dec 21<sup>st</sup> and then presented to the Working Group on January 6<sup>th</sup>.



- Objective of Strategy: Utilize AWEF funds to facilitate the conversion from surface irrigated to dry land farming or rangeland use in areas upstream of the ESPA in order to transfer the surface water to ESPA water supply projects (recharge and conversions)
- Peter Anderson initiated meetings with communities (Wood and Teton) to discuss this program and downstream transfer projects, and to gauge the interest of property owners. After these meetings, Peter will make a presentation to Teton Valley with NRCS. This area could bring substantial water into ESPA and AWEF programs.

- Objective of Strategy: Utilize AWEPP funds to pay producers for income forgone in transitioning to low water crops
- Potential for 2-3 geographic areas to targets in order to get broad sense of long-term success/potential/limitations
- Lynn Tominaga is setting meetings to gauge interest in the program and discuss potential sideboards and criteria for participation



- AWEF 2009 Projects
- 2009 AWEF MOA
- MOA for Future Conversions Projects
- AWEF 2010
- Funding Recommendations



- The AWEPP 2009 process for conversions projects was accelerated. Despite this, 15 applications were completed.
  - 11 projects were recommended for approval, with the likelihood of the other 5 recommended for approval after further coordination
  - Several of the recommended (and all the deferred) projects still require additional coordination, particularly in relation to water rights issues and the development of a measurement plan
  - The approximate total acres to be converted is 4222.5
  - The estimated total project cost according to the NRCS is \$1.4M





- Complements the NRCS contract
  
- Does not include agreements on incentives or penalties, as no ESPA Plan funds are available to further incentivize AWEF projects
  
- Does include task/responsibility information for the sponsor (property owner) and the IWRB
  - Significant level of responsibilities/tasks are attributable to measuring, and monitoring/reporting

- The Working Group has been developing a draft MOA between the property owner and the IWRB and includes:
  - Potential rebates (incentives) for project users targeted at water supply and conveyance fees
  - Measuring and reporting plan (similar to 2009 AWEF MOA)
  - Penalties for early termination and non-compliance
    - WG prefers penalties on costs associated with infrastructure. Further discussion is ongoing on penalties related to incentives/rebates



- Similar to the Demand Reduction Working Group, the Conversions Working Group will discuss AWEF outreach strategies, ranking criteria and other elements that will provide guidance to NRCS for 2010 applications (January and February)

For 2010, the Conversions Working Group is recommending that:

- Applications be accepted from any property owner submitting an application for 100+ acres
- Simultaneously maintain the momentum on the development of large-scale projects (i.e. Hazelton Butte) so that interested property owners do not lose interest)
- If a large-project is feasible, that the WG will determine if all funds should go to this project
- That benefit be considered a discretionary criteria, so that benefit might be a differentiating factor if there are more projects than money



## **Recommendations for 2010 Funding**

- Amount allocated specifically for IWRB Staff time on ESPA-related project work
- Amount allocated for outreach on all ESPA Plan activities, particularly for funding legislation outreach

## **Requests for 2010 Funding for Conversions Projects**

- Measuring devices, particularly for 2010 AWEF conversions projects

- ✓ Execute agreements on 2009 AWEPP projects
- ✓ Finalize the MOA for future conversions projects
- ✓ Finalize the administrative mechanism for managing projects from application stage to construction to water delivery and monitoring (including eligibility and ranking criteria for conversions projects and AWEPP 2010)
- ✓ Design public outreach and education strategy in order to maximize applications for 2010 AWEPP projects, and maintain and develop additional momentum for large-scale conversions projects



- Managed Recharge 2009
- O& M of Constructed Sites
- Liability
- Incidental Recharge
- 2010 Managed Recharge Funding



- Early Season Recharge: 102 kaf at a cost of \$215,000 for wheeling costs.
  - Lessons Learned: Only 5 canal companies recharged in the early season. If more long-term contracts are in place prior to the season, more companies will be ready to recharge. If these contracts are in place moving forward, recharge can be maximized when water supply is available.
  
- Late Season Recharge: As of November 19 over 10,894 acre-feet has been recharged on the Egin, Milner-Gooding, North Side and Southwest canals at cost of over \$32,000. The late season recharge effort is continuing and will conclude sometime in December (weather dependant).
  
- Total Managed Recharge in 2009: The total 2009 recharge accomplished is expected to be over 120 kaf.





- ✓ The Egin Lakes annual O & M costs are approximately \$31,500
  - The enlargement of the Egin Lakes canal and potential right-of-way acquisition amounts were included in the capital costs versus an annual maintenance fee.
- ✓ Mile Post 31 will cost an estimated \$47,000
  - MP 31 costs are higher due to the need for fencing and weed control on BLM land.
- ✓ Different approaches to handling the right-of-way issues were discussed.

A letter from the insurance underwriter has been received that indicates "Recharge activities, in my view, are part of normal operations. Coverage should exist." The letter from the underwriter will be distributed to the WG and handed out to the Implementation Committee.



- ✓ Option One:
- ✓ Option Two:
- ✓ Option Three:
- ✓ Others:

## **2010 Early and Late Season Recharge Funding Request - \$300k – \$400k**

- Maximize canal companies capacity and seize opportunities when they exist
- Continue to retain a balance with recharge above and below American Falls
- Rank and prioritize the specific areas/canals to determine recharge strategies
  - Example: Emphasis on late season recharge effort is below American Falls due to retention time in the aquifer