IDAHO WATER RESOURCE BOARD MEETING NO. 5-16

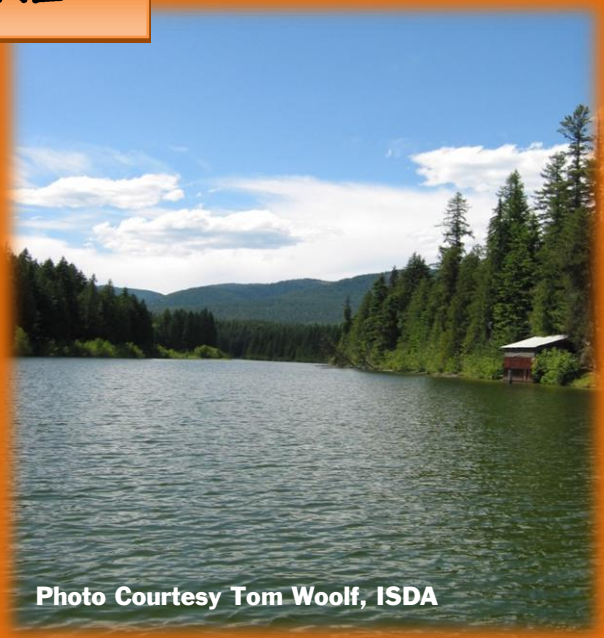
July 21-22, 2016

Sandpoint

Photo Courtesy Steve Klatt, Bonner County

PRIEST LAKE

Photo Courtesy Steve Klatt, Bonner County



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Amended
AGENDA

IDAHO WATER RESOURCE BOARD

Board Meeting No. 5-16
July 22, 2016
8:00 a.m.
Best Western Edgewater Resort
56 Bridge Street
Sandpoint, Idaho 83864

1. Roll Call
2. Executive Session – Board will meet pursuant to Idaho Code §74-206(1) subsection (f), for the purpose of communicating with legal counsel regarding legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Executive Session is closed to the public. Topics: CSRBA Lake Level Claims & Swan Falls.

Following adjournment of Executive Session – meeting reopens to the public.

3. Agenda & Approval of Minutes 3-16 and 4-16
4. Public Comment
5. Financial Status
6. State Water Plan Sustainability Policy Update
7. Briefing from IDWR Northern Regional Manager
8. Rathdrum Prairie Camp Funding Request
9. Dalton Water Loan
10. Northern Idaho Adjudication Update
11. Palouse Basin Water Supply Alternatives Project Update
12. ESPA Recharge
13. Water Transactions
14. MHAFB Water Supply Project
15. SW Idaho Water Sustainability Projects
16. IDWR Director's Report
17. Non-Action Items for Discussion
18. Next Meeting & Adjourn

Americans with Disabilities

The meeting will be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act. 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/

WATER RESOURCE BOARD EXECUTIVE SESSION MOTIONS

Motion to resolve into Executive Session: Pursuant to Idaho Code § 74-206(1) subsection (f) I request that the Board resolve into executive session for to communicate with legal counsel regarding legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. I request that a roll call vote be taken and that the Secretary record the vote in the minutes of the meeting.

Motion to Resolve into Public Session: I move that the Board resolve out of executive session and that the official minutes of the meeting reflect that no action was taken during the executive session.

IDAHO WATER RESOURCE BOARD

MINUTES
MEETING NO. 3-16

Idaho Water Center
Conference Rooms 602 B, C, D
322 East Front Street, 6th Floor
BOISE

May 19, 2016
Work Session

Chairman Chase called the Work Session meeting to order at 8:30 a.m. All Board members were present. IDWR staff members present were: Brian Patton, Cynthia Clark Bridge, Neeley Miller, Wesley Hipke, Rick Collingwood, Randy Broesch, Sean Vincent, Ken Neely, Craig Tesch, Liz Cresto, Matt Anders, Tim Luke, Tom Neace, Remington Buyer, Tony Olenichak, Gary Spackman and Mat Weaver. Guests present were: Kyle Radek, Markus Green, Will Patterson, Donald Barksdale, John Simpson, Todd Glindeman, Doug McAlvain, Kevin Boggs, Randy Macmillan, Sarah Hijek, Rich Reavis, Ray Houston, John Roldan, Hal Anderson, Peter Anderson, Mark Solomon, Lynn Tominaga, Ed Squires, Charles Honsinger, Douglas Jones, Dan Ayers, Teresa Molitor, Eric Landsberg, Marie Kellner, Rob Van Kirk

During the Work Session the following items were discussed:

- A budget for the FY 2017 Secondary Aquifer Fund proposed by Mr. Patton.
- A presentation by Mr. Vincent that provided background information, staff reviews, and recommendations for the Treasure Valley Ground Water Flow Model.
- A brief update on the Wood River Ground Water Model by Mr. Vincent.
- An update on the Priest Lake Water Management Study by Ms. Clark.
- An update on the Weiser Basin Sustainability Projects by Ms. Clark with comments by Mr. Doug McAlvain of the Lost Valley Reservoir Board.
- An update on MHAFB Water Supply/Pipeline Project by Mr. Broesch.
- A presentation on the proposal to create an Area of Drilling Concern for West Ada and the announcement of a Public Hearing by Mr. Neace with comments from Mr. Kyle Radek from the City of Meridian.
- A discussion on Water District #01 Rental Pool Procedures by Mr. Olenichak with an introduction by Mr. Buyer.

- A presentation on ESPA Recharge availability scenarios by Mr. Rob Van Kirk.
- A discussion on Recharge projects and an ESPA Recharge proposed resolution by Mr. Hipke.
- A presentation of a loan proposal for the Producers Canal Company by Mr. Collingwood.

No action was taken by the Board during the Work Session. Mr. Van Stone made a motion for the meeting to adjourn. Mr. Alberdi seconded the motion. The session adjourned at 3:45 p.m.

May 20, 2016
Board Meeting No. 3-16

At 8:00 a.m. Chairman Chase called the meeting to order. All members were present.

Agenda Item No. 1: Roll Call

Board Members Present

Roger Chase, Chairman	Jeff Raybould, Vice-Chairman
Vince Alberdi, Secretary	Pete Van Der Meulen
Bert Stevenson	Dale Van Stone
Chuck Cuddy	Albert Barker

Staff Members Present

Gary Spackman, Director	Brian Patton, Bureau Chief
Cynthia Bridge Clark, Water Projects Section Manager	Neeley Miller, Senior Planner
Wesley Hipke, Recharge Project Manager	Rick Collingwood, Planning Engineer
Remington Buyer, WSB Coordinator	Jennifer Strange, Admin Assistant II
Ann Vonde, Deputy Attorney General	

Guests Present

John Williams, BPA	Hal Anderson, IWE
Anita Hamann, DFM	Braden Jensen, Idaho Farm Bureau
Peter Anderson, Trout Unlimited	Mike Overton, Producers Irrigation Co
Lynn Tominaga, IGWA	Marie Kellner, ICL

Agenda Item No. 2: Agenda and Approval of Minutes 2-16

There was no need to adjust the Agenda. On the 2-16 Minutes, Mr. Barker had a question about agenda item #10. He moved to approve the minutes as written. It was seconded by Mr. Van Stone. Voice vote: all were in favor. The minutes were adopted.

Agenda Item No. 3: Public Comment

Mr. John Williams provided updates on Bonneville Power Administration. He mentioned the recent Federal judgment on the Columbia River; discussed the focus for 2028 and the fish accords. Then he suggested that there could be future industry changes. Finally, he requested that three board members participate in an upcoming annual survey. There were questions and some discussion among the members. No action was taken during public comment.

Agenda Item No. 4: Financial Status

Mr. Patton provided updates as of April 1st on the Board's account balances. He highlighted that a new tracking system was in progress for the Secondary Aquifer Funds. Members were in favor of this impending change. Mr. Patton said there were a couple of loans coming before the Board in the near future. Chairman Chase had a question about the Revolving Development accounts relating to dam projects. Mr. Patton stated there were funds committed, but not yet spent.

Agenda Item No. 5 FY 2017 Secondary Aquifer Fund Budget

Mr. Patton presented a resolution for the 2017 fiscal year Secondary Aquifer Fund Budget. He discussed that the Board had previously reviewed and recommended the resolution in committee, as well as during the Work Session.

Mr. Raybould made a motion to adopt the resolution as recommended which provided for the budget of the Secondary Aquifer Fund for the 2017 fiscal year. Mr. Barker seconded the motion. Roll call vote: Alberdi: Aye; Barker: Aye; Cuddy: Aye; Raybould: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. 8 Ayes. Motion passed. The resolution was adopted.

Agenda Item No. 6 Water District #01 Rental Pool Procedures

Mr. Buyer provided a briefing on the previous day's discussions. Mr. Alberdi asked if the Committee of Nine had approved of the Water District #01 Rental Pool Procedures. Mr. Raybould assured the Board that both the Committee of Nine and the water users of Water District #01 have approved of the proposed Rental Pool Procedures.

Mr. Van Der Meulen moved to adopt a resolution authorizing Water District #01 Rental Pool Procedures. Mr. Van Stone seconded the motion. Mr. Barker stated that he would abstain since his law partner was involved in the writing of the procedures. Roll call vote: Alberdi: Aye; Barker: Abstain; Cuddy: Aye; Raybould: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. 7 Ayes. Motion passed. The resolution was adopted.

Agenda Item No. 7 Producers Canal Company Loan

Mr. Collingwood said there was a draft resolution for the Board's consideration and introduced Mr. Mike Overton from Producer's Canal Company. Questions were asked about the anticipated water savings with the proposed new well. Another question regarding the existing wells was asked by Board Member Alberdi. There was more discussion about preventing expansion of the existing water rights. There was a concern regarding whether a meter would be placed on this new well—and there were assurances that there would be.

Mr. Raybould moved to adopt the resolution authorizing a loan not to exceed $173,000 to the Producer's Canal Company. Mr. Cuddy seconded the motion. Roll call vote: Alberdi: Aye; Barker: Aye; Cuddy: Aye; Raybould: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. 8 Ayes. Motion passed. The resolution was adopted.

Agenda Item No. 8 ESPA Recharge

Mr. Hipke provided a briefing on ESPA Recharge efforts and a draft resolution for the Board's consideration. A resolution requested additional funds for some repairs to the cement flume. There was some discussion among members on the wording and commitments of the original resolution. It was discussed that in the past, there had not been additional funds for projects which had gone over budget. More discussion concluded that setting precedence for covering overages is not in the best interest of the Board's funds. No motion was made. The resolution was tabled.

Agenda Item No. 9 Red River Channel Restoration Project

Mr. Miller presented a resolution that would approve a project as filed with the Department through Permit No. 82-20061. Mr. Cuddy made a comment to abstain from this discussion.

Mr. Alberdi moved to adopt the resolution to approve the Project. Mr. Raybould seconded the motion. Voice vote: all were in favor. Motion passed. The resolution was adopted.

Agenda Item No. 10 Ground Water Conservation Grants

Mr. Collingwood presented a draft resolution that would provide the City of Ketchum a Ground Water Conservation Grant of up to $10,000 to conduct irrigation system audits for the City's nine municipal parks and irrigation infrastructure improvements for four of the parks. Board Member Barker suggested a change to the resolution to include copies of the irrigation audits and all technical data associated with the audits, along with the measured water savings from the project.

Mr. Barker moved to adopt the Resolution as amended above to authorize a grant of up to $10,000 to the City of Ketchum. Mr. Alberdi seconded the motion. Roll call vote: Alberdi: Aye; Barker: Aye; Cuddy: Aye; Raybould: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. 8 Ayes. Motion passed. The resolution was adopted.

Agenda Item No. 11 State Water Plan & Proposed Sustainability Policy

Mr. Miller introduced a draft resolution to adopt a Sustainability Policy to the State Water Plan. Mr. Barker suggested some wording changes to the Resolution. There was discussion among the Board members and Board attorney, Ms. Vonde. It was suggested that the Sustainability Policy be added to the end of the State Water Plan, thereby saving the efforts of renumbering items. It was also emphasized that only the Sustainability Policy is open for the upcoming Hearings.

Mr. Raybould moved to adopt the Resolution with the changes that were suggested by Mr. Barker. Mr. Barker seconded the motion. Voice vote: All were in favor. The resolution was adopted.

Agenda Item No. 12 Director's Report

Director Spackman shared three issues with the Board. First, he updated the Board on recently mailed water call notifications. The curtailment orders pertain to about 150 users and were issued to non participants of the Surface Water Coalition and Ground Water Users Mitigation plans. He also shared that there will be a hearing in late June regarding the Big Lost Basin. It will be held

in Arco. The Director discussed that he anticipates sending out an ESPA measuring device order. Continued talks are happening regarding the establishment of a Ground Water Management Area. As a result, there will be a plan for public meetings this summer. His final item of discussion was an update on the Water Center building tenants. Mr. Stevenson asked about the circumstances that would warrant using power records instead of meters in regards to the earlier discussion on the ESPA measuring device order.

Agenda Item No. 13 Non-Action Items for Discussion

There were no items for discussion.

Agenda Item No. 14 Executive Session

Mr. Alberdi made a motion for the Board to resolve into Executive Session. Mr. Raybould seconded. Roll call vote: Mr. Alberdi: Yes; Mr. Barker: Yes; Mr. Cuddy: Yes; Mr. Raybould: Yes; Mr. Stevenson: Yes; Mr. Van Der Meulen: Yes; Mr. Van Stone: Yes; and Chairman Chase: Yes. 8 Ayes.

At approximately 11:10 a.m. the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 74-206(1) subsections (f), for the purposes of communicating with legal counsel regarding legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Topics discussed were: Wood River and Lemhi Basin

No actions were taken by the Board during the Executive Session. Mr. Alberdi moved to exit Executive Session. Mr. Raybould seconded the motion. Voice vote: All were in favor. Motion carried. The Board resolved out of Executive Session at approximately 11:45 a.m.

Agenda Item No. 15 Next Meeting and Adjourn

Next meeting was set for July 21st and 22nd in Sandpoint. Chairman Chase adjourned the meeting at approximately 12:00 p.m.

Respectfully submitted this _____ day of July, 2016.

_____

Vince Alberdi, Secretary

_____

Jennifer Strange, Administrative Assistant II

Board Actions:

1. Mr. Barker moved to adopt Minutes 2-16. Mr. Van Stone seconded the motion. Voice Vote. All were in favor. Motion passed.

2. Mr. Raybould moved to adopt the Resolution as recommended that provided for budget of the Secondary Aquifer Fund for the 2017 fiscal year. Mr. Barker seconded the motion. Roll Call Vote. 8 Ayes. Motion carried.

3. Mr. Van Der Meulen moved to adopt the Resolution authorizing Water District #01 Rental Pool Procedures. Mr. Van Stone seconded the motion. Roll Call Vote. 7 Ayes. 1 Abstain. Motion carried.

4. Mr. Raybould moved to adopt the Resolution authorizing a loan not to exceed $173,000 to the Producer's Canal Company. Mr. Cuddy seconded the motion. Roll Call Vote. 8 Ayes. Motion carried.

5. Mr. Alberdi moved to adopt the resolution to approve Red River Channel Restoration Project. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

6. Mr. Barker moved to adopt the Resolution authorizing a grant of up to $10,000 to the City of Ketchum. Mr. Alberdi seconded. Roll Call Vote. 8 Ayes. Motion carried.

7. Mr. Raybould moved to adopt the Resolution with the changes Mr. Barker seconded the motion. Voice Vote. All were in favor. Motion passed.

8. Mr. Alberdi moved to go into Executive Session. Mr. Cuddy seconded the motion. Roll Call Vote: 8 Ayes. Motion passed.

9. Mr. Alberdi moved to exit Executive Session. Mr. Raybould seconded the motion. Voice Vote. All were in favor. Motion passed.

IDAHO WATER RESOURCE BOARD

MINUTES
SPECIAL MEETING NO. 4-16

Idaho Fish & Game
324 S 417 E Ste #1, Large Conf Room
JEROME

June 28, 2016

At 3:40 p.m. Chairman Chase called the meeting to order.

Agenda Item No. 1: Roll Call

Board Members Present
Roger Chase, Chairman
Jeff Raybould, Vice-Chairman
Vince Alberdi, Secretary
Pete Van Der Meulen
Bert Stevenson

Staff Members Present
Brian Patton, Bureau Chief
Cynthia Bridge Clark, Water Projects Section Manager
Neeley Miller, Senior Planner
Mike McVay, Hydrologist
Ann Vonde, Deputy Attorney General

Agenda Item No. 2: Executive Session

Mr. Alberdi made a motion for the Board to resolve into Executive Session. Mr. Stevenson seconded. Roll call vote: Mr. Alberdi: Yes; Mr. Barker: Absent; Mr. Cuddy: Absent; Mr. Raybould: Yes; Mr. Stevenson: Yes; Mr. Van Der Meulen: Yes; Mr. Van Stone: Absent; and Chairman Chase: Yes. 5 Board Members were in attendance. All were in favor.

At approximately 3:45 p.m. the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code Section 74-206(1) subsections (f), for the purposes of communicating with legal counsel regarding legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.

Topics discussed were: Wood River Water Right Protests

No actions were taken by the Board during the Executive Session. Mr. Alberdi moved to exit Executive Session. Mr. Raybould seconded the motion. Voice vote: All were in favor. Motion carried. The Board resolved out of Executive Session at approximately 4:45 p.m.

Agenda Item No. 3: Motion to Authorize Deputy Attorney General to Sign on the Board's Behalf in the Cook Settlement

Mr. Raybould moved to authorize Deputy Attorney General to sign on the Board's behalf in the Cook Settlement matter. Mr. Van Der Meulen seconded the motion. Voice Vote. All were in favor. Motion carried.

Agenda Item No. 4: Next Meeting & Adjourn

Next meeting was set for July 21st and 22nd in Sandpoint. Chairman Chase moved to adjourn at approximately 5:00 p.m.

Respectfully submitted this _____ day of July, 2016.

_____

Vince Alberdi, Secretary

_____

Jennifer Strange, Administrative Assistant II

Board Actions:

Mr. Raybould moved to authorize Deputy Attorney General to sign on the Board's behalf in the Cook Settlement matter. Mr. Van Der Meulen seconded the motion. Voice Vote. All were in favor. Motion carried.

MATERIALS MAY BE PROVIDED AT THE

IWRB MEETING

MEMO

To: Idaho Water Resource Board
From: Brian Patton
Subject: Financial Status Report
Date: July 11, 2016

As of **June 1st** the IWRB's available and committed balances in the Revolving Development Account, Water Management Account, and the Secondary Aquifer Management Account are as follows.

Revolving Development Account (main fund)		
Committed or earmarked but not disbursed		
Loans for water projects	$3,343,157	
Water storage studies	1,153,361	
Priest Lake	300,000	
HB479 2014		
Mountain Home	1,426,827	
Galloway	1,912,390	
Boise/Arrowrock	1,122,311	
Island Park	2,472,125	
Water supply Bank	289,530	
Total committed/earmarked but not disbursed		12,019,701
Loan principal outstanding		14,776,303
Uncommitted balance		171,776
Estimated revenues next 12 months		3,500,000
Commitments from revenues next 12 months		0
Estimated uncommitted funds over next 12 months		3,671,776
Rev. Dev. Acct. Bell Rapids Sub-Account		
Committed but not disbursed		$153,044
Estimated revenues next 12 months *(1)*		1,000
Commitments from revenues over next 12 months		1,000
Estimated uncommitted funds over next 12 months		0
Rev. Dev. Acct. Aqualife Sub-Account		
Loan principal outstanding		2,900,000
Estimated revenues next 12 months *(1)*		2,900,000
Estimated uncommitted funds over next 12 month		2,900,000
Rev. Dev. Acct. Pristine Springs Sub-Account (5)		
Committed but not disbursed		
Repair/Replacement Fund		$1,007,428
To go to Aquifer Planning Fund		358,004
Loan principal outstanding		5,958,320
Uncommitted balance		0
Estimated revenues next 12 months		1,000,000
Commitments from revenues over next 12 months		1,000,000
Estimated uncommitted funds over next 12 months		0

Rev. Dev. Acct. Treasure Valley & Rathdrum Prairie CAMP Sub-Account		
Available for RP and TV CAMP projects		168,745
Estimated revenues next 12 months (5)		200,000
Estimated Available funds over next 12 months		368,745
Rev. Dev. Acct. Upper Salmon/CBWTP Sub-Account		
Committed but not disbursed		$3,069,837
(Upper Salmon flow enhancement/reconnect projects)		
Estimated revenues next 12 months *(4)*		10,000
Commitments from revenues over next 12 months		10,000
Estimated available funds over next 12 months		0
Rev. Dev. Acct. Water District 02 Water Smart Grant Sub-Account (6)		
Committed but not disbursed		$365,447
(Water District 02 Measurement Devices)		
Commitments from revenues over next 12 months		$365,447
Estimated available funds over next 12 months		0
Rev. Dev. Acct. Water Supply Bank Sub-Account (7)		
Committed but not disbursed		$513,758
(Owners share – water bank lease/rentals)		
Estimated revenues next 12 months		1,000
Commitments from revenues over next 12 months		$513,748
Estimated available funds over next 12 months		$1,000
Rev. Dev. Acct. ESPA Sub-Account		
Committed but not disbursed		
CREP	2,419,581	
Aquifer recharge	337,594	
Bell Rapids	361,620	
Palisades storage	10,000	
Black Canyon Exchange	485,749	
Total committed but not disbursed		$3,614,643
Loan principal outstanding		238,192
Uncommitted balance		517,466
Estimated revenues next 12 months		100,000
Commitments from revenues over next 12 months		0
Estimated uncommitted funds over next 12 months		617,466
Rev. Dev. Acct. Dworshak Hydropower (2)		
Committed but not disbursed (repair fund, etc.)		$1,337,151
Estimated revenues next 12 months *(3)*		200,000
Commitments from revenues over next 12 months		200,000
Estimated uncommitted funds over next 12 months		0
Water Management Account		
Committed but not disbursed:		$111,376
Loan principal outstanding		0
Uncommitted balance		9,915
Estimated revenues next 12 months		0
Commitments from revenues over next 12 months		0
Estimated uncommitted funds over next 12 months		$9,915

Secondary Aquifer Management Fund

Committed or earmarked but not disbursed:	
HB 479 2014 Northern Idaho Future Water Needs	274,273
Cloud Seeding	509,993
Public Information Services (Steubner)	36,480
Other	261,045
Loan – ESPA Ground Water Districts	0
FY2016 Budgeted Funds	
ESPA managed recharge expenses	1,107,435
ESPA managed recharge infrastructure	4,324,590
ESPA managed recharge engineering	300,000
Administrative	47,566
GW conservation grants in priority aquifers	172,778
Reserved for projects in other priority aquifers	1,000,000
Total Committed or earmarked	$8,209,156
Loan principal outstanding	$4,000,000
Uncommitted balance	$2,340,717
Estimated revenues next 12 months	10,000,000
Commitments from revenues over next 12 months	0
Estimated uncommitted funds over next 12 months	12,340,707

Secondary Aquifer Fund Aquifer Mon. Meas. & Model Sub-Acct (8)

Committed but not disbursed	$194,570
Commitments from revenues over next 12 months	$194,570
Estimated available funds over next 12 months	0

Total committed/earmarked but not disbursed	**$30,928,291**
Total loan principal outstanding	**27,872,821**
Total uncommitted balance	**3,039,873**
Total estimated uncommitted funds over next 12 months	**19,919,609**

(1) Exclusive of pass-through payments made by the U.S. Bureau of Reclamation.
(2) Excess funds generated by the Dworshak Hydropower Project are deposited into the Revolving Development Account (Main Fund) on a monthly basis. To the date of this report this has totaled $2,122,871.
(3) This line item included power sales and interest income after removing debt service. Debt service has been paid off.
(4) Exclusive of project funds provided by Bonneville Power Administration or federal appropriation sources. These funds are provided to the Board based on individual project proposals and so are not included in the income projection.
(5) Excess funds generated by the Pristine Springs Project are deposited into the Revolving Development Account (Main Fund) or into the Rathdrum Prairie/Treasure Valley Sub Account.
(6) Pass-through for Bureau of Reclamation grant to assist with installation of measurement devices in Water District 02.
(7) Pass-through for owner's share of Water Supply Bank lease/rentals. Interest earned accrues to IWRB.
(8) Source is Pristine Springs loan repayments of $716,000.

The Dworshak Small Hydro Project bonds have been paid in full.

Staff has been working on a new financial sheet format for the Secondary Aquifer Fund. We plan to bring it to the Sandpoint meeting with updated numbers as of July 1st.

The following is a list of potential loans:

Potential Applicant	Potential Project	Preliminary Loan Amount	Comment
Dalton Water Association		$1 Million	On July meeting agenda
Northside Canal Company	Canal improvements	$2 million	Preliminary discussions
Raft River Ground Water District	Ground water-to-surface water conversion pipeline	$4 million	Project in planning. Applying for NRCS cost share grants.
Marysville Irrigation Company/North Fremont	Gravity pipeline system – next phase	$1.5 million	Project in planning and design. Applying for NRCS cost share grants
Big Wood Canal Co.	Gravity pipelines	$2 million	Project in planning

IDAHO WATER RESOURCE BOARD
Sources and Applications of Funds
as of May 31, 2016
REVOLVING DEVELOPMENT ACCOUNT

Original Appropriation (1969)		$500,000.00
Legislative Audits		($49,404.45)
IWRB Bond Program		($15,000.00)
Legislative Appropriation FY90-91		$250,000.00
Legislative Appropriation FY91-92		$280,700.00
Legislative Appropriation FY93-94		$500,000.00
IWRB Studies and Projects		($249,067.18)
Loan Interest		$8,215,554.86
Interest Earned State Treasury (Transferred)		$1,673,513.40
Filing Fee Balance		$47,640.20
Bond Fees		$1,469,601.45
Arbitrage Calculation Fees		($12,000.00)
Protest Fees		($820.00)
Series 2000 (Caldwell/New York) Pooled Bond Issuers fees		$43,657.93
2012 Ground Water District Bond Issuer fees		$377,000.00
Bond Issuer fees		$27,357.59
Attorney fees for Jughandle LID		($3,600.00)
Attorney fees for A&B Irrigation		($4,637.50)
Water Supply Bank Receipts		$4,964,428.28
Legislative Appropriation FY01		$200,000.00
Pierce Well Easement		$2,000.00
Transferred to/from Water Management Account		$317,253.80
Legislative Appropriation 2004, HB843		$500,000.00
Legislative Appropriation 2009, SB 1511 Sec 2, Teton/Minidoka Studies		$1,800,000.00
Legislative Appropriation 2009, SB 1511 Sec 2, Teton/Minidoka Studies Expenditures		($1,229,460.18)
Weiser Galloway Study - US Army Corps of Engineers		($1,533,047.30)
Boise River Storage Feasibility Study		($333,000.00)
Geotech Environmental (Transducers)		($6,402.61)
Legislative Appropriation 2014, HB 479 Sec 1 and 2		$10,500,000.00
Appraisal (LeMoyne Appraisal LLC)		($10,500.00)
Payment to JR Simplot Co for water rights		($2,500,000.00)
IWRB WSB Lease Application		($750.00)
Mountain Home Misc Costs		($96,942.40)
Galloway Dam & Reservoir Project (HB 479)		($124,708.68)
Water District 02 Assessments for Mtn Home		($2,078.61)
Boise River (Arrowrock Enlargement) Feasibility Study (HB479)		($543,999.96)
Island Park Enlargement (HB 479)		($27,875.00)
Water Supply Bank Computer Infrastructure (HB 479)		($322,537.00)
Treasureton Irrigation Ditch Co		($5,000.00)

Aqualife Hatchery Sub-Account		
Aqualife Hatchery, HB644, 2014		($1,885,000.00)
Aqualife Lease receipt from Seapac		$114,720.00
Tax Payments		($1,419.15)
Lemoyne Appraisal for Aqualife facility		($10,500.00)
Loans Outstanding		
ESPA Ground Water Districts (Aqualife purchase)	$2,900,000.00	
Total Loans Outstanding	$2,900,000.00	
Balance Aqualife Hatchery Sub-Account		**($1,782,199.15)**

Bell Rapids Water Rights Sub-Account	
Legislative Appropriation 2005, HB392	$21,300,000.00
Interest Earned State Treasury	$693,088.38
Bell Rapids Purchase	($16,006,558.00)
Bureau of Reclamation Principal Amount Lease Payment Paid	$8,294,337.54
Bureau of Reclamation Interest Paid	$179,727.97
Bureau of Reclamation Remaining Amount Lease Payment Paid	$9,142,649.54
First Installment Payment to Bell Rapids	($1,313,236.00)
Second Installment Payment to Bell Rapids	($1,313,236.00)
Third Installment Payment to Bell Rapids	($1,313,236.00)
Fourth Installment Payment to Bell Rapids	($1,040,431.55)
Interest Credit due to Bureau of Reclamation (Part of Fourth Installment)	($19,860.45)
Fifth Installment Payment to Bell Rapids	($1,055,000.00)
Transfer to General Fund - Principal	($21,300,000.00)
Transfer to General Fund - Interest	($772,052.06)
BOR payment for Bell Rapids	$1,040,431.55
BOR payment for Bell Rapids	$1,313,236.00
BOR prepayment for Bell Rapids	$1,302,981.70
BOR prepayment for Bell Rapids	$1,055,000.00
BOR payment for Alternative Financing Note	$7,117,971.16
Payment to US Bank for Alternative Financing Note	($7,118,125.86)
Payment for Water District 02 Assessments	($27,903.60)
Payment for Ongoing Bell Rapids Finance Costs (trustee fees, water bank, etc.)	($6,740.10)
Commitments	
Ongoing Bell Rapids Finance Costs (trustee fees, WD02)	$153,044.22
Committed for alternative finance payment	$0.00
Total Commitments	$153,044.22
Balance Bell Rapids Water Rights Sub-Account	**($0.00)**

Pristine Springs Project Sub-Account	
Legislative Appropriation 2008, SB1511, Pristine Springs	$10,000,000.00
Legislative Appropriation 2006, HB870, Water Right Purchases	$5,000,000.00
Interest Earned State Treasury	$37,646.77
Loan Interest	$2,116,784.68
Transfer from ESP Sub-Account	$1,000,000.00
Payment for Purchase of Pristine Springs (3)	($16,000,000.00)
Payment from Magic Valley & Northsnake GWD for Pristine Springs	$4,041,679.61

Appraisal		($25,500.00)	
Insurance		($41,078.25)	
Recharge District Assessment		($26,605.25)	
Water District 130 Annual Assessment		($3,841.45)	
Hydro Plants Engineering Certification (Straubhar)		($3,000.00)	
Payment to EHM Engineers for pipeline work		($1,200.00)	
Payment to John Root for Easement Survey		($1,000.00)	
Payment to MWH Americas Inc		($11,326.27)	
Payment to Dan Lafferty Contruction		($16,846.68)	
Telemetry Station Equipment		($15,193.92)	
Rein Tech LLC (Satellite phone annual payment)		($1,980.00)	
Standley Trenching (Trac system for communication equip)		($2,863.99)	
Property Taxes and other fee assessments (Jerome County)		($9,676.95)	
Rental Payments		$1,615,734.18	
Payments to Scott Kaster		($134,220.48)	
Utility Payments (Idaho Power)		($37,748.06)	
Costs for property maintenance		($193,171.70)	
Travel costs for property maintenance		($383.31)	
Pipeline repair (IGWA)		($170,000.00)	
Transferred to Secondary Aquifer Fund (2011 Legislature; HB 291)		($2,465,300.00)	
Transferred to Secondary Aquifer Fund (2012 Legislature; SB 1389)		($1,232,000.00)	
Transferred to Secondary Aquifer Fund (2013 Legislature; HB 270)		($716,000.00)	
Transferred to Secondary Aquifer Fund (2014 Legislature; HB 618)		($716,000.00)	
Transferred to Aquifer Planning Fund (2015 Legislature; HB 273)		($716,000.00)	
Pristine Springs Hydropower Projects			
Net power sales revenues		$613,227.20	
Pristine Springs Committed Funds			
To be transferred to Aquifer Planning Fund	358,004.00		
Repair/Replacement Fund	$1,007,427.96		
TOTAL COMMITTED FUNDS	$1,365,431.96		
Loans Outstanding			
North Snake and Magic Valley Ground Water Districts	$5,958,320.39		
Total Loans Outstanding	$5,958,320.39		
Funds to RP CAMP & TV CAMP Sub-Account		**$271,672.34**	
Pristine Springs Revenues into Main Revolving Development Account			**$247,031.83**
Rathdrum Prairie CAMP & Treasure Valley CAMP Sub-Account			
Pristine Springs Hydropower and Rental Revenues		$271,672.34	
Interest Earned State Treasury		$573.11	
Spokane River Forum		($13,000.00)	
Treasure Valley Water Quality Summit		($500.00)	
Kootenai-Shoshone Soil & Water Cons. Dist. - Agrimet Station		($20,000.00)	
Rathdrum Prairie-Spokane Valley Aquifer Pumping Study (CON00989)		($70,000.00)	
Committed Funds			
Kootenai-Shoshone Soil & Water Cons. Dist. - Agrimet Station	$0.00		
Spokane River Forum	$0.00		
Rathdrum Prairie-Spokane Valley Aquifer Pumping Study	$0.00		
Treasure Valley Water Quality Summit	$0.00		
TOTAL COMMITTED FUNDS	$0.00		
Balance Rathdrum Prairie CAMP & Treasure Valley CAMP Sub-Account		**$168,745.45**	
Upper Salmon/CBWTP Sub-Account			
Water Transaction Projects Payment Advances from CBWTP/Accord		$3,376,193.09	
PCSRF Funds for Administration of Non-Diversion Easements on Lemhi River		$225,482.76	
Interest Earned State Treasury		$106,471.06	
Transfer to Water Supply Bank		($55,548.12)	
Change of Ownership		($600.00)	
Alturas Lake Creek Appraisal		($8,989.23)	
Payments for Water Acquisition		($797,852.42)	
Committed Funds			
Administration of Non-Diversion Easements on Lemhi River	$134,132.19		
Alturas Lake Creek (Breckenridge)	($0.00)		
Bayhorse Creek (Peterson Ranch)	$33,403.46		
Beaver Creek (DOT LLP)	$0.00		
Big Hat Creek	$0.00		
Big Timber Tyler (Leadore Land Partners)	$497,761.30		
Canyon Creek/Big Timber Creek (Beyeler)	$459,528.47		
Fourth of July Creek (Vanderbilt)	$18,437.16		
Iron Creek (Phillips)	$0.00		
Iron Creek (Koncz)	$242,984.27		
Kenney Creek Source Switch (Gail Andrews)	$25,426.43		
Lemhi - Big Springs (Merrill Beyeler)	$62,818.25		
Lemhi River & Little Springs Creek (Kauer)	$22,062.27		
Little Springs Creek (Snyder)	$294,681.45		
Lower Eighteenmile Creek (Ellsworth Angus Ranch)	$1,777.78		
Lower Lemhi Thomas (Robert Thomas)	$1,800.00		
P-9 Bowles (River Valley Ranch)	$312,656.46		
P-9 Charlton (Sydney Dowton)	$20,694.83		
P-9 Dowton (Western Sky LLC)	$247,989.83		
P-9 Elzinga (Elzinga)	$306,743.16		
Patterson-Big Springs (PBSC9)	$193,385.01		
Spring Creek (Richard Beard)	$1,628.64		
Spring Creek (Ella Beard)	$2,387.07		
Whitefish (Leadore Land Partners)	$189,538.72		
Total Committed Funds	$3,069,836.75		
Balance CBWTP Sub-Account		**($224,679.61)**	
Water District 02 WaterSmart Grant Sub-Account			
Received from BOR for BORWS2		$116,869.15	
Received from BOR for BORWS3		$48,909.28	
Payments made to contractors for BORWS2		($118,058.42)	
Payments made to contractors for BORWS3		($48,909.28)	
Committted Funds:			

Grant Approval for BOHWS2	$31,055.85		
Grant Approval for BOHWS3	$334,391.28		
Total Committed Funds	$365,447.13		
Balance WaterSmart Grant Sub-Account			**($1,189.27)**
Water Supply Bank Sub-Account			
Interest Earned State Treasury			$1,800.73
Payments received from renters for 2013 season			$529,823.25
Payments received from renters for 2014 season			$609,120.41
Payments received from renters for 2015 season			$585,885.61
Payments received from renters for 2016 season			$540,105.55
Payments made to owners for 2013 season			($522,645.12)
Payments made to owners for 2014 season			($599,422.75)
Payments made to owners for 2015 season			($582,864.66)
Water Supply Bank Sub-Account Subtotal			**$561,803.02**
Committed Funds:			
Owners Share	$513,757.86		
Total Committed Funds	$513,757.86		
Balance Water Supply Bank Sub-Account			**$48,045.16**
Eastern Snake Plain Sub-Account			
Legislative Appropriation 2005, HB392			$7,200,000.00
Legislative Appropriation 2005, HB392, CREP Program			$3,000,000.00
Interest Earned State Treasury			$1,904,358.66
Loan Interest			$235,523.45
Bell Rapids Water Rights Closing Costs			($6,558.00)
First Installment Payment to Bell Rapids Irr. Co. (Partial)			($361,800.00)
Second Installment Payment to Bell Rapids Irr. Co. (Partial)			($361,800.00)
Third Installment Payment to Bell Rapids Irr. Co. (Partial)			($361,800.00)
Fourth Installment Payment to Bell Rapids Irr. Co. (Partial)			($614,744.00)
Fifth Installment Payment to Bell Rapids Irr. Co. (Final)			($1,675,036.00)
Reimbursement from Commerce & Labor W-Canal			$74,709.77
Transfer to Pristine Springs Sub Account			($1,000,000.00)
Reimbursement from Magic Valley GWD - Pristine Springs			$500,000.00
Reimbursement from North Snake GWD - Pristine Springs			$500,000.00
Reimbursement from Water District 1 for Recharge			$159,764.73
Palisades (FMC) Storage Costs			($3,516,544.76)
Reimbursement from BOR for Palisades Reservoir			$2,381.12
W-Canal Project Costs			($326,834.11)
Black Canyon Exchange Project Costs			($115,276.00)
Black Canyon Exchange Project Revenues			$23,800.00
2008 Recharge Conveyance Costs			($14,580.00)
2009 Recharge Conveyance Costs			($355,253.00)
2010 Recharge Conveyance Costs			($484,231.62)
Additional recharge projects preliminary development			($28,909.30)
Pristine Springs Cost Project Costs			($6,863.91)
Loans and Other Commitments			
Commitment - Remainder of Bell Rapids Water Rights Purchase (1)			$361,620.00
Commitment - CREP Program (HB392, 2005)			$2,419,580.50
Commitment - Additional recharge projects preliminary development			$337,594.00
Commitment - Palasades Storage O&M			$10,000.00
Commitment - Black Canyon Exchange Project (fund with ongoing revenues)			$485,848.95
Total Loans and Other Commitments			$3,614,643.45
Loans Outstanding:			
American Falls-Aberdeen GWD (CREP)	$78,070.23		
Bingham GWD (CREP)	$0.00		
Bonneville Jefferson GWD (CREP)	$47,835.17		
Magic Valley GWD (CREP)	$74,633.56		
North Snake GWD (CREP)	$37,658.96		
TOTAL ESP LOANS OUTSTANDING	$238,197.92		
Uncommitted Balance Eastern Snake Plain Sub-Account			**$517,465.66**
Dworshak Hydropower Project			
Dworshak Project Revenues			
Power Sales & Other	$6,647,604.49		
Interest Earned State Treasury	490,384.10		
Total Dworshak Project Revenues			$7,137,988.59
Dworshak Project Expenses (2)			
Transferred to 1st Security Trustee Account	$148,542.63		
Construction not paid through bond issuance	$226,106.83		
1st Security Fees	$314,443.35		
Operations & Maintenance	$2,162,358.90		
Powerplant Repairs	$58,488.80		
Bond payoff	$391,863.11		
Capital Improvements	$318,366.79		
FERC Payments	$57,795.61		
Total Dworshak Project Expenses			($3,677,966.02)
Dworshak Project Committed Funds			
Emergency Repair/Future Replacement Fund	$1,314,575.00		
FERC Fee Payment Fund	$22,576.30		
Total Dworshak Project Committed Funds			$1,337,151.30
Excess Dworshak Funds into Main Revolving Development Account			$2,122,871.27
TOTAL			**$26,967,779.74**

Loans Outstanding:	Amount Loaned	Principal Outstanding
A&B Irrigation District (18-July-14; pipeline and conversion project)	7,000,000	$6,879,256.78
Aberdeen-Springfield Canal Company (WRB-491; Diversion structure)	$329,761	$99,877.37
Boise City Canal Company (WRB-492)...Grove St Canal Rehab	$110,618	$0.00
Bonnie Laura Water Corporation (14-Jul-06; Well repairs)	$71,000	$15,890.80
Canyon County Drainage District No. 2 (28-Nov-12; Drain tile pipeline	$35,000	$26,316.76

Challis Irrigation Company (28-Nov-07; river gate replacement)	$50,000	$15,331.99	
Chaparral Water Association (21-Jan-11; Well deepening & improvem	68,000	$17,746.50	
Clearview Water Company	50,000	$45,667.10	
Cloverdale Ridge Water Corp. (irrigation system rehab 25-sep-09)	106,400	$41,176.11	
Consolidated Irrigation Company (July 20, 2012; pipeline project)	2,000,000	$2,000,000.00	
Country Club Subdivision Water Association (18-May-07, Well Project).	$102,000	$24,008.22	
Cub River Irrigation Company (18-Nov-05; Pipeline project)	$1,000,000	$0.00	
Cub River Irrigation Company	$500,000	$0.00	
Enterprise Irrigation District (14-Jul-06; Pipeline project)	$37,270	$4,644.00	
Enterprise Irrigation District (North Lateral Pipeline)	$105,420	$27,562.12	
Firth, City of	$112,888	$0.00	
Foothills Ranch Homeowners Association (7-oct-11; well rehab)	$150,000	$115,604.39	
Harvest Valley Homeowners Association (22-Mar-13; Pump Replacem	4,500.00	$1,329.43	
Jefferson Irrigation Company (well deepenings)	$207,016	$0.00	
Jefferson Irrigation Company (9-May-2008 Well Replacement)	$81,000	$32,221.09	
Jughandle HOA/Valley County Local Improvement District No. 1 (well p	$907,552	$619,593.46	
King Hill Irrigation District (24-Sep-10; Pipeline replacement_	$300,000	$70,806.38	
Lake Reservoir Company (29-July-11; Payette Lake-Lardo Dam Outle	$594,000	$105,150.40	
Last Chance Canal Company (WRB-497)	$500,000	$0.00	
Last Chance Canal Company (14-July-2015, diversion dam rebuild)	2,500,000.00	$1,582,640.76	
Lava Hot Springs, City of	$347,510	$111,313.81	
Lindsay Lateral Association (Engineering Design Project & Pipeline Stu	$19,700	$14,390.00	
Live-More Lake Community (9-Jun-04)	$42,000	$10,980.67	
Lower Payette Ditch Company (2-Apr-04; Diversion dam replacement)	$875,000	$0.00	
Marsh Center Irrigation Company (13-May-05; Hawkins Dam)	$236,141	$98,522.65	
Marysville Irrigation Company (18-May-07, Pipeline Project Phase 1)	$625,000	$181,184.65	
Marysville Irrigation Company (9-May-08, Pipeline Project Phase 2)	$1,100,000	$324,028.70	
Meander Point Subdivsion Homeowners Association (7-Sep-07; comn	$330,000	$20,283.69	
North Fremont Canal Systems (25-Jan-13; Marysville Project)	$2,500,000	$1,558,287.25	
Outlet Water Association (22-Jan-16; new well & improvements)	100,000.00	$71,040.11	
Pinehurst Water District (23-Jan-15)	100,000	$75,025.30	
Point Springs Grazing Association (July 20, 2012; stock water pipeline)	48,280.00	$39,899.82	
Preston-Whitney Irrigation Company (29-May-09; Fairview Lateral Pipe	$800,000	$45,292.32	
Producers Irrigation Company (17-Mar-06; well replacements)	$185,000	$11,729.65	
Ranch Subdivision Property Owners Assoc	$24,834	$2,587.83	
Riverside Independent Water District	$350,000	$93,411.42	
Skin Creek Water Association	$188,258	$63,137.75	
Spirit Bend Water Association	$92,000	$16,402.57	
Sunset Heights Water District (17-May-13; Exchange water project)	$48,000	$35,035.30	
Twin Lakes Canal Company (Winder Lateral Pipeline Project)	$500,000	$267,629.45	
Twin Lakes Canal Company (Bear River Narrows)	$90,000	$11,296.22	
Whitney-Nashville Water Company	$225,000	$0.00	
TOTAL LOANS OUTSTANDING			**$14,776,302.82**

Loans and Other Funding Obligations:			
Legislative Appropriation 2014, HB 479 Sec 1 and 2			
Mountain Home AFB Water Rights (HB479)		$1,426,826.92	
Galloway Dam & Reservoir Project (HB 479)		$1,912,390.00	
Boise River (Arrowrock Enlargement) Feasibility Study (HB479)		$1,122,310.89	
Island Park Enlargement (HB479)		$2,472,125.00	
Water Supply Bank Computer Infrastructure (HB 479)		$289,530.50	
Aqua Life Hatchery, HB644, 2014		$0.00	
Senate Bill 1511 - Teton Replacement and Minidoka Enlargement Studies		$678,161.82	
Boise River Storage Feasibility Study		$13,578.15	
Weiser-Galloway Study (28-May-10)		$461,620.87	
Priest Lake Improvement Study (16-Mar-16)		$300,000.00	
Bee Line Water Association (Sep 23, 2014; System Improvements)		$600,000.00	
Dover, City of (23-Jul-10; Water Intake project)		$194,063.00	
Last Chance Canal Company (14-July-2015, diversion dam rebuild)		$917,359.24	
Outlet Water Association (22-Jan-16; new well & improvements)		$28,959.89	
Producers Irrigation Company (23-May-16; new wells)		$173,000.00	
St. Johns Irrigating Company (14-July-2015; pipeline project)		$1,429,775.00	
TOTAL LOANS AND OTHER FUNDING OBLIGATIONS			**$12,019,701.28**
Uncommitted Funds			**$171,775.64**
TOTAL			**$26,967,779.74**

(1) Actual amount needed may vary depending on final determination of water actually purchased and interest income received.

(2) Debt service on the Dworshak Project bonds is paid before the Dworshak monies are deposited into the Revolving Development Account and is therefore not shown on this balance sheet.

Idaho Water Resource Board
Sources and Applications of Funds
as of May 31, 2016
WATER MANAGEMENT ACCOUNT

Original Appropriation (1978)	$1,000,000.00
Legislative Audits	($10,645.45)
IWRB Appraisal Study (Charles Thompson)	($5,000.00)
Transfer funds to General Account 1101(HB 130, 1983)	($500,000.00)
Legislative Appropriation (6/29/1984)	$115,800.00
Legislative Appropriation (HB988, 1994)	$75,000.00
Turned Back to General Account 6/30/95, (HB988, 1994)	($35,014.25)
Legislative Appropriation (SB1260, 1995, Aquifer Recharge, Caribou Dam)	$1,000,000.00
Interest Earned	$120,475.04
Filing Fee Balance	$2,633.31
Water Supply Bank Receipts	$841,803.07
Bond Fees	$277,254.94
Funds from DEQ and IDOC for Glenns Ferry Water Study	$10,000.00
Legislative Appropriation FY01	$200,000.00
Western States Wate Council Annual Dues	($7,500.00)
Tranfer to/from Revolving Development Account	($317,253.80)
Legislative Appropriation (SB1239, Sugarloaf Aquifer Recharge Project)	$60,000.00
Legislative Appropriation (HB 843 Sec 6)	$520,000.00
Legislative Appropriation (SB1496, 2006, ESP Aquifer Management Plan)	$300,000.00
Legislative Appropriation (HB 320, 2007, ESP Aquifer Management Plan)	$849,936.99
TOTAL	**$4,497,489.85**

Grants Disbursed:

Completed Grants	$1,291,110.72
Arco, City of	$7,500.00
Arimo, City of	$7,500.00
Bancroft, City of	$7,000.00
Bloomington, City of	$4,254.86
Boise City Canal Company	$7,500.00
Bonners Ferry, City of	$7,500.00
Bonneville County Commission	$3,375.00
Bovill, City of	$2,299.42
Buffalo River Water Association	$4,007.25
Butte City, City of	$3,250.00
Cave Bay Community Services	$6,750.00
Central Shoshone County Water District	$7,500.01
Clearwater Regional Water Project Study, City of Orofino et al	$10,000.00
Clearwater Water District	$3,750.00
Cottonwood Point Water and Sewer Association	$7,500.00
Cottonwood, City of	$5,000.00
Cougar Ridge Water & Sewer	$4,661.34
Curley Creek Water Association	$2,334.15
Downey, City of	$7,500.00
Fairview Water District	$7,500.01
Fish Creek Reservoir Company, Fish Creek Dam Study	$12,500.00
Franklin, City of	$6,750.00
Grangeville, City of	$7,500.00
Greenleaf, City of	$3,000.00
Hansen, City of	$7,450.00
Hayden Lake Irrigation District	$7,500.00
Hulen Meadows Water Company	$7,500.00
Iona, City of	$1,425.64
Kendrick, City of	$7,500.00
Kooskia, City of	$7,500.00
Lakeview Water District	$2,250.00
Lava Hot Springs, City of	$7,500.00
Lindsay Lateral Association	$7,500.00
Lower Payette Ditch Company	$5,500.01
Maple Grove Estates Homeowners Association	$5,020.88
Meander Point Homeowners Association	$7,500.00
Moreland Water & Sewer District	$7,500.00
New Hope Water Corporation	$2,720.39
North Lake Water & Sewer District	$7,500.00

Northside Estates Homeowners Association	$4,492.00	
North Tomar Butte Water & Sewer District	$3,575.18	
North Water & Sewer District	$3,825.00	
Parkview Water Association	$4,649.98	
Payette, City of	$6,579.00	
Pierce, City of	$7,500.00	
Potlatch, City of	$6,474.00	
Preston Whitney Irrigation Company	$7,500.00	
Preston & Whitney Reservoir Company	$3,606.75	
Preston & Whitney Reservoir Company	$7,000.00	
Roberts, City of	$3,750.00	
Round Valley Water	$3,000.00	
Sagle Valley Water & Sewer District	$2,117.51	
South Hill Water & Sewer District	$3,825.00	
St Charles, City of	$5,632.88	
Swan Valley, City of	$5,000.01	
Twenty-Mile Creek Water Association	$2,467.00	
Valley View Water & Sewer District	$5,000.02	
Victor, City of	$3,750.00	
Weston, City of	$6,601.20	
Winder Lateral Association	$7,000.00	
TOTAL GRANTS DISBURSED		**($1,632,755.21)**
IWRB Expenditures		
Lemhi River Water Right Appraisals	$31,000.00	
Expenditures Directed by Legislature		
Obligated 1994 (HB988)	$39,985.75	
SB1260, Aquifer Recharge	$947,000.00	
SB1260, Soda (Caribou) Dam Study	$53,000.00	
Sugarloaf Aquifer Recharge Project (SB1239)	$55,953.69	
ESPA Settlement Water Rentals (HB 843 2004)	$504,000.00	
ESP Aquifer Management Plan (SB1496, 2006)	$300,000.00	
ESP Aquifer Management Plan (HB320, 2007)	$801,077.75	
TOTAL IWRB AND LEGISLATIVE DIRECTED EXPENDITURES		**($2,732,017.19)**
WATER RESOURCE BOARD RECHARGE PROJECTS		**($11,426.88)**
CURRENT ACCOUNT BALANCE		**$121,290.57**
Committed Funds:		
Grants Obligated		
Cottonwood Point Water & Sewer Association	$0.00	
Preston - Whintey Irrigation Company	$7,500.00	
Water District No. 1 (Blackfoot Equalizing Reservoir Automation)	$35,000.00	
Legislative Directed Obligations		
Sugarloaf Aquifer Recharge Project (SB1239)	$4,046.31	
ESPA Settlement Water Rentals (HB 843, 2004)	$16,000.00	
ESPA Management Plan (SB 1496, 2006)	$0.00	
ESP Aquifer Management Plan (HB320, 2007)	$48,829.24	
TOTAL GRANTS & LOANS OBLIGATED & UNDISBURSED		**$111,375.55**

Loans Outstanding:	Amount Loaned	Principal Outstanding	
Arco, City of	$7,500	$0.00	
Butte City, City of	$7,425	$0.00	
Roberts, City of	$23,750	$0.00	
Victor, City of	$23,750	$0.00	
TOTAL LOANS OUTSTANDING			**$0.00**
Uncommitted Funds			**$9,915.02**
CURRENT ACCOUNT BALANCE			**$121,290.57**

Idaho Water Resource Board
Sources and Applications of Funds
as of May 31, 2016
SECONDARY AQUIFER PLANNING, MANAGEMENT, & IMPLEMENTATION FUND

Legislative Appropriation (HB 291, Sec 2)		2,465,300.00
Legislative Appropriation (SB 1389, Sec 5)		1,232,000.00
Legislative Appropriation (HB270, Sec 3)		716,000.00
Legislative Appropriation (HB479, Sec 1)		4,500,000.00
Legislative Appropriation (HB547)		10,000,000.00
Legislative Appropriation (SB1190, Sec 3) Aquifer Recharge Section 42-1780 (2)		500,000.00
Legislative Appropriation (HB479, Sec 1) Managed Recharge Infrastructure Expenses		(776,697.94)
Legislative Appropriation (HB479, Sec 1)Northern Idaho Future Water Needs Studies		(225,726.91)
Legislative Appropriation (HB547) Expenditures		(2,239,121.29)
Legislative Appropriation (SB1190, Sec 3)Aquifer Recharge Section 42-1780 (2) Expenditures		(653,477.93)
Interest Earned State Treasury (Transferred)		92,390.75
ESPA Managed Recharge Operations		(3,398.27)
Administrative expenses		(899.00)
Water Users Contributions		100.00
Conversion project (AWEP) measurement device payments		(16,455.21)
Contribution from GWD's for 2011 ESPA Managed Recharge		71,893.16
Contribution from GWD's for Revenue Bond Prep Expenses		14,462.50
American Falls Res. Dist#2 - MP31 Recharge Site Engineering		(46,593.75)
American Falls Res. Dist#2 - MP31 Recharge Site Construction		(34,435.44)
Bond issuer Fees		(3,500.00)
Payments for 2012 Recharge		(260,031.02)
Payments for 2013 Recharge		(8,133.00)
Payments for 2014 Recharge		(19,297.00)
Payment for Recharge		(80,000.00)
Payment to CH2M Hill		(20,865.64)
Payment for High Country RC&D Cloud Seeding		(20,000.00)
Payment for Cloud Seeding (Idaho Power)		(200,000.00)
Upper Snake Aircraft Cloud Seeding Pilot project		(288,378.64)
Payment for Idaho Irrigation District		(13,200.00)
Payment for Magic Valley GWD and A&B Irrig. Dist. - Walcott Recharge Engineering		(113,163.84)
Public Information Services (Steubner)		(18,898.75)
Loan - Magic Valley & North Snake GWDs (Magic Springs Pipeline)		(4,000,000.00)
Aquifer Monitoring, Measurement, and Modeling Sub-Account		
Legislative Appropriation/Funds Transfer (HB618, Sec 3)		716,000.00
Interest Earned State Treasury (Transferred)	1050.97	
Personnel Costs	(203,612.77)	
Professional Services	(242,192.34)	
Equipment Purchases	(45,593.87)	
Travel Expenses	(16,053.37)	
Supplies	(9,103.44)	
Miscellaneous Expenses	(5,924.81)	
Total Expenses	(522,480.60)	
Balance Aquifer Monitoring, Measurement, and Modeling Sub-Account		**$194,570.37**
Loans Outstanding		
North Snake & Magic Valley Ground Water Districts (Magic Springs Pipeline)		$4,000,000.00
Committed Funds		
Northern Idaho Future Water Needs Studies (HB479)		274,273.09
(Rathdrum work complete; Palouse Basin committed for $100,000; Lewiston for $90,000)		
Measurement devices for AWEP conversion projects		183,544.79
High Country RC&D Cloud Seeding		0.00
Cooperative Weather Modification Program (Cloud Seeding)		492,000.00
Public Information Services (Steubner)		36,480.00
GWD Bond Prepatory Expenses		37,500.00
Fremont-Madison Irrigation District Egin Recharge		40,000.00
Upper Snake Aircraft Cloud Seeding Pilot project		17,992.99
Loan Funds Committed - ESPA Ground Water Districts (Magic Springs Pipeline)		0.00
Committed - FY2016 Budgeted Funds		
ESPA Managed Recharge Operations	1,107,435.44	
ESPA Managed Recharge Infrastructure		
Milner-Gooding Recharge Capacity Projects (Flume, MP31, Road, 28 hydro)	310,000.00	
Milner-Gooding Dietrich Drop	1,500,000.00	
Twin Falls Canal recharge improvements	0.00	
Northside canal hydro plant bypasses	2,000,000.00	
Great Feeder Canal recharge improvements	0.00	
Milner Pool Development and other Projects	0.00	
Egin Recharge Enlargement	658,058.70	
Jensens grove project	26,527.00	
SRVID Monitoring	5,000.00	
Investigation/engineering for further ESPA recharge capacity improvements	300,000.00	
Administrative expenses	47,566.00	
Ground water conservation grants in priority aquifers (Roger's proposal)	172,778.00	
(Committed $18,000 for City of Hailey; $12,212 for Sun Valley, $10,000 for City of Ketchum)		
Amount reserved for projects in other priority aquifers	1,000,000.00	
(Committed $60,000 for Elmore County Study; $95,000 for Swan Falls Forecasting; $15,000 for Star W&S Recharge Study)		
TOTAL FY2016 BUDGETED FUNDS	7,127,365.14	
Total Committed Funds		**$8,209,156.01**
TOTAL UNCOMMITTED FUNDS		**$2,340,716.77**
CURRENT ACCOUNT BALANCE		**$10,744,443.15**

ATTACHMENT A – Fiscal Year 2017 Secondary Aquifer Planning, Management, and Implementation Fund Budget

FY17 BUDGET AVAILABLE FUNDS

Projected Carry-Over From FY16		$	1,815,000
SB 1402 funds:	General Fund (ongoing)	$	5,000,000
	Economic Recovery Reserve Fund (one-time)	$	2,500,000
HB547 funds - receipt of Cigarette Tax proceeds (through 2019)		$	5,000,000
HB479 funds - remainder of North Idaho Aquifers earmark		$	109,273
Estimated interest		$	20,000
TOTAL PROJECTED TO BE AVAILABLE		**$**	**14,444,273**

BUDGET

Category	Sub-Category	FY17 Budget
ESPA MANAGED RECHARGE		
ESPA Recharge Operations	Conveyance Cost	$1,500,000
	Equipment & Supplies	$87,000
	Site Monitoring	$114,000
	Regional Monitoring	$200,000
	TOTAL	**$1,901,000**
ESPA Managed Recharge Infrastructure Projects – **Budgeted Projects**	Northside Canal recharge improvements	$4,000,000
	SWID Recharge Project	$1,000,000
	MP31 Check Dam	$1,000,000
	Egin Lakes Phase II	$500,000
Reserved for additional recharge infrastructure projects		$1,000,000
	TOTAL	**$7,500,000**
Managed Recharge Investigations – **Budgeted Investigations**	ASCC Recharge Feasibility	$300,000
	South Fork Engineering & Site Evaluation	$200,000
	NSID Recharge Feasibility	$200,000
Reserved for additional investigations and engineering		$300,000
	TOTAL	**$1,000,000**
ESPA MANAGED RECHARGE TOTAL		**$10,401,000**

(Continued)

Continued - Fiscal Year 2017 Secondary Aquifer Planning, Management, and Implementation Fund Budget

TREASURE VALLEY

Treasure Valley Aquifer Ground Water Model	$500,000
Treasure Valley Aquifer Managed Recharge Study	$200,000
Anderson Ranch Reservoir Enlargement Study	$100,000
Treasure Valley DCMI Water Conservation Study	$200,000
TREASURE VALLEY TOTAL	**$1,000,000**

WOOD RIVER VALLEY

Wood River Valley Aquifer Ground Water Model Enhancement	$200,000
WOOD RIVER VALLEY TOTAL	**$200,000**

WEISER BASIN

Weiser Basin Project	$200,000
WEISER BASIN TOTAL	**$200,000**

NORTHERN IDAHO AQUIFERS

Reserve for additional investigations related to Northern Idaho Aquifers	$109,273
NORTHERN IDAHO AQUIFERS TOTAL	**$109,273**

STATE-WIDE

Aquifer monitoring network enhancement in priority aquifers	$100,000
NRCS Snow Survey contribution	$200,000
Cooperative Cloud Seeding Program (1/3 of operations costs)	$600,000
Ground water conservation grants in priority aquifers	$200,000
Administrative expenses (public information, staff training, etc)	$75,000
STATE-WIDE TOTAL	**$1,175,000**

RESERVE FOR OTHER WORK IN PRIORITY AQUIFERS OR CARRY-FORWARD INTO FUTURE YEARS	**$1,359,000**

GRAND TOTAL	**$14,444,273**

TO: Idaho Water Resource Board (IWRB)

FROM: Neeley Miller, Planning & Projects Bureau

DATE: July 11, 2016

RE: State Water Plan Sustainability Update

Governor Otter discussed the development of a Sustainability policy for the Idaho State Water Plan (SWP) in his recent State-of-the-State address. The Governor indicated the Board will be conducting public meetings throughout Idaho in the coming year to gather comments and suggestions on incorporating the Sustainability policy into the SWP.

At May 2016 Board meeting the Board accepted for public comment the Proposed Sustainability section of SWP from the Water Resource Planning Committee. The Board is required to obtain formal public comment before adopting any changes associated with SWP. The Proposed Sustainability section is being presented to the public through informational meetings and public hearings being held throughout Idaho. The schedule is as follows:

Hearing #	Dates	Time	Location	City
1	June 7	6:30 pm	Idaho Water Center; Rm 602 C & D	Boise
2	June 13	6:30 pm	Community Campus, Minnie Moore Rm	Hailey
3	June 28	6:30 pm	CSI Campus, Shields Bldg., Rm 118	Twin Falls
4	July 20	6:30 pm	Edgewater Resort	Sandpoint
5	August 23	6:30 pm	TBD	Lewiston
6	August 30	6:30 pm	City Council Chambers, City Annex	Idaho Falls
7	September 14	6:30 pm	City of Chubbuck, City Council Chambers	Chubbuck

In addition to holding hearings, the formal public comment process requires at least a 60-day public comment period during which written comments will be accepted. The public comment period commenced on Friday, May 20 and will remain open through the close of business on Friday, September 30, 2016.

Comments can be submitted:

- Via e-mail to SWP@idwr.idaho.gov;

- Via Standard mail to IWRB, ATTN: SWP, PO Box 83720-0098, Boise, ID 83720-0098;
- Through testimony at any of the scheduled public hearings;

Additional Information about the public comment period can be found at:

http://www.idwr.idaho.gov/waterboard/WaterPlanning/StateWaterPlanning/State_Planning.htm

Upon completion of these meetings and the public comment period, the Board's Water Resource Planning Committee will convene to consider the comments and testimony received. The Committee will then submit a final recommendation to the Board for adoption and submission to the Idaho Legislature.

Attached to this memo you will find:

1) The Proposed Sustainability Section
2) A copy of the presentation delivered by staff at the public hearings

8. SUSTAINABILITY

Sustainability focuses on the overall stewardship of the State's water resources for the good of the people of the State of Idaho.

8A - SUSTAINABILITY OF IDAHO'S WATER RESOURCES

Sustainability is 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.

Discussion:

Water is the foundation of Idaho's economy and culture; the lives and livelihoods of Idahoans depend on a reliable supply of water. Stewardship of Idaho's water resources begins with the realization that the water resources of the State are not inexhaustible and therefore it is necessary to manage, administer, and take action to sustain, maintain and enhance the resource. Stewardship, by necessity, also includes taking affirmative steps to address declining trends in the resource where those trends exist and to establish policies that will prevent future unsustainable declines. The goal must be overall stewardship of the State's water resources for the good of the people of the State of Idaho.

The State of Idaho encompasses some of the most diverse and awe inspiring physical and geological features in the country. From the depths of Hells Canyon to the peak of Mount Borah, from sage brush deserts, to the extensive agricultural farm and ranch land, to alpine forests and meadows, to the cities and towns, the ecosystems of each of these varied areas all rely on the water resources of the State. The people of the State interact with and depend upon the water resources in these different landscapes in many different ways. Therefore, the water sustainability policy of the state of Idaho must embrace the diversity of the State, while recognizing the potential for a use or activity in one place to affect the water resources in another part of the State.

Sustainable water management strategies to meet current and future needs must be based on adequate knowledge regarding available supplies, existing use, competing economic and social demands, and future needs. Planning and management actions to promote water sustainability must be designed and implemented to ensure that existing water rights are protected and the economic vitality of Idaho is optimized.

The goal of sustainable use of water resources of the State must recognize that the goals of sustainable economic growth and protection of existing rights must coexist and are enhanced by measures that protect and maintain surface and ground water resources and the aquatic, riparian and human resources that depend on these water resources. Recognizing these needs will

promote economic and environmental security and enhance the quality of life for the people of the State of Idaho.

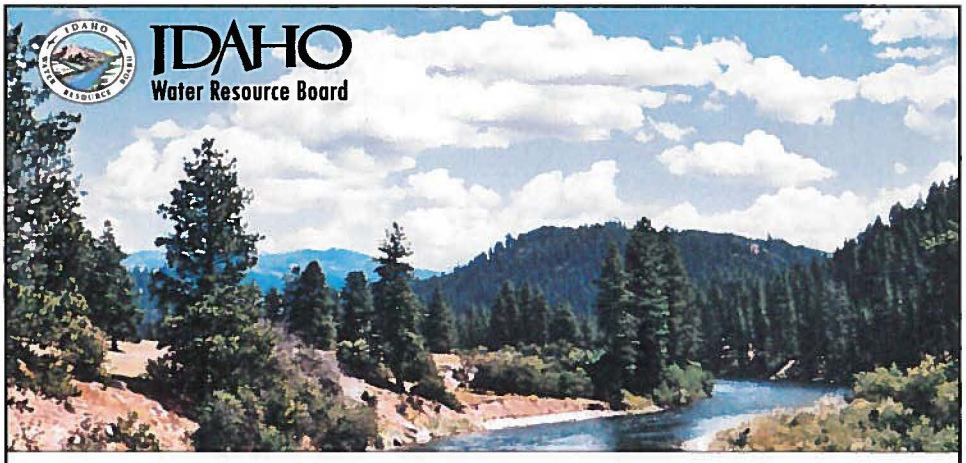
Implementation Strategies:

- Ensure that all actions taken toward a sustainable water future protect and respect private property rights, both in the land and water rights
- Inventory Idaho's water supply, current uses, and future water supply needs
- Evaluate long-term and short-term trends in water availability for present and future uses
- Identify areas where present water supplies are either inadequate for present uses or not sustainable, and develop management plans to address supply in an appropriate timeframe respecting private property rights
- Identify management alternatives and projects that optimize existing and future water supplies without compromising water quality
- Prioritize and implement management alternatives and projects where competing demands and future needs are most critical
- Enhance water transfer mechanisms in Idaho law, policy and regulations to allow future economic opportunities to utilize existing water supplies, while protecting existing uses
- Utilize the Idaho Water Resource Board's Funding Program and prioritize allocation of funds for projects that ensure water sustainability across the state
- Identify water conservation measures that water users, municipalities, governmental agencies and other entities can undertake to help protect the water resources of the State and provide guidance to those entities on best practices to implement those conservation measures
- Recognize that conservation measures may reduce water supplies utilized by others in other parts of the resource
- Identify and provide funding for aquifer stabilization strategies throughout the state with due regard to the priorities of basin specific Comprehensive Aquifer Management Plans
- Pursue enhancement of surface water storage supply as a mechanism for meeting Idaho's future water needs
- Use a grassroots approach to identify problems and developing optimal solutions. The needs of individual basins must be taken into consideration in how the resource should be managed while recognizing the potential for decisions in one basin to affect the resources of another basin. An integrated and collaborative approach to water resource management is critical for the sound and efficient use of Idaho's water resources. The State of Idaho when appropriate should work together with, water users, tribes, local communities, neighboring states, and the federal government to resolve water issues

- Protection of the quality of existing water supplies, particularly those ground water resources that are used for drinking water supplies, to ensure the vitality of local communities. This goal requires other state and local agencies to exercise their appropriate authorities to protect the water resources and to assist in meeting the goal of sustainable economic growth

Milestones:

- Respect for private property rights in accordance with State law and policy
- Identify number of basins where water supply and demand have been inventoried
- Identify number of basins where management alternatives have been identified and implemented to optimize existing and future water supplies, including surface water storage, ground water recharge, conservation measures and weather modification
- Obtain more accurate water supply, water measurement, and forecasting information
- Disseminate water supply forecasts to water users in cooperation with other federal and state agencies
- Measure utilization of water bank and transfer procedures to allow sustainable use of the resource
- Determination and implementation of measures and policies to enhance the utility of the water bank and transfer procedures
- Financial programs and funding strategies that meet the future water resource needs of the State of Idaho. Secure funding and resources in cooperation with the Governor and legislature. Reliable on-going, long-term funding will be needed to enable and support active stewardship of Idaho's water resources.
- Basin aquifer stabilization - stabilization of ground water levels in basins where declines are occurring to restore and maintain sustainable aquifer levels
- Initiate and facilitate construction of additional surface water storage to meet current and future needs
- Use of adaptive management to identify and address uncertainties for success, including those related to data, modeling, and impacts of climate variability
- Balance water supply and demand – supply and demand must be in balance to support current and future use within a particular basin
- Improve data management – accurate and abundant data is necessary to assist with ensuring stewardship of Idaho's water resources to satisfy current and future uses
- Coordination with State and local entities on measures to protect and enhance ground water and surface water resources so that these resources are available for use by the people of the State of Idaho



Water Sustainability Policy

Neeley Miller, IDWR, Planning & Projects Bureau

June 28, 2016

C L "Butch" Otter
Governor
September 5, 2012

Idaho Water Resource Board
322 East Front St.
Boise, ID 83720-0098

Chairman Ubling and Board Members,

I want to first and foremost thank you for your hard work and dedication to protecting the precious water resources of the State of Idaho.

The lives and livelihoods of Idahoans depend upon a reliable supply of water. Pre-statehood development along Idaho's vast river valleys and canyons began a dependence on water and reliance on property rights that created a foundation for the economic growth Idahoans have enjoyed for over 120 years. Looking ahead to the future, economic development and job creation is dependent upon the sustainability of our water supply.

The responsibility for planning for the optimum use of Idaho's water resources is constitutionally vested in the Idaho Water Resource Board. By developing visionary procedures and policies that will sustain the reliability of water supplies in the future, the Board can ensure water is available to meet both present and future needs. As an Idahoan, I believe we should never forget where we came from or the values such as property rights that are the backbone of our Idaho way of life.

Therefore, I request that the Idaho Water Resource Board define water sustainability in a way that ensures our values are respected and the unique qualities of our resources are protected. It is my hope that the Board will develop and adopt a policy to guide management and development of Idaho's water resources to maximize their sustainability. The Board's activities should be an inclusive process which involves stakeholders statewide. I will commit my office to assist and participate throughout this very important project.

I believe that formally incorporating such a policy will enable the Board to identify areas in Idaho where achieving sustainability needs more focused attention. Once identified, the Board can recommend activities that will enhance the reliability of water in these areas. The State, through the Idaho Water Resource Board, needs to proactively establish long-term goals to address today's issues and tomorrow's challenges.

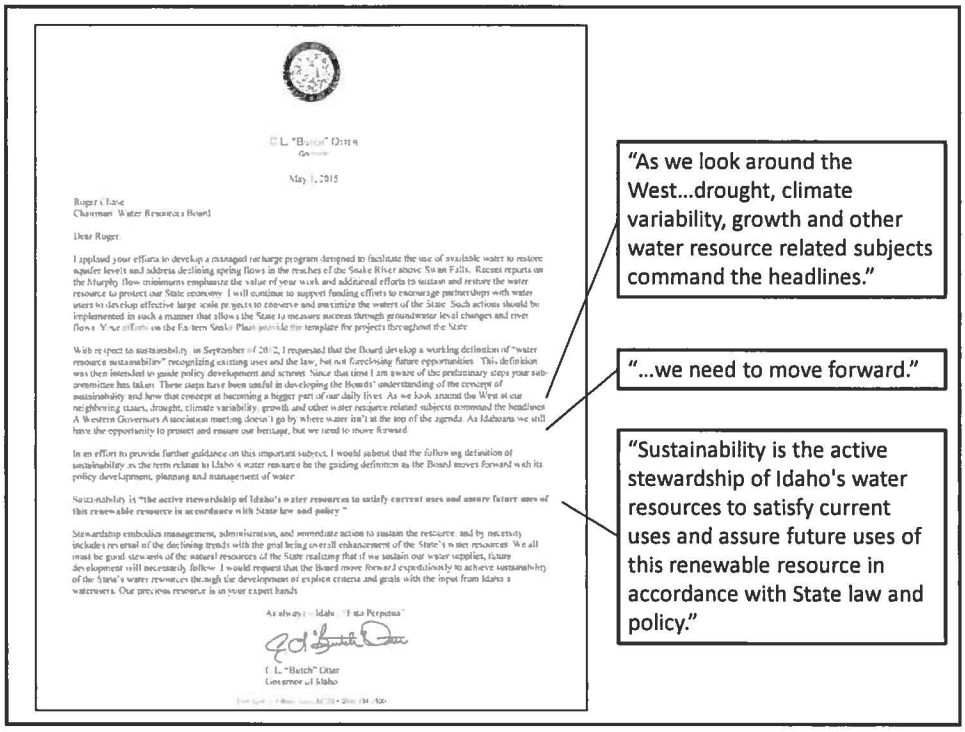
Again, thank you for your dedicated service to the State of Idaho and I look forward to working with you as we address this important issue.

As Always – Idaho, "Esto Perpetua"

C L "Butch" Otter
Governor of Idaho

"Therefore, I request that the Idaho Water Resource Board define water sustainability…"

"I believe that formally incorporating such a policy will enable the Board to identify areas where achieving sustainability needs more focused attention."



C.L. "Butch" Otter
Governor

May 1, 2015

Roger Chase
Chairman, Water Resource Board

Dear Roger,

I applaud your efforts to develop a managed recharge program designed to facilitate the use of available water to restore aquifer levels and address declining spring flows in the reaches of the Snake River above Swan Falls. Recent reports on the Murphy flow minimums emphasize the value of your work and additional efforts to sustain and restore the water resource to protect our State economy. I will continue to support funding efforts to encourage partnerships with water users to develop effective large scale projects to conserve and maximize the waters of the State. Such actions should be implemented in such a manner that allows the State to measure success through groundwater level changes and river flows. Your efforts on the Eastern Snake Plain provide the template for projects throughout the State.

With respect to sustainability, in September of 2012, I requested that the Board develop a working definition of "water resource sustainability" recognizing existing uses and the law, but not foreclosing future opportunities. This definition was then intended to guide policy development and actions. Since that time I am aware of the preliminary steps your sub-committee has taken. These steps have been useful in developing the Boards' understanding of the concept of sustainability and how that concept is becoming a bigger part of our daily lives. As we look around the West at our neighboring states, drought, climate variability, growth and other water resource related subjects command the headlines. A Western Governors Association meeting doesn't go by where water isn't at the top of the agenda. As Idahoans we still have the opportunity to protect and ensure our heritage, but we need to move forward.

In an effort to provide further guidance on this important subject, I would submit that the following definition of sustainability as the term relates to Idaho's water resource be the guiding definition as the Board moves forward with its policy development, planning and management of water.

Sustainability is "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."

Stewardship embodies management, administration, and immediate action to sustain the resource, and by necessity includes reversal of the declining trends with the goal being overall enhancement of the State's water resources. We all must be good stewards of the natural resources of the State realizing that if we sustain our water supplies, future development will necessarily follow. I would request that the Board move forward expeditiously to achieve sustainability of the State's water resources through the development of explicit criteria and goals with the input from Idaho's watermasters. Our precious resource is in your expert hands.

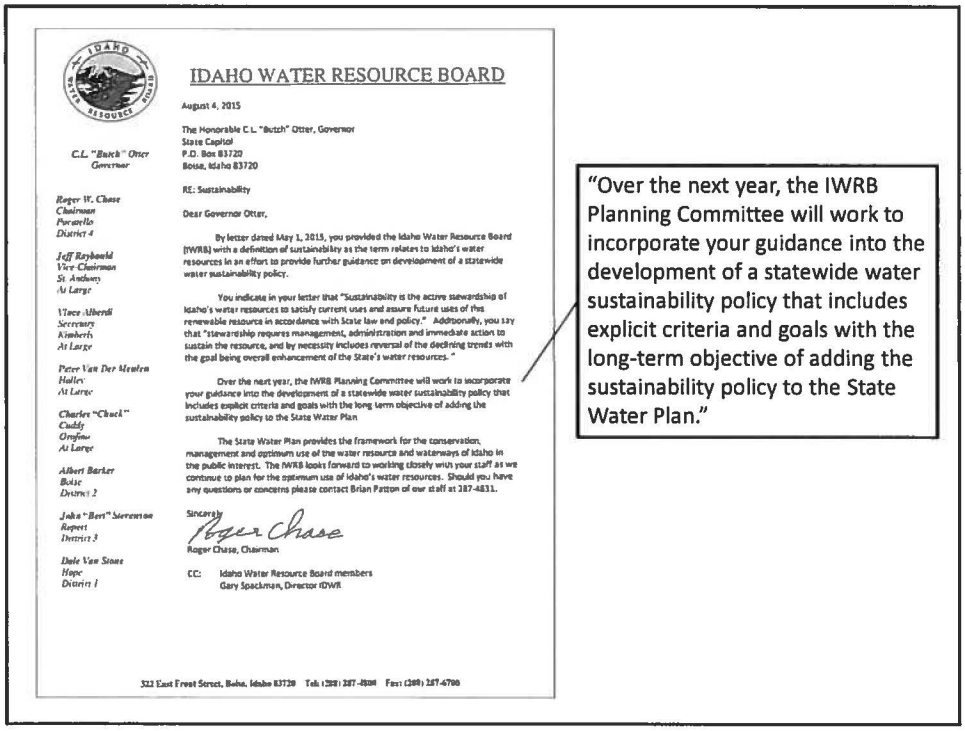
As always, "Idaho: Esto Perpetua"

C. L. "Butch" Otter
Governor of Idaho

"As we look around the West…drought, climate variability, growth and other water resource related subjects command the headlines."

"…we need to move forward."

"Sustainability is 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."



IDAHO WATER RESOURCE BOARD

C.L. "Butch" Otter
Governor

Roger W. Chase
Chairman
Pocatello
District 4

Jeff Raybould
Vice-Chairman
St. Anthony
At Large

Vince Alberdi
Secretary
Kimberly
At Large

Peter Van Der Meulen
Hailey
At Large

Charles "Chuck"
Cuddy
Orofino
At Large

Albert Barker
Boise
District 2

John "Bert" Stevenson
Rupert
District 3

Dale Van Stone
Hope
District 1

August 4, 2015

The Honorable C.L. "Butch" Otter, Governor
State Capitol
P.O. Box 83720
Boise, Idaho 83720

RE: Sustainability

Dear Governor Otter,

By letter dated May 1, 2015, you provided the Idaho Water Resource Board (IWRB) with a definition of sustainability as the term relates to Idaho's water resources in an effort to provide further guidance on development of a statewide water sustainability policy.

You indicate in your letter that "Sustainability is 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." Additionally, you say that "stewardship requires management, administration and immediate action to sustain the resource, and by necessity includes reversal of the declining trends with the goal being overall enhancement of the State's water resources."

Over the next year, the IWRB Planning Committee will work to incorporate your guidance into the development of a statewide water sustainability policy that includes explicit criteria and goals with the long term objective of adding the sustainability policy to the State Water Plan.

The State Water Plan provides the framework for the conservation, management and optimum use of the water resource and waterways of Idaho in the public interest. The IWRB looks forward to working closely with your staff as we continue to plan for the optimum use of Idaho's water resources. Should you have any questions or concerns please contact Brian Patton of our staff at 287-4831.

Sincerely,

Roger Chase

Roger Chase, Chairman

CC: Idaho Water Resource Board members
Gary Spackman, Director IDWR

322 East Front Street, Boise, Idaho 83720 Tel: (208) 287-4800 Fax: (208) 287-6700

"Over the next year, the IWRB Planning Committee will work to incorporate your guidance into the development of a statewide water sustainability policy that includes explicit criteria and goals with the long-term objective of adding the sustainability policy to the State Water Plan."

Governor Otter's State of the State Address

January 11, 2016

"Sustainability is a central value throughout Idaho, from the Treasure Valley to the Rathdrum Prairie and from Bear Lake to Hells Canyon. That's why I'm proud to announce that the Water Resource Board has drafted a statewide sustainability policy. The Board will conduct public meetings throughout Idaho in the coming year to gather suggestions on incorporating its findings into our Comprehensive State Water Plan."

C L. "BUTCH" OTTER
GOVERNOR

January 25, 2016

Joint Finance and Appropriations Committee

Dear Legislator,

Active management, data-driven administration and immediate action are required to sustain Idaho's precious water resources, including reversing the decline in aquifer levels. We must exercise responsible stewardship of the resource to ensure the opportunity for future growth, development and prosperity. Our objective must be maintaining the long-term health of water resources throughout Idaho.

After additional discussions with the Idaho Department of Water Resources on the funding necessary to meet the State's commitment under the settlement agreement for the Eastern Snake Plain Aquifer (ESPA), I am revising my budget recommendation to fully fund its accelerated implementation.

The revised recommendation in my Executive Budget includes:

- Transferring $6.5 million in one-time funding to the Secondary Aquifer Planning, Management and Implementation Fund – increasing the total transfer to that fund to $16.5 million
- Increasing ongoing funds for water sustainability projects by $3 million – increasing the total for these projects to $5 million

Jani Revier, Administrator of DFM, will present these and other revisions to the committee and will answer any questions you may have.

As groundwater reductions meet the benchmarks and goals of the water settlement agreement, the State's sustainability projects coupled with this funding will advance the needs of the water users and sustain Idaho's water resources.

As Always – Idaho, "Esto Perpetua"

C.L. "Butch" Otter
Governor of Idaho

STATE CAPITOL • BOISE, IDAHO 83720 • (208) 334-2100 • Fax (208) 334-3454

"...the State's sustainability projects coupled with this funding will ... sustain Idaho's water resources."

IDAHO
Water Resource Board

Article XV, Section 7
Idaho Constitution

- Additionally, the State Water Resource Agency [*board*] shall have power to formulate and implement a state water plan for optimum development of water resources in the public interest.
- "[A]ny change in the state water plan shall be submitted to the Legislature . . . and the change shall become effective unless amended or rejected by law within sixty days of its admission to the Legislature."

IDAHO
Water Resource Board

Idaho State Water Plan

Idaho Code Chapter 42, Section 1734A:

The board shall, subject to legislative approval, progressively formulate, adopt and implement a comprehensive state water plan for conservation, development, management and optimum use of all unappropriated water resources and waterways of this state in the public interest.

IDAHO
Water Resource Board

Idaho State Water Plan

First Plan: Objectives 1974
Policies 1976

Subsequent revisions

1982, 1986, 1992, 1996, 2012

IDAHO
Water Resource Board

Idaho State Water Plan

- Proposed changes are adopted by the IWRB; changes submitted to the Idaho Legislature and shall become effective unless amended or rejected by law within sixty days of submission
- All state agencies are required to exercise their duties in a manner consistent with the Plan
- Provides guidance and direction for water planning, management, conservation and development

IDAHO
Water Resource Board

2016 Proposed Sustainability Policy

Sustainability Policy:

Sustainability is 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

IDAHO
Water Resource Board

2016 Proposed Sustainability Policy

Policy Narrative (excerpt #1)

Sustainable water management strategies to meet current and future needs must be based on adequate knowledge regarding available supplies, existing use, competing economic and social demands, and future needs. Planning and management actions to promote water sustainability must be designed and implemented to ensure that existing water rights are protected and the economic vitality of Idaho is optimized.

IDAHO
Water Resource Board

2016 Proposed Sustainability Policy

Policy Narrative (excerpt #2)

Stewardship of Idaho's water resources begins with the realization that the water resources of the State are not inexhaustible and therefore it is necessary to manage, administer, and take action to sustain, maintain and enhance the resource. Stewardship, by necessity, also includes taking affirmative steps to address declining trends in the resource where those trends exist and to establish policies that will prevent future unsustainable declines. The goal must be overall stewardship of the State's water resources for the good of the people of the State of Idaho.

IDAHO
Water Resource Board

2016 Proposed Sustainability Policy

Policy Narrative (excerpt #3)

The goal of sustainable use of water resources of the State must recognize that the goals of sustainable economic growth and protection of existing rights must coexist and are enhanced by measures that protect and maintain surface and ground water resources and the aquatic, riparian and human resources that depend on these water resources. Recognizing these needs will promote economic and environmental security and enhance the quality of life for the people of the State of Idaho.

IDAHO
Water Resource Board

State Water Plan Policy Sections

1. Optimum Use
2. Conservation
3. Management
   River Basins
4. Snake River Basin
5. Bear River Basin
6. Panhandle Basins
7. Salmon-Clearwater Basin
8. Sustainability

DRAFT

8. SUSTAINABILITY

Sustainability focuses on the overall stewardship of the State's water resources for the good of the people of the State of Idaho

8A - SUSTAINABILITY OF IDAHO'S WATER RESOURCES

Sustainability is 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.

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The State of Idaho encompasses some of the most diverse and awe inspiring physical and geological features in the country. From the depths of Hells Canyon to the peak of Mount Borah, from sage brush deserts, to the extensive agricultural farm and ranch land, to alpine forests and meadows, to the cities and towns, the ecosystems of each of these varied areas all rely on the water resources of the State. The people of the State interact with and depend upon the water resources in these different landscapes in many different ways. Therefore, the water sustainability policy of the state of Idaho must enhance the diversity of the State, while recognizing the potential for a use or activity in one place to affect the water resources in another part of the State.

Sustainable water management strategies to meet current and future needs must be based on adequate knowledge regarding available supplies, existing use, competing economic and social demands, and future needs. Planning and management actions to promote water sustainability must be designed and implemented to ensure that existing water rights are protected and the economic vitality of Idaho is optimized.

The goal of sustainable use of water resources of the State must recognize that the goals of sustainable economic growth and protection of existing rights must coexist and are enhanced by measures that protect and maintain surface and ground water resources and the aquatic, riperian and human resources that depend on these water resources. Recognizing these needs will

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promote economic and environmental security and enhance the quality of life for the people of the State of Idaho.

Implementation Strategies:

- Ensure that all actions taken toward a sustainable water future protect and respect private property rights, both in the land and water rights
- Inventory Idaho's water supply, current uses, and future water supply needs
- Evaluate long-term and short-term trends in water availability for present and future uses
- Identify areas where present water supplies are either inadequate for present uses or not sustainable, and develop management plans to address supply in an appropriate timeframe respecting private property rights
- Identify management alternatives and projects that optimize existing and future water supplies without compromising water quality
- Prioritize and implement management alternatives and projects where competing demands and future needs are most critical
- Enhance water transfer mechanisms in Idaho law, policy and regulations to allow future economic opportunities to utilize existing water supplies, while protecting existing uses
- Utilize the Idaho Water Resource Board's Funding Program and prioritize allocation of funds for projects that ensure water sustainability across the state
- Identify water conservation measures that water users, municipalities, governmental agencies and other entities can undertake to help protect the water resources of the State and provide guidance to those entities on best practices to implement those conservation measures
- Recognize that conservation measures may reduce water supplies utilized by others in other parts of the resource
- Identify and provide funding for aquifer stabilization strategies throughout the state with due regard to the priorities of basin specific Comprehensive Aquifer Management Plans
- Pursue enhancement of surface water storage supply as a mechanism for meeting Idaho's future water needs
- Use a grassroots approach to identify problems and developing optimal solutions The needs of individual basins must be taken into consideration in how the resource should be managed while recognizing the potential for decisions in one basin to affect the resources of another basin. An integrated and collaborative approach to water resource management is critical for the sound and efficient use of Idaho's water resources. The State of Idaho when appropriate should work together with, water users, tribes, local communities, neighboring states, and the federal government to resolve water issues

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- Protection of the quality of existing water supplies, particularly those ground water resources that are used for drinking water supplies, to ensure the vitality of local communities. This goal requires other state and local agencies to exercise their appropriate authorities to protect the water resources and to assist in meeting the goal of sustainable economic growth

Milestones:

- Respect for private property rights in accordance with State law and policy
- Identify number of basins where water supply and demand have been inventoried
- Identify number of basins where management alternatives have been identified and implemented to optimize existing and future water supplies, including surface water storage, ground water recharge, conservation measures and weather modification
- Obtain more accurate water supply, water measurement, and forecasting information
- Disseminate water supply forecasts to water users in cooperation with other federal and state agencies
- Measure utilization of water bank and transfer procedures to allow sustainable use of the resource
- Determination and implementation of measures and policies to enhance the utility of the water bank and transfer procedures
- Financial programs and funding strategies that meet the future water resource needs of the State of Idaho. Secure funding and resources in cooperation with the Governor and legislature. Reliable on-going, long-term funding will be needed to enable and support active stewardship of Idaho's water resources
- Basin aquifer stabilization - stabilization of ground water levels in basins where declines are occurring to restore and maintain sustainable aquifer levels
- Initiate and facilitate construction of additional surface water storage to meet current and future needs
- Use of adaptive management to identify and address uncertainties for success, including those related to data, modeling, and impacts of climate variability
- Balance water supply and demand – supply and demand must be in balance to support current and future use within a particular basin
- Improve data management – accurate and abundant data is necessary to assist with ensuring stewardship of Idaho's water resources to satisfy current and future uses
- Coordination with State and local entities on measures to protect and enhance ground water and surface water resources so that these resources are available for use by the people of the State of Idaho

IDAHO
Water Resource Board

Public Comment

The public comment period commenced on Friday, May 20 and will remain open through the close of business on Friday, September 30, 2016.

Comments can be submitted:

- Through e-mail to SWP@idwr.idaho.gov;
- Through mail to IWRB, ATTN: SWP, PO Box 83720-0098, Boise, ID 83720-0098;
- Through testimony at any of the scheduled public hearings.
- More information found at: http://www.idwr.idaho.gov/waterboard/WaterPlanning/StateWaterPlanning/State_Planning.htm

Sustainability Policy Public Hearing Schedule

Hearing #	Dates	Time	Location	City
1	June 7	6:30 pm	Idaho Water Center; Rm 602 C & D	Boise
2	June 13	6:30 pm	Community Campus, Minnie Moore Rm	Hailey
3	June 28	6:30 pm	CSI Campus, Shields Bldg., Rm 118	Twin Falls
4	July 20	6:30 pm	Edgewater Resort	Sandpoint
5	August 23	6:30 pm	TBD	Lewiston
6	August 30	6:30 pm	City Council Chambers, City Annex	Idaho Falls
7	September 14	6:30 pm	City of Chubbuck, City Council Chambers	Chubbuck

MATERIALS MAY BE PROVIDED AT THE

IWRB MEETING

Memorandum

To: Idaho Water Resource Board (IWRB)

From: Neeley Miller, IDWR Planning & Projects Bureau

Date: July 8, 2016

RE: Rathdrum Prairie CAMP Funding Request

ACTIONS: Consider request to provide funding to promote water stewardship in the Spokane Valley-Rathdrum Prairie Aquifer (SVRP)

On July 20, 2016 the Rathdrum Prairie CAMP Advisory Committee received a presentation and reviewed a funding request from the Idaho-Washington Aquifer Collaborative (IWAC) for a water stewardship education project.

The IWAC is a group of public water purveyors and treatment reclamation facilities that share a common water source; the Spokane Valley-Rathdrum Prairie Aquifer (SVRP). The IWAC is a non-profit organization working to maintain and enhance water quality and quantity for present and future generations by developing management strategies which benefit the aquifer and the region. IWAC has set out a goal of educating the public on water stewardship and is focused on the following key areas:

- Ensuring water quality on the SVRP
- Ensuring adequate water supply on the SVRP
- Effectively dealing with storm water and runoff water on the SVRP

The IWAC is proposing to develop production quality videos and print media associated with these key areas. The IWAC is requesting $10,000 in cost-share funding from the Idaho Water Resource Board ("Board") for this project.

The Rathdrum Prairie CAMP Advisory Committee recommended providing $10,000 in funding for this project to match funding from other sources to support this project. Staff recommends providing funding for this project because it will help to implement several Rathdrum Prairie CAMP actions:

1. Objective #1 Meet Future Demand for Water
    a. Enact water conservation measure that promote water efficiency and reduced use.
2. Objective #2: Prevent and Resolve Water Conflicts
    a. Regional discussion and encouraging cooperation for Spokane Valley-Rathdrum Prairie Aquifer water issues;
    b. Encourage mechanism that resolve local issues before they become conflicts;
3. Objective #3: Protect the Aquifer, through bringing the key agencies together in an effort to address overlapping jurisdictions with the goal of improving efficiency and sharing knowledge; and

Mike Galante (IWAC, President and member of the RP CAMP Advisory Committee) is here today to discuss details of this proposed project with you. Attached to this memo is: 1) a funding request document prepared by IWAC, 2) a copy of a MS PowerPoint presentation related to the project, and 3) a resolution for your consideration.

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF PROJECTS ASSOCIATED)
WITH RATHDRUM PRAIRIE COMPREHENSIVE) A RESOLUTION
AQUIFER MANAGEMENT PLAN) TO ALLOCATE FUNDS
_____)

WHEREAS, the Idaho Water Resource Board (Board), pursuant to its planning authorities in Article XV, Section 7 of the Idaho Constitution, and Idaho Code 42-1779, and as directed by House Bill No. 428 passed and approved by the 2009 Idaho Legislature, has undertaken the development of a comprehensive aquifer management plan for the Rathdrum Prairie Aquifer; and

WHEREAS, the Board adopted the Rathdrum Prairie Comprehensive Aquifer Management Plan on July 29, 2011; and

WHEREAS, the Idaho Washington Aquifer Collaborative (IWAC) has requested financial support in the amount of $10,000 to match other funding support for a water stewardship education project; and,

WHEREAS, this project supports several actions described in the Rathdrum Prairie Comprehensive Aquifer Management Plan, including:

1. Objective #1 Meet Future Demand for Water
   a. Enact water conservation measure that promote water efficiency and reduced use.
2. Objective #2: Prevent and Resolve Water Conflicts
   a. Regional discussion and encouraging cooperation for Spokane Valley-Rathdrum Prairie Aquifer water issues;
   b. Encourage mechanism that resolve local issues before they become conflicts;
3. Objective #3: Protect the Aquifer, through bringing the key agencies together in an effort to address overlapping jurisdictions with the goal of improving efficiency and sharing knowledge; and

WHEREAS, the Rathdrum Prairie CAMP Advisory Committee reviewed the proposal and recommended funding in the amount of $10,000; and

NOW, THEREFORE, BE IT RESOLVED that the IWRB hereby approves the expenditure of a total of $_____ from the IWRB Revolving Development Account's Rathdrum Prairie CAMP subaccount, to the Idaho Washington Aquifer Collaborative (IWAC) for a water stewardship education project.

DATED this 22nd day of July, 2016

_____
Roger Chase, Chairman
Idaho Water Resource Board

ATTEST_____
Vince Alberdi, Secretary
Idaho Water Resource Board

IDAHO WASHINGTON AQUIFER COLLABORATIVE

2160 West Dakota Ave.
Hayden, ID 83835-5122
208.772.2612

President - Mike Galante
Vice President - Ty Wick
Secretary - Bryan St. Clair
Treasurer - Alan Miller

The Idaho Washington Aquifer Collaborative (IWAC) is a non-profit organization working to maintain and enhance water quality and quantity for present and future generations by developing management strategies which benefit the Spokane Valley Rathdrum Prairie Aquifer and the Spokane River region.

Funding Request
IWAC Videos & Printed Message

Introduction

The Idaho Washington Aquifer Collaborative (IWAC), is a group of public water purveyors and treatment reclamation facilities that share a common water source; the Spokane Valley-Rathdrum Prairie Aquifer (SVRP). We also share a number of regional goals. These are to provide quality drinking water, sufficient quantities of water, and to protect our precious aquifer, river and lakes for future generations. We have embarked on a four part message to the public in our region with a goal to promote water stewardship. We plan to use video and print media to convey this message.

Purpose

Water is an abundant resource in our region. This seems to be the common perception. The IWAC was formed to ensure that our resource remains sustainable, high quality water to supply the growing needs of our population both now and in the future. To ensure that we do, the IWAC group has set out a goal of educating the public on four areas we deem to be significant and necessary. They are:

1. Ensure we have and maintain high quality water. This includes both drinking water and surface water. We know that these are inter-connected, so protection of both surface water and ground water is critical.

2. To ensure that we have an adequate supply of drinking water

3. To effectively deal with storm water and runoff water. Contaminates are carried by storm water and how we deal with them has a direct bearing on the quality of our surface and aquifer waters.

4. To preserve and protect the SVRP from pollution, contamination, and overuse. Designated as a sensitive sole source aquifer, this amazing geologic formation provides drinking water to over 600,000 people each day.

Messaging Vehicles

The IWAC group has chosen video as the primary vehicle to get our message out to the public. Educating the public is key to having individual "buy in" to the solutions we are proposing. Each video will have a theme of what can I do to make a difference.

A print media is the second vehicle. This would include a color "comic book" format for younger kids. Our animated character, "Drip-ee" would appear in this publication and potentially in an animated video, *The Adventures of Drip-ee*. Variations of the "comic book" format have been used successfully in this area, IWAC does not intend to duplicate, but instead to enhance and support the current existing message.

Marketing the Message

Once the videos are produced, our group will "publish" them through a number of media outlets.

1. Public Service Announcements. Using local TV stations to air 30 second or 60 second videos.

2. YouTube. This is one of the fastest growing video medias on the internet.

3. Face Book. Videos like the ones we are planning have a great impact on young people. Passing them on to their Face Book friends is common practice.

4. Libraries, schools, educational presentations

5. Local cable channels

6. Web site posting

Costs for the project – Estimated $45,000

Video Production Costs (est.) $10K-$12K initial video, $8K for subsequent versions
Video Animation Costs $17,650 initial video, $12,250 subsequent versions
Color Printed Cartoon Costs $3K- $5K depending on quantity.

Project proposal is to develop four production quality videos and print media linked to the four areas listed above.

Shared costs

Our proposal seeks funding from a number of sources at this time.

1. IWAC will fund $5,000

2. Request to the Aquifer Protection District, $10,000
3. Request to Spokane County Water Resources, $10,000
4. Request to the Rathdrum Prairie CAMP, via the Idaho Water Resource Board in the amount of $10,000
5. Request to the Washington Department of Health (DOH), $10,000

At this time it is unknown if IDEQ or Washington DOE has funding available.

Project Deliverables

We anticipate this project to take 6 months to complete. This time line is somewhat driven by the timing of funding from the various agencies.

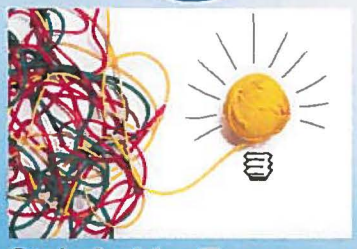
Thank you for your consideration.

Mike Galante
President, Idaho Washington Aquifer Collaborative

BI-STATE WATER STEWARDSHIP MESSAGING

COLLABORATION BETWEEN WSU & IWAC

NEED: Regional Water Message

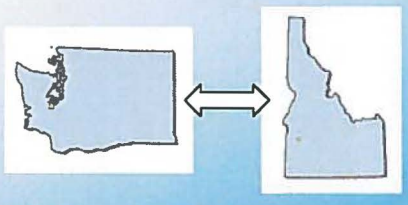


Stakeholder Engagement developing a stewardship message

NEED: Raise Public Awareness

Public education

NEED: Bi-State Collaboration



The importance of regional water

COLLABORATIVE PROCESS WITH IWAC

Brainstormin g

THE WATER STEWARDSHIP DISCUSSION

Knowledge of the river and aquifer connection

Conservation impact to water sources

Water for Future nerations

Controlling contaminants

You dump it, you drink it

e are all in this together

A picture says a 1000 words

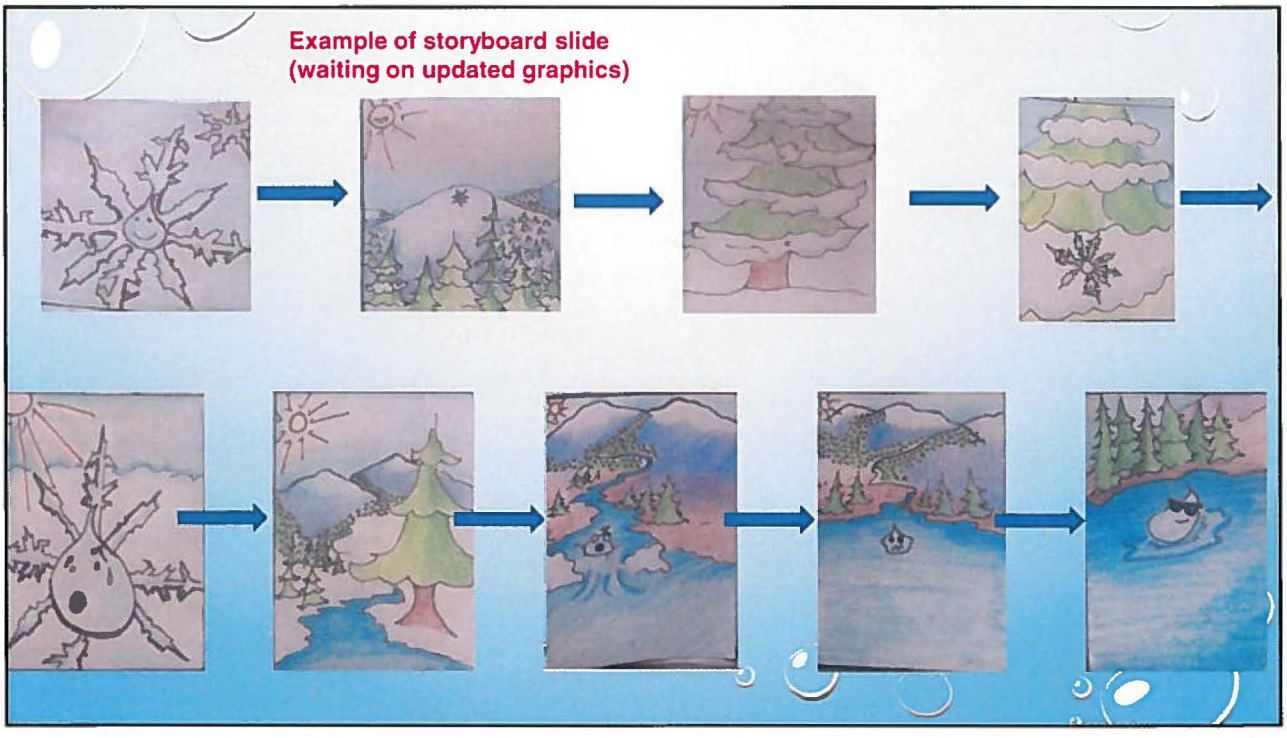
ertilizers affect OUR drinking water uality

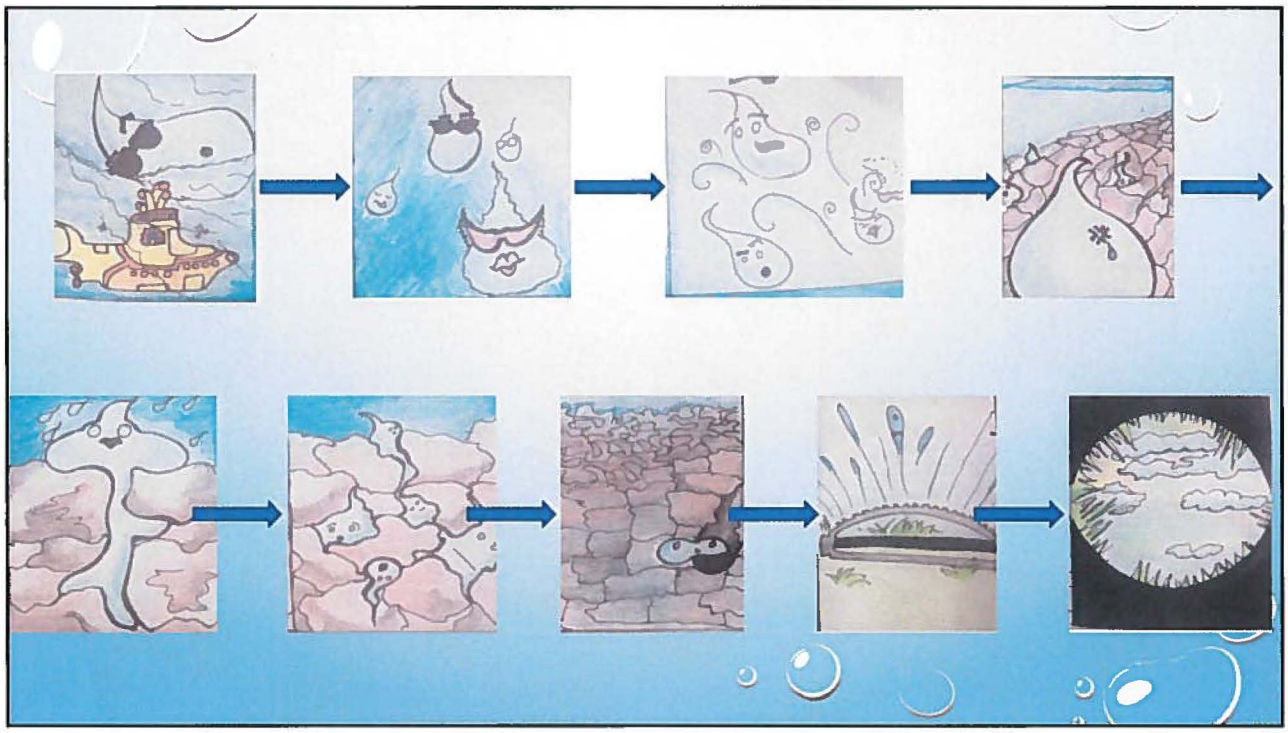
How Do We Get People to Care??

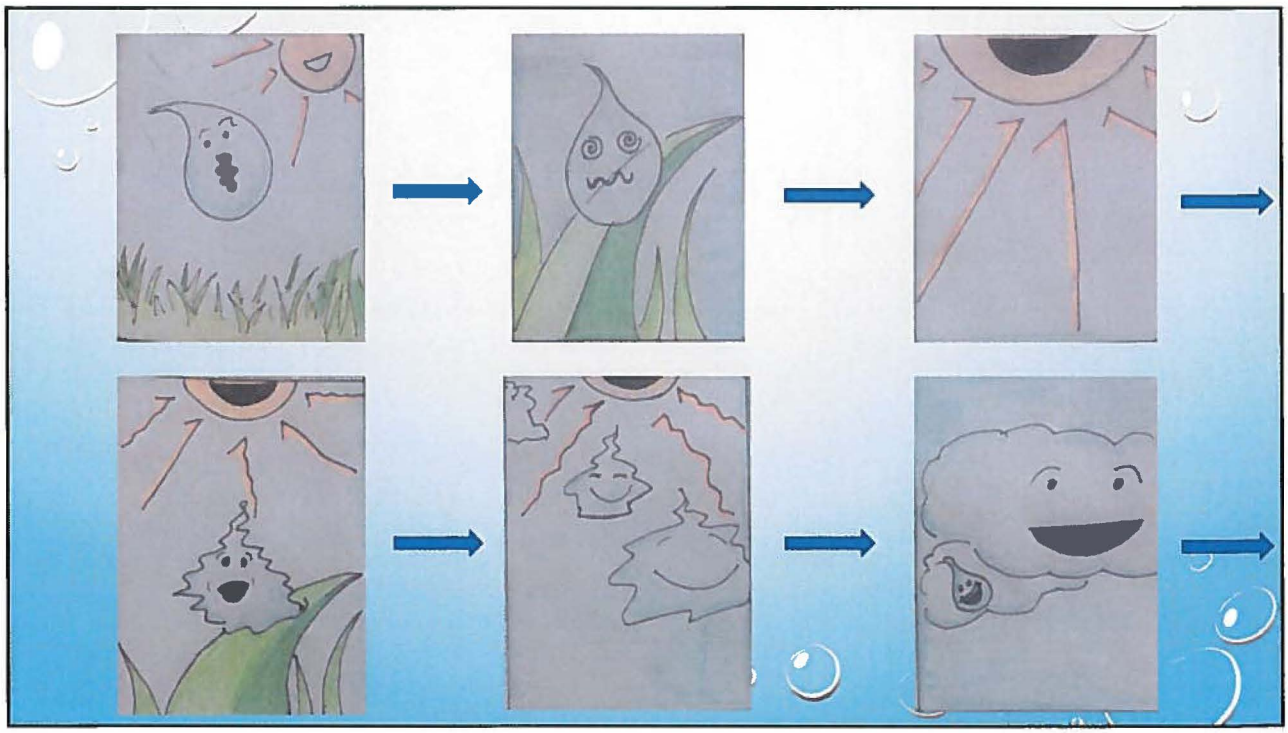
Protecting OUR Waters

Imagery: Vhat goes down the drain?

Storyboard Example for Water Quantity







STORMWATER VIDEO

- VIDEO LINK

QUESTIONS?

Idaho Washington Aquifer Collaborative
Executive Summary: Water Stewardship Campaign

IWAC Overview

The Idaho Washington Aquifer Collaborative (IWAC), is a group of public water purveyors and educators that share a common water source, the Spokane Valley Rathdrum Prairie Aquifer (SVRP). The purpose of IWAC is to work together to maintain and/or enhance water quality and quantity for present and future generations by developing management strategies which benefit the Spokane Valley Rathdrum Prairie Aquifer and the Spokane River region. The objective of developing management strategies is to address regional water supply and demand needs over the next 50 to 100 years. The specific goals of IWAC are organized within the categories of water quantity, conservation, water quality, and ***public awareness and education.***

Purpose

Related to IWAC's public awareness and education goal, the group prioritized a need to develop *one* regional (bi-state) water stewardship message. This messaging process includes four components/themes with a central goal to promote water stewardship to the public. The group wants to use a variety of messaging techniques to convey this message to the public, including videos, PSAs, infographics, handouts, etc.

Goals

Water is an abundant resource in our region, and this seems to be the common perception. The IWAC was formed to ensure that we have an abundance of high quality water to supply the growing needs of our population both now and in the future. To ensure that we do, the IWAC group has set out a goal of educating the public on four areas we deem to be significant and necessary to improve local understanding of the regional water resources. They are organized around the four central themes:

- *Water Quality:* Ensure we have and maintain high quality water. This includes both drinking water and surface water. We know that these are inter-connected, so protection of both surface water and groundwater is critical.
- *Water Quantity:* To ensure that we have adequate supplies of drinking water.
- *Stormwater:* To effectively deal with stormwater and runoff water. Contaminates are carried by stormwater and how we deal with them has a direct bearing on the quality of our surface and aquifer waters.
- *Preservation:* To preserve and protect the SVRP from pollution, contamination, and overuse. Designated as a sensitive sole source aquifer, this amazing geologic formation provides drinking water to over 600,000 people each day.

Target Audience

The target audience for this education campaign is individuals who consume and use water resources, i.e. the public. Public education is key to raising awareness, and having individuals become good water stewards.

Progress to date

Overview

The central objective of this campaign is to develop a variety of messaging materials for purpose of educating the public around the four main themes listed above. However, the IWAC group has focused on developing materials, storyboards and content to be used for creating a video or video series for each theme. Within each video, the group wants to include information about what the public can do, by addressing the question: "what can I do to make a difference?" Up to this point, the stakeholder group have developed draft storyboards, concepts, images, and outlines for the preservation, water quality and water quantity themes (*see below for further details*). For the stormwater theme, Washington State University graduate students have developed a beta version video (*link below*). This video still needs to be refined and edited before released to the public, but encompasses the general theme and key ideas for the stormwater theme. Aside from the videos, the group wants to include a variety of other messaging materials to educate the public on the four aforementioned themes. This includes infographics, brochures, posters, PSAs, children's color books, social media messages, and other applicable messaging techniques.

Water Quantity

The overarching objective of this theme is to communicate the Spokane River Basin's unique water cycle. The group wants to educate the public about where their water resources come from - Spokane Valley Rathdrum Prairie Aquifer. The concept of "we're all in this together" wants to be communicated, which includes information that this is a *shared* regional water resource, and that our water is for current *and* future generations. The group wants to include concepts and information on the interaction between the groundwater and surface water system, and how water pumping, and thus water use, impacts flows in the river. However, there is a delay in aquifer pumping to impact on streamflow, and depending on your location, related to the river (space), and when water was pumped (time), and this wants to be included in the message. The group also wants to communicate what people can do individually related to water use, for example how conservation (indoor use and outdoor use in the summer) or how xeric landscaping can impact the aquifer and the river. This theme wants to engage an audience and incorporate the concept of the question "how do we get people to care?"
Please see Appendix I for additional storyboard materials.

Water Quality:

The overarching idea of this theme looks to provide tips and tricks to improve how individuals impact water quality (i.e. "what you do matters" - "If you don't want to drink it, don't put it in the ground or down the drain"). This theme should provide information on: how treatment plans in yards and agriculture impacts water quality, information on fertilizer alternatives, on local places to recycle things that don't need to be trashed ("car batteries, oil, paint, antifreeze"), on how to water your yard to reduce runoff depending on soil type, on minimizing wastewater costs, on preventing certain water pollutants that we put down the drain or flush down the toilet, and addressing the idea that "water quality here is perfect" makes people not want to take action.
Please see Appendix II for additional storyboard materials.

Stormwater:

The objective of this theme is to communicate how stormwater can impact water quality. The group wants to incorporate the concept "you dump it, you drink it", which includes information about what happens to stormwater, since it drains into the aquifer and to the river. The group wants to include information about how fertilizers, dog waste, and lawn watering all contribute to water quality impairments as water flows down the storm drain or recharges the aquifer.

Initial group storyboard for stormwater video, please see the video.

- Video link: https://youtu.be/MmU-wnKBvhg

Preservation:

The overarching objective of this theme is preservation of the regional water resources, which includes the Spokane Valley Rathdrum Prairie Aquifer, Spokane River, and the regional lakes (Coeur d'Alene, Pend Oreille, Liberty, Hayden, Spirit, Twin, Hauser, Newman). The group wants to include imagery, pristine photos of the water resources, and educational aspects about what individuals can do to preserve their local water resources, including indoor and outdoor water use. The group wants to ensure that this message communicates concepts that matter to the individual and public at large.

Please see Appendix III for additional storyboard materials.

Personnel Directory

- Mike Galante
    - President of IWAC & District Manager of North Kootenai County Water & Sewer District
    - mikeg@nkwsd.com
    - 208-687-6593

- Tonilee Hanson
    - Program Manager of Spokane Aquifer Joint Board
    - sajbinfo@gmail.com
    - 509-838-2691 office

Appendices

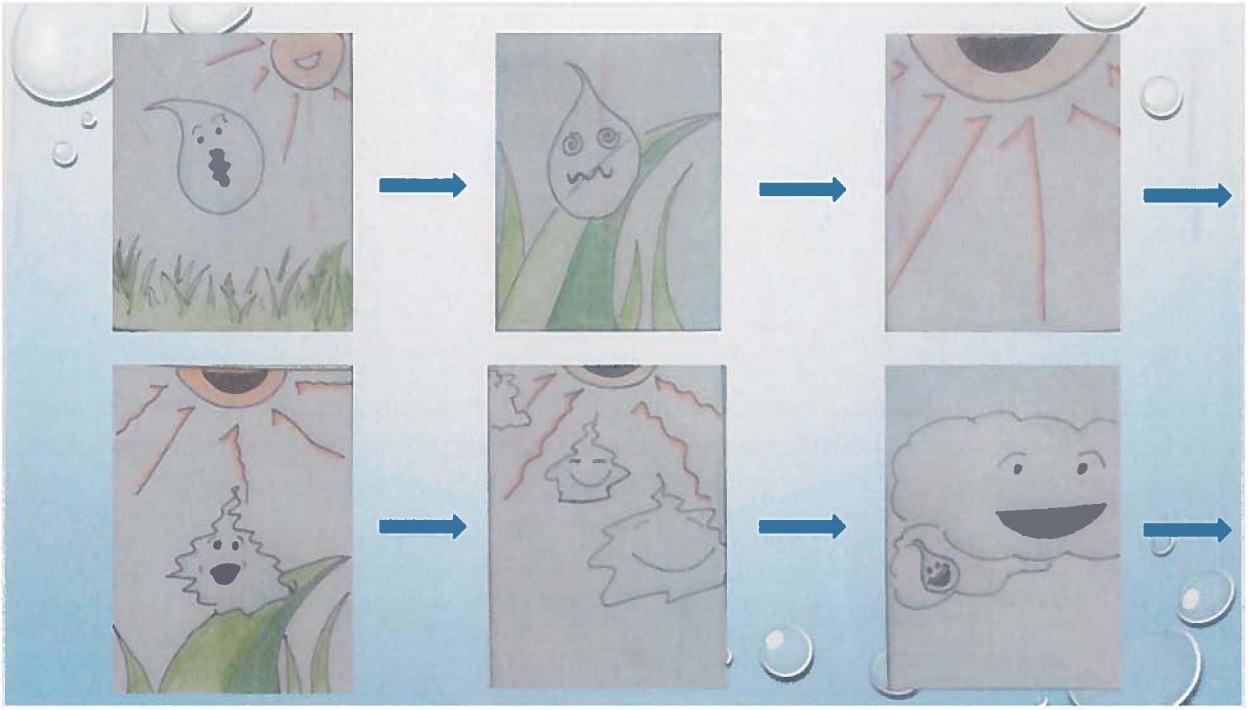
Appendix II: Water Quantity Storyboard Materials

For this theme, the group has outlined the individual frames of an animated video, see below.

- **EPISODE 1: THE ADVENTURES OF DRIPPY THE WATER DROP**

- Frames:
    - 1. Title
    - 2. Starting as a cloud
    - 3. Falling as snow onto a tree branch
    - 4. Melts from tree branch and falls onto iceberg n river water
    - 5. Flowing down river on iceberg
    - 6. Melts to merge with river flow
    - 7. Flows from river into lake
        - A. Other flows into lake from other rivers or other lakes
    - 8. Sinks down lake and infiltrates into aquifer with his other waterdrop buddies (likely multiple frames)
        - A. Bouncing in between rocks (plinko sounds), always keep him moving
    - 9. Flows in aquifer between rocks
    - 10. Sucked up through a well
    - 11. Moves from well/storage to underground pipe
    - 12. Moves up pipe towards a neighborhood community
    - 13. Comes out through sprinkler onto the lawn
    - 14. Moving through grass
    - 15. Evaporates into atmosphere
    - 16. Condenses into a cloud
    - 17. Final message and IWAC logo
        - **water works hard to get to you? It's all connected - precipitation, river, aquifer, lakes & decreased water quantity can impact all of these [its dynamic]. it's your drinking water, lawn water, etc. use it wisely!
- Episode Summary
    - 1. Water Cycle - Drippy the Drop
    - 2. Interaction of ground and surface water
    - 3. Outdoor water use
    - 4. Indoor water use
    - 5. Conservation

Below is a storyboard of sketches of Drippy the drop, to be used in an animation video.



Appendix II: Water Quality Storyboard Materials

These are the ideas so far developed for the water quality video:

Include relevant script text	*Include relevant images, graphics, videos, etc. that coordinate with the script language*
Birds and summer sounds in the background	This video starts with a nice sunny day image of a house with a green lawn and a car in the driveway
No audio of faint background music	Show a view inside of house of yellow paint brushes and a roller+pan in a sink being cleaned with water only showing hands
No audio of faint background music	Show view in house of bright medication in toilet being flushed watching it go spinning down.
No audio of faint background music	Show view of fertilizer being applied to the lawn with bag spilled on driveway
No audio of faint background music	Show view of car pulling out of driveway leaving behind a large oil spot that has washed away to the nearby drain in street
Audio of car driving down the road. Advertisement on the radio of annual Spokane River cleanup.	Show view of car driving down the highway with child looking out the window watching cleanup crews cleaning garbage from the river bank.
Sound of children playing and sounds of waves splashing on beach	End video with mom laying on the beach and children playing.
No audio of faint background music	Child going to the water that has thick algae scum.
No audio of faint background music	Display IWAC US website "Find out what you can do at iwac.us".

Appendix III: Preservation Storyboard Materials

These are the ideas so far developed for the preservation video

Include relevant script text	*Include relevant images, graphics, videos, etc. that coordinate with the script language*
Narrator: "music plays" - This is where our water comes from, these are our mountains, our lakes our rivers. They are all connected to our aquifer. Preservation, needs to be everyone's goal. We need your help.	pristine water images - fly over or still shots of snow-packed mountains (this is where it starts) - come over lakes, falls (see the journey of water and what we have) - (IMAGES OF SPOKANE FALLS/POST FALLS, MOUNT SPOKANE, CD'A)
Narrator: Don't make the same mistakes of past generations. This is what can happen.	colbert system polluted contamination of public water in Cd'A
Narrator: Here's what our local citizens are asking for.	Student interviews answering the question "If water is important for your life, what should we be doing to make sure everyone has it?"
Narrator: Remember this starts with you. We have to live with our actions. Everyone can do something to preserve our aquifer.	volunteers doing positive actions kids playing in water, fishing, kayaking
Narrator: This message has been brought to you by IWAC. Please go to iwac.us to learn more about what you can do to preserve our waters.	Logo and website on screen (IWAC written out) 3-4 seconds

MEMO

To: Idaho Water Resource Board

From: Rick Collingwood

Date: July 22, 2016

Subject: Dalton Water Association, Inc. Loan Application

Action Item: $1,036,900.00 loan

1.0 INTRODUCTION

The Dalton Water Association (DWA) is requesting a $1,036,900 loan from the Idaho Water Resource Board (Board) at 3.5% interest with a 15-year term to relocate and upgrade an old 8-in asbestos cement (AC) water main line located along a section of Government Way in Coeur d'Alene, Idaho. In 2012, the city initiated the Government Way Widening Project to expand approximately 1 mile of roadway from two lanes to four lanes in a busy commercial area. The roadway widening project requires the relocation of water and sewer lines and the installation of additional services for future commercial businesses along Government Way. Roadway construction is scheduled to begin in the Spring of 2017. Since 2015, utility companies have been relocating facilities within the Phase 2 project area. DWA's facilities are the last facilities scheduled for relocation prior to commencement of the road widening construction.

The DWA water main line relocation and upgrade project will include the replacement of 7,000 feet of existing 8-in AC line with 12" PVC water main line from the intersection of Hanley Road and Government Way to the intersection of Aqua Circle and Government Way. The 12-in PVC water main line will continue east and north in Aqua Circle to the well site on Prairie Avenue. The larger pipe size will increase the supply capacity of the system, and provide an adequate water supply for consumptive use for the 930 residential and 70 commercial customers, and meet the fire protection needs for the expanding commercial district on the east side of Government Way.

Completion of pipeline relocation prior to initiation of the road widening project is critical to prevent potential damages associated with the roadway construction and to avoid interruption of service to the Association's members. There is a high risk of damage to the water main line due to the roadway widening construction activities, such as excavation, earth moving, and the use of vibratory equipment. Damage is also likely to occur during the installation of deep sewer services which will cross beneath the water main line at several locations.

2.0 PROPOSED PROJECT

The DWA, formed in 1945, is located in Kootenai County in the City of Dalton Gardens. The DWA water system is comprised of two (2) wells and two water storage tanks. The water storage tanks provide a total storage capacity of 1.5 million gallons - (See Site Map, pg 4).

The project includes the following water system upgrades and improvements:

- Installation of 7,000 lineal feet of 12-in C-900 water class pipe
- Installation of 49 1-in water service lines and meters to replace existing service lines and meters
- Installation of 16 fire hydrant assemblies and new fire water supply pipelines
- Construction of 4 valve clusters
- Pump house connection fittings
- Miscellaneous roadway surface repairs

The total project cost estimate is $1,036,900. On June 13, 2016, the DWA Board of Directors approved Resolution No. 01-2016 to proceed with the project.

Construction is scheduled to begin in late 2016, with completion prior to the beginning of the Government Way Widening Project in the Spring of 2017.

DWA proposes to finance the project using funds from a Board loan. The DWA provides domestic water to 1,000 residential and commercial customers. The residential customers pay a current user rate of $66 per quarter. The commercial customers pay a current user rate of $111 per quarter.

4.0 BENEFITS

There are a number of anticipated benefits from the project for DWA. This project will replace old, undersized water main lines with larger main lines to provide a reliable and adequate water supply for the residential and commercial customers, and a water system that meets the fire protection requirements for the growing commercial district along Government Way.

5.0 FINANCIAL ANALYSIS

DWA is requesting a loan of $1,036,900.00 at 3.5% interest for a 15-year term. The following analysis reflects the Board's current interest rate of 3.5% for this type of project. Since quarterly assessments were adjusted in April, 2016, the applicant does not anticipate an increase in the quarterly assessments as a result of the project. However, the DWA Board is currently pursuing/or considering several options for additional means of loan repayment, which include completing contract negotiations for pro-rata and taking compensation from the City of Coeur d'Alene, pay some principle out of reserves, special assessment, and raise overall assessment to all Association members (See Attached letter from DWA dated July 8, 2016.

Payment Analysis

Term (Years)	Estimated Annual Payment-Revolving Account Loan	Current Assessment Cost/Qtr/Year	After Assessment Cost/Qtr/Year
10	$124,678.27	$69.15	$110.71
15	$90,028.91	$69.15	$99.16
20	$72,957.40	$69.15	$93.47
25	$62,912.91	$69.15	$90.12

Note: The current residential assessment is $66 per quarter. The current commercial assessment is $111 per quarter. The $69.15 per quarter assessment indicated in the table is an average quarterly assessment of the 930 residential customers and 70 commercial customers.

Loan History:

During a period from 1976 to 2002, four loans totaling $526,000 were approved by the Board for the Dalton Water Association. All four loans were paid off on or ahead of schedule. In April, 2008, the Board approved a 10-year term loan for Dalton Water Association for $419,950.00. The loan was paid in full in May, 2012.

6.0 WATER RIGHTS

Dalton Water Association water rights are as follows:

WATER RIGHT	SOURCE	FLOW (cfs)	WATER USE	BASIS	PRIORITY DATE
95-7008	Ground Water	2.38	Domestic	License	11/22/67
95-7360	Ground Water	2.32	Domestic	License	9/13/73

7.0 SECURITY

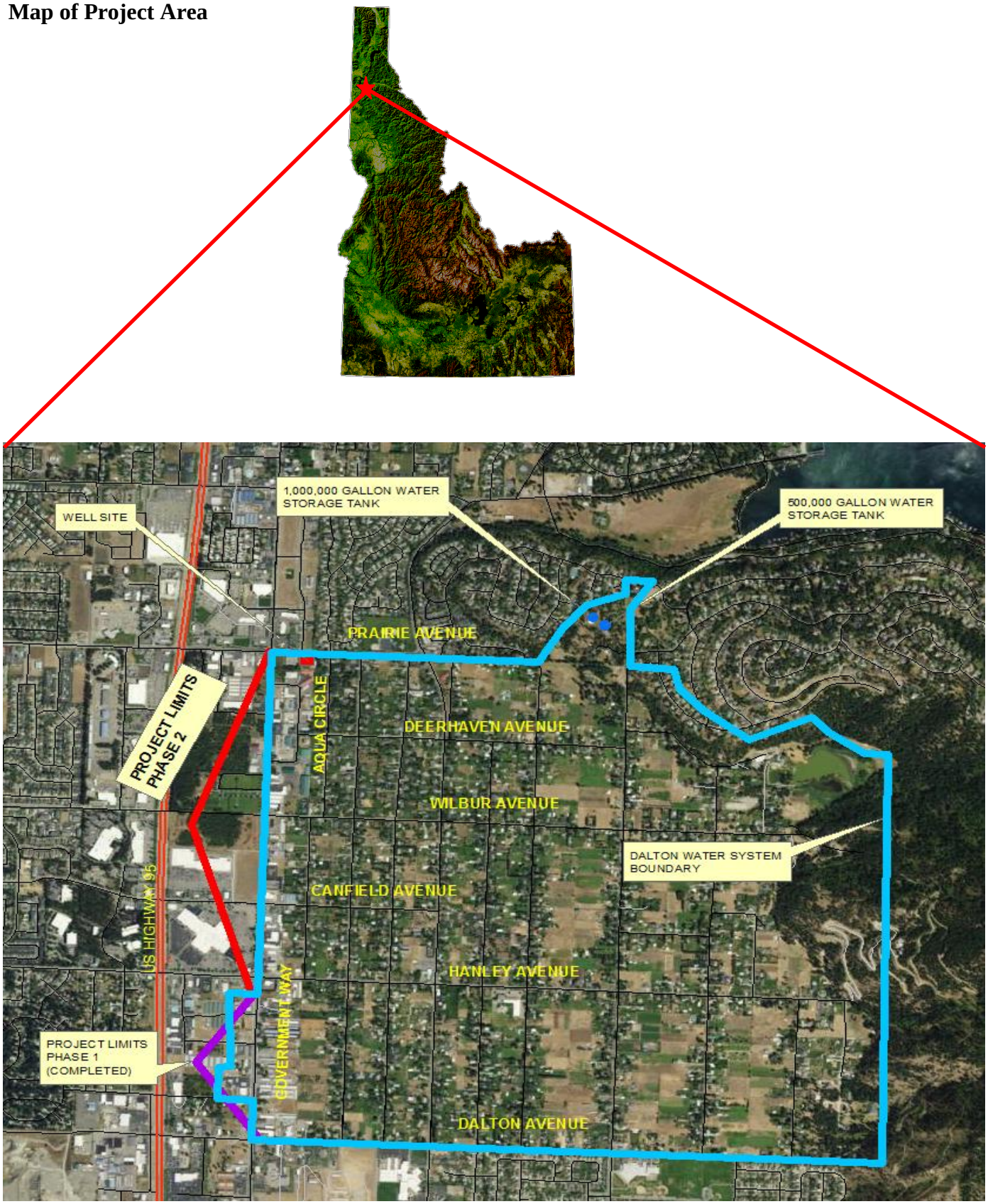
The IWRB is authorized to hold DWA's water rights, wells, pumps, pump house, shop building, water storage tanks, and all materials associated with this project as collateral for the loan.

8.0 CONCLUSION AND RECOMMENDATION

This loan will be used to continue the improvement and upgrades to the water main line and appurtenances along Government Way north from Hanley Way to Aqua Circle, from Aqua Circle to the well site, and water main extensions at Canfield Avenue and Wilbur Avenue.

The water system upgrade and improvement project will benefit DWA's members by replacing an old undersized main line in Government Way with a larger main line to provide a reliable water supply for existing and future customers, and meet the fire protection requirements for the growing commercial district on Government Way. Staff recommends approval of the requested loan.

Map of Project Area



BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE DALTON WATER ASSOCIATION _____	)))	A RESOLUTION TO MAKE A FUNDING COMMITMENT

WHEREAS, the Dalton Water Association (Association) submitted a loan application to the Idaho Water Resource Board (IWRB) in the amount of $1,036,900.00; and

WHEREAS, the Association currently operates and maintains a private domestic water supply system to serve approximately 1,000 residential and commercial Association members in the City of Dalton Gardens, Kootenai County; and

WHEREAS, due to the construction of Phase 2 of the Government Way Road Widening Project by the City of Coeur d'Alene, the Association is required to relocate and replace the existing water main line and associated facilities in Government Way; and

WHEREAS, the Association proposes to install a larger water main line to replace an old, undersized line to provide a reliable water supply system to the Association's members and meet the fire protection needs for the expanding commercial district along Government Way; and

WHEREAS, the Association will use the funds to install new water main line, water services, fire hydrants, well pump house piping, and construct road surface repairs; and

WHEREAS, the Association is a qualified applicant and the proposed project qualifies for a loan from the Revolving Development Account; and

WHEREAS, the proposed project is in the public interest and is in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the IWRB approves a loan not to exceed $1,036,900 from the Revolving Development Account at 3.5% interest with a 15-year repayment term and provides authority to the Chairman of the Idaho Water Resource Board, or his designee, to enter into contracts with the Association on behalf of the IWRB.

BE IT FURTHER RESOLVED that this resolution and the approval of the loan is subject to the following conditions:

1) The Association shall comply with all applicable rules and regulations that apply to the proposed project.

2) The Association shall provide acceptable security for the loan to the IWRB including but not limited to the Association's water rights and water system facilities.

3) The Association shall establish a reserve account in an amount equal to one annual payment.

DATED this 22th day of July, 2016.

_____
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST _____
VINCE ALBERDI, Secretary

IDAHO WATER RESOURCE BOARD
322 East Front Street, Statehouse Mail
Boise, Idaho 83720
Tel: (208) 287-4800
FAX: (208) 287-6700

APPLICATION FOR FINANCIAL ASSISTANCE FOR POTABLE WATER SYSTEM CONSTRUCTION PROJECT

Answer the following questions and provide the requested material as directed. All pertinent information provided. Additional information may be requested by the Idaho Water Resource Board (IWRB) depending on the scope of the project and amount of funding requested. For larger funding amounts an L.I.D. may be required.

Incomplete documents will be returned and no further action taken will be taken by IWRB staff. All paperwork must be in twenty eight (28) working days prior to the next bi-monthly Board meeting.

Board meeting agendas can be found at: http://www.idwr.idaho.gov/waterboard/

I. Prepare and attach a "Loan Application Document".

The Loan Application Document requirements are outlined in the Water Project Loan Program Guidelines. The guidelines can be found at: http://www.idwr.idaho.gov/waterboard/Financial%20program/financial.htm. You can also obtain a copy by contacting IWRB staff.

II. General Information:

A. Type of organization: (Check box)

- ☐ Municipality
- ☐ Water and/or Sewer District
- ☒ Non-Profit Water Company
- ☐ For-Profit Water Company
- ☐ Homeowner's Association
- ☐ Water Association
- ☐ Other

Explain: _____

Dalton Water Association, Inc.
Organization name

JoAnne Baune, Office Manager
Name and title of Contact Person

6360 N 4th St.
PO Box/Street Address

208-772-5639
Contact telephone number

Dalton Gardens, ID 83815
City, County, State, Zip Code

joanne@daltonwaterassociation.com
e-mail address

Project location legal description: East side S25, T51N, R4W (Government Way from Hanley Ave to well site)

B. Is your organization registered with the Idaho Secretary of State's office? Yes ☒ No ☐

C. Purpose and name of project for this loan application.

- ☐ New Project
- ■ Rehabilitation or replacement of existing facility
- ☐ DEQ requirement
- ☐ Other: _____

D. Briefly describe the existing water supply facilities and describe any existing operational or maintenance problems. Attach map of the service area and a separate sheet if necessary to complete the explanation.

Two wells each supplying 1,100 gal/minute on Prairie Ave. drawing from Spokane Valley-Rathdrum Aquifer. No operational problems.

III. WATER SYSTEM:

A. Source of water:

- ☐ Stream
- ☐ Reservoir
- ■ Groundwater
- ☐ Other

B. Water Right Numbers:

Water Right	Stage	Priority Date	Source	Amount
#95-7008	License	11/22/1967	Spokane Valley-Rathdrum Prairie Aquifer	2.38 cfs
#95-7360	License	9/13/1973	" "	2.32 cfs

Note: Stage refers to how the water right was issued. (License, Decree, or Permit)

C. Hook-ups on the system:

Approximate number of residential hook-ups: 930
Approximate number of commercial hook-ups: 70
Approximate number of industrial hook-ups: 0

D. On average, how much water is provided per day? 411,000 gallons

---

IV. USER RATES:

A. How does you organization charge user rates

- ■ Per Hook up
- ☐ Per Volume Used
- ☐ Other

Explain: for 30,000 gallons/qtr then excess at $0.75/1000

B. Current user rate? $ 66 per quarter residential & $111 commercial
(gallons used, monthly, yearly, etc.)

If a graduated or progressive rate structure or different rates for different classes of users are used, attach a separate sheet with explanation.

C. When was the last rate change? April 1, 2016 (month/year)

D. Does your organization measure water use? Yes ■ No ☐
If yes, how?

- [x] Meters at User Hook-ups
- [ ] Master Meter
- [ ] Other (explain) _____

E. Does you organization have a regular assessment for a reserve fund? Yes ☐ No ■
If yes, explain how it is assessed:
Provide for reserves in quarterly rates

F. Does your organization have an assessment for some future special need? Yes ☐ No ■
If yes, explain for what purpose and how it is assessed:
Being considered for this project

V. PROPOSED METHOD FOR PAYING LOAN PAYMENTS

How will you pay the annual loan payments? Check revenue sources below:

- ☐ Tax Levies
- ☐ Capital Improvement Reserve Account or Sinking Fund
- ■ User Fees and Tap/Hookup Fees
- ☐ Other (explain) _____

Will an increase in assessment be required? Yes ☐ No ■
When will new assessments start and how long will they last?

_____

VI. SECUREMENT OF LOAN

List all land, buildings, waterworks, reserve funds, and equipment with estimated value that will be used as collateral for the loan:

Property	Estimated Value
Well site-196 Prairie Ave, including two wells and pumphouse and shop buiilding; land and two storage tanks;	$1,091,995
Acre on Lot 3, BLock 1, Rude 4th Addition for future well. Reserve funds	$400,000

Please attach a legal description of the property being offered along with a map referencing the property.

VII. PROOF OF OWNERSHIP

Please provide proof of ownership, easements or agreements that are held or can be acquired for the construction and operation of the project.

VIII. FINANCIAL INFORMATION:

A. Attach a copy of each of the last 3 year's financial statement. **(Copies must be attached)**

B. Reserve fund (current) $400,000

C. Current cash on hand $150,000

D. Outstanding indebtedness:

To Whom	Annual Payment	Amt. Outstanding	Years Left
none			

G. Have you done business with the Idaho Water Resource Board before? Yes ■ No ☐
If yes what was the loan for? Upgrade water mains from 4" to 8" on Deerhaven and 15th St.
How much was the loan for? $380,787
Is the loan paid off? Yes ■ No ☐
If no what is the payment and expected payoff date. _____

I. What other sources of funding have been explored to fund the project? (example: NRCS, USDA Rural Development, Banks, Local Government, etc.)

none

VIII. ORGANIZATION APPROVAL:

Is a vote of the shareholders, members, etc. required for loan acquisition? Yes ☐ No ■
If yes, a record of the vote must be attached.

Amount of funds requested: $1,036,900

By signing this document you verify that all information provided is correct and the document is filled out to the best of your ability.

Authorized signature& date: Tom L. Hiking 6/9/2016

Financial Ratios

Entity Name: Dalton Water Association, Inc.

Loan amount requested: $1,036,900

The following information is required for the loan application with the Idaho Water Resource Board. Please fill out as completely as possible in the spaces provided. The sheet will do the calculations based on your input. This sheet will not save so you must print it out and attach it to the Loan Document. If you have any questions please contact the loan staff.

Number of units serviced (acres or residences) 970 residences & 30 commercial

Interest rate
(use 6% for residential and 5.5% for agriculture)

Total Debt 0

Current Assessment $66/qtr residential $111/qtr commercial

Assessment Charged by membership
(How is current assessment charged? By share, acre, residence, etc.)

Is the assessment 3 - quarterly
(use 1 for yearly and 12 for monthly)

Yearly Expenditures, Revenues, and Cash - last 3 years required

Year	Revenue	Expenditures	Cash
2013	$293,414	$221,587	$137,182
2014	288,025	265,412	130,127
2015	314,155	192,846	152,342

Loan Document for Waterline Upgrade

Sponsored by the

Dalton Water Association, Inc.

In conjunction with the

Idaho Water Resources Board

July 2016

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List of Appendices

Appendix A: Master Plan with Articles of Incorporation and updated By-Laws – Updated May 2008, July 2013 – JUB Engineers, Inc.

Appendix B: Technical Memorandum, September 2010 – JUB Engineers, Inc.

Appendix C: Engineers Opinion of Probable Cost, April 11, 2016 – JUB Engineers, Inc.

Appendix D: Financial Statements: 2013-2015

Appendix E: Property Asset List

Introduction (need for project)

The Dalton Water Association (DWA), located in Kootenai County, and formed on April 10, 1945, operates a water system to supply domestic water to both residential and commercial members within its service area boundaries, primarily within the City of Dalton Gardens. The system is served by two wells, each capable of supplying a continuous flow of approximately 1,100 gallons per minute (2.46 cubic feet per second) from the Spokane Valley-Rathdrum Prairie Sole Source Aquifer (SVRP). DWA also maintains two water storage tanks totaling 1.5 million gallons and located on elevated property owned by the Association near the northeast extents of the Association service boundaries. Figure 1 shows the boundaries of the DWA as well as the locations of water mains, wells, and tanks. Water quality test results from the Association system indicate that the delivered water is of excellent quality.

The most recent Master Plan Update is attached as Appendix A and details the DWA boundaries, operations, assets, and financial approach (JUB Engineers, Inc., 2008 with 2013 updates). Water supply and storage requirements were analyzed according to current IDEQ requirements for public water systems. Where IDEQ requirements are indefinite, DWA utilized State of Washington, Department of Health (WDOH), "Sizing Guidelines for Public Water Supplies".

The 2008 Master Plan indicated a number of project priorities for completion. Most have been completed, including:

1. 2013 MIOX on-site chlorine generation system installed to provide disinfection on an "as needed" basis.
2. 2008 waterline upgrade on Deerhaven Avenue from 4th Street to 15th Street.
3. 2008 waterline upgrade on 15th Street from Dalton to Canfield.
4. 2009 valve upgrades in the intersection of 4th Street and Hanley Avenue.
5. 2012 waterline and meter upgrades on Government Way, between Dalton Avenue and Hanley Avenue.
6. 2015-16 projects that were not prioritized but have been completed include backup power diesel generator installation for pumps at the well site, Well No. 1 pump replacement, and motors rebuilds for both well pumps.

Government Way is a major north/south arterial that also forms the West boundary of the DWA service area. DWA serves the residences and commercial properties east from Government Way. The City of Coeur d'Alene serves the commercial entities on the west side. Coeur d'Alene is leading a multi-agency project to widen the remainder of Government Way to five lanes and add sewer service for the commercial businesses from Hanley Avenue to Prairie Avenue, approximately one mile. This project, along with recent changes to the zoning of the commercial properties on the east side of Government Way by the City of Dalton Gardens requires DWA to abandon its existing 8" asbestos cement (AC) mainline adjacent to the existing roadway and install a larger 12" PVC mainline east of the widened roadway. The pipeline will continue the previously upgraded pipeline from Hanley Avenue to Aqua Circle (north) and then east and north to the DWA well site. The roadway project has been programmed for

construction in the spring of 2017 so utility companies began relocation of their facilities in 2015. DWA facilities are the last ones to be moved. **Figure 1** shows the location of the project.

The project is critically needed to protect the public due to several factors. First, it is likely that the existing 8" AC pipeline would be significantly and repeatedly damaged during the roadway construction work which requires stripping 18-24" of the existing protective earth cover with heavy earth-moving and vibratory equipment in order to rebuild the roadway. The project would also cross under the AC pipeline in numerous locations to install deep sewer services. Deep crossings typically require replacement of the AC pipe at those crossings to avoid catastrophic pipeline failures which could lead to roadway, equipment, and property damage as well as water drinking water contamination. In addition, upsizing of the existing pipeline is required to provide adequate water supply and fire protection to the expanding commercial district on the east side of Government Way (see Appendix B: JUB Engineers, Inc. Technical Memorandum – Results of 2010 Hydraulic Model, 2016.)

Project Sponsor

The DWA is the entity that governs the domestic water distribution in its area of service, primarily the City of Dalton Gardens, and is registered with the State of Idaho. There are currently 930 year-round household hookups and 70 commercial hookups in the serving area. DWA is authorized to do projects and assess fees as voted on by its association members. DWA has the right to discontinue water delivery to residences if they fail to pay their bill. A copy of the incorporation and bylaws are included in Appendix A.

Project Service Area and Facilities

The DWA provides domestic water to 1000 residences and commercial properties in Kootenai County. The DWA borders city of Coeur d'Alene, Idaho on the south and west, the Cities of Hayden, Idaho and Hayden Lake, Idaho on the north, and Kootenai County on the east. A map of the service area is in the back of this report. The Association meters all water produced from the wells and all water consumed.

Hydrology and Water Rights

The source of water that serves the DWA serving area is groundwater wells. The water rights and background information from the Idaho Department of Water Resources is located in Appendix B. Both wells draw from the Spokane Valley-Rathdrum Prairie Sole Source Aquifer. Water Right 95-7008 was licensed with a priority date of November 22, 1967 for 2.38 cubic feet per second (1,722.63 acre-feet per year). Water Right was licensed with a priority date of September 13, 1973 for 2.32 cfs and 602.4 acre-feet per year. The SVRP is a highly reliable source water with exceptional water quality. It is the only Sensitive Resource Aquifer in Idaho with special protections in place to assure its ability to sustain

the Kootenai County communities that rely upon it. The water rights and SVRP provide a highly reliable source for DWA.

Project Description and Alternatives

The purpose of this project is to continue the improvement and upgrade of the waterline along Government way north from Hanley Avenue to Aqua Circle (north) and then east and north to the DWA well site. It will also include easterly extensions at Canfield Avenue, Wilbur Avenue and Aqua Circle (south). The project will provide for increased water usage and fire protection for commercial businesses adjacent to Government Way and increased water flow for residents of the DWA serving area.

Two alternatives were considered:

1. The no action alternative.
2. Continuation of the upgrade that began with the widening of Government Way between Dalton Avenue and Hanley Avenue in 2013.

Alternative 1 was considered unacceptable for several reasons:

a. The current waterline is asbestos concrete and would likely not survive the stresses of construction during the widening of the roadway or would sustain substantial damage.
b. In any event, the current waterline capacity would not provide the necessary water flow to meet the needs of the growing commercial sector nor its fire protection.

The selected alternative, Alternative2, meets the requirements for capacity and water flow and would be a continuation of the waterline constructed during the last phase of the Government Way widening/sewer improvement project completed in 2012.

Cost Estimates

JUB Engineers, Inc. (JUB) is DWA's engineer and has prepared an updated "Engineer's Opinion of Probable Cost" based on recently received bids, which is attached as Appendix C.

Implementation Schedule

JUB will be completing the waterline design during the next few months. Construction is contemplated to begin in late 2016 with completion ahead of the roadway project in the spring of 2017.

Permitting

The project will exist almost exclusively in public rights-of-way. Easements required for the waterline are in place for the project wherever the project will not exist within public rights-of-way.

Institutional Considerations

Entities that are, or may be, involved in the design, construction observation/administration, and financing of the project include:

DWA: financing, and project oversight

JUB Engineers, Inc.: design and construction observation/administration

James, Vernon and Weeks: legal and contracts

IWRB: financing

DWA will be the entity that will enter into contracts and agreements for provided services and arrange financing for its project.

Financial Analysis

DWA is applying for financing in the amount of $1,036,900, which is the amount of probable cost estimated by J-U-B Engineers.

DWA has raised rates sufficiently to repay the loan and currently maintains a $400,000 reserve to cover any costs that may exceed the estimated costs. In addition, special assessments are being considered by the Board of Directors for commercial property owners that benefit most from this project. If enacted, special assessments would be in proportion to their added benefit, as allowed by DWA By-Laws, but are not essential to repay the loan.

DWA is requesting a 15 year loan from the IWRB.

Credit worthiness: DWA has no existing debt. Table 4 shows the Financial Ratios for the DWA and demonstrates strong ability to repay the project financing. DWA has had two prior loans with IWRB, in both cases, payments were made on time and the loans were paid off ahead of schedule

Collateral: For security of the loan, DWA will pledge its assessment income, water rights and assets.

Social and Physical Impacts

The project will maintain potable water availability to meet the growing needs of the DWA commercial property owners and will provide better overall system looping and necessary fire protection. This will have a positive impact on property values and will balance the water flows throughout the DWA system.

Conclusions

DWA is registered with the State of Idaho. The Board of Directors of DWA have voted to proceed with this project and to apply for financing for construction of this waterline replacement/improvement project.

The project will be almost entirely completed in public rights-of-way and easements are in place for this project wherever they are needed, primarily as the piping approaches the well site.

The project will provide water without risk of shortage of delivery to its residents and provide necessary fire protection for the growing commercial properties.

The total estimated cost of the project is $1,036,900. DWA is applying for a loan in this amount from IWRB.

This project meets the requirements of the State of Idaho's Water Plan and is necessary to fulfill the water and fire protection needs in the DWA service area.

The project is technically and financially feasible.

PROJECT CONTACTS:

Dalton Water Association, Inc.

6360 N 4th St
Dalton Gardens, ID 83815
Phone (208) 772-5639

Kevin Kirking
President

Dave Nussear
Vice-President

Randy Biddle
Treasurer

Attorney for the Dalton Water Association, Inc.

Susan Weeks
James, Vernon, & Weeks, PA
1626 Lincoln Way
Coeur d'Alene, ID 83814,
Phone: (208) 667-0683
Fax: (208) 664-1684
Toll Free: (888) 667-0683

Engineering and Technical Support

Paul Klatt, P.E.
J-U-B ENGINEERS, Inc.
7825 Meadowlark Way, Coeur d'Alene, ID 83815
e pklatt@jub.com *w* www.jub.com
p 208 762 8787 *c* 208 714 7075 *f* 208 762 9797

RESOLUTION NO. 01-2016

DALTON WATER ASSOCIATION, INC.

At the regular meeting of the Board of Directors of the Dalton Water Association, Inc., on June13, 2016, the following Resolution was voted upon and passed.

BE IT RESOLVED by the Board of Directors of the Dalton Water Association, Inc. Kootenai County Idaho:

The Board of Directors move to proceed with the construction of a 12" water main on Government Way from Hanley Ave to the well site and apply for a loan with the Department of Water Resources Board for $1,036,900, which is the estimated cost of the project. This upgrade and relocation is a result of the City of Coeur d'Alene widening Government Way. This project requires the existing asbestos cement to be abandoned as this pipe will be repeatedly damaged during the roadway construction and the main upgraded to a 12" PVC main.

Passed and adopted this 13th day of June, 2016.

President

ATTEST:

Vice-President

July 8, 2016

To: Rick Collingwood

From: Kevin Kirking, President

Dear Rick:

We are in receipt of your July 6 e-mail regarding the ability of Dalton Water to meet the proposed annual loan payment of $90,028.91.

According to our last three years Statement of Financial Activities reports, our average cash after expense was $139,883.67, which appears to exceed the estimated loan payment considerably.

The board has the authority and will take action for additional means of loan repayment (or project cost reduction) in the ways listed below from the most likely to the least likely.

1. reduce project costs by completing current negotiations for pro-rata and takings compensation from the City of Coeur d'Alene who is acting as the transportation project lead.

2. pay some principle out of reserves.

3. impose a special assessment for the frontage property owners who most benefit from the project with increased fire flows, pressures, and reliability and

4. raise the overall assessment to all members.

All of these approaches are currently being pursued and/or considered by the Board and provide additional means to insure the proposed annual loan payments.

I hope this answers your concerns and we look forward to a positive result to our request for the loan. Please let me know if you have any other questions.

Kevin Kirking, President
Dalton Water Association, Inc.

DALTON WATER ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2013

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	176,721
Certificates of deposit		211,444
Accounts receivable		32,992
Interest receivable		68
Inventory		17,641
Prepaid expenses		3,399
TOTAL CURRENT ASSETS		442,265
PROPERTY AND EQUIPMENT		
Property and equipment		3,605,314
Accumulated depreciation		(2,294,876)
NET PROPERTY AND EQUIPMENT		1,310,438
TOTAL ASSETS	$	1,752,703
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	16,924
Accrued payroll and payroll taxes		6,859
Accrued vacation		5,148
Deferred income		3,962
TOTAL CURRENT LIABILITIES		32,893
TOTAL LIABILITIES		32,893
NET ASSETS		
Unrestricted, undesignated		1,227,481
Unrestricted, designated for water system additions		492,329
TOTAL NET ASSETS		1,719,810
TOTAL LIABILITIES AND NET ASSETS	$	1,752,703

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2013

			%
CHANGES IN UNRESTRICTED NET ASSETS			
Revenues and Support:			
Water charges	$	289,173	98.6%
Other		2,040	0.7%
Membership fees		-	0.0%
Interest		996	0.3%
Service charges		1,205	0.4%
TOTAL REVENUES AND SUPPORT		293,414	100.0%
Expenses:			
Operating:			
Depreciation		139,082	47.4%
Salaries and wages		34,761	11.8%
Utilities		22,244	7.6%
Repairs and maintenance		17,908	6.1%
Interest expense		-	0.0%
Payroll taxes		3,058	1.0%
Pension contribution		3,389	1.2%
Water quality tests		1,145	0.4%
Hook-up charges		-	0.0%
TOTAL OPERATING EXPENSES		221,587	75.5%
Administrative:			
Salaries and wages		26,168	8.9%
Directors' fees		8,750	3.0%
Professional fees		19,899	6.8%
Office expense		6,767	2.3%
Insurance		6,561	2.2%
Public drinking fee assessment		4,024	1.4%
Pension contribution		3,840	1.3%
Office rent		2,100	0.7%
Telephone		788	0.3%
Payroll taxes		2,915	1.0%
Depreciation		-	0.0%
Dues and education		528	0.2%
Irrigation and property taxes		322	0.1%
TOTAL ADMINISTRATIVE EXPENSES		82,662	28.2%
TOTAL EXPENSES		304,249	103.7%
DECREASE IN UNRESTRICTED NET ASSETS		(10,835)	-3.7%
NET ASSETS, BEGINNING		1,730,645	
NET ASSETS, ENDING	$	1,719,810	

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from members	$	289,845
Cash paid to suppliers and employees		(153,625)
Interest received		962
Interest paid		-
NET CASH PROVIDED BY OPERATING ACTIVITIES		137,182
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		(41,467)
NET CASH USED BY INVESTING ACTIVITIES		(41,467)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt		-
NET CASH USED BY FINANCING ACTIVITIES		-
NET INCREASE IN CASH		95,715
CASH AT BEGINNING OF YEAR		292,450
CASH AT END OF YEAR	$	388,165
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	$	(10,835)
Adjustments:		
Depreciation		139,082
Changes in Assets and Liabilities:		
Receivables		(2,522)
Interest receivable		(34)
Inventories		1,470
Prepaid expenses		(131)
Accounts payable and accrued expenses		10,203
Deferred income		(51)
Total Adjustments		148,017
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	137,182

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REVIEW REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2014

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	298,714
Certificates of deposit		211,634
Accounts receivable		28,541
Inventory		19,557
Prepaid expenses		3,569
TOTAL CURRENT ASSETS		562,015
PROPERTY AND EQUIPMENT		
Property and equipment		3,613,257
Accumulated depreciation		(2,421,897)
NET PROPERTY AND EQUIPMENT		1,191,360
TOTAL ASSETS	$	1,753,375
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	6,812
Accrued payroll and payroll taxes		7,050
Accrued vacation		5,022
Deferred income		5,095
TOTAL CURRENT LIABILITIES		23,979
TOTAL LIABILITIES		23,979
NET ASSETS		
Unrestricted, undesignated		1,237,067
Unrestricted, designated for water system additions		492,329
TOTAL NET ASSETS		1,729,396
TOTAL LIABILITIES AND NET ASSETS	$	1,753,375

SEE ACCOMPANYING NOTES AND AUDITOR'S REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2014

			%
CHANGES IN UNRESTRICTED NET ASSETS			
Revenues and Support:			
Water charges	$	282,367	98.0%
Other		1,820	0.6%
Membership fees		1,700	0.6%
Interest		886	0.3%
Service charges		1,252	0.4%
TOTAL REVENUES AND SUPPORT		288,025	100.0%
Expenses:			
Operating:			
Depreciation		126,831	44.0%
Salaries and wages		34,649	12.0%
Utilities		22,660	7.9%
Repairs and maintenance		12,059	4.2%
Interest expense		-	0.0%
Payroll taxes		2,940	1.0%
Pension contribution		3,603	1.3%
Water quality tests		880	0.3%
Hook-up charges		1,790	0.6%
TOTAL OPERATING EXPENSES		205,412	71.3%
Administrative:			
Salaries and wages		26,266	9.1%
Directors' fees		8,875	3.1%
Professional fees		8,543	3.0%
Office expense		7,353	2.6%
Insurance		6,853	2.4%
Public drinking fee assessment		3,968	1.4%
Pension contribution		3,690	1.3%
Office rent		2,100	0.7%
Telephone		1,383	0.5%
Payroll taxes		2,981	1.0%
Depreciation		191	0.1%
Dues and education		458	0.2%
Irrigation and property taxes		366	0.1%
TOTAL ADMINISTRATIVE EXPENSES		73,027	25.4%
TOTAL EXPENSES		278,439	96.7%
INCREASE IN UNRESTRICTED NET ASSETS		9,586	3.3%
NET ASSETS, BEGINNING		1,719,810	
NET ASSETS, ENDING	$	1,729,396	

SEE ACCOMPANYING NOTES AND AUDITOR'S REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from members	$	292,723
Cash paid to suppliers and employees		(163,550)
Interest received		954
Interest paid		-
NET CASH PROVIDED BY OPERATING ACTIVITIES		130,127
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		(7,944)
NET CASH USED BY INVESTING ACTIVITIES		(7,944)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt		-
NET CASH USED BY FINANCING ACTIVITIES		-
NET INCREASE IN CASH		122,183
CASH AT BEGINNING OF YEAR		388,165
CASH AT END OF YEAR	$	510,348
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	$	9,586
Adjustments:		
Depreciation		127,022
Changes in Assets and Liabilities:		
Receivables		4,451
Interest receivable		68
Inventories		(1,916)
Prepaid expenses		(170)
Accounts payable and accrued expenses		(10,047)
Deferred income		1,133
Total Adjustments		120,541
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	130,127

SEE ACCOMPANYING NOTES AND AUDITOR'S REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from members	$	303,732
Cash paid to suppliers and employees		(153,102)
Interest received		1,712
Interest paid		-
NET CASH PROVIDED BY OPERATING ACTIVITIES		152,342
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures		(12,839)
NET CASH USED BY INVESTING ACTIVITIES		(12,839)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt		-
NET CASH USED BY FINANCING ACTIVITIES		-
NET INCREASE IN CASH		139,503
CASH AT BEGINNING OF YEAR		510,348
CASH AT END OF YEAR	$	649,851
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
CHANGE IN NET ASSETS	$	48,231
Adjustments:		
Depreciation		112,204
Changes in Assets and Liabilities:		
Receivables		(9,120)
Interest receivable		-
Inventories		2,650
Prepaid expenses		(80)
Accounts payable and accrued expenses		(1,952)
Deferred income		409
Total Adjustments		104,111
NET CASH PROVIDED BY OPERATING ACTIVITIES	$	152,342

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REVIEW REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2015

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	311,929
Certificates of deposit		337,922
Accounts receivable		37,661
Inventory		16,907
Prepaid expenses		3,649
TOTAL CURRENT ASSETS		708,068
PROPERTY AND EQUIPMENT		
Property and equipment		3,626,096
Accumulated depreciation		(2,534,101)
NET PROPERTY AND EQUIPMENT		1,091,995
TOTAL ASSETS	$	1,800,063
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$	4,351
Accrued payroll and payroll taxes		7,041
Accrued vacation		5,540
Deferred income		5,504
TOTAL CURRENT LIABILITIES		22,436
TOTAL LIABILITIES		22,436
NET ASSETS		
Unrestricted, undesignated		1,285,298
Unrestricted, designated for water system additions		492,329
TOTAL NET ASSETS		1,777,627
TOTAL LIABILITIES AND NET ASSETS	$	1,800,063

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REVIEW REPORT

DALTON WATER ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2015

			%
CHANGES IN UNRESTRICTED NET ASSETS			
Revenues and Support:			
Water charges	$	296,059	94.2%
Other		6,735	2.1%
Membership fees		8,500	2.7%
Interest		1,712	0.5%
Service charges		1,149	0.4%
TOTAL REVENUES AND SUPPORT		314,155	100.0%
Expenses:			
Operating:			
Depreciation		111,899	35.6%
Salaries and wages		32,614	10.4%
Utilities		26,674	8.5%
Repairs and maintenance		11,168	3.6%
Interest expense		-	0.0%
Payroll taxes		2,755	0.9%
Pension contribution		3,439	1.1%
Water quality tests		440	0.1%
Hook-up charges		3,857	1.2%
TOTAL OPERATING EXPENSES		192,846	61.4%
Administrative:			
Salaries and wages		26,403	8.4%
Directors' fees		8,666	2.8%
Professional fees		8,829	2.8%
Office expense		6,989	2.2%
Insurance		6,751	2.1%
Public drinking fee assessment		3,976	1.3%
Pension contribution		3,606	1.1%
Office rent		2,100	0.7%
Telephone		1,605	0.5%
Payroll taxes		2,859	0.9%
Depreciation		305	0.1%
Dues and education		640	0.2%
Irrigation and property taxes		349	0.1%
TOTAL ADMINISTRATIVE EXPENSES		73,078	23.3%
TOTAL EXPENSES		265,924	84.6%
INCREASE IN UNRESTRICTED NET ASSETS		48,231	15.4%
NET ASSETS, BEGINNING		1,729,396	
NET ASSETS, ENDING	$	1,777,627	

SEE ACCOMPANYING NOTES AND ACCOUNTANTS' REVIEW REPORT

APPENDIX C

J-U-B ENGINEERS, Inc. 7825 Meadowlark Way, Coeur d'Alene, ID 83815 (208) 762-8787

ENGINEERS OPINION OF PROBABLE COST

DATE: 4-May-16

PROJECT: DALTON WATER ASSOCIATION 2016 GOVERNMENT WAY WATERLINE REPLACEMENT

PROJECT DESCRIPTION: Recommended Improvements Cost Summary for Dalton Water Association

OWNER PROJ. NO.: J-U-B PROJ. NO.: 20-10-043

ITEM NO.	DESCRIPTION	SCHEDULE OF VALUES QUANTITY	UNIT	UNIT PRICE	TOTAL EST. COST
RECOMMENDED IMPROVEMENTS - Upsize Government Way 12-inch Diameter - Hanley to Pump House (see Note 1)					
1	12-inch Water Pipe - AWWA C-900 CL 235	7000	LF	$43.00	$ 301,000.00
2	Fire Hydrant Assembly (5 hydrants per half mile)	16	EA	$4,800.00	$ 76,800.00
3	12" Valve Cluster at Major Intersections	4	EA	$10,000.00	$ 40,000.00
4	Pump House Connection Fittings	1	EA	$15,000.00	$ 15,000.00
5	Asphalt Surface Repair - Aqua Circle	4000	SF	$3.50	$ 14,000.00
6	Permanent Miscellaneous Surface Repair - Aqua Circle to Pump House	530	LF	$10.00	$ 5,300.00
7	Temporary Miscellaneous Surface Repair - Aqua Circle to Hanley, Wilbur & Canfield	6000	LF	$10.00	$ 60,000.00
8	New 1" Water Service Line and Meter to Replace Existing	49	EA	$2,200.00	$ 107,800.00
9	New Fire Lines Stubbed to New ROW (6 per half mile)	16	EA	$2,000.00	$ 32,000.00
10	Temporary Construction Traffic Control	1	LS	$15,000.00	$ 15,000.00
				PROJECT SUBTOTAL	**$ 666,900**
				CONTRACTOR MOBILIZATION, DEMOBILIZATION, AND BONDING	**$ 53,000**
				CONSTRUCTION CONTINGENCY	**$ 144,000**
				SURVEYING, DESIGN, PER, AGENCY SUBMITTALS, AND CONSTRUCTION ADMINISTRATION	**$ 173,000**
				TOTAL PROJECT COST OPINION	**$ 1,036,900**

Note 1 - Final surface repair is for the pipe from Government and Aqua Circle through Aqua Circle and connecting to the pump houses. Asphalt Surface Repair for the Government Way Corridor is not included since it is assumed to be installed with the Government Way Improvements.

Financial Ratios

Entity Name: Dalton Water Association

Loan amount requested: **$1,036,900**

The following information is required for the loan application with the Idaho Water Resource Board. Please fill out as completely as possible in the spaces provided. The sheet will do the calculations based on your input. This sheet will not save so you must print it out and attach it to the Loan Document. If you have any questions please contact the loan staff.

Number of units serviced (acres or residences) 1000

Interest rate 3.5%
(use 6% for residential and 5.5% for agriculture)

Total Debt $0.00

Current Assessment $69.15

Assessment Charged by membership
(How is current assessment charged? By share, acre, residence, etc.)

Is the assessment 3
(use 1 for yearly and 12 for monthly)

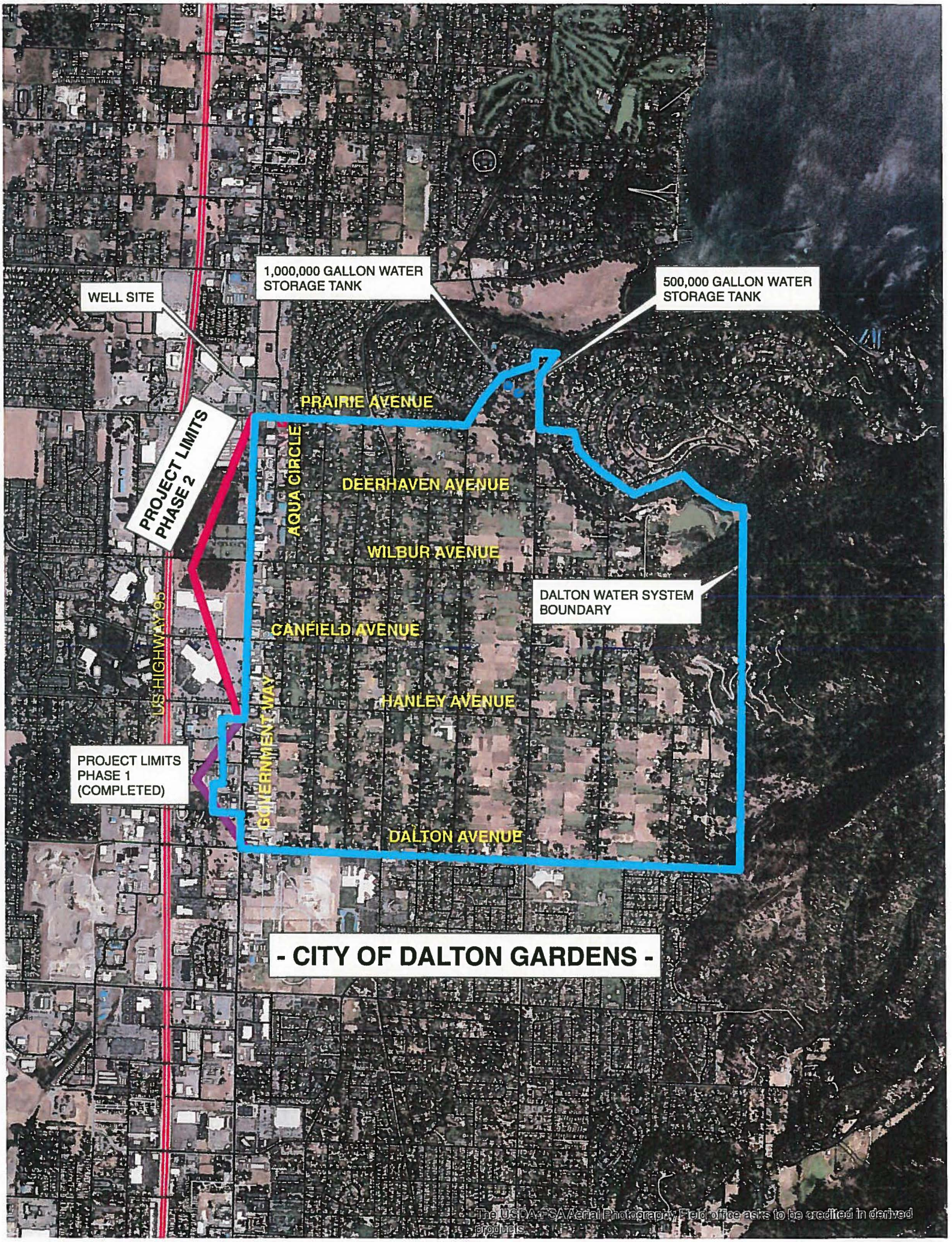
Yearly Expenditures, Revenues, and Cash - last 3 years required

Year	Revenue	Expenditures	Cash
2013	$293,414.00	$221,587.00	$137,182.00
2014	$288,025.00	$205,412.00	$130,127.00
2015	$314,155.00	$192,846.00	$152,342.00
Average:	$298,531.33	$206,615.00	$139,883.67

Loan Term	Assessment after loan	Estimated Payment
5 years	$145.70	$229,654.04
10 years	$110.71	$124,678.27
15 years	$99.16	$90,028.91
20 years	$93.47	$72,957.40
25 years	$90.12	$62,912.91
30 years	$87.94	$56,377.63

Indicator	5 year	10 year	15 year	20 year	25 year	30 year
Revenue/Expenses	1.21	1.28	1.31	1.33	1.34	1.35
Debt Service ratio	1.40	1.74	2.02	2.26	2.46	2.63
Cash /Expenses	0.85	0.80	0.78	0.76	0.75	0.75
Debt/Unit	$229.65	$124.68	$90.03	$72.96	$62.91	$56.38

Note: Current assessment is an average of the quarterly residential assessment of $66.00, and the quarterly commercial assessment of $111.00.


1,000,000 GALLON WATER STORAGE TANK
500,000 GALLON WATER STORAGE TANK
WELL SITE
PRAIRIE AVENUE
PROJECT LIMITS PHASE 2
AQUA CIRCLE
DEERHAVEN AVENUE
WILBUR AVENUE
DALTON WATER SYSTEM BOUNDARY
US HIGHWAY 95
CANFIELD AVENUE
GOVERNMENT WAY
HANLEY AVENUE
PROJECT LIMITS PHASE 1 (COMPLETED)
DALTON AVENUE
- CITY OF DALTON GARDENS -
The USDA FSA Aerial Photography Field Office asks to be credited in derived products.

IDAHO DEPARTMENT OF WATER RESOURCES 6/24/2016

Proof Report

Water Right 95-7008

Owner Type	**Name and Address**
Current Owner	DALTON WATER ASSN INC 6360 N 4TH ST COEUR D ALENE, ID 83814

Priority Date: 11/22/1967
Basis: License
Status: Active

Source	**Tributary**
GROUND WATER	

Beneficial Use	**From**	**To**	**Diversion Rate**	**Volume**
DOMESTIC	1/01	12/31	2.380 CFS	1,722.6 AF
	Total Diversion		2.380 CFS	1,722.6 AF

Source and Point(s) of Diversion

GROUND WATER NWNW Sec. 25, Twp 51N, Rge 04W, KOOTENAI County

Place Of Use

DOMESTIC within KOOTENAI County

			NE				NW				SW				SE				
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
51N	03W	30					X	X	X	X	X	X	X	X					
51N	03W	31					X	X	X	X									
51N	04W	25	X	X	X	X									X	X	X	X	
51N	04W	36	X	X	X	X	X	X	X	X									

Conditions of Approval:

1. 2 P/D IN NWNW, S25, T51N, R4W.
   TRANS. 2467.

Comments:

1. segbert 1/19/2011 POD
PODID 81212 correlated from SpatialDataID 35251 to SpatialDataID 294582

Dates and Other Information

Licensed Date: 9/25/1979
Mitigation Plan: False

Combined Use Limits

Rate	**Volume**	**Acres**
2.380	1,722.6	

95-7008 ,95-7360

Verification Log

SubCase:
N/A

Water Supply Bank:
N/A

IDAHO DEPARTMENT OF WATER RESOURCES 6/24/2016

Proof Report

Water Right 95-7360

Owner Type	**Name and Address**
Current Owner	DALTON WATER ASSN INC 6360 N 4TH ST COEUR D ALENE, ID 83814

Priority Date: 9/13/1973
Basis: License
Status: Active

Source **Tributary**
GROUND WATER

Beneficial Use	**From**	**To**	**Diversion Rate**	**Volume**
DOMESTIC	1/01	12/31	2.320 CFS	602.4 AF
	Total Diversion		2.320 CFS	602.4 AF

Source and Point(s) of Diversion

GROUND WATER NWNW Sec. 25, Twp 51N, Rge 04W, KOOTENAI County

Place Of Use

DOMESTIC within KOOTENAI County

			NE				NW				SW				SE				
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
51N	03W	19					X	X	X	X									
51N	03W	30					X	X	X	X	X	X	X	X			X		
51N	03W	31		X	X		X	X	X	X									
51N	04W	24			X	X									X	X		X	
51N	04W	25	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
51N	04W	35	X			X									X				
51N	04W	36	X	X	X	X	X	X	X	X									

Conditions of Approval:

1. 016 See remarks for additional conditions of approval.
2. THE MAX. RATE OF DIVERSION & VOLUME OF WATER DIVERTED UNDER THIS LIC. WHEN COMBINED WITH LIC. 95-7008 SHALL NOT EXCEED 2.38 CFS NOR 1722.63 AF/ANNUM.

Comments:

1. segbert 1/19/2011 POD

PODID 81430 correlated from SpatialDataID 35251 to SpatialDataID 294582

Dates and Other Information

Licensed Date: 7/10/1980

Mitigation Plan: False

Combined Use Limits

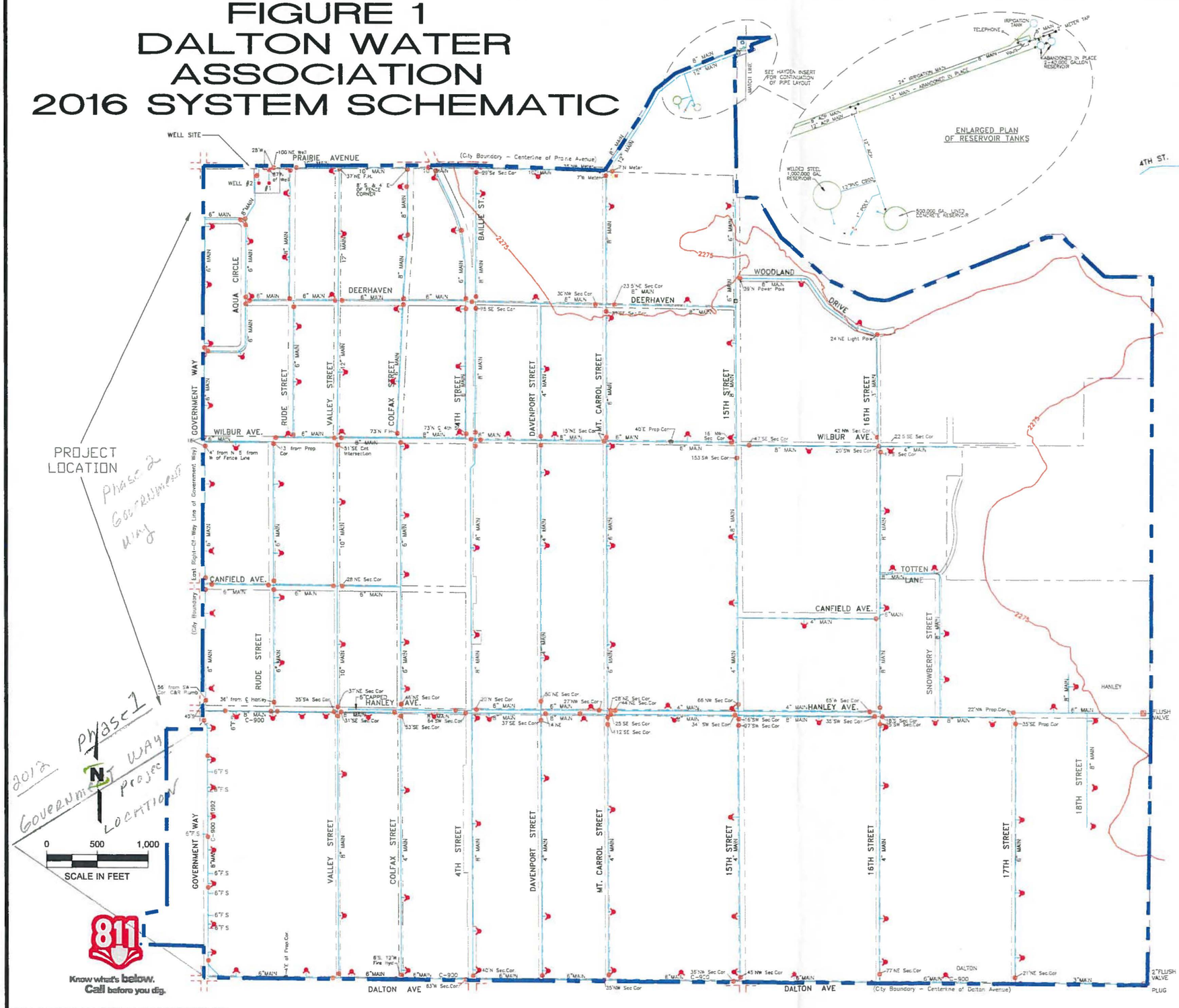
Rate	Volume	Acres
2.380	1,722.6	
95-7008 ,95-7360		

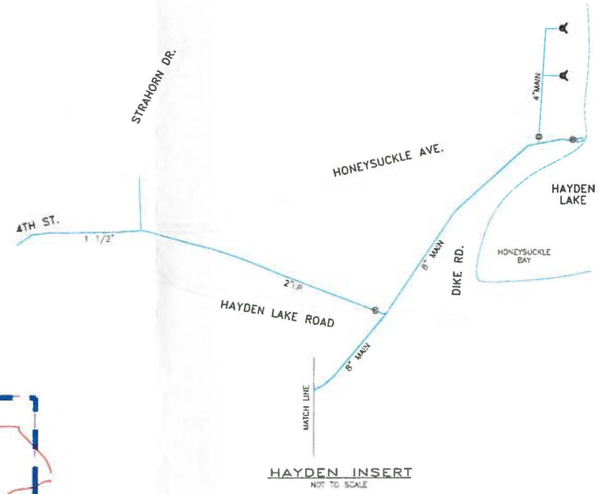
Verification Log

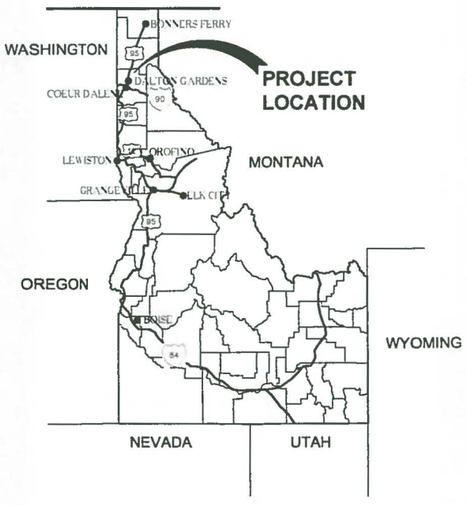
SubCase:
N/A

Water Supply Bank:
N/A

FIGURE 1
DALTON WATER ASSOCIATION
2016 SYSTEM SCHEMATIC







LEGEND

- FLUSH VALVE
- FIRE HYDRANT
- DALTON WATER SYSTEM
- DALTON WATER SYSTEM VALVE
- CITY BOUNDARY
- RIGHT-OF-WAY LINE
- DALTON WATER SYSTEM BOUNDARY
- APPROX. HIGH ZONE SPECIAL SERVICE AREA BOOSTER STATIONS REQUIRED

CALL 2 BUSINESS DAYS IN ADVANCE BEFORE YOU DIG, GRADE, OR EXCAVATE FOR THE MARKING OF UNDERGROUND MEMBER UTILITIES

J-U-B ENGINEERS, INC.
7825 Meadowlark Way, Coeur d'Alene, ID 83815
p | 208 762 8787 *f* | 208 762 9797 *w* | www.jub.com

North Idaho Adjudication

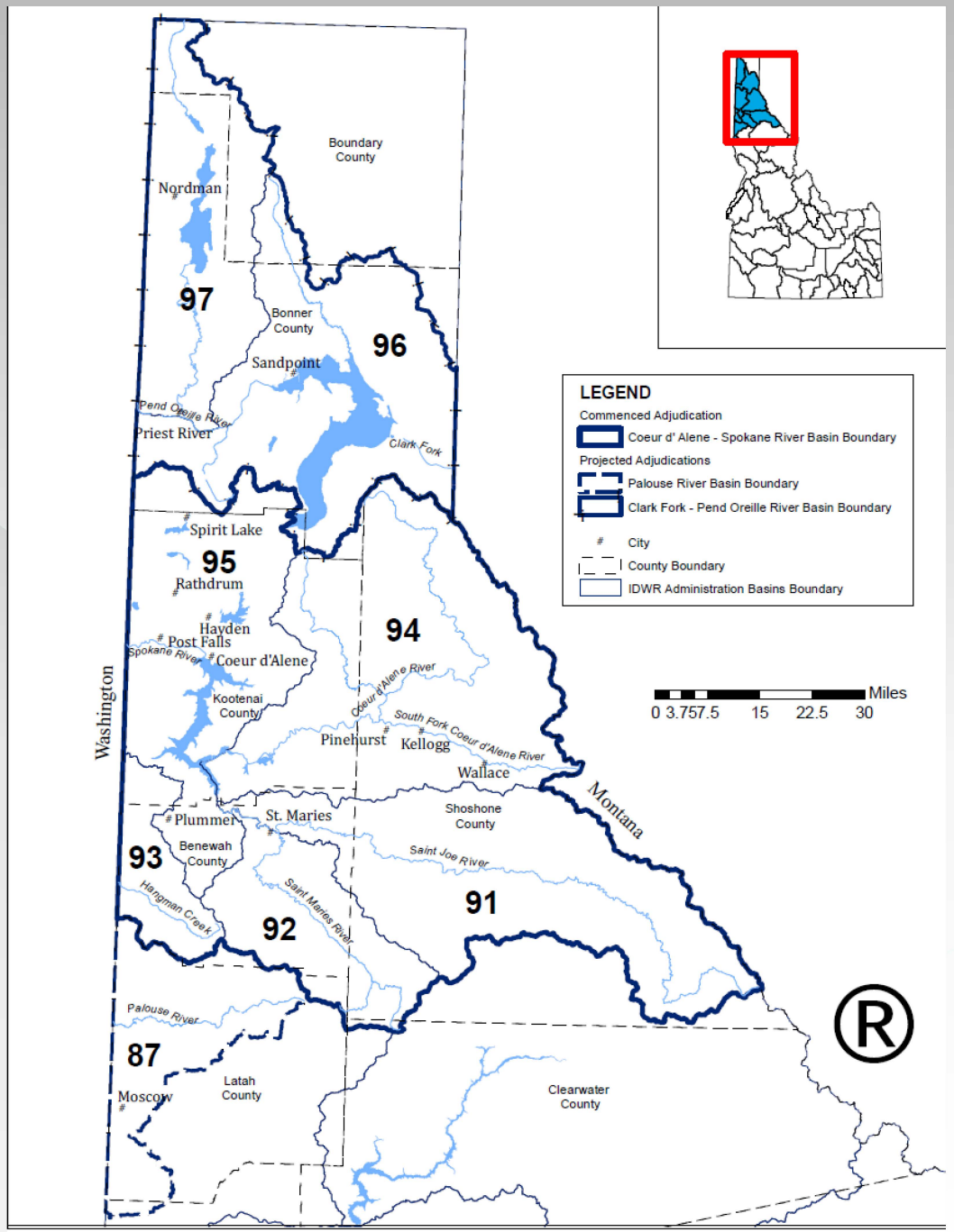
Meghan Carter

Deputy Attorney General
Idaho Office of the Attorney General

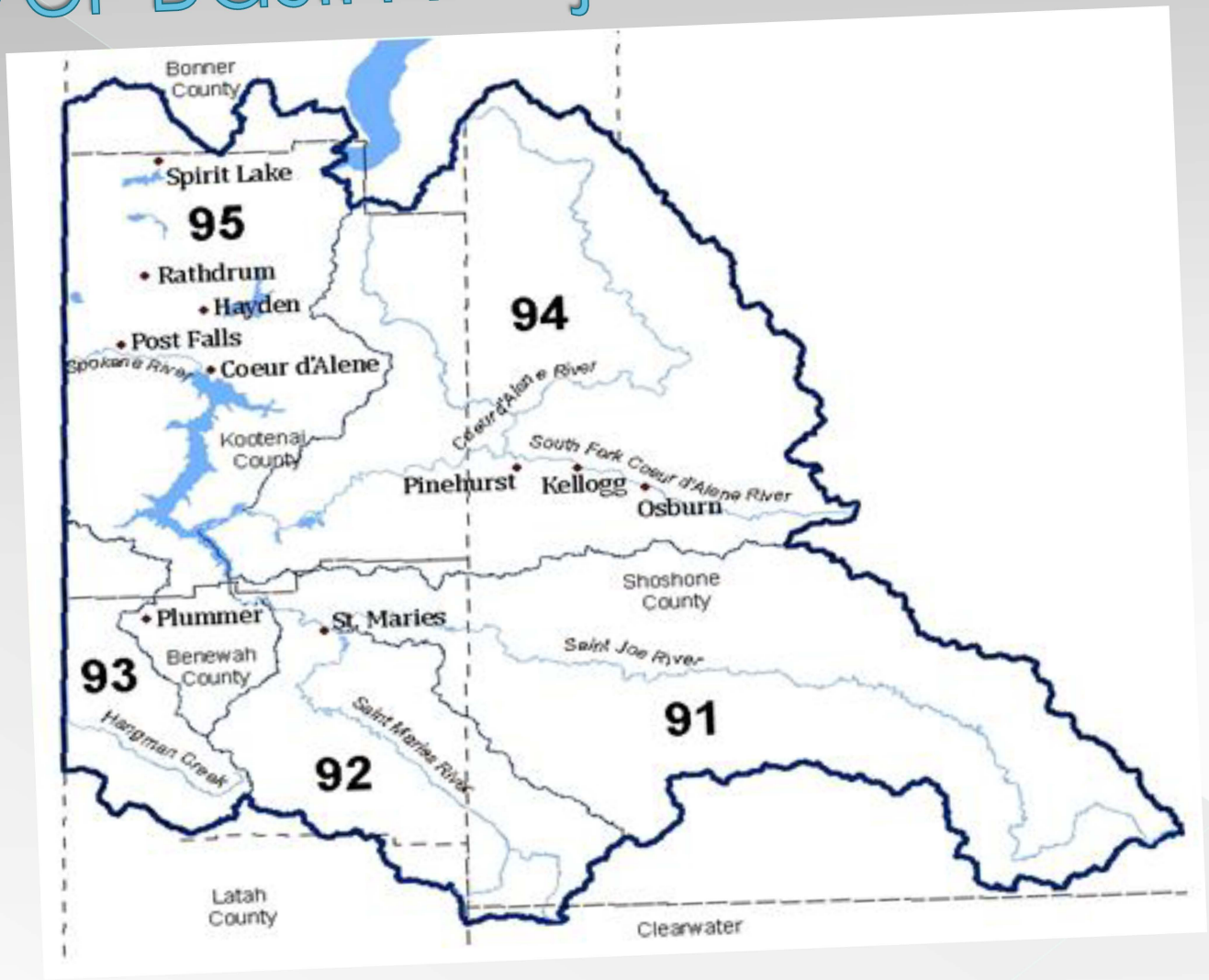
Overview

- North Idaho Adjudication
- CSRBA
- Palouse River Basin Adjudication

North Idaho Adjudication



Coeur d'Alene-Spokane River Basin Adjudication



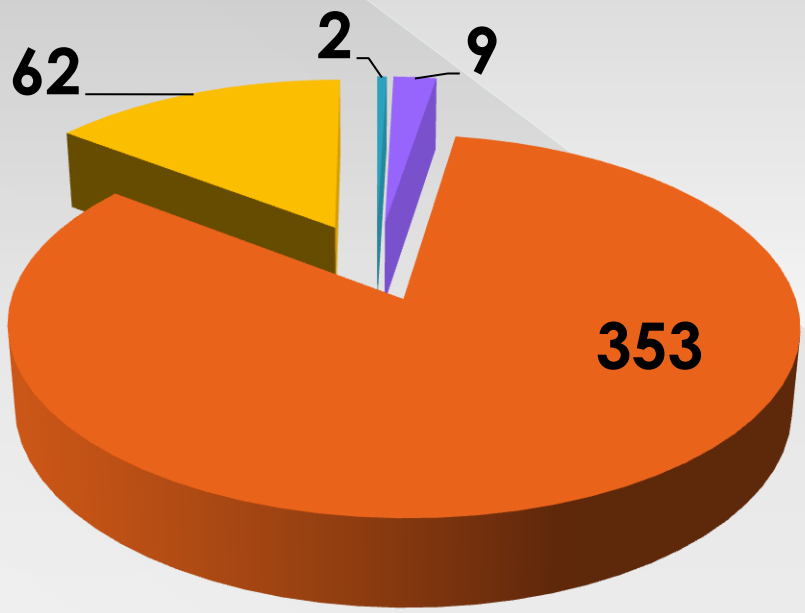
Status as of May 11, 2016

Basin	**Total Number of Claims Filed	Claims Remaining to be Reported	Projected Filing Date for Director's Reports
91	652	0	Filed February 2015
92	926	8	Filed December 2014
93	564	0	Filed March 2014
94	1,984	0	Filed February 2016
95	7,648	7,575	Summer 2017
TOTAL	11,774	7,583	

13,000 Claims originally projected

**Includes all State and Federal Law Claims and Court approved Late Claims

Federal Reserved Claims Submitted to the Court

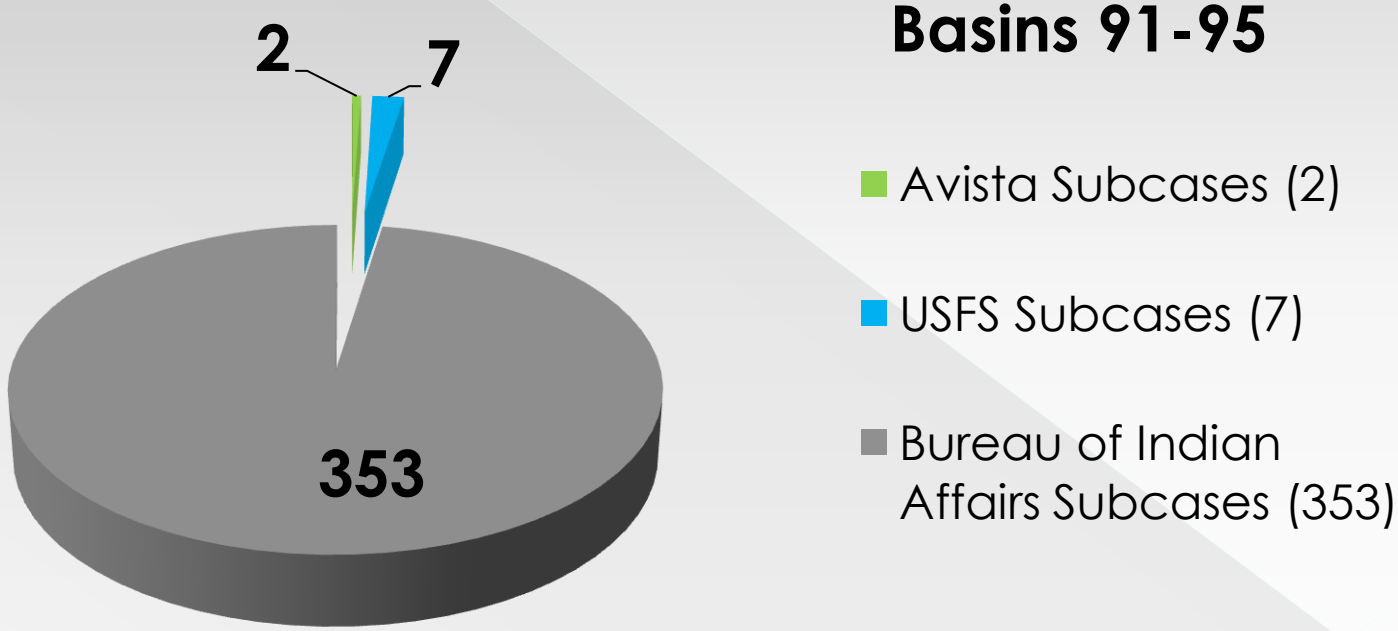


Basins 91-95
426 Claims

- Avista Corp. (2)
- USFS (9)
- BIA (353)
- BLM Stockwater (62)

Objections Filed to Federal Reserved Claims

Approx. 85,000 Objections to 445 Claims



Basin 93

- Reported March 2014 – 550 claims
- Objection Deadline – September 2014
  - 2 objections
- Uncontested Hearing – December 2014

Basin 92

- Reported December 2014 – 905 claims
- Objection Deadline – May 2015
  - 114 Objections in 59 Contested Subcases
- Uncontested Hearing – September 2015

Basin 91

- Reported February 2015 – 606 claims
- Objection Deadline – June 2015
  - 66 Objections in 46 Contested Subcases
- Uncontested Hearing – October 2015

Objections Basins 91 & 92

- Forest Practices
- Priority Date
- Trespass/Encroachment
- Quantity

Forest Practices

- Claims by entities conducting forest practices – general objections
- State of Idaho objected to quantity wanted consistency with IC §42-201

Priority Date

- Coeur d'Alene Tribe objections to domestic use claims recommended priority date
- Generally Tribe wanted more than a land patent as evidence supporting priority date

Trespass/Encroachment

- Coeur d'Alene Tribe objections to domestic use claims with points of diversion located within Reservation boundaries that have diversion works on river

Quantity

- Coeur d'Alene Tribe Objections to how IDWR recommended quantity for *de minimis* domestic claims
  - The quantity of water under this right shall not exceed 13,000 gallons per day
  - The quantity of water decreed for this water right is not a determination of historical beneficial use
- In response State moved to designate a Basin-Wide Issue

Basin Wide Issue – 1

- "What information must be included in the Quantification of *de minimis* domestic and stockwater decrees?"
- Court found Director's Reports satisfy statutory obligations
- Tribe petitioned for Reconsideration - Denied

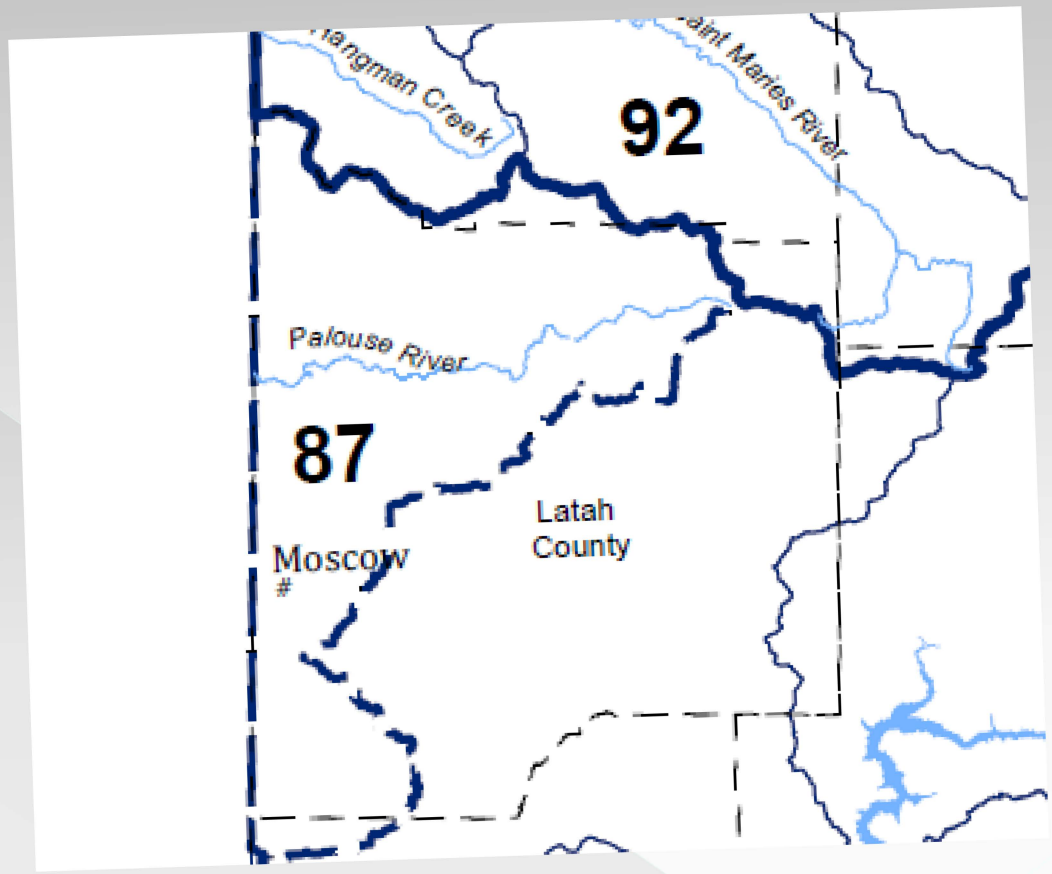
Basin 94

- Reported February 2016 – 1,984 claims
- Objections due July 28, 2016
- Responses due September 28, 2016

Basin 95

- Expect to file Director's Report in summer or fall 2017
- 7,575 claims – largest ever Director's Report

Palouse River Basin Adjudication



Palouse River Basin

- IDWR included the funding request for PRBA in its September 2014 budget request – Approved
- Pre-commencement public meetings held March 30, 2016 in Potlatch and Moscow
- Petition for commencement anticipated late summer early fall

Thank you

Memorandum

To: Idaho Water Resource Board (IWRB)

From: Neeley Miller, IDWR Planning & Projects Bureau

Date: July 7, 2016

RE: Palouse Ground Water Basin Water Supply Alternatives Project

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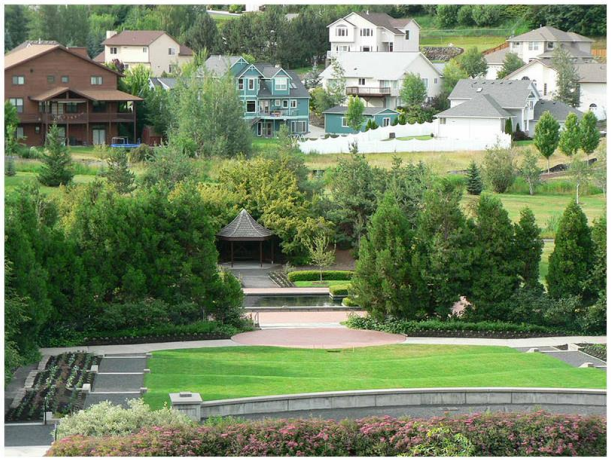
Palouse Basin Aquifer Committee (PBAC) Chair Paul Kimmell is here today to provide the Board with an update on the Palouse Groundwater Basin Water Supply Alternatives Project.



Palouse Ground Water Basin Water Supply Alternatives Project

Idaho Water Resource Board

Presented by Paul Kimmell, PBAC

July 22, 2016

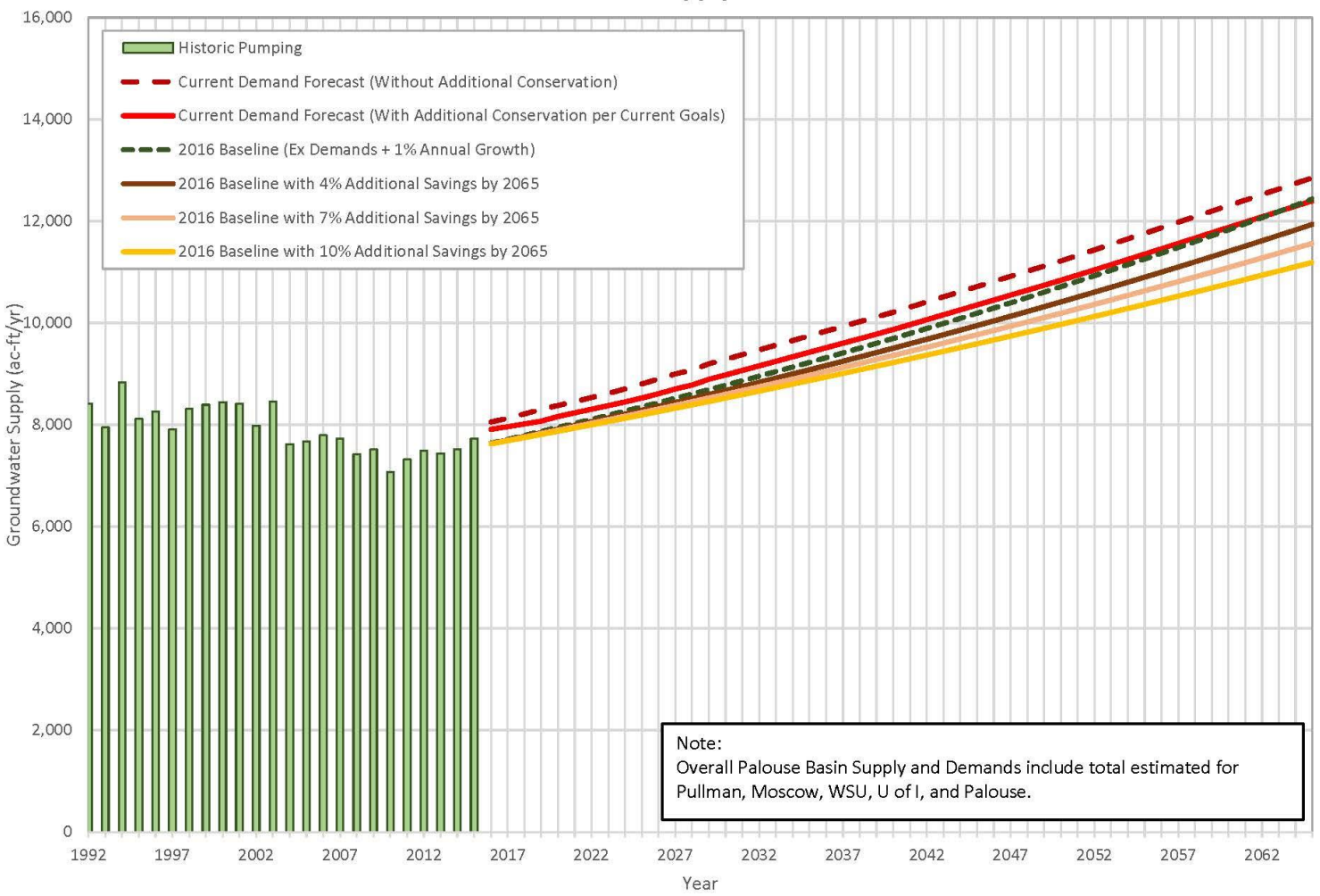
PALOUSE BASIN AQUIFER committee

ANCHOR QEA

HDR

Work Completed

- Confirmed 50 Year Supply Target = 2,324 MG/yr
  - 50 year demand (1% growth/conservation) = 1,588 MG/yr
  - Aquifer stabilization target (irrigation) = 735 MG/yr
  - Unable to meet needs with conservation measures only
- Step 1 Evaluation – 18 of 36 projects removed from further consideration
- Step 2 Evaluation – Relative ranking of remaining projects in large, medium and small project categories
- Step 3 Evaluation – Identify 4 alternatives for multi-criterion evaluation



ANCHOR QEA, LLC/HDR Inc. 3/30/2016 PBAC_Water Supply Alternatives_Summary_20160330.xlsx

Projected 50 Year Demands

Palouse Basin Aquifer Committee (PBAC)
Water Supply Alternatives - Preliminary Screening

ID	Project Type	Project Title	Project Description	Estimated Annual Supply (MG)[1]	Total Present Value ($/AF of Annual Supply)	Preliminary Screening Criteria	A. Unit Cost of Supply (based on $/AF)	B. Long-Term Supply Reliability	C. Technical Certainty of Success	D. Property Acquisition	E. Permitting Complexity - Water Rights	F. Permitting Complexity - Environmental	G. Extent of Regional Agreements Required	H. Public Acceptability	TOTAL SCORE	RANK
Supply Target = 2,324 MG/yr						Weight (1-10):	10	8	8	6	6	6	3	6		
Grouping 1 - High Yield (Annual Supply > 80% of Target) [>1,860 MG/yr]																
Grouping 2 - Medium Yield (Annual Supply = 20- 80% of Target) [465-1,860 MG/yr]																
7	Surface Water Alternative	North Fork Palouse River - Direct Use	North Fork Palouse River - Alternative A5 Surface-water supply alternative; Direct diversion from NF Palouse River in ID; Surface water pumped and conveyed to treatment in Moscow; Treated water discharged directly to City of Moscow potable water system	1,550	$ 35,362		1.25	1.5	3	1.5	2	1	3	2	96	1
8	Surface Water Alternative	North Fork Palouse River - Pullman Direct Use	North Fork Palouse River Surface-water supply alternative; Direct diversion from NF Palouse River in WA; Surface water pumped and conveyed to treatment in Pullman; Treated water discharged directly to City of Pullman potable water system	1,550	$ 43,657		0.83	1.5	3	1.5	2	1	3	2	92	2
17	Aquifer Recharge/ Groundwater Storage	North Fork Palouse River, Direct Diversion for ASR	Direct Surface Water Diversion of North Fork Palouse in WA; Aquifer Storage Using Winter/Spring Runoff; Conveyance to Treatmend Plan andd Injection Wells near Palouse; Treatment; Active Injection of Treated Water to Recharge Aquifer without Direct Retrieval	900	$ 18,092		2.10	1.5	2	1.5	2	1	3	1	91	3
1	Surface Water Alternative	Flannigan Creek	Flannigan Creek - Alternative A1 Surface-water supply alternative; Stored water pumped and conveyed to treatment; Treated water discharged directly to City of Moscow potable water system	1,430	$ 42,448		0.89	1.5	1	1.5	2	1	3	2	77	7
18	Aquifer Storage Recovery (ASR)/ Groundwater Storage	Deep Aquifer Recharge	Direct Surface Water Diversion of North Fork Palouse in WA; Aquifer Storage Using Winter/Spring Runoff; Conveyance to Infiltration Pond for Enhanced Deep Aquifer Recharge	978	$ 7,646		2.62	1.5	0	1.5	2	1	1	3	86	5
19	Aquifer Storage Recovery (ASR)/ Groundwater Storage	Deep Aquifer Recharge	Direct Surface Water Diversion of North Fork Palouse in WA; Aquifer Storage Using Winter/Spring Runoff; Conveyance to Infiltration Ditch for Enhanced Deep Aquifer Recharge	978	$ 7,571		2.62	1.5	0	1.5	2	1	1	3	86	4

Step 2 Screening – Partial Results

Alternatives Being Evaluated

- 1 – Snake River pump station, treatment plant and pipe to Pullman and Moscow
- 2 – North Fork Palouse River pump station, treatment plant and pipe to Pullman and Paradise Creek/South Fork Palouse ASR in Moscow
- 3 – Flannigan Creek reservoir, pump station, treatment and pipe to Moscow, and South Fork Palouse ASR in Pullman
- 4 – Paradise Creek ASR (Moscow), South Fork Palouse ASR (Pullman), Pullman Reuse and Moscow Reuse with Groundwater Recharge (Wanapum Aquifer)

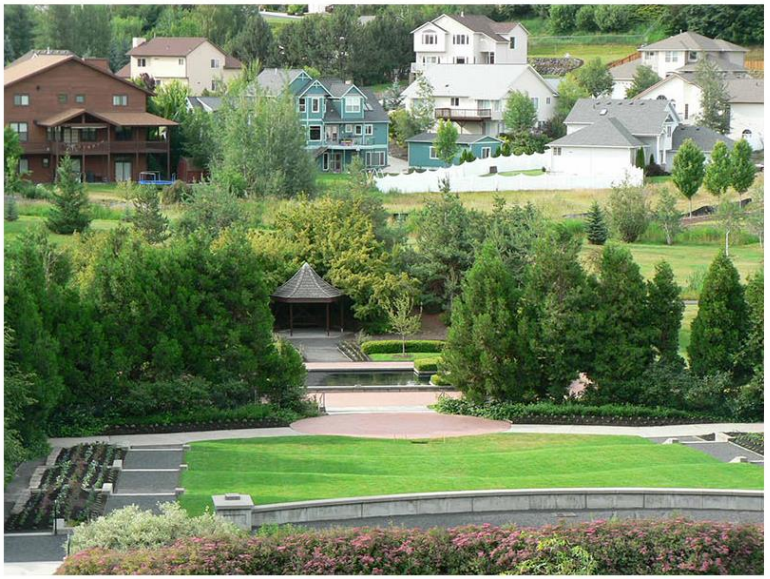
Step 3 – Evaluation Criteria

No.	Name	Quantitative/ Qualitative
1	Capital Costs	Quantitative
2	Annual Operating Costs	Quantitative
3	Greenhouse Gas Emissions	Quantitative
4	Water Quality Impacts	Qualitative
5	Aquifer Data / Model Accuracy	Qualitative
6	Risk Associated with Climate Change	Qualitative
7	Water Rights Complexity	Qualitative
8	Permitting Challenges – Federal/State/Local	Qualitative
9	Extent of Regional Agreements Required	Qualitative
10	Willingness of Property Owners to Participate	Qualitative
11	Public Acceptance	Qualitative

Next Steps

- Complete alternatives evaluation
- Select project(s) that appear most promising
- Findings summarized in a report
- Recommended follow up actions
  - Feasibility studies
  - Water rights
  - Permitting
  - Funding strategies
- Project report and results by early 2017

Questions/Discussion



PALOUSE BASIN AQUIFER committee

Memorandum

To: Idaho Water Resource Board

From: Wesley Hipke and Neal Farmer

Date: June 30th, 2016

Re: ESPA Managed Recharge Program Status Report

Progress/Status of ESPA Managed Recharge Program

Contents

I. Introduction

The Idaho Water Resource Board (IWRB) has been tasked with developing a managed recharge program in the Eastern Snake Plain Aquifer (ESPA) capable of recharging 250,000 acre-feet per year to stabilize the ESPA. The ESPA has been losing approximately 200,000 acre-feet annually from aquifer storage since the 1950s resulting in declining groundwater levels and spring flows from the aquifer. Stabilizing the ESPA will assist in maintaining the minimum flow requirements on the Snake River and reduce conflicts between the water users.

The strategy of the IWRB is to utilize natural flow in the Snake River that would otherwise leave the ESPA area. IWRB currently has a 1980 recharge water right (approximately 1,200 cfs) that authorizes diversion of water from the Snake River above the Milner Pool (Milner) including the Henry's Fork and the South Fork.

Other entities are also conducting recharge in the Eastern Snake River Plain (ESRP) generally related as part of a mitigation plan. The majority of the water used for this recharge is from water stored in the Eastern Snake River Reservoir System referred to as storage water.

II. ESPA Managed Recharge 2015/2016 Season

The recharge season generally coincides with the end and start of the irrigation season, however, the time period can be adjustments to account for recharge opportunities on the "shoulders" of the irrigation season and flood releases in the spring of the year. Managed recharge conducted under the IWRB's ESPA Managed Recharge Program only uses natural flow from the Snake River.

The IWRB 1980 recharge water right is "in priority" during different periods of the year in the Upper and Lower Snake River Valley (upstream and downstream of American Falls Reservoir respectively). The irrigation season in the Eastern Snake River Plain has historically been between October and April. Usually, after irrigation diversions have stopped, water passing below Milner Dam is available for recharge under the IWRB's water right in the Lower Valley. IWRB managed recharge in the Upper Valley is dependent on flood control releases by the Bureau of Reclamation (BOR) from the reservoir system which historically can be extremely variable. Flood releases only occur approximately fifty percent of the years usually sometime during the irrigation season in the months of May through June. Occasionally limited flood release can occur in the months of February through April.

Entities using storage water for managed recharge generally conduct their recharge on the "shoulders" of the irrigation season using the canal systems before or after the irrigation season or off site recharge sites during the irrigation season.

The following section provides a current summary of the IWRB ESPA managed recharge program for the 2015-2016 season and a brief summary of other know managed recharge.

IWRB ESPA Managed Recharge 2015/2016 Summary

The IWRB's recharge water right was in priority for the 2015/2016 Recharge Season between October 23rd, 2015 and April 1st, 2016 in the Lower Valley and never came into priority in the Upper Valley. Table 1 provides a summary of the IWRB managed recharge that was conducted for the 2015/2016 recharge season. The majority of the volumes reported are final unless otherwise denoted.

The canals in the Lower Valley did not start on October 23rd due to normal canal maintenance or other canal projects. A detailed summary of the individual entities that have conducted IWRB managed recharge for this season is provided below in Table 1.

Table 1. ESPA IWRB Managed Recharge from October 23rd, 2015 to April 1st, 2016

ESPA Area	Canal System	5-Year Retention Time[1] (%)	Average Recharge Rate (cfs)	Days Recharged	Volume Recharged (af)	Conveyance Cost ($)
Lower Valley	American Falls Reservoir District No. 2 (Milner-Gooding Canal)	~36	185	127	46,875	$327,588
	North Side Canal Company	~37	81	58	9,355	$42,211
	Southwest Irrigation District[2]	~54	21	21	886	$2,658
	Twin Falls Canal Company [2]	~45	30	154	9,782	$82,621
				TOTAL	**66,218**	**$455,078**

[1] 5-year retention rate determined by the ESPAM2.1 groundwater model.

[2] Recharge Volumes and conveyance cost are preliminary and subject to change upon verification of days and volumes delivered for recharge.

Recharge by Other Entities

Various other entities conducted managed recharge during the 2015/2016 recharge season that did not use IWRB recharge water and was not included in IWRB's recharge totals (non-IWRB Recharge). All reported non-IWRB recharge was conducted using storage water. The estimated volumes and locations of recharge for the fall of 2015 and spring of 2016 are depicted in Table 2 and 3, respectively. Some of the recharge conducted in the spring of 2016 extended into the irrigation season at off canal sites. Not all of the recharge conducted in the spring of 2016 has been reported at the time of this memo.

Table 2. Non-IWRB Managed Recharge Fall 2015 Estimates

ESPA Area	Recharge Entity	Recharge Location	Volume Recharged (Acre-feet)
Lower Valley	Coalition of Cities	North Side Canal	**990**
	Southwest Irrigation District	Recharge Wells	**unknown**
Upper Valley	Association of Cities Surface Water Coalition Twin Falls CC	Eagle Rock/Progressive CC	6,196
		Farmers Friend CC	3,069
		Enterprize CC	1,527
		Great Feeder/Harrison	362
		TOTAL	**11,154**
	IGWA	Aberdeen Springfield CC	12,500
		Fremont-Madison ID	1,900
		New Sweden ID	1,745
		Snake River Valley ID	2,200
		TOTAL	**18,345**
		TOTAL	**30,489**

Table 3. Non-IWRB Managed Recharge Spring 2016 Estimates			
ESPA Area	**Recharge Entity**	**Recharge Location**	**Volume Recharged (Acre-feet)**
Lower Valley	**Magic Valley Groundwater District**	AFRD2/ MP 31	**5,000**
Upper Valley	**Bingham Groundwater District**	Egin Bench CC	2,000
		Peoples CIC	850
		Snake River Valley ID	850
		United CC	200
		Riverside CC	200
		Aberdeen Springfield CC	12,000
		Jensen Grove	4,000
		TOTAL	**20,100**
	IGWA	Great Feeder CC	10,000
		Snake River Valley ID	3,000
		New Sweden ID	3,500
		TOTAL	**16,500**
		TOTAL	**41,600**

III. Recharge Delivery Conveyance Summary

To accommodate the difference in water availability for IWRB managed recharge in the Upper and Lower Valleys, separate conveyance payment structures were developed for the two areas.

Upper Valley ESPA Recharge

The following payment structure was adopted by the IWRB for conveyance of the IWRB recharge water in the Upper Valley:

1) **Base Rate** – determined by 5-year aquifer retention zone in which the contracted canal company or irrigation district is located using ESPAM2.1:
   - Greater than 40% retained in aquifer at 5 years $6.00/af delivered
   - 20% to 40% retained in aquifer at 5 years $5.00/af delivered
   - 15% to Less than 20% retained in aquifer at 5 years $4.00/af delivered

2) **Added Incentive for Delivery** – $1.00/af when recharge is conducted at least 75% of the time that IWRB recharge right is in priority and IWRB issues a Notice to Proceed.
3) **Added Winter-time Incentive for Delivery** – $1.00/af when IWRB recharge right is conducted between December 1st and March 30th and IWRB has issued a Notice to proceed.

Lower Valley ESPA Recharge

The payment structure for conveyance of the IWRB's recharge water stipulated in the 5-year conveyance contracts for the entities that recharge the IWRB's water is outlined in Table 3.

The following entities executed 5-year conveyance contracts in 2014:

- Twin Falls Canal Company (TFCC)
- American Falls Reservoir District 2 (ARFD2)
- Southwest Irrigation District (SWID)
- North Side Canal Company (NSCC)
- Big Wood Canal Company (BWCC)

Table 3. Lower Valley ESPA Payment Structure

Number of Days Recharge Water Delivered*	Payment Rate per AF Delivered	An incentivized payment structure was adopted in 2014 to encourage canals to divert recharge water as long as possible during the non-irrigation season.
1-to-25 days	$3/AF	* Number of days between the date the recharge permit turns on in fall and the date it turns off following spring.
26-to-50 days	$5/AF	
51-to-80 days	$7/AF	
81-to-120 days	$10/AF	
More than 120 days	$14/AF	

IV. Monitoring and Measurement Program

A monitoring and measurement program has been developed to assess results and impacts of recharge activities, and address regulatory requirements. The program consists of regional and site-specific monitoring to measure groundwater levels, surface water flows, recharge diversions, and water quality.

Recharge Water Quality Monitoring Program

Water quality monitoring is required if injection wells or land application methods are used to conduct managed recharge. Injection wells are permitted under IDWR's Underground Injection Control Program (UIC). Any other recharge conducted through land application methods (usually basins) requires a Groundwater Quality Monitoring Program approved by the Idaho

Department of Water Quality (IDEQ). In both cases, the recharge activity must meet specific standards to ensure the groundwater is protected and meets Idaho's Ground Water Quality Rule (IDAPA 58.01.11).

The Southwest Irrigation District (SWID) is the only entity that is currently using injection wells to conduct IWRB recharge. SWID has obtained injection well permits under IDWR's UIC program and is accountable for meeting the requirements under those permits. The MP 31 and Shoshone Recharge Sites are classified as land application. The IWRB has obtained IDEQ approved Groundwater Quality Monitoring Programs for both of those sites.

The groundwater monitoring plans for the MP 31 and Shoshone Recharge Sites consist of:

- Approved monitoring schedule, dedicated sampling points, and a full suite of chemical, biological and physical elements that are analyzed to determine the source water and groundwater quality. Currently 130 constituents are analyzed along with the collection of field parameters.
- Idaho Bureau of Labs (IBL) is currently under a 5-year contract (started in Dec. 2014) to conduct the water quality sampling.

The MP 31 Recharge Site was the only site used for the 2015/2016 recharge season from the end of November 2015 through the end of March 2016. Recharge was also conducted at the site for the Magic Valley Groundwater District in the month of May 2016 using storage water.

IBL staff conducted nine sampling events over the recharge season. The sampling events included source water and groundwater sampling when recharge was occurring and pre / post recharge groundwater sampling. Analysis of results of the groundwater samples from the MP 31 Recharge Site has shown most of the constituents to be below the lab's detection limits. Any detection of a constituent above the lab's detection limit has been significantly below the Idaho Groundwater Standards (Idaho Administrative rule 58.01.11.105.01.200) and in compliance with the Groundwater Monitoring Program.

IDWR staff worked with the Bureau of Land Management (BLM) and the AFRD2 canal operator to deepen and improve the two groundwater quality monitor wells at the Shoshone Recharge Site.

Recharge Monitoring Program

The Recharge Monitoring Program is designed to verify the volume of IWRB recharge water delivered and to quantify the impact individual areas/sites have on the water level of the aquifer. The following provides a summary of the ongoing work for this program.

- Verification of Recharge Deliveries - Flow Measurements:

- Quality assurance and control of recharge flow measurements was conducted by TFCC, AFRD2, NSCC, Idaho Power Co., Water District 01, and IDWR staff during the 2015/2016 recharge season.
- Installed real time automated flow monitoring equipment at MP31 Recharge Site. This equipment has been extremely beneficial in monitoring the site and the check dam structure used to divert water into the site. The instrumentation of this site provides real time data to ensure the delivery system is working properly and to assess the recharge capacity of the site. Similar monitoring is scheduled for installation at the Shoshone Recharge Site.

- Water Level Monitoring:
  - An evaluation of the effects of recharge on the aquifer is being conducted by IDWR staff.
  - Installed real time automated water level monitoring equipment at the MP31 Recharge Site at one monitor well and in the basin. Similar monitoring is scheduled for installation at the Shoshone Recharge Site.

ESPA Regional Monitoring Program

IDWR's Hydrology Section (Hydrology) oversees the ESPA Regional Monitoring Program. Hydrology is actively expanding the existing monitoring program to respond to the need for more detailed information about the ESPA. The section is also accountable for the input and analysis of the data and for managing improvements to the ESPA groundwater flow model. The program requires management of an extensive monitoring network for:

- Groundwater measurements (440 sites)
- Stream gages
  - IDWR (33 sites)
  - USGS (35 sites)
- Spring flow measurements (64 sites)
- Return flow measurements (75 sites)

The following provides a summary of the ongoing work for this program:

- The "Craters of the Moon" monitoring well that was deepened has been outfitted with a monitoring port and instrumented with a pressure transducer.
- Feasibility analysis and quotes for developing a Wilson stock well as a new monitoring point.
- Spring 2016 ESPA synoptic water level measurements were successfully completed (water level measurements at approximately 400 sites) and uploaded into the database.

- The modeling group is currently working on the analysis of the monitoring data to provide updates on the current status of the ESPA.
- Transducer installations in SWC agreement "Sentinel Wells" (15 wells), including monitoring port installation at Milner Dam BOR, casing installation at Crystal Cave and QA/QC of datasets.
- Worked with various canal companies updating and clarifying their monitoring locations, data trends, and QA/QC of their data.
- The group is currently working on the Modeling group's transducer installation in priority locations.
- Expanding groundwater monitoring networks into tributary basins:
    - Received permissions to monitor wells in seven tributary basins including: American Falls, Big Cottonwood Creek, Big Lost, Birch Creek, Blackfoot, Portneuf, and Teton Valley.
    - Visited three of the tributary basins to assess new well sites including American Falls, Big Lost, and Portneuf.
    - Added wells to ESPA monitoring network including three in American Falls, Five in Portneuf.
    - Received data from 42 phosphate mine wells in the Blackfoot Tributary basin that belong to P4 Productions, LLC (includes P4, Nu-West, and Monsanto).

V. ESPA Recharge Program Projects

A number of projects were undertaken in Fiscal Year 2016 (FY16) to enhance the IWRB's ability to recharge in the ESPA. A brief summary of the projects is provided below and in Table 4. The projects identified in this report have been approved by the IWRB or are included in the FY17 budget.

For managed recharge projects involving infrastructure improvements to which the IWRB provided funding, a Memorandum of Intent (MOI) was developed to establish a long-term agreement (twenty years) between the IWRB and the entity implementing the project. The MOI acknowledges: 1) the IWRB provided financial assistance for a project; and 2) the entity agrees to deliver the IWRB's recharge water as compensation for financial assistance from the IWRB.

ESPA Managed Recharge Infrastructure Project Summary

The IWRB has been working on and investing in managed recharge in the ESPA for numerous years. The IWRB has invested over $3,050,000 to investigate and construct infrastructure improvements to increase the managed recharge capacity in the ESPA. To date the IWRB's outlay between the Lower and Upper Valley has been equally split with $1.50 million in the

Lower Valley and $1.56 million in the Upper Valley. In the Lower Valley, the IWRB is currently working with various canal companies to complete additional construction projects totaling approximately $8 million this next year. The IWRB is also considering investment of over $1.2 million to evaluate, design, and construct potential managed recharge related projects in the Upper Valley over the next year. Initial evaluations in the Upper Valley are required to determine the managed recharge potential and will likely lead to additional construction projects within the next two years.

A summary of the current IWRB projects is provided below.

Project Status

1. American Falls Reservoir District 2 (AFRD2)/Milner-Gooding Canal:
    a. **Concrete Flume Improvements** – Complete, total cost $1,497,800, IWRB's participation in the project was $700,000.

    b. **Road Improvement MP31 to Shoshone Recharge Site** – Complete, total cost $120,000, IWRB funded 100% of the project.

    c. **Dietrich Drop Hydropower Plant** – The Dietrich Drop hydro plant is located on the Milner-Gooding Canal between the MP31 and the Shoshone Recharge Site. IWRB approved a resolution in March 2016, authorizing expenditure up to $1,500,000 for the design and construction of the required infrastructure improvements to allow for the delivery of winter-time recharge past the hydro plant. Due to the complexity of the site and the need to maximize managed recharge during the 2016/2017 recharge season while construction is underway on the North Side canal system, completion of this project has been moved to the 2017/2018 winter season.

    d. **Expansion of the MP31 Recharge Site** – Capacity of the MP31 Recharge Site is being expanded by constructing new headgates designed to divert 400 cfs into the site. The IWRB passed a resolution in July of 2015 authorizing the expenditure of up to $200,000 for the design of the structure. The Aquifer Stabilization Committee approved a draft resolution for the IWRB to consider, authorizing expenditure up to $1,800,000 for the design and construction of a new headgate structure and check dam at the MP31 Recharge Site. Construction is scheduled for the fall of 2016 and the spring of 2017. IWRB recharge water will be delivered to the site at the start of the 2016 recharge season using the current headgate structure while construction progresses on the new infrastructure. The plan is to use the new headgate structure starting in

December along with the delivery of water to the Shoshone Recharge Site. IWRB recharge is scheduled to end in March of 2017 to install the new check dam before the irrigation season.

2. North Side Canal Company (NSCC):

   Winter Recharge Feasibility Assessment – The IWRB has been working with the North Side Canal Company to evaluate potential infrastructure improvements to allow delivery of IWRB recharge water to Wilson Lake over the winter months while protecting the hydroelectric plants on the canal system. A resolution was passed by the IWRB in January 2016 to authorize expenditure up to $274,000 for the design portion of this project. The design of the improvements is scheduled to be completed by September 2016. The Aquifer Stabilization Committee approved a draft resolution for the IWRB to consider, authorizing expenditure up to $4,000,000 for the construction of the selected infrastructure improvements. As the design of these projects precede more accurate cost estimates are available, the most recent cost estimates are now at $4,800,000. Construction is expected to to require all of the 2016/2017 winter season.

3. Southwest Irrigation District (SWID):

   Cassia Pipeline Winter Recharge – A group of irrigators within SWID (Buckhorn LLC) is working with SWID to develop a new pipeline to deliver water for conversion projects during the irrigation season and conduct managed recharge through injection wells during the winter months. Buckhorn contracted with Rumsey Engineering to design the new system with the intention of beginning construction in 2016. While Buckhorn LLC is funding the construction of the pipeline, SWID and Buckhorn LLC have proposed that the IWRB fund the construction of the infrastructure improvements that would allow for IWRB recharge through the winter months when the IWRB water right is in priority below Minidoka. The project would increase IWRB recharge capacity by 54 cfs (approximately 13,000 af/yr). The Aquifer Stabilization Committee approved a draft resolution for the IWRB to consider, authorizing expenditure up to $600,000 for construction of the components of the pipeline project that would allow for winter time recharge.

4. Great Feeder Canal Company (GFCC):

   Recharge Conveyance Improvements - GFCC replaced the out-dated and deteriorating headworks to the Great Feeder Canal. The project was completed in April of 2016. The total cost of the project was $1,400,000 and the IWRB's participation in the project was $500,000.

5. Fremont-Madison Irrigation District (FMID):

   Expansion of the Egin Lakes Recharge Area – FMID, in cooperation with Egin Bench Canal Co., constructed a new recharge canal from the St. Anthony Canal to the Egin Lakes recharge area. Project is complete with a total cost of $1,030,000. The IWRB funded 100% of the project.

6. City of Blackfoot

   Jensen Grove – The City of Blackfoot is conducting infrastructure modifications at Jensen Grove to improve both their ability to deliver water to the site and to monitor the site. Project is complete at a total cost of the project was $55,054. The IWRB's participation in the project was $26,527.

7. Other Projects:
   a. **Injection Well and Test** – All project are currently on hold while perusing higher priority projects.

   b. **ESPA Managed Recharge Program Review** – IWRB contracted with CH2M to provide an independent review of the ESPA Managed Recharge Program for $91,850. The original work (*Eastern Snake Plain Aquifer (ESPA) – Review of Comprehensive Managed Aquifer Recharge Program*) was completed in March 2016. As requested by the IWRB additional recharge water availability scenarios were completed in May 2016. The project is complete with a final cost of $91,727. The final report is available on the IDWR website.

   c. **De-Icing Study** – IWRB contracted with CH2M to evaluate the de-icing system deployed by TFCC on the Murtaugh Lake structures. This information will be used as a reference case for the development of de-icing systems at other facilities involved with winter-time recharge. The project is complete with a final cost of $25,000.

Table 4. IWRB ESPA Recharge Program Projects					
Project Type	**Canal/Project**	**Project Type**	**Status**	**IWRB Cost Estimate**	**Completion Date**
ESPA Infrastructure	Milner-Gooding Canal				
	Concrete Flume Improv.	CNST	Complete	$700,000	Mar. 2016
	Road Improv. MP31 to Shoshone Recharge Site	CNST	Complete	$120,000	June 2016
	Dietrich Drop Hydro Plant	Design/CNST	In-Progress	$1,500,000	Fall/Winter 2017
	MP31 Expansion	Design	In-Progress	$200,000	Aug. 2016
		CNST	Proposed	$1,800,000[1]	Fall 2016
	North Side Canal				
	Wilson Lake/Canal Improv.	Design	In-Progress	$274,581	Sept. 2016
		CNST	Proposed	$4,800,000[1]	Fall/Winter 2016
	Southwest I.D.				
	Winterized Pipeline/Recharge	Design/CNST	Proposed	$600,000[1]	Fall/Winter 2016
	Great Feeder Canal				
	Canal Improvements	CNST	Complete	$500,000	Apr. 2016
	Fremont-Madison I.D.				
	Egin Lakes Recharge Canal	Study/CNST	Complete	$1,030,000	Mar. 2016
	Jensen Grove				
	Infrastructure Improv.	CNST	Complete	$26,527	May 2016
ESPA Program	Misc.				
	ESPA Program Review	Study	Complete	$91,727	Mar. 2016
	De-icing Study	Study	Complete	$25,000	May 2016

CNST = Construction

[1] IWRB funds committed in FY17.

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF AQUIFER)	A RESOLUTION APPROVING FUNDING
STABILIZATION AND EASTERN)	TO CONSTRUCT THE MP 31 BOX
SNAKE PLAIN AQUIFER RECHARGE)	DIVERSION & FLOWCONTROL PROJECT

WHEREAS, House Bill 547 passed and approved by the 2014 Legislature allocates $5 million annually through 2019 from the Cigarette Tax to the Idaho Water Resource Board's (IWRB) Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide aquifer stabilization; and

WHEREAS, Senate Bill 1402 passed and approved by the 2016 Legislature allocated $5 million in ongoing General Fund dollars and $2.5 million in Economic Recovery Reserve Funds to the IWRB's Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization; and

WHEREAS, the ESPA has been losing approximately 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels in the aquifer and declining spring flows from the aquifer; and

WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA averaging 250,000 acre-feet annually; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024; and

WHEREAS, on May 20th, 2016, the IWRB adopted the 2017 fiscal year budget for the Secondary Aquifer Fund; and

WHEREAS, in 2015, American Falls Reservoir District No. 2 (AFRD2) owns and operates an irrigation delivery system, entered into a 5-year conveyance contract (Contract No. CON01027) and a 20-year Memorandum of Intent with the IWRB under an incentivized payment plan; and

WHEREAS, AFRD2 has delivered recharge water under IWRB's water right and plans to continue to deliver recharge water during the non-irrigation season from the Milner-Gooding Canal to Milepost 31, Shoshone, and the Big Wood River recharge locations; and

WHEREAS, increasing the reliability and capacity of recharge during the non-irrigation season requires conveyance improvements which AFRD2 has completed and is currently proposing; and

WHEREAS, AFRD2 proposes to increase recharge flows from 200 cfs to 400 cfs into the Milepost 31 recharge area and provide improved flow control for conveying recharge on the Milner-Gooding Canal; and

WHEREAS, a resolution was previously passed by the IWRB on July 14, 2015 in the amount of two hundred thousand dollars ($200,000) for the design of the Milepost 31 Flow Control and Box Diversion project; and

WHEREAS, AFRD2 has completed a Basis of Design Report establishing the design criteria and

costs to construct a flow control structure and box diversion at the Milepost 31 Recharge Site on the Milner-Gooding Canal; and

WHEREAS, the cost of constructing a flow control structure, a box diversion, and engineering services associated with bid solicitation and construction oversight is estimated to be one million eight hundred thousand dollars ($1,800,000.00);

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures not to exceed one million eight hundred thousand dollars ($1,800,000) from the Secondary Aquifer Fund, in order to construct conveyance improvements to deliver water under the IWRB's recharge water right to the Milepost 31, Shoshone, and Big Wood River recharge sites.

DATED this 22nd day of July, 2016.

_____
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST _____
VINCE ALBERDI, Secretary

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF AQUIFER STABILIZATION AND EASTERN SNAKE PLAIN AQUIFER RECHARGE	A RESOLUTION TO APPROVE FUNDS FOR NORTH SIDE CANAL COMPANY RECHARGE INFRASTRUCTURE IMPROVEMENTS

WHEREAS, House Bill 547 passed and approved by the 2014 Legislature allocates $5 million annually through 2019 from the Cigarette Tax to the Idaho Water Resource Board's (IWRB) Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide aquifer stabilization; and

WHEREAS, Senate Bill 1402 passed and approved by the 2016 Legislature allocated $5 million in ongoing General Fund dollars and $2.5 million in Economic Recovery Reserve Funds to the IWRB's Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization; and

WHEREAS, the ESPA has been losing approximately 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels in the aquifer and declining spring flows from the aquifer; and

WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA averaging 250,000 acre-feet annually; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024; and

WHEREAS, on May 20, 2016, the IWRB adopted the Secondary Aquifer Fund Fiscal Year 2017 Budget, which included $4,000,000 for the North Side Canal Company Winter Recharge Improvements project; and

WHEREAS, in 2015, North Side Canal Company (NSCC), which owns and operates an irrigation delivery system, entered into a 5-year water conveyance contract, CON01085, with the IWRB under an incentivized payment plan; and

WHEREAS, NSCC has delivered recharge water under IWRB's water right and plans to continue to deliver recharge water during the non-irrigation season through NSCC's main canal to Wilson Lake and future off-canal recharge sites downstream of Wilson Lake; and

WHEREAS, the IWRB, in cooperation with NSCC, is funding the design and construction of the infrastructure improvements that will allow NSCC to deliver water during the non-irrigation season and conduct managed aquifer recharge throughout the winter months; and

WHEREAS, the designs of the proposed infrastructure improvements are scheduled to be completed in September, 2016, with construction scheduled to begin in the fall of 2016 and completed in the spring of 2017; and

WHEREAS, the NSCC head gates are located in a reach of the Snake River where IWRB's recharge water right is in priority all winter long; and

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures not to exceed $4,800,000 from the Secondary Aquifer Fund, for the construction of the required infrastructure improvements for the delivery of recharge water throughout the non-irrigation/winter season; and

NOW THEREFORE BE IT RESOLVED that funding through this resolution is contingent upon NSCC obtaining and complying with all necessary permits, agreements, and easements for the project, including the updated FERC agreements; and

NOW THEREFORE BE IT RESOLVED that funding under this resolution is contingent upon an executed Memorandum of Intent for twenty (20) years between the IWRB and NSCC whereby NSCC agrees to deliver the IWRB's recharge water right, pursuant to water conveyance contract(s).

DATED this 22nd day of July, 2016.

_____
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST _____
VINCE ALBERDI, Secretary

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF AQUIFER STABILIZATION AND EASTERN SNAKE PLAIN AQUIFER RECHARGE	A RESOLUTION TO APPROVE FUNDS FOR RECHARGE INFRASTRUCTURE IMPROVEMENTS FOR THE SWID PIPELINE:

WHEREAS, House Bill 547 passed and approved by the 2014 Legislature allocates $5 million annually through 2019 from the Cigarette Tax to the Idaho Water Resource Board's (IWRB) Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide aquifer stabilization; and

WHEREAS, Senate Bill 1402 passed and approved by the 2016 Legislature allocated $5 million in ongoing General Fund dollars and $2.5 million in Economic Recovery Reserve Funds to the IWRB's Secondary Aquifer Fund for statewide water sustainability and aquifer stabilization; and

WHEREAS, the ESPA has been losing approximately 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels in the aquifer and declining spring flows from the aquifer; and

WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA averaging 250,000 acre-feet annually; and

WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024; and

WHEREAS, on May 20, 2016, the IWRB adopted the Secondary Aquifer Fund Fiscal Year 2017 Budget, which included $1,000,000 for managed aquifer recharge capacity improvements in the Southwest Irrigation District; and

WHEREAS, in 2015, Southwest Irrigation District (SWID), which owns and operates an irrigation delivery system, entered into a 5-year water conveyance contract, contract number CON01026, with the IWRB under an incentivized payment plan; and

WHEREAS, SWID has delivered recharge water under IWRB's water right and plans to continue to deliver recharge water during the non-irrigation season through a pump station and pipeline system from the Snake River at the Milner Pool to injection wells located south of the Snake River; and

WHEREAS, Buckhorn LLC, in cooperation with SWID, is funding the design and construction of a second pipeline system from the Snake River that SWID will use to 1) increase surface water irrigation deliveries to offset ground water pumping during the irrigation season, and 2) conduct managed aquifer recharge throughout the winter months; and

WHEREAS, the second pipeline system is in final design with construction scheduled to begin in the fall of 2016; and

WHEREAS, the total project cost is estimated to be approximately $15 million, while the aquifer recharge components of the project are estimated to be $600,000; and

WHEREAS, the pump station will be located in a reach of the Snake River where the IWRB's recharge water right is in priority all winter long.

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures not to exceed $600,000 from the Secondary Aquifer Fund, for the aquifer recharge components of the second SWID pipeline and provides authority to the Chairman or the Chairman's designee to enter into contracts regarding this project; and

NOW THEREFORE BE IT RESOLVED that the new pipeline will be constructed to operate during winter conditions and during drawdowns of the Milner Pool that occur during the winter-time; and

NOW THEREFORE BE IT RESOLVED that funding authorized through this resolution is contingent upon SWID obtaining and complying with all necessary permits for the project, including injection well permits; and

NOW THEREFORE BE IT RESOLVED that funding under this resolution is contingent upon an executed Memorandum of Intent for twenty (20) years between the IWRB and SWID whereby SWID agrees to deliver the IWRB's recharge water right, pursuant to water conveyance contracts; and

NOW THEREFORE BE IT RESOLVED that funding authorized through this resolution is contingent upon the following understandings:

1) SWID will use the new pipeline system as needed to deliver its own water supplies for recharge, to the extent needed under any mitigation plan approved by IDWR;
2) The IWRB will not pay delivery costs for SWID's water delivered for recharge under a mitigation plan; and
3) SWID will make best efforts to use the remaining capacity of the new pipeline system to deliver the IWRB's available winter-time recharge water from the Snake River at the Milner Pool. The IWRB will pay for delivery of the IWRB's recharge water pursuant to an executed water conveyance contract.
4) A minimum of 80% of the non-irrigation season pipeline capacity shall be made available for the IWRB's managed aquifer recharge and will not count for any mitigation.

DATED this 22nd day of July, 2016.

_____
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST _____
VINCE ALBERDI, Secretary

Memorandum

To: Idaho Water Resource Board

From: Morgan Case

Date: July 22, 2016

Re: Water Transactions Program –Lower Lemhi Donation

Background

The Lemhi River Basin is an important basin for the spawning, migration and rearing of Chinook salmon, summer steelhead, westslope cutthroat trout, and bull trout. During the irrigation season, low flows at the L-6 diversion can cause migration barriers for out-migrating juvenile Chinook salmon and in-migrating adult Chinook salmon and steelhead. The State of Idaho has committed to maintaining flows between 25 and 35 cfs at the L-6 diversion (See attached map) through the 2004 Snake River Water Rights Agreement. The 35 cfs flows are needed for out-migration in the spring and 25 cfs is needed for in-migrating adults in the mid- to late-summer.

In order to secure permanent protection for irrigation season flows, the Board has purchased subordination easements which allow 15.31 cfs to remain instream during low flow periods. One of those easements was purchased from Raymond and Margaret Cheney in 2009 for $216,720. It subordinated Water Right No. 74-15723, which authorized the diversion of 2.52 cfs from the Lower Lemhi River. In 2010, a portion of that water right (WR No. 74-15948 for 0.04 cfs) was split from the original right.

The current landowner of the property with the split water right is no longer interested in using the Lemhi River right. He uses groundwater to irrigate around his house. In order to protect the water right from forfeiture and eliminate his need to pay the annual Water District 74 assessment, he is interested in donating the water right to the IWRB. To protect the Board's investment in the easement and the water instream, the Board is in a position to lease the right into the Lemhi Rental Pool and rent it out for delivery to the Lemhi River minimum stream flow water right (74-14993).

Current Lemhi Rental Pool procedures require a ten percent surcharge for the Board and a fee not to exceed ten percent for the local water district. The surcharge is based on the rental rate of the water right. In the case of a donation, there would be no compensation to the water right holder (Board). In 2011, the Board accepted a water right from The Nature Conservancy, waived the Board's rental fee, and paid WD74 a one-time payment of $11,500/cfs to administer the rental in perpetuity. When the original easement was purchased, using a Pacific Coast Salmon Recovery Fund grant and Columbia Basin Water Transactions Program funds, the Board received $11,500 per cfs for permanent administration of the easements. Those funds were deposited into a sub-account in the Revolving Development Account (RDA) to contract with the local water master to administer the easements each year.

Staff proposes that the Board accept the donation of WR 74-15948, file a *Notice of Change in Water Right Ownership* ($25 fee), lease the right into the Lemhi Rental Pool in perpetuity, rent the right for delivery to the Lemhi River minimum stream flow water right (74-14993), waive the 10% Board rental fee, and enter into an agreement to compensate WD74 $460 for the permanent administration of the rental.

Action Items

Approval of a resolution authorizing the Board to accept the donation of Water Right No. 74-15948 and a funding resolution authorizing the Board to lease Water Right No. 74-15948 into the Lemhi Rental Pool and rent it out for delivery to the Lemhi River Minimum Stream Flow Water Right No. 74-14993 in perpetuity with a one-time payment of $460 to WD 74 from the Revolving Development Account Water Transactions Subaccount for permanent administration of said rental.

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF BOARD ACCEPTANCE OF WATER RIGHT NO. 74-15948 FROM DAVID LEWIS	))))	RESOLUTION

WHEREAS, Chinook salmon, steelhead, and bull trout habitat in the Lemhi River basin is limited by low flow in the Lower Lemhi River; and

WHEREAS, it is in the interest of the State of Idaho to permanently reconnect the Lower Lemhi River to encourage recovery of ESA-listed Chinook salmon, steelhead, and bull trout; and

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

WHEREAS, the Board purchased a subordination easement restricting the diversion of Water Right No. 74-15723 and any subsequent splits to maintain target flows in the Lower Lemhi River; and

WHEREAS, Water Right No. 74-15948 is a split of Water Right No. 74-15723; and

WHEREAS, David Lewis is the holder of Water Right No.74-15948 from the Lemhi River for irrigation and stockwater purposes; and

WHEREAS, David Lewis desires to assign all his legal interests in Water Right No.74-15948 to the Board, at no cost, so that the rights may be rented for delivery to minimum stream flow Water Right No. 74-14993 on the Lemhi River; and

NOW THEREFORE, BE IT RESOLVED that the Idaho Water Resource Board hereby agrees to accept, without cost, the assignment of all interests held by David Lewis in Water Right No. 74-15948.

NOW THEREFORE, BE IT FURTHER RESOLVED that the Board Chairman is authorized to file a *Notice of Change in Ownership* with the Idaho Department of Water Resources for Water Right No. 74-15948.

DATED this 22nd day of July, 2016.

_____
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _____
VINCE ALBERDI, Secretary

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE LOWER LEMHI RIVER PERMANENT RENTAL WATER TRANSACTION	))))	A RESOLUTION TO MAKE A FUNDING COMMITMENT

WHEREAS, Chinook salmon, steelhead, and bull trout habitat in the Lemhi River basin is limited by low flow in the Lower Lemhi River; and

WHEREAS, it is in the interest of the State of Idaho to permanently reconnect the Lower Lemhi River to encourage recovery of ESA-listed Chinook salmon, steelhead, and bull trout ; and

WHEREAS, the Idaho Water Resource Board ("Board") is in negotiations with David Lewis to acquire Water Right No. 74-15948 from the Lemhi River; and

WHEREAS, upon acquisition the Board anticipates leasing Water Right No. 74-15948 into the Lemhi Rental Pool and renting the rights out for delivery to minimum stream flow 74-14993; and

WHEREAS, an administrative fee of four hundred sixty dollars ($460) has been negotiated with Water District 74 to permanently administer delivery of the rented rights to minimum stream flow Water Right No. 74-14993; and

WHEREAS, funds are available in the Revolving Development Water Transaction Subaccount; and

WHEREAS, the Lower Lemhi River Permanent Rental transaction is in the public interest and consistent with the State Water Plan.

NOW THEREFORE, BE IT RESOLVED that the Board authorizes the Chairman to lease Water Right No. 74-15948 into the Lemhi Rental Pool and to permanently rent the rights out to Water Right No. 74-14993 on the Lemhi River.

NOW THEREFORE, BE IT RESOLVED that the Board authorizes the Chairman to enter into a contract with Water District 74 to permanently administer said rental in the four hundred sixty dollars ($460) to paid from the Water Transaction Subaccount of the Revolving Development Account.

DATED this 22nd day of July, 2016.

_____
Roger Chase, Chairman
Idaho Water Resource Board

ATTEST: _____
Vince Alberdi, Secretary

Memorandum

To: Idaho Water Resource Board

From: Randy Broesch

Date: June 13, 2016

Re: Mountain Home Air Force Base Water Supply /Pipeline Project

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The following is a status report on the Mountain Home Air Force Base (MHAFB) Water Supply/Pipeline Project (Project). The Project involves efforts by the State of Idaho to assist the MHAFB in developing a sustainable water supply for their use.

Project Concept

The MHAFB currently relies on groundwater for its water supply, but diverts its water from a critical declining aquifer. The Idaho Water Resource Board (IWRB) intends to develop a pipeline and water treatment facility to deliver water from the Snake River to the MHAFB as an alternate water supply to existing use of groundwater. In 2014, with support from the Governor and Idaho State Legislature, the IWRB purchased senior Snake River water rights from the Simplot Corporation to provide water supply to the base. The surface water will be diverted out of the C.J. Strike Reservoir and delivered to the MHAFB where it will be treated and used for Domestic Commercial Municipal Industrial (DCMI) purposes on the base. The IWRB is expected to retain the senior water rights and enter into a water utility service agreement with the MHAFB for the delivery of the DCMI water. The IWRB will undertake the financing, design, construction, and maintenance methods to bring the project to fruition. The Governor's office, Legislature, and the IWRB recognize and are committed to supporting the MHFAB as a $1 Billion annual economic generator in the local Idaho economy.

Project Status

Technical Planning Report – The technical planning report was completed in May and provides conceptual costs and design criteria as a basis for evaluating both project delivery types and permitting requirements.

Coordination with the City of Mountain Home- The City of Mountain Home is planning a meeting with Staff and IWRB to discuss their potential involvement in the project.

Core Action Group Meetings with MHAFB-Staff continues to coordinate with the MHAFB on a regular basis to better understand the project design criteria and to clarify the roles and tasks associated with environmental permitting.

Financial Delivery Model-Staff has been coordinating with bond counsel to begin identifying the needs for procuring the appropriate financing for the project.

Project Delivery Workshop- Staff has been researching potential project delivery types that will accommodate the project's schedule, design criteria, and ownership needs. A workshop was held on June 6th with a representative from the Water Design Build Council (WDBC) to present various project delivery types that are possible in the water treatment industry. The workshop was successful in educating Staff and resulted with a better informed group of decision makers.

The workshop highlighted the need to learn more about the project delivery types, and Staff is recommending additional workshops to further improve the decision makers understanding. The goal for

the workshops will be to select the most applicable project delivery type to suit the project needs. To achieve this goal, Staff is also recommending that the IWRB consult with Integrated Delivery solutions (Mark Alpert, P.E.) for less than 6 months to facilitate the workshops and to further educate Staff regarding the selection of a project delivery type.

Owner's Advisor/Representative- In the May 19th IWRB meeting, Staff highlighted the value of hiring an Owner's Advisor/Representative to assist with the planning, design, and commissioning of the project. The value of the Owner's Advisor/Representative was further re-affirmed in the project delivery workshop on June 6th to augment the IWRB's known roles and experiences to deliver projects.

In an effort to solicit a request for qualifications (RFQ) for the Owner's Advisor/Representative, Staff is recommending Integrated Delivery Solutions (Mark Alpert P.E.) assist Staff with developing a scope of services for the Owner's Advisor/Representative. This consultation would coincide with the 6 month timeline associated with the project delivery workshop consultation.

Schedule -The following is an estimated timeline for procuring the Owner's Advisor/Representative:

Milestone	**Date**
Issue Notice to Proceed for Integrated Delivery Solutions	August 2016
Advertise the Request for Qualifications to be Owner's Representative	October 2016
Selection of Owner's Representative/Consultant	November 2016
Initiate project delivery/procurement phase and complete Integrated Delivery Solution's contract	January 2017

REQUIRED ACTIONS: Staff is requesting approval of a resolution to be consulted for 6 months by Integrated Delivery Solutions in an amount not to exceed $65,000. The consultant will facilitate workshops that will lead to the selection of a project delivery type and develop a draft scope of services for the Owner's Advisor/Representative to be solicited in a request for qualifications (RFQ).

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE MOUNTAIN HOME AIR FORCE BASE WATER SUPPLY PROJECT	)))	A RESOLUTION TO APPROVE FUNDS AND PROVIDE SIGNATORY AUTHORITY

WHEREAS, the Idaho Water Resource Board ("Board") is a constitutional agency of the State of Idaho and empowered by Idaho Code §42-1734 to acquire, purchase, lease or exchange land, rights, water rights, easements, franchises and other property deemed necessary or proper for construction, operation and maintenance of water projects, and

WHEREAS, the Mountain Home Air Force Base ("Base"), as well as surrounding agricultural wells and municipal wells, draw their supply from the Mountain Home Aquifer;

WHEREAS, the Idaho Department of Water Resources ("IDWR") estimates that the rate of withdrawal from the Mountain Home Aquifer exceeds the rate of natural recharge to the aquifer and due to declining ground water levels, IDWR established the Cinder Cone Butte Critical Ground Water Area in 1981 and the Mountain Home Ground Water Management Area in 1982; and

WHEREAS, the State of Idaho recognizes the economic value of the Base to the local and state economy and supports the United States military in achieving its national security functions; and

WHEREAS, the State of Idaho intends to coordinate with the Military to develop a long-term sustainable water supply to support the Base and its mission; and

WHEREAS, House Bill 479 passed and approved by the 2014 Idaho legislature allocated $4 million in one-time funds for acquisition of senior priority Snake River water rights to supply the Mountain Home Air Force Base (MHAFB); and

WHEREAS, on July 25, 2014, the Board purchased senior Snake River water right nos. 2-10300A, 2-10330B and 225/240ths of 2-10472 for the purpose of obtaining a water supply for the Base; and

WHEREAS, the Board funded a technical planning report that was completed in May of 2016 outlining design criteria, planning costs, and potential project delivery alternatives for a pumping station, pipeline, and water treatment facilities; and

WHEREAS, a workshop with the Water Design Build Council (WDBC) outlined the need for the Board to pursue an Owners Representative to assist staff with the commencement and commissioning of the project; and

WHEREAS, staff is seeking short term assistance from a consultant to facilitate additional project delivery workshops, develop a scope of services for the Owner's Representative, and to develop selection criteria to assist staff with choosing a project delivery type suiting the needs of the project,

NOW, THEREFORE BE IT RESOLVED that the IWRB authorizes the expenditure of up to $65,000, not to exceed actual costs, from the Revolving Development Account to assist staff and the Board with selecting a project delivery type and developing a scope of services for the Owner's Representative.; and

NOW, THEREFORE BE IT FURTHER RESOLVED that the IWRB authorizes its chairman or designee to execute the necessary agreements or contracts to seek consultation for developing project delivery selection criteria and a scope of services for the Owner's Representative.

DATED this 22nd day of July, 2016.

_____
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST:

_____
VINCE ALBERDI, Secretary

MEMO

To: Idaho Water Resource Board

From: Rick Collingwood

Date: July 22, 2016

Subject: Boise Project Board of Control
Lower Embankment Drain Pump Back Project

Action Item: Idaho Water Resource Board (IWRB) to consider request to provide funding ($82,748.28) to the Boise Project Board of Control (BPBC) to design and construct the Lower Embankment Drain Pump Back Project in Canyon County, Idaho.

INTRODUCTION

In July 2016, Board staff received a funding request from the BPBC for the design and construction of the Lower Embankment Drain Pump Back Project to capture, impound, and re-circulate natural seepage/waste water from the Lower Embankment Drain to one of three laterals during the irrigation season, or Lake Lowell during the non-irrigation season. Currently, the seepage/waste water is discharged to the Boise River. The Lower Embankment Drain collects natural seepage water near the Lower Embankment Dam on the northwest side of Lake Lowell. The project is scheduled to commence after the completion of the 2016 irrigation season.

PROPOSED PROJECT:

The BPBC will design and construct the infrastructure improvements for the project. The proposed project includes the construction of a pump station on the northwest side of the Lower Embankment Dam. Seepage/Waste water impounded at the Lower Embankment Dam will be pumped and conveyed to one of three irrigation laterals, or to Lake Lowell, through a total of 1,400 feet of 18" PVC pipeline – (See Attached Report).

This project will focus on providing additional irrigation water during the irrigation season, and additional storage water in Lake Lowell during the non-irrigation season. The total estimated volume of the recaptured seepage/waste water is 6,205 AF.

If the funding request for the Lower Embankment Drain Pump Back project is approved, design will be performed during the summer and fall, with construction commencing after the 2016 irrigation season.

FUNDING BREAKDOWN

The total estimated project cost is $166,496.56. The BPBC will pay 50% of the project cost ($82,748.28), with the remaining 50% ($82,748.28) to be paid by the Board.

BENEFITS

The current and projected water demand does not meet the irrigation water supply needs of the users served by the BPBC's irrigation system. The BPBC's Lower Embankment Drain Pump Back Project will provide additional irrigation water for the system during the irrigation season, and additional storage water in Lake Lowell during the non-irrigation season. This additional irrigation water will assist the water users in meeting their irrigation needs, especially during low water years.

RECOMMENDATION:

The project will benefit the water users served by the BPBC's irrigation system by supplementing the current water supply with seepage/waste water to assist the water users in meeting their irrigation requirements. If the IWRB elects to fund the proposed project, a resolution is attached for your consideration.

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE BOISE PROJECT BOARD OF CONTROL LOWER EMBANKMENT DRAIN PUMP BACK PROJECT	A RESOLUTION TO PROVIDE FUNDING

WHEREAS, the Boise Project Board of Control (BPBC) submitted a funding request to the Idaho Water Resource Board in the amount of $82,748.28; and

WHEREAS, BPBC operates and maintains an irrigation system on behalf of five (5) irrigation districts in eastern Oregon and southwest Idaho: Big Bend Irrigation District (Malheur County, OR), Boise-Kuna Irrigation District (Ada and Canyon County, ID), Nampa-Meridian Irrigation District (Ada and Canyon County, ID), New York Irrigation District (Ada County, ID), and Wilder Irrigation District (Canyon County, ID) ; and

WHEREAS, BPBC serves approximately 30,000 users, and delivers irrigation water to approximately 167,000 acres, with the delivery system comprising over 1,400 miles of canals, laterals, and sub-laterals; and

WHEREAS, BPBC indicates that the current and projected water demand does not meet the current water supply; and

WHEREAS, the Lower Embankment Drain collects natural seepage/waste water near the Lower Embankment Dam on the northwest side of Lake Lowell; and

WHEREAS, BPBC Lower Embankment Drain Pump Back Project will capture, impound, and re-circulate natural seepage/waste water from the Lower Embankment Drain to one of three laterals during the irrigation season, and to Lake Lowell during the non-irrigation season; and

WHEREAS, the proposed project is in the public interest and is in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures for the following project up to the identified amount from the Secondary Aquifer Planning and Management and Implementation Fund:

1) Up to $82,748.28 to the Boise Project Board of Control for the Lower Embankment Drain Pump Back Project to re-circulate natural seepage/waste water to one of three laterals during the irrigation season, or to Lake Lowell during the non-irrigation season.

BE IT FURTHER RESOLVED that this resolution and the approval of the funding request is subject to the following conditions:

1) The BPBC shall comply with all applicable rules and regulations that apply to the proposed project.
2) The BPBC shall submit stamped and approved plans and specifications prior to commencement of construction.

DATED this 22nd day of July 2016.

_____

ROGER CHASE, Chairman

Idaho Water Resource Board

ATTEST_____

VINCE ALBERDI, Secretary

Idaho Water Resource Board

Boise Project Board of Control

Lower Embankment Drain Pump Back

Submitted by:

Boise Project Board of Control
2465 Overland Road
Boise, Idaho 83705-3155

Tim Page, Project Manager
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Phone: 208-344-1141
Fax: 208-344-1437

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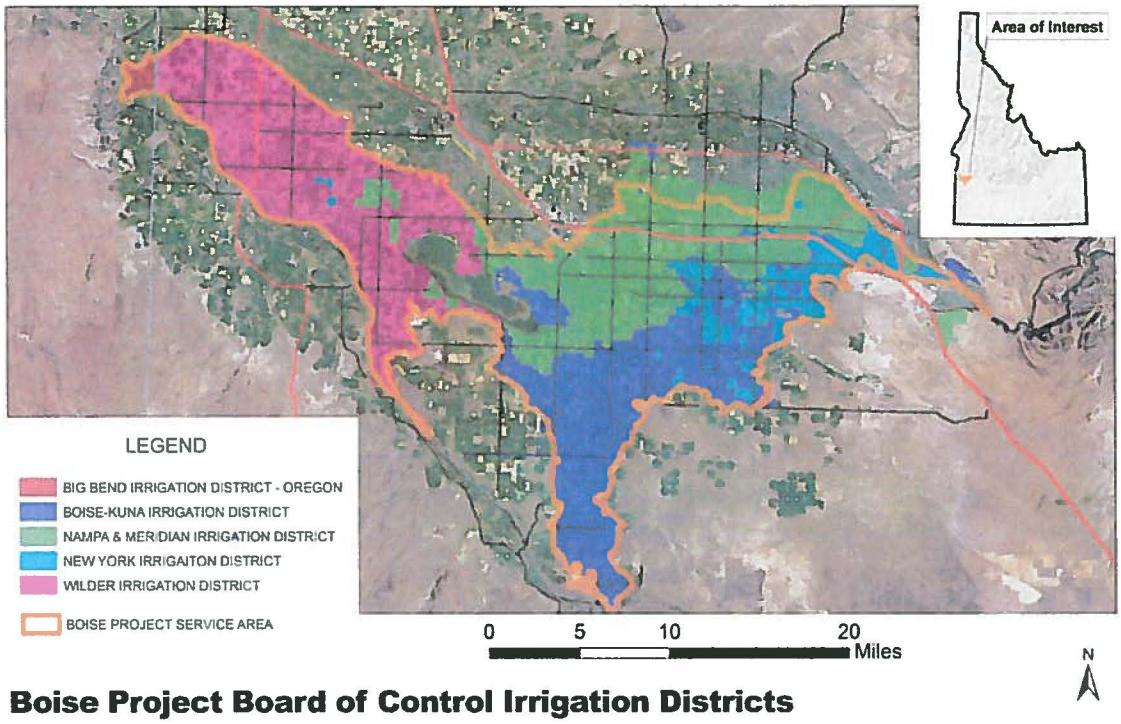


Boise Project Board of Control Irrigation Districts

Boise Project Board of Control

The Boise Project Board of Control operates and maintains an irrigation system on behalf of five (5) irrigation districts which was established in the early 20th Century to serve irrigators with waters made possible by the development of the Arrowrock Division of the Boise Project by the United States Department of Interior, Bureau of Reclamation (USBR). The five districts are:

- Big Bend Irrigation District (Malheur County, OR)
- Boise-Kuna Irrigation District (Ada and Canyon Counties, ID)
- Nampa-Meridian Irrigation District (Ada and Canyon Counties, ID)
- New York Irrigation District (Ada County, ID)
- Wilder Irrigation District (Canyon County, ID)

BPBC delivers irrigation water to approximately 167,000 acres from both Boise River rights and reservoir storage rights in Anderson, Arrowrock and Lake Lowell Reservoirs held by the USBR in trust for the Districts. The delivery system comprises of over 1,400 miles of canals, laterals and sub-laterals, more than 10,000 individual structures including headgates and check structures, and is operated by a full time staff of approximately 100 dedicated employees. Improvements on the canals and laterals are done on a yearly basis and including but not limited to piping, lining and recleaning.

Approximately 30,000 users are served by BPBC. The major crops irrigated by the waterusers consists of alfalfa hay, wheat, sugar beets, hops, corn, onion, mint, lavender, apples, grapes and pasture. There are also many dairy farms and livestock facilities in the area that use the irrigated grains to feed their animals. Along with the agricultural use, residents in the urbanized areas use water for lawn and garden irrigation. Though the main canals and laterals are open channels, there is a diverse mix of ditches, gravity irrigation pipelines, pressurized pipelines and pressurized sprinkler systems throughout the project.

The current and projected water demand does not meet the current water supply, especially following a low snowpack and precipitation year. With a high agricultural acreage, the supply did not meet the allotted amount. The following table shows the water allotment for the 2010 to 2016 irrigation seasons:

TABLE 1: Allotment

YEAR	ALLOTMENT (acre feet per acre)	DATE
2010	2.45	July 19
2011	1.80	August 15
2012	1.90	August 1
2013	1.00 1.40	April 22 June 5
2014	2.25	June 18
2015	1.65 2.35 2.95	April 16 June 3 June 12
2016	2.60	June 15

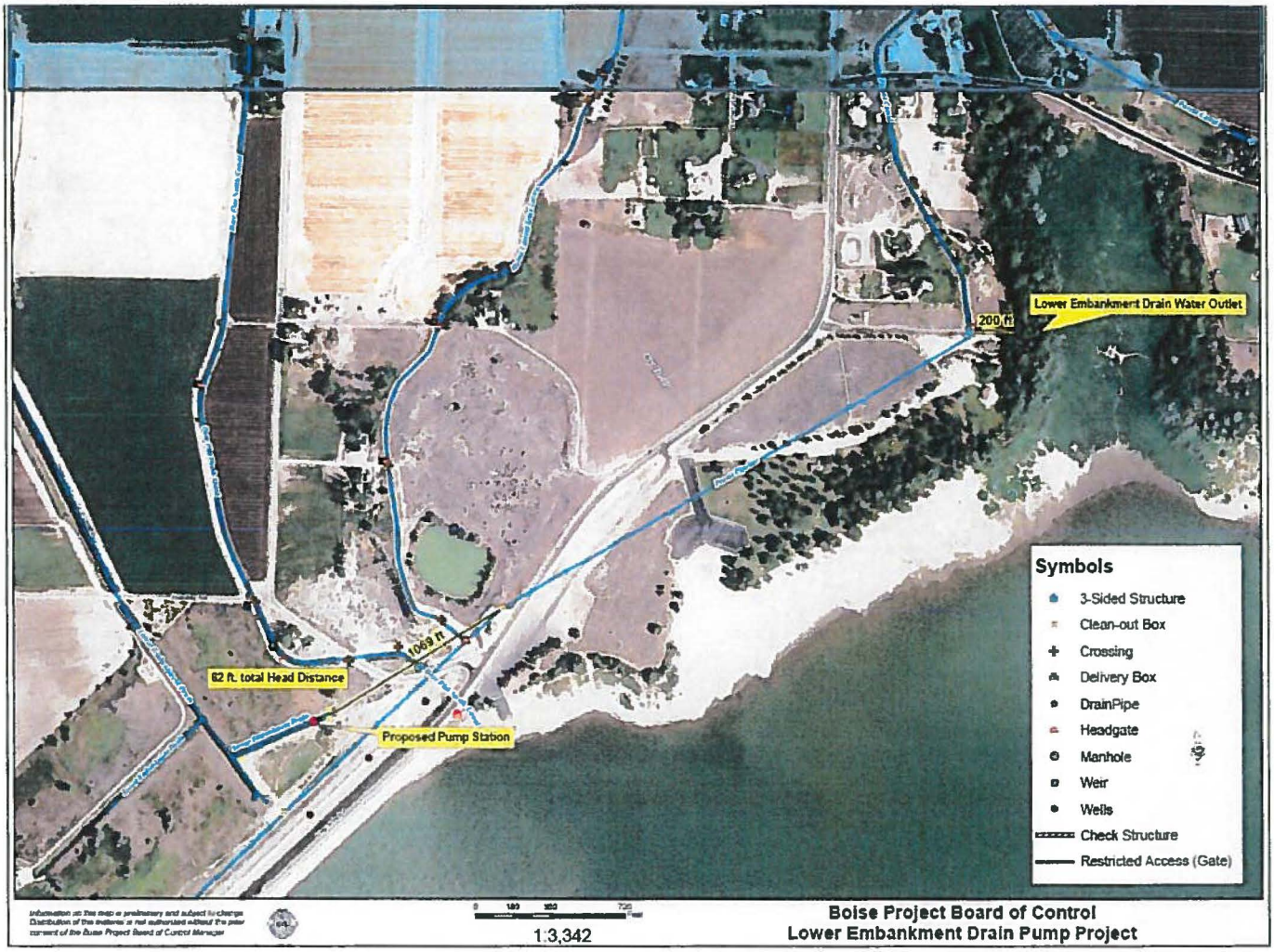
In 2015, approximately 65 accounts within the BPBC service area purchased approximately 9,000 acre feet of river water from the Water District #63 to help augment their irrigation water supply. Many more users have to obtain supplies from other accounts within the BPBC service area just to get through the irrigation season even in a good water year.

Lake Lowell Reservoir (originally Deer Flat) is located about seven miles south of Caldwell and Nampa, Idaho. The storage capacity of active water in Lake Lowell water is 159,365 acre feet. The Lower Embankment Drain collects natural seepage water near the Lower Embankment Dam on the northwest side of Lake Lowell.

The proposed Lower Embankment Drain project will capture, impound and re-circulate natural seepage water from the Lower Embankment Drain. The recaptured drain water will be integrated into Lake Lowell during the non-irrigation season and/or the Deer Flat North Canal, Heine

Lateral or the Forest Pipeline to be used for irrigation by Boise Project Board of Control's waterusers. Drain water is currently discharged into the Boise River.

TECHNICAL PROJECT DESCRIPTION



The proposed project will construct a pump station and install approximately 1,400 feet of pipeline to recapture up to 6,205 acre feet per year of seepage surface drain water..An 8.5 cfs pump station will be installed on the northwest side of the Lower Embankment Dam.

Pump Station: The new pump station will consist of a pump, 60 HP vertical hollow shaft motor, 60 HP variable frequency drive with harmonic filter and manual bypass.

Pipeline: The proposed project will install a total of 1,400 feet of pipeline along two different alignments. All pipe is expected to be 18" PVC (1,100 feet of 165lb, and 200 feet of 80lb).

From the pump station, 1,100 feet of PVC will be trenched and backfilled with native material to an appropriate level of compaction. At 490 feet, the new pipeline will intersect with the headworks of the Deer Flat North Canal. A 12" gear drive butterfly valve will be installed, allowing water to be transferred into the Deer Flat North Canal, if needed. The pipeline will continue approximately 610 feet to a pre-existing clean out box where another 12" butterfly valve will be installed. This valve will allow the re-captured water to be directed into the Heine Lateral for immediate irrigation use or to be diverted into the Forest Pipeline. The Forest Pipeline carries water to the open channel of the Forest Canal. At the open channel of the Forest Canal, a pre-existing structure will be reconfigured allowing the recaptured seepage water to be diverted into the Forest Canal or into Lake Lowell during the non-irrigation season. A new pipeline will be trenched and installed beginning at the open channel of the Forest Canal heading east for approximately 200 feet to discharge water into Lake Lowell.

A detailed description of all materials is included in the Proposed Budget.

Environment Impact:
During the proposed project, no environmental impacts or costs are anticipated. The project will take place after the completion of the 2016 irrigation season when temperatures are lower and increased precipitation levels reduce the potential of dust associated with the type of construction activities needed to replace the lining. Should dust become an issue, BPBC will apply water applications to ensure dust abatement. After construction, the majority of the proposed facilities will be below ground and not visible. The pump stations and electrical facilities will be consistent with other district facilities. The proposed project is all located within the BPBC system and not in any natural waterways, so there are no fishery or Endangered Species Act concerns.

Surveying:
The proposed project will be surveyed by Boise Project Board of Control GIS department.

Water Savings Estimate: Historically, the Lower Embankment Dam has collected approximately 17 acre feet per day of natural seepage on a daily basis. As previously mentioned, the storage capacity of active water in Lake Lowell is 159,365 acre feet of water. Lake Lowell supplies the water for the Deer Flat North, Heine and Forest Canal.

$$\frac{\text{6,205 Estimated Amount of Water Re-captured}}{\text{159,365 Active Water Supply}}$$

$$= 3.89\%$$

The proposed project will make water available to help alleviate water shortages resulting from a low snowpack and by re-capturing water loss due to seepage. Water would remain in the system, which could extend the length of the irrigation season. Any amount of water conserved will remain in the system which will be beneficial to all BPBC users. To the extent that this additional water is not needed during one irrigation season, it can be saved in Lake Lowell and can be used to reduce the amount of water released from the on-stream reservoirs for carry-over to the next water year.

Required Permits and Approval:

Because all of the construction work for the project are on USBR owned facilities, (Transferred Works to BPBC as the operating agency for the five Irrigation Districts) and the nature of the work involved, no construction, planning or environmental permits will be required for the project.

During the Snake River Basin Adjudication (SRBA), the districts filed objections to claims made to use water from the drains to establish that any water used from the drains, including the Lower Embankment Drain, was treated as wastewater subject to recapture by the original appropriator, i.e. the districts. The SRBA court based issued the *Janicek* decision recognizing the right of recapture by the districts.

BUDGET PROPOSAL

Funding Sources	Percent of total project cost	Total cost by source
Recipient funding	50%	$ 82,748.28
Requested funding	50%	$ 82,748.28
Totals	100%	**$ 166,496.56**

BUDGET NARRATIVE

Salaries and Wages

BPBC's Foremen, equipment operators and full time laborers will provide the majority of the labor for project. Their actual salary rates are calculated under the Salary in the Budget Proposal. BPBC labor wages rates currently range between $16.54 to $18.79 per hour.

Fringe Benefits

BPBC fringe benefits are 28% of base labor costs. This includes payroll taxes and insurance, retirement and health care benefits. The rate was determined through an aggregate analysis of all Boise Project employees.

Equipment

The BPBC owns the majority of the equipment necessary to complete the proposed project. The Equipment Rates are based on rates established by BPBC.

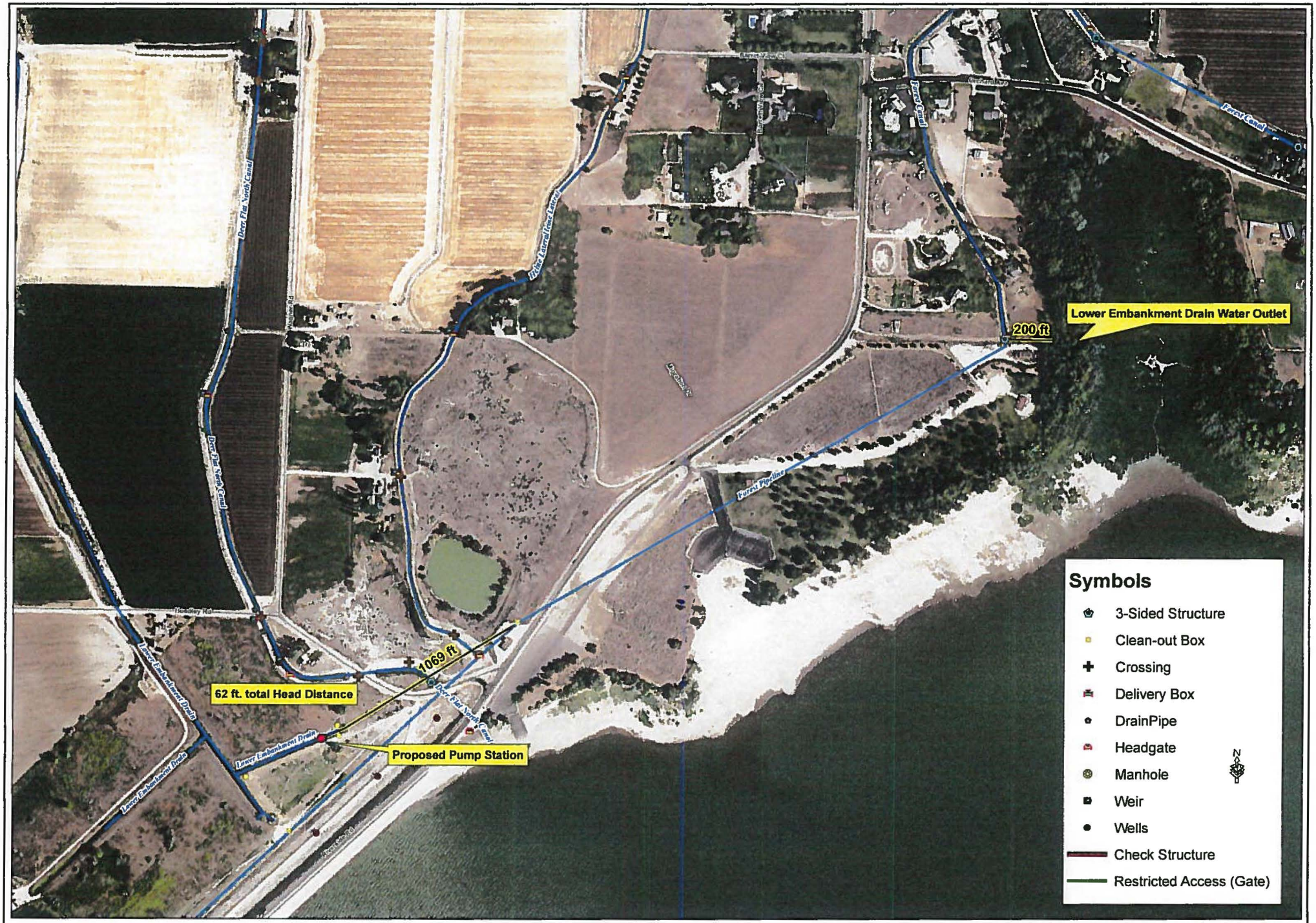
Material and Supplies

The prices of the project estimate are based on current quotes from material suppliers. A detailed breakdown of the materials needed is provided in the Budget Proposal.

Contractual

BPBC will contract for services of an outside vendor to perform the installation of the pump and the electrical labor to wire the power source to the pump. The attached quotation estimates $42,107.70 for the electrical labor to wire along with the pump, motor and variable frequency drive.

A new power extension line will be installed by Idaho Power. The attached quotation estimates $55,817.00 for a new line extension, facilities and any miscellaneous charges and/or permits required.



0 180 360 720 Feet

1:3,342

Boise Project Board of Control
Lower Embankment Drain Pump Project

Boise Project Board of Control
Lower Embankment Drain Pump Back

BUDGET PROPOSAL

Budget Item Description		$/Unit	Computation Unit	Quantity		Total Cost
SALARIES AND WAGES						
BPBC Labor					$	13,498.48
Subtotal - Salaries & Wages					$	13,498.48
FRINGE BENEFITS		28%		$ 13,498.48		3,779.57
Subtotal - Fringe Benefits						3,779.57
EQUIPMENT						
Machine Time	$	80.00	hr	120	$	9,600.00
Subtotal-Equipment					$	9,600.00
MATERIALS						
12" Gear Drive Butterfly valves	$	200.00		2	$	400.00
18" steel flanges	$	150.00		2	$	300.00
18"x12" Tee Steel	$	250.00		1	$	250.00
18'x12" Tee PVC	$	160.00		1	$	160.00
18" x 45 deg. Elbow	$	80.00		1	$	80.00
12" PVC 80 lb pipe	$	5.00		40	$	200.00
Concrete	$	105.00	cu. Yds	30	$	3,150.00
Steel Pipe					$	5,375.00
Steel	$	-			$	1,000.00
Brass Plate	$	3.50		1	$	3.50
Acetylene and Oxygen					$	100.00
Form Wire					$	45.00
Snap Ties					$	300.00
Form Oil	$	8.64	gallons	3	$	25.92
1' Gage	$	14.39		1	$	14.39
18" PVC 165 lb pipe	$	24.50	foot	1100	$	26,950.00
18" PVC 80 lb pipe	$	11.70	foot	200	$	2,340.00
Subtotal-Materials					$	40,693.81
CONTRACTUAL /CONSTRUCTION						
Riverside:Pump, motor, drive, and install labor	$	42,107.70	project		$	42,107.70
Idaho Power: Line Installation	$	55,817.00	project		$	55,817.00
Subtotal-Contractual/Construction					$	97,924.70
Total Project Costs					$	165,496.56

Attachments
Budget Supporting Documents

Quote

Riverside Inc.
PO Box 770 Parma, Idaho 83660
Office 208.722.6731 Fax 208.722.6736
Email riverside@rsicorp.net

Customer ID	Quote Date	Quote Number
BO SE PRO	5/18/2018	PRQ1271
Attn	cc	

Customer Information	Ship To Information
BOISE PROJECT BOARD OF CONTROL 17802 LOWELL RD CALDWELL, ID 83605	BOISE PROJECT BOARD OF CONTROL 17802 LOWELL RD CALDWELL, ID 83605

Quote By: RORY WALUND
PO #:
RFQ #:
Salesperson: House Employee
Phone: (208) 459-3981 x
Fax: (208) 455-0083 x
Terms: NET 30

Nameplate Information

Quote Information

Reason Sent For Repair: NEW 60 HP SHORT COUPLE PROP PUMP, INCLUDES MOTOR, VFD, AND ELECTRICAL WORK

Cause of Failure: ELECTRICAL WORK IS AN ASSUMPTION BASED ON WHERE INCOMING POWER IS IN PROXIMITY TO NEW PUMP STATION. ONLY COVERS ELECTRICAL WORK FROM POWER SOURCE TO VFD TO MOTOR. THIS DOES NOT INCLUDE ELECTRICAL FOR OUTLETS, LIGHTS, OR OTHER NON RELATED EQUIPMENT. PLUMBING IS NOT QUOTED.

Labor		Unit Price	Ext Price
1	ELECTRICAL LABOR TO WIRE FROM IPCO SOURCE TO VFD TO MOTOR	6,000.00	6,000.00
	Total for Labor :		**6,000.00**

Material		Unit Price	Ext Price
1	FREIGHT	0.00	0.00
1	MISC. SHOP SUPPLIES	0.00	0.00
1	AMERICAN MARSH PROP PUMP (LENGTH OF PUMP MAY INCREASE COST)	8,992.45	8,992.45
1	60 HP GE PREMIUM EFFECIENT VERTICAL HOLLOW SHAFT MOTOR	4,615.25	4,615.25
1	NEMA 3 60 HP VARIABLE FREQUENCY DRIVE WITH HARMONIC FILTER AND MANUAL BYPASS	22,500.00	22,500.00
	Total for Material :		**36,107.70**

Subtotal :	**42,107.70**
Tax :	**0.00**
Total for Quote PRQ1271 :	**42,107.70**

SIGNATURE:

DATE:

PO# (IF NOT ALREADY ISSUED):

Ship Via: Bestway

Page 1 of 1

May 18, 2016

Boise Project 3 Phase
Boise Project (Tim)
2465 W Overland Rd
Boise, Id 83705

Work Order Number:	27457844
Project Name:	Boise Project 3 Phase
Address or Job Location:	Riverside Rd
Project City, State, Zip	Caldwell Id 83605
In accordance with your request:	3 PHASE LINE EXTENSION TO SERVE PUMP AT DRAINAGES

Line Installation/Upgrade Costs (Line 1)	$	52,212.00
Line Installation Credits (Betterment, Salvage, Customer Trench) (Lines 2-4)		
Terminal Facilities (Line 6)	$	6,646.00
Customer Allowance (Line 7)	$	4,719.00
Salvage Terminal Credit (Line 8)		
Unusual Conditions (Line 10)		
Net Other Charges (Eng Charges, Permits, Misc Charges) (Line 25)	$	1,678.00
Amount to be paid and received prior to job being scheduled for construction. Quote good for sixty (60) days.	$	55,817.00

[X] Please remit payment.

[X] Please return signed and dated Service Request and Customer Cost document (attached).

[X] Please return signed and dated Work Order Map.

[ ] Other

Comments: QUOTE IS GOOD FOR 60 DAYS. DESIGNED FOR A 60HP PUMP. PLEASE SIGN AND DATE ALL PAPERWORK AND RETURN WITH PAYMENT.

Work order will not be released for construction scheduling until payment and/or requested documents are signed and returned. This quote is binding on the Company for a period of sixty days (60) from the date on this letter, and subject to change if information provided by the customer changes.

PLEASE RETURN SIGNED DOCUMENTS TO:

IDAHO POWER COMPANY
Rory Caldwell
2420 CHACARTEGUI LANE
NAMPA, ID 83687

If there are any questions, please contact:
Rory Caldwell
208-465-8624
Rcaldwell2@Idahopower.Com

RGS LSD (3/16)

IDAHO POWER
An IDACORP Company

Idaho Power Company
Service Request

Service Request Number: 00386479

BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR PUMP NEAR LAKE

Work Order Number:	27457844	Eng Hours:	00014
Request Type:	CS	Eng Fee Amount(Att98):	980.00
Rate Sch:	24	Eng Fee Amount(Att16):	
Reply By:		Eng Fee Service Agreement No:	
		Eng Fee Service Agreement Date:	
		Customer No:	
Feeder:	HSTN12C		
Service Location:	LOWELL RD CALDWELL		
Required in Service Date:	4/20/2016		
Planning Center/Team:	CCANYON		

Contact Detail:

CUST	BOB CARTER B.P.B.O.C. 2465 W Overland Rd, , BOISE ID 83705-3155	208-344-1141
IPCO	RORY CALDWELL , ,	208-465 8624
PYMT	BOB CARTER B.P.B.O.C. 2465 W Overland Rd, , BOISE ID 83705-3155	208-344-1141
RFND	BOB CARTER B.P.B.O.C. 2465 W Overland Rd, , BOISE ID 83705-3155	208-344-1141

Attribute Information
RES/COM

Service Voltage	277/480	No. Of Meters	1
Number of Phases	3	Meter Location	CUST POLE
KW Motor Load:		Ct Loc	
Largest Motor	60	Primary OH/UG	OH
1 Phase KW Demand		Service OH/UG	OH
3 Phase KW Demand	60	Srv Owner	IPCO
Vested Int. Connected Load	75	Panel Amp Size	100
Commercial Deposit Amount			

Description

VERSION 2 QUOTE INCLUDES TRANSFORMERS SIZED FOR 60HP PUMP. CUSTOMER MUST PROVIDE SOFT START.

PERMITTING FEES WERE ADDED INTO PRE-PAID ENGINEERING FEES.

Idaho Power Company
Service Request

Page: 1
Date: 6/13/2016

Service Request Number: 00386479

BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR PUMP NEAR LAKE

I understand that the information provided above is accurate to the best of my knowledge. Changes to load; voltage; location; etc may result in additional charges.

Client Signature Date

Idaho Power Representative Signature 6/13/16 Date

IDAHO POWER
An IDACORP Company

CUSTOMER COST QUOTE
IDAHO

Customer or Project Name:	Design Number:	Version:	Work Order #:
BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR 60 H	0000116272	003	27457844

Line Installation Cost	Prepaid Fees	Debit	Credit	Totals
1. Line Installation/Upgrade Costs		52,212		
2. Company Betterment / Other Credits			0	
3. Salvage IPCO - Credit			0	
4. Customer Provided Trench			0	
5. Net Line Installation Cost				52,212
Terminal Facilities				
6. Terminal Facilities		6,646		
7. Customer Allowance			4,719	
8. Salvage Term Credit			0	
9. Net Terminal Facilities				1,927
10. Unusual Conditions		0		
11. Bank Letter of Credit *(Only for Unusual Conditions over $10,000)*			0	
12. Net Construction Cost				54,139
13. Net Vested OR Refundable Construction Cost *(Limited to 5 years or 4 additional applicants)*				41,770
14. Construction Cost Not Available for Vesting or Refund				12,369
Other Charges				
15. Vested Interest Work Order #		0		
16. Billable Permits		0		
17. Prepaid Permits	$ 0			
18. Billable Engineering Charges		70		
19. Prepaid Engineering Charges	$ 2,400			
20. Underground Service Attachment Charge		0		
21 Relocation or removal with new capacity		0		
22 Relocation or removal with NO new capacity		1,608		
23 Salvage Credit Relocation			0	
24 Miscellaneous Charges/Adjustments		0		
25. Net Other Charges				1,678
26. Total Work Order Charges		$ 60,536		
27. Idaho Power Co. Contribution & Other Credits			$ 4,719	
28. Total Customer Payment Due (Line 12 + Line 25)				$ 55,817

Customer signature is required on Page 2 of this document

Notes: PERMIT FEES WERE ADDED INTO PRE-PAID ENGINEERING FEES

Customer or Project Name:	Design Number:	Version:	Work Order #:
BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR 60 H	0000116272	003	27457844

Total Customer Payment Due Prior to Construction Scheduling $ 55,817

Notice: This Customer Cost Quote shall be binding on both Idaho Power Company ("Idaho Power") and Customer for a period of sixty (60) days from the date below indicated, subject to changes in information provided by Customer or changes in Idaho Power's ability to obtain satisfactory rights-of-way or to comply with governmental regulations, including but not limited to the rules, regulations, and tariffs of the Idaho Public Utilities Commission ("IPUC") and the Public Utility Commission of Oregon ("OPUC"). Customer must make payment of the quoted amount not less than thirty (30) days prior to the start of the construction work set forth above (the "Work"), but Idaho Power does not represent that the Work will commence within 30 days of receipt of payment. The start of the Work is subject to Idaho Power's ability to obtain the necessary labor, materials and equipment.

Prior to commencement of the Work, Customer shall identify for Idaho Power the location of all underground pipes, lines, and other facilities (collectively, the "Underground Lines") that may be on Customer's property where Idaho Power is working. Customer agrees to be responsible for identification and location of all Underground Lines and shall indemnify, defend, reimburse and hold harmless Idaho Power and its successors and their respective directors, officers, members, employees, representatives, and agents for, from, and against any and all claims, liabilities, losses, damages, expenses, suits, actions, proceedings, judgments and costs of any kind (collectively, "Damages"), whether actual or merely alleged and whether directly incurred or from a third party, arising out of or relating to Customer's failure to properly or adequately identify and locate the Underground Lines, except to the extent finally determined by a court of law that such Damages resulted from the gross negligence or willful misconduct of Idaho Power, its agents, subcontractors, employees, officers or directors.

Customer acknowledges Idaho Power's Rule C (Service and Limitations) Section 7 (Rights of Way) on file with the IPUC and OPUC: "The Customer shall, without cost to the Company, grant the Company a right of way for the Company's lines and apparatus across and upon the property owned or controlled by the Customer, necessary or incidental to the supplying of Electric Service and shall permit access thereto by the Company's employees at all reasonable hours." By signing this form, Customer grants to Idaho Power a perpetual right-of-way over Customer's property for the installation, operation, replacement and maintenance of power facilities to provide electrical service to Customer and any future owners of Customer's property.

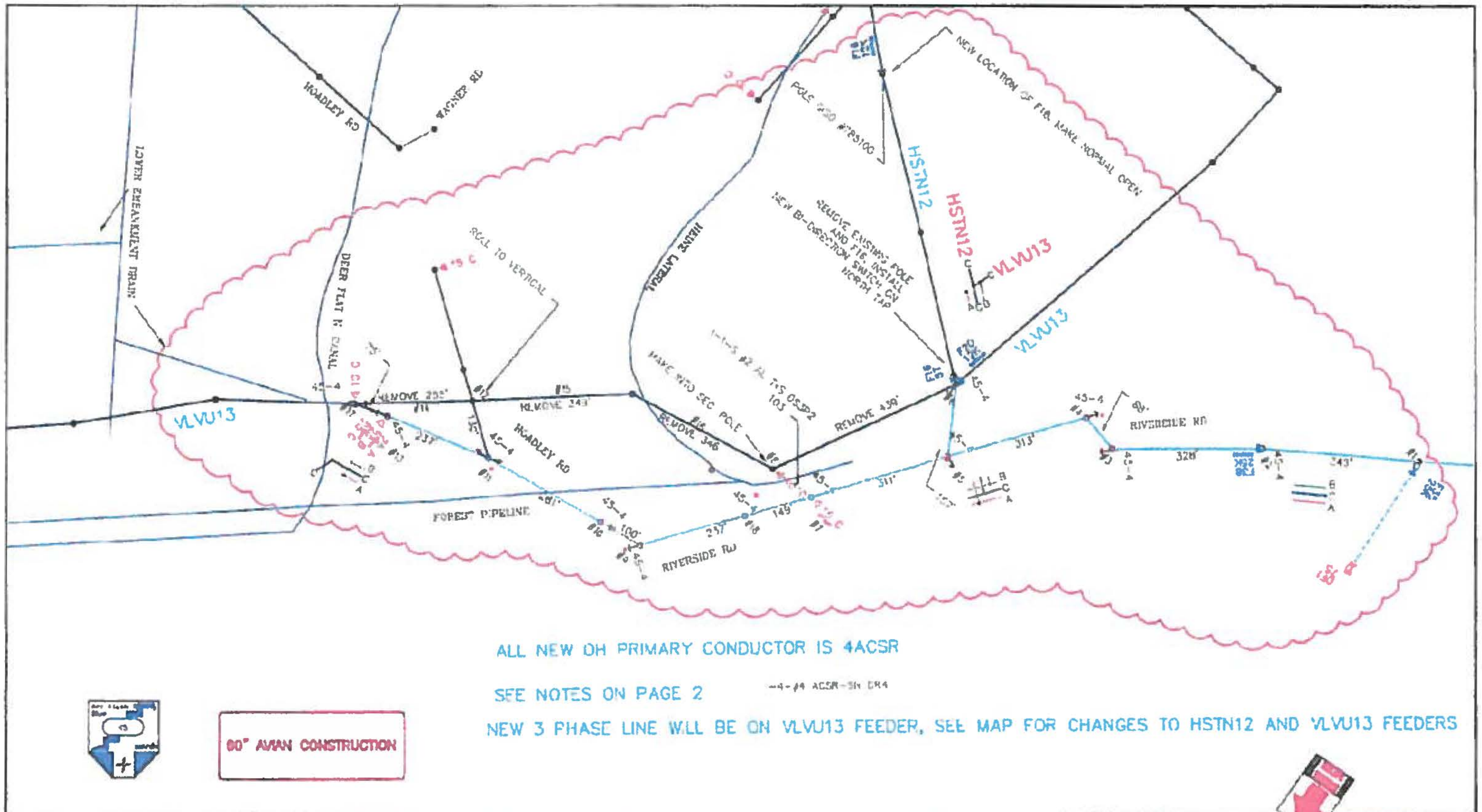
N/A (Customer Initials) Charges for relocation, transfer or removal of non-Idaho Power equipment attached to Idaho Power Facilities are not included in this Cost Quote. It is the Customer's responsibility to coordinate this work with the affected utility. All charges associated with this work are the responsibility of the Customer. For utility contact information, please call 208-388-2886.

N/A (Customer Initials) Charges for installation of underground electrical service are not included in this Cost Quote and will be billed to the customer after work has completed.

N/A (Customer Initials) The customer acknowledges receipt of the reduced charge option brochure/packet, also available at idahopower.com

Customer Signature X _____ Date X _____

IPCo Representative X _____ Quotation Date X 6/13/16



EWPP:BP

Job Title: BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR PUMP

Additional Description: 3 PH OH LINE EXTENSION FOR PUMP STATION 60HP PUMP.

Additional Description: CUSTOMER MUST PROVIDE SOFT START MOTOR.

Feeder Map File Name: VLVU1302

Qtr: 2 | Twn: 03N | Rng: 03W | Sec: 17 | BM

State: ID | County: Canyon

Surveyed or GPS: GPS
Joint Use Attachment: NO
Pre-Built Date: ----
Built as Designed: ----
Construction Date: ----
Operating Voltage: 12.5 kV

FOR By: ----
Date: ----
As/FM By: ----
Date: ----

Customer
Date:

Designer: RPC1977
Design No: 0000116272
Work Order No: 27457844

IDAHO POWER Co WORK ORDER MAP

SCALE: 1" = 200

Sheet 1 of 2

CREW NOTES: PT. 1. INSTALL DE-BELLS AND JUMPERS FOR LINE EXTENSION TO NEW PUMP POINT.
PT. 2. EXTEND 4ACSR 348' TO 45C4 POLE. INSTALL 25K FUSED DISCONNECT
PT. 3. EXTEND 4ACSR 328' TO 45C4 POLE. DOWNGUY, DE ARM
PT. 4. EXTEND 4ACSR 88' ACROSS RIVERSIDE RD TO 45C4 POLE, DOWNGUY
PT. 5. EXTEND 4ACSR 313' TO 45C4 POLE, SIDEWALK GUY, INT. EXISTING PHASE
PT. 6. EXTEND 4ACSR 157' TO 45C4 POLE, TWO DOWNGUYS, INSTALL BI-DIRECTIONAL FUSE, REMOVE OLD POLE
PT. 7. EXTEND 4ACSR 311' TO 45C4 POLE, INSTALL 15KVA XMFR
PT. 8. INSTALL 103' OF #2 SEC TX, MAKE POLE INTO SEC. POLE, REMOVE XFMR
PT. 18. INSTALL 45C4 POLE, 149' OF 4ACSR
PT. 9. EXTEND 4ACSR 311' TO 45C4 POLE, INSTALL DOWNGUY, ROAD XING
PT. 10. EXTEND 4ACSR 100' TO 45C4 POLE, INSTALL DOWNGUY
PT. 11. EXTNED 4ACSR 281' TO 45C4 POLE, THREE DOWNGUYS, JCT POLE
PT. 12. EXTEND 130' 4ACSR C PHASE TO EXISTING POLE
PT. 13. EXTEND 4ACSR 237' TO 45C4 POLE. INSTALL 25KVA 277/480 XFMR BANK, TWO DOWNGUYS
EXTEND C PHASE TO PT. 17
PT. 17. INSTALL 45C4 POLE AND 75' OF 4ACSR, INSTALL DOWNGUY, REMOVE EX. POLE AND 10KVA XFMR.
PT. 14. REMOVE 255' OF #6 3SS
PT. 15. REMOVE 349' OF #6 3SS AND 40C4 POLE
PT. 16. REMOVE 346' OF #6 3SS
PT. 19. INSTALL BK18 AND 12K SWITCH, MAKE NORMAL OPEN FOR LISTN12

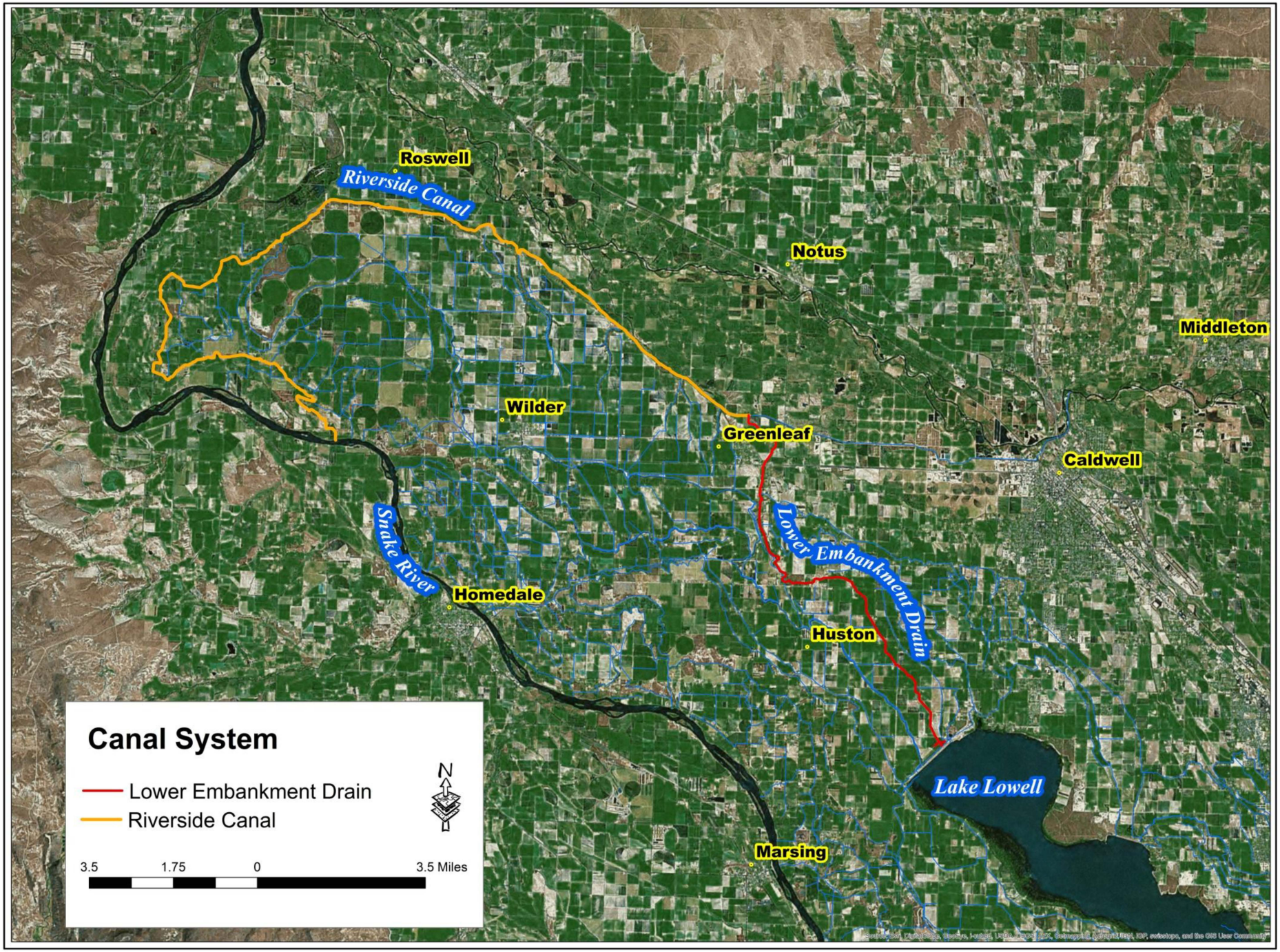
FLAGGERS WILL BE REQUIRED AT POINTS 1-4 AND 7,18,9
CUST: BOISE PROJECT BOARD OF CONTROL, TIM PAGE OR BOB CARTER 344-1141
IPCO: RORY CALDWELL 465-8624

Job Title: BOISE PROJECT-LOWELL RD, CALDWELL 3PH EXT FOR PUMP	Feeder Map File Name: VLVU1302	Surveyed or CPS: GPS; Joint Use Attachment: NO	PDR By: —	Designer: RPC1977
Additional Description: 3 PH OH LINE EXTENSION FOR PUMP STATION 60HP PUMP	Dist 2, Twn 03N, Rng 03W, Sec 17, BM	Pre Built Date: —; Built as Designed: —	Date: — ; AL/FM By: —	Design No. 0000116272
Additional Description: CUSTOMER MUST PROVIDE SOFT START MOTOR	State ID, County Canyon	Construction Date: —; Operating Voltage: 12.5 kV	Date: —	Work Order No. 27457844

IDAHO POWER Co. WORK ORDER MAP — SCALE: 1" = 200 — Sheet 2 of 2

Lower Embankment Pump Project

Tim Page
Project Manager


Roswell
Riverside Canal
Notus
Middleton
Wilder
Greenleaf
Caldwell
Snake River
Lower Embankment Drain
Homedale
Huston
Lake Lowell
Marsing
Canal System
Lower Embankment Drain
Riverside Canal
N
3.5
1.75
0
3.5 Miles


Lower Embankment Drain Pump Project
200 ft
1069 ft
Deer Flat North Canal
Heine Lateral
Forest Canal
Forest Canal
200 ft
Lower Embankement Drain Water Outlet
Forest Pipeline
Lower Embankment Drain
1069 ft
Proposed Pump Station
62 ft. Total Head Distance

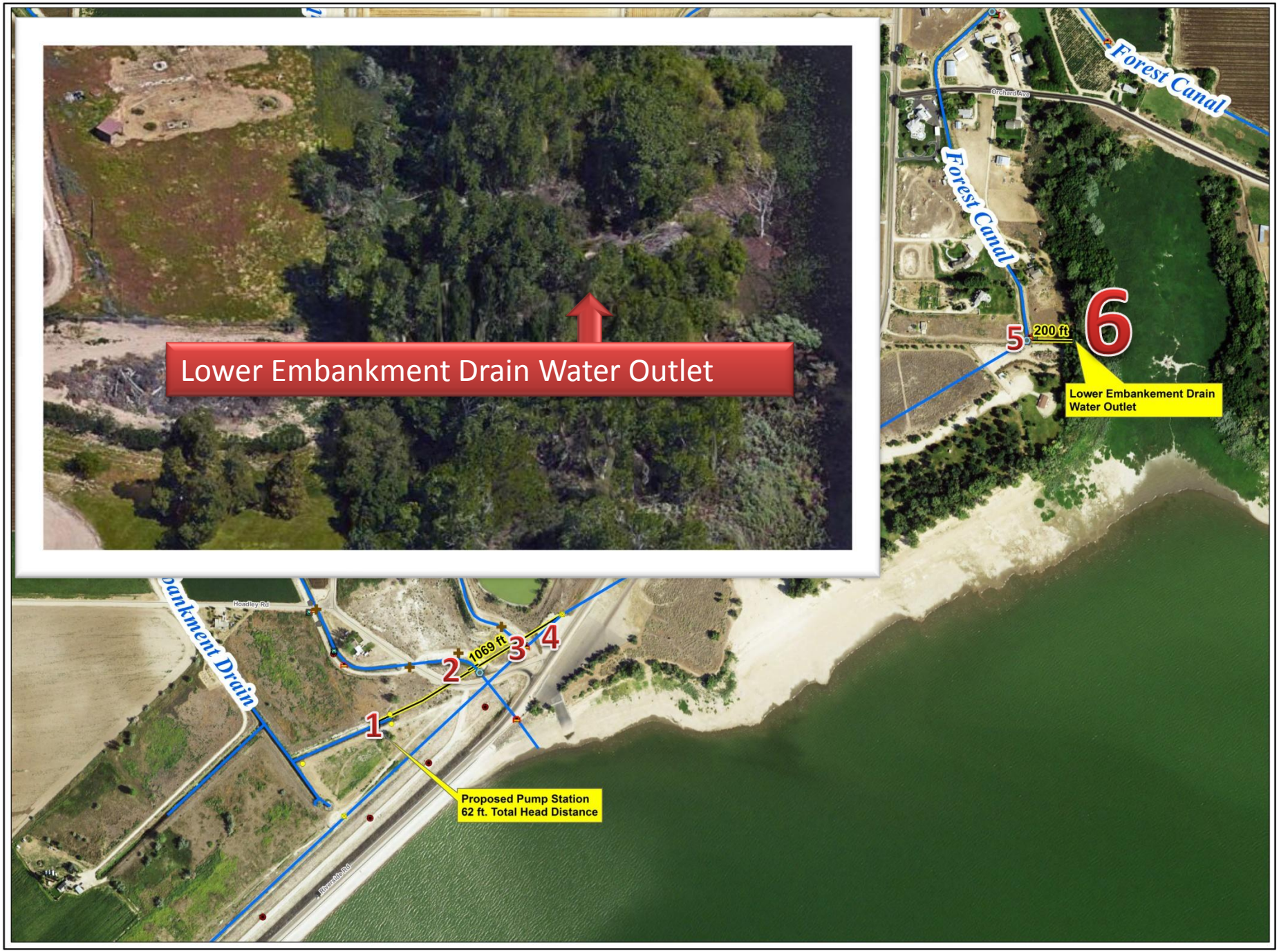

Deer Flat North Canal
Lower Embankment Drain
Wagner Rd
Hoadley Rd
Riverside Rd
1
Proposed Pump Station
62 ft. Total Head Distance
Lower Embankment Drain Pump


Deer Flat North Canal
Lower Embankment Drain
Wagner Rd
Hoadley Rd
Riverside Rd
2
1
9 ft
Proposed Pump Station
62 ft. Total Head Distance
Deer Flat North Canal Discharge Area


Deer Flat North Canal
Lower Embankment Drain
Wagner Rd
Hoadley Rd
Riverside Rd
1
2
3
1069 ft
Proposed Pump Station
62 ft. Total Head Distance
Heine Lateral Discharge Site


Deer Flat North Canal
Lower Embankment Drain
Wagner Rd
Hoadley Rd
Riverside Rd
1
2
3
4
1069
Proposed Pump Station
62 ft. Total Head Distance
Enters Forest Pipeline Here


Forest Pipeline Exits Here
Forest Canal
Orchard Ave
Forest Canal
5
200 ft
Lower Embankement Drain
Water Outlet
Embankment Drain
Hoadley Rd
1069 ft
1
2
3
4
Proposed Pump Station
62 ft. Total Head Distance
River Rds Rd


Lower Embankment Drain Water Outlet
Forest Canal
Forest Canal
Orchard Ave
5
200 ft
6
Lower Embankement Drain
Water Outlet
Hoadley Rd
1069 ft
1
2
3
4
Proposed Pump Station
62 ft. Total Head Distance
Riverside Rd


Deer Flat North Canal
Heine Lateral
Forest Canal
Forest Canal
Forest Pipeline
Lower Embankment Drain
Wagner Rd
Hoadley Rd
Riverside Rd
Lake View Cir
Barrel View Ct
Barrel View Cir
Orchard Ave
Marathon Dr
5
200 ft
6
Lower Embankement Drain
Water Outlet
1
2
069 ft
3
4
Proposed Pump Station
62 ft. Total Head Distance

Questions?

Contact information:

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MATERIALS MAY BE PROVIDED AT THE

IWRB MEETING