AGENDA
IDAHOT WATER RESOURCE BOARD

Work Session for Board Meeting No. 3-18
March 22, 2018
8:00 a.m.
Idaho Water Center
Conference Rooms B, C & D
322 E Front Street
BOISE

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: Water Rights
   Following adjournment of Executive Session – meeting reopens to the public.
3. Water Bank Annual Report
4. Rental Pool Procedures
5. Goose Lake Reservoir Co.
6. Lost Valley Reservoir Enlargement
7. ESPA Recharge Update
8. Treasure Valley Groundwater Model Update
9. Water Supply Update
10. Bear Lake Update
11. Storage Projects Update
12. Wood River Recharge Potential
13. Beaver Dam Presentation

* The Board will break for lunch at approximately 11:45 a.m.

Finance Committee Meeting No. 2-18
March 22, 2018 upon adjournment of the Work Session
Idaho Water Center
Conference Rooms B, C & D
322 E Front Street
BOISE

1. Introductions and Attendance
2. MHAFB Water Sustainability Project Update
3. IDWR FY19 Budget
4. Secondary Aquifer Fund FY19 Budget Process
5. Non-Action Items for Discussion
6. Adjourn

Committee Members: Vince Alberdi, Chair, Al Barker, Dale Van Stone, Roger Chase,

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 nikki.regent@idwr.idaho.gov or by phone at (208) 287-4800.
Memorandum

To: Idaho Water Resource Board
From: Remington Buyer
Date: March 12, 2018
Re: Water Supply Bank Annual Report

REQUIRED ACTION: None.

Enclosed with this memo are copies of the Water Supply Bank annual reports for calendar year 2017, summarizing lease and rental activity within the storage water rental pools and the Board’s bank. A presentation highlighting key information from the annual reports will be presented to the IWRB members.

Idaho Water Supply Bank
2017 Rental Pools Report
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Introduction & Background

The Water Supply Bank is a water exchange market operated by the Idaho Water Resource Board (IWRB; Board), through the Director of the Idaho Department of Water Resources (IDWR), in association with water districts with IWRB-appointed local rental committees, to facilitate the acquisition and voluntary exchange of water rights, for new and supplemental water uses.

The Bank is operated pursuant to sections 42-1761 through 42-1766 Idaho Code, and Idaho Administrative Code IDAPA 37.02.03 (Water Supply Bank Rules). IDWR staff process the lease and rental of water rights, while IWRB-appointed local committees facilitate the lease and rental of water through regional rental pools.

Rental pools exist to facilitate the lease and rental of storage water from reservoirs on the Snake River, above Milner Dam (Water District 01 Rental Pool), as well as the Boise River watershed (Water District 63 Rental Pool), and the Payette River watershed (Water District 65 and 65-K Rental Pools). Additionally, a rental pool exists to facilitate leases and rentals of natural flow water rights in the Lemhi River watershed (Water District 74 Rental Pool) and the Shoshone-Bannock Tribes operate a Tribal Water Supply Bank to lease and rent Tribal storage water from Palisades and American Falls reservoirs. This report summarizes storage water lease and rental transactions during 2017 within the water district 01, 63, 65 and 65-K rental pools.

Rental Pool Structure

Through a lease, water supplies are credited to regional rental pools, following which, they can be rented from the rental pool to satisfy new and supplemental water uses. The Water Supply Bank is authorized to change the elements of water rights credited to the Bank, and the elements of storage water rights associated with and/or equivalent to storage water entitlements leased and credited to a rental pool can similarly be changed via a rental of water from a rental pool. Common pools and private pools exist within regional rental pools to facilitate leases and rentals; water supplies credited to common pools are rented at fixed, pre-established rental prices, while water leased to private pools can be rented at negotiated rental rates.
2017 Activity Summary

A sum total of 596,018 acre-feet (AF) of storage water was leased to the rental pools of Water District Nos 1, 63, 65, and 65-K during 2017, of which, 556,557 AF (94%) was rented for new and supplemental water uses. The United States Bureau of Reclamation (USBOR) rented 412,151 AF (74%) of all water during 2017, to satisfy annual flow augmentation commitments. USBOR flow-augmentation activities were accomplished through the rental of 253,719 AF of storage water from common pools and USBOR also leased and rented to itself uncontracted storage water totaling 158,432 AF. Conversely, 144,406 AF of storage water was rented during 2017 by water users in Idaho who sought authorization to satisfy new and supplemental water uses.

The Board levied a 10% administrative surcharge on all rental pool rentals, which in 2017 resulted in revenue of $553,014.77. The following is a brief summary of 2017 regional rental pool activity.

Upper Snake Rental Pool, Water District No. 1

The Upper Snake Rental Pool is comprised of storage water from Henrys Lake, Island Park, Grassy Lake, Jackson Lake, Palisades Reservoir, Ririe Reservoir, American Falls Reservoir, Lake Walcott and the Milner Pool. The rental pool features both a common rental pool and a private rental pool. Within the common pool, 5,000 AF of storage is dedicated to a small pool (to accommodate rentals of less than 100 AF), while a large pool of 60,000 AF exists to satisfy requests by rental pool participants, where the rental volume exceeds 100 AF. The common pool also features a segment dedicated to satisfying USBOR flow augmentation rentals, per annual lease and rental volumes established based on a pre-determined schedule (see Table 1 on the next page).

The price to rent storage water from the Upper Snake River Rental Pool common pool is established by approved rental pool procedures. Small and large common pool rental prices vary annually and are a function of whether the reservoir system fills in a given year, as well as whether USBOR is able to rent the prescribed volumes established on Table 1. For 2017, the rental rates prescribed were as follows:

- $ 6.00/AF - if the storage system fills; or
- $14.50/AF - if the storage system does not fill, but USBOR can rent the agreed upon flow-augmentation volumes agreed upon in Table 1 (on the next page); or
- $22.00/AF - if the storage system does not fill and USBOR is unable to rent the prescribed volume as established on Table 1 (on the next page).

For 2017, the Upper Snake Rental Pool common pool rental rate was $6.00/AF. The price for USBOR flow-augmentation rentals was $14.50/AF.
<table>
<thead>
<tr>
<th>November 1 Carryover</th>
<th>Stipulated Augmentation Rental Water District 1</th>
<th>April 1 to Sept 30 Heise Forecast</th>
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Table 1 - USBOR Annual Flow Augmentation Rental Volumes
Negotiated rental pricing is also possible within the Upper Snake River Rental Pool. Water users holding title to the use of storage water within the Upper Snake reservoir system can lease their storage water into the Upper Snake River Rental Pool private pool, at negotiated, variable rental rates. Additionally, a supplemental pool exists to satisfy rental requests for hydropower generation below Milner Dam and the price for such rentals are also variable and not fixed by prescribed procedure.

The IWRB collected 10% of the gross rental price for storage water rented through the Upper Snake Rental Pool. However, where a private pool rental does not involve rental fees, no rental fee is levied by the IWRB.

During 2017, 190,474 AF of water was rented from the common pool, of which 185,000 AF was rented by USBOR for flow augmentation purposes, and 5,474 AF was rented by rental pool participants for “in-basin” purposes. USBOR also leased and rented to itself 22,500 AF of uncontracted storage water. A total of 132,454.7 AF of water was privately leased and rented by Upper Snake River water users for other “in-basin” purposes. In total, 345,428.7 AF of water was rented from the Water District 1 rental pool during 2017, resulting in IWRB rental pool revenue of $454,694.05.

**Boise River Rental Pool, Water District No. 63**

The Boise River Rental Pool consists of storage water from Anderson Ranch, Arrow Rock, Lucky Peak and Lake Lowell reservoirs. Per Water District 63 Rental Pool procedures in effect for 2017, the rental rate for storage water was $14.27/AF, with the Board receiving $1.43 per AF rented. A total of 24,788 AF of storage water was leased into the Boise River Rental Pool common pool during 2017, of which 21,880 AF was rented by USBOR for “out-of-basin” flow augmentation purposes, and 2,908 AF was rented for “in-basin” purposes. USBOR also leased and rented to itself 40,932 AF of uncontracted storage water, for “out-of-basin” flow augmentation purposes.

The IWRB collected 10% of the gross rental price for storage water rented through the Boise River Rental Pool, generating $35,446.84 from the rental of 65,720 AF during 2017.
Payette River Rental Pool, Water District No. 65

The Payette River Rental Pool consists of storage water from lakes and reservoirs on the Payette River system. Per Water District 65 Rental Pool procedures in effect for 2017, the rental rate for “in-basin” common pool rentals was $2.00/AF while the “out-of-basin” rental rate was $14.27/AF. The IWRB collected 10% of the gross rental price for storage water rented through the Payette River Rental Pool.

A total of 89,576.1 AF of water was leased to the Payette River Rental Pool common pool during 2017, of which 3,276.1 AF was dedicated for “in-basin” rentals, while 86,300 AF was dedicated to “out-of-basin” purposes. Fully 3,276.1 AF was rented for “in-basin” uses while USBOR rented 44,039 AF for “out-of-basin” (flow augmentation) activities and the IWRB rented 2,800 AF from the common pool for “out-of-basin” purposes (to exchange Payette reservoir system storage water with storage water in the Upper Snake reservoir system). As such, of the 89,576.1 AF of storage water leased to the Payette River Rental Pool, 50,115.1 AF was rented, and 39,461 AF remained unrented. Additionally, USBOR leased and rented to itself 95,000 AF of uncontracted storage water, bringing the sum total of storage water rented from the Payette River Rental Pool during 2017 to 145,115.1 AF.

IWRB revenue from administrative fees associated with the rental of the 145,115.1 AF of water from the Water District 65 rental pool was $63,630.99 for 2017.

Lake Fork Rental Pool, Water District No. 65-K

The water advisory committee of Water District 65-K (Lake Fork of the Payette River) is authorized to facilitate leases and rentals of storage water within Water District 65-K. The water rental rate for 2017 was $14.88/AF. A sum total of 293.21 AF of storage water was rented from the Lake Fork Rental Pool during 2017, generating administrative fee revenue of $436.34 for the IWRB.
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Introduction & Background
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The Bank is operated pursuant to Sections 42-1761 through 42-1766 Idaho Code, and Idaho Administrative Code IDAPA 37.02.03 (Water Supply Bank Rules). IDWR staff process the lease and rental of water rights, while IWRB-appointed local committees facilitate the lease and rental of water through regional rental pools. This report summarizes calendar year 2017 lease and rental transactions processed by IDWR staff.

2017 Activity Summary
Demand to lease water rights into the Bank declined for second consecutive year, as evidenced by a drop in 2017 of the total number of water right leases proposed and processed. However, demand for water right rentals remained strong and the total number and associated volumes of water rented from the Bank was approximately equivalent to 2016 rental amounts. More than five hundred thousand dollars was paid out to water right holders whose water rights were rented from the Bank during 2017.

Continued advances in early-season application processing enabled the Board’s Bank to process more lease and rental applications earlier in the year, which also enabled earlier payout of rental compensation to water right lessors. Additionally, familiarity with recently developed Water Supply Bank software, and the addition of a new full-time Water Supply Bank specialist to the Water Supply Bank administrative team, will enable further efficiency gains to be realized in 2018.

2017 Accomplishments
Key accomplishments of the Water Supply Bank during the past year include:
- **Improved staff efficiencies**: staff time dedicated to processing Water Supply Bank transactions declined to 5400 hours (equivalent to 2.6 FTEs, based on a 2080 hour work year), from 5885 hours allocated in 2016 (equal to 2.8 FTEs) and 6451 hours allocated in 2015 (equivalent to 3.1 FTEs);
- **Improved technology resources**: Incremental improvements have been implemented to WSB technology resources, specifically our WSB software system and a new web-based water right lease search tool, which has contributed to improved efficiencies of IDWR staff time allocated to the WSB.
2017 Activity Summary

As evidenced by the graph below, demand to deposit water rights into the Bank declined after 2015, though requests to rent water rights remained consistent.

![Graph showing total applications processed from 2010 to 2017](image)

**Chart 1. Total applications processed, 2010 - 2017**

The Water Supply Bank requires one lease application per water right and one rental application per requested beneficial use. The cost to submit a lease application is $250. Where multiple water rights are stacked together, the Bank caps the lease application filing fee at a maximum of $500. There is no cost to submit a rental application.

The 296 water rights proposed for deposit into the Bank during 2017 represented a real year-over-year decline of 42 water rights (or -12%). Interestingly, the 12% decline in water right leases did not contribute to a decline in revenue generated from the processing of lease applications; lease application filing fees received actually increased by $8,250.00 during 2017, which is a departure from the outcome of the lease application decline from 2015 to 2016, which contributed to a real revenue decline of $29,000. The increased revenue generated from fewer leases processed is likely attributable to a decrease in the number of stacked water rights proposed for lease to the Bank during 2017.

Commensurate with the decline in the total number of water rights leased into the Bank during 2017, the total number of water rights transferred through the Bank to authorize companion rental applications also declined during 2017.
Companion Applications

As Chart 2 shows below, 97 of 296 water rights proposed for lease into the Bank during 2017—approximately one of every three water rights leased—were leased for the purposes of authorizing a specific companion rental application.

![Chart 2. Companion applications as a percentage of lease applications, 2013-2017](image)

Corresponding to the decrease in the proportion of leases submitted to accommodate companion rentals, the total number of pre-established, companion lease-rental packages processed in 2017 also declined, down from 181 in 2016 to 140 in 2017, an annual real decrease of 23%. However, companion lease-rental transactions still accounted for one third of all rentals processed during 2017.

![Chart 3. Companion applications as a percentage of all Bank applications, 2013-2017](image)
Application Processing Times

Staying consistent with efforts begun in 2014, the Bank continued to process as many rentals as early as possible. Whereas prior to 2014, the Bank processed a majority of rentals in April, May, June and July, the most active months for the executing rental requests during 2017 was January, February and March.

![Chart 4. Lease and Rental Application Processing, by month, during 2017](chart)

![Chart 5. 2017 Application Processing & Processing Averages, 2013-2017](chart)
As evidenced in Chart 5 on the preceding page, where a monthly red bar is above the red trendline, a greater-than-average number of rental requests were processed, specifically, in January through March. The payoff from this effort was that water users who submitted rental requests in 2016 and early 2017 received certainty that they had an authorization from IDWR prior to the start of the irrigation season. The total number of lease and rental applications received and processed in 2017 is summarized in Table 1 below.

<table>
<thead>
<tr>
<th>Month</th>
<th>Lease Applications Received</th>
<th>Active Lease Applications</th>
<th>Lease Applications Processed</th>
<th>Rental Applications Received</th>
<th>Active Rental Applications</th>
<th>Rental Applications Processed</th>
<th>Total Applications Received</th>
<th>Total Application Pending</th>
<th>Total Applications Processed</th>
<th>Lease App Percentage Processed</th>
<th>Rental App Percentage Processed</th>
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<td>18</td>
<td>128</td>
<td>36</td>
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<td>February</td>
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<td>43</td>
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<td>38</td>
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<td>March</td>
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<td><strong>122</strong></td>
<td><strong>142</strong></td>
<td><strong>81</strong></td>
<td><strong>418</strong></td>
<td><strong>71%</strong></td>
<td><strong>29%</strong></td>
</tr>
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</table>

**Table 1. Application Processing Data from 2017**

**Annual Rental Volumes**

There was a slight decrease in the total volume of water rented from the Bank during 2017. Chart 6 below shows the total volume rented in recent years, while Chart 7 on the following page plots the total volume of water rented in 2017, by basin.
Consistent with trends observed during the past five years, the majority of water rented during 2017 was from Basins 2 (the Snake River below Milner Dam), 21 (Henrys Fork of the Snake River), 35 (American Falls region, ESPA ground water) and 37 (Wood River Valley & Camas Prairie), as seen more clearly in Tables 2 & 3 below:

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<td></td>
</tr>
<tr>
<td>35</td>
<td>ESPA - American Falls</td>
<td>6200</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Big Wood River Basin</td>
<td>5200</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Blackfoot Basin</td>
<td>4100</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>45100</strong></td>
<td><strong>64%</strong></td>
<td></td>
</tr>
</tbody>
</table>
2017 Financial Summary

Revenue for the Board’s Bank increased by 4% in 2017, even though there was a 12% decline in the number of lease applications processed in 2017. This was likely attributable to a decrease in the number of stacked water rights being leased to the Bank. A sum total of one hundred and sixty nine thousand dollars was generated last year, primarily through rental administrative fees.

![Annual Lease, Rental and Aggregate Bank Revenue Chart](chart8)

**Chart 8. Annual revenue from lease application filing fees and rental admin fees**

The additional revenue generated per lease application can be seen in Chart 9 below, where leases as a percentage of total revenue edged up slightly, to 34% of total revenue generated for the Bank.

![Annual Lease & Rental Revenue Comparisons Chart](chart9)

**Chart 9. Annual revenue from leases and rentals as a percentage of total revenue**
An analysis of revenue & expenditures per hour is provided below in Chart 11, which contrasts hourly staff expenditures to hourly revenue figures. During 2017, the total number of staff hours billed to the Bank was 5,400. Dividing total expenditures billed during 2017 ($254,000.00) by the total hours worked, provides an hourly staff expenditure rate of $47.04/hour. Alternatively, dividing total revenue generated from processing and administering 2017 lease and rental transactions ($169,000.00) by the total hours worked, provides an hourly revenue realization of $31.32/hour. The difference between these two figures, charted in Chart 11 below, shows that the hourly cost to operate the Bank remains negative, at $15.72/hour.

Chart 11. Revenue and Expenditure per hour, 2015 through 2017

The hourly operational cost of the Bank improved last year, and further improvements to make the operational cost of the Bank revenue neutral or positive, can be realized through increased efficiencies in the allocation and utilization of human, technology and knowledge resources dedicated to the Bank, as well as through improved capture of revenue from the processing and management of lease and rental transactions.

Research is being undertaken during 2018, through a Water Supply Bank strategic engagement process, to better identify cost centers and efficiency opportunities to increase revenue per hour and/or applications processed.

Annual revenue, expenditures and warrant payouts are summarized in Table 4 and Chart 12 on the proceeding page.
### Table 4. Bank revenue, warrant payouts, expenditures and End-of-Year totals

<table>
<thead>
<tr>
<th>Year</th>
<th>Lease Filing Fees Collected</th>
<th>Rental Fees Collected</th>
<th>Warrants Paid to Lessors</th>
<th>Rental Admin Fees Retained by Bank</th>
<th>Total Bank Revenue Collected</th>
<th>Bank Operational Costs</th>
<th>Bank Operating Balance</th>
<th>Operations Costs as a % of Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$0</td>
<td>$108,283.00</td>
<td>$85,000.00</td>
<td>$23,283</td>
<td>$23,283</td>
<td>-$117,852.00</td>
<td>-$94,569.00</td>
<td>506%</td>
</tr>
<tr>
<td>2011</td>
<td>$28,000</td>
<td>$192,824.00</td>
<td>$144,000.00</td>
<td>$48,824</td>
<td>$76,824</td>
<td>-$117,852.00</td>
<td>-$41,028.00</td>
<td>153%</td>
</tr>
<tr>
<td>2012</td>
<td>$40,500</td>
<td>$542,700.03</td>
<td>$447,146.91</td>
<td>$95,553.12</td>
<td>$136,053.12</td>
<td>-$126,270.00</td>
<td>$9,783.12</td>
<td>93%</td>
</tr>
<tr>
<td>2013</td>
<td>$42,500</td>
<td>$605,044.97</td>
<td>$502,120.77</td>
<td>$102,924.20</td>
<td>$145,424.20</td>
<td>-$203,435.00</td>
<td>-$58,010.80</td>
<td>140%</td>
</tr>
<tr>
<td>2014</td>
<td>$75,000</td>
<td>$694,612.24</td>
<td>$584,730.16</td>
<td>$109,882.08</td>
<td>$184,882.08</td>
<td>-$257,445.65</td>
<td>-$72,563.57</td>
<td>139%</td>
</tr>
<tr>
<td>2015</td>
<td>$78,000</td>
<td>$692,499.70</td>
<td>$580,000.00</td>
<td>$112,499.70</td>
<td>$190,499.70</td>
<td>-$284,000.00</td>
<td>-$93,500.30</td>
<td>149%</td>
</tr>
<tr>
<td>2016</td>
<td>$48,750.00</td>
<td>$728,560.46</td>
<td>$615,826.00</td>
<td>$112,734</td>
<td>$161,484.46</td>
<td>-$275,000.00</td>
<td>-$113,515.54</td>
<td>170%</td>
</tr>
<tr>
<td>2017</td>
<td>$57,000.00</td>
<td>$660,577.39</td>
<td>$548,000.00</td>
<td>$112,577.39</td>
<td>$169,577.39</td>
<td>-$254,000.00</td>
<td>-$84,422.61</td>
<td>150%</td>
</tr>
</tbody>
</table>

### Chart 12. Bank revenue, operational costs and warrant payouts to water right holders
SEE TAB 11 IN THE BOARD MEETING MATERIALS SECTION
SEE TAB 10 IN THE BOARD MEETING MATERIALS SECTION
SEE TAB 5 IN THE BOARD MEETING MATERIALS SECTION
SEE TAB 12 IN THE BOARD MEETING MATERIALS SECTION
Memorandum

To: Idaho Water Resource Board
From: Sean Vincent
Date: March 9, 2018
Re: Treasure Valley Groundwater Model Update

REQUIRED ACTION: None

I will provide an update at the March 22 Work Session on the subject groundwater modeling project. Among other topics, the presentation will cover ongoing data collection activities, the establishment of modeling objectives, progress toward development of a hydrogeologic conceptual model, and the schedule for upcoming work.
2018 Idaho Water Supply Outlook

Presented by Liz Cresto
March 22, 2018
Presentation on March 22, 2018 will be updated to reflect current conditions.
Current Snowpack
44% - 122% of median.
Westwide Snowpack

Westwide SNOTEL Current Snow Water Equivalent (SWE) % of Norm

Mar 08, 2018

Notice: We anticipate this map will not be available next year due to staffing constraints. Alternate maps: https://go.usa.gov/xnzxk

Current Snow Water Equivalent (SWE) Basin-wide Percent of 1981-2010 Median

- Data unavailable at time of testing or measurement is not representative at this time of year.

- Provisional data subject to revision

Prepared by: USDA/NRCS National Water and Climate Center
Portland, Oregon
http://www.wcc.nrcs.usda.gov

The snow water equivalent percent of normal represents the current snow water equivalent found at selected SNOTEL sites in or near the basin compared to the average value for those sites on this day. Data based on the first reading of the day (typically 06:00).
March 1 Streamflow Forecasts

The April – July forecasts range from a low of 10% of normal at Camas Creek to a high of 135% at Priest River.
Boise Reservoirs

- Current reservoir contents are above average.
- The system is at 81% of capacity.

Water Year Graph

Total Reservoir Contents
(Arrowrock + Anderson Ranch + Lucky Peak)

PROVISIONAL DATA - Subject to change
Payette Reservoirs

Current reservoir contents are above average.
The system is at 76% of capacity.

Water Year Graph

Total Reservoir Contents
(Cascade + Deadwood)
Upper Snake Reservoirs

- Current reservoir contents are above average.
- The system is at 87% of capacity.

Water Year Graph

![Graph showing reservoir contents over time]

**Total Reservoir Contents**

- Current Year
- Previous Year
- Average

PROVISIONAL DATA - Subject to change
Bureau of Reclamation, Pacific Northwest Region

Major Storage Reservoirs in the Upper Snake River Basin

PROVISIONAL DATA - Subject to change
Questions?

More Information:
Liz.cresto@idwr.idaho.gov
208-287-4833
For more than a century, Rocky Mountain Power has managed the Bear Lake and Bear River system for the benefit of agricultural irrigation, fish and wildlife habitat, and electric customers in Utah, Idaho and Wyoming. The company acquired the rights to divert and store water from Bear River into Bear Lake in 1907. The company’s rights and obligations are described in the Bear River Compact, an agreement among the states of Wyoming, Idaho, and Utah through which Bear River flows. Older court decrees and more recent formal agreements further govern the company’s operations and the use of the water in the Bear River.

Our role in operating this system is generally defined by those agreements but also places the company in a position of being a water steward of this valuable resource among the often-competing interests on the river. These interests include irrigation companies and farmers, other private property owners along the river, fish and wildlife managers, fishermen, boaters and other recreational users. Conditions on Bear River are highly variable year to year. Rocky Mountain Power has helped these groups manage several severe droughts, as well as high flows to reduce flooding in spring when snowpack is plentiful. While this role is often difficult, it has given the company long experience and expertise in this river system.

As water has become more valuable and important among these diverse and competing stakeholders, Rocky Mountain Power believes there are options that should be considered to more effectively use and protect this resource for the next 100 years. Because Rocky Mountain Power holds significant storage rights
in Bear Lake, and as an operator of water distribution, we see our role as helping facilitate that discussion. We want to explore opportunities to perform this role better in a rapidly changing environment. Our ideas are conceptual at this point, prompted by this question:

*Given our experience as the river operator and steward over the last century, what can we do better to facilitate wise management of the Bear River among competing water users?*

The company is seeking to gauge interest and prompt input from all the stakeholders who have an interest in Bear River. By considering some changes to operation of the Bear River system, together with facilitating water conservation projects,

Rocky Mountain Power sees the potential to improve operations throughout the system. We envision increased benefits for the river’s many interests, including sustaining existing water uses and perhaps creating additional flexibility to help with improving the Bear River system.

Our thoughts for initiating this dialogue include four main concepts:

- **Increase the capacity of Bear River channels in order to provide reserve power from the Soda hydroelectric project.** Increasing Soda’s flexibility will better integrate solar and wind power to benefit electric customers. No additional releases from Bear Lake would be required.
- **The increased capacity in the Bear River channels also provides increased water storage capability in Bear Lake by reducing flood control storage requirements.** These changes would require modifications to multiple legal agreements.
- **Increased water storage at the Cutler hydroelectric project.** Increasing the height of spill gates could allow an additional 15,000 acre-feet to be stored. Wildlife habitat and recreation opportunities could be enhanced.
- **Substantial conservation measures for agricultural irrigation users.** New irrigation technologies, plus canal lining could save 30 percent from current use. This would reduce irrigation demand on Bear Lake storage.

As we exchange information, ideas and develop these possibilities, we intend to invite open discussion with our partners and neighbors on Bear River, plus others who may have an interest.
Memorandum

To: Idaho Water Resource Board  
From: Cynthia Bridge Clark  
Date: March 9, 2018  
Re: Status of Storage Water Studies

Boise River Feasibility Studies

Background
On October 24, 2017, the Idaho Water Resource Board (IWRB) passed a resolution to partner with U.S. Bureau of Reclamation (Reclamation) to complete a feasibility study of new surface water storage options on the Boise River (Study). The study will incorporate results of previous studies, including analyses recently performed by the U.S. Corps of Engineers of a large raise of Arrowrock Dam. Reclamation will evaluate potential smaller raises of the existing dams on the Boise River including Anderson Ranch, Arrowrock and Lucky Peak Dams to provide additional water supply and flood control to the Treasure Valley.

The total study cost is estimated to be $6 million. The IWRB, as the non-federal sponsor, is responsible for fifty percent of the study costs up to $3 million.

Status

- In March 2018, the Memorandum of Agreement was signed which formalized the working relationship between the IWRB and Reclamation.

- Reclamation initiated the feasibility study under the authority of Public Law 111-11 which provided for the study of projects to address water shortages in the Boise River system. Reclamation has since obtained project authorization and funding through the Water Infrastructure Improvements for the Nation Act (WIIN Act) which has the potential to authorize and fund both investigation and construction of affordable water storage infrastructure projects that support water supply, hydropower, flood control, and fish and wildlife in the Treasure Valley. For FY 2018, WIIN Act funding allotted $750,000 for the Boise River Feasibility Study.

- The Board has committed to providing $500,000 to cover costs for Phase I of the work through January 31, 2019. Phase I includes performance of initial screening of alternatives and development of full plan of study.

- Current project activities include:
  - Development of a communications plan which includes identification and coordination with interested parties and stakeholders including special interest groups, businesses, irrigation districts, state and federal agencies, and municipalities. Reclamation and IWRB are each developing project websites to report the project objectives and status.
  - Initiation of LIDAR data, orthoimagery collection by outside contractors.
  - Scoping and contracting for land, structure, infrastructure and real estate impact assessment.
  - Scoping of technical analyses of Anderson Ranch, Arrowrock and Lucky Peak Dams. Analyses will be performed by Reclamation’s Technical Service Center in Denver, Colorado.
• Selena Moore, the Supervisory Project Manager for the Bureau of Reclamation, will provide an update on the progress of the study at the March IWRB meeting.

Schedule
• November 2017 - January 2019: Perform initial screening of alternatives and develop a Plan of Study
• February 2019 - September 2021: Perform analysis of alternatives
• October 2019 - September 2022: Perform formal environmental compliance activities
• October 2022 - March 2024: Undergo approval process of recommended alternative

REQUIRED ACTIONS: No action is required by the IWRB at this time.

Island Park Reservoir Enlargement Project

Background
The Henrys Fork Basin Study, completed by Reclamation in 2014 in partnership with the IWRB, identified an option to increase surface water storage in the basin through an enlargement of the Island Park Reservoir. The Basin Study provided a conceptual level analysis of a proposal to increase the operational water surface elevation of the reservoir 1 to 4 feet resulting in approximately 30,000 acre-feet of additional storage water. The additional water would be captured and stored using existing reservoir space currently reserved for flood flows under a flowage easement owned by Reclamation. The relative construction cost was estimated to be $6.4 million with limited modifications to the dam and reservoir:

• Minimal modifications to the existing embankment dam.
• Modification of the emergency spillway to provide additional discharge capacity (offset current flood surcharge space in the reservoir).
• Increase in the height of the bladder on the Operational Spillway.
• Possible modifications to the dike adjacent to the embankment dam.

To better understand the viability of the proposal, IDWR/IWRB and Reclamation staff determined that a more detailed assessment of potential effects to property resulting from a raise in reservoir pool elevation was necessary. Therefore, the IWRB initiated the Island Park Reservoir Enlargement Land and Real Estate Assessment (Assessment) to evaluate and quantify potential effects to properties within and around the flood flowage easement.

Forsgren Associates, Inc. (Forsgren) is under contract with the IWRB to complete the study. The scope of work generally includes:
1) Inventory and quantify effects to land and real estate, shoreline structures, roads, bridges, utilities, septic systems, easements and other appurtenant structures resulting from a raise of the operational reservoir water surface 1 to 4 feet (from elevation 6303 to 6307).
2) Evaluate existing Lidar and collect necessary survey data to complete assessment.
3) Identify land ownership (private, state or federal) and boundary of U.S. Bureau of Reclamation’s (Reclamation) permanent flood easement.
4) Coordinate with Reclamation to determine extent and conditions of the flood easement.
5) Develop estimated costs associated with the effects to properties and other facilities.
6) Develop a GIS base map with all relevant data and document results of assessment in a final report.

**Status**

- Forsgren Associates developed a GIS base map and completed a draft report detailing the findings of the analysis and is currently responding to comments from staff, Reclamation, and IWRB members. The report is scheduled to be complete by the end of April, 2018.

- Reclamation is currently reviewing the data generated from the Land Assessment as well as its legal authorities.
  1) Forsgren provided study data and mapping to Reclamation’s GIS staff to facilitate its review of the extent and conditions of the flood easement and level of property impacts due to encroachment on the easement.
  2) Reclamation is also considering its project authorization, rights of existing space holders, conversion of flood control to storage space and potential next steps.

- Reclamation expects to have additional information based on its review in the next couple of months. IWRB staff will coordinate a presentation of the Land Assessment findings with the IWRB in conjunction with the conclusion of Reclamation’s review.

**Schedule**

- April/May 2018 – Final Land and Real Estate Assessment Report
- Summer 2018 – Presentation of results from the Land Assessment and Reclamation’s review to the Storage Committee
- Summer/Fall 2018 – Determination of next steps in coordination with the IWRB

**REQUIRED ACTIONS:** No action is required by the IWRB at this time.
Weiser-Galloway Project

Background

The IWRB partnered with Corps through its Planning Assistance to States (PAS) program to perform a series of studies to assess the feasibility of a new dam and reservoir on the Weiser River in southwest Idaho. The status of these studies and other actions is summarized below.

- **Gap Analysis** - In 2011, a gap analysis and economic evaluation was completed to review previous studies, update project costs, and identify critical gaps in the project concept.

- **Geologic Investigation** - In 2012, based on the findings of the gap analysis the IWRB authorized completion of additional analyses and core drilling to determine the safety and suitability of the geologic structures at the potential dam and reservoir site. The geologic analysis, which included project area field investigation as well as drilling six additional core holes to supplement holes drilled by the Corps in 1984, concluded that while the upper abutments would require special treatment during design and construction, a safe facility could be constructed.

- **Operational Analysis** - The gap analysis also recommended further evaluation of potential local and regional benefits from storage on the Weiser River. In 2012, the IWRB authorized completion of an evaluation of different operational scenarios of the dam to optimize hydropower (40-60MW), reduce flood risk, and provide recreation, additional water supply for the basin, and flow for anadromous fish recovery efforts that involve the entire Snake River system within Idaho. Potential integration of hydropower generated at the dam site with the Northwest power grid was also evaluated. The study has not been finalized as results are being incorporated with the analysis referenced below.

- **Galloway Dam and Reservoir Concept Development Study** – This additional analysis was initiated in 2014 to supplement data generated from the Operations Analysis models (hydrologic, hydraulic, flood, operational, water demands, and hydropower) to improve the conceptual design layout of the dam and revise construction costs. The intent was to provide a more refined project design while leveraging the project expertise of the technical study team who performed the Operations Analysis and previous PAS studies. A draft report is complete and is under review by IWRB staff in coordination with the Corps.

Status

- Completion of the final reports has been delayed due to other project priorities. However, IWRB staff met with the Corps in early February to review the draft reports. Efforts are underway to finalize both the Operational Analysis and the Dam and Reservoir Concept study and to present findings to the IWRB.

- No action is required by the IWRB at this time. However, upon completion of the ongoing studies, staff will review options with the IWRB for project development at this time or in the future.
Memorandum

To:  Idaho Water Resource Board
From:  Mike McVay, Technical Engineer
Date:  3/9/2018
Re:  Wood River recharge potential

REQUIRED ACTION:  No action required

This presentation will address recharge in the Big Wood River valley. Information regarding the hydrogeology, groundwater-surface water interactions, and model-based assessment of recharge in the Bellevue Triangle will be presented.
MEMO

To: Idaho Water Resource Board
From: Brian Patton
Subject: Beaver Dam Presentation
Date: March 12, 2018

At the request of the Chairman, a presentation will be provided on the water storage potential of Beaver Dams.
In the spring of 1951, the Idaho Fish and Game instituted a unique program where beaver were air-dropped into Idaho’s Primitive Area. The purpose of this was to restore beavers to areas where beaver were absent and to cope with nuisance beavers who were be-deviling irrigation diversion structures. Although the process was more involved than shown in the cartoon above, the project achieved its desired result: Trappers were happy because their resource was restored; farmers were happier because upcountry basins were once again filling with water and nuisances were reduced or eliminated. But sometime about the early 1960s, the narrative changed.

Trapping interest diminished and irrigators, including junior water rights holders, embraced an unsupported theme that identified beavers as a culprit for water loss in many smaller basins. This view was expanded as more acres were cultivated. To date, there have been no formal investigations about the real
causes of water shortage and what, if any, impact beaver were having on it. Additionally, more dams were constructed.
Idaho currently has 989 Non-Regulated or un-determined dams.
There may or may not be any advantage to them, they may or may not have any maintenance and their benefit may be outweighed by hazards typically associated with dams and reservoirs. But what if....?

What if, through a re-invigoration of the beaver program tried by Idaho Fish and Game in the 1950s could be re-started with a more practical and programmatic approach.

Watershed Guardians’ executive director Mike Settell will describe an opportunity to mitigate flood risk, increase storage, improve fish habitat, reduce pollution and more, all Idaho with targeted management of Idaho’s iconic beaver.

Mike Settell will provide examples of current work in these areas and outline a proposal to prove or disprove claims that beaver “use up” water or whether they enhance supplies. He will offer the framework for a comprehensive watershed plan using beavers.
Update on Treasure Valley Groundwater Flow Model Project

Presented to the Idaho Water Resource Board by Sean Vincent
March 22, 2018
Overview

- Project description
- Completed work
- Ongoing work
- Near-term schedule
Project description

• Developing transient groundwater flow model
  – Model calibration period 1986-2015

• Collaboration w/ U.S. Geological Survey
USGS/IDWR Final Reports

SVRP

Ground-Water Flow Model for the Spokane Valley-Rathdrum Prairie Aquifer, Spokane County, Washington, and Bonner and Kootenai Counties, Idaho


U.S. Department of the Interior
U.S. Geological Survey

WRV

Groundwater-Flow Model for the Wood River Valley Aquifer System, South-Central Idaho

Scientific Investigations Report 2016–5080

U.S. Department of the Interior
U.S. Geological Survey
Project description

• Developing transient groundwater flow model
  – Model calibration period 1986-2015

• Collaboration w/ U.S. Geological Survey

• 5 year project w/ 4 overlapping phases
  – Phase 1 project initiation (complete)
  – Phase 2 data collection = (years 0 - 5)
  – Phase 3 hydrogeologic framework (years 0 - 2.5)
  – Phase 4 model development (years 1 - 5)
Completed work

• Expanded the model domain (IDWR & USBR)
Old/TVHP Model Boundary

Legend
- TVHP Boundary
Legend

- New Model Boundary
- TVHP Boundary
- Proposed Developments

New Model Boundary
Completed work

- Expanded the model domain (IDWR & USBR)

- Established drain gage monitoring network in lower Treasure Valley (USGS - fall 2016)
Completed work

• Expanded the model domain (IDWR & USBR)

• Established drain gage monitoring network in lower Treasure Valley (USGS - fall 2016)

• Correlated post-2015 drain discharge measurements with post-2015 well water levels to develop drain discharge estimates for the 1986-2015 calibration period using 1986-2015 water levels (IDWR)
Fifteenmile Creek baseflow correlated with depth to groundwater

\[ y = -6.8148x + 71.55 \]

\[ R^2 = 0.8674 \]
Completed work

- Expanded model domain (IDWR & USBR)

- Established drain gage monitoring network in lower Treasure Valley (USGS - fall 2016)

- Correlated post-2015 drain discharge measurements with post-2015 well water levels to develop drain discharge estimates for the 1986-2015 calibration period using 1986-2015 water levels (IDWR)

- Published Project Fact Sheet (USGS & IDWR - April 2017)
A Groundwater-Flow Model for the Treasure Valley and Surrounding Area, Southwestern Idaho

The U.S. Geological Survey (USGS), in partnership with the Idaho Department of Water Resources (IDWR) and Idaho Water Resource Board (IWRB), will construct a numerical groundwater-flow model of the Treasure Valley and surrounding area. Resource managers will use the model to simulate potential anthropogenic and climatic effects on groundwater for water-supply planning and management. As part of model construction, the hydrogeologic understanding of the aquifer system will be updated with information collected during the last two decades, as well as new data collected for the study.

The Treasure Valley

The Treasure Valley is “the agricultural area that stretches west from Boise into Oregon” (U.S. Board on Geographic Names, 2016), although it is commonly referred to as the lower Boise River Basin. The valley contains the three largest and sixth largest cities in Idaho—Boise, Meridian, Nampa, and Caldwell, respectively (fig. 1). The 2016 population of the Treasure Valley was about 630,000, representing about 37 percent of the total population of Idaho (SPF Water Engineering, 2016; U.S. Census Bureau, 2017). Except for the 1950s and early 1960s, population growth has increased steadily since 1970 (fig. 2). Although the Treasure Valley is a relatively small area, the seasonal water use (fig. 3) is substantial (USGS, 2016b).
Completed work (cont’d)

• Kickoff MTAC meeting (June 2017)
Completed work (cont’d)

- Kickoff MTAC meeting (June 2017)
- Held METRIC training class @USGS (February 2018)
METRIC application to the Treasure Valley
-- Preliminary Results

University of Idaho
Wenguang Zhao, Qiuyan Huang
Rick Allen, Clarence Robison and Ricardo Trezza
February. 14, 2018
Completed work (cont’d)

• Kickoff MTAC meeting (June 2017)

• Held METRIC training class @USGS (February 2018)

• Published Design Objectives document (March 2018)
  – Build transient model to improve our understanding & provide a tool for water resource planning and water allocation
Background

The Treasure Valley of southwestern Idaho has experienced significant population growth in recent decades. Although the existing water supply has been generally adequate, the population is projected to more than double by 2065 (SPF Water Engineering, 2016). Groundwater development has been identified as an option for satisfying at least a portion of the increased future demand for domestic and municipal water.

The need to better understand the spatial and temporal impacts of groundwater extraction on surface and groundwater resources has provided impetus for the development of quantitative tools to facilitate water resource planning and management. The following are among the questions that Idaho water resource managers will likely need to answer:

1. Does the Treasure Valley have an adequate water supply for the foreseeable future?
Ongoing work

• Finalize selection of modeling platform (USGS & IDWR)

• Compile and review geology and water level data (USGS)
  – Contact municipal water providers for deep aquifer data
  – Develop layer-specific geology/water level database

• Process METRIC remote sensing data for 8 years during calibration period (U of I Kimberly)
Quantifying Evapotranspiration


METRIC processing of Landsat Path 42, Rows 29 and 30
Ongoing work

• Finalize selection of modeling platform (USGS & IDWR)

• Compile and review geology and water level data (USGS)
  – Contact municipal water providers for data from deep aquifers
  – Develop layer-specific well log and water level database

• Process METRIC remote sensing data for 8 years during calibration period (U of I Kimberly)

• Map land use classification (IWRRI)
8 Years of data across a 30 year span to be digitized
Acres of Irrigated Land Use for 2015

- **Irrigated** - 422,857 Acres
- **Semi-irrigated** - 193,788 Acres
- **Non-irrigated** - 837,519 Acres
Near-term schedule

• June 7, 2018 - next MTAC meeting

• mid-June 2018 - Water District 63 field trip for modelers

• late-June 2018 - geology field trip for modelers (IGS)

• April 2019 - Hydrogeologic Framework report (USGS)
Questions?
M.A.R.S.
Macrobiotic Aquifer Recharge Study
A Proposal To Study Beaver Water Storage In Idaho

By Mike Settell
Watershed Guardians
mike@watershedguardians.org
PO Box 634
Pocatello Idaho  83204
Overview

• Qualifications/History
• Need
• Beaver
• Challenges
• Proposal
• Payoff
• Schedule
Qualifications - Mike Settell
Flooding Closes I-15 Swollen Snake River Swamps Farmland Across Eastern Idaho

Sat., June 14, 1997

By Matthew Brown Associated Press
Temperature and stagnation lead to algal blooms, toxic to fish.

Heat, low water levels kill 600 fish at Strawberry Reservoir

By Alex Cabrero | Posted Jul 17th, 2013 @ 8:46pm
What does Beaver Bring?

**Fig. 2** Bill Williams River discharge during the 2007 and 2008 controlled flood pulses as measured at the USGS gages located just below the Alamo Dam outlet works (No. 09426000) and near the river’s mouth (No. 09426620).
What do Beaver Bring to the Table?

Also saw MAJOR decreases in nitrate, arsenic, ammonia, and SEDIMENT decreases.

What does Beaver Bring? ....Fish & Wildlife Habitat

Fisheries/Aquatic Habitat

(c)

Additive heterogeneity index

Euclidean heterogeneity index

Control
Beaver dam

$r = 0.90$
$P < 0.0001$
Fire Suppression

Fire-Fighting: Proximity to large ponded water critical to effective response.

Helicopter and bucket dips water out of a pond

Contributor: Charles Knowles / Alamy Stock Photo
Image ID: CWJ930 | File size: 28.7 MB
Releases: Model - no | Property - no
Check if you need a release
What does Beaver Bring? ....Grazing

Grazing
Challenges: Irrigation

- But first, we have to overcome perception issues....
Challenges: Road flooding
Solutions: Mitigation Structures
Solutions: Mitigation Structures
Proposal: Example Surface Water Storage

LEFM C15

AREA = 536.37 sq. ft.
PERIMETER = 102.16 l.f.
VOLUME = 21 c.y.
(WTR TOP TO MUD TOP)
VOLUME = 0 c.y.
(WTR BTM TO MUD BTM)

REFERENCE POINT

SCALE: 1" = 5'

Face Water Storage from 12 beaver dams on a 2nd Order Stream in SE Idaho

Typical

Area, ft²
Volume ft³

mean median max min
## Three Typical Basins in Idaho

<table>
<thead>
<tr>
<th>Item</th>
<th>Purpose</th>
<th>No.</th>
<th>Cost ea.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flow monitoring loggers</td>
<td>Record flows during test</td>
<td>6</td>
<td>$10k</td>
<td>$60k</td>
</tr>
<tr>
<td>Measure pond volumes before and after introduction</td>
<td>Measure volume of water stored</td>
<td>75</td>
<td>$0.5K</td>
<td>$38k</td>
</tr>
<tr>
<td>Mitigation for choke points</td>
<td>Minimize beaver conflicts, pond levelers, deceivers, etc.</td>
<td>15</td>
<td>$5k</td>
<td>$75</td>
</tr>
<tr>
<td>Data Collection and reduction</td>
<td>Convert flow data into meaningful info.</td>
<td>6</td>
<td>$7.5k</td>
<td>$45k</td>
</tr>
<tr>
<td>GW monitoring</td>
<td>Measure impact on GW storage, Piezometers installation</td>
<td>12</td>
<td>$2k</td>
<td>$24k</td>
</tr>
<tr>
<td>Taxes, Admin, Insurance Legal /overhead</td>
<td></td>
<td></td>
<td></td>
<td>$25k</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$267k</strong></td>
</tr>
</tbody>
</table>
...we could store as much water as a large reservoir with Beaver
Rapid restoration of watershed systems is critical for our survival, and the return of abundant, actively maintained and widespread beaver dams is critical to that restoration.

(Sharon T. Brown and Suzanne Fouty; “Beaver Wetlands” Wetlands (Lakeline, June 2011)

Suzanne Fouty (1951-2017)
Catch per Unit of effort, Hrs, Beaver

(Source, Idaho Fish and Game 2010 Furbearer Summary)
M.A.R.S.
Macrobiotic Aquifer Recharge System
A Proposal To Study Beaver Water Storage in Idaho

By Mike Settell
Watershed Guardians
mike@watershedguardians.org
PO Box 634
Pocatello Idaho 83204
Cost of Ink refill: $12
• Percentage of Ink used to sign change in Beaver management: 0.01%.
• 0.0001 * $12 = $0.001
Summary since 2012:

• Over 300 Volunteers trained
• 8,500 Volunteer Hours
• Raised over $5,000 in donations
• Received $5,000 grants
• Censused 34 miles of streams 6 years in a row
• Presented information to 15 different Civic groups
• 3 BEAVERDAMJAMs
• Reduced Legal trapping on Mink
Ogden's 1825 Expedition

- No. beaver trapped
- Beaver/mile
- CPUE
- Trapped/day

Locations:
- Henry's Fork
- Snake
- Ogden/Cache Valley
- Bear
- Lower Portneuf
- Upper Portneuf
- Blackfoot/Ross Fork
- FT Hall Bottoms
- Lemhi
Stream Gauge Locations
Figure 7. Causal loop diagram of beaver management, supported by literature review and comparative research in areas with different beaver densities. Arrows designate how the authors believe 1 variable influences another. A plus sign near the arrow tip indicates that an increase in variable X leads to an increase in variable Y; a minus sign indicates that an increase in variable X leads to a decrease in variable Y. The diagram contains 4 balancing loops (labeled B1 to B4). Natural increase in beaver density and human–beaver interactions is counteracted by balancing loops labeled: population management (B1), nuisance permit use (B2), prevention education (B3), and public pressure for trapping (B4).
Beaver cause problems (limited scale, limited scope)

Simple, non-lethal solutions available
DCX- 18 ECO
Figure 3. Active beaver colony sites, illustrated by open white circles, documented during the October 2013 Mink Creek Survey.
Advantages

• Innovative: This has never been done.
• We have the opportunity to recharge Pocatello’s aquifer.
• Cost effective. The recharge will likely come with the study.
• Watershed health improved...water quality, water quantity, drought mitigation, fire suppression resource.
• Very low cost capital costs
• Very low maintenance costs
## Mitigation Requirements (Cont’d.)  
### Conflicts and Solutions

<table>
<thead>
<tr>
<th>Possible Conflict</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culvert Plugging</td>
<td>Beaver Deceiver (BD)</td>
</tr>
<tr>
<td>Road Flooding</td>
<td>Pond Leveler, Relocate Road</td>
</tr>
<tr>
<td>Trail, Appurtenance, or Asset Flooding</td>
<td>Beaver Deceiver, Pond Leveler, Relocate Trails, Modify Bridges</td>
</tr>
<tr>
<td>Tree Damage (ornamental)</td>
<td>Wire wrapping</td>
</tr>
<tr>
<td>Poaching</td>
<td>Increased enforcement</td>
</tr>
<tr>
<td>Vehicle Collisions</td>
<td>Signage</td>
</tr>
</tbody>
</table>
Mitigation Requirements

• Trapping limits-No Trapping unless absolutely required and agreed upon by Beaver Management Team\(^{(4)}\).

• Conflict mitigation
  – Roads PL/BD etc.
  – Property. Some buyouts or other required
  – Infrastructure : Unmarked trails, unsurfaced trails, asphalt trails, unsurfaced roads, roads, parking lots, structures

4) The first meeting of the beaver management team occurred Friday, March 17\(^{th}\), 2017. The kickoff meeting scheduled for April 6\(^{th}\).
Beaver need your Help!

(Source, Idaho Fish and Game 2010 Furbearer Summary)
What if...?

Multiple beaver dams store surface water.

Inflow may supplement pumping.

The contribution to groundwater may be much larger than seen from the surface.
What if…?

Multiple beaver dams store surface water

Inflow may supplement pumping.

The contribution to groundwater may be much larger than seen from the surface.
We measured GW recharge...

Multiple beaver dams store surface water. Inflow may supplement pumping. The contribution to groundwater may be much larger than seen from the surface.
And surface stored water...

Multiple beaver dams store surface water.

Inflow may supplement pumping.

The contribution to groundwater may be much larger than seen from the surface.
Custom Soil Resource Report
Map—Range Productivity (Unfavorable Year) (Alkalai Creek)

Alkalai Creek
AGENDA

IDAHO WATER RESOURCE BOARD

Board Meeting No. 3-18
March 23, 2018
8:00 a.m.
Idaho Water Center
Conference Rooms B, C & D
322 E Front Street
BOISE

1. Roll Call
2. Public Comment
3. Agenda & Approval of Minutes
5. Lost Valley Reservoir Enlargement
6. MHAFB Water Sustainability Project
7. Water Transaction
8. Bear River Basin
9. DOE Funding
10. Goose Lake Reservoir Co.
11. Rental Pool Procedures
12. ESPA Recharge
13. Hearing Officer Appointment for Dredging Applications
14. Update on Legislation of Interest
15. Director’s Report
16. Non-Action Items for Discussion
17. 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 nikki.regent@idwr.idaho.gov or by phone at (208) 287-4800.
MINUTES
MEETING NO. 1-18

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

January 16, 2018
Board Meeting No. 1-18

At 10:00 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
John Rusche (phone) Albert Barker

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

Agenda Item No. 2: Executive Session

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

At approximately 10:05 a.m. the Board resolved into Executive Session by unanimous consent pursuant to Idaho Code §74-206(1) subsection (d), to consider records that are exempt from disclosure as provided by law. Executive Session is closed to the public. Topic: Legal Analysis of Interstate Waters
No actions were taken by the Board during the Executive Session. Mr. Alberdi moved to exit Executive Session. Mr. Stevenson seconded the motion. Voice vote: All were in favor. Motion carried. The Board resolved out of Executive Session at approximately 11:00 a.m.

**Agenda Item No. 3 Non-Action Items for Discussion**
No items were discussed.

**Agenda Item No. 4 Next Meeting and Adjourn**
Mr. Alberdi motioned to adjourn the meeting. Mr. Van Der Meulen seconded. Voice vote: All were in favor. Motion passed.

Respectfully submitted this 23rd day of March, 2018.

________________________________________
Vince Alberdi, Secretary

________________________________________
Nikki Regent, Administrative Assistant II

Board Actions:
No actions were taken by the Board.
MINUTES
MEETING NO. 2-18

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

January 25, 2018
Work Session No. 2-18

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, Remington Buyer, Liz Cresto, Nikki Regent, Sean Vincent, Representative Gibbs, Garrick Baxter, Gary Spackman. Guests present were: Jon Bowling, Marie Kellner, Walt Poole, Billy Richey, Doug Meahuain, Doug McAlvein, Claudia Cottle, Krista, Jon Bowling, Marie Kellner, Devin Stoker, Walt Poole, Selena Moore, Roland Springer, Lynn Tominaga, Braden Jensen, John Baker, Shawn Parkinson.

During the Work Session the following items were discussed:

- Mr. Alberdi made a motion for the Board to resolve into Executive Session. Mr. pursuant to Idaho Code §74-206(1) subsection (d), to consider records that are exempt from disclosure as provided by law. Executive Session is closed to the public. Topics: Legal Analysis of Interstate Waters Mr. Van Stone seconded. Roll call vote: Mr. Alberdi: Aye; Mr. Barker: Aye; Mr. Raybould: Aye; Mr. Rusche: Aye Mr. Stevenson: Aye; Mr. Van Der Meulen: Aye; Mr. Van Stone: Aye; and Chairman Chase: Aye. 8 Ayes.

  No actions were taken by the Board during the Executive Session. Mr. Alberdi moved to exit Executive Session. Mr. Van Stone seconded the motion. Voice vote: All were in favor. Motion carried. The Board resolved out of Executive Session at approximately 9:30 a.m.

- A presentation by Brian Patton regarding the Financial Update
- A presentation by Cynthia Bridge Clark regarding the Boise River
- Wesley Hipke presented on recharge during the past year and projections for the upper and lower valleys
- Brian Patton and Cynthia Bridge Clark updated the Board on the Lost Valley Reservoir Expansion Project
• Garrick Baxter provided the Board with an update on proposed legislation of interest
• Neeley Miller informed the Board of progress to the Priest Lake Reservoir as well as information provided by the approved study

January 26, 2018
Board Meeting No. 2-18

Agenda Item No. 1: Roll Call

Board Members Present
Roger Chase, Chairman
Vince Alberdi, Secretary
Bert Stevenson
John Rusche
Jeff Raybould, Vice-Chairman
Pete Van Der Meulen
Dale Van Stone
Albert Barker

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

Agenda Item No. 2: Public Comment
Chairman Chase opened the meeting for public comment. Mr. Mark Bowen, Ch2MHill/Jacobs, updated the Board of the merge between CH2M and Jacobs and looks forward to a growing relationship the IWRB.

Mr. John Williams, Bonneville Power, gave the Board a brief update of BPA’s ongoing projects and budget for 2018. Chairman Chase expressed his appreciation for BPA’s efforts during the 2017 year.

Ms. Claudia Cottle and Mr. David Cottle gave the Board with a brief presentation of Bear River and expressed concerns with the water levels in the area.

Agenda Item No. 3: Agenda & Meeting Minutes
Mr. Patton presented the Board with five sets of meeting minutes 3-17, 4-17, 5-17, 6-17 and 7-17. Mr. Van Der Meulen suggested a change of the spelling of ‘dams’ on page four of meeting minutes 5-17.

Mr. Raybould made a motion to accept the meeting minutes with the change that was provided. Mr. Van Der Meulen seconded the motion. Roll call vote: Alberdi: Aye; Barker: Aye; Raybould: Aye; Rusche: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. Motion passed. The meeting minutes were adopted.

Agenda Item No. 4: MHAFB Water Sustainability Project
Mr. Broesch provided the Board with a brief update on the progress of the MHAFB Water Sustainability Project. Mr. Broesch is working on the Water Utility Service Contract negotiations with the Air Force Base establishing the long-term utility relationship between the Board and the MHAFB, and will serve as the revenue commitment needed to pursue the issuance of revenue bonds to finance the project.

Board staff and the MHAFB have been working together to move through the process of procuring the utility services. On December 21, 2017, the MHAFB issued “business clearance” (or authorization) to enter into negotiations with the Board. Negotiations are ongoing and staff anticipates execution of the WUSC by late March 2018.

Mr. Broesch also explained the Board is expected to retain the senior water rights and enter into a water utility service contract with the MHAFB for the delivery of the municipal water. The
Board will undertake the financing, design, construction, and maintenance methods to bring the project to fruition.

**Agenda Item No. 5 Bear River**
Chairman Chase proposed a discussion regarding the Board’s future actions with the Bear River. Chairman Chase explained the possibility of adjudication and administration of the streamflow in Bear River, possibility of recharge sites along the Bear River and the possibility of the Board taking an active role in this water interest. Mr. Stevenson suggested interested parties look into the adjudication process of the Bear River, so the Board understand what water rights are currently present and expected in the future. Mr. Van Der Meulen agreed with Mr. Stevenson’s suggestion to the interested parties. Mr. Raybould and Mr. Rusche suggested the Board look into the Basin Plan for the Bear River and see what the local stakeholders are interested in pursuing.

**Agenda Item No. 6 Priest Lake Water Management Project**
Mr. Miller gave a brief update on the Priest Lake Water Management project including the current process of the project, results of the study and recommendations and Governor’s FY2019 Budget a proposing appropriation of $2.4 million for the Priest Lake Water Management Project to the Board’s Revolving Development Account.
Mr. Miller discussed the possibility of utilizing a 2005 CREP appropriation to the Board to be used to make loans to the ground water districts. Currently there is $2.4 million remaining in 2005 CREP fund. Mr. Miller provided a resolution for the Board to consider.
Mr. Rusche made a motion to accept the resolution. Mr. Van Stone seconded the motion. Roll call vote: Alberdi: Aye; Barker: Aye; Raybould: Aye; Rusche: Aye; Stevenson: Aye; Van Der Meulen: Aye; Van Stone: Aye; Chairman Chase: Aye. Motion passed. The resolution was adopted.

**Agenda Item No. 7 Committee Assignments**
Mr. Patton proposed committee assignments adding Mr. Rusche to the Water Storage, Streamflow and Planning Committees. Chairman Chase asked the committee members from the Water Storage Committee to decide who will be the chair for the committee.

**Agenda Item No. 8 Director’s Report**
Director Spackman reiterated his appreciation Board’s accomplishments during the 2017 calendar year and how JFAC was satisfied with the work the Board had accomplished. The Director updated the Board about two positions that will be added to assist with the Board’s projects: a position to assist with contracts and another to assist with the accounting staff. Chairman Chase expressed his appreciation to Director Spackman for taking on tough issues for the Board and Jon Bowling from Idaho Power Company.

**Agenda Item No. 9 2018 Calendar**
Mr. Patton proposed the IWRB calendar for 2018 with holding the July meeting in Moscow and September meeting in Salmon.

**Agenda Item No. 13 Non-Action Items for Discussion**
No items were discussed by the Board.

**Agenda Item No. 15 Next Meeting and Adjourn**
Mr. Van Der Meulen motioned to adjourn the meeting. Mr. Raybould seconded. Voice vote: All were in favor. Motion passed
Respectfully submitted this 23rd day of March, 2018.

________________________________________
Vince Alberdi, Secretary

________________________________________
Nikki Regent, Administrative Assistant II
Board Actions:

- Approved Meeting Minutes 3-17, 4-17, 5-17, 6-17 and 7-17
- Passed a resolution appropriating funds to the Priest Lake Project
MEMO

To: Idaho Water Resource Board  
From: Brian Patton  
Subject: Financial Status Report  
Date: March 9, 2018

As of February 28 the IWRB’s available and committed balances are as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Committed/earmarked but not disbursed</th>
<th>Loan principal outstanding</th>
<th>Uncommitted Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary Aquifer Fund</td>
<td>$18,212,704</td>
<td>$0</td>
<td>$9,879,988</td>
</tr>
<tr>
<td>Revolving Development Account</td>
<td>$19,585,849</td>
<td>$25,155,577</td>
<td>$2,604,841</td>
</tr>
<tr>
<td>Water Management Account</td>
<td>$111,376</td>
<td></td>
<td>$9,915</td>
</tr>
</tbody>
</table>

Total committed/earmarked but not disbursed $37,909,929  
Total loan principal outstanding $25,155,577  
Total uncommitted balance $12,947,744

- The uncommitted balance in the Secondary Aquifer Fund is currently about $9.9M. This is the result of 1) moving the ESPA Ground Water Districts/IGWA loan from the Secondary Aquifer Fund to the Revolving Development Account through the refinancing of the loan, repaying $4M plus interest to the Secondary Fund, and 2) receipt of the $5M in Cigarette Tax proceeds during the current fiscal year, which will be allocated by the IWRB in its FY19 budget for the Secondary Aquifer Fund.
- Loan applications that we are tracking include:

<table>
<thead>
<tr>
<th>Potential Applicant</th>
<th>Project</th>
<th>Loan Amount</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goose Lake Reservoir Company</td>
<td>Goose Lake Dam repairs</td>
<td>$200,000</td>
<td>Goose Lake Dam repair – March IWRB meeting</td>
</tr>
<tr>
<td>Salem Irrigation Canal Company</td>
<td>Exchange wells</td>
<td>$140,000</td>
<td></td>
</tr>
<tr>
<td>North Fremont Canal Company (Marysville)</td>
<td>Continue installing gravity-pressure delivery system (Phase 3)</td>
<td>$2.5M</td>
<td>Anticipate NRCS match. IWRB financed prior phases of project.</td>
</tr>
</tbody>
</table>
### SECONDARY AQUIFER PLANNING, MANAGEMENT, & IMPLEMENTATION FUND

**as of January 1, 2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2017 Cash Balance</strong></td>
<td>18,469,951.08</td>
</tr>
<tr>
<td><strong>FY 2018 Revenue</strong></td>
<td></td>
</tr>
<tr>
<td>Interest Earned State Treasury</td>
<td>214,245.12</td>
</tr>
<tr>
<td>HBS47 - State Recharge &amp; Aquifer Stabilization (SRAS)</td>
<td>5,000,000.00</td>
</tr>
<tr>
<td>SB1176, Section 4 - Water Sustainability</td>
<td>5,000,000.00</td>
</tr>
<tr>
<td>Department of Energy Grant</td>
<td>73,750.00</td>
</tr>
<tr>
<td>Loan Interest</td>
<td>15,861.10</td>
</tr>
<tr>
<td>Loan Principal</td>
<td>4,000,000.00</td>
</tr>
<tr>
<td><strong>TOTAL FY 2018 REVENUE</strong></td>
<td>14,303,856.22</td>
</tr>
</tbody>
</table>

| **FY 2018 Expenditures**                                                   |                |
| SRAS Equipment & Supplies - FY 17                                         | (12,305.00)    |
| SRAS Equipment & Supplies - FY 18                                         | (41,323.81)    |
| SRAS Conveyance Costs - FY 17                                             | (2,190,015.28) |
| South Fork Engineering & Site Evaluation (CON01163, 1164, 1166)           | (82,311.88)    |
| New Sweden Irrigation District (CON01212)                                 | (2,500.00)     |
| Butte Market Lake (CON01168)                                             | (14,511.30)    |
| Woodville Canal Company (CON01169)                                        | (1,861.50)     |
| Field Trip Costs                                                          | (3,000.00)     |
| North Side Canal Company (CON01190)                                       | (1,444,535.54) |
| Big Wood Canal Company (CON01226)                                         | (17,069.95)    |
| SRAS Site Monitoring                                                      | (64,497.34)    |
| SRAS Regional Monitoring - FY 17                                          | (6,417.28)     |
| SRAS Regional Monitoring - FY 18                                          | (54,548.00)    |
| The Ferguson Group                                                        | (7,294.04)     |
| Steve Staubner - Media Services                                           | (4,000.00)     |
| WS Hydrology Monitoring - FY 17                                           | (4,000.00)     |
| WS Hydrology Monitoring - FY 18                                           | (3,720.00)     |
| Grants                                                                    | (21,000.00)    |
| University of Idaho - (CON01152)                                         | (19,025.60)    |
| ESHMC Meeting refreshments                                               | (65,85)        |
| USGS - 6601 (Wood River Modeling)                                         | (22,962.07)    |
| USGS - 6605 (Treasure Valley Modeling)                                   | (236,328.00)   |
| Department of Energy Grant expenditures                                  | (187,421.65)   |
| Hydron Hydrogicic Services                                               | (26,230.07)    |
| Washington State University                                              | (2,040.00)     |
| Eglin Bench Canals Inc (CON01166)                                        | (5,329.00)     |
| NRCS Snow Survey contribution (USDA CON01177)                             | (50,000.00)    |
| Quadrant Consulting Inc (CON01238, CON01240)                              | (18,636.45)    |
| Caribou Inc (CON01247)                                                   | (11,800.00)    |
| Southwest Irrigation District (CON01172)                                 | (610,000.00)   |
| Brown & Caldwell (CON01234)                                              | (14,912.50)    |
| Idaho Power - Cloud Seeding Model (CON01254)                              | (596,000.00)   |
| **TOTAL FY 2018 EXPENDITURES**                                            | (4,671,114.63) |

<p>| FY 2018 Cash Balance                                                      | 28,992,692.67   |</p>
<table>
<thead>
<tr>
<th>FY 2014 - FY 2017 Committed Funds</th>
<th>Budget</th>
<th>Amended</th>
<th>Obligated</th>
<th>Expenditures</th>
<th>Carry forward</th>
<th>Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water User Contribution</td>
<td>102,493.16</td>
<td>102,493.16</td>
<td>(106,537.50)</td>
<td>2,055.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measurement devices for AWEPT conversion projects</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>(16,455.21)</td>
<td>183,544.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooperative Weather Modification Program (Cloud Seeding - CON01109)</td>
<td>492,000.00</td>
<td>492,000.00</td>
<td>(354,517.84)</td>
<td>137,082.16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| FY 2017 Conveyance Cost          | 1,500,000.00 | 1,150,000.00 | 2,650,000.00 | (2,678,067.25) | (26,067.25) |
| FY 2017 Equipment & Supplies     | 87,000.00 | 87,000.00 | (61,668.70) | 25,331.30 | 0.00 |
| FY 2017 Regional Monitoring      | 200,000.00 | 200,000.00 | (200,000.00) | 0.00 |

<table>
<thead>
<tr>
<th>Managed Recharge Infrastructure</th>
<th>Budget</th>
<th>Amended</th>
<th>Obligated</th>
<th>Expenditures</th>
<th>Carry forward</th>
<th>Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metal-Gooding District Drop hydro plant bypass</td>
<td>50,000.00</td>
<td>1,450,000.00</td>
<td>1,500,000.00</td>
<td>1,500,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NSCC Wilson Lake Infrastructure Project (CON01198)</td>
<td>4,000,000.00</td>
<td>800,000.00</td>
<td>4,000,000.00</td>
<td>(144,535.54)</td>
<td>4,855,464.66</td>
<td></td>
</tr>
<tr>
<td>SWID Recharge Project (CON01175)</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>(40,783.75)</td>
<td>159,216.25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Managed Recharge Infrastructure</td>
<td>7,300,000.00</td>
<td>7,445,535.44</td>
<td>400,000.00</td>
<td>6,155,464.66</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Managed Recharge Investigations</th>
<th>Budget</th>
<th>Amended</th>
<th>Obligated</th>
<th>Expenditures</th>
<th>Carry forward</th>
<th>Committed</th>
</tr>
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| Total FY 2014 - FY 2017 COMMITTED FUNDS | 10,450,493.16 | 10,000.00 | 21,250,493.16 | (5,946,791.03) | 893,351.10 | 8,017,123.44 |

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<td>109,273.09</td>
<td>(28,270.07)</td>
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### Revolving Development Account

as of February 28, 2018

#### Sources and Applications of Funds

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<td>Legislative Appropriation FY90-91</td>
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<td>Legislative Appropriation FY91-92</td>
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<td>Legislative Appropriation FY91-92</td>
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<td>Legislative Appropriation FY92-94</td>
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<td>Profit Fees</td>
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#### Mountain Home AFB Water Sustainability Project

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<td>LeMoine Appraisal LLC</td>
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<td>IWRB WER Lease Application</td>
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<td>Integrated Delivery Solutions - Mark Alpert</td>
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<td>Brown &amp; Caldwell - Owners Advisor</td>
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<td>Fillihury, Wiithrop, &amp; Shaw - BDO Counsel</td>
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<td>Project Costs (mailings, travel, teleconference calls)</td>
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**Balance for Mountain Home AFB Water Sustainability Project** $4,485,70

#### Galloway Dam & Reservoir Project

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**Balance Galloway Dam & Reservoir Project** $1,875,291.32

#### Boise River (Arrowrock Enlargement) Feasibility Study (HB479)

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**Balance Boise River (Arrowrock Enlargement) Feasibility Study (HB479)** $6,956,000.00

#### Island Park Enlargement (HB 479)

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<td>Island Park Enlargement Costs (HB 479)</td>
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**Balance Island Park Enlargement (HB 479)** $7,496,400.00

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<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legislative Appropriation 2014, HB 479 Sec 1 and 2</td>
<td>$500,000.00</td>
</tr>
<tr>
<td>Water Supply Bank Computer Infrastructure Costs (HB 479)</td>
<td>($497,350.75)</td>
</tr>
</tbody>
</table>

**Balance Water Supply Bank Computer Infrastructure (HB 479)** $2,649.25

#### Balance of Legislative Earmarked Appropriation 2014, HB 479 Sec 1 and 2

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquafill Hatchery Sub-Account</td>
<td>$5,156,737.25</td>
</tr>
<tr>
<td>Aquafill Hatchery, HB644, 2014</td>
<td>($1,895,000.00)</td>
</tr>
<tr>
<td>Aquafill Lease receipt from Seapac</td>
<td>($114,371.00)</td>
</tr>
<tr>
<td>Tax Payments</td>
<td>($1,419.15)</td>
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<tr>
<td>Lenva Appraisal for Aquafill facility</td>
<td>($10,500.00)</td>
</tr>
<tr>
<td>Loan payments received</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Loans Outstanding</td>
<td></td>
</tr>
<tr>
<td>Total Loans Outstanding</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Balance Aquafill Hatchery Sub-Account** $1,117,860.85

#### Bell Rapids Water Rights Sub-Account

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Legislative Appropriation 2005, HB3982</td>
<td>$21,300,000.00</td>
</tr>
<tr>
<td>Bell Rapids Purchase,</td>
<td>($14,008,558.00)</td>
</tr>
<tr>
<td>Bureau of Reclamation Principal Amount Lease Payment Paid</td>
<td>$2,204,337.54</td>
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<tr>
<td>Bureau of Reclamation Interest Paid</td>
<td>$179,727.97</td>
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<tr>
<td>Bureau of Reclamation Remaining Amount Lease Payment Paid</td>
<td>$3,142,648.64</td>
</tr>
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</table>

**Total** $1,117,860.85
## Revolving Development Account - Page 2 of 4

### Appraisals
- ($99,894.84)

### Transfer to Water Supply Bank
- Water Transaction Projects Payment Advances from CBWTP/Accon...
- $153,745.45

### Treasure Valley CAMP Sub-Account
- Spokane River Forum: $0.00
- Kootenai·Shoshone Soil & Water Cons. Dist.: $0.00

### Committed Funds
- ($10,000.00)

### Idaho Washington AQiver Collaborative
- Rahdrum Prairie-Spokane Valley AQiver Pumping Study (CON009B9)
- Kootenai·Shoshone Soil & Water Cons. Dist.
- Treasure Valley Water Quality Summit
- Spokane River Forum

### Pristine Springs Revenues Into Main Revolving Development Account
- $547,650.23

### Pristine Springs Project Sub-Account
- Legislative Appropriation 2006, SB1511, Pristine Springs: $10,000,000.00
- Legislative Appropriation 2006, HB870, Water Right Purchases: $5,000,000.00
- Interest Earned State Treasury: $52,657.65
- Loan Interest: $119,124.67
- Transfer from ESPA Sub-Account: $1,000,000.00
- Payment for Purchase of Pristine Springs (3): $1,000,000.00

### Pristine Springs Hydropower Projects
- Net power sales revenues: $721,375.59

### Pristine Springs Committed Funds
- To be transferred to Aquifer Planning Fund: $716,000.00
- Payoff/Replacement Fund: $0.00
- TOTAL COMMITTED FUNDS: $716,000.00

### Loans Outstanding
- North Snake and Magic Valley Ground Water Districts: $5,087,499.77

### Total Loans Outstanding
- $5,087,499.77

### Funds to RP CAMP & TV CAMP Sub-Account
- Pristine Springs Revenues Into Main Revolving Development Account: $271,872.34
- TOTAL COMMITTED FUNDS: $547,650.23

### Rathdrum Prairie CAMP & Treasure Valley CAMP Sub-Account
- Pristine Springs Hydropower and Fental Revenues: $271,872.34
- Interest Earned State Treasury: $272.11
- Spokane River Forum
- Treasure Valley Water Quality Summit
- Kootena-Shoshone Soil & Water Cons. Dist. - Agrim Law Station
- Rathdrum Prairie-Spokane Valley Aguirer Pumping Study (CON0099)
- Idaho Washington Aquifer Collaborative

### Committed Funds
- Kootena-Shoshone Soil & Water Cons. Dist. - Agrim Law Station: $0.00
- Spokane River Forum: $0.00
- Rathdrum Prairie-Spokane Valley Aquifer Pumping Study
- Treasure Valley Water Quality Summit: $0.00

### Balance Rathdrum Prairie CAMP & Treasure Valley CAMP Sub-Account
- $155,745.45

### Upper Salmon/CBWT Sub-Account
- Water Transaction Projects Payment Advances from CBWTP/Accord
- PCSRF Funds for Administration of Non-Conversion Easements on Lemhi River
- Interest Earned State Treasury
- Transfer to Water Supply Bank
- Change of Ownership
- Appraisals

### TOTAL COMMITTED FUNDS
- $2,863,999.79

---

Revolving Development Account - Page 2 of 4
Revolving Development Account - Page 3 of 4

Bonneville Jefferson GWD (CREP) ........................................ $3,654,041.00

Loans Outstanding:

- Total Loans and Other Commitments .................................................. $15,771,591.00
- Commitment - Black Canyon Exchange Project (fund with ongoing revenues) ........ $10,000,000.00
- Commitment - Palisades Storage O&M ................................................... $10,000,000.00
- Commitment - Additional recharge projects preliminary development .................. $337,594.00
- Commitment - CREP Program (HB392, 2005) ........................................ $2,419,553.50
- Commitment - Additional recharge projects preliminary development .................. $337,594.00
- Commitment - Black Canyon Exchange Project (fund with ongoing revenues) ........ $442,250.35

Total Loans and Other Commitments .................................................. $437,770.72

Interest Earned State Treasury ........................................................................ $0.00

Total Committed Funds ............................................................................ $16,055,424.00

Water District 02 WaterSmart Grant Sub-Account

Commitment - Water District 02 WaterSmart Grant Sub-Account ....................... $7,200,000.00

Balance WaterSmart Grant Sub-Account ..................................................... $5,851,888.00

Water Supply Bank Sub-Account

Commitment - Water Supply Bank Sub-Account ............................................. $2,000,000.00

Balance Water Supply Bank Sub-Account ..................................................... $5,851,888.00

Eastern Snake Plain Sub-Account

Commitment - Eastern Snake Plain Sub-Account ............................................. $5,000,000.00

Balance Eastern Snake Plain Sub-Account ..................................................... $5,000,000.00

Loans and Other Commitments

Commitment - Remainder of Bell Rapids Water Rights Purchase (1) ...................... $361,620.00

Total Loans and Other Commitments ...................................................... $4,512,379.45

Loans Outstanding:

- American Falls-Abilene GWD (CREP) .................................................... $88,085,91
- Bonneville Jefferson GWD (CREP) ......................................................... $42,625,18
Revolving Development Account - Page 4 of 4

### TOTAL ESP LOANS OUTSTANDING

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Magic Valley GWD (CRIP)</td>
<td>$64,949.20</td>
</tr>
<tr>
<td>North Snake GWD (CRIP)</td>
<td>$32,129.59</td>
</tr>
<tr>
<td><strong>TOTAL ESP LOANS OUTSTANDING</strong></td>
<td><strong>$207,783.97</strong></td>
</tr>
</tbody>
</table>

**Uncommitted Balance Eastern Snake Plain Sub-Account**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dworshak Hydropower Project</td>
<td>$3,189,615.35</td>
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<tr>
<td>Excess Dworshak Funds Into Main Revolving Development Account</td>
<td>$1,370,692.60</td>
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<td><strong>TOTAL</strong></td>
<td><strong>$4,560,307.95</strong></td>
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### Loans and Other Funding Obligations:

<table>
<thead>
<tr>
<th>Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Senate Bill 1511 - Teton Replacement and Minidoka Enlargement Studies</td>
<td>$57,516.82</td>
</tr>
<tr>
<td>Boise River Storage Feasibility Study</td>
<td>$13,578.35</td>
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<tr>
<td>Weiser-Galena Study (29-May-10)</td>
<td>$457,293.87</td>
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<tr>
<td>Irrigation District (Pipeline &amp; Pumping Plant, Dec)</td>
<td>$57,516.82</td>
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</table>

### Other TOTAL LOANS OUTSTANDING:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Magic Valley GWD (CRIP)</td>
<td>$64,949.20</td>
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<tr>
<td>North Snake GWD (CRIP)</td>
<td>$32,129.59</td>
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<td><strong>$207,783.97</strong></td>
</tr>
</tbody>
</table>

**Uncommitted Balance Eastern Snake Plain Sub-Account**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$207,783.97</strong></td>
</tr>
</tbody>
</table>

(1) Actual amount needed may vary depending on final determination of water actually purchased and interest income received.
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Appropriation (1978)</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td>Legislative Audits</td>
<td>($10,845.45)</td>
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<tr>
<td>IWRB Appraisal Study (Charles Thompson)</td>
<td>($5,000.00)</td>
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<tr>
<td>Transfer funds to General Account 1101 (HB 130, 1983)</td>
<td>($500,000.00)</td>
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<tr>
<td>Legislative Appropriation (6/29/1984)</td>
<td>$115,800.00</td>
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<tr>
<td>Legislative Appropriation (HB 988, 1994)</td>
<td>$75,000.00</td>
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<tr>
<td>Turned Back to General Account 6/30/95, (HB988, 1994)</td>
<td>($35,014.25)</td>
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<tr>
<td>Legislative Appropriation (SB1260, 1995, Aquifer Recharge, Caribou Dam)</td>
<td>$1,000,000.00</td>
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<tr>
<td>Interest Earned</td>
<td>$120,475.04</td>
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<tr>
<td>Filing Fee Balance</td>
<td>$2,633.31</td>
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<tr>
<td>Water Supply Bank Receipts</td>
<td>$941,803.07</td>
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<tr>
<td>Bond Fees</td>
<td>$277,254.94</td>
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<tr>
<td>Funds from DEQ and IDOC for Glenns Ferry Water Study</td>
<td>$10,000.00</td>
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<tr>
<td>Legislative Appropriation FY01</td>
<td>$200,000.00</td>
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<tr>
<td>Western States Water Council Annual Dues</td>
<td>($7,500.00)</td>
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<td>Transfer to/from Revolving Development Account</td>
<td>($317,253.80)</td>
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<tr>
<td>Legislative Appropriation (SB1239, Sugarloaf Aquifer Recharge Project)</td>
<td>$60,000.00</td>
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<tr>
<td>Legislative Appropriation (HB 843 Sec 6)</td>
<td>$520,000.00</td>
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<tr>
<td>Legislative Appropriation (SB1498, 2006, ESP Aquifer Management Plan)</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$4,497,489.85</td>
</tr>
</tbody>
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Grants Disbursed:

Completed Grants:
- 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 Crofton et al: $10,000.00
- Clearwater 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: $5,650.01
- Maple Grove Estates Homeowners Association: $5,029.88
- Meander Point Homeowners Association: $7,500.00
- Moreland Water & Sewer District: $7,500.00
- New Hope Water Corporation: $2,723.39
- North Lake Water & Sewer District: $7,500.00
CURRENT ACCOUNT BALANCE
$9,915.02

Uncommitted Funds

TOTAL LOANS OUTSTANDING

$0.00

Uncommitted Funds

CURRENT ACCOUNT BALANCE
$9,915.02
Memorandum

To: Idaho Water Resource Board
From: Cynthia Bridge Clark
Date: March 9, 2018
Re: Lost Valley Reservoir Expansion Project – Proposal by Idaho Water Engineering

REQUIRED ACTION: Consideration of a Resolution to contribute funding for the completion of the Lost Valley Reservoir Northern Idaho Ground Squirrel Study.

Doug McAlvain, with the Lost Valley Reservoir Company (LVRC) Board, and LVRC’s consultant, Idaho Water Engineering (IWE), presented a proposal to the Idaho Water Resource Board (IWRB) on November 7, 2017 regarding the IWRB’s participation in the proposed Lost Valley Reservoir Enlargement (project) and submitted a revised proposal dated November 17, 2017 in response to comments and questions from the Idaho Water Resource Board (IWRB).

Since that time, IWRB staff met with representatives from LVRC and its consultant to discuss alternatives for the IWRB’s participation in advancing the project. A revised proposal is described below and a draft resolution is attached for the IWRB’s consideration.

Project Background

Lost Valley is an existing 10,000 acre-foot (AF) reservoir located in the headwaters of the Weiser River Basin near Council. It is owned by the LVRC, whose shareholders include both individuals and canal companies throughout the Weiser Basin, mostly in the Council, Cambridge, and Midvale areas. The water is used on about 10,000 acres and is mostly supplemental to natural flow rights owned by the shareholders.

Lost Valley Reservoir has long been recognized as having potential to be expanded from 10,000 AF to approximately 30,000 AF. An expansion has been studied at various times by the U.S. Bureau of Reclamation, IWRB, and the LVRC. In water short years, this additional water would benefit existing irrigators as well as recreation and fish and wildlife associated with the reservoir and Lost Creek downstream of the dam.

There are at least two major factors that make raising Lost Valley Dam challenging: 1) the reservoir enlargement would inundate U.S. Forest Service land, and 2) the reservoir enlargement would inundate portions of the ESA listed Northern Idaho Ground Squirrel (NIGS) habitat around the reservoir. In the project’s favor, a relatively small dam enlargement would be required, and there is likely a need for additional water in the Weiser Basin for the right price. The total enlargement is assumed to be 20,000 AF.

Lost Valley Reservoir Company Proposed Actions

To better understand the viability of the project, LVRC, in coordination with its consultant IWE, proposes to hire a qualified consultant to complete a study of options for the mitigation of impacts to the NIGS as well as associated costs. If reasonable options are identified, LVRC would pursue completion of a full Environmental Impact Statement (EIS) which would need to consider inundation of adjacent federal lands as well as the presence of a listed species. A separate consultation under the Endangered Species Act would also be required.
The LVRC obtained a proposal from the consulting firm Rio ASE to perform the Lost Valley Reservoir Northern Idaho Ground Squirrel Study (NIGS Study). The total cost to complete the NIGS Study including administrative costs is estimated to be $35,000 ($25,000 study and $10,000 administrative costs). LVRC is requesting partial funding from the IWRB complete this initial study, or phase 1 of the EIS.

Previous proposals from the LVRC and IWE anticipated the following:

1) Subordination of the IWRB’s Galloway reservoir water right should the Lost Valley Reservoir expansion is completed.
2) Contribution by the IWRB of $20,000 toward Phase 1 of the EIS.
3) IWRB Participation in Phase 2 of the EIS if warranted based on the results of Phase 1.
4) Provide IWRB option to acquire a minimum of 20 percent of the total new storage in the enlarged reservoir from IWE (a minimum of 4,000 acre-feet).

The IWRB raised a number of questions about the proposal at its January meeting. After discussing the project further with IWRB staff, representatives for the LVRC request consideration of an alternate proposal to focus on the completion of the NIGS Study to better understand the feasibility of the project.

1) Contribution by the IWRB of $30,000 toward completion of the NIGS Study (Phase 1 of the EIS).
2) The LVRC and its consultants will submit a final report and present results of the study, including potential costs of identified mitigation options, to the IWRB upon its completion.
3) Funding contributed by the IWRB for the NIGS study will not obligate the IWRB to future funding for the project.
4) The IWRB will enter into a contract with the LVRC directly to administer and complete the NIGS Study. The remaining costs to complete the study will be assumed by LVRC or other study participants.

**Action Items**

LVRC staff and representatives from the LVRC and its consultants will be prepared to discuss the project and NIGS study implementation at the March IWRB meeting. A draft resolution based on the terms described above is provided for IWRB consideration.

**Attachment(s)**

For reference, the following information has been included in the meeting materials.

- Draft Resolution to contribute funding for the completion of the Lost Valley Reservoir Northern Idaho Ground Squirrel Study.
- Proposal Regarding Storage Space in the Enlarged Lost Valley Reservoir (November 17, 2017)
- Lost Valley Reservoir Enlargement Proposal PPT presentation (November 7, 2017)
- Lost Valley Reservoir Northern Idaho Ground Squirrel Study Proposal, Rio ASC (November 6, 2017)
Outline

- Brief History
- Hydrology
- Subordination
- Next Steps
- Proposal
Proposed Enlargement

- Raise water level by 30 feet
- Increase storage from 10,000 acre-feet to 30,000 acre-feet
- Provide a minimum pool of 3,000 to 5,000 acre-feet
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

1. Name of applicant Lost Valley Reservoir Co. Phone 253-4751
   Post office address P.O. Box 10 Fruitvale, ID 83620

2. Source of water supply Lost Creek, which is a tributary of Weiser River, West. Fr

3. Location of point of diversion is ¼ of SE ¼ of NW ¼, Govt. Lot
   Sec. 28 Township 19 N Range 1 W B.M. Adams, County; additional
   points of diversion if any: ____________________________________________

4. Water will be used for the following purposes:
   - Amount 20,000 for **Irrigation Storage** purposes from 1/1 to 12/31 (both dates inclusive)
     (cfs or acre-feet per annum)
   - Amount 20,000 for **Irrigation from Storage** purposes from 4/15 to 10/15 (both dates inclusive)
   - Amount 20,000 for **Recreation Storage** purposes from 1/1 to 12/31 (both dates inclusive)
   (cfs or acre-feet per annum)
   - Amount ____ for ______ purposes from ______ to ______ (both dates inclusive)
     (cfs or acre-feet per annum)

5. Total quantity to be appropriated is (a) _______ and/or (b) 20,000
   cubic feet per second acre feet per annum
Images from the Water Right Application File

Images of Lost Valley*

The existing dam at Lost Valley was built in 1910 to provide irrigation water to the orchards in nearby Mesa.
Lost Valley Reservoir is a popular recreation spot, with good fishing, although camping around the lake is lacks the facilities of developed campgrounds.
Projected Flows in Weiser River  
From the Lost Valley Expansion

### Average Water Year

<table>
<thead>
<tr>
<th>Location of Measurement*</th>
<th>July Current</th>
<th>Proposed</th>
<th>August Current</th>
<th>Proposed</th>
<th>September Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost Creek</td>
<td>43</td>
<td>109</td>
<td>60</td>
<td>129</td>
<td>41</td>
<td>93</td>
</tr>
<tr>
<td>Cambridge</td>
<td>195</td>
<td>262</td>
<td>84</td>
<td>154</td>
<td>86</td>
<td>138</td>
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<tr>
<td>Mouth of Crane Cr.</td>
<td>381</td>
<td>448</td>
<td>264</td>
<td>334</td>
<td>203</td>
<td>255</td>
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<tr>
<td>Below Galloway***</td>
<td>185</td>
<td>252</td>
<td>85</td>
<td>154</td>
<td>74</td>
<td>126</td>
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### Very Low Water Year**

<table>
<thead>
<tr>
<th>Location of Measurement*</th>
<th>July Current</th>
<th>Proposed</th>
<th>August Current</th>
<th>Proposed</th>
<th>September Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost Creek</td>
<td>45</td>
<td>48</td>
<td>50</td>
<td>56</td>
<td>48</td>
<td>47</td>
</tr>
<tr>
<td>Cambridge</td>
<td>43</td>
<td>48</td>
<td>12</td>
<td>19</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Mouth of Crane Cr.</td>
<td>104</td>
<td>109</td>
<td>62</td>
<td>68</td>
<td>46</td>
<td>46</td>
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<tr>
<td>Below Galloway***</td>
<td>4</td>
<td>9</td>
<td>0</td>
<td>7</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

* All flows are expressed in “cubic feet per second” (cfs)

**1937 for Lost Creek and 1977 for Cambridge and Mouth of Crane Cr.
Apparantely, 1977 was drier than 1939, but there is no '77 data for Lost Creek
and no '39 data for Cambridge or Mouth of Crane Cr.

***Below Galloway flows do not reflect any irrigation returns
RESERVOIR ELEVATION SHOWN APPROXIMATELY 30 FEET HIGHER
SURFACE AREA = X 053.3 ACRES
Timeline of Lost Valley Reservoir

- Jun 2, 1993  Application filed
- Dec 20, 1993  Protest filed by US Forest Service
- Mar 5, 1999  IDWR Prehearing Conference
- Apr 1, 2013  Lost Valley Reservoir Company (LVRC) signs Agreement with Idaho Water Engineering (IWE)
- 2013, 2014  Meetings with USFS, Northern Idaho Ground Squirrel Recovery Team and Adams County Commissioners (including one on-site meeting for all, on July 24, 2014)
Timeline of Lost Valley Reservoir (cont.)

- Sep 14, 2014  Presentations before the Idaho Water Resource Board Water Storage Project Committee Meeting in Weiser
  - Some comments in favor
  - One presentation opposed
    - Middle Valley Ditch Corp.
    - Issues of Concern identified in a letter dated Sep 9, 2014
      - Inadequate water for annual fill
      - Bypass flows will be required
      - High costs of the project – could put the project in financial risk
Timeline of Lost Valley Reservoir (cont.)

- 2015          Efforts to Install Measuring Devices
- Apr 29, 2016  Measuring Device installed on Lost Valley Creek
- Aug 3, 2016   Onsite Meeting
- Oct 25, 2016  Initial Planning Meeting, Adams County Courthouse
Timeline of Lost Valley Reservoir (cont.)

- **Fall 2016** Survey of reservoir topography collected using drone technology
- **Spring 2017** Telemetered devices adjusted for measurement of reservoir level and outflow, and remote outlet control
- **2017** Measurements collected and remote operation refined
- **2017** Hydrology recalculated
<table>
<thead>
<tr>
<th>DATE</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JULY</th>
<th>AUG</th>
<th>SEP</th>
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YEARLY CFS 13466
YEARLY ACRE FEET 26710
TOTAL NO OF DAYS 154
YEARLY MEAN 87
### Snow Water Equivalent Percent NRCS 1981-2010

#### August 9, 2017, end of day

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<td>% of Median WY Peak (POR): 1%</td>
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Data Reports
- 30-Day Daily Table
- 7-Day Hourly Table
- Water Year Chart (SWE and Precip)
- Site Page

Export CSV
West Branch (855) Idaho SNOTEL Site - 5560 ft
Reporting Frequency: Daily; Date Range: 2016-10-01 to 2017-09-30

[Graph showing various precipitation metrics over time from 2016-10-01 to 2017-09-30]

Legend:
- Blue: Snow Water Equivalent (in) Start of Day Values
- Black: Precipitation Accumulation (in) Start of Day Values
Select on a tool on the toolbar. If the icon remains depressed, click on the map to perform the desired action.

**Map Layers**
- Streamgages
- Regional Studies
- Availability
- State Applications
- Study Area Bndys

**Base Layers**
- Imagery
- Street Map
- World Topo
- USA Topo
- Canadian Topo
- TNM Topo

**Streamgage Information**
- Station Name: LOST VALLEY RES NR TAMARACK ID
- Site Number: 13264000  
- Latitude: 44.95648
- Longitude: -116.46699
- Site Status: Inactive
- NWIS URL: [click here]
- Station Type: Unknown
- Coordinate Source: NHD24K

**Identify Results**

Scale: 1 : 72,224

Latitude: 44.95754
Longitude: -116.54898
Results of New Hydrographic Study

- 1993 Report predicts the average annual yield of the basin above Lost Valley Reservoir Dam is 29KAF.

- Mr. Steve Lipscomb (former Director of USGS Water Center in Idaho) computed the average annual yield to be 28KAF and 27KAF using two different techniques.
## Subordination of Galloway to Lost Valley

- Date of Priority of Galloway – 7/9/1982
- Date of Priority of Lost Valley – 6/2/1993

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Subordination

- Lost Valley Reservoir requests subordination of Galloway by the IWRB.
- Without this subordination further studies for Lost Valley Reservoir are not warranted.
Advantages to IWRB

- Beneficial to summer flows.
- Carry-over storage will enhance the fishery in Lost Valley Reservoir and downstream.
- Additional storage to work in tandem with Galloway, if built.
- This is a low-cost storage project for Idaho, and provides an opportunity for the IWRB to acquire some of the storage.
Lost Valley Reservoir Trout Improvement Project Planned

Story of Fish Kill for this Year

By Evin Oneale, Regional Conservation Educator
Tuesday, September 26, 2017 - 10:06 PM MDT

Lost Valley Reservoir, located 16 miles north of Council Idaho, is nearly dry and Fish and Game plans to take advantage of that condition to improve trout populations at the popular fishing hole.

The Lost Valley Reservoir Company has lowered the reservoir to the lowest pool possible for outlet valve repairs and is cooperating to keep the pool down until later in October.

A large population of yellow perch now occupies the reservoir, effectively limiting the growth of rainbow trout stocked by Fish and Game. “Lost Valley is simply too small to support a quality yellow perch population,” Fish and Game fisheries biologist Paul Janssen noted. “The perch can never grow to acceptable size for anglers and by consuming nearly all of the available food supply in the reservoir, perch also limit trout growth.” Trout fishing is also made more difficult by perch that quickly consume baits intended for trout.
Offerings of the 20,000 acre-feet of additional storage

1. Existing shareholders
2. Dead storage to the State of Idaho
3. Other water users in the Weiser River Basin
4. IWRB
5. Others
Lost Valley Reservoir Projected Construction Costs, for 20KAF of Additional Storage

- 1992 -- $2.3M
- 2017 -- $4.0 M (per Govt Consumer price index from https://data.bls.gov)

Per former IWRB Chairman: “Enlargement of Lost Valley Reservoir is the least cost new storage in Idaho”
Process

- Discuss recreation, wildlife, fishery and infrastructure alternatives if reservoir is expanded.
- Discuss tradeoffs between moving recreation areas and providing an increased water supply.
- Discuss potential mitigation strategies for Northern Idaho Ground Squirrels.
- Result in a proposal for USFS.
Composition of Proposal Team

- Lost Valley Reservoir Company
- Weiser Basin Water Users
- Adams and Washington Counties
- US Forest Service
- Northern Idaho Ground Squirrel Recovery Team
- Idaho Water Resource Board
- USDA – Rural Development
- Facilitated by Idaho Water Engineering
Assistance Needed from the US Forest Service and the Idaho Water Resource Board

- Participate in the proposal development process as a stakeholder (beneficiary of carry-over pool and higher summer flows)
Northern Idaho Ground Squirrel
NORTHERN IDAHO GROUND SQUIRREL
Population Monitoring Progress Report for the 2008 Field Season

Threatened and Endangered Species Project E-28-7
Section 6, Endangered Species Act
and
Cooperative Agreement No. 14420-6-J036
Next Steps

- Initiate a two part Environmental Impact Statement process:
  1. Northern Idaho Ground Squirrel mitigation opportunities -- 2018
  2. Remainder of EIS -- 2019

- IWRB is invited to participate (Public Private Partnership)
Thank you.

208-378-1513
Website: Idahowaterengineering.com
Email: info@idahowaterengineering.com
Proposal by Lost Valley Reservoir Company -- 2018

- Subordination of this project to the Galloway
- Financial participation in the project:
  - Requests participation by IWRB in the 2018 Squirrel Study
  - Total proposed cost - $35,000
    - Cost of Squirrel Study -- $25,000
    - All other Admin costs -- $10,000
  - IWRB – $20,000
  - Water Users of New Storage -- $10,000
  - IWE in-kind: $5,000
WHEREAS, House Joint memorial No. 8 (HJM 8) passed and approved by the 2008 Idaho Legislature encouraged the Idaho Water Resource Board (IWRB), in coordination with other public and private entities, to initiate and complete the study of additional water storage projects in the state of Idaho; and

WHEREAS, House Bill 428 passed and approved by the 2008 Idaho Legislature directed the IWRB to conduct the statewide comprehensive aquifer planning and management effort, including evaluation of additional surface water storage, and House Bill 644, also passed and approved by the 2008 Idaho Legislature, created the Aquifer Planning and Management Fund and provided funds to carry out the statewide comprehensive aquifer planning and management effort; and

WHEREAS, Senate Bill 1176 passed and approved by the 2017 Legislature allocated $5 million in ongoing General Fund dollars to the IWRB’s Secondary Aquifer Planning, Management, and Implementation Fund (Secondary Aquifer Fund) for statewide water sustainability and aquifer stabilization; and

WHEREAS, the Idaho State Water Plan recognizes that surface water development will play a role in meeting Idaho’s future water needs; it supports assessment and development of new high potential storage facilities, and supports the creation of collaborative partnerships with private entities, concerned stakeholders, local governments, and federal agencies to evaluate, design and construct water storage projects; and

WHEREAS, an enlargement of the Lost Valley Reservoir, located in the Weiser River Basin north of Council, Idaho is identified in the 2012 Idaho State Water Plan as a reservoir site with apparent high potential for development; and

WHEREAS, the Lost Valley Reservoir Company Board (LVRC) is investigating a potential raise of the Lost Valley Dam (project) to increase reservoir capacity by as much as 30,000 acre-feet to provide approximately 20,000 acre-feet of additional water supply for irrigation by existing shareholders, other water users in the Weiser River Basin, recreation, fish and wildlife, and other purposes based on interest; and

WHEREAS, the LVRC filed a water right application for the additional storage water in 1993, completed initial design and cost estimates for construction of the project, and in 2013, the LVRC began investigating environmental compliance requirements and updating hydrologic analyses; and

WHEREAS, the reservoir is surrounded by U.S. Forest Service property and includes populations of the Northern Idaho Ground Squirrel (NIGS), a federally listed as a Threatened Species under the Endangered Species Act; therefore, various environmental compliance analyses would be required to complete the proposed project; and
WHEREAS, to better understand environmental impacts and potential mitigation requirements for the project, LVRC proposes to complete an evaluation of potential mitigation options for the NIGS as in initial phase of a larger Environmental Impact Statement (EIS); and

WHEREAS, the LVRC submitted a proposal in cooperation with consulting firms Idaho Water Engineering and Rio ASE to complete the evaluation; the cost of the analysis is estimated to be $35,000; and

WHEREAS, on May 19, 2017, the IWRB adopted the Secondary Aquifer Fund Fiscal Year 2018 Budget, which included $100,000 for project development in the Weiser River Basin; and

NOW, THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures not to exceed $30,000 from the Secondary Aquifer Fund, for the Lost Valley Reservoir Northern Idaho Ground Squirrel Study; and

NOW, THEREFORE BE IT RESOLVED that the LVRC and its consultants will submit a final report and present results of the study, including potential costs of identified mitigation options, to the IWRB upon its completion; and

NOW, THEREFORE BE IT RESOLVED that funding contributed by the IWRB through this resolution does not obligate the IWRB to future funding for the Lost Valley Reservoir Enlargement Project; and

NOW, THEREFORE BE IT RESOLVED that the IWRB authorizes its chairman or designee, Brian Patton, to execute the necessary agreements or contracts to complete the improvements proposed for the Canyon Creek Recharge Project.

DATED this 23th day of March, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
Memorandum

To: Idaho Water Resource Board
From: Randall Broesch P.E.
Date: March 12, 2018
Re: Mountain Home Air Force Base Water Sustainability Project

The following is a status report on the Mountain Home Air Force Base (MHAFB, base) Water Sustainability Project (Project).

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 (Board) 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 their existing use of groundwater. In 2014, with support from the Governor and Idaho State Legislature, the Board purchased senior Snake River water rights from the Simplot Corporation to provide a water supply to the MHAFB. 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 municipal purposes on the base. The Board is expected to retain the senior water rights and enter into a water utility service contract with the MHAFB for the delivery of the municipal water. The Board will undertake the financing, design, construction, and maintenance methods to bring the project to fruition. The Governor’s office, the State Legislature, and the Board recognize and are committed to supporting the MHFAB as a $1 Billion annual economic generator in the local Idaho economy.

Project Status

The following project components are progressing in parallel:

IDEQ/Raw Water Characteristic Study/Pilot Study-Board Staff continues to coordinate with the Idaho Department of Environmental Quality (IDEQ) to complete identified project requirements and processes required to deliver the proposed project. Priority project development activities include completion of a facility plan report, identification of the raw water characteristics for the C.J. Strike Reservoir, completion of a pilot study of various treatment technologies, and preparation of a preliminary engineering report. IDEQ continues to support the project by providing technical guidance to both Board staff and the Brown & Caldwell team (the Board’s Owner’s Advisor).

Brown & Caldwell is finalizing the raw water characterization study this spring that is required by the IDEQ, and is continuing to prepare for pilot testing in 2018.

The data collected from the pilot testing in 2017, 2018, and from the raw water characteristic study will be used by the Design-Build-Operator contractor to identify the necessary treatment processes to deliver a safe and reliable municipal water supply to the MHAFB.

Design-Build-Operator (DBO) Procurement-In August 2017, the Board initiated a two-part procurement process to secure a DBO for the project. Short listed respondents to the Request for Qualifications (RFQ) process were CH2M, McMillen Jacobs, and RSCI. These respondents have been invited to participate in the Request for Proposal phase of the procurement. Staff is currently working with Brown and Caldwell to prepare the RFP. Based on the current revised schedule, the RFP will be released once pilot testing in 2018 is complete. The notice of award is currently scheduled to be issued in January/February 2019.
Environmental Assessment (EA)-The majority of the property between the Snake River and the MHAFB is federal land administered by the U.S. Bureau of Land Management (BLM). Since the Board holds the water rights and is responsible for developing the infrastructure to convey water to the base, it is required to submit an application to the BLM to secure an easement for the project. The MHAFB rules require an Environmental Assessment (EA) be completed as the recipient of the Board’s water. To expedite the EA process, the MHAFB and the BLM entered into a cooperative agreement to co-lead the EA for the project, and the MHAFB hired a private consultant to prepare the EA for both agencies. A draft EA and draft Findings of No Significant Impact (FONSI) was issued for public comment by the BLM and the MHAFB on July 12, 2017 and a final EA was issued on December 6, 2017 with the signed FONSI and Record of Decision. The 30-day public comment period on the Final EA ended on January 6, 2018.

Staff has been working with the BLM to issue the Right-of-Way (ROW) grant that will allow construction of the pipeline from the C.J. Strike Reservoir to the MHAFB. As part of the enabling legislation that established the Morley Nelson Birds of Prey National Conservation Area (NCA) in 1993, activities occurring within the NCA are required to enhance the purposes for which it was created. Using an established enhancement framework plan, the BLM was able to calculate a monetary value associated with the construction activities for the alignments assessed through the NEPA process. BLM determined the cost to construct 14.34 miles of pipeline for the selected alignment was $58,219. Staff has prepared a resolution requesting the required $58,219 for construction activities associated with the project.

Water Utility Service Contract (WUSC) and Project Financing-The WUSC will establish the long-term utility relationship between the Board and the MHAFB, and will serve as the revenue commitment needed to pursue the issuance of revenue bonds to finance the project. Though IWRB staff have been working closely with the MHAFB over the last year to define the function of the WUSC, negotiations with the base officially began on December 21, 2017 when the MHAFB issued “business clearance” (or authorization) to enter into negotiations with the Board.

On January 16, 2018, staff met with the Board’s Finance Committee to discuss the terms, conditions and layout of the WUSC and to discuss anticipated financing approaches with the project financing team. Board staff and the MHAFB continue to develop the WUSC and are scheduled to report progress to the Board at another Finance Committee meeting on March 22, 2018. Staff will introduce a resolution to approve funding (“Gap Funding”) to finalize project development activities prior to execution of the WUSC and receipt of the initial payment by the MHAFB.

Permits and Easements-Staff is submitting applications for permits to the following agencies or entities: ITD encroachment permit, Mountain Home Highway District utility permit, Idaho Department of Lands Utility Easement, Simplot Utility Easement, Idaho Power-Project Planning for Power Supply, and the U.S. Army Corps 404 permit.

Water Right Transfer-Applications for a water right transfer of water right numbers 2-10300A, 2-10300B, and 2-10506, and an application for permit were filed with the Idaho Department of Water Resources (IDWR). IDWR is currently reviewing the applications and has indicated it may request additional information prior to advertising the applications. IWRB staff will continue to coordinate with IDWR.

Schedule –Please refer to the schedule provided after this memo.

REQUIRED ACTIONS: Staff is requesting authorization from the Board to provide Gap Funding to continue with the project development phase of the project and provide monetary compensation to the BLM for enhancements associated with the construction activities of the Project.
<table>
<thead>
<tr>
<th>ID</th>
<th>Task Name</th>
<th>Duration</th>
<th>% Complete</th>
<th>Start</th>
<th>Finish</th>
<th>Milestone</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0-Funding Authorization HB 870/SAPMIF</td>
<td>90 days</td>
<td>97%</td>
<td>3/19</td>
<td>6/12</td>
<td>9/28</td>
</tr>
<tr>
<td>2</td>
<td>1-Contracts</td>
<td>1002 days</td>
<td>70%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>3</td>
<td>Water Utility Service Contract</td>
<td>1002 days</td>
<td>70%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>4</td>
<td>WUSC Negotiations</td>
<td>80 days</td>
<td>70%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>5</td>
<td>Executed WUSC</td>
<td>0 days</td>
<td>0%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>6</td>
<td>Award CLIN 1-Connection</td>
<td>0 days</td>
<td>0%</td>
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<td>4/29</td>
<td>7/1</td>
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<tr>
<td>7</td>
<td>Award CLIN 2-Operations</td>
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<td>8</td>
<td>WUSC Delivery Deadline</td>
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<td>1/11</td>
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<td>7/1</td>
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<tr>
<td>9</td>
<td>2-Project Financing</td>
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<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>10</td>
<td>MWKFS WUSC Advanced Payment</td>
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<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>11</td>
<td>Revenue Bonds</td>
<td>833 days</td>
<td>0%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>12</td>
<td>Prepare Revenue Bonds</td>
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<td>7/1</td>
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<td>13</td>
<td>Revenue Bond Sale</td>
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<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
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<td>7/1</td>
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<tr>
<td>17</td>
<td>Notice of Award DBO</td>
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<td>0%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>18</td>
<td>4-Permitting/Construction</td>
<td>1002 days</td>
<td>7%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>19</td>
<td>Environmental Assessment</td>
<td>5 days</td>
<td>100%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>20</td>
<td>Water Rights Applications</td>
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<td>21%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>21</td>
<td>Rights-of-Way &amp; Utility Easements</td>
<td>240 days</td>
<td>15%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
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<tr>
<td>22</td>
<td>Design/Construction</td>
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<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
<tr>
<td>23</td>
<td>Commission/Acceptance Testing</td>
<td>90 days</td>
<td>0%</td>
<td>1/11</td>
<td>4/29</td>
<td>7/1</td>
</tr>
</tbody>
</table>
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; and

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 Base; 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 previously authorized expenditure of $6.365 Million for project development services including the Owner’s Advisor, legal services, and Consultant Services for water right permitting and technical project planning efforts, and

WHEREAS, the funding for project development services is disbursed from the following
accounts: $1.365 Million from the Revolving Development Account, $1.0 Million from the Secondary Aquifer Planning Management and Implementation Fund, and the remaining $4.0 Million would be paid from the revenue bonds; and

WHEREAS, the Board intends to recover all funds for the project development services authorized to date that have been disbursed from the Secondary Aquifer Planning Management and Implementation Fund and Revolving Development Account in the amount of $2.365 Million; and

WHEREAS, through negotiations with the Base, the Board will receive a connection fee from the Base upon signing the water utility service contract; and

WHEREAS, $2.365 Million of the connection fee from the Base will reimburse the Secondary Aquifer Planning Management and Implementation Fund and the Revolving Development Account for previously authorized project development services; and

WHEREAS, gap funding from the Secondary Aquifer Planning Management and Implementation Fund will be necessary to cover the project development costs from March 27, 2018 through the notice of award being issued to the design-build-operator which is scheduled for spring 2019; and

WHEREAS, the Final Environmental Assessment issued by the U.S. Bureau of Land Management (“BLM”) and the Base identify a monetary calculation for enhancements in the amount of $58,219 to be provided by the Board for the purposes of the 25th Anniversary Activities for the Morley Nelson Birds of Prey National Conservation Area;

NOW, THEREFORE BE IT RESOLVED that the Board authorizes the disbursement of up to $____________, not to exceed actual costs, from the Secondary Aquifer Planning and Management Implementation Fund to assist staff and the Board with completing the project development phase of the project and to successfully procure a design-build-operator; and

NOW, THEREFORE BE IT RESOLVED that $58,219 of the requested $900,000 be disbursed from the Secondary Aquifer Planning Management and Implementation Fund to the Birds of Prey Partnership upon the issuance of the Right-of-Way Grant from the BLM. The Birds of Prey Partnership is an established General Non-Profit Corporation in the State of Idaho with a status of good standing and was established on November 5, 2015; and

NOW, THEREFORE BE IT RESOLVED that the Board intends to recover $2.365 Million from previous authorizations and $900,000 from this authorization from two sources in whole or in part from: 1. the connection fee from the Base or 2. from the issuance of revenue bonds.
NOW, THEREFORE BE IT FURTHER RESOLVED that the Board authorizes its chairman or designee, Brian Patton, Board Executive Officer, to execute the necessary agreements or contracts to continue with project development services and for the project enhancement costs associated with the Final Environmental Assessment.

DATED this 23th day of March, 2018.

ROGER CHASE, Chairman

VINCE ALBERDI, Secretary

ATTEST:

VINCE ALBERDI, Secretary

Idaho Water Resource Board

ROGER CHASE, Chairman
Memorandum

To: IWRB – Streamflow Enhancement and Minimum Streamflow Committee

From: Amy Cassel

Date: March 9, 2018

Re: Water Transaction Program – 2018-2019 Rental Hat Creek

REQUIRED ACTION: Recommendation from Committee to approve and fund the lease and rental fees for the proposed transaction.

The 2004 Snake River Water Rights (“Nez Perce”) Agreement commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment stream flows. The Hat Creek Basin supports the spawning, migration and rearing of ESA-listed resident bull trout. Big Hat Creek, a tributary of Hat Creek, and Hat Creek provide thermal refuge and rearing habitat for juvenile bull trout. The only diversion on Big Hat Creek can dewater the stream, thereby blocking the movement of bull trout and decreasing rearing habitat. The lower section of Hat Creek provides thermal refuge for adult Chinook salmon, and flows left instream from the higher, colder reaches of the Hat Creek basin may provide the necessary cooler temperatures for Chinook spawning habitat.

Erik Storlie and Tamara Kaiser have the only water rights from Big Hat Creek (75-2137 and 75-4199 - 1.23 cfs irrigating 43.6 acres). From 2004 to 2008, the Board rented 0.52 cfs from the Storlie-Kaisers for delivery to the minimum stream flow water right on Hat Creek. In 2009, the irrigators leased their water rights into the Idaho Water Supply Bank for an indefinite period of time. In 2010, the Board passed a resolution to make a funding commitment to cover the fees associated with a five year rental of Water Rights Nos. 75-2137 and 75-4199 for delivery to the minimum stream flow on Hat Creek, but declined to approve funding for water right owner compensation.

In 2015, the Storlie-Kaisers leased an additional water right (Hat Creek 75-4200 - 1.28 cfs irrigating 24.7 acres) to the Idaho Water Supply Bank for three years. The water right owners are interested in more long-term options, so staff is exploring the possibility of a purchase or long-term rental of all three water rights (75-2137, 75-4199, and 75-4200), with the exception of the portion used to water 4.6 acres near their cabin. While the risk of resumption of use is small if the rights are only rented from the current owners, the Storlie-Kaisers are considering listing the property and a change in ownership could result in resumption of use. An acquisition of the water rights would permanently protect the flows in Big Hat Creek and Hat Creek but would likely affect the value of the property.

Funding for the appraisal and the expected appraisal value have delayed progress on a purchase of the water rights. However, a purchase is still being considered as are other funding sources. In the interim, the water right owners have agreed to donate the water rights to the Board for a rental to the Hat Creek minimum stream flow. Funding is available through the CBWTP to cover two years of lease application and rental fees. Total transaction costs would be $1391.00.
Request for Committee Recommendation:

Staff requests comments and a recommendation from the Committee regarding the transaction. Recommendations from the Committee will be introduced to the full Board at the March 23, 2018 IWRB meeting. A draft resolution is attached for the Committee’s consideration.
WHEREAS, bull trout and juvenile Chinook salmon habitat in Hat Creek is limited by low flow in the lower reaches of Hat Creek; and

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

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

WHEREAS, the Idaho Water Resource Board (IWRB) owns a minimum streamflow water right on Hat Creek; and

WHEREAS, Erik Storlie and Tamara Kaiser have agreed to donate a portion of their water rights (water right nos. 75-2137, 75-4199, and 75-4200) to the IWRB for delivery to the Hat Creek minimum stream flow water right; and

WHEREAS, Idaho Department of Water Resources staff has developed a 2-year Lease and Rental Agreement through the Idaho Water Supply Bank (lease and rental) to leave water in Big Hat Creek and Hat Creek to improve stream flow for anadromous and resident fish (Hat Creek Transaction); and

WHEREAS, a proposal for $1,391.00 has been submitted to the Columbia Basin Water Transaction Program to fund the lease and rental of said water rights through the Idaho Water Supply Bank; and

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

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to rent water right nos. 75-2137, 75-4199, and 75-4200 for the purpose of increasing flows in Big Hat Creek and Hat Creek.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board will pay up to $500 in lease application fees and $891.00 in Water Supply Bank rental fees to facilitate this transaction.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the
condition that the IWRB receives the requested funding from the Bonneville Power Administration through the Columbia Basin Water Transaction Program in the amount of $1,391.00.

DATED this 23rd day of March 2018.

____________________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _________________________________
VINCE ALBERDI, Secretary
The Memorandum

To: IWRB – Streamflow Enhancement and Minimum Streamflow Committee

From: Amy Cassel, IWTP Program Coordinator

Date: March 9, 2018

Re: Water Transaction Program – 2018 Lower Lemhi Annual Transaction

REQUIRED ACTION: Recommendation from Committee to approve and fund agreements not to divert and funding for administration by Water District 74.

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.

For the past 12 years, the IWRB has been working to meet the 35 cfs target through agreements between the IWRB and water users “not to divert” from the Lemhi River. As identified below, a total of 19.39 cfs is currently protected permanently or through long-term agreements:

<table>
<thead>
<tr>
<th>Flow Target (cfs)</th>
<th>35</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flow Currently Protected Permanently (cfs):</td>
<td></td>
</tr>
<tr>
<td>Permanent Easements</td>
<td>(15.53)</td>
</tr>
<tr>
<td>Thomas Agreement</td>
<td>(1.14)</td>
</tr>
<tr>
<td>TNC Donation</td>
<td>(0.30)</td>
</tr>
<tr>
<td>City of Salmon</td>
<td>(2.42)</td>
</tr>
<tr>
<td>Unmet Target (cfs):</td>
<td>15.61</td>
</tr>
</tbody>
</table>

These agreements have been administered in accordance with a contract between the IWRB and Water District 74. As permanent agreements have been acquired the amount of water needed through annual leases has decreased.

Staff proposes development of additional annual agreements to reduce or eliminate the gap of 15.61 cfs between the permanent and long-term transactions and the 35 cfs flow target. Funding is available through the BPA Idaho Fish Accord. IWRB currently has a one-year contract to expend funds, therefore, staff recommends entering into one-year agreements with various water users and the Water District.

As in previous years, payment will be based on the number of days the irrigators are turned off with compensation of $90.00/24-hour cfs. Irrigators will only be curtailed when the flow targets are not being met and up to a maximum of 100 days, which is unlikely unless severe, unprecedented drought conditions persist throughout the entire irrigation season. The agreement not to divert contracts will not exceed $105,105.00 and the Water District 74 contract will not exceed $12,800. Funding for
administration by the Water District 74 Watermaster and payment to the irrigators will come from the 2018 Idaho Fish Accord contract.

The Streamflow Enhancement and Minimum Streamflow Committee initially reviewed and approved pursuit of this transaction at a meeting held on November 7, 2017.

Request for Committee Recommendation:

Staff requests comments and a recommendation from the Committee regarding the transaction. Recommendations from the Committee will be introduced to the full Board at the March 23, 2018 IWRB meeting. A draft resolution is attached for the Committee’s consideration.
Lemhi @ L6 Flow 2016

- Minimum Stream Flow
- Actual flow
- Flow without annual leases
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE LOWER LEMHI 2018 WATER RIGHT SUBORDINATION AGREEMENTS

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 State of Idaho committed to maintaining flows of 25 cfs to 35 cfs at the L-6 Diversion on the Lower Lemhi River in the Lemhi Framework which was developed as part of the 2004 Snake River Water Rights Agreement; and

WHEREAS, the Lemhi Framework carries forward target goals which were included in earlier conservation agreements developed and approved by local water users, and state and federal agencies; and

WHEREAS, though enacting Idaho Code 42-1506 and 42-1765A, the Idaho Legislature directed the Idaho Water Resource Board (Board) to establish a minimum streamflow water right of 35 cfs in the Lower Lemhi River to be met through water right rentals or other appropriate methods under state law; and

WHEREAS, the Board has the authority to enter into agreements to improve flow for anadromous and resident fish; and

WHEREAS, the Board is authorized to expend Bonneville Power Administration funds for flow restoration through the Columbia Basin Water Transaction Program and the Bonneville Fish Accord Water Transaction Fund; and

WHEREAS, the Board promotes water transactions that maintain the local agricultural economy by retaining irrigated agriculture; and

WHEREAS, Idaho Department of Water Resources staff has developed short-term subordination agreements, also known as the Lemhi Subordination Agreements (agreements) with local water users to improve stream flow for anadromous and resident fish; and

WHEREAS, for all agreements, the water users have agreed to limit their diversions during times of low flow; and

WHEREAS, for all agreements, the water users will continue to irrigate their full place of use when flows exceed the flow targets; and
WHEREAS, funding in the amount of $117,905.00 is available through the Idaho Fish Accord – Idaho Water transactions Fund or the Columbia Basin Water Transaction Program to fund the cost of said agreements; and

WHEREAS, the Lemhi Subordination Agreements are in the public interest and in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the Board authorizes the Chairman to enter one-year agreements with lower Lemhi River irrigators to not divert out of the Lemhi River, using an amount not to exceed $105,105.00.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board authorizes the Chairman to enter into contract with Water District 74 to administer said agreements and previous subordination easements using an amount not to exceed $12,800 over a two-year period.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the Board receives the requested funding from the Bonneville Power Administration through the Idaho Fish Accord – Idaho Water Transactions Fund in an amount up to $117,905.00.

DATED this 23rd day of March, 2018.

ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: ______________________________________
VINCE ALBERDI, Secretary
Memorandum

To: IWRB – Streamflow Enhancement and Minimum Streamflow Committee
From: Amy Cassel
Date: March 9, 2018
Re: Water Transaction Program – Meadow Creek 36 donation

REQUIRED ACTION: Recommendation from Committee to approve and fund the lease and rental fees for the proposed transaction.

Background:

Meadow Creek, located in the Sawtooth Valley, is tributary to Valley Creek and classified as a B-list stream under the Snake River Basin Adjudication (SRBA) Settlement Term Sheet. Meadow Creek is classified as a B-list, developed stream because it exhibits the following: 1) chronic dewatering, 2) passage barriers due to irrigation diversions, 3) unscreened irrigation diversions, and 4) impacts due to grazing and residential development. While Meadow Creek is a relatively small drainage, its hydrological contribution is considered important thermal refugia for Chinook salmon, and has been designated critical habitat for steelhead and Chinook salmon. Juveniles of both species are presently utilizing Goat Creek for rearing habitat. Goat Creek has Minimum Stream flow water rights held by the Idaho Water Resource Board (IWRB).

In May 2017, IWRB approved a funding resolution to acquire the water rights associated with Goat Falls Ranch (GFR). GFR consists of approximately 280 acres and 12 cfs of water rights from Goat Creek and Meadow Creek. IWRB entered into a purchase and sale agreement for the ranch in August 2017 and closing is scheduled for March 2018. After the sale closes, IWRB staff will file a change of ownership and the water rights will be in the name of the IWRB and permanently rented to meet the minimum stream flow water rights on Goat and Meadow Creek. The land associated with GFR will ultimately be conveyed to the Sawtooth National Recreation Area (SNRA) and will be managed in perpetuity by the SNRA. That change in ownership is expected in April 2018.

Once the acquisition of GFR is completed, approximately 0.6 cfs will remain in Meadow Creek-3 (MC-3), the uppermost and unscreened diversion on Meadow Creek. In an effort to close MC-3, the Custer Soil and Water Conservation District has been working with the two remaining water users to switch their source from MC-3 surface water to groundwater. Wells are scheduled to be drilled in spring 2018 and pod systems will be installed to irrigate approximately 20 acres. The water users would like to lease their MC-3 rights into the bank for a period of 20 years. Their motivation to retain ownership of the surface rights is to mitigate their groundwater permits in the unlikely event that Basin 71 becomes a closed basin and there is an injury call on their groundwater rights.

Total project cost is $2294.95 for lease and rental fees only as there will be no payment to the water users. Funding for the one-time lease application fee and the 20-year rental fee would come from the Columbia Basin Water Transaction Fund.
Request for Committee Recommendation:

Staff requests comments and a recommendation from the Committee regarding the transaction. Recommendations from the Committee will be introduced to the full Board at the March 23, 2018 IWRB meeting. A draft resolution is attached for the Committee’s consideration.
WHEREAS, Chinook salmon, steelhead, and bull trout habitat in the Upper Salmon River basin is limited by seasonally disconnected tributaries; and

WHEREAS, the 2004 Snake River Water Rights ("Nez Perce") Agreement commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment stream flows; and

WHEREAS, the Nez Perce Agreement directed the Idaho Water Resource Board (Board) to establish minimum streamflow water rights on Meadow Creek to be met through water right rentals or acquisitions under state law; and

WHEREAS, Meadow Creek has been identified as high priority streams for flow restoration efforts, to provide high quality habitat for anadromous Chinook salmon and steelhead and resident bull trout, and

WHEREAS, it is in the interest of the State of Idaho to reconnect Meadow Creek to Valley Creek to encourage recovery of ESA-listed Chinook salmon, steelhead, and bull trout fish; and

WHEREAS, the Idaho Water Resource Board (IWRB) owns a minimum streamflow water right on Meadow Creek; and

WHEREAS, Idaho Department of Water Resources staff has developed a 20-year lease/rental agreement to leave water in Meadow Creek to improve stream flow for anadromous and resident fish; and

WHEREAS, Pat Furey and Dennis Thornock have agreed to donate their water rights to the Board for delivery to the Meadow Creek minimum stream flow; and

WHEREAS, a proposal for $2,294.95 has been submitted to the Columbia Basin Water Transaction Program to be used to fund the lease and rental of said water rights through the Idaho Water Supply Bank; and

WHEREAS, the Meadow Creek transaction is in the public interest and in compliance with the State Water Plan.
NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to rent water right nos. 71-14, 71-15, 71-17, 71-18, 71-10960, 71-10961, 71-10962, and 71-10963 for the purpose of increasing flows in Meadow Creek.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board will pay up to $1000 in lease application fees and $1,294.95 in Water Supply Bank rental fees to facilitate this transaction.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the IWRB receives the requested funding from the Bonneville Power Administration through the Columbia Basin Water Transaction Program in the amount of $2,294.95.

DATED this 23rd day of March, 2018.

______________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _________________________________
Vince Alberdi, Secretary
Idaho Water Resource Board
Memorandum

To: IWRB – Streamflow Enhancement and Minimum Streamflow Committee
From: Amy Cassel
Date: March 9, 2018
Re: Water Transaction Program – 2018 Morgan Creek Transaction

REQUIRED ACTION: Recommendation from Committee to approve and fund the one-year agreement not to divert.

The 2004 Snake River Water Rights (“Nez Perce”) Agreement commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment stream flows. Morgan Creek, a tributary to the Salmon River near Challis, is important for the spawning, migration and rearing of ESA-listed steelhead and bull trout. It also supports the rearing of ESA-listed juvenile Chinook salmon. Morgan Creek typically becomes dewatered below the lowest two diversions (SMC 2-4 and SMC 1) during the irrigation season, blocking access to those fish species. For the past 12 years, the IWRB has held agreements not to divert with the two water users on those diversions from Morgan Creek. Rather than divert from Morgan Creek, they left at least 2 cfs in the creek during the low flow periods to maintain adequate flows in Morgan Creek to the confluence with the Salmon River. The water was instead pumped out of a Salmon River ditch that carries existing Salmon River water rights appurtenant to the same ground. In return, the irrigators were compensated based on the cost of pumping water from the Salmon River ditch.

While the agreements have sustained a minimum flow over the past 12 years, the approach to flow restoration over that time has changed. Instead of addressing only flow limitations, Board staff works with Upper Salmon Basin partners to develop transactions that can complement projects addressing all limiting factors, while maintaining the local economy. Morgan Creek has been on a back burner the last 7 years, while work has focused on the Lemhi and Pahsimeroi River Basins.

High flows on Morgan Creek in 2017 caused physical damage to a portion of the transacted reach and as a result one of the water users is interested in a longer-term, more holistic solution to his irrigation practices. IWRB staff is working with Idaho Fish and Game, Bureau of Reclamation, and the Custer Soil and Water Conservation District on a long term plan, which involves re-locating a fish screen and siphoning Salmon River ditch water under Morgan Creek. In the meantime, it is important to secure the gains that have already been made.

The proposed one year agreement not to divert would be an extension of the same terms and pricing structure of the previous agreements. The Morgan Creek water users will be compensated only when they are required to pump to maintain the 2 cfs flow. The maximum payment is based upon an annual five percent increase from the 2017 payment, with the total not to exceed $9,719.19. Funding for the transaction would come from the Columbia Basin Water Transaction Fund.

The Streamflow Enhancement and Minimum Streamflow Committee initially reviewed and approved pursuit of this transaction at a meeting held on November 7, 2017.
**Request for Committee Recommendation:**

Staff requests comments and a recommendation from the Committee regarding the transaction. Recommendations from the Committee will be introduced to the full Board at the March 23, 2018 IWRB meeting. A draft resolution is attached for the Committee’s consideration.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE 2018 MORGAN CREEK WATER TRANSACTION CONTRACTS

RESOLUTION TO MAKE A FUNDING COMMITMENT

WHEREAS, steelhead, bull trout, and juvenile Chinook salmon habitat in Morgan Creek is limited by low flow in the lower reaches of Morgan Creek; and

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

WHEREAS, it is in the interest of the State of Idaho to reconnect Morgan Creek to encourage recovery of ESA-listed steelhead, bull trout, and Chinook Salmon; and

WHEREAS, Idaho Department of Water Resources staff has developed a series of agreements not to divert water from Morgan Creek at the SMC-2/4 and SMC-1 diversions to improve stream flow for anadromous and resident fish; and

WHEREAS, staff has now negotiated one-year agreements with the Morgan Creek water users not to divert water at the SMC2/4 and SMC 1 diversions; and

WHEREAS, a proposal for $9,719.19 has been submitted to the Columbia Basin Water Transactions Program to be used to fund said agreements; and

WHEREAS, instead of diverting from Morgan Creek, the water users have agreed to pump from Salmon River sources that are not flow-limited and the funds paid under these agreements will approximate the power expenses incurred, by changing the points of diversion; and

WHEREAS, the Morgan Creek transactions are in the public interest and in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into contracts with Ronald Jones and Donna Hughes, or their successors, for agreements not to divert out of Morgan Creek in an amount not to exceed $9,719.19.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the IWRB receives the requested funding from the Bonneville Power Administration through the Columbia Basin Water Transaction Program in the amount of $9,719.19.
DATED this 23rd day of March 2018.

____________________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _________________________________
VINCE ALBERDI, Secretary
MEMORANDUM

To: Idaho Water Resource Board

From: Sarah Lien

Date: March 7, 2018

Re: Teton River Basin Water Transactions Program – Spring Creek Transaction Renewals

Action Requested: Funding resolution vote

Spring Creek is a tributary to the upper Teton River, located near Tetonia, Idaho. The tributary offers excellent fish and wildlife habitat and historically supported a robust Yellowstone cutthroat trout population. There are several active diversions on Spring Creek that annually create low flow conditions. Low flow conditions impact both adult and juvenile Yellowstone cutthroat trout by inhibiting successful out-migrating to the Teton River, reducing valuable rearing habitat, increasing stream temperatures, and presenting passage barriers.

In 2012 the IWRB, in partnership with the Columbia Basin Water Transactions Program, funded four water transactions on Spring Creek. The transactions were each structured as 5 year leases, with a term extending from 2013-2017. These four transactions are now eligible for renewal, and each of the four water holders would like to renew their lease, thereby committing their water rights instream for another 5 year term.

To date, the transactions have proved beneficial to the Yellowstone cutthroat trout fishery. In fact, Friends of the Teton River received reports of fluvial Yellowstone cutthroat trout in North Leigh Creek in both 2016 and 2017 (North Leigh Creek is a headwaters to Spring Creek). Previously, North Leigh Creek was thought to be inhabited exclusively by resident Yellowstone cutthroat trout. The existence of fluvial fish indicates that flow conditions are sufficient to provide large Yellowstone cutthroat trout the opportunity to migrate into Spring Creek, and its headwaters in North Leigh Creek, to spawn and hold. There is still work to be done to further support native fish populations in this tributary, but these flow transactions serve as a positive step in the right direction and are certainly worthy of renewal.

Two of the water right owners – the City of Tetonia and Mitchell Smaellie – propose once again donating their rights for instream flow purposes for a term of five years. Approximately 128.5 acres of land will be fallowed throughout the five year term - 125 acres of land (4.0 cfs) irrigated by the City of Tetonia and 3.5 acres of land (0.07 cfs) irrigated by Mitchell Smaellie. Renewal of these two transactions was recommended by the Minimum Streamflow and Enhancement Committee on November 6, 2017, and a proposal to fund the transactions was submitted to the Columbia Basin Water Transaction Program in the amount of $5,298. The requested funds will be used to pay the fees associated with the lease/rental of water in the Idaho Water Supply Bank (the $250/water right application fee and 10% administrative fee).

The other two water right owners – Richard LaVere Beard and Ella Beard – propose leasing their rights for instream flow purposes for a term of five years. Approximately 14.3 acres of land will be fallowed...
throughout the five year term - 5.8 acres of land (0.11 cfs) irrigated by Richard LaVere Beard and 8.5 acres of land (0.17 cfs) irrigated by Ella Beard. In 2011 Bob Loucks valued these water rights at $87.65/acre. This valuation remains relevant and will continue to be used through this renewal term. The valuation is based upon the historical use of the water rights, which included one cutting of hay and pasturing the aftermath. Renewal of these two transactions was recommended by the Minimum Streamflow and Enhancement Committee on November 6, 2017, and a proposal to fund the transactions was submitted to the Columbia Basin Water Transaction Program in the amount of $7,318. The requested funds will be used to make annual payments to the water right owners and to cover the fees associated with the lease/rental of water in the Idaho Water Supply Bank (the $250/water right application fee and 10% administrative fee).

**Summary of Proposed Spring Creek Water Transaction Renewals**

**City of Tetonia**
- Water Right # 22-11579 & # 22-13536
  - Quantity: 1.5 cfs & 2.5 cfs
  - Acreage: 125 acres
  - Lease Term: 5 years
  - Price: Water Supply Bank Application Fee ($500) + Board’s 10% Fee ($4,375) + Teton County Recording Fee ($25) = $4,900

**Mitchell Smaellie**
- Water Right # 22-00380B
  - Quantity: 0.07 cfs
  - Acreage: 3.5 acres
  - Duration: 5 years
  - Price: Water Supply Bank Application Fee ($250) + Board’s 10% Fee ($123) + Teton County Recording Fee ($25) = $398

**Richard Lavere Beard**
- Water Right # 22-00380C
  - Quantity: 0.11 cfs
  - Acreage: 5.8 acres
  - Duration: 5 years
  - Price: Water Supply Bank Application Fee ($250) + Board’s 10% Fee ($203) + Teton County Recording Fee ($25) + Water Right Holder Payment ($2,541.85) = $3,019.85

- Price: Ella Beard
  - Water Right #22-11993
    - Quantity: 0.17 cfs
    - Acreage: 8.5 acres
    - Duration: 5 years
    - Price: Water Supply Bank Application Fee ($250) + Board’s 10% Fee ($298) + Teton County Recording Fee ($25) + Water Right Holder Payment ($3,725.15) = $4,298.15
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE SPRING CREEK WATER DONATION TRANSACTIONS ) ) ) ) ) )
A RESOLUTION TO MAKE A FUNDING COMMITMENT )

WHEREAS, Spring Creek is a tributary to the Teton River that provides quality spawning and rearing habitat for Yellowstone cutthroat trout and other resident fish, but is flow and passage limited at certain times of the year; and

WHEREAS, it is in the interest of the State of Idaho to increase stream flow in the Teton River and its tributaries to encourage recovery of Yellowstone cutthroat trout, which are currently designated as an Idaho Species of Greatest Conservation Need; and

WHEREAS, staff has developed a five-year donation agreement with the City of Tetonia to improve stream flow for fish in Spring Creek; and

WHEREAS, staff has developed a five-year donation agreement with Mitchell Smaellie to improve stream flow for fish in Spring Creek; and

WHEREAS, the donated water rights shall be leased into the Board’s Idaho Water Supply Bank, to be rented by the Idaho Water Resource Board (IWRB) for the beneficial use of instream flow in the Teton River, for a period of five years; and

WHEREAS, a proposal to fund the City of Tetonia donation in the amount of $4,900.00 has been submitted to the Columbia Basin Water Transaction Program; and

WHEREAS, a proposal to fund the Smaellie donation in the amount of $398.00 has been submitted to the Columbia Basin Water Transaction Program; and

WHEREAS, staff anticipates the funds being placed into the IWRB Revolving Development Account for payment to the Idaho Water Supply Bank; and

WHEREAS, the Spring Creek donation transactions are in the public interest and in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into lease/rental agreements with the City of Tetonia, and/or its successors, and Mitchell Smaellie, and/or his successors, for water rights 22-11579, 22-13536, and 22-00380B for delivery to minimum stream flow 22-7369, using an amount not to exceed $5,298.00.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the condition that the IWRB receives the requested funding from the Columbia Basin Water Transaction Program in the amount of $5,298.00.
DATED this 23rd day of March, 2018.

________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _________________________________

VINCE ALBERDI, Secretary
WHEREAS, Spring Creek is a tributary to the Teton River that provides quality spawning and rearing habitat for Yellowstone cutthroat trout and other resident fish, but is flow and passage limited at certain times of the year; and

WHEREAS, it is in the interest of the State of Idaho to increase stream flow in the Teton River and its tributaries to encourage recovery of Yellowstone cutthroat trout, which are currently designated as an Idaho Species of Greatest Conservation Need; and

WHEREAS, staff has developed a five-year lease/rental agreement with Richard LaVere Beard to improve stream flow for fish in Spring Creek; and

WHEREAS, staff has developed a five-year lease/rental agreement with Ella Beard to improve stream flow for fish in Spring Creek; and

WHEREAS, the water rights shall be leased into the Board’s Idaho Water Supply Bank, to be rented by the Idaho Water Resource Board (IWRB) for the beneficial use of instream flow in the Teton River, for a period of five years; and

WHEREAS, a proposal in the amount of $3,019.85 has been submitted to the Columbia Basin Water Transaction Program to be used to fund the Richard LaVere Beard lease/rental agreement; and

WHEREAS, a proposal in the amount of $4,298.15 has been submitted to the Columbia Basin Water Transaction Program to be used to fund the Ella Beard lease/rental agreement; and

WHEREAS, staff anticipates the funds being placed into the IWRB Revolving Development Account for annual payment to the water right owners and the Idaho Water Supply Bank; and

WHEREAS, the Spring Creek transactions are in the public interest and in compliance with the State Water Plan.

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into lease/rental agreements with Richard LaVere Beard, and/or his successors, and Ella Beard, and/or her successors, for water rights 22-00380C and 22-11993 for delivery to minimum stream flow 22-7369, using an amount not to exceed $7,318.00.

NOW THEREFORE BE IT FURTHER RESOLVED that this resolution is subject to the
condition that the IWRB receives the requested funding from the Columbia Basin Water Transaction Program in the amount of $7,318.00.

DATED this 23rd day of March, 2018.

____________________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _________________________________
VINCE ALBERDI, Secretary
Memorandum

To: Idaho Water Resource Board
From: Brian Patton
Date: March 9, 2017
Re: Bear River Basin

This will be a follow-up discussion of the presentation provided by PacifiCorp at the work session.
For more than a century, Rocky Mountain Power has managed the Bear Lake and Bear River system for the benefit of agricultural irrigation, fish and wildlife habitat, and electric customers in Utah, Idaho and Wyoming. The company acquired the rights to divert and store water from Bear River into Bear Lake in 1907. The company’s rights and obligations are described in the Bear River Compact, an agreement among the states of Wyoming, Idaho, and Utah through which Bear River flows. Older court decrees and more recent formal agreements further govern the company’s operations and the use of the water in the Bear River.

Our role in operating this system is generally defined by those agreements but also places the company in a position of being a water steward of this valuable resource among the often-competing interests on the river. These interests include irrigation companies and farmers, other private property owners along the river, fish and wildlife managers, fishermen, boaters and other recreational users. Conditions on Bear River are highly variable year to year. Rocky Mountain Power has helped these groups manage several severe droughts, as well as high flows to reduce flooding in spring when snowpack is plentiful. While this role is often difficult, it has given the company long experience and expertise in this river system.

As water has become more valuable and important among these diverse and competing stakeholders, Rocky Mountain Power believes there are options that should be considered to more effectively use and protect this resource for the next 100 years. Because Rocky Mountain Power holds significant storage rights
in Bear Lake, and as an operator of water distribution, we see our role as helping facilitate that discussion. We want to explore opportunities to perform this role better in a rapidly changing environment. Our ideas are conceptual at this point, prompted by this question:

*Given our experience as the river operator and steward over the last century, what can we do better to facilitate wise management of the Bear River among competing water users?*

The company is seeking to gauge interest and prompt input from all the stakeholders who have an interest in Bear River. By considering some changes to operation of the Bear River system, together with facilitating water conservation projects,

Rocky Mountain Power sees the potential to improve operations throughout the system. We envision increased benefits for the river’s many interests, including sustaining existing water uses and perhaps creating additional flexibility to help with improving the Bear River system.

Our thoughts for initiating this dialogue include four main concepts:

* Increase the capacity of Bear River channels in order to provide reserve power from the Soda hydroelectric project. Increasing Soda’s flexibility will better integrate solar and wind power to benefit electric customers. No additional releases from Bear Lake would be required.
* The increased capacity in the Bear River channels also provides increased water storage capability in Bear Lake by reducing flood control storage requirements. These changes would require modifications to multiple legal agreements.
* Increased water storage at the Cutler hydroelectric project. Increasing the height of spill gates could allow an additional 15,000 acre-feet to be stored. Wildlife habitat and recreation opportunities could be enhanced.
* Substantial conservation measures for agricultural irrigation users. New irrigation technologies, plus canal lining could save 30 percent from current use. This would reduce irrigation demand on Bear Lake storage.

As we exchange information, ideas and develop these possibilities, we intend to invite open discussion with our partners and neighbors on Bear River, plus others who may have an interest.
Southeast Idaho Data Collection and Monitoring Project  
Supplemental Environmental Project Proposal  

Idaho Department of Water Resources  
Craig Tesch, P.G.  
February 27, 2018  

Total Amount Requested from DOE/DEQ $2,190,000  

Proposed Project Period 07/01/2018 – 10/1/2021  

Background  
The eastern Snake Plain Aquifer (ESPA) is a federally designated sole source aquifer that provides drinking water for southeast Idaho residents and is a vital resource for farmers and industry. The ESPA was designated a Ground Water Management Area (GWMA) in November 2016 due to an ongoing period of declining groundwater levels that began in the mid-1950s.  

The Idaho Water Resource Board (IWRB) has identified managed recharge as a means of restoring the health of the ESPA and established a goal of recharging an average annual volume of 250,000 acre-feet. The Enhanced Snake Plain Aquifer Model (ESPAM) has been applied to optimize the IWRB’s Managed Recharge Program (http://www.idwr.idaho.gov/files/publications/201511-OFR-Limitations-Prioritization-of-Aquifer-Recharge-Sites-EPAM21.pdf).  

In September 2016, the Director of the Idaho Department of Water Resources (IDWR) was petitioned by a group of water users to designate a Critical Ground Water Area in the Big Lost River basin (https://idwr.idaho.gov/files/legal/P-CGWA-2016-001/P-CGWA-2016-001-20160919-Petition-to-designate-the-Big-Lost-River-Basin-as-a-CGWA.pdf). In the petition, the water users express concerns about declining groundwater levels, declining streamflow in the Big Lost River, and drought.  

The Big Lost River basin is tributary to the eastern Snake Plain. The portion of the basin below Mackay dam is within the domain of the ESPAM. The hydrogeology of the valley fill aquifer system is complex and the availability of surface water and groundwater is affected by hydraulic communication between the alluvial aquifer system, the Big Lost River and canal system, and the ESPA. The last comprehensive study of the water resources in the Big Lost River basin was conducted almost 50 years ago (Crosthwaite et al., 1970). Additional hydrologic data would allow for more accurate representation of the Big Lost River in the ESPAM and would be beneficial for the ongoing process of developing a new water right accounting model.  

Purpose and Objectives  
The purpose of this Supplemental Environmental Project (SEP) is to better characterize the hydrogeology of the eastern Snake Plain with emphasis on the Big Lost River basin. The general
objective is to collect geologic and hydrologic data for improving the ESPAM. Specific objectives are to provide support to the ESPA Managed Recharge Program, develop a hydrogeologic framework and water budget for the Big Lost River basin, and provide streamgaging data to facilitate development of an improved water right accounting model for the Big Lost River basin.

Project Components

1. Expand the ESPA Monitoring Network

IDWR proposes bolstering the ESPA groundwater monitoring network to support managed recharge efforts, improve the ESPAM, and fill in gaps in the water level monitoring network. Monitoring network upgrades will include the installation of new monitoring wells and upgrades to existing wells. Where possible, IDWR will deploy electronic data loggers in new and existing wells to automate daily water level collection. Water quality samples will be collected from newly drilled wells.

IDWR has identified 20 potential locations as the highest priorities for drilling new monitoring wells (Attachment A). Locations were selected to meet the following criteria:

- Improve ESPAM calibration
- Improve ESPA storage-change calculation
- Facilitate data collection to improve understanding of the relationship between the regional ESPA and perched aquifers in the Henry’s Fork, South Fork, and Burley areas
- Provide water quality sampling points
- Provide data to help characterize the relationship between the ESPA and tributaries

It is anticipated that land access constraints will control the sequence of drilling. Thirteen well locations are on State of Idaho land and are desirable due to ease of access. Six wells are proposed on BLM land; however, the BLM requires that these wells also be useable for fire suppression and located next to a road. One of the selected well locations is on private land. For cost estimating purposes, it is assumed that wells will be cased to total completed depth, with seal depths of 100 feet for regional wells.

Drilling, drilling oversight, and water sampling will be completed through contracted work, possibly with multiple contractors. The oversight contractor will oversee well drilling, collect chip samples, and develop well logs. The water sampling contractor will collect baseline water quality samples semiannually for the grant duration. Sampling will require the installation, purchase, or rental of a submersible pump. Discharge pipes will be installed for wells located on BLM land. Pressure transducers, direct read cables, and/or telemetry equipment will be deployed in new wells to automate daily water level collection (Attachment B).

2. Characterize the Surface and Groundwater Hydrology of the Big Lost River Basin

IDWR proposes to develop a water budget and hydrogeologic framework for the Big Lost River basin. This will require a comprehensive hydrologic investigation including well drilling, water
level monitoring, borehole geophysics, seepage runs, and stream gages. New wells will be professionally logged, and borehole geophysical surveys will be collected to correlate geologic units. Water quality samples will be collected from newly drilled wells.

IDWR plans to contract with the United States Geological Survey (USGS) to perform multi-year seepage studies to quantify reach gains and losses along the Big Lost River. IDWR will also hire a contractor to install and/or improve stream gages on Warm Springs Creek, Thousand Springs Creek, Lower Cedar Creek, and the Big Lost River below the following diversions: Moore, Arco, Pence, and Donahue. If the contractor is the USGS, data will be available in real-time via the USGS National Water Information System (NWIS). The seepage runs and gage work will help improve IDWR water right accounting efforts, water budget calculations, and representation of the Big Lost River basin below Mackay Dam in the ESPAM. Other Big Lost River basin projects IDWR proposes include installing an Agrimet weather station and performing a groundwater level mass measurement event.

IDWR has identified nine potential well locations for drilling new monitoring wells in the Big Lost Basin (Attachment A). Locations were selected to meet the following criteria:

- Facilitate the collection of information to help characterize the hydrogeology of the basin
- Provide for quantification of groundwater-surface water interactions between the Big Lost River and aquifer
- Improve ESPAM calibration
- Provide water quality sampling points

Six of the wells are shallow (approximately 50 feet deep or less) and three of the wells are deep (150 feet deep or greater). Six of the six shallow wells will be drilled in tandem with the three deep wells; shallow wells will be distributed along the Big Lost River with corresponding deep wells farther from the river. Three additional shallow wells will be drilled and paired with three existing deep wells already monitored. In total, six pairs of shallow and deep wells will be available for monitoring along the Big Lost River.

Six of the nine wells are located on Idaho Department of Transportation access locations at bridge crossings. Three of the nine wells are on private land and landowner participation will be required. Water quality samples and water level measurements will be collected as discussed in the previous ESPA project activities section. Drill cuttings from new wells will be professionally logged, and borehole geophysical surveys will be conducted to correlate geologic units.

In addition to regular water level monitoring, the USGS will conduct a one-time groundwater mass measurement event. Water levels in all available groundwater wells will be measured over a two-week period. During the mass measurement, the USGS will also collect elevations for all well measurement points using high accuracy GPS equipment.

A contractor will install seven stream gages on Warm Springs Creek, Thousand Springs Creek, Lower Cedar Creek, and the Big Lost River below the Moore, Arco, Pence, and Donahue diversions (Attachment C). Gage locations were selected to help improve IDWR water right
accounting efforts and water budget calculations. Existing structures will be improved, and new measurement devices installed. If the contractor is the USGS, telemetry equipment will be installed to directly serve data to NWIS.

The USGS will conduct two seepage studies per year (spring and fall) for two years to quantify reach gains and losses along the Big Lost River. Each study will consist of measuring surface water flows (stream flows, diversion rates, return flows, and tributary inputs) over several days. The USGS will work with local landowners and irrigators to identify diversions and return flows.

The USGS will develop a water budget and hydrogeologic framework for the Big Lost River basin. Both efforts will run in parallel to the hydrologic fieldwork being done to fill in data gaps. An Agrimet weather station will be installed near the city of Moore, Idaho, to provide precipitation, evapotranspiration, and barometric data essential to the water budget and other monitoring efforts.

**Cost Estimates**

The below cost estimates are based on past IDWR contracts with drillers, government agencies, laboratories, and consulting firms. Cost estimates for drilling oversight were calculated using a rate of $100 per hour multiplied by estimated hours to complete the work; assumptions included 80 hours per deep well completion and 60 hours per shallow well.

1. **Expand the ESPA Monitoring Network**
   a. **Monitoring Wells** – Twenty wells are estimated to be drilled and completed for $985,000 depending on individual well cost and conditions encountered during drilling. This cost includes full casing depth, 100-foot seals, mobilization, datalogger and direct read cable setup, telemetry, pump installs, discharge pipes for BLM sites, and contracted oversight. A contractor will provide drilling oversight, collect chip samples, and develop well logs.
      
      **Subtotal: $985,000**

   b. **Water Quality** – Semiannual analytical lab tests for 20 wells are estimated to cost approximately $81,000 over three years (six sampling events). Analytes will include nutrients, metals, bacteria, and select organic compounds. Personnel time to collect samples semiannually over three years through the Idaho Bureau of Labs is estimated at $24,000.

      **Subtotal: $105,000**

2. **Characterize the Surface and Groundwater Hydrology of the Big Lost River Basin**
   a. **Well Drilling** – The estimated cost to drill, install, and instrument nine wells is $217,000. This cost includes full casing depth, full-depth seals, mobilization, datalogger and direct read cable setup, telemetry, pump installs, and discharge pipes. A contractor will provide drilling oversight, collect chip samples, and develop well logs.
Borehole geophysical surveys will be conducted as part of the drilling process prior to well completion at an estimated cost of $54,000. Geophysical work will include downhole video surveys, borehole resistivity and natural gamma logging, and borehole caliper logging.

Note that well drilling estimates are somewhat uncertain and the actual cost will depend on geologic conditions encountered during drilling.

Subtotal: $271,000

b. **Water Quality** – Semiannual analytical lab tests for nine wells are estimated to cost approximately $36,000 over three years (six sampling events). Tests will include nutrients, metals, bacteria, and select organic compounds. Personnel time to collect samples semiannually over three years through the Idaho Bureau of Labs is estimated at an additional $16,000.

Subtotal: $52,000

c. **Stream Gages** – The installation of seven stream gages is estimated to cost $77,000. This cost includes installation of new measurement devices and telemetry equipment, and minor improvements to existing structures. Three years of operation and maintenance is estimated to cost $168,000.

Subtotal: $245,000

d. **Seepage Runs** – Four seepage studies by the USGS over two years are estimated to cost $100,000. This cost includes measuring surface water flows and working with local landowners and irrigators to identify diversions and return flows.

Subtotal: $100,000

e. **Agrimet Station** – An Agrimet weather station will be installed near the city of Moore, Idaho, by the Bureau of Reclamation at an estimated cost of $10,000.

Subtotal: $10,000

f. **Water Budget** – The USGS will develop a water budget at an estimated cost of $125,000. This cost includes water budget development and a comprehensive report.

Subtotal: $125,000

g. **Hydrogeologic Framework** – The USGS will develop a hydrogeologic framework for the Big Lost River basin at an estimated cost of $216,000. This cost includes framework development and a comprehensive report.

Subtotal: $216,000

h. **USGS Synoptic Measurement and Well GPS Survey** – The USGS will conduct a mass measurement of groundwater levels in Big Lost basin wells, and simultaneously collect GPS elevation data from the same wells, at an estimated cost of $80,000.

Subtotal: $80,000

Total: $2,190,000

*(Includes all subtotals from items 1a through 2h, see table below)*
The following table summarizes cost estimates detailed above, and are listed in order from highest priority to lowest. Although proposed projects are prioritized in the below table, all are essential to developing a better hydrologic understanding of the ESPA and Big Lost River basin.

Cost Estimates

<table>
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<th>#</th>
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<td></td>
<td>Subtotal</td>
<td></td>
<td>$1,090,000</td>
</tr>
<tr>
<td></td>
<td>Big Lost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2a</td>
<td>Wells &amp; Geophysics</td>
<td>9 wells drilled, instrumented, and geophysically logged</td>
<td>$271,000</td>
</tr>
<tr>
<td>2b</td>
<td>Water Quality</td>
<td>9 wells sampled semiannually</td>
<td>$53,000</td>
</tr>
<tr>
<td>2c</td>
<td>Stream Gages</td>
<td>7 new gages installed, 3 years O&amp;M</td>
<td>$245,000</td>
</tr>
<tr>
<td>2d</td>
<td>Seepage Runs</td>
<td>2 seepage runs per year on the Big Lost River</td>
<td>$100,000</td>
</tr>
<tr>
<td>2e</td>
<td>Agrimet Station</td>
<td>1 station installed at Moore, Idaho</td>
<td>$10,000</td>
</tr>
<tr>
<td>2f</td>
<td>Water Budget</td>
<td>USGS water budget and report</td>
<td>$125,000</td>
</tr>
<tr>
<td>2g</td>
<td>Hydrogeologic Framework</td>
<td>USGS framework and report</td>
<td>$216,000</td>
</tr>
<tr>
<td>2h</td>
<td>Water Level Synoptic &amp; Well GPS</td>
<td>Approximately 40 wells measured and elevations collected</td>
<td>$80,000</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td></td>
<td>$1,100,000</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>$2,190,000</td>
</tr>
</tbody>
</table>

Estimated Schedule

The proposed project length is approximately three years, from 7/1/2018 to 10/1/2021. New well drilling requires considerable preparation time to secure permissions, develop contracts, schedule work, and complete drilling. Delays due to weather can also play a major role in completing drilling work. In July 2018, IDWR will begin contract development to secure drilling oversight services in the ESPA and Big Lost basin. It is anticipated drilling work will commence in spring 2019 after contracts are signed and permissions are obtained. Water quality sampling will commence after individual wells are installed.

Big Lost stream gage installations will depend on contractor availability and field conditions, but are targeted to be installed from fall 2018 to spring 2019. Big Lost seepage runs are targeted to
be conducted in spring 2019, fall 2019, spring 2020, and fall 2020 after all stream gages are installed.

The Agrimet weather station will be installed by spring 2019. The Big Lost basin groundwater mass measurement event is targeted for spring 2020. The Big Lost basin water budget and hydrogeologic framework are final products that will be delivered by the USGS near project end in September 2021.
ATTACHMENT A: Proposed locations for 20 new monitoring wells in the ESPA and nine new wells in the Big Lost River basin. The black line represents the ESPA model boundary.
ATTACHMENT B: Photographs of (a) well drilling, (b) the completed well, (c) installed groundwater telemetry equipment, and (d) a water level pressure transducer.
ATTACHMENT C: Proposed stream gages in the Big Lost River basin. Traveling northwest to southeast, the gage locations are: (1) Thousand Springs Creek, (2) Donahue Diversion, (3) Pence Diversion, (4) Warm Springs Creek, (5) Lower Cedar Creek, (6) Big Lost River below the Moore Diversion, and (7) Big Lost River below the Arco Diversion.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE U.S. DEPARTMENT OF ENERGY IDAHO OPERATIONS OFFICE FUNDING TO SUPPORT ESPA RECHARGE AND MODELING EFFORTS

A RESOLUTION

WHEREAS, Governor Otter directed the Idaho Water Resource Board (IWRB) to develop a water sustainability policy and support water sustainability and aquifer stabilization projects across Idaho to address declining groundwater levels, existing or potential conjunctive administration water use conflicts, alternative water supplies and long-term water management needs; and

WHEREAS, the Eastern Snake Plain Aquifer (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, approved by the 2012 Legislature, recognized that measurement, data collection, quantification and monitoring of Idaho’s water supply and use are essential for sound water resource planning, management and administration; and

WHEREAS, the Sustainability Policy Section of the State Water Plan identifies the need to obtain more accurate water supply, water measurement and forecasting information, and a need to disseminate water supply forecast to water users in cooperation with other federal and state agencies; 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, the Idaho Department of Environmental Quality (IDEQ) may allow a facility that has been found in violation of an environmental regulation to implement supplemental environmental projects (SEP) in lieu of or to reduce a cash penalty; and

WHEREAS, the U.S. Department of Energy Idaho Operations Office (DOE) is undertaking SEPs in connection with the settlement of an enforcement action taken by the IDEQ for alleged violations of the requirements of the Hazardous Waste Management Act; and

WHEREAS, the IWRB previously entered into a contract with DOE in 2017 to implement an SEP to drill ESPA monitoring wells and install a stream gage; and

WHEREAS, at the suggestion of IDEQ, the IWRB in collaboration with Idaho Department of Water Resources proposed a three-year SEP to DOE for the addition of up to 20 new aquifer monitoring wells in the ESPA, and various projects in the Big Lost River basin including installing monitoring wells and stream gages, conducting seepage runs and a mass measurement, and developing a water budget and hydrogeologic framework for a total cost of $2,190,000; and

NOW THEREFORE BE IT RESOLVED that if DEQ approves this SEP for DOE, the IWRB authorizes the execution of an agreement with DOE for the funding of this SEP; and
NOW THEREFORE BE IT RESOLVED that the IWRB authorizes its chairman or designee, Brian Patton, to execute the necessary agreements or contracts to implement the SEP.

DATED this 23rd day of March, 2018.

____________________________________
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST

VINCEN ALBERDI, Secretary
MEMO

To: Idaho Water Resource Board
From: Rick Collingwood
Date: March 23, 2018
Subject: Goose Lake Reservoir Company - Loan Request

Action Item: $200,000.00 Loan Request

1.0 INTRODUCTION
The Goose Lake Reservoir Company (Company) is requesting a $200,000 loan from the Idaho Water Resource Board (IWRB) at 4.5% interest with a 20-year term for the design and construction of two new retaining walls and associated embankment reconstruction at the Goose Lake Dam’s spillway structure. The Goose Lake Dam, which is located approximately 8 miles northeast of the city of New Meadows, was constructed in 1920, and was later raised in 1951 and 1972. The reservoir was formed at the site of a natural lake, Goose Lake. Goose Lake has 4,600 acre-feet of water storage capacity and is the primary source of water for irrigating approximately 4,600 acres in the northern portion of the Meadows Valley (See Attachments).

The Company, formed in 1919 and incorporated in 1973, is located in Adams County in the City of New Meadows. The Company’s 4,600 shares are held by its 25 shareholders. On June 3, 2017, the Company’s elected officers passed a resolution authorizing the Company to seek loans from the IWRB to finance the structural evaluation of the dam and structural improvements to the spillway retaining walls and embankment.

On July 28, 2017, the IWRB approved a $20,000 loan request from the Company to hire a consultant to perform the structural evaluation. The consultant concluded that the spillway retaining walls have experienced significant cracking and deterioration, and recommended that both spillway retaining walls be replaced.

2.0 PROPOSED PROJECT
During the last four (4) years, the Company has spent nearly $20,000 on dam improvements. It is concerned that failure of a spillway retaining wall would drain Goose Lake and create a serious safety hazard for the occupants of a campground adjacent to the dam. The loss of irrigation water from Goose Lake would severely impact the Company’s shareholders and the economy of the Meadows Valley.
Upon completion of the structural evaluation, the Company directed the consultant to prepare the design documents for the repairs. The design plans and specifications have been completed and approved by the IDWR Dam Safety Department. The total estimated construction cost of the project is $200,000. Construction is scheduled to begin in August when water levels in Goose Lake are low, and project completion by the middle of October.

The Company proposes to finance the project using funds from an IWRB loan. Historically, the Company operated with an annual budget of $3,500. The total annual assessment to the shareholders was $3,300, or $0.75 per share. On February 9, 2018, the Company Board of Directors voted to increase the current annual share assessment to $27,600, or $6.00 per share to ensure that the Company can meet its annual loan payment obligation to the IWRB.

4.0 BENEFITS

The recommended structural improvements to the spillway retaining walls and embankment are necessary for the integrity and safety of the structure, and maintain a reliable water delivery source for the Company’s shareholders.

5.0 FINANCIAL ANALYSIS

The Company is requesting a loan of $200,000.00 at 4.5% interest for a 20-year term. The following analysis reflects the IWRB’s current interest rate of 4.5% for this type of project. As stated above, the Company approved an increase in the yearly assessments to fund the dam improvements from $0.75 per share to $6.00 per share. If the IWRB approves the Company’s $200,000 loan request, this loan will be combined with the $20,000 loan approved on July 28, 2017, bringing the total loan repayment amount to $220,000.

### Payment Analysis

<table>
<thead>
<tr>
<th>Term (Years)</th>
<th>Estimated Annual Assessment After Loan</th>
<th>Current Assessment Cost/Share/Year</th>
<th>After Assessment Cost/Share/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>$27,604.05</td>
<td>$0.75</td>
<td>$6.00</td>
</tr>
</tbody>
</table>

**Loan History:**

In July, 2017, the IWRB approved a $20,000 loan request from the Company to initiate a structural evaluation of the Goose Lake Dam spillway retaining walls. If the IWRB approves this new loan request, the two loans will be consolidated to allow the Company to make one annual loan payment instead of two annual payments for each loan.
6.0 WATER RIGHTS

Goose Lake Reservoir Company water rights are as follows:

<table>
<thead>
<tr>
<th>WATER RIGHT</th>
<th>SOURCE</th>
<th>VOLUME (af)</th>
<th>WATER USE</th>
<th>BASIS</th>
<th>PRIORITY DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>78-4006A</td>
<td>Goose Creek</td>
<td>3,500</td>
<td>Irrigation, Storage/Irrigation from Storage</td>
<td>Decreed</td>
<td>9/26/1922</td>
</tr>
<tr>
<td>78-4006B</td>
<td>Goose Creek</td>
<td>1,150</td>
<td>Irrigation, Storage/Irrigation from Storage</td>
<td>Decreed</td>
<td>10/1/1925</td>
</tr>
</tbody>
</table>

7.0 SECURITY

The IWRB is authorized to hold the Company’s water rights and facilities as collateral for the loan.

8.0 CONCLUSION AND RECOMMENDATION

This loan will be used for the design and construction of new spillway retaining walls and embankment reconstruction at the Goose Lake Dam.

Improvements to the facility are needed to stabilize the dam, reduce risks to downstream life and property, and to ensure that irrigation water is available for the water users in the Meadows Valley. Staff recommends approval of the requested loan. A draft resolution is in your workbooks for your consideration.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF GOOSE LAKE RESERVOIR COMPANY FUNDING REQUEST

RESOLUTION TO AUTHORIZE FUNDING TO REPLACE DAM SPILLWAY RETAINING WALLS AND EMBANKMENT RECONSTRUCTION

WHEREAS, the Goose Lake Reservoir Company (Company) owns, operates, and maintains the Goose Lake Dam to deliver irrigation water to 4,600 acres of land in the northern portion of Meadows Valley, located in Adams County; and

WHEREAS, during the past four years, the Company has spent approximately $20,000 for dam repairs and improvements; and

WHEREAS, on July 28, 2017, the IWRB approved a loan to the Company for $20,000 to perform a structural evaluation of the dams spillway retaining walls and embankment; and

WHEREAS, the evaluation concluded that both spillway retaining walls have experienced significant deterioration and are in need of replacement; and

WHEREAS, failure of the spillway retaining walls and embankment may result in safety hazards to campers in a campground adjacent to the dam, costly damage to the dam and lake embankment, and significant economic impacts to the shareholders and residents of Meadows Valley due to considerable water loss from Goose Lake; and

WHEREAS, the Company submitted a loan application to the Idaho Water Resource Board (IWRB) for the amount of $200,000 to replace the deteriorating Goose Lake Dam spillway retaining walls and reconstruct the associated embankment; and

WHEREAS, the Company will use the loan funds to complete design and construction of the new spillway retaining walls and associated embankment reconstruction; and

WHEREAS, the Company is a qualified applicant and the proposed evaluation 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 $200,000 from the Revolving Development Account at 4.5% interest with a 20-year repayment term and provides authority to the Chairman of the Idaho Water Resource Board, or his designee, to enter into contracts with the Company on behalf of the IWRB. The 20-year term of the loan will commence in April, 2018, with obligation of funds and payment requirements as outlined in Condition No.3 below.

NOW, THEREFORE BE IT FURTHER RESOLVED, the previously approved $20,000 loan, including accrued interest, and this new loan of $200,000 will be consolidated to establish a single annual loan payment; and

IWRB Resolution 03-18-03, Page 1
NOW THEREFORE BE IT FURTHER RESOLVED that this resolution and the approval of the loan are subject to the following conditions:

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

2) The Company will provide acceptable security for the loan to the IWRB including, but not limited to, the Company's water rights and Goose Lake Reservoir Company facilities.

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

DATED this 23rd day of March, 2018.

ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
Idaho Water Resource Board
Enclosed with this letter are documents requesting a loan of $200,000 from the IWRB. The Goose Lake Reservoir Company needs this loan to pay to construct the project that assures our dam is safe. Please know we really appreciate the previous loan you provided. Your earlier loan made it possible to do necessary investigation and project design. We believe it would be beneficial to combine the two loans.

During the investigation phase we found that both retaining walls were failing. This made our design effort costlier than we expected. We have a few things to complete, but it appears the investigation and design will cost about $25,000. As I reported in our earlier loan request, during the past 3 or 4 years we have made Dam improvements which cost about $20,000.

Based on the best information we have; preparing bids, supervising construction, and doing the actual retaining wall construction will cost approximately $200,000. At your current interest rate, this $200,000 loan will require an annual payment for 20 years of $15,375. We are prepared to make this payment because we do not have a better alternative. Allowing loss of our irrigation water or dam failure is not an acceptable option. We have been fortunate through the years that our capital investments have been minimal.

Thank you for considering our request. If additional information is needed, please let me know.

Lawrence V. Armacost  
President Goose Lake Reservoir Co. Inc.

Revision 1
APPLICATION FOR FINANCIAL ASSISTANCE FOR NON-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 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)
   - Irrigation District
   - Canal/Irrigation Company
   - Lateral Association
   - Flood Control District
   - Homeowners Association
   - Water User's Association
   - Municipality
   - Reservoir Company
   - Other

   Explain: ____________________________

   Goose Lake Reservoir Co.
   Organization name
   PO Box 232
   PO Box/Street Address
   New Meadows, ID 83654
   City, County, State, Zip Code

   Project location legal description S14T20NR2E

B. Is your organization registered with the Idaho Secretary of State's office? Yes ☐ No ☐
C. Purpose of this loan application.

☐ New Project
☐ Rehabilitation or replacement of existing facility
☐ DEQ requirement
☐ Other: ________________________________

D. Briefly describe the project:
See Attachment B

III. WATER SYSTEM:
A. Source of water:

☐ Stream  ☐ Groundwater
☐ Reservoir  ☐ Other

B. Water Right Numbers:

<table>
<thead>
<tr>
<th>Water Right</th>
<th>Stage</th>
<th>Priority Date</th>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>784006A</td>
<td>decree</td>
<td>1819</td>
<td>Goose Lake</td>
<td>3500 AF</td>
</tr>
<tr>
<td>784006B</td>
<td>decree</td>
<td>1925</td>
<td>Goose Lake</td>
<td>1150 AF</td>
</tr>
</tbody>
</table>

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

C. If irrigation/lateral system:

Number of acres served: ________________________________
Number of shareholders served: __________________________
Water provided annually (acre-feet): ______________________

D. If flood control system, drainage system, groundwater recharge, or other type of system:

Number of acres within District or service area: ________________________________
Number of people within District or service area: ________________________________

E. If an Association/Municipality the number of residences served by the system:

Number of residences served: ________________________________
Number of hookups possible: ________________________________

IV. USER RATES:
A. How do your organization charge users rates?

☐ Per acre  ☐ Per hook up
☐ Per share  ☐ Tax assessment

Explain what a share is: ________________

☐ Other, explain: ________________________________
B. Current rate? $6.00 per share

C. When was the last rate change? 2/0/18 (month/year)

D. Does your organization measure water use? Yes [ ] No [ ]
   If yes, explain how: ___________________________

E. Does your organization have a regular assessment for a reserve fund? Yes [ ] No [ ]
   If yes, explain how it is assessed: ___________________________

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: ___________________________

V. PROPOSED METHOD FOR REVENUE FOR REPAYMENT OF LOAN
How will you plan to assess for 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? 2/0/18 20 years

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:

<table>
<thead>
<tr>
<th>Property</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>4600 acres of irrigated land</td>
<td>18 million (estimate)</td>
</tr>
</tbody>
</table>

For property Securement, attach a legal description of the property being offered along with a map referencing the property.

VII. FINANCIAL INFORMATION:
A. Attach a copy of each of the last 3 years' financial statement. (Copies must be attached)
B. Reserve fund (current) 6515 see attachment A
C. Cash on hand 6515 (see attachment A)
D. Outstanding indebtedness:

<table>
<thead>
<tr>
<th>To Whom</th>
<th>Annual Payment</th>
<th>Amt. Outstanding</th>
<th>Years Left</th>
</tr>
</thead>
<tbody>
<tr>
<td>IWRB</td>
<td>1538</td>
<td>20,000</td>
<td>20</td>
</tr>
</tbody>
</table>

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

NRCS

---

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: $200,000

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: J.V. Almecost 2/24/18
LOAN DOCUMENT FOR REPAIR OF GOOSE LAKE DAM

Introduction (need for project)

Goose Lake Dam was originally built in 1920. It was subsequently raised in 1951 and 1972. The dam and reservoir are on US Forest Service land. Enclosure 1 is a topographic map showing the location of the Reservoir and Dam. The project elevation is nearly 6400 feet and it is surrounded by mountains that are over 7000 feet in elevation. The reservoir fills in the spring and water for irrigation is released during the summer. The reservoir is de-watered by early September.

Enclosure 2 is a picture of the dam and spillway looking up stream. On each side of the spillway are retaining walls that retain the earthen embankment. Enclosure 3 is a closer look at the south wall with a closer look at the cracks in the wall. These walls are not structurally sound. With the help of a $20,000 loan from IWRB we hired GeoEngineers and they have found a solution for us. Now we need an expanded loan from IWRB to construct the project and assure the Dam is structurally sound.

PROJECT SPONSOR

The project sponsor is the Goose Lake Reservoir Company Inc. The company was founded in 1919. It was incorporated in 1973. It is a 503c corporation. There are approximately 25 shareholders for 4600-acre feet of water storage. The number of shares per share holder varies. The Company By-Laws provide for the Board of Directors to pass a resolution allowing for a corporate loan. Enclosure 4 is a copy of the resolution. Enclosures 5, 6 and 7 are copies our 2016, 2017, and 2018 financial statements.

PROJECT SERVICE AREA AND FACILITIES

The project is a major source of irrigation for the northern portion of Meadows Valley. Enclosure 8 is a digital map of the irrigation boundaries. This is the map used in the Snake River adjudication. The stored water is released into Goose Creek at the Goose Lake Dam and most of the water is diverted out of Goose Creek into the Goose Creek canal. The Canal flows north along the east side of Meadows Valley. There are diversions to the various shareholders along the total length of the canal. All irrigation is surface water irrigation. The town of New Meadows has been severely affected by the elimination of logging on
Federal land. Many of the commercial buildings are closed. The irrigation provided by Goose Lake Reservoir is an important economic factor for the area.

HYDROLOGY AND WATER RIGHTS

Goose Lake Reservoir and Dam are in Section 14, Township 20N, Range 2E approximately 8 miles northeast of New Meadows, Idaho. The reservoir is at an elevation of approximately 6400 feet. It was formed at the site of a natural Lake Goose Lake. The major tributary is Goose Creek a tributary to Little Salmon River. Snow melt is the major source of water to fill the reservoir. April and May are normally when the runoff occurs. The reservoir fills before irrigation starts in Meadows Valley. During irrigation season water is released from the Dam into Goose Creek in an amount the users ask the water master to release. The reservoir is completely emptied each year. The reservoir has always filled.

The water Rights are 78400A and 784006B.

PROJECT DESCRIPTION

As previously discussed we have retaining walls that are failing. With the support of the IWRB loan, we now have a replacement project designed by professional engineers. This project will insure the integrity of the dam. The project requires demolition of the upper 4 feet or so of the existing retaining walls and building a new retaining wall approximately 10 feet high and 35 feet long. These walls will be 10 or 15 feet downstream from the existing walls. Additional fill material will be required on the embankment because the new walls open new areas of embankment. This material most likely can come from the reservoir area. The new walls adjacent to the spillway, will parallel the spillway but will not be attached to them. This will prevent damage that might occur if there is differential settling. The walls are concrete with rebar. The foundations will be 3 feet or more below the ground surface. Pit run rock will be placed under the wall foundations to provide wall support. A Nearby USFS rock quarry can be a source of this material. The upstream face of the walls will be lined with drain rock and have a 6-inch imbedded drain pipes the full length of the walls. They will drain into an area filled with rock. There is no work in the stream although silt fences around the work area are required. The project is in Adams County. The County will rely on the engineer inspections and only require they have a final inspection report for their files. A review and approval of the design by the Idaho
Department of Water of Resources is required. A permit to use the USFS material will be required. The Payette Region Supervisors Office of the USFS in McCall, ID is our point of contact. When IDWR approves the design, we will provide design information to USFS.
Attachment A

VII B. Reserve fund

This is the balance in our Reservoir repair account as of Feb 9, 2018. We are in the process of collecting a $6.00 per share assessment which will provide($6.00x4600)= $27,600. The annual payment for the loan we are requesting is $15,375 but we need additional funds to cover our current loan and the 5% portion of the construction cost.

Attachment B

II. General information

D. project description: Goose Lake Dam is an earthen structure with a concrete spillway. On each side of the spillway there are retaining Walls. These retaining walls are cracking and moving. If the walls fail the earthen embankment behind them will also fail and we could have a large amount of water released. An engineering firm, GeoEngineers, has designed a new retaining walls that assures the dam will remain safe. This loan is for construction of these retaining walls.
Financial Ratios

Entity Name: Goose Lake Reservoir Company

Loan amount requested: $200,000

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) 4600

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenditures</th>
<th>Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$4,670.00</td>
<td>$3,330.00</td>
<td>$1,365.25</td>
</tr>
<tr>
<td>2016</td>
<td>$16,649.00</td>
<td>$14,587.00</td>
<td>$3,086.01</td>
</tr>
<tr>
<td>2017</td>
<td>$23,723.00</td>
<td>$14,079.00</td>
<td>$5,640.00</td>
</tr>
<tr>
<td>Average:</td>
<td>$15,014.00</td>
<td>$10,665.33</td>
<td>$3,183.78</td>
</tr>
</tbody>
</table>

Total Debt $20,000.00

Current Assessment $27,600.00

Is the assessment charged by share? Yes

Assessment Charged by share

Loan Term | Assessment | Estimated Payment
---|---|---
5 year | $27,609.90 | $45,558.33
10 year | $27,605.49 | $55,473.30
15 year | $27,604.05 | $65,388.26
20 year | $27,603.34 | $75,303.22
25 year | $27,602.93 | $85,218.18
30 year | $27,602.67 | $95,133.14

Interest rate 4.5% (use 6% for residential and 5.5% for agriculture)

Revenue/Expenses

<table>
<thead>
<tr>
<th>Years</th>
<th>5 year</th>
<th>10 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.08</td>
<td>1.12</td>
<td></td>
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<tr>
<td>1.10</td>
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Debt Service ratio

<table>
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<tr>
<th>Years</th>
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</tr>
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<tbody>
<tr>
<td>1.15</td>
<td>1.17</td>
<td></td>
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<tr>
<td>1.23</td>
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Cash/Expenses

<table>
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<th>5 year</th>
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<tr>
<td>0.74</td>
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<table>
<thead>
<tr>
<th>Years</th>
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<th>20 year</th>
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<tr>
<td>0.74</td>
<td>0.71</td>
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Debt/Unit

<table>
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<table>
<thead>
<tr>
<th>Years</th>
<th>20 year</th>
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<tbody>
<tr>
<td>$3.34</td>
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</table>

<table>
<thead>
<tr>
<th>Years</th>
<th>25 year</th>
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<tbody>
<tr>
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</table>

<table>
<thead>
<tr>
<th>Years</th>
<th>30 year</th>
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</thead>
<tbody>
<tr>
<td>$2.59</td>
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2018 LIST OF ENCLOSES

1. Goose Lake Dam drainage area and vicinity
2. Spillway picture
3. Close up of damaged area picture
4. Resolution
5. 2016 Financial Statement
6. 2017 Financial Statement
7. 2018 Financial Statement
8. Boundary of Irrigated area
9. Minutes of 2/9/18 Goose Lake Reservoir Board of Directors Special Meeting
Inclosure B  Boundary of Irrigated Area

Goose Lake Reservoir Co. 78-4006A & 78-4006B

2004 NAIP Photography
Close up of damaged area
We the 2017 elected officers of the Goose Lake Reservoir Company understand that the Goose Lake Dam needs repairs. We further recognize that Engineering expertise is needed to help us most effectively determine the best solution, prepare engineering drawings that can be used to guide dam repairs and supervise the execution of repairs that make the dam safe. We further have concluded getting a loan at 4.5% interest rate from the Idaho Water Resource Board (IWRB) is needed for us to best get the funds necessary for Dam repairs. Further this resolution gives us authority to under "ARTICLE V. CONTACTS, LOANS, CHECKS, AND DEPOSITS; SECTION 2. LOANS" of the BY-LAWS of the Goose Lake Reservoir Company to execute loans for the Reservoir Company.

Therefore, we authorize Goose Lake Reservoir Company President, Lawrence V. Armacost, to obtain loans as necessary to repair Goose Lake Dam.

Lawrence V. Armacost, President

Neal Osborn, Vice President

Charlotte M. Armacost, Secretary/Treasurer

Dean Dryden, Director

Marion Vance, Director

6/13/17

6/13/17

6/13/17

6/13/17

6/7/17
GOOSE LAKE RESERVOIR COMPANY  
BOARD OF DIRECTORS  
Meeting Minutes  
February 9, 2018 - 3:30 p.m.  
Meadows Valley Public Library Meeting Room  
SPECIAL MEETING ON DAM REPAIR

ATTENDEES:  
President: Vic Armacost  
Vice President: Neal Osborn  
Secretary/Treasurer: Charlotte Armacost  
Directors: Dean Dryden and Marion Vance were absent  
OTHERS PRESENT: Pam McGarry, Ed Osborn, Jeffrey Luff

CALL TO ORDER  
Meeting called to order by President Armacost at 3:23 p.m.

Vic began the meeting by reviewing what has been completed by GeoEngineers to date regarding the repairs to the dam. He went on to say GeoEngineers has proposed to construct a retaining wall on the north and south sides of the spillway. He reviewed drawings that showed the wall location and design. He also explained that rock from a US Forest Service quarry and material from the reservoir area could be used to construct the walls.

Vic reported the $20,000.00 loan from the Idaho Water Resource Board had been used to pay JI Morgan and GeoEngineers to design the proposed retaining walls and provide estimated construction cost. He went on to say GeoEngineers had recently informed him they do not solicit contractors or provide construction oversite. He was referred to Keller Associates and has signed a $45,477 contract with them. Keller will review the wall design, gather bids from various contractors, recommend a contractor, and provide construction administration services. He has sent Keller Associates a $10,500 retainer. GeoEngineers has estimated their cost for construction supervision will be $10,160. He explained that there is a strong demand for contractors, so it is important to get our project to them as soon as possible.

Discussion followed regarding the estimated $147,000 to complete the dam repairs as estimated by GeoEngineers. Vic has a meeting in Boise on March 22nd to secure a loan with Idaho Water Resource Board (IWRB). Vic would like to get a loan in place as soon as possible so interest rates do not increase. The total cost estimate to complete the project is $212,137. This includes the existing loan of $20,000. Vic would like a 20-year loan for $200,000. He went on to report the Idaho Water Resource Board, requires we hold one year’s payment in reserve and we pay a 5% portion of the loan demand. Vic stated, “we don’t pay interest on money we don’t use”. The annual cost for a $200,000 loan is $15,375 and the 5% portion will be $9,000 or $10,000. In addition we need to cover the existing $20,000 with an annual payment of $1538.

The Board went on to discuss other possibilities. After much discussion, it was decided an assessment is needed to cover $27,000 for anticipated 2018 expenditures. Neal Osborn motioned to assess $6.00 per share for construction support and construction of project designed by GeoEngineers. Charlotte Armacost seconded the motion. The Board of Directors vote for the motion was unanimous. President Vic Armacost noted that 4,600 shares at $6.00 per share would provide $27,600.

Meeting adjourned at 4:25 p.m.

Vic Armacost  
President Goose Lake Reservoir Co.
Get paid faster with next day funding and improve your cash flow with Umpqua merchant services. We have a full range of hardware and software available to fit your business needs. Visit our website to learn more about merchant services available through Umpqua Bank. Member FDIC

### BUSINESS FREE CHECKING

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<thead>
<tr>
<th>Account number</th>
<th>Beginning balance</th>
<th>Deposits/Additions</th>
<th>Ending balance</th>
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#### Deposits/Additions

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<th>Description</th>
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#### Daily Balances

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<td>12-30</td>
<td>3,086.01</td>
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#### Overdraft Fee Summary

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<th></th>
<th>Total For This Period</th>
<th>Total Year-to-Date</th>
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<tr>
<td>Total Overdraft Fees</td>
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<tr>
<td>Total Returned Item Fees</td>
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## Goose Lake Reservoir Co.

<table>
<thead>
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<td>2016 Special Assessment</td>
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<td>$12,210.00</td>
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<tr>
<td>2016 Expenses</td>
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**Balance as of 01/31/2017**  $2,487.01
E0Y 2017 Inc1.6
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<thead>
<tr>
<th>Type</th>
<th>Date</th>
<th>Num</th>
<th>Name</th>
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<td>GeoEngineers</td>
<td>Deposit</td>
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<td>Deposit</td>
<td>Funds Transfer - check to...</td>
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<td>(2,274.40)</td>
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<td>Deposit</td>
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<td>10/20/2017</td>
<td>000</td>
<td>J. I. Morgan Inc.</td>
<td>Deposit</td>
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**Total 10000· IFB - Goose Lake Reservoir**

- 3,375.00
- 3,700.00
- 6,000.00
- 2,274.40
- 5,210.00
- 10,000.00
- 18,000.00

**Total 11000· Goose Creek Canal**

- 1,482.46

**Total 12000· Goose Lake Reservoir Co**

- 4,000.00
- 105.94
- 7.29

**Total 13000· Granite Twin Lakes Water Users**

- 18,000.00
- 4,000.00
- 113.23

**Total 14,509.86**
BY-LAWS
OF
GOOSE LAKE RESERVOIR COMPANY

ARTICLE I. OFFICES
The principal office of the corporation in the State of Idaho shall be located in Meadows Valley, County of Adams. The corporation may have such other offices within the State of Idaho as the Board of Directors may designate or as the business of the corporation may require from time to time.

ARTICLE II. SHAREHOLDERS

SECTION 1. Annual Meeting. The annual meeting of the shareholders shall be held on the first Monday in the month of November in each year, beginning with the year 1973, at the hour of 1:00 o'clock p.m., or at such other time as may be designated, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. A Director must be a stockholder of the corporation; except that in the case of a corporate stockholder said corporation may designate some individual to act as Director on behalf of same. If the day fixed for the annual meeting shall be a legal holiday in the State of Idaho, such meeting shall be held on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting of the shareholders, or at any
adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as conveniently may be.

SECTION 2. Special Meetings. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Board of Directors, and shall be called by the President at the request of the holders of not less than fifty percent (50%) of all the outstanding shares of the corporation entitled to vote at the meeting.

SECTION 3. Place of Meeting. The Board of Directors may designate any place within the State of Idaho, unless otherwise prescribed by statute, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place within the State of Idaho, unless otherwise prescribed by statute, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation in the State of Idaho.

SECTION 4. Notice of Meeting. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than
ten (10) or more than thirty (30) days, or such other required time as may be specified by law, before the date of the meeting, either personally or by mail, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

SECTION 5. Closing of Transfer Books or Fixing of Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the corporation may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, thirty (30) days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any
case to be not more than thirty (30) days and, in case of a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, the date on which notice of the meeting is mailed shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

SECTION 6. Voting Lists. The officer or agent having charge of the stock transfer books for shares of the corporation shall make, at least ten (10) days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The
original stock transfer book shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

SECTION 7. Quorum. A majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If less than a majority of the outstanding shares are represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

SECTION 8. Proxies. At all meetings of shareholders, a shareholder may vote by proxy executed in writing by the shareholder or by his duly authorized attorney in fact. Such proxy shall be filed with the secretary of the corporation before or at the time of the meeting.

SECTION 9. Voting of Shares. Subject to the provisions of Section 11 of this Article II, each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders.

SECTION 10. Voting of Shares by Certain Holders. Shares standing in the name of another corporation may be voted by such officer, agent or proxy as the by-laws of such
corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine.

Shares held by an administrator, executor, guardian or conservator may be voted by him, either in person or by proxy, without a transfer of such shares into his name. Shares standing in the name of the trustee may be voted by him, either in person or by proxy, but no trustee shall be entitled to vote shares held by him without a transfer of such shares into his name.

Shares standing in the name of a receiver may be voted by such receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

Shares of its own stock belonging to the corporation or held by it in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.
SECTION 11. Cumulative Voting. Unless otherwise provided by law, at each election for Directors every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are Directors to be elected and for whose election he has a right to vote, or to cumulate his votes by giving one candidate as many votes as the number of such Directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principle among any number of candidates.

SECTION 12. Informal Action by Shareholders. Unless otherwise provided by law, any action required to be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

ARTICLE III. BOARD OF DIRECTORS

SECTION 1. General Powers. The business and affairs of the corporation shall be managed by its Board of Directors.

SECTION 2. Number, Tenure and Qualifications. The number of Directors of the corporation shall be five (5). Each Director shall hold office until the next annual meeting of shareholders and until his successor shall have been elected and qualified.
SECTION 3. Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting of the Board of Directors called by them.

SECTION 5. Notice. Notice of any special meeting shall be given at least ten (10) days previously thereto, or such other period required by law, by written notice delivered personally or mailed to each Director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
SECTION 6. Quorum. A majority of the number of Directors fixed by Section 2 of this Article III shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 7. Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 8. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board of Directors, unless otherwise provided by law. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose.

SECTION 9. Compensation. By resolution of the Board of Directors, the Directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as Director, but no Director shall receive a salary or other compensation unless
approved by the stockholders. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

SECTION 10. Presumption of Assent. A Director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the Minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

ARTICLE IV. OFFICERS

SECTION 1. Number. The officers of the corporation shall be a President, a Vice-President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. The same individual may act in a dual capacity as Secretary-Treasurer. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

SECTION 2. Election and Term of Office. The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the
first meeting of the Board of Directors held after each annual
meeting of the shareholders. If the election of officers shall
not be held at such meeting, such election shall be held as
soon thereafter as conveniently may be. Each officer shall
hold office until his successor shall have been duly elected
and shall have qualified or until his death or until he shall
resign or shall have been removed in the manner hereinafter
provided.

SECTION 3. Removal. Any officer or agent elected or
appointed by the Board of Directors may be removed by the
Board of Directors whenever in its judgment the best interests
of the corporation would be served thereby, but such removal
shall be without prejudice to the contract rights, if any, of
the person so removed.

SECTION 4. Vacancies. A vacancy in any office because
of death, resignation, removal, disqualification or otherwise,
may be filled by the Board of Directors for the unexpired por-
tion of the term.

SECTION 5. President. The President shall be the prin-
cipal executive officer of the corporation and, subject to the
control of the Board of Directors, shall in general supervise
and control all of the business and affairs of the corporation.
He shall, when present, preside at all meetings of the share-
holders and of the Board of Directors. He may sign, with the
Secretary or any other proper officer of the corporation there-
unto authorized by the Board of Directors, certificates for
shares of the corporation, any deeds, mortgages, bonds, con-
tracts, or other instruments which the Board of Directors has
authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. Vice-President. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 7. Secretary. The Secretary shall: (a) keep the minutes of the shareholders' and of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register of the postoffice address of each shareholder which shall be furnished to the
Secretary by such shareholder; (e) have general charge of the stock transfer books of the corporation; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

SECTION 8. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositaries as shall be selected in accordance with the provisions of Article V of these By-Laws; and (b) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE V. CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.
SECTION 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

SECTION 3. Checks, drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositaries as the Board of Directors may select.

ARTICLE VI. EMPLOYEES

SECTION 1. The Board of Directors, if deemed necessary, shall employ suitable persons to manage and operate the irrigation system and shall make such rules and regulations with regard to the method of handling the water and the delivery thereof as it may deem advisable and in accordance with the number of shares held by the stockholders, each share representing one (1) acre foot of water. No person, unless authorized by the Board of Directors, shall have the power or authority to open, handle, operate or adjust any of the gates or canal outlets of the
irrigation system, and the Board of Directors may prescribe penalties for any interference with the water supply by any stockholder or for failure to pay any assessments or for failure or neglect to obey any rule with regard to the delivery or the handling of the water supply or the operation of the irrigation system.

ARTICLE VII. CERTIFICATES FOR SHARES AND THEIR TRANSFER

SECTION 1. Certificates for Shares. Certificates representing shares of the corporation shall be in such form as shall be determined by the Board of Directors. Such certificates shall be signed by the President and by the Secretary or by such other officers authorized by law and by the Board of Directors so to do. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except that in case of a lost, destroyed or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the Board of Directors may prescribe.

SECTION 2. Transfer of Shares. Transfer of shares of the corporation, subject to "First Refusal Agreement" dated shall be made only on the stock transfer books of the corporation by the holder of record thereof or by
his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

ARTICLE VIII. ASSESSMENTS

The Board of Directors shall have power to raise money to pay the expenses of the operation, maintenance and upkeep of the reservoir, diversion works and dams of the corporation and other expenses of the corporation, subject to resolution of stockholders at stockholders' meeting of November 6, 1972, such assessments to be levied in accordance with Section 30-157, Idaho Code, as amended or which may be hereafter enacted.

ARTICLE IX. SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words, "Corporate Seal."

ARTICLE X. WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these By-Laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such
notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI. AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a vote of the shareholders representing a majority of all the shares issued and outstanding, at any annual shareholders' meeting or at any special shareholders' meeting when the proposed amendment has been set out in the notice of such meeting.

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, a majority of the Board of Directors and the duly elected Secretary of Goose Lake Reservoir Company, do hereby certify that the above set out By-Laws were duly assented to and adopted by the shareholders as prescribed by law and that the same do now constitute the By-Laws of said corporation.

Dated this ___ day of ___, 1973.

[Signatures]

Secretary. Directors.
AMENDMENT TO THE BY-LAWS
OF GOOSE LAKE RESERVOIR COMPANY

FIRST REFUSAL AGREEMENT

1. Delete first sentence; Insert:

The sale or transfer of capital stock shall be sold only to owners or contract owners of land susceptible of irrigation by water owned, or controlled by the corporation in Goose Lake Reservoir in Adams County, Idaho.

Any stockholder wishing to sell or transfer all or any portion of his capital stock may cause such stock to be transferred with the sale of land of his, susceptible of irrigation by waters from Goose Lake Reservoir in Adams County, Idaho or in the event such water is not transferred with the land, the stockholders shall have first option to purchase such stock that may be offered for sale. However, notwithstanding the foregoing, a Seller of capital stock in this corporation shall have the option to select, for the sale of his stock, any particular stockholder to which he desires to transfer his shares by private treaty or contract, so long as the proposed buyer or transferee is a present, qualified stockholder in Goose Lake Reservoir Company.

Any stockholder who would transfer or sell a portion of his lands subject to irrigation from Goose Lake Reservoir in Adams County, Idaho, may cause to be transferred or sold to the purchaser of such lands, sufficient capital stock representing storage water in Goose Lake Reservoir in Adams County that can be applied to the beneficial use, to such lands being transferred or sold.

RETAIN SECOND SENTENCE

Delete third sentence.

Remainder of agreement to remain as approved July 6, 1973.

4. This Agreement shall bind the stockholders and their respective heirs, executors, administrators and assigns.
GENERAL:
The contractor is responsible for field verifying all existing dimensions and site conditions. The contractor is responsible for removing all animals and vegetation that interfere with the new construction.

The contractor is responsible for the construction process and the safety of the workers. This includes but is not limited to: the construction site, temporary facilities, and all construction equipment and materials used to erect the excavation. Temporary fencing of excavation, temporary bracing of single-sided formwork, and temporary shoring of excavations and stability of all temporary fills slopes.

A pre-construction meeting shall be held prior to the start of the work and shall be attended by the owner’s representatives, the engineer, the general contractor, the excavation subcontractor, and representatives of Idaho and the U.S. Forest Service if requested. The pre-construction meeting shall be conducted to clarify the requirements for the work and to coordinate the construction activities. This includes the construction sequence, temporary handrails, excavation access, and barriers. This also includes lifting of materials and construction equipment into and out of the excavation, temporary bracing of single-sided formwork, temporary shoring of excavations, and stability of all temporary fills slopes.

REFERENCE DATA AND DESIGN CALCULATIONS:

DESIGN SURCHARGE LOADS:
100 PSF snow surcharge (vertical).

SURFACE DESIGN PARAMETERS:
The following soil properties were used to design the retaining wall:

<table>
<thead>
<tr>
<th>Subsurface Unit</th>
<th>Unit Weight (pcf)</th>
<th>Soil Friction (deg)</th>
<th>Soil Cohesion (psf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Native Sandy Gravel</td>
<td>120</td>
<td>32</td>
<td>0</td>
</tr>
<tr>
<td>Backfill</td>
<td>120</td>
<td>32</td>
<td>0</td>
</tr>
</tbody>
</table>

A factor of safety of 2.0 was used in the analysis for lateral earth pressures. The earth-retaining circling is shown on Figure 4.0. The factor of safety for lateral earth pressure is equal to 1.0 if soil friction is 0.35. For the purposes of the design, the proposed retaining wall is assumed that the water table is below the base of excavation. Localized areas of potential groundwater may be encountered. The contractor shall contact the engineer if groundwater occurs in the excavation or at the excavation face.

PROPOSED RETAINING WALL STABILITY ANALYSIS:
In accordance with the 2015 IBC, the following allowable stress design safety factors were used in the analysis of lateral and internal retaining walls:

<table>
<thead>
<tr>
<th>Design Component</th>
<th>Safety Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bearing Capacity</td>
<td>2.0</td>
</tr>
<tr>
<td>Sliding</td>
<td>3.5</td>
</tr>
<tr>
<td>overturning</td>
<td>1.5</td>
</tr>
</tbody>
</table>

An allowable sliding coefficient of 0.3 was used in the wall design, and includes a factor of safety of 2.0.
- Geotextile shall consist of Drainage Geotextile per ISPWC Section 2050 established.
- Drainage bed material shall be free of rock fines, soil, or other extraneous material. Quantity shall not be contaminated by foreign materials such as debris, wood, steel, asphalt, concrete, soil, plastic, or other contaminants or deleterious material.
- Drainage bed material shall meet the following gradation:

<table>
<thead>
<tr>
<th>Sieve Size</th>
<th>Percent Passing by Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 inch</td>
<td>100</td>
</tr>
<tr>
<td>1 inch</td>
<td>50</td>
</tr>
<tr>
<td>¾ inch</td>
<td>40</td>
</tr>
<tr>
<td>¼ inch</td>
<td>60</td>
</tr>
</tbody>
</table>

- Structural fill below retaining wall footing shall be free from various types of wood or deleterious materials and consist of rock and soil meeting the following gradation. Granular soils from the designated quantity may be used below retaining wall footings:

<table>
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<th>Percent Passing by Weight</th>
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</thead>
<tbody>
<tr>
<td>2 inch</td>
<td>100</td>
</tr>
<tr>
<td>1 inch</td>
<td>50</td>
</tr>
<tr>
<td>¾ inch</td>
<td>40</td>
</tr>
</tbody>
</table>

- Foundation Perimeter a distance equal to one half the depth of the over excavation. Based on TP-3 and ±5.6' depth is estimated to be 3 to 3 ½ feet below existing ground surface. Actual depth along the footing line will be determined in the field during construction.
- Retaining wall foundation shall be designed by the geotechnical engineer prior to construction of the retaining wall footings. Coordination with the owner responsible to schedule the geotechnical engineer. All loose soils shall be compacted or removed at the discretion of the owner’s representative or geotechnical engineer.

- Drainage rock shall consist of smooth rock or unbroken rock of gravel, meeting specific gradation B-1 for drain rock 3 inches.

- Geotextile shall meet the criteria for pipe drain geotextile per ISPWC Section 2050.
OUTLET WALL DRAIN PIPE TO DISCHARGE A MINIMUM OF 10 FEET FROM RETAINING WALL.

EXISTING WALL TO BE REPLACED.

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WALL SECTIONS AND DETAILS

SECTION A-A'
NORTH RETAINING WALL

SECTION B-B'
NORTH RETAINING WALL

SECTION C-C'
RETAINING WALL PARALLELING EXISTING STRUCTURE (NORTH & SOUTH)

SECTION D-D'
SOUTH RETAINING WALL

SECTION E-E'
SOUTH RETAINING WALL

TYPICAL SECTION AND EARTH PRESSURE DIAGRAM

Notes:
1. CONTRACTOR MAY REMOVE SECTIONS OF WALL FOR SAFETY.
2. EXISTING RETAINING WALLS EXTENDED TO THE DEPTHS EXPLORED TO BE 6 FEET MINIMUM AND MEASURED TO BOTTOM OF THE EXISTING WALLS ALONG THE TRANSVERSE LENGTH OF THE WALL.
3. IN NO EVENT SHOULD THE EXISTING RETAINING WALLS BE UNDERMINED.
4. THE EXISTING OUTLET STRUCTURE SHALL BE PROTECTED BY A GEOTEXTILE AND 2 FEET MINIMUM DRAINAGE MATERIAL SLOPED ADRIFT 1:2. A 4-FOOT MINIMUM DEPTH IS REQUIRED FOR THE EXISTING OUTLET STRUCTURE.
5. GEOLINE OR P:\GEODESIGN\1-300\16-285\GnR\20B-432-809\WWW.GEOENGINEERS.COM

Legend:
- EXISTING GROUND
- PROPOSED GROUND
- PROPOSED FILL, DRAINAGE, EARTH PRESSURE
- STRUCTURAL WALL, EXIST. FOUNDATIONS (2 FEET MIN. VIEW)

Scale: 1"=10'

Goose Lake New Retaining Walls
Adams County, Idaho

WALL SECTIONS AND DETAILS

GeoEngineers

4.0
Joints in filter fabric shall be epoxied at posts, inert staples, wire rings, or equivalent to attach fabric to posts.

2 1"x2 in. by 14 Ga. wire or equivalent, if standard strength fabric used.

POST SPACING MAY BE INCREASED TO 4 FT. BY ARE WASHING IN SEALS.

Silt fence posts shall be inset at same contour when possible.

Filter fabric fences shall be inset at same contour when possible.

Filter fabric shall be epoxied at posts, inert staples, wire rings, or equivalent to attach fabric to posts.

WEIGHTED DRAIN DETAIL

WEIGHTED DRAIN DETAIL

WEIGHTED DRAIN DETAIL

Weighed Drain Detail Scale: Not to Scale

Silt fence detail

Scale: Not to Scale

Wall drain detail

Scale: Not to Scale

Drainage detail

Scale: Not to Scale
1. CANTILEVERED RETAINING WALL.

2. CANTILEVERED RETAINING WALL.

3. TYPICAL DEVELOPMENT AND TENSION LAP SPLICE SCHEDULE.

4. TYPICAL REINFORCING BAR DETAILS.

5. TYPICAL EXCAVATIONS PARALLEL TO FOOTING.

6. TYPICAL REINFORCING AT CONCRETE WALL - PLAN VIEW.
Memorandum

To: Idaho Water Resource Board
From: Remington Buyer
Date: March 12, 2018
Re: Rental Pool Procedures

REQUIRED ACTION: The Board may approve updated procedures for the Water District Nos. 01, 63 and 65 rental pools.

Enclosed with this memo are copies of the 2018 rental pool procedures, adopted by the water users and the water district advisory committees of water districts 01, 63 and 65. Pursuant to Idaho Code 42-1765 and the subsections of rule 40 of the Water Supply Bank Rules (IDAPA 37.02.03.40), the water district advisory committees of water districts 01, 63 and 65 are the IWRB-appointed local committees that facilitate the lease and rental of stored water within the Upper Snake River, Boise River and Payette River rental pools.

The rental pool procedures are being updated to recognize an increase in the stipulated rental rate for flow-augmentation rentals by the United States Bureau of Reclamation, which has increased from $17.00 per acre foot (AF) to $20.00 /AF for years 2018-2022. The administrative rental fees levied by water district 01 and water district 63 are also increasing to $1.30/AF, which is in alignment with the administrative rental fee levied within the Water District 65 rental pool.

Additionally, the proposed updates to the Water District No. 01 rental pool procedures include provisions addressing how flood control releases from the Upper Snake reservoir system may affect the computation of impacts attributable to rentals from the prior water year (Procedural rule 7.2), as well as how the lease and rental of storage water from Palisades Reservoir by Palisades Water Users, Inc. (PWUI) may be administered within the Water District 01 rental pool (Procedural rule 9.0).

Consistent with Water Supply Bank Rule 40.05, the IWRB is called upon to consider approving the updated rental pool procedures, as adopted by the water users and water district advisory committees of water districts 01, 63 and 65. Attached with this memo are resolutions to approve the amendments to the procedures of the three rental pools, drafted for the IWRB’s consideration.

Attachment(s):

Water District 01 Adopted 2018 Rental Pool Procedures
Water District 01 Draft 2018 Rental Pool Procedures
Water District No. 63 Draft 2018 Rental Pool Procedures
Water District No. 63 Adopted 2018 Rental Pool Procedures
Water District 65 Adopted 2018 Rental Pool Procedures
Water District 65 Draft 2018 Rental Pool Procedures
Draft Resolution – Approval of amended procedures for the Water District 01 Rental Pool,
Draft Resolution – Approval of amended procedures for the Water District 63 Rental Pool,
Draft Resolution – Approval of amended procedures for the Water District 65 Rental Pool.
WATER DISTRICT 1

RENTAL POOL PROCEDURES
TABLE OF CONTENTS

RULE 1.0 LEGAL AUTHORITY
RULE 2.0 DEFINITIONS
RULE 3.0 PURPOSES
RULE 4.0 MANAGEMENT
  4.1 Manager
  4.2 Rental Pool Subcommittee
  4.3 Applications
  4.4 Rental Pool Account
  4.5 Infrastructure Fund
RULE 5.0 COMMON POOL
  5.1 Scope
  5.2 Participant Contributions
  5.3 Assignments
  5.4 Priorities for Renting Storage
  5.5 Rental Prices
  5.6 Limitations
RULE 6.0 PRIVATE LEASES
  6.1 General
  6.2 Purposes
  6.3 Payment to Lessor
  6.4 Fees & Surcharges
  6.5 Non-Applicability to Common Pool
  6.6 Recharge
  6.7 Idaho Water Resource Board (IWRB) Storage
RULE 7.0 IMPACTS
  7.1 Determination
  7.2 Flood Control/Milner Spill
  7.3 Impacts to Participants due to Rentals from the Common Pool (excluding Assignments)
  7.4 Impacts to Non-Participants due to Rentals from the Common Pool (excluding Assignments)
  7.5 Impacts to Spaceholders due to Rental of Assigned Storage
  7.6 Impacts to Spaceholders due to Private Leases
  7.7 Impacts to Spaceholders Resulting from USBR Powerhead Private Lease
  7.8 Impacts to Spaceholders Resulting from Release of IWRB Storage Used for Mitigating Minimum Flows at Murphy
RULE 8.0 SUPPLEMENTAL POOL
  8.1 Purpose
  8.2 Annual Authorization Required
  8.3 Quantity and Price Determinations
  8.4 Application to Lease Storage from the Supplemental Pool
8.5 Supplemental Pool Supply
8.6 Notice of Contract Approval and Payment to Lessors
8.7 Mitigation of Impacts
8.8 November 1 Carryover Unaffected
RULE 1.0 LEGAL AUTHORITY
1.1 These procedures have been adopted by the Water District 1 Committee of Nine pursuant to Idaho Code § 42-1765.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, or the Watermaster of Water District 1 in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of spaceholder contracts with the United States, and the Mediator’s Term Sheet of the 2004 Snake River Water Rights Agreement.

1.4 The operation of the rental pool shall in no way recognize any obligation to maintain flows below Milner or to assure minimum stream flows at the United States Geological Survey (USGS) gaging station on the Snake River near Murphy.

1.5 These procedures shall not be interpreted in any manner that is inconsistent with or would adversely impact or effect the rights of the Shoshone-Bannock Tribes as set out in the Fort Hall Agreement, the Blackfoot River Equitable Adjustment Settlement Agreement, and the 2015 Settlement Agreement between the Tribes and the Committee of Nine.

RULE 2.0 DEFINITIONS
2.1 Accounting Year: the Water District 1 accounting year that begins on November 1 and ends on October 31.

2.2 Acre-foot: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.3 Administrative Fee: a fee of one dollar and five cents ($1.05) per acre-foot assessed on the total quantity of storage set forth in any rental or lease application, disbursed to the District at the end of the irrigation season.

2.4 Allocation: the amount of stored water, including carryover, that has accrued to a spaceholder’s storage space on the date of allocation that is available for the spaceholder’s use in the same accounting year.

2.5 Applicant: a person who files with the Watermaster an application, accompanied by the required fees, to rent or lease storage through the rental pool.

2.6 Assignment: storage provided by an assignor from the current year’s storage allocation for rental through the common pool pursuant to Rule 5.3.

2.7 Assignor: a participant who assigns storage to the common pool pursuant to Rule 5.3 and subject to Rule 7.5.
2.8 **Board**: the Idaho Water Resource Board (IWRB).

2.9 **Board Surcharge**: a surcharge equal to ten percent (10%) of the rental price or lease price assessed on the total quantity of storage set forth in any rental or lease application, disbursed to the Board at the end of the irrigation season.

2.10 **Bureau**: the United States Bureau of Reclamation (USBR).

2.11 **Committee**: the Committee of Nine, which is the advisory committee selected by the members of Water District 1 at their annual meeting and appointed as the local committee by the Board pursuant to Idaho Code § 42-1765.

2.12 **Common Pool**: storage made available to the Committee through participant contributions and/or assignments for subsequent rental pursuant to Rule 5.

2.13 **Date of Allocation**: the date determined each year by the Watermaster on which the maximum accrual to reservoir spaceholders occurs.

2.14 **Date of Publication**: the date on which the Watermaster publishes on the District website the storage allocation for the current accounting year.

2.15 **Department**: the Idaho Department of Water Resources (IDWR).

2.16 **District**: Water District 1 of the state of Idaho.

2.17 **Impact Fee**: a fee added to the rental price for non-spaceholder rentals pursuant to Rule 5.5.107.

2.18 **Impact Fund**: a fund maintained by the Watermaster for the mitigation of computed impacts to participants pursuant to Rule 7.3.

2.19 **Infrastructure Fee**: a fee of five dollars ($5.00) per acre-foot assessed on all storage rented through the common pool for purposes below Milner, excluding flow augmentation, disbursed to the Infrastructure Fund at the end of the irrigation season.

2.20 **Infrastructure Fund**: a fund maintained by the Watermaster for the purposes outlined in Rule 4.5.

2.21 **Lease**: a written agreement entered into between a lessor and lessee to lease storage through the rental pool pursuant to Rule 6.

2.22 **Lease Price**: a price per acre-foot negotiated between a lessor and lessee as set forth in a lease agreement.

2.23 **Lessee**: a person who leases storage from a participant under a lease.

2.24 **Lessor**: a participant who leases storage to a person under a lease pursuant to Rule 6 and subject to Rule 7.6.

2.25 **Milner**: Milner Dam on the Snake River.
2.26 **Net Price:** the average price per acre-foot of all rentals from the common pool, including flow augmentation, but excluding rentals of assigned storage.

2.27 **Net Proceeds:** the net price times the number of acre-feet rented from the common pool, excluding rentals of assigned storage.

2.28 **Participant:** a spaceholder who contributes storage to the common pool pursuant to Rule 5.2.

2.29 **Participant Contributions:** storage made available to the common pool by participants, with computed impacts accounted from next year’s reservoir fill, which forms the supply for large rentals, small rentals, and flow augmentation, subject to the limitations in Rule 5.2.

2.30 **Person:** an individual, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.

2.31 **Rent:** the rental of storage from the common pool.

2.32 **Rental Pool:** the processes established by these procedures for the rental and/or lease of storage, mitigation of computed impacts to spaceholders, and disposition of revenues.

2.33 **Rental Pool Subcommittee:** a subcommittee composed of the Watermaster (advisor), a designated representative from the Bureau (advisor), and three or more members or alternates of the Committee who have been appointed by the chairman of the Committee.

2.34 **Rental Price:** the price per acre-foot of storage rented from the common pool, as set forth in Rule 5.5, excluding the administrative fee, the Board surcharge, and the infrastructure fee.

2.35 **Renter:** a person who rents storage from the common pool.

2.36 **Reservoir System:** refers to American Falls, Grassy Lake, Henrys Lake, Island Park, Jackson Lake, Lake Walcott, Milner Pool, Palisades, and Ririe.

2.37 **Space:** the active capacity of a reservoir measured in acre-feet.

2.38 **Spaceholder:** the holder of the contractual right to the water stored in the space of a storage facility within the Reservoir System.

2.39 **Storage:** the portion of the available space that contains stored water.

2.40 **Watermaster:** the watermaster of Water District 1.

2.41 **Water Supply Forecast:** the forecasted unregulated runoff for April 1 to September 30 at the Heise USGS gaging station, referred to in Table 1.
RULE 3.0 PURPOSES
3.1 The primary purpose of the rental pool is to provide irrigation water to spaceholders within the District and to maintain a rental pool with sufficient incentives such that spaceholders supply, on a voluntary basis, an adequate quantity of storage for rental or lease pursuant to procedures established by the Committee. These procedures are intended to assure that participants have priority over non-participants and non-spaceholders in renting storage through the rental pool.

3.2 To maintain adequate controls, priorities, and safeguards to insure that existing water rights are not injured and that a spaceholder’s allocation is not impacted without his or her consent. To compensate an impacted spaceholder to the extent the impact can be determined by the procedures developed by the District.

3.3 To generate revenue to offset the costs of the District to operate the rental pool and to fund projects that fall within the parameters of Rule 4.5.

3.4 To provide storage water at no cost under Rule 5.5 for the benefit of the Tribes consistent with the terms of the Blackfoot River Equitable Adjustment Settlement Agreement and the 2015 Settlement Agreement. Discussions are ongoing to identify the party responsible for mitigating impacts to the Tribes. Nothing in these Procedures should be construed as an admission of liability by Water District 1 or the Committee of Nine.

RULE 4.0 MANAGEMENT
4.1 Manager. The Watermaster shall serve as the manager of the rental pool and shall take all reasonable actions necessary to administer the rental pool consistent with these procedures, which include, but are not limited to:
(a) Determining impacts pursuant to Rule 7;
(b) Calculating payments to participating spaceholders as prescribed by Rules 5.2 and 7.3;
(c) Accepting storage into the common pool and executing rental agreements on behalf of the Committee;
(d) Disbursing and investing rental pool monies with the advice and consent of the Rental Pool Subcommittee; and
(e) Taking such additional actions as may be directed by the Committee.

4.2 Rental Pool Subcommittee. The Rental Pool Subcommittee shall exercise the following general responsibilities:
(a) Review these procedures and, as appropriate, make recommendations to the Committee for needed changes;
(b) Review reports from the Watermaster regarding rental applications, storage assignments to the common pool, and leases of storage through private leases;
(c) Advise the Committee regarding rental pool activities;
(d) Develop recommendations for annual common pool storage supplies and rental rates;
(e) Assist the Watermaster in resolving disputes that may arise from the diversion of excess storage; and
(f) Assume such additional responsibilities as may be assigned by the Committee.
4.3 Applications

4.3.101 Applications to rent or lease storage through the rental pool shall be made upon forms approved by the Watermaster and shall include:
(a) The amount of storage sought to be rented or leased;
(b) The purpose(s) for which the storage will be put to beneficial use;
(c) The lease price (for private leases); and
(d) To the extent practicable at the time of filing the application, the point of diversion identified by legal description and common name; and a description of the place of use.

4.3.102 Application Acceptance. Applications are not deemed accepted until received by the Watermaster together with the appropriate fees required under Rules 5.5 (rentals) or 6.4 (leases).

4.3.103 Application Approval. An application accepted under Rule 4.3.102 shall be approved after the Watermaster has determined that the application is in compliance with these procedures and sufficient storage will be available from the common pool and/or lessor to provide the quantity requested in the application. Upon approval of the application, the Watermaster shall send notice to the renter/lessor/lessee and entity owning the point-of-diversion designated in the application of such approval and allocation of storage; provided, however, no allocation of storage shall be made until the applicant designates the point of diversion and place of use of the rented and/or leased storage in the application or pursuant to Rule 4.3.106.

4.3.104 Timeframe for having Rental Application Accepted to Preserve Rental Priority. Applications to rent storage will not be accepted until April 5 of the year in which the storage will be used. Applications must be accepted by the Watermaster within 15 days following the date of publication to preserve the applicant’s priority under Rule 5.4.101.

4.3.105 Deadline for Accepting Applications to Rent or Lease Storage. All applications to rent or lease storage must be accepted by the Watermaster pursuant to Rule 4.3.102 on or before December 1 in order for the storage identified in such applications to be accounted for as having been diverted prior to October 31 of the same year. Applications accepted after December 1 will be accounted for from storage supplies in the following calendar year, unless an exception is granted by the Rental Pool Subcommittee.

4.3.106 Deadline to Designate Point of Diversion and Place of Use. If the point of diversion and/or place of use of the rented and/or leased storage was not previously designated in the application, the renter and/or lessee must make such designation in writing to the Watermaster on or before December 1 of the same year, unless an extension is granted by the Rental Pool Subcommittee. Failure to comply with this provision shall cause any unused storage to automatically revert back to the common pool and/or lessor, respectively.

4.3.107 Deadline to Use Rental or Lease Storage. Approved applications pursuant to Rule 4.3 or water leased through a private lease, must be used and diverted on or before December 1 of the same year.
4.4 **Rental Pool Account**  
4.4.101 All monies submitted by applicants shall be deposited in an interest-bearing account known as the “Rental Pool Account” and maintained by the Watermaster on behalf of the Committee. Monies in the Rental Pool Account will be disbursed to participants, the District, the Board, the Impact Fund, and the Infrastructure Fund in the proportions set forth in these Rules. Accrued interest to the Rental Pool Account shall be used to maintain the Impact Fund. Rental Pool Funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

4.4.102 Monies deposited in the Rental Pool Account are non-refundable to the extent the rental and/or lease application is approved pursuant to Rule 4.3.103, regardless of whether the storage is used.

4.5 **Infrastructure Fund**  
4.5.101 Monies in the Infrastructure Fund may only be used to fund District costs of projects relating to improvements to the District’s distribution, monitoring, and gaging facilities, and other District projects designed to assist in the adjudication, which includes the cost of Blackfoot River Equitable Adjustment Settlement Water, if any is required, conservation, or efficient distribution of water.

4.5.102 Disbursements from the Infrastructure Fund are subject to two-thirds (2/3) Committee approval.

4.5.103 If monies in the Infrastructure Fund accrue to one million dollars ($1,000,000.00), the infrastructure fee shall be waived and the same amount (five dollars ($5.00)) added to the rental price in Rule 5.5.105.

4.5.104 Monies in the Infrastructure Fund may be carried over from year to year.

**RULE 5.0 COMMON POOL**

5.1 **Scope.** The common pool consists of storage made available to the Committee through participant contributions and assignments. Participants make all of their storage available to the common pool pursuant to the terms of Rule 5.2, with computed impacts accounted from next year’s reservoir fill. Assignors provide storage to the common pool, pursuant to Rule 5.3, by assigning a portion of their current year’s storage allocation. Rentals from the common pool are subject to the priorities and prices established under this Rule.

5.2 **Participant Contributions**  
5.2.101 **Participants.** Any spaceholder may, upon submitting written notice to the Watermaster prior to March 15, 2016, elect to contribute storage to the common pool. Any spaceholder making such election shall be deemed a “participant” for the current year and every year thereafter until the spaceholder provides written notice to the Watermaster prior to March 15, 2016 rescinding its participation. Upon election to participate, a spaceholder is eligible for all the benefits of a participant set forth in these procedures, excluding monetary payment for rentals or computed impacts associated with rentals from the prior year. If after March 15, 2016, less than seventy-five percent (75%) of the contracted storage space is
committed to the common pool by participants, the Committee shall revise the rental pool procedures as necessary prior to April 1.

5.2.102 Non-Participants. Spaceholders who are not participants shall not be entitled to supply storage to, or rent storage from, the common pool, or supply or lease storage through a private lease. Notwithstanding this restriction, the Bureau may rent water from the common pool for flow augmentation pursuant to Rule 5.2.105.

5.2.103 Large Rentals. The common pool will make available from participant contributions 50,000 acre-feet of storage for rentals, plus any assigned storage, subject to the priorities and limitations set forth in Rule 5.

5.2.104 Small Rentals. The common pool will make available from participant contributions 5,000 acre-feet for rentals of 100 acre-feet or less per point of diversion, subject to the priorities and limitations set forth in Rule 5. Rentals from the small pool shall only be considered for approval following submittal of written consent from the operator of the delivery system. The Committee may approve on a case-by-case basis the additional rental of storage under this provision to exceed the 100 acre-feet limitation. The 100 acre-feet limitation per point of diversion does not apply if the rental is supplied pursuant to Rule 5.2.103.

5.2.105 Flow Augmentation

(a) Table 1. The amount of storage, from participant contributions to the common pool, available for rental for flow augmentation shall be determined by Table 1.

(b) Extraordinary Circumstances. A greater amount of storage may be made available by the Committee, if it determines on or before July 1 that extraordinary circumstances justify a change in the amount of storage made available for flow augmentation.

5.2.106 Shoshone-Bannock Tribes. The Tribes shall be treated as non-participants unless written notice is provided under 5.2.101.

(a) Blackfoot River Equitable Adjustment Settlement Agreement Water. Storage water not to exceed 20,000 acre-feet shall be made available in accordance with the terms of the Blackfoot River Equitable Adjustment Settlement Agreement. The source and funding of the storage water shall be determined by the Committee at its June meeting. Administrative fees shall be paid by Water District 1.

(b) 2015 Settlement Agreement. Storage water not to exceed 10,000 acre-feet (except with the approval of the Committee of Nine) shall be made available in accordance with the terms of the 2015 Settlement Agreement from the current year’s Common Pool prior to providing any rental under the priorities of Rule 5.4.101. Administrative fees shall be paid by Water District 1. Discussions are ongoing to identify the party responsible for mitigating impacts to the Tribes. Nothing in these Procedures should be construed as an admission of liability by Water District 1 or the Committee of Nine.
5.2.107 Additional Quantities. In the event rental requests from participants impacted from the prior year’s rentals exceed 50,000 acre-feet and insufficient storage has been assigned to the common pool to meet such additional requests, the maximum amount of storage that will be available through the common pool will be equivalent to the amount necessary to meet the demand of those shown to have been impacted from the prior year’s rentals.

5.2.108 Participant Payments. Monies collected through the rental of the participant contribution portion of the common pool, including flow augmentation, shall be disbursed as follows:
(a) seventy percent (70%) of the Net Proceeds disbursed to participants; and
(b) thirty percent (30%) of the Net Proceeds disbursed to the Impact Fund.

5.2.109 Participant Payment Formula. Participants will receive payment for storage rented from the participant contribution portion of the common pool pursuant to the following payment formulas:

1st Installment \[= \frac{(R \times SP)}{2} \]
2nd Installment \[= \frac{(R \times ST)}{2} \]

\[R = 70\% \text{ of net proceeds}\]
\[SP = \text{Space of participants}\]
\[ST = \text{Storage of participants based on the preliminary storage allocation for the following year}\]
\[TSP = \text{Total participating space in system}\]
\[TST = \text{Total participating storage in system based on the preliminary storage allocation for the following year}\]

If a specific reservoir’s allocation has been reduced as a result of flood-control operations, the ST and TST values in the above formula for those reservoir spaceholders will reflect the values that otherwise would have occurred without any reductions for flood-control.

5.2.110 Timing of Payments. Payments to participants will be made in two installments. The first installment will be paid to participants immediately following the irrigation season in which the proceeds were collected. The second installment will be paid to participants within two weeks of the date of publication for the following irrigation season.

5.3 Assignments
5.3.101 Assignors. Any participant may assign storage to the common pool. An assignment of storage shall be made in writing on forms approved by the Watermaster.

5.3.102 Purposes. Storage assigned to the common pool may be rented only for purposes above Milner.

5.3.103 Limitations. Storage assigned to the common pool may be rented only after the participant contributions to the common pool have been rented. A participant
may not assign storage and rent storage in the same accounting year unless an exception is granted by the Rental Pool Subcommittee.

5.3.104 Assignor Payment. The assignor shall receive one-hundred percent (100%) of the rental price per acre-foot of the assigned storage that is rented.

5.3.105 Distribution of Assigned Storage. Assignments can only be made between April 5 and 15 days after the date of publication in the year in which the storage is to be rented. Assignments shall initially be distributed on a pro-rata basis, with each pro-rata share based on the amount of storage assigned or 10% of the assignor’s storage space, whichever is less. If, after this initial distribution, additional rental requests exist, the remaining assigned storage shall be distributed on a pro-rata basis.

5.4 Priorities for Renting Storage
5.4.101 Priorities. Storage rented from the common pool shall be pursuant to the following priorities:

(a) First Priority. Rentals by participants whose storage is determined to have been impacted by the prior year’s rental from the common pool not to exceed the amount of the computed impact.
(b) Second Priority. Rentals by participants for agricultural purposes up to the amount of their unfilled space.
(c) Third Priority. Rentals by participants for any purposes above Milner in excess of their unfilled space. Applications for such rentals will be reviewed by the Committee and may be approved on a case-by-case basis.
(d) Fourth Priority. Rentals by non-spaceholders for any purposes above Milner.

5.4.102 Priority for Late Applications. Applications received after the deadline set forth in Rule 4.3.104 will be deemed last in priority and will be filled in the order they are received, only after all timely applications have been filled.

5.4.103 Distribution Within Priority Classes. If rental supplies are not sufficient to satisfy all of the timely applications within a priority class (those received within 15 days of the date of publication), the available rental supplies will be distributed to the applicants within that priority class on a pro-rata basis.

5.4.104 Priority for Small Rentals. Small rentals made pursuant to Rule 5.2.104 are not subject to the priorities set forth in Rule 5.4.101 and will be approved in the same order in which the rental applications are received by the Watermaster, so long as the total amount of all such applications does not exceed 5,000 acre-feet.

5.4.105 Priority for Flow Augmentation. Rentals for flow augmentation are not subject to the priorities set forth in Rule 5.4.101 and shall be determined pursuant to Rule 5.2.105.

5.5 Rental Prices
5.5.101 Tier 1: If the storage system fills, the rental price for purposes above Milner shall be $6.00 per acre-foot.
5.5.102 Tier 2: If the storage system does not fill but storage is provided for flow augmentation pursuant to Rule 5.2.105(a), the rental price for purposes above Milner shall be $14.50 per acre-foot.

5.5.103 Tier 3: If the storage system does not fill and no flow augmentation water is provided pursuant to Rule 5.2.105(a), the rental price for purposes above Milner shall be $22.00 per acre-foot.

5.5.104 Determination of Tier1, 2 or 3 Rental Price: Unless the storage system has filled, the Watermaster shall designate on or before April 5 either Tier 2 or Tier 3 as the rental price for above-Milner rentals. If at any time during the same accounting year, the storage system should subsequently fill, the Watermaster shall designate Tier 1 as the rental price for above-Milner rentals and refund any excess rental fees within 30 days after the date of publication.

5.5.105 Tier 4: The rental price for storage rented for flow augmentation shall be $14.50 per acre-foot.

5.5.106 Tier 5: The rental price for storage rented for purposes below Milner, excluding flow augmentation, shall be negotiated between the applicant and the rental pool sub-committee.

5.5.107 Fees & Surcharges. There shall be added to the rental price for all rentals the administrative fee and Board surcharge. There shall also be added to the rental price for rentals pursuant to fourth priority Rule 5.4.101(d) and rentals to non-spaceholders pursuant to Rule 5.2.104 an impact fee to mitigate the computed impacts under Rule 7 from such rentals, payable as follows: The exact amount which is to be set and paid when the full impacts of such rentals, based upon the following year's Common Pool rental price, are determined under said Rule 7, including all additional fees and surcharges. Payment shall then be due and payable on or before 60 days from the day of allocation. There shall also be added to the rental price for rentals below Milner, excluding flow augmentation, the infrastructure fee. Failure of a non-spaceholder to timely pay the fees identified above, shall result in the non-spaceholder’s ineligibility to rent water in the future. Such failure to pay shall also subject the non-spaceholder to such legal actions as allowed under state law in the collection of fees.

5.5.108 Storage System Fill. For purposes of Rule 5.5 only, the storage system is considered full when all storage rights are filled in Jackson Lake, Palisades (except for powerhead), American Falls, and Island Park.

5.6 Limitations. A participant cannot rent water from the Common Pool if the participant is replacing storage space or water which has been evacuated due to an assignment to or private lease through the Water District 1 Rental Pool, unless an exception is granted by the Committee.

RULE 6.0 PRIVATE LEASES

6.1 General. All leases must be transacted through the rental pool. Only participants may lease storage to a Lessee subject to the provisions of these rules.
6.2 **Purposes.** Storage may be leased through the rental pool only for beneficial use purposes above Milner. A participant may not lease storage to a lessee and rent storage from the common pool in the same accounting year unless an exception is granted by the Rental Pool Subcommittee.

6.3 **Payment to Lessor.** The lessor shall receive one-hundred percent (100%) of the lease price.

6.4 **Fees & Surcharges.** There shall be added to the lease price the administrative fee and the Board surcharge.

6.5 **Non-Applicability to Common Pool.** Storage leased pursuant to this rule does not count against the participant contribution volumes set forth in Rule 5.2.

6.6 **Recharge.** All storage used for the purpose of recharge must be transacted through the rental pool. Unless storage is rented pursuant to Rule 5.0, storage used for recharge, whether diverted by the storage spaceholder or another person, will be treated as a lease of storage.

6.7 **Idaho Water Resource Board (IWRB) Storage.** The IWRB may lease its existing storage (up to 5,000 acre-feet) to Idaho Power and have it released past Milner for the purpose of mitigating minimum flows at Murphy. The administrative fee must be paid by the IWRB for any storage used for such purpose.

**RULE 7.0 IMPACTS**

7.1 **Determination.** In any year in which the storage rights in the reservoir system do not fill, the Watermaster will determine the actual computed impacts to spaceholders, if any, associated with the prior year’s rentals and leases. In making this determination, the Watermaster will use a procedure which identifies the following:

(a) What each computed reservoir fill would have been had the previous year’s rentals and leases not taken place;

(b) The storage space from which rented or leased storage was actually supplied for the previous year’s rental or lease; and

(c) The amount of storage each spaceholder’s current allocation was reduced by the previous year’s rental or lease activities.

7.2 **Flood Control Milner Spill.** There are no computed impacts resulting from the previous and current year’s rentals or leases for a specific reservoir when that reservoir’s storage is released as a result of flood-control operations and water is spilled past Milner in the current year used for Milner spill ceasing when the use of those rentals or leases result in reducing the spill from the reservoir system prior to the current year’s Date of Allocation, as determined by the Watermaster.

7.3 **Impacts to Participants due to Rentals from the Common Pool (excluding assignments)**

7.3.101 **Payments to Impacted Participants Using Impact Fees.** Participants whose storage allocation has a computed impact from the prior year’s rental of storage from the common pool, excluding assignments, shall first receive payment from impact fees collected pursuant to Rule 5.5.107 from the previous year’s fourth priority rentals. The amount of impact fees disbursed to impacted participants
will be proportional to the total common pool rental, including flow augmentation rentals, that occurred during the prior year:

\[
\text{Impact Fee Payment} = (\text{Isp} \times \text{RP}) \times (\frac{\text{Fp}}{\text{Cp}})
\]

\(\text{Isp}\) = Participants computed impacted space in current year  
\(\text{RP}\) = Rental Price in current year  
\(\text{Fp}\) = Fourth priority rentals in prior year  
\(\text{Cp}\) = Total common pool rentals (including flow augmentation) in prior year

Payment to spaceholders for the impacts by non-spaceholders pursuant to 7.3.101 shall be paid from the balance remaining in the impact fund after payments are made pursuant to 7.3.102, which shall then be reimbursed pursuant to Rule 5.5.107.

7.3.102 Remaining Impact Payment. Participants whose storage allocation has a computed impact from the prior year’s rental of storage from the common pool, excluding assignments, will also receive payment from the Impact Fund (in addition to the Impact Fee Payment pursuant to Rule 7.3.101) equal to the lesser value of the two following formulas:

\[
\text{Remaining Impact Payment} = [(\text{Isp} \times \text{RP}) - \text{Impact Fee Payment}] \text{ or } [\frac{1}{2} \text{IF} \times (\frac{\text{Isp}}{\text{Ispt}}) - \text{Impact Fee Payment}]
\]

\(\text{Isp}\) = Participant’s computed impacted space in acre-feet  
\(\text{RP}\) = Rental Price  
\(\text{IF}\) = Impact Fund  
\(\text{Ispt}\) = Total of all Participants’ computed impacted space in acre-feet

7.3.103 Timing of Payment. Impact payments, which will be based on preliminary data, will be made to participants on or before July 15.

7.4 Impacts to Non-Participants due to Rentals from the Common Pool (excluding assignments). If the prior year’s rental of storage from the common pool caused computed impacts to non-participants as determined by the Watermaster, the current year’s Common Pool shall be reduced to supply such impacts to non-participants (at no cost to non-participants) prior to providing any rental under the priorities of Rule 5.4.101.

7.5 Impacts to Spaceholders due to Rental of Assigned Storage. If the rental of assigned storage caused computed impacts, as determined by the Watermaster, the assignor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage assigned by the assignor, and reallocated to mitigate computed impacts to affected spaceholders. This reallocation will only occur in the year following the rental of assigned storage.

7.6 Impacts to Spaceholders due to Private Leases. If the lease of storage pursuant to a private lease caused computed impacts, as determined by the Watermaster, the lessor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage leased by the Lessor, and reallocated to mitigate computed impacts to affected spaceholders. This reallocation will only occur in the year following the lease of storage.
7.7 **Impacts to Spaceholders Resulting from USBR Powerhead Private Lease.** Consistent with the Mediator’s Term Sheet of the 2004 Snake River Water Rights Agreement, powerhead space used for flow augmentation shall be the last space to refill after all other space in reservoirs in that water district, including other space used to provide flow augmentation, in the basin has filled;

7.8 **Impacts to Spaceholders Resulting from Release of Idaho Water Resource Board (IWRB) Storage Used for Mitigating Minimum Flows at Murphy.** For 2016 only, if the release of IWRB storage past Milner caused computed impacts, as determined by the Watermaster, the IWRB storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage released, and reallocated to mitigate computed impacts to affected spaceholders.

**RULE 8.0. SUPPLEMENTAL POOL**

8.1 **Purpose.** To provide a voluntary mechanism for the lease of storage water below Milner for hydropower generation within the state of Idaho when storage water supplies, as a result of hydrologic, climate and other conditions, are sufficient to satisfy above Milner uses and flow augmentation. A supplemental pool shall be created in order to mitigate for computed impacts associated with leases below Milner, consistent with the Idaho Water Resource Board’s policy to establish an effective water marketing system consistent with state law and assuring the protection of existing water rights while accommodating the purchase, lease or conveyance of water for use at Idaho Power’s hydroelectric facilities, including below Milner Dam.

8.2 **Annual Authorization Required.** No storage may be leased through the supplemental pool until the Committee on or after April 1 of each year authorizes use of the pool and the Bureau certifies that it has sufficient flow augmentation supplies for the year or that storage to be released past Milner will count toward flow augmentation.

8.3 **Quantity and Price Determinations.**

8.3.101 **Quantity Determination.** The maximum quantity of storage authorized to be leased through the supplemental pool shall be determined annually by the Committee taking into account the advice and recommendation of the Rental Pool Subcommittee, together with current and forecasted hydrological conditions and estimated demand on the rental pool for above Milner uses.

8.3.102 **Price Determination.** The Committee shall authorize the leasing of water, including price pursuant to Rule 8 after taking into account spaceholder needs and current market conditions for power generation. There shall be added to the lease price the board surcharge and not to exceed a $1.80 per acre-foot administrative fee associated with the development and implementation of the supplemental pool, assessed on the total quantity of storage set forth in any lease application approved or conditionally approved under Rule 8.4.

8.3.103 **Subsequent Quantity and Price Determinations.** If within the same accounting year, the Committee subsequently determines based on the criteria set forth in Rule 8.3.101 that additional opportunities exist for utilizing the use of water within Idaho through the supplemental pool consistent with Rule 8.1, it shall designate such additional maximum quantity authorized to be leased through the
supplemental pool and identify a separate lease price for such additional quantity pursuant to Rule 8.3.102.

8.4 Application to Lease Storage from the Supplemental Pool.

8.4.101 Applications to lease storage from the supplemental pool for hydropower purposes shall be made upon forms approved by the Watermaster and shall include:
(a) The amount of storage sought to be leased;
(b) The lease price with associated fees as identified by the Committee under Rule 8.3.102;
(c) The point of diversion identified by legal description and common name; and
(d) A description of the place of use.

8.4.102 Application Acceptance. Applications are not deemed accepted until received by the Watermaster together with the appropriate fees required under Rule 8.3.102.

8.4.103 Application Approval. An application accepted under Rule 8.4.102 shall be approved after the Watermaster has determined that the application is in compliance with these procedures and sufficient storage will be available from the supplemental pool to provide the quantity requested in the application; provided, however, if the date of publication has not yet occurred, approval of the application shall be conditioned on the ability of spaceholders who have contracted to lease storage through the supplemental pool to have a sufficient storage allocation during the accounting year to satisfy their contracts approved under Rule 8.5.104. Upon approval or conditional approval of the application, the fees collected from the applicant shall be non-refundable to the extent of the total quantity of storage approved or conditionally approved in supplemental pool lease contract(s) under Rule 8.5.104. The Watermaster shall provide notice of such approval.

8.4.104 Deadline for Accepting Applications. All applications to lease storage from the supplemental pool must be accepted by the Watermaster pursuant to Rule 8.4.102 not later than October 31 in order for the storage identified in such applications to be accounted for as having been diverted as of October 31 of the same year. Applications accepted after October 31 will be accounted for from storage supplies in the following calendar year, unless an exception is granted by the Rental Pool Subcommittee.

8.5 Supplemental Pool Supply.

8.5.101 Notice to Spaceholders of Opportunity to Lease Storage through the Supplemental Pool. The Watermaster shall provide notice of the supplemental pool on the Water District 1 website, which shall include the following information:
(a) The maximum quantity of storage authorized to be leased through the supplemental pool;
(b) The lease process, including price and deadlines as authorized by the Committee;
(c) Instructions for spaceholders interested in leasing storage through the supplemental pool, including instructions for executing a standardized supplemental pool lease contract; and
(d) The deadline, as set by the Committee, for the Watermaster to receive supplemental pool lease contracts from spaceholders interested in leasing storage through the supplemental pool.

8.5.102 Supplemental Pool Lease Contracts. Spaceholders interested in leasing storage through the supplemental pool shall execute a standardized supplemental pool lease contract, which shall be provided by the Watermaster and include provisions for the following:

(a) Limit eligibility to lease storage through the supplemental pool only to spaceholders who qualify as participants under Rule 2.27;

(b) The quantity sought to be leased by the spaceholder may be any amount, except that the total amount of storage leased pursuant to Rule 8 may not exceed either the maximum quantity set by the Committee under Rule 8.3.101 or 10% of the spaceholder’s total reservoir system space, unless an exception is approved by the Rental Pool Subcommittee;

(c) The quantity actually leased by the spaceholder may be reduced depending upon the number of spaceholders who elect to lease storage through the supplemental pool as provided in Rule 8.5.103;

(d) That, in the event the spaceholder elects to sign a standard pool lease contract before the date of publication, the spaceholder assumes the risk that its storage allocation may be less than the spaceholder anticipated; and

(e) Notice to the spaceholder that if the spaceholder’s lease through the supplemental pool causes computed impacts, the mitigation required under Rule 8.7 will result in an amount of the spaceholder’s space, not to exceed the quantity of storage leased by the spaceholder, being assigned a junior priority which may not fill for multiple consecutive years, an accounting commonly referred to as “last to fill.”

8.5.103 Distribution of Storage to the Supplemental Pool. If, following the deadline for receipt of executed supplemental pool lease contracts, the Watermaster determines that the total quantity of storage sought to be leased through the supplemental pool exceeds the quantity limitation established under Rule 8.3, then the Watermaster shall reduce the quantity of each supplemental pool lease contract to a pro rata share based on the amount of storage sought to be leased by each spaceholder. The Watermaster shall amend the supplemental pool lease contract(s) to reflect any reduced quantity required by this provision.

8.5.104 Lease Contract Approval. Following receipt of a supplemental pool lease contract, the Watermaster shall determine whether the contract is in compliance with these procedures, and, if so, shall approve the same; provided, however, if the date of publication has not yet occurred, approval of the contract shall be conditioned on the spaceholder having a sufficient storage allocation during the accounting year to satisfy the contract.

8.6 Notice of Contract Approval and Payment to Lessors. The lessors shall receive one-hundred percent (100%) of the lease price apportioned according to the quantity of storage each lessor leased through the supplemental pool. The Watermaster shall notify spaceholder(s) who submitted supplemental pool lease contracts of the approved amount and distribute the funds to the lessors within 30 days following approval or conditional approval of an application under Rule 8.4.103.
8.7 **Mitigation of Impacts.** If a lease of storage through the supplemental pool caused computed impacts, as determined by the Watermaster, the lessor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage leased by the lessor, and reallocated to mitigate computed impacts to affected spaceholders until the lessor’s affected space fills under a priority junior to that required to fill Palisades powerhead space.

8.8 **November 1 Carryover Unaffected.** For purposes of determining the amount of storage available for flow augmentation under Rule 5.2.105(a), storage leased through the supplemental pool shall not affect the November 1 carryover quantity on Table 1.

**RULE 9.0 STORAGE ALLOCATED TO PALISADES WATER USERS, INC. (PWUI)**

9.1 **Background and Purpose.** PWUI is an entity originally organized at the specific request of the Bureau to group, under one entity, all individual water users who applied for an allocation of Palisades Reservoir storage because Reclamation’s policy at that time was that it would not enter into repayment contracts with individual water users. PWUI does not own natural flow water rights, has no designated service area, and does not own a water delivery system. Instead, PWUI shareholders call for delivery of water allocated to their shares through their own delivery systems or the systems of other irrigation entities and have historically been able to change the location of PWUI storage deliveries upon simple notification to the District. The shares do not describe specific property where storage allocated to such shares are used. One share of PWUI stock is equivalent to one acre-foot of PWUI space in Palisades Reservoir, and allocations of water to PWUI shareholders are made upon that basis. The provisions of Rule 9.0 are included herein to clarify, between PWUI and the District, how to properly categorize the delivery of PWUI storage to various points of delivery.

9.2 **Delivery of PWUI Storage Water.** Storage allocated to PWUI shares shall not be considered a private lease under Rule 7.6 in the following circumstances:

9.2.101 The delivery of storage to an irrigation delivery system where the PWUI shareholder has an ownership interest or leasehold interest in property capable of receiving delivery of water through such system.

9.2.102 The delivery of storage allocated to a PWUI shareholder which is assigned to another PWUI shareholder for an amount up to the assignee’s unfilled PWUI allocation for the Accounting Year.

9.2.103 The delivery of storage allocated to PWUI’s treasury stock provided to a PWUI shareholder.

9.3 **Private Leases of PWUI Storage Water.** Storage allocated to PWUI shares shall be considered a private lease under Rule 7.6 and subject to impacts under Rule 7.6 in the following circumstances:

9.3.101 The delivery of storage allocated to PWUI’s treasury stock provided to a non-PWUI shareholder for any purpose.

9.3.102 The delivery of storage allocated to a PWUI shareholder which is assigned to another PWUI shareholder for an amount more than the assignee’s unfilled PWUI allocation for the Accounting Year.

9.3.103 The delivery of storage allocated to a PWUI shareholder provided to a non-PWUI shareholder for any purpose.

9.3.104 The delivery of storage to a PWUI shareholder which is used for recharge.
9.4 **Applicability of Rule 5.6 To PWUI Storage.**

9.4.101 Rule 5.6 shall apply to private leases of PWUI storage described in Rule 9.3.101.

9.4.102 Subject to Rule 9.4.103, the Committee hereby grants PWUI an exception from the provisions of Rule 5.6 such that PWUI shall not be prohibited from leasing water from the Common Pool because of private leases by PWUI shareholders under Rules 9.3.102 through 9.3.104.

9.4.103 Water leased from the Common Pool by PWUI under Rule 9.4.102 shall not be allocated to or used by PWUI shareholders who engage in private leases described under Rules 9.3.102 through 9.3.104.

9.5 **Allocation of Impacts to PWUI.** The allocation of impacts described in Rule 7.6 of these procedures for private leases described under Rule 9.3 shall be made to PWUI as the spaceholder. PWUI shall thereafter internally allocate the impacts to the individual PWUI shareholders who participate in private leases described under Rules 9.3.102 through 9.3.104.

9.6 **Information Provided to District.** PWUI shall provide sufficient information to the District to allow the District to verify PWUI’s characterization of the assignment of PWUI storage under Rule 9.0.

9.7 **Assignment of PWUI Shares to Canal Headings.** PWUI shareholders shall assign its shares to the canal heading where such PWUI shareholder is most likely to request delivery of storage. Water District 1 shall only account for the delivery of PWUI storage when (1) notified by the PWUI shareholder that such shareholder is taking delivery of storage through a canal; or (2) the manager of a canal reports the delivery of PWUI storage to Water District 1.
2018

WATER DISTRICT 1

RENTAL POOL PROCEDURES
TABLE OF CONTENTS

RULE 1.0 LEGAL AUTHORITY

RULE 2.0 DEFINITIONS

RULE 3.0 PURPOSES

RULE 4.0 MANAGEMENT
  4.1 Manager
  4.2 Rental Pool Subcommittee
  4.3 Applications
  4.4 Rental Pool Account
  4.5 Infrastructure Fund

RULE 5.0 COMMON POOL
  5.1 Scope
  5.2 Participant Contributions
  5.3 Assignments
  5.4 Priorities for Renting Storage
  5.5 Rental Prices
  5.6 Limitations

RULE 6.0 PRIVATE LEASES
  6.1 General
  6.2 Purposes
  6.3 Payment to Lessor
  6.4 Fees & Surcharges
  6.5 Non-Applicability to Common Pool
  6.6 Recharge
  6.7 Idaho Water Resource Board (IWRB) Storage
  6.8 Lease of Storage from Uncontracted (non-powerhead) Space

RULE 7.0 IMPACTS
  7.1 Determination
  7.2 Milner Spill
  7.3 Impacts to Participants due to Rentals from the Common Pool (excluding Assignments)
  7.4 Impacts to Non-Participants due to Rentals from the Common Pool (excluding Assignments)
  7.5 Impacts to Spaceholders due to Rental of Assigned Storage
  7.6 Impacts to Spaceholders due to Private Leases Above Milner
  7.7 Impacts to Spaceholders due to Private Leases Below Milner
  7.8 Impacts to Spaceholders Resulting from USBR Powerhead Private Lease
  7.9 Impacts to Spaceholders Resulting from Release of IWRB Storage Used for Mitigating Minimum Flows at Murphy

RULE 8.0 SUPPLEMENTAL POOL
  8.1 Purpose
  8.2 Annual Authorization Required
8.3 Quantity and Price Determinations
8.4 Application to Lease Storage from the Supplemental Pool
8.5 Supplemental Pool Supply
8.6 Notice of Contract Approval and Payment to Lessors
8.7 Mitigation of Impacts
8.8 November 1 Carryover Unaffected
RULE 1.0 LEGAL AUTHORITY

1.1 These procedures have been adopted by the Water District 1 Committee of Nine pursuant to Idaho Code § 42-1765.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, or the Watermaster of Water District 1 in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of spaceholder contracts with the United States, and the Mediator’s Term Sheet of the 2004 Snake River Water Rights Agreement.

1.4 The operation of the rental pool shall in no way recognize any obligation to maintain flows below Milner or to assure minimum stream flows at the United States Geological Survey (USGS) gaging station on the Snake River near Murphy.

1.5 These procedures shall not be interpreted in any manner that is inconsistent with or would adversely impact or effect the rights of the Shoshone-Bannock Tribes as set out in the Fort Hall Agreement, the Blackfoot River Equitable Adjustment Settlement Agreement, and the 2015 Settlement Agreement between the Tribes and the Committee of Nine.

RULE 2.0 Definitions

2.1 Accounting Year: the Water District 1 accounting year that begins on November 1 and ends on October 31.

2.2 Acre-foot: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.3 Administrative Fee: a fee of one dollar and thirty cents ($1.30) per acre-foot assessed on the total quantity of storage set forth in any rental or lease application, disbursed to the District at the end of the irrigation season.

2.4 Allocation: the amount of stored water, including carryover, that has accrued to a spaceholder’s storage space on the date of allocation that is available for the spaceholder’s use in the same accounting year.

2.5 Applicant: a person who files with the Watermaster an application, accompanied by the required fees, to rent or lease storage through the rental pool.

2.6 Assignment: storage provided by an assignor from the current year’s storage allocation for rental through the common pool pursuant to Rule 5.3.
2.7 **Assignor:** a participant who assigns storage to the common pool pursuant to Rule 5.3 and subject to Rule 7.5.

2.8 **Board:** the Idaho Water Resource Board (IWRB).

2.9 **Board Surcharge:** a surcharge equal to ten percent (10%) of the rental price or lease price assessed on the total quantity of storage set forth in any rental or lease application, disbursed to the Board at the end of the irrigation season.

2.10 **Bureau:** the United States Bureau of Reclamation (USBR).

2.11 **Committee:** the Committee of Nine, which is the advisory committee selected by the members of Water District 1 at their annual meeting and appointed as the local committee by the Board pursuant to Idaho Code § 42-1765.

2.12 **Common Pool:** storage made available to the Committee through participant contributions and/or assignments for subsequent rental pursuant to Rule 5.

2.13 **Date of Allocation:** the date determined each year by the Watermaster on which the maximum accrual to reservoir spaceholders occurs.

2.14 **Date of Publication:** the date on which the Watermaster publishes on the District website the storage allocation for the current accounting year.

2.15 **Department:** the Idaho Department of Water Resources (IDWR).

2.16 **District:** Water District 1 of the state of Idaho.

2.17 **Impact Fee:** a fee added to the rental price for non-spaceholder rentals pursuant to Rule 5.5.107.

2.18 **Impact Fund:** a fund maintained by the Watermaster for the mitigation of computed impacts to participants pursuant to Rule 7.3.

2.19 **Infrastructure Fee:** a fee of five dollars ($5.00) per acre-foot assessed on all storage rented through the common pool for purposes below Milner, excluding flow augmentation, disbursed to the Infrastructure Fund at the end of the irrigation season.

2.20 **Infrastructure Fund:** a fund maintained by the Watermaster for the purposes outlined in Rule 4.5.

2.21 **Lease:** a written agreement entered into between a lessor and lessee to lease storage through the rental pool pursuant to Rule 6.

2.22 **Lease Price:** a price per acre-foot negotiated between a lessor and lessee as set forth in a lease agreement.

2.23 **Lessee:** a person who leases storage from a participant under a lease.

2.24 **Lessor:** a participant who leases storage to a person under a lease pursuant to Rule 6 and subject to Rule 7.6.
2.25 **Milner**: Milner Dam on the Snake River.

2.26 **Milner Spill**: water in excess to the amount that can be captured in the reservoir system flowing past Milner dam that is not storage being delivered under Idaho Power’s American Falls storage water right or other storage that is otherwise authorized pursuant to these rules.

2.27 **Net Price**: the average price per acre-foot of all rentals from the common pool, including flow augmentation, but excluding rentals of assigned storage.

2.28 **Net Proceeds**: the net price times the number of acre-feet rented from the common pool, excluding rentals of assigned storage.

2.29 **Participant**: a spaceholder who contributes storage to the common pool pursuant to Rule 5.2.

2.30 **Participant Contributions**: storage made available to the common pool by participants, with computed impacts accounted from next year’s reservoir fill, which forms the supply for large rentals, small rentals, and flow augmentation, subject to the limitations in Rule 5.2.

2.31 **Person**: an individual, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.

2.32 **Rent**: the rental of storage from the common pool.

2.33 **Rental Pool**: the processes established by these procedures for the rental and/or lease of storage, mitigation of computed impacts to spaceholders, and disposition of revenues.

2.34 **Rental Pool Subcommittee**: a subcommittee composed of the Watermaster (advisor), a designated representative from the Bureau (advisor), and three or more members or alternates of the Committee who have been appointed by the chairman of the Committee.

2.35 **Rental Price**: the price per acre-foot of storage rented from the common pool, as set forth in Rule 5.5, excluding the administrative fee, the Board surcharge, and the infrastructure fee.

2.36 **Renter**: a person who rents storage from the common pool.

2.37 **Reservoir System**: refers to American Falls, Grassy Lake, Henrys Lake, Island Park, Jackson Lake, Lake Walcott, Milner Pool, Palisades, and Ririe.

2.38 **Space**: the active capacity of a reservoir measured in acre-feet.

2.39 **Spaceholder**: the holder of the contractual right to the water stored in the space of a storage facility within the Reservoir System.

2.40 **Storage**: the portion of the available space that contains stored water.

2.41 **Watermaster**: the watermaster of Water District 1.
2.42 **Water Supply Forecast:** the forecasted unregulated runoff for April 1 to September 30 at the Heise USGS gaging station, referred to in Table 1.

**RULE 3.0 PURPOSES**

3.1 The primary purpose of the rental pool is to provide irrigation water to spaceholders within the District and to maintain a rental pool with sufficient incentives such that spaceholders supply, on a voluntary basis, an adequate quantity of storage for rental or lease pursuant to procedures established by the Committee. These procedures are intended to assure that participants have priority over non-participants and non-spaceholders in renting storage through the rental pool.

3.2 To maintain adequate controls, priorities, and safeguards to insure that existing water rights are not injured and that a spaceholder’s allocation is not impacted without his or her consent. To compensate an impacted spaceholder to the extent the impact can be determined by the procedures developed by the District.

3.3 To generate revenue to offset the costs of the District to operate the rental pool and to fund projects that fall within the parameters of Rule 4.5.

3.4 To provide storage water at no cost under Rule 5.5 for the benefit of the Tribes consistent with the terms of the Blackfoot River Equitable Adjustment Settlement Agreement and the 2015 Settlement Agreement. Discussions are ongoing to identify the party responsible for mitigating impacts to the Tribes. Nothing in these Procedures should be construed as an admission of liability by Water District 1 or the Committee of Nine.

**RULE 4.0 MANAGEMENT**

4.1 **Manager.** The Watermaster shall serve as the manager of the rental pool and shall take all reasonable actions necessary to administer the rental pool consistent with these procedures, which include, but are not limited to:

(a) Determining impacts pursuant to Rule 7;

(b) Calculating payments to participating spaceholders as prescribed by Rules 5.2 and 7.3;

(c) Accepting storage into the common pool and executing rental agreements on behalf of the Committee;

(d) Disbursing and investing rental pool monies with the advice and consent of the Rental Pool Subcommittee; and

(e) Taking such additional actions as may be directed by the Committee.

4.2 **Rental Pool Subcommittee.** The Rental Pool Subcommittee shall exercise the following general responsibilities:

(a) Review these procedures and, as appropriate, make recommendations to the Committee for needed changes;

(b) Review reports from the Watermaster regarding rental applications, storage assignments to the common pool, and leases of storage through private leases;

(c) Advise the Committee regarding rental pool activities;

(d) Develop recommendations for annual common pool storage supplies and rental rates;

(e) Assist the Watermaster in resolving disputes that may arise from the diversion of excess storage; and
(f) Assume such additional responsibilities as may be assigned by the Committee.

### 4.3 Applications

4.3.101 Applications to rent or lease storage through the rental pool shall be made upon forms approved by the Watermaster and shall include:

(a) The amount of storage sought to be rented or leased;
(b) The purpose(s) for which the storage will be put to beneficial use;
(c) The lease price (for private leases); and
(d) To the extent practicable at the time of filing the application, the point of diversion identified by legal description and common name; and a description of the place of use.

4.3.102 Application Acceptance. Applications are not deemed accepted until received by the Watermaster together with the appropriate fees required under Rules 5.5 (rentals) or 6.4 (leases).

4.3.103 Application Approval. An application accepted under Rule 4.3.102 shall be approved after the Watermaster has determined that the application is in compliance with these procedures and sufficient storage will be available from the common pool and/or lessor to provide the quantity requested in the application. Upon approval of the application, the Watermaster shall send notice to the renter/lessor/lessee and entity owning the point-of-diversion designated in the application of such approval and allocation of storage; provided, however, no allocation of storage shall be made until the applicant designates the point of diversion and place of use of the rented and/or leased storage in the application or pursuant to Rule 4.3.106.

4.3.104 Timeframe for having Rental Application Accepted to Preserve Rental Priority. Applications to rent storage will not be accepted until April 5 of the year in which the storage will be used. Applications must be accepted by the Watermaster within 15 days following the date of publication to preserve the applicant’s priority under Rule 5.4.101.

4.3.105 Deadline for Accepting Applications to Rent or Lease Storage. All applications to rent or lease storage must be accepted by the Watermaster pursuant to Rule 4.3.102 on or before December 1 in order for the storage identified in such applications to be accounted for as having been diverted prior to October 31 of the same year. Applications accepted after December 1 will be accounted for from storage supplies in the following calendar year, unless an exception is granted by the Rental Pool Subcommittee.

4.3.106 Deadline to Designate Point of Diversion and Place of Use. If the point of diversion and/or place of use of the rented and/or leased storage was not previously designated in the application, the renter and/or lessee must make such designation in writing to the Watermaster on or before December 1 of the same year, unless an extension is granted by the Rental Pool Subcommittee. Failure to comply with this provision shall cause any unused storage to automatically revert back to the common pool and/or lessor, respectively.
4.3.107 Deadline to Use Rental or Lease Storage. Approved applications pursuant to Rule 4.3 or water leased through a private lease, must be used and diverted on or before December 1 of the same year.

4.4 Rental Pool Account
4.4.101 All monies submitted by applicants shall be deposited in an interest-bearing account known as the “Rental Pool Account” and maintained by the Watermaster on behalf of the Committee. Monies in the Rental Pool Account will be disbursed to participants, the District, the Board, the Impact Fund, and the Infrastructure Fund in the proportions set forth in these Rules. Accrued interest to the Rental Pool Account shall be used to maintain the Impact Fund. Rental Pool Funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

4.4.102 Monies deposited in the Rental Pool Account are non-refundable to the extent the rental and/or lease application is approved pursuant to Rule 4.3.103, regardless of whether the storage is used.

4.5 Infrastructure Fund
4.5.101 Monies in the Infrastructure Fund may only be used to fund District costs of projects relating to improvements to the District’s distribution, monitoring, and gaging facilities, and other District projects designed to assist in the adjudication, which includes the cost of Blackfoot River Equitable Adjustment Settlement Water, if any is required, conservation, or efficient distribution of water.

4.5.102 Disbursements from the Infrastructure Fund are subject to two-thirds (2/3) Committee approval.

4.5.103 If monies in the Infrastructure Fund accrue to one million dollars ($1,000,000.00), the infrastructure fee shall be waived and the same amount (five dollars ($5.00)) added to the rental price in Rule 5.5.105.

4.5.104 Monies in the Infrastructure Fund may be carried over from year to year.

RULE 5.0 COMMON POOL
5.1 Scope. The common pool consists of storage made available to the Committee through participant contributions and assignments. Participants make all of their storage available to the common pool pursuant to the terms of Rule 5.2, with computed impacts accounted from next year’s reservoir fill. Assignors provide storage to the common pool, pursuant to Rule 5.3, by assigning a portion of their current year’s storage allocation. Rentals from the common pool are subject to the priorities and prices established under this Rule.

5.2 Participant Contributions
5.2.101 Participants. Any spaceholder may, upon submitting written notice to the Watermaster prior to March 15, 2016, elect to contribute storage to the common pool. Any spaceholder making such election shall be deemed a “participant” for the current year and every year thereafter until the spaceholder provides written notice to the Watermaster prior to March 15, 2016 rescinding its participation. Upon election to participate, a spaceholder is eligible for all the benefits of a participant set forth in these procedures, excluding monetary payment for rentals
or computed impacts associated with rentals from the prior year. If after March 15, 2016, less than seventy-five percent (75%) of the contracted storage space is committed to the common pool by participants, the Committee shall revise the rental pool procedures as necessary prior to April 1.

5.2.102 Non-Participants. Spaceholders who are not participants shall not be entitled to supply storage to, or rent storage from, the common pool, or supply or lease storage through a private lease. Notwithstanding this restriction, the Bureau may rent water from the common pool for flow augmentation pursuant to Rule 5.2.105.

5.2.103 Large Rentals. The common pool will make available from participant contributions 50,000 acre-feet of storage for rentals, plus any assigned storage, subject to the priorities and limitations set forth in Rule 5.

5.2.104 Small Rentals. The common pool will make available from participant contributions 5,000 acre-feet for rentals of 100 acre-feet or less per point of diversion, subject to the priorities and limitations set forth in Rule 5. Rentals from the small pool shall only be considered for approval following submittal of written consent from the operator of the delivery system. The Committee may approve on a case-by-case basis the additional rental of storage under this provision to exceed the 100 acre-feet limitation. The 100 acre-feet limitation per point of diversion does not apply if the rental is supplied pursuant to Rule 5.2.103.

5.2.105 Flow Augmentation

(a) Table 1. The amount of storage, from participant contributions to the common pool, available for rental for flow augmentation shall be determined by Table 1.

(b) Extraordinary Circumstances. A greater amount of storage may be made available by the Committee, if it determines on or before July 1 that extraordinary circumstances justify a change in the amount of storage made available for flow augmentation.

5.2.106 Shoshone-Bannock Tribes. The Tribes shall be treated as non-participants unless written notice is provided under 5.2.101.

(a) Blackfoot River Equitable Adjustment Settlement Agreement Water. Storage water not to exceed 20,000 acre-feet shall be made available in accordance with the terms of the Blackfoot River Equitable Adjustment Settlement Agreement. The source and funding of the storage water shall be determined by the Committee at its June meeting. Administrative fees shall be paid by Water District 1.

(b) 2015 Settlement Agreement. Storage water not to exceed 10,000 acre-feet (except with the approval of the Committee of Nine) shall be made available in accordance with the terms of the 2015 Settlement Agreement from the current year’s Common Pool prior to providing any rental under the priorities of Rule 5.4.101. Administrative fees shall be paid by Water District 1. Discussions are ongoing to identify the party responsible for mitigating
impacts to the Tribes. Nothing in these Procedures should be construed as an admission of liability by Water District 1 or the Committee of Nine.

5.2.107 Additional Quantities. In the event rental requests from participants impacted from the prior year’s rentals exceed 50,000 acre-feet and insufficient storage has been assigned to the common pool to meet such additional requests, the maximum amount of storage that will be available through the common pool will be equivalent to the amount necessary to meet the demand of those shown to have been impacted from the prior year’s rentals.

5.2.108 Participant Payments. Monies collected through the rental of the participant contribution portion of the common pool, including flow augmentation, shall be disbursed as follows:
(a) seventy percent (70%) of the Net Proceeds disbursed to participants; and
(b) thirty percent (30%) of the Net Proceeds disbursed to the Impact Fund.

5.2.109 Participant Payment Formula. Participants will receive payment for storage rented from the participant contribution portion of the common pool pursuant to the following payment formulas:

1st Installment \(= \frac{(R \times SP)}{TSP} / 2\)
2nd Installment \(= \frac{(R \times ST)}{TST} / 2\)

\(R = 70\% \) of net proceeds
\(SP = \) Space of participants
\(ST = \) Storage of participants based on the preliminary storage allocation for the following year
\(TSP = \) Total participating space in system
\(TST = \) Total participating storage in system based on the preliminary storage allocation for the following year

If a specific reservoir’s allocation has been reduced as a result of flood-control operations, the ST and TST values in the above formula for those reservoir spaceholders will reflect the values that otherwise would have occurred without any reductions for flood-control.

5.2.110 Timing of Payments. Payments to participants will be made in two installments. The first installment will be paid to participants immediately following the irrigation season in which the proceeds were collected. The second installment will be paid to participants within two weeks of the date of publication for the following irrigation season.

5.3 Assignments
5.3.101 Assignors. Any participant may assign storage to the common pool. An assignment of storage shall be made in writing on forms approved by the Watermaster.

5.3.102 Purposes. Storage assigned to the common pool may be rented only for purposes above Milner.
5.3.103 **Limitations.** Storage assigned to the common pool may be rented only after the participant contributions to the common pool have been rented. A participant may not assign storage and rent storage in the same accounting year unless an exception is granted by the Rental Pool Subcommittee.

5.3.104 **Assignor Payment.** The assignor shall receive one-hundred percent (100%) of the rental price per acre-foot of the assigned storage that is rented.

5.3.105 **Distribution of Assigned Storage.** Assignments can only be made between April 5 and 15 days after the date of publication in the year in which the storage is to be rented. Assignments shall initially be distributed on a pro-rata basis, with each pro-rata share based on the amount of storage assigned or 10% of the assignor’s storage space, whichever is less. If, after this initial distribution, additional rental requests exist, the remaining assigned storage shall be distributed on a pro-rata basis.

### 5.4 Priorities for Renting Storage

5.4.101 **Priorities.** Storage rented from the common pool shall be pursuant to the following priorities:

(a) **First Priority.** Rentals by participants whose storage is determined to have been impacted by the prior year’s rental from the common pool not to exceed the amount of the computed impact.

(b) **Second Priority.** Rentals by participants for agricultural purposes up to the amount of their unfilled space.

(c) **Third Priority.** Rentals by participants for any purposes above Milner in excess of their unfilled space. Applications for such rentals will be reviewed by the Committee and may be approved on a case-by-case basis.

(d) **Fourth Priority.** Rentals by non-spaceholders for any purposes above Milner.

5.4.102 **Priority for Late Applications.** Applications received after the deadline set forth in Rule 4.3.104 will be deemed last in priority and will be filled in the order they are received, only after all timely applications have been filled.

5.4.103 **Distribution Within Priority Classes.** If rental supplies are not sufficient to satisfy all of the timely applications within a priority class (those received within 15 days of the date of publication), the available rental supplies will be distributed to the applicants within that priority class on a pro-rata basis.

5.4.104 **Priority for Small Rentals.** Small rentals made pursuant to Rule 5.2.104 are not subject to the priorities set forth in Rule 5.4.101 and will be approved in the same order in which the rental applications are received by the Watermaster, so long as the total amount of all such applications does not exceed 5,000 acre-feet.

5.4.105 **Priority for Flow Augmentation.** Rentals for flow augmentation are not subject to the priorities set forth in Rule 5.4.101 and shall be determined pursuant to Rule 5.2.105.
5.5 Rental Prices  

5.5.101 **Tier 1:** If the storage system fills, the rental price for purposes above Milner shall be $7.00 per acre-foot.

5.5.102 **Tier 2:** If the storage system does not fill but storage is provided for flow augmentation pursuant to Rule 5.2.105(a), the rental price for purposes above Milner shall be $17.00 per acre-foot.

5.5.103 **Tier 3:** If the storage system does not fill and no flow augmentation water is provided pursuant to Rule 5.2.105(a), the rental price for purposes above Milner shall be $25.00 per acre-foot.

5.5.104 **Determination of Tier 1, 2 or 3 Rental Price:** Unless the storage system has filled, the Watermaster shall designate on or before April 5 either Tier 2 or Tier 3 as the rental price for above-Milner rentals. If at any time during the same accounting year, the storage system should subsequently fill, the Watermaster shall designate Tier 1 as the rental price for above-Milner rentals and refund any excess rental fees within 30 days after the date of publication.

5.5.105 **Tier 4:** The rental price for storage rented for flow augmentation shall be $17.00 per acre-foot.

5.5.106 **Tier 5:** The rental price for storage rented for purposes below Milner, excluding flow augmentation, shall be negotiated between the applicant and the rental pool sub-committee.

5.5.107 **Fees & Surcharges.** There shall be added to the rental price for all rentals the administrative fee and Board surcharge. There shall also be added to the rental price for rentals pursuant to fourth priority Rule 5.4.101(d) and rentals to non-spaceholders pursuant to Rule 5.2.104 an impact fee to mitigate the computed impacts under Rule 7 from such rentals, payable as follows: The exact amount which is to be set and paid when the full impacts of such rentals, based upon the following year's Common Pool rental price, are determined under said Rule 7, including all additional fees and surcharges. Payment shall then be due and payable on or before 60 days from the day of allocation. There shall also be added to the rental price for rentals below Milner, excluding flow augmentation, the infrastructure fee. Failure of a non-spaceholder to timely pay the fees identified above, shall result in the non-spaceholder’s ineligibility to rent water in the future. Such failure to pay shall also subject the non-spaceholder to such legal actions as allowed under state law in the collection of fees.

5.5.108 **Storage System Fill.** For purposes of Rule 5.5 only, the storage system is considered full when all storage rights are filled in Jackson Lake, Palisades (except for powerhead), American Falls, and Island Park.

5.6 Limitations. A participant cannot rent water from the Common Pool if the participant is replacing storage space or water which has been evacuated due to an assignment to or private lease through the Water District 1 Rental Pool, unless an exception is granted by the Committee.
RULE 6.0 PRIVATE LEASES

6.1 General. All leases must be transacted through the rental pool. Only participants may lease storage to a Lessee subject to the provisions of these rules.

6.2 Purposes. Storage may be leased through the rental pool only for beneficial use purposes above Milner. A participant may not lease storage to a lessee and rent storage from the common pool in the same accounting year unless an exception is granted by the Rental Pool Subcommittee.

6.3 Payment to Lessor. The lessor shall receive one-hundred percent (100%) of the lease price.

6.4 Fees & Surcharges. There shall be added to the lease price the administrative fee and the Board surcharge.

6.5 Non-Applicability to Common Pool. Storage leased pursuant to this rule does not count against the participant contribution volumes set forth in Rule 5.2.

6.6 Recharge. All storage used for the purpose of recharge must be transacted through the rental pool. Unless storage is rented pursuant to Rule 5.0, storage used for recharge, whether diverted by the storage spaceholder or another person, will be treated as a lease of storage.

6.7 Idaho Water Resource Board (IWRB) Storage. The IWRB may lease its existing storage (up to 5,000 acre-feet) to Idaho Power and have it released past Milner for the purpose of mitigating minimum flows at Murphy. The administrative fee must be paid by the IWRB for any storage used for such purpose.

6.8 Lease of Storage from Uncontracted (non-powerhead) Space. Notwithstanding the limitations set forth in Rules 6.1 and 6.2, the Bureau may lease storage from its uncontracted (non-powerhead) space for flow augmentation as identified in Appendix III of the – Mediator’s Term Sheet of the 2004 Snake River Water Rights Agreement.

RULE 7.0 IMPACTS

7.1 Determination. In any year in which the storage rights in the reservoir system do not fill, the Watermaster will determine the actual computed impacts to spaceholders, if any, associated with the prior year’s rentals and leases. In making this determination, the Watermaster will use a procedure which identifies the following:
(a) What each computed reservoir fill would have been had the previous year’s rentals and leases not taken place;
(b) The storage space from which rented or leased storage was actually supplied for the previous year’s rental or lease; and
(c) The amount of storage each spaceholder’s current allocation was reduced by the previous year’s rental or lease activities.

7.2 Milner Spill. There are no computed impacts resulting from the previous and current year’s rentals or leases used prior to Milner spill ceasing when the use of those rentals or leases result in reducing the spill from the reservoir system prior to the current year’s Date of Allocation, as determined by the Watermaster.
7.3 **Impacts to Participants due to Rentals from the Common Pool (excluding assignments)**

7.3.101 _Payments to Impacted Participants Using Impact Fees._ Participants whose storage allocation has a computed impact from the prior year’s rental of storage from the common pool, excluding assignments, shall first receive payment from impact fees collected pursuant to Rule 5.5.107 from the previous year’s fourth priority rentals. The amount of impact fees disbursed to impacted participants will be proportional to the total common pool rental, including flow augmentation rentals that occurred during the prior year:

\[
\text{Impact Fee Payment} = (Isp \times RP) \times (Fp/Cp)
\]

- **Isp** = Participants computed impacted space in current year
- **RP** = Rental Price in current year
- **Fp** = Fourth priority rentals in prior year
- **Cp** = Total common pool rentals (including flow augmentation) in prior year

Payment to spaceholders for the impacts by non-spaceholders pursuant to 7.3.101 shall be paid from the balance remaining in the impact fund after payments are made pursuant to 7.3.102, which shall then be reimbursed pursuant to Rule 5.5.107.

7.3.102 _Remaining Impact Payment._ Participants whose storage allocation has a computed impact from the prior year’s rental of storage from the common pool, excluding assignments, will also receive payment from the Impact Fund (in addition to the Impact Fee Payment pursuant to Rule 7.3.101) equal to the lesser value of the two following formulas:

\[
\text{Remaining Impact Payment} = [(Isp \times RP) - \text{Impact Fee Payment}] \text{ or } \frac{1}{2} IF^* (Isp/Ispt) - \text{Impact Fee Payment}
\]

- **Isp** = Participant’s computed impacted space in acre-feet
- **RP** = Rental Price
- **IF** = Impact Fund
- **Ispt** = Total of all Participants’ computed impacted space in acre-feet

7.3.103 _Timing of Payment._ Impact payments, which will be based on preliminary data, will be made to participants on or before July 15.

7.4 **Impacts to Non-Participants due to Rentals from the Common Pool (excluding assignments).** If the prior year’s rental of storage from the common pool caused computed impacts to non-participants as determined by the Watermaster, the current year’s Common Pool shall be reduced to supply such impacts to non-participants (at no cost to non-participants) prior to providing any rental under the priorities of Rule 5.4.101.

7.5 **Impacts to Spaceholders due to Rental of Assigned Storage.** If the rental of assigned storage caused computed impacts, as determined by the Watermaster, the assignor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage assigned by the assignor, and reallotted to mitigate computed impacts to affected spaceholders. This reallocation will only occur in the year following the rental of assigned storage.
7.6 **Impacts to Spaceholders due to Private Leases Above Milner.** If the lease of storage pursuant to a private lease caused computed impacts, as determined by the Watermaster, the lessor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage leased by the Lessor, and reallocated to mitigate computed impacts to affected spaceholders. This reallocation will only occur in the year following the lease of storage.

7.7 **Impacts to Spaceholders due to Private Leases Below Milner.** If a lease of storage pursuant to Rule 6.8 caused computed impacts, as determined by the Watermaster, the lessor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage leased by the lessor, and reallocated to mitigate computed impacts to affected spaceholders until the lessor’s affected space fills under a priority junior to that required to fill space under Rule 7.6 but senior to that required to fill Palisades powerhead space.

7.8 **Impacts to Spaceholders Resulting from USBR Powerhead Private Lease.** Consistent with the Mediator’s Term Sheet of the 2004 Snake River Water Rights Agreement, powerhead space used for flow augmentation shall be the last space to refill after all other space in reservoirs in that water district, including other space used to provide flow augmentation, in the basin has filled;

7.9 **Impacts to Spaceholders Resulting from Release of Idaho Water Resource Board (IWRB) Storage Used for Mitigating Minimum Flows at Murphy.** If the release of IWRB storage past Milner caused computed impacts, as determined by the Watermaster, the IWRB storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage released, and reallocated to mitigate computed impacts to affected spaceholders.

**RULE 8.0. SUPPLEMENTAL POOL**

8.1 **Purpose.** To provide a voluntary mechanism for the lease of storage water below Milner for hydropower generation within the state of Idaho when storage water supplies, as a result of hydrologic, climate and other conditions, are sufficient to satisfy above Milner uses and flow augmentation. A supplemental pool shall be created in order to mitigate for computed impacts associated with leases below Milner, consistent with the Idaho Water Resource Board’s policy to establish an effective water marketing system consistent with state law and assuring the protection of existing water rights while accommodating the purchase, lease or conveyance of water for use at Idaho Power’s hydroelectric facilities, including below Milner Dam.

8.2 **Annual Authorization Required.** No storage may be leased through the supplemental pool until the Committee on or after April 1 of each year authorizes use of the pool and the Bureau certifies that it has sufficient flow augmentation supplies for the year or that storage to be released past Milner will count toward flow augmentation.

8.3 **Quantity and Price Determinations.**

8.3.101 **Quantity Determination.** The maximum quantity of storage authorized to be leased through the supplemental pool shall be determined annually by the Committee taking into account the advice and recommendation of the Rental
Pool Subcommittee, together with current and forecasted hydrological conditions and estimated demand on the rental pool for above Milner uses.

8.3.102 \textit{Price Determination}. The Committee shall authorize the leasing of water, including price pursuant to Rule 8 after taking into account spaceholder needs and current market conditions for power generation. There shall be added to the lease price the board surcharge and not to exceed a $1.80 per acre-foot administrative fee associated with the development and implementation of the supplemental pool, assessed on the total quantity of storage set forth in any lease application approved or conditionally approved under Rule 8.4.

8.3.103 \textit{Subsequent Quantity and Price Determinations}. If within the same accounting year, the Committee subsequently determines based on the criteria set forth in Rule 8.3.101 that additional opportunities exist for utilizing the use of water within Idaho through the supplemental pool consistent with Rule 8.1 it shall designate such additional maximum quantity authorized to be leased through the supplemental pool and identify a separate lease price for such additional quantity pursuant to Rule 8.3.102.

8.4 \textit{Application to Lease Storage from the Supplemental Pool.}

8.4.101 Applications to lease storage from the supplemental pool for hydropower purposes shall be made upon forms approved by the Watermaster and shall include:
(a) The amount of storage sought to be leased;
(b) The lease price with associated fees as identified by the Committee under Rule 8.3.102;
(c) The point of diversion identified by legal description and common name; and
(d) A description of the place of use.

8.4.102 \textit{Application Acceptance}. Applications are not deemed accepted until received by the Watermaster together with the appropriate fees required under Rule 8.3.102.

8.4.103 \textit{Application Approval}. An application accepted under Rule 8.4.102 shall be approved after the Watermaster has determined that the application is in compliance with these procedures and sufficient storage will be available from the supplemental pool to provide the quantity requested in the application; provided, however, if the date of publication has not yet occurred, approval of the application shall be conditioned on the ability of spaceholders who have contracted to lease storage through the supplemental pool to have a sufficient storage allocation during the accounting year to satisfy their contracts approved under Rule 8.5.104. Upon approval or conditional approval of the application, the fees collected from the applicant shall be non-refundable to the extent of the total quantity of storage approved or conditionally approved in supplemental pool lease contract(s) under Rule 8.5.104. The Watermaster shall provide notice of such approval.

8.4.104 \textit{Deadline for Accepting Applications}. All applications to lease storage from the supplemental pool must be accepted by the Watermaster pursuant to Rule 8.4.102 not later than October 31 in order for the storage identified in such applications to be accounted for as having been diverted as of October 31 of the same year. Applications accepted after October 31 will be accounted for from
storage supplies in the following calendar year, unless an exception is granted by the Rental Pool Subcommittee.

8.5 **Supplemental Pool Supply.**

8.5.101 *Notice to Spaceholders of Opportunity to Lease Storage through the Supplemental Pool.* The Watermaster shall provide notice of the supplemental pool on the Water District 1 website, which shall include the following information:

(a) The maximum quantity of storage authorized to be leased through the supplemental pool;

(b) The lease process, including price and deadlines as authorized by the Committee;

(c) Instructions for spaceholders interested in leasing storage through the supplemental pool, including instructions for executing a standardized supplemental pool lease contract; and

(d) The deadline, as set by the Committee, for the Watermaster to receive supplemental pool lease contracts from spaceholders interested in leasing storage through the supplemental pool.

8.5.102 *Supplemental Pool Lease Contracts.* Spaceholders interested in leasing storage through the supplemental pool shall execute a standardized supplemental pool lease contract, which shall be provided by the Watermaster and include provisions for the following:

(a) Limit eligibility to lease storage through the supplemental pool only to spaceholders who qualify as participants under Rule 2.27;

(b) The quantity sought to be leased by the spaceholder may be any amount, except that the total amount of storage leased pursuant to Rule 8 may not exceed either the maximum quantity set by the Committee under Rule 8.3.101 or 10% of the spaceholder’s total reservoir system space, unless an exception is approved by the Rental Pool Subcommittee;

(c) The quantity actually leased by the spaceholder may be reduced depending upon the number of spaceholders who elect to lease storage through the supplemental pool as provided in Rule 8.5.103;

(d) That, in the event the spaceholder elects to sign a standard pool lease contract before the date of publication, the spaceholder assumes the risk that its storage allocation may be less than the spaceholder anticipated; and

(e) Notice to the spaceholder that if the spaceholder’s lease through the supplemental pool causes computed impacts, the mitigation required under Rule 8.7 will result in an amount of the spaceholder’s space, not to exceed the quantity of storage leased by the spaceholder, being assigned a junior priority which may not fill for multiple consecutive years, an accounting commonly referred to as “last to fill.”

8.5.103 *Distribution of Storage to the Supplemental Pool.* If, following the deadline for receipt of executed supplemental pool lease contracts, the Watermaster determines that the total quantity of storage sought to be leased through the supplemental pool exceeds the quantity limitation established under Rule 8.3, then the Watermaster shall reduce the quantity of each supplemental pool lease contract to a pro rata share based on the amount of storage sought to be leased by each spaceholder. The Watermaster shall amend the supplemental pool lease contract(s) to reflect any reduced quantity required by this provision.
8.5.104  Lease Contract Approval. Following receipt of a supplemental pool lease contract, the Watermaster shall determine whether the contract is in compliance with these procedures, and, if so, shall approve the same; provided, however, if the date of publication has not yet occurred, approval of the contract shall be conditioned on the spaceholder having a sufficient storage allocation during the accounting year to satisfy the contract.

8.6  Notice of Contract Approval and Payment to Lessors. The lessors shall receive one-hundred percent (100%) of the lease price apportioned according to the quantity of storage each lessor leased through the supplemental pool. The Watermaster shall notify spaceholder(s) who submitted supplemental pool lease contracts of the approved amount and distribute the funds to the lessors within 30 days following approval or conditional approval of an application under Rule 8.4.103.

8.7  Mitigation of Impacts. If a lease of storage through the supplemental pool caused computed impacts, as determined by the Watermaster, the lessor’s storage allocation shall be reduced by an amount equal to such computed impacts, not to exceed the quantity of storage leased by the lessor, and reallocated to mitigate computed impacts to affected spaceholders until the lessor’s affected space fills under a priority junior to that required to fill Palisades powerhead space.

8.8  November 1 Carryover Unaffected. For purposes of determining the amount of storage available for flow augmentation under Rule 5.2.105(a), storage leased through the supplemental pool shall not affect the November 1 carryover quantity on Table 1.

RULE 9.0  STORAGE ALLOCATED TO PALISADES WATER USERS, INC. (PWUI)

9.1  Background and Purpose. PWUI is an entity originally organized at the specific request of the Bureau to group, under one entity, all individual water users who applied for an allocation of Palisades Reservoir storage because Reclamation’s policy at that time was that it would not enter into repayment contracts with individual water users. PWUI does not own natural flow water rights, has no designated service area, and does not own a water delivery system. Instead, PWUI shareholders call for delivery of water allocated to their shares through their own delivery systems or the systems of other irrigation entities and have historically been able to change the location of PWUI storage deliveries upon simple notification to the District. The shares do not describe specific property where storage allocated to such shares are used. One share of PWUI stock is equivalent to one acre-foot of PWUI space in Palisades Reservoir, and allocations of water to PWUI shareholders are made upon that basis. The provisions of Rule 9.0 are included herein to clarify, between PWUI and the District, how to properly categorize the delivery of PWUI storage to various points of delivery.

9.2  Delivery of PWUI Storage Water. Storage allocated to PWUI shares shall not be considered a private lease under Rule 7.6 in the following circumstances:

9.2.101  The delivery of storage to an irrigation delivery system where the PWUI shareholder has an ownership interest or leasehold interest in property capable of receiving delivery of water through such system.
9.2.102 The delivery of storage allocated to a PWUI shareholder which is assigned to another PWUI shareholder for an amount up to the assignee’s unfilled PWUI allocation for the Accounting Year.

9.2.103 The delivery of storage allocated to PWUI’s treasury stock provided to a PWUI shareholder.

9.3 Private Leases of PWUI Storage Water. Storage allocated to PWUI shares shall be considered a private lease under Rule 7.6 and subject to impacts under Rule 7.6 in the following circumstances:

9.3.101 The delivery of storage allocated to PWUI’s treasury stock provided to a non-PWUI shareholder for any purpose.

9.3.102 The delivery of storage allocated to a PWUI shareholder which is assigned to another PWUI shareholder for an amount more than the assignee’s unfilled PWUI allocation for the Accounting Year.

9.3.103 The delivery of storage allocated to a PWUI shareholder provided to a non-PWUI shareholder for any purpose.

9.3.104 The delivery of storage to a PWUI shareholder which is used for recharge.

9.4 Applicability of Rule 5.6 To PWUI Storage.

9.4.101 Rule 5.6 shall apply to private leases of PWUI storage described in Rule 9.3.101.

9.4.102 Subject to Rule 9.4.103, the Committee hereby grants PWUI an exception from the provisions of Rule 5.6 such that PWUI shall not be prohibited from leasing water from the Common Pool because of private leases by PWUI shareholders under Rules 9.3.102 through 9.3.104.

9.4.103 Water leased from the Common Pool by PWUI under Rule 9.4.102 shall not be allocated to or used by PWUI shareholders who engage in private leases described under Rules 9.3.102 through 9.3.104.

9.5 Allocation of Impacts to PWUI. The allocation of impacts described in Rule 7.6 of these procedures for private leases described under Rule 9.3 shall be made to PWUI as the spaceholder. PWUI shall thereafter internally allocate the impacts to the individual PWUI shareholders who participate in private leases described under Rules 9.3.102 through 9.3.104.

9.6 Information Provided to District. PWUI shall provide sufficient information to the District to allow the District to verify PWUI’s characterization of the assignment of PWUI storage under Rule 9.0.

9.7 Assignment of PWUI Shares to Canal Headings. PWUI shareholders shall assign its shares to the canal heading where such PWUI shareholder is most likely to request delivery of storage. Water District 1 shall only account for the delivery of PWUI storage when (1) notified by the PWUI shareholder that such shareholder is taking delivery of storage through a canal; or (2) the manager of a canal reports the delivery of PWUI storage to Water District 1.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF APPROVING )
RENTAL POOL PROCEDURES )
FOR THE WATER DISTRICT NO 01 )
RENTAL POOL )

WHEREAS, pursuant to Idaho Code 42-1765, the Idaho Water Resource Board may appoint local committees to facilitate the rental and the marketing of stored water under rules and regulations adopted by the Board; and

WHEREAS, consistent with Water Supply Bank Rule 40, subsection 05 (IDAPA 37.02.03.40.05), the Board will consider amendments to the approved procedures of an appointed local committee; and

WHEREAS, the water district advisory committee for Water District No. 01 is the local committee appointed by the Board to facilitate the rental and marketing of stored water in the Upper Snake River basin; and

WHEREAS, the advisory committee for Water District No. 1 has adopted proposed changes to the Upper Snake River basin Water District No. 01 rental pool;

NOW THEREFORE BE IT RESOLVED that the Board approves the proposed changes to the Upper Snake River basin rental pool procedures, as proposed and adopted by the advisory committee of Water District No. 01.

Dated this _____ day of March, 2018.

_______________________________
ROGER W. CHASE
Idaho Water Resource Board Chairman

Attest: _____________________________
VINCE ALBERDI
Secretary
WATER DISTRICT NO. 63

RENTAL POOL PROCEDURES

The Boise River Rental Pool is administered by the Rental Pool Committee thru the Boise River Watermaster’s office.

Please contact the Watermaster for more information.

Rex R. Barrie
Boise River Watermaster

(208) 908-5480

waterdistrict63@qwestoffice.net
TABLE OF CONTENTS

RULE 1.0 LEGAL AUTHORITY

RULE 2.0 DEFINITIONS

RULE 3.0 PURPOSES

RULE 4.0 MANAGEMENT & APPLICATION PROCESS
   4.1 Committee
   4.2 Watermaster
   4.3 Application to Assign Storage to the Rental Pool
   4.4 Application to Rent Storage from the Rental Pool
   4.5 Rental Pool Account

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL
   5.1 Assignment of Storage
   5.2 Approval by Committee
   5.3 Reservoir Designation
   5.4 Priority of Assigned Storage
   5.5 Term of Assignment
   5.6 Payment to Assignors

RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL
   6.1 Priority of Rental Applicants
   6.2 Rental Price
   6.3 Out-of-Basin Rentals
   6.4 Rentals for Greater than Five (5) Years
   6.5 Arbitrage
   6.6 Flow Augmentation
WATER DISTRICT 63
RENTAL POOL PROCEDURES

RULE 1.0 LEGAL AUTHORITY
1.1 These procedures have been adopted pursuant to Idaho Code § 42-1765 and IDAPA 37.02.03.040 to assure orderly operation of the Boise River Rental Pool by the Advisory Board of Water District No. 63.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, Water District No. 63 Advisory Board, or the Watermaster in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of repayment contracts with the United States, and the Snake River Water Rights Agreement of 2004 commonly referred to as the Nez Perce Mediator’s Term Sheet dated April 20, 2004.

RULE 2.0 DEFINITIONS
2.1 Accounting Year: the Water District 63 water accounting year that begins on November 1 and ends on October 31.

2.2 Acre-foot: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.3 Administrative Fee: a fee of One Dollar and Thirty Cents ($1.0530) per acre-foot assessed by the District on all storage rented through the Rental Pool.

2.4 Assignment: a written agreement to convey a specific quantity of storage into the Rental Pool for use during a specified period of time.

2.5 Assignor: a person who assigns storage to the Rental Pool.

2.6 Board: the Idaho Water Resource Board (IWRB).

2.7 Board Surcharge: a surcharge equal to ten percent (10%) of the Net Rental Price assessed on all storage rented from the Rental Pool, which is disbursed to the Board.

2.8 Committee: the Advisory Board of Water District No. 63.

2.9 Department: the Idaho Department of Water Resources (IDWR).

2.10 Director: the Director of the Idaho Department of Water Resources.

2.11 District: Water District 63 of the State of Idaho.

2.12 Net Rental Price: The Rental Price less the Administrative Fee and Board Surcharge.

2.13 Person: an individual, company, association, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.
2.14 **Reclamation**: the United States Bureau of Reclamation.

2.15 **Rent**: a written agreement to acquire the right to use a specific quantity of storage from the Rental Pool for a determinate period.

2.16 **Rental Pool**: a market for the exchange of storage operated by the Advisory Board of Water District No. 63.

2.17 **Rental Price**: the fee, including the Administrative Fee and Board Surcharge, for rental of storage from the Rental Pool.

2.18 **Renter**: a person who rents storage from the Rental Pool.

2.19 **Reservoir System**: refers to Arrowrock, Lake Lowell, Anderson Ranch, and Lucky Peak reservoirs.

2.20 **Space**: all or any portion of the active capacity of a federal reservoir measured in acre-feet.

2.21 **Spaceholder**: the holder of the contractual right to space in the reservoir system, or Reclamation.

2.22 **Storage**: water that accrues to reservoir space and is available for use.

2.23 **Watermaster**: the watermaster of Water District 63.

**RULE 3.0 PURPOSES**

3.1 To promote the maximum beneficial use of stored water establish a process and provide incentives, consistent with Idaho Code § 42-1765, through which storage supplies may be made available for rental by persons who need additional water for beneficial purposes.

3.2 Maintain adequate controls and priorities to ensure that (a) irrigation uses are provided an opportunity to obtain supplemental storage supplies ahead of non-irrigation uses, (b) existing water rights are not injured, and (c) the use of storage water obtained through the Rental Pool is consistent with the protection of the local public interest and the conservation of water resources within the state of Idaho.

3.3 Provide a source of revenue for the District to make improvements in distribution of water and aid in increasing the conservation of water in the Boise River Basin.
RULE 4.0  MANAGEMENT & APPLICATION PROCESS

4.1 Committee. The Committee, which shall decide all matters by majority vote, will exercise the following responsibilities:

(a) Adopt, and amend as necessary, procedures for operation of the Rental Pool;

(b) Provide direction to the Watermaster in the operation of the Rental Pool within the framework of these procedures;

(c) Set policies for the investment and disbursement of funds generated by the Rental Pool in conformity with the Public Depository Law, Chapter 1, Title 57, Idaho Code; and

(d) Notify the Director and Watermaster of rentals where storage will be moved from the place of use authorized by the permit, license or decree establishing the storage water right.

4.2 Watermaster. The Watermaster shall serve as the manager of the Rental Pool and shall take all reasonable actions necessary to administer the Rental Pool consistent with these procedures, which include:

(a) accepting assignments of storage into the Rental Pool on behalf of the Committee;

(b) distributing storage rented through the Rental Pool;

(c) accepting and disbursing funds generated through the rental of storage; and

(d) taking such additional actions as may be directed by the Committee.

4.3 Application to Assign Storage to the Rental Pool.

4.3.101 Contents. Applications to assign storage to the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the quantity of storage sought to be assigned to the Rental Pool;

(b) an indication of whether the storage may be rented for out-of-basin uses; and

(c) the date received in the Watermaster’s office.

4.3.102 Conditional Assignment. For purposes of determining the priority of assigned storage under Rule 5.4, storage shall be deemed conditionally assigned to the Rental Pool on the date the application is received by the Watermaster subject to approval by the Committee pursuant to Rule 5.2.

4.3.103 Subsequent Applications. Any applicant, having once assigned storage to the Rental Pool, may make application to assign storage in subsequent accounting years by (a) providing written confirmation that the information on the prior assignment application is true and correct, and (b) indicating the quantity of storage sought to be assigned.

4.3.104 Deadline for Application. An application to assign storage must be received by the Watermaster and approved by the Committee pursuant to Rule 5.2 not later than October 31 in order for the storage identified in such application, provided it
is subsequently rented within the time limit prescribed in Rule 5.5.101, to be accounted for as having been diverted in the current accounting year.

4.4 **Application to Rent Storage from the Rental Pool.**

4.4.101 **Contents.** Applications to rent storage from the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:
(a) the amount of storage sought to be rented;
(b) the purpose(s) for which the storage will be put to beneficial use;
(c) the point of diversion identified by legal description and common name;
(d) a description of the place of use; and
(e) the date received in the Watermaster’s office.

4.4.102 **Acceptance.** For purposes of determining a rental applicant’s priority under Rule 6.1, applications are not deemed accepted until received by the Watermaster together with the appropriate rental fee.

4.4.103 **Subsequent Applications.** Any rental applicant, having once rented water from the Rental Pool, may make application for rental of storage in subsequent accounting years by (a) providing written confirmation that the information on the prior rental application is true and correct, (b) indicating the quantity of storage sought to be rented, and (c) tendering the appropriate rental fee.

4.5 **Rental Pool Account.** All monies submitted by rental applicants shall be deposited in the Rental Pool Account and maintained by the Watermaster on behalf of the Committee. Monies in the Rental Pool Account will be disbursed to the District, the Board, the Assignors in the proportions set forth in these procedures. Accrued interest to the Rental Pool Account shall be disbursed to the District for purposes consistent with Rule 3.3. Rental Pool funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

**RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL**

5.1 **Assignment of Storage.** Any spaceholder may assign storage to the Rental Pool subject to approval by the Committee.

5.2 **Approval by Committee.** The Committee may approve or reject, in whole or in part, an application to assign storage to the Rental Pool and may impose conditions necessary to satisfy the purposes set out under Rule 3.2. All storage approved for assignment into the Rental Pool shall be under the control of the Committee and Watermaster during the term of the assignment.

5.3 **Reservoir Designation.** When an assignor has space in more than one reservoir, storage will be assigned to the Rental Pool from the assignor’s space in the reservoir system in the following sequence: Lucky Peak, Anderson Ranch, Arrowrock, and Lake Lowell.

5.4 **Priority of Assigned Storage**

5.4.101 **Assignments Made On or Before July 1st.** All storage assigned to the Rental Pool on or before July 1 shall be rented on a pro-rata basis.
5.4.102 Assignments Made After July 1st. All storage assigned to the Rental Pool after July 1 will be rented on a first-in-first-out basis, but only after all storage assigned under Rule 5.4.101 has been rented.

5.5 Term of Assignment
5.5.101 Unrented Storage. All storage assigned to the rental pool, but not rented by October 31, shall revert to the assignor, unless the assignor executes a written extension and an extension is approved by the Committee.

5.5.102 Unused Storage. All storage assigned to and rented from the Rental Pool, but not put to beneficial use by January 31 of the year following the accounting year in which the storage was assigned to the Rental Pool, shall revert to the assignor unless the assignor executes a written extension and the extension is granted by the Committee; provided, however, any extension granted by the Committee shall not extend beyond March 1.

5.6 Payment to Assignors.
5.6.101 Amount of Payment. Payment to assignor will be made only if the storage assigned to the Rental Pool is subsequently rented. Assignors shall share pro-rata in the Net Rental Price from the rental of storage assigned on or before July 1 and shall receive one-hundred percent of the Net Rental Price from the rental of such storage assigned after July 1 based on a first-in-first-out basis.

5.6.102 Calculation of Payment. The Watermaster will calculate the payment due each assignor based on data published in the Annual Report of the Watermaster showing the actual quantity of storage rented from the Rental Pool.

5.6.103 Timing of Payment. Payments to assignors shall be due and payable after the Watermaster has calculated the payments under Rule 5.6.102 and after the final water accounting for the accounting year is completed by the watermaster.

**RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL**

6.1 Priority of Rental Applicants. Storage rented from the Rental Pool shall be pursuant to the following priorities:

6.1.101 First Priority. On or before June 1, rental of water by spaceholders for irrigation purposes within the District.

6.1.102 Second Priority. After June 1 through July 15, rental of water for irrigation purposes within the District and up to 500 acre-feet for all other beneficial purposes within the District upstream of Lucky Peak Dam.

6.1.103 Third Priority. After July 15, rental of water for irrigation and all other beneficial purposes.

6.1.104 Sub-priorities. Priorities among rental applicants within each of the three priority groups, identified above, shall be determined based on the date the rental application is accepted by the Watermaster pursuant to Rule 4.4; provided, however, during periods of drought or other extraordinary circumstances, the Committee may develop additional or alternative procedures for determining
sub-priorities among competing rental applications.

6.2 **Rental Price.** The Rental Price per acre-foot (af) of storage rented from the Rental Pool is $1720.00.

6.3 **Out-of-Basin Rentals.** Storage rented for use outside the hydrologic basin of the Boise River or below the confluence of the Boise River and Snake River shall subject the space from which the storage was rented to last to fill in the ensuing accounting year.

6.4 **Rentals for Greater than Five (5) Years.** Applications to rent water from the Rental Pool for a period of more than five (5) years shall be submitted to the Board, and separately to Reclamation, for review and approval as a condition of approval by the Committee.

6.5 **Arbitrage.** A spaceholder may not assign storage and rent storage in the same accounting year, unless an exception is granted by the Committee.

6.6 **Flow Augmentation.** Notwithstanding the foregoing provisions, Reclamation may assign and rent storage held in uncontracted space for flow augmentation purposes pursuant to the provisions contained in the Snake River Water Rights Agreement of 2004 (aka the Nez Perce Mediator’s Term Sheet dated April 20, 2004) and Idaho Code § 42-1763B, in which case only an administrative fee shall be assessed pursuant to Rule 2.2.
WATER DISTRICT NO. 63

RENTAL POOL PROCEDURES

The Boise River Rental Pool is administered by the Rental Pool Committee thru the Boise River Watermaster, s office.

Please contact the Watermaster for more information.

Rex R. Barrie

Boise River Watermaster

(208) 908-5480

waterdistrict63@qwestoffice.net
TABLE OF CONTENTS

RULE  1.0  LEGAL AUTHORITY

RULE  2.0  DEFINITIONS

RULE  3.0  PURPOSES

RULE  4.0  MANAGEMENT & APPLICATION PROCESS
    4.1 Committee
    4.2 Watermaster
    4.3 Application to Assign Storage to the Rental Pool
    4.4 Application to Rent Storage from the Rental Pool
    4.5 Rental Pool Account

RULE  5.0  ASSIGNMENT OF STORAGE TO THE RENTAL POOL
    5.1 Assignment of Storage
    5.2 Approval by Committee
    5.3 Reservoir Designation
    5.4 Priority of Assigned Storage
    5.5 Term of Assignment
    5.6 Payment to Assignors

RULE  6.0  RENTAL OF STORAGE FROM THE RENTAL POOL
    6.1 Priority of Rental Applicants
    6.2 Rental Price
    6.3 Out-of-Basin Rentals
    6.4 Rentals for Greater than Five (5) Years
    6.5 Arbitrage
    6.6 Flow Augmentation
WATER DISTRICT 63
RENTAL POOL PROCEDURES

RULE 1.0 LEGAL AUTHORITY
1.1 These procedures have been adopted pursuant to Idaho Code § 42-1765 and IDAPA 37.02.03.040 to assure orderly operation of the Boise River Rental Pool by the Advisory Board of Water District No. 63.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, Water District No. 63 Advisory Board, or the Watermaster in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of repayment contracts with the United States, and the Snake River Water Rights Agreement of 2004 commonly referred to as the Nez Perce Mediator’s Term Sheet dated April 20, 2004.

RULE 2.0 DEFINITIONS
2.1 Accounting Year: the Water District 63 water accounting year that begins on November 1 and ends on October 31

2.2 Acre-foot: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.3 Administrative Fee: a fee of One Dollar and Thirty Cents ($1.30) per acre-foot assessed by the District on all storage rented through the Rental Pool.

2.4 Assignment: a written agreement to convey a specific quantity of storage into the Rental Pool for use during a specified period of time.

2.5 Assignor: a person who assigns storage to the Rental Pool.

2.6 Board: the Idaho Water Resource Board (IWRB).

2.7 Board Surcharge: a surcharge equal to ten percent (10%) of the Net Rental Price assessed on all storage rented from the Rental Pool, which is disbursed to the Board.

2.8 Committee: the Advisory Board of Water District No. 63.

2.9 Department: the Idaho Department of Water Resources (IDWR).

2.10 Director: the Director of the Idaho Department of Water Resources.

2.11 District: Water District 63 of the State of Idaho.

2.12 Net Rental Price: The Rental Price less the Administrative Fee and Board Surcharge.

2.13 Person: an individual, company, association, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.
2.14 **Reclamation**: the United States Bureau of Reclamation.

2.15 **Rent**: a written agreement to acquire the right to use a specific quantity of storage from the Rental Pool for a determinate period.

2.16 **Rental Pool**: a market for the exchange of storage operated by the Advisory Board of Water District No. 63.

2.17 **Rental Price**: the fee, including the Administrative Fee and Board Surcharge, for rental of storage from the Rental Pool.

2.18 **Renter**: a person who rents storage from the Rental Pool.

2.19 **Reservoir System**: refers to Arrowrock, Lake Lowell, Anderson Ranch, and Lucky Peak reservoirs.

2.20 **Space**: all or any portion of the active capacity of a federal reservoir measured in acre-feet.

2.21 **Spaceholder**: the holder of the contractual right to space in the reservoir system, or Reclamation.

2.22 **Storage**: water that accrues to reservoir space and is available for use.

2.23 **Watermaster**: the watermaster of Water District 63.

**RULE 3.0 PURPOSES**

3.1 To promote the maximum beneficial use of stored water establish a process and provide incentives, consistent with Idaho Code § 42-1765, through which storage supplies may be made available for rental by persons who need additional water for beneficial purposes.

3.2 Maintain adequate controls and priorities to ensure that (a) irrigation uses are provided an opportunity to obtain supplemental storage supplies ahead of non-irrigation uses, (b) existing water rights are not injured, and (c) the use of storage water obtained through the Rental Pool is consistent with the protection of the local public interest and the conservation of water resources within the state of Idaho.

3.3 Provide a source of revenue for the District to make improvements in distribution of water and aid in increasing the conservation of water in the Boise River Basin.
RULE 4.0 MANAGEMENT & APPLICATION PROCESS

4.1 Committee. The Committee, which shall decide all matters by majority vote, will exercise the following responsibilities:

(a) Adopt, and amend as necessary, procedures for operation of the Rental Pool;

(b) Provide direction to the Watermaster in the operation of the Rental Pool within the framework of these procedures;

(c) Set policies for the investment and disbursement of funds generated by the Rental Pool in conformity with the Public Depository Law, Chapter 1, Title 57, Idaho Code; and

(d) Notify the Director and Watermaster of rentals where storage will be moved from the place of use authorized by the permit, license or decree establishing the storage water right.

4.2 Watermaster. The Watermaster shall serve as the manager of the Rental Pool and shall take all reasonable actions necessary to administer the Rental Pool consistent with these procedures, which include:

(a) accepting assignments of storage into the Rental Pool on behalf of the Committee;

(b) distributing storage rented through the Rental Pool;

(c) accepting and disbursing funds generated through the rental of storage; and

(d) taking such additional actions as may be directed by the Committee.

4.3 Application to Assign Storage to the Rental Pool.

4.3.101 Contents. Applications to assign storage to the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the quantity of storage sought to be assigned to the Rental Pool;

(b) an indication of whether the storage may be rented for out-of-basin uses; and

(c) the date received in the Watermaster’s office.

4.3.102 Conditional Assignment. For purposes of determining the priority of assigned storage under Rule 5.4, storage shall be deemed conditionally assigned to the Rental Pool on the date the application is received by the Watermaster subject to approval by the Committee pursuant to Rule 5.2.

4.3.103 Subsequent Applications. Any applicant, having once assigned storage to the Rental Pool, may make application to assign storage in subsequent accounting years by (a) providing written confirmation that the information on the prior assignment application is true and correct, and (b) indicating the quantity of storage sought to be assigned.

4.3.104 Deadline for Application. An application to assign storage must be received by the Watermaster and approved by the Committee pursuant to Rule 5.2 not later than October 31 in order for the storage identified in such application, provided it
is subsequently rented within the time limit prescribed in Rule 5.5.101, to be accounted for as having been diverted in the current accounting year.

4.4 Application to Rent Storage from the Rental Pool.
4.4.101 Contents. Applications to rent storage from the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:
(a) the amount of storage sought to be rented;
(b) the purpose(s) for which the storage will be put to beneficial use;
(c) the point of diversion identified by legal description and common name;
(d) a description of the place of use; and
(e) the date received in the Watermaster’s office.

4.4.102 Acceptance. For purposes of determining a rental applicant’s priority under Rule 6.1, applications are not deemed accepted until received by the Watermaster together with the appropriate rental fee.

4.4.103 Subsequent Applications. Any rental applicant, having once rented water from the Rental Pool, may make application for rental of storage in subsequent accounting years by (a) providing written confirmation that the information on the prior rental application is true and correct, (b) indicating the quantity of storage sought to be rented, and (c) tendering the appropriate rental fee.

4.5 Rental Pool Account. All monies submitted by rental applicants shall be deposited in the Rental Pool Account and maintained by the Watermaster on behalf of the Committee. Monies in the Rental Pool Account will be disbursed to the District, the Board, the Assignors in the proportions set forth in these procedures. Accrued interest to the Rental Pool Account shall be disbursed to the District for purposes consistent with Rule 3.3. Rental Pool funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL
5.1 Assignment of Storage. Any spaceholder may assign storage to the Rental Pool subject to approval by the Committee.

5.2 Approval by Committee. The Committee may approve or reject, in whole or in part, an application to assign storage to the Rental Pool and may impose conditions necessary to satisfy the purposes set out under Rule 3.2. All storage approved for assignment into the Rental Pool shall be under the control of the Committee and Watermaster during the term of the assignment.

5.3 Reservoir Designation. When an assignor has space in more than one reservoir, storage will be assigned to the Rental Pool from the assignor’s space in the reservoir system in the following sequence: Lucky Peak, Anderson Ranch, Arrowrock, and Lake Lowell.

5.4 Priority of Assigned Storage
5.4.101 Assignments Made On or Before July 1st. All storage assigned to the Rental Pool on or before July 1 shall be rented on a pro-rata basis.
5.4.102 Assignments Made After July 1st. All storage assigned to the Rental Pool after July 1 will be rented on a first-in-first-out basis, but only after all storage assigned under Rule 5.4.101 has been rented.

5.5 Term of Assignment
5.5.101 Unrented Storage. All storage assigned to the rental pool, but not rented by October 31, shall revert to the assignor, unless the assignor executes a written extension and an extension is approved by the Committee.

5.5.102 Unused Storage. All storage assigned to and rented from the Rental Pool, but not put to beneficial use by January 31 of the year following the accounting year in which the storage was assigned to the Rental Pool, shall revert to the assignor unless the assignor executes a written extension and the extension is granted by the Committee; provided, however, any extension granted by the Committee shall not extend beyond March 1.

5.6 Payment to Assignors.
5.6.101 Amount of Payment. Payment to assignor will be made only if the storage assigned to the Rental Pool is subsequently rented. Assignors shall share pro-rata in the Net Rental Price from the rental of storage assigned on or before July 1 and shall receive one-hundred percent of the Net Rental Price from the rental of such storage assigned after July 1 based on a first-in-first-out basis.

5.6.102 Calculation of Payment. The Watermaster will calculate the payment due each assignor based on data published in the Annual Report of the Watermaster showing the actual quantity of storage rented from the Rental Pool.

5.6.103 Timing of Payment. Payments to assignors shall be due and payable after the Watermaster has calculated the payments under Rule 5.6.102 and after the final water accounting for the accounting year is completed by the watermaster.

RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL
6.1 Priority of Rental Applicants. Storage rented from the Rental Pool shall be pursuant to the following priorities:

6.1.101 First Priority. On or before June 1, rental of water by spaceholders for irrigation purposes within the District.

6.1.102 Second Priority. After June 1 through July 15, rental of water for irrigation purposes within the District and up to 500 acre-feet for all other beneficial purposes within the District upstream of Lucky Peak Dam.

6.1.103 Third Priority. After July 15, rental of water for irrigation and all other beneficial purposes.

6.1.104 Sub-priorities. Priorities among rental applicants within each of the three priority groups, identified above, shall be determined based on the date the rental application is accepted by the Watermaster pursuant to Rule 4.4; provided, however, during periods of drought or other extraordinary circumstances, the Committee may develop additional or alternative procedures for determining
6.2 **Rental Price.** The Rental Price per acre-foot (af) of storage rented from the Rental Pool is $20.00.

6.3 **Out-of-Basin Rentals.** Storage rented for use outside the hydrologic basin of the Boise River or below the confluence of the Boise River and Snake River shall subject the space from which the storage was rented to last to fill in the ensuing accounting year.

6.4 **Rentals for Greater than Five (5) Years.** Applications to rent water from the Rental Pool for a period of more than five (5) years shall be submitted to the Board, and separately to Reclamation, for review and approval as a condition of approval by the Committee.

6.5 **Arbitrage.** A spaceholder may not assign storage and rent storage in the same accounting year, unless an exception is granted by the Committee.

6.6 **Flow Augmentation.** Notwithstanding the foregoing provisions, Reclamation may assign and rent storage held in uncontracted space for flow augmentation purposes pursuant to the provisions contained in the Snake River Water Rights Agreement of 2004 (aka the Nez Perce Mediator’s Term Sheet dated April 20, 2004) and Idaho Code § 42-1763B, in which case only an administrative fee shall be assessed pursuant to Rule 2.2.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF APPROVING RENTAL POOL PROCEDURES FOR THE WATER DISTRICT NO 63 RENTAL POOL

WHEREAS, pursuant to Idaho Code 42-176, the Idaho Water Resource Board may appoint local committees to facilitate the rental and the marketing of stored water under rules and regulations adopted by the Board; and

WHEREAS, consistent with Water Supply Bank Rule 40, subsection 05 (IDAPA 37.02.03.40.05), the Board will consider amendments to the approved procedures of an appointed local committee; and

WHEREAS, the water district advisory committee for Water District No. 63 is the local committee appointed by the Board to facilitate the rental and marketing of stored water in the Boise River basin; and

WHEREAS, the advisory committee for Water District No. 63 has adopted proposed changes to the Boise River basin Water District No. 63 rental pool;

NOW THEREFORE BE IT RESOLVED that the Board approves the proposed changes to the Boise River basin rental pool procedures, as proposed and adopted by the advisory committee of Water District No. 63.

Dated this _____ day of March, 2018.

______________________________
ROGER W. CHASE
Idaho Water Resource Board Chairman

Attest: _____________________________
VINCE ALBERDI
Secretary
WATER DISTRICT 65

RENTAL POOL PROCEDURES
TABLE OF CONTENTS

RULE 1.0 LEGAL AUTHORITY

RULE 2.0 DEFINITIONS

RULE 3.0 PURPOSES

RULE 4.0 MANAGEMENT & APPLICATION PROCESS
  4.1 Committee
  4.2 Watermaster
  4.3 Application to Assign Storage to the Rental Pool
  4.4 Application to Rent Storage from the Rental Pool
  4.5 Rental Pool Account

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL
  5.1 Assignment of Storage
  5.2 Acceptance by Committee
  5.3 Reservoir Designation
  5.4 Priority of Assigned Storage
  5.5 Term of Assignment
  5.6 Payment to Assignors

RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL
  6.1 Priority of Rental Applicants
  6.2 Rental Price
  6.3 Out-of-Basin Rentals
  6.4 Arbitrage
  6.5 Rentals for Greater than Five (5) Years
  6.6 Flow Augmentation
WATER DISTRICT 65
RENTAL POOL PROCEDURES

RULE 1.0 LEGAL AUTHORITY
1.1 These procedures have been adopted pursuant to Idaho Code § 42-1765 and IDAPA 37.02.03.040 to assure orderly operation of the Payette River Rental Pool.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, Water District No. 65 Advisory Board, or the Watermaster in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of repayment contracts with the United States, and the Snake River Water Rights Agreement of 2004 commonly referred to as the Nez Perce Mediator’s Term Sheet dated April 20, 2004.

RULE 2.0 DEFINITIONS
2.1 Acre-foot: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.2 Administrative Fee: a fee of One Dollar ($1.30) per acre-foot assessed by the District on all storage rented through the Rental Pool.

2.3 Assignment: a written agreement to convey a specific quantity of storage into the Rental Pool for use during a specified period of time.

2.4 Assignor: a person who assigns storage to the Rental Pool.

2.5 Board: the Idaho Water Resource Board (IWRB).

2.6 Board Surcharge: a surcharge equal to ten percent (10%) of the Net Rental Price assessed on all storage rented from the Rental Pool, which is disbursed to the Board. For purposes of these procedures, the surcharge for in-basin rentals under Rule 6.2.101 is equal to $0.20 per acre-foot and for out-of-basin rentals under Rule 6.2.102 is equal to $1.43 per acre-foot.

2.7 Committee: the Advisory Board of Water District No. 65.

2.8 Department: the Idaho Department of Water Resources (IDWR).

2.9 Director: the Director of the Idaho Department of Water Resources.

2.10 District: Water District No. 65 of the State of Idaho.

2.11 Net Rental Price: The Rental Price less the Administrative Fee and Board Surcharge.

2.12 Person: an individual, company, association, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.
2.13 **Reclamation**: the United States Bureau of Reclamation.

2.14 **Rental Agreement**: a written agreement to acquire the right to use a specific quantity of storage from the Rental Pool for a determinate period.

2.15 **Rental Pool**: a market for the exchange of storage operated by the Advisory Board of Water District No. 65.

2.16 **Rental Price**: the fee for rental of storage from the Rental Pool as set forth in Rule 6.2, which includes the Administrative Fee and Board Surcharge.

2.17 **Renter**: a person who rents storage from the Rental Pool.

2.18. **Reservoir System**: refers to Cascade Lake, Deadwood Reservoir, Payette Lakes, and the Upper Lakes.

2.19 **Space**: all or any portion of the active capacity of a reservoir measured in acre-feet.

2.20 **Spaceholder**: the holder of the contractual right to space in the reservoir system, or Reclamation.

2.21 **Storage**: water that accrues to reservoir space and is available for use.

2.22 **Watermaster**: the watermaster of Water District 65.

2.23 **Year**: a calendar year.

**RULE 3.0 PURPOSES**

3.1 To promote the maximum beneficial use of stored water establish a process and provide incentives, consistent with Idaho Code § 42-1765, through which storage supplies may be made available for rental by persons who need additional water for beneficial purposes.

3.2 Maintain adequate controls and priorities to ensure that (a) irrigation uses are provided an opportunity to obtain supplemental storage supplies ahead of non-irrigation uses, (b) existing water rights are not injured, and (c) the use of storage water obtained through the Rental Pool is consistent with the protection of the local public interest and the conservation of water resources within the state of Idaho.

3.3 Provide a source of revenue for the District to make improvements in distribution of water and aid in increasing the conservation of water in the Payette River Basin.
RULE 4.0 MANAGEMENT & APPLICATION PROCESS

4.1 Committee. The Committee, which shall decide all matters by majority vote, will exercise the following responsibilities:

(a) Adopt, and amend as necessary, procedures for operation of the Rental Pool;

(b) Provide direction to the Watermaster in the operation of the Rental Pool within the framework of the these procedures;

(c) Set policies for the investment and disbursement of funds generated by the Rental Pool in conformity with the Public Depository Law, Chapter 1, Title 57, Idaho Code; and

(d) Notify the Director and Watermaster of rentals where storage will be moved from the place of use authorized by the permit, license or decree establishing the storage water right.

4.2 Watermaster. The Watermaster shall serve as the manager of the Rental Pool and shall take all reasonable actions necessary to administer the Rental Pool consistent with these procedures, which include:

(a) accepting assignments of storage into the Rental Pool;

(b) executing rental agreements on behalf of the Committee;

(c) distributing storage rented through the Rental Pool;

(d) accepting and disbursing funds generated through the rental of storage; and

(e) taking such additional actions as may be directed by the Committee.

4.3 Application to Assign Storage to the Rental Pool.

4.3.101 Contents. Applications to assign storage to the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the quantity of storage sought to be assigned to the Rental Pool;

(b) an indication of whether the storage may be rented for use below the mouth of the Payette River; and

(c) the date received in the Watermaster’s office.

4.3.102 Acceptance. For purposes of determining the priority of assigned storage under Rule 5.4, applications shall be deemed conditionally accepted on the date received in the Watermaster’s office subject to acceptance by the Committee pursuant to Rule 5.2.

4.4 Application to Rent Storage from the Rental Pool.

4.4.101 Contents. Applications to rent storage from the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the amount of storage sought to be rented;

(b) the purpose(s) for which the storage will be put to beneficial use;

(c) the point of diversion identified by legal description and common name;
(d) a description of the place of use; and
(e) the date received in the Watermaster’s office.

4.4.102 Acceptance. For purposes of determining a rental applicant’s priority under Rule 6.1, applications are not deemed accepted until received by the Watermaster together with the appropriate rental fee.

4.5 Rental Pool Account.
4.5.101 Account. All monies submitted by rental applicants shall be deposited in the Rental Pool Account, which shall be an interest-bearing account maintained by the Watermaster on behalf of the Committee. Rental Pool funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

4.5.102 Disbursement of Monies. Monies in the Rental Pool Account will be disbursed to the District, the Board, and the Assignors in the proportions set forth in these procedures. Accrued interest to the Rental Pool Account shall be disbursed pro-rata to the Assignors at the time payments are made under Rule 5.6.

4.5.103 Contingency Fund. Administrative fees received by the District in excess of actual costs required to operate the Rental Pool shall be maintained by the Watermaster in a separate interest-bearing account to serve as a contingency fund for use by the Committee for the benefit of the District; provided, however, that such use does not conflict with the Idaho Public Depository Law, Chapter 1, Title 57, Idaho Code.

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL
5.1 Assignment of Storage. Any spaceholder may assign storage to the Rental Pool subject to acceptance by the Committee.

5.2 Acceptance by Committee. The Committee may accept or reject, in whole or in part, an application to assign storage to the Rental Pool and may impose conditions necessary to satisfy the purposes set out under Rule 3.2. All storage assigned and accepted into the Rental Pool shall be under the control of the Committee and Watermaster during the term of the assignment.

5.3 Reservoir Designation. When an assignor has space in more than one reservoir the assignment shall designate the reservoir from which the storage is assigned.

5.4 Priority of Assigned Storage
5.4.101 Assignments Made On or Before July 1st. All storage assigned to the Rental Pool on or before July 1 shall be rented on a pro-rata basis.

5.4.102 Assignments Made After July 1st. All storage assigned to the Rental Pool after July 1 will be rented on a first-in-first-out basis, but only after all storage assigned under Rule 5.4.101 has been rented.

5.5 Term of Assignment
5.5.101 Unrented Storage. All storage assigned to the rental pool, but not rented by December 31, shall revert to the assignor, unless the assignor executes a written
5.5.102 **Unused Storage.** All storage assigned to and rented from the Rental Pool, but not put to beneficial use by March 1 of the year following the calendar year in which the storage was assigned to the Rental Pool, shall revert to the assignor unless the assignor executes a written extension and the extension is granted by the Committee.

5.6 **Payment to Assignors.**

5.6.101 **Amount of Payment.** Payment to assignor will be made only if the storage assigned to the Rental Pool is subsequently rented. Assignors shall share pro-rata in the Net Rental Price from the rental of storage assigned on or before July 1 and shall receive one-hundred percent of the Net Rental Price from the rental of such storage assigned after July 1 based on a first-in-first-out basis. Pursuant to Rule 3.3 purpose; Assignors shall agree to invest 1/3 or more of the payment proceeds into their water delivery systems in an effort to improve efficiency in order to promote the maximum beneficial use of stored water.

5.6.102 **Calculation of Payment.** The Watermaster will calculate the payment due each assignor based on data published in the Annual Report of the Watermaster showing the actual quantity of storage rented from the Rental Pool. In the event water is rented after the filing of the Annual Report of the Watermaster; the Watermaster shall file a revised Annual Report to properly represent total Rental Pool activity for the reporting period.

5.6.103 **Timing of Payment.** Payments to assignors shall be due and payable after the Watermaster has calculated the payments under Rule 5.6.102.

**RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL**

6.1 **Priority of Rental Applicants.** Storage rented from the Rental Pool shall be pursuant to the following priorities:

6.1.101 **First Priority.** On or before July 1, rental of water by spaceholders for irrigation purposes within the District.

6.1.102 **Second Priority.** After July 1, rental of water for all any beneficial purpose.

6.1.104 **Sub-priorities.** Priorities among rental applicants within each priority group, identified above, shall be determined based on the date the rental application is accepted by the Watermaster pursuant to Rule 4.4; provided, however, during periods of drought or other extraordinary circumstances, with consideration of the local public interest, the Committee may develop additional or alternative procedures for determining sub-priorities among competing rental applications.

6.2 **Rental Price.** The Rental Price per acre-foot of storage rented from the Rental Pool is as follows:

6.2.101 **In-Basin.** For uses upstream from the mouth of the Payette River the Rental Price is $3.50 per acre-foot.
6.2.102 Outside Basin. For uses downstream from the mouth of the Payette River, the Rental Price is $1720.00 per acre-foot.

6.3 Out-of-Basin Rentals. Storage rented for use below the mouth of the Payette River shall subject the space from which the storage was rented to last to fill in the ensuing year.

6.4 Arbitrage. A person may not assign storage and rent storage in the same calendar year, unless an exception is granted by the Committee. In the event an exception is granted by the Committee, the rental price shall equal the amount paid to the person for the prior assignment plus a 10% board surcharge and $2.00 per acre-foot administrative fee.

6.5 Rentals for Greater than Five (5) Years. Applications to rent water from the Rental Pool for a period of more than five (5) years shall be submitted to the Board, and separately to Reclamation, for review and approval as a condition of approval by the Committee.

6.6 Flow Augmentation. Notwithstanding the foregoing provisions, Reclamation may assign and rent storage held in uncontracted space for flow augmentation purposes pursuant to the provisions contained in the Snake River Water Rights Agreement of 2004 (aka the Nez Perce Mediator’s Term Sheet dated April 20, 2004) and Idaho Code § 42-1763B, in which case only an administrative fee shall be assessed pursuant to Rule 2.2.
2018
WATER DISTRICT 65
RENTAL POOL PROCEDURES
TABLE OF CONTENTS

RULE 1.0 LEGAL AUTHORITY

RULE 2.0 DEFINITIONS

RULE 3.0 PURPOSES

RULE 4.0 MANAGEMENT & APPLICATION PROCESS
  4.1 Committee
  4.2 Watermaster
  4.3 Application to Assign Storage to the Rental Pool
  4.4 Application to Rent Storage from the Rental Pool
  4.5 Rental Pool Account

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL
  5.1 Assignment of Storage
  5.2 Acceptance by Committee
  5.3 Reservoir Designation
  5.4 Priority of Assigned Storage
  5.5 Term of Assignment
  5.6 Payment to Assignors

RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL
  6.1 Priority of Rental Applicants
  6.2 Rental Price
  6.3 Out-of-Basin Rentals
  6.4 Arbitrage
  6.5 Rentals for Greater than Five (5) Years
  6.6 Flow Augmentation
RULE 1.0 LEGAL AUTHORITY
1.1 These procedures have been adopted pursuant to Idaho Code § 42-1765 and IDAPA 37.02.03.040 to assure orderly operation of the Payette River Rental Pool.

1.2 These procedures shall not be interpreted to limit the authority of the Idaho Department of Water Resources, the Idaho Water Resource Board, Water District No. 65 Advisory Board, or the Watermaster in discharging their duties as prescribed by statute or rule.

1.3 These procedures shall be interpreted consistent with Idaho Code, rules promulgated by the Idaho Water Resource Board, relevant provisions of repayment contracts with the United States, and the Snake River Water Rights Agreement of 2004 commonly referred to as the Nez Perce Mediator’s Term Sheet dated April 20, 2004.

RULE 2.0 DEFINITIONS
2.1 **Acre-foot**: a volume of water sufficient to cover one acre of land one foot deep and is equal to 43,560 cubic feet.

2.2 **Administrative Fee**: a fee of One Dollar ($1.30) per acre-foot assessed by the District on all storage rented through the Rental Pool.

2.3 **Assignment**: a written agreement to convey a specific quantity of storage into the Rental Pool for use during a specified period of time.

2.4 **Assignor**: a person who assigns storage to the Rental Pool.

2.5 **Board**: the Idaho Water Resource Board (IWRB).

2.6 **Board Surcharge**: a surcharge equal to ten percent (10%) of the Net Rental Price assessed on all storage rented from the Rental Pool, which is disbursed to the Board. For purposes of these procedures, the surcharge for in-basin rentals under Rule 6.2.101 is equal to $0.20 per acre-foot and for out-of-basin rentals under Rule 6.2.102 is equal to $1.70 per acre-foot.

2.7 **Committee**: the Advisory Board of Water District No. 65.

2.8 **Department**: the Idaho Department of Water Resources (IDWR).

2.9 **Director**: the Director of the Idaho Department of Water Resources.

2.10 **District**: Water District No. 65 of the State of Idaho.

2.11 **Net Rental Price**: The Rental Price less the Administrative Fee and Board Surcharge.

2.12 **Person**: an individual, company, association, corporation, partnership, irrigation district, canal company, political subdivision, or governmental agency.
2.13 **Reclamation**: the United States Bureau of Reclamation.

2.14 **Rental Agreement**: a written agreement to acquire the right to use a specific quantity of storage from the Rental Pool for a determinate period.

2.15 **Rental Pool**: a market for the exchange of storage operated by the Advisory Board of Water District No. 65.

2.16 **Rental Price**: the fee for rental of storage from the Rental Pool as set forth in Rule 6.2, which includes the Administrative Fee and Board Surcharge.

2.17 **Renter**: a person who rents storage from the Rental Pool.

2.18. **Reservoir System**: refers to Cascade Lake, Deadwood Reservoir, Payette Lakes, and the Upper Lakes.

2.19 **Space**: all or any portion of the active capacity of a reservoir measured in acre-feet.

2.20 **Spaceholder**: the holder of the contractual right to space in the reservoir system, or Reclamation.

2.21 **Storage**: water that accrues to reservoir space and is available for use.

2.22 **Watermaster**: the watermaster of Water District 65.

2.23 **Year**: a calendar year.

**RULE 3.0 PURPOSES**

3.1 To promote the maximum beneficial use of stored water establish a process and provide incentives, consistent with Idaho Code § 42-1765, through which storage supplies may be made available for rental by persons who need additional water for beneficial purposes.

3.2 Maintain adequate controls and priorities to ensure that (a) irrigation uses are provided an opportunity to obtain supplemental storage supplies ahead of non-irrigation uses, (b) existing water rights are not injured, and (c) the use of storage water obtained through the Rental Pool is consistent with the protection of the local public interest and the conservation of water resources within the state of Idaho.

3.3 Provide a source of revenue for the District to make improvements in distribution of water and aid in increasing the conservation of water in the Payette River Basin.
RULE 4.0 MANAGEMENT & APPLICATION PROCESS

4.1 Committee. The Committee, which shall decide all matters by majority vote, will exercise the following responsibilities:

(a) Adopt, and amend as necessary, procedures for operation of the Rental Pool;

(b) Provide direction to the Watermaster in the operation of the Rental Pool within the framework of these procedures;

(c) Set policies for the investment and disbursement of funds generated by the Rental Pool in conformity with the Public Depository Law, Chapter 1, Title 57, Idaho Code; and

(d) Notify the Director and Watermaster of rentals where storage will be moved from the place of use authorized by the permit, license or decree establishing the storage water right.

4.2 Watermaster. The Watermaster shall serve as the manager of the Rental Pool and shall take all reasonable actions necessary to administer the Rental Pool consistent with these procedures, which include:

(a) accepting assignments of storage into the Rental Pool;

(b) executing rental agreements on behalf of the Committee;

(c) distributing storage rented through the Rental Pool;

(d) accepting and disbursing funds generated through the rental of storage; and

(e) taking such additional actions as may be directed by the Committee.

4.3 Application to Assign Storage to the Rental Pool.

4.3.101 Contents. Applications to assign storage to the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the quantity of storage sought to be assigned to the Rental Pool;

(b) an indication of whether the storage may be rented for use below the mouth of the Payette River; and

(c) the date received in the Watermaster’s office.

4.3.102 Acceptance. For purposes of determining the priority of assigned storage under Rule 5.4, applications shall be deemed conditionally accepted on the date received in the Watermaster’s office subject to acceptance by the Committee pursuant to Rule 5.2.

4.4 Application to Rent Storage from the Rental Pool.

4.4.101 Contents. Applications to rent storage from the Rental Pool shall be made upon forms approved by the Watermaster, which shall include:

(a) the amount of storage sought to be rented;

(b) the purpose(s) for which the storage will be put to beneficial use;

(c) the point of diversion identified by legal description and common name;
(d) a description of the place of use; and
(e) the date received in the Watermaster’s office.

4.4.102 Acceptance. For purposes of determining a rental applicant’s priority under Rule 6.1, applications are not deemed accepted until received by the Watermaster together with the appropriate rental fee.

4.5 Rental Pool Account.

4.5.101 Account. All monies submitted by rental applicants shall be deposited in the Rental Pool Account, which shall be an interest-bearing account maintained by the Watermaster on behalf of the Committee. Rental Pool funds shall be considered public funds for investment purposes and subject to the Public Depository Law, Chapter 1, Title 57, Idaho Code.

4.5.102 Disbursement of Monies. Monies in the Rental Pool Account will be disbursed to the District, the Board, and the Assignors in the proportions set forth in these procedures. Accrued interest to the Rental Pool Account shall be disbursed pro-rata to the Assignors at the time payments are made under Rule 5.6.

4.5.103 Contingency Fund. Administrative fees received by the District in excess of actual costs required to operate the Rental Pool shall be maintained by the Watermaster in a separate interest-bearing account to serve as a contingency fund for use by the Committee for the benefit of the District; provided, however, that such use does not conflict with the Idaho Public Depository Law, Chapter 1, Title 57, Idaho code.

RULE 5.0 ASSIGNMENT OF STORAGE TO THE RENTAL POOL

5.1 Assignment of Storage. Any spaceholder may assign storage to the Rental Pool subject to acceptance by the Committee.

5.2 Acceptance by Committee. The Committee may accept or reject, in whole or in part, an application to assign storage to the Rental Pool and may impose conditions necessary to satisfy the purposes set out under Rule 3.2. All storage assigned and accepted into the Rental Pool shall be under the control of the Committee and Watermaster during the term of the assignment.

5.3 Reservoir Designation. When an assignor has space in more than one reservoir the assignment shall designate the reservoir from which the storage is assigned.

5.4 Priority of Assigned Storage

5.4.101 Assignments Made On or Before July 1st. All storage assigned to the Rental Pool on or before July 1 shall be rented on a pro-rata basis.

5.4.102 Assignments Made After July 1st. All storage assigned to the Rental Pool after July 1 will be rented on a first-in-first-out basis, but only after all storage assigned under Rule 5.4.101 has been rented.

5.5 Term of Assignment

5.5.101 Unrented Storage. All storage assigned to the rental pool, but not rented by December 31, shall revert to the assignor, unless the assignor executes a written
5.5.102 Unused Storage. All storage assigned to and rented from the Rental Pool, but not put to beneficial use by March 1 of the year following the calendar year in which the storage was assigned to the Rental Pool, shall revert to the assignor unless the assignor executes a written extension and the extension is granted by the Committee.

5.6 Payment to Assignors.

5.6.101 Amount of Payment. Payment to assignor will be made only if the storage assigned to the Rental Pool is subsequently rented. Assignors shall share pro-rata in the Net Rental Price from the rental of storage assigned on or before July 1 and shall receive one-hundred percent of the Net Rental Price from the rental of such storage assigned after July 1 based on a first-in-first-out basis. Pursuant to Rule 3.3 purpose; Assignors shall agree to invest 1/3 or more of the payment proceeds into their water delivery systems in an effort to improve efficiency in order to promote the maximum beneficial use of stored water.

5.6.102 Calculation of Payment. The Watermaster will calculate the payment due each assignor based on data published in the Annual Report of the Watermaster showing the actual quantity of storage rented from the Rental Pool. In the event water is rented after the filing of the Annual Report of the Watermaster; the Watermaster shall file a revised Annual Report to properly represent total Rental Pool activity for the reporting period.

5.6.103 Timing of Payment. Payments to assignors shall be due and payable after the Watermaster has calculated the payments under Rule 5.6.102.

RULE 6.0 RENTAL OF STORAGE FROM THE RENTAL POOL

6.1 Priority of Rental Applicants. Storage rented from the Rental Pool shall be pursuant to the following priorities:

6.1.101 First Priority. On or before July 1, rental of water by spaceholders for irrigation purposes within the District.

6.1.102 Second Priority. After July 1, rental of water for all any beneficial purpose.

6.1.104 Sub-priorities. Priorities among rental applicants within each priority group, identified above, shall be determined based on the date the rental application is accepted by the Watermaster pursuant to Rule 4.4; provided, however, during periods of drought or other extraordinary circumstances, with consideration of the local public interest, the Committee may develop additional or alternative procedures for determining sub-priorities among competing rental applications.

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6.2.102 **Outside Basin.** For uses downstream from the mouth of the Payette River, the Rental Price is $20.00 per acre-foot.

6.3 **Out-of-Basin Rentals.** Storage rented for use below the mouth of the Payette River shall subject the space from which the storage was rented to last to fill in the ensuing year.

6.4 **Arbitrage.** A person may not assign storage and rent storage in the same calendar year, unless an exception is granted by the Committee. In the event an exception is granted by the Committee, the rental price shall equal the amount paid to the person for the prior assignment plus a 10% board surcharge and $2.00 per acre-foot administrative fee.

6.5 **Rentals for Greater than Five (5) Years.** Applications to rent water from the Rental Pool for a period of more than five (5) years shall be submitted to the Board, and separately to Reclamation, for review and approval as a condition of approval by the Committee.

6.6 **Flow Augmentation.** Notwithstanding the foregoing provisions, Reclamation may assign and rent storage held in uncontracted space for flow augmentation purposes pursuant to the provisions contained in the Snake River Water Rights Agreement of 2004 (aka the Nez Perce Mediator’s Term Sheet dated April 20, 2004) and Idaho Code § 42-1763B, in which case only an administrative fee shall be assessed pursuant to Rule 2.2.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF APPROVING
RENTAL POOL PROCEDURES
FOR THE WATER DISTRICT NO 65

WHEREAS, pursuant to Idaho Code 42-1765, the Idaho Water Resource Board may appoint local committees to facilitate the rental and the marketing of stored water under rules and regulations adopted by the Board; and

WHEREAS, consistent with Water Supply Bank Rule 40, subsection 05 (IDAPA 37.02.03.40.05), the Board will consider amendments to the approved procedures of an appointed local committee; and

WHEREAS, the water district advisory committee for Water District No. 65 is the local committee appointed by the Board to facilitate the rental and marketing of stored water in the Payette River basin; and

WHEREAS, the advisory committee for Water District No. 65 has adopted proposed changes to the Payette River basin Water District No. 65 rental pool;

NOW THEREFORE BE IT RESOLVED that the Board approves the proposed changes to the Payette River basin rental pool procedures, as proposed and adopted by the advisory committee of Water District No. 65.

Dated this _____ day of March, 2018.

__________________________________
ROGER W. CHASE
Idaho Water Resource Board Chairman

Attest: _____________________________
VINCE ALBERDI
Secretary
Memorandum
To: Idaho Water Resource Board
From: Wesley Hipke
Date: March 8th, 2018
Re: ESPA Managed Recharge Program Status Report

I. 2017/2018 Recharge Season Status

**IWRB Water Available for Recharge:**
Storage Water: 61,100 af - donated by the Surface Water Coalition (SWC)

Natural Flow (NF)
- Snake River - Water Rights
  - 01-7482 (1,200 cfs)
  - 01-7142 (2,831 cfs)
  - 01-10609 (3,738 cfs)

- Big/Little Wood Rivers - Water Right 37-7054 (250 cfs)
  - 37-7054 License Contested – recharging under the Permit
  - Application for Temporary Approval of Water Use filed for recharge on the Little Wood (800 cfs) and Big Wood (800 cfs) Rivers, approved by IDWR on March 5, 2018. The approval authorizes the IWRB to recharge water when there is excess water on either river and other water rights have been filled in priority.

**IWRB Recharge 2017/2018:**
A summary of IWRB recharge for the 2017/2018 season is provided in Table 1 and Figure 1.

<table>
<thead>
<tr>
<th>System</th>
<th>Area</th>
<th>Start of Recharge</th>
<th>Duration of Recharge (Days)</th>
<th>Median Recharge Rate (cfs)</th>
<th>Current Recharge Rate (cfs)</th>
<th>Volume Recharged (Acre-feet)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snake River</td>
<td>Lower Valley</td>
<td>Sept 14</td>
<td>175</td>
<td>555</td>
<td>1,003</td>
<td>180,846</td>
</tr>
<tr>
<td></td>
<td>Upper Valley</td>
<td>Aug 30</td>
<td>190</td>
<td>367</td>
<td>407</td>
<td>133,715</td>
</tr>
<tr>
<td></td>
<td><strong>Snake River Total</strong></td>
<td></td>
<td><strong>190</strong></td>
<td><strong>922</strong></td>
<td><strong>1,410</strong></td>
<td><strong>314,561</strong></td>
</tr>
<tr>
<td>Big/Little Wood River</td>
<td>Big Wood Canal Co.</td>
<td>Nov 30</td>
<td>105</td>
<td>9</td>
<td>9</td>
<td>2,620</td>
</tr>
<tr>
<td></td>
<td><strong>ESPA TOTAL</strong></td>
<td></td>
<td><strong>190</strong></td>
<td><strong>931</strong></td>
<td><strong>1,419</strong></td>
<td><strong>317,181</strong></td>
</tr>
</tbody>
</table>

* As of Mar 7, 2018 – IWRB recharge data are preliminary and subject to change.
Upper Valley Summary:

IWRB recharge started above Minidoka Dam on August 30 and has continued through the winter. The IWRB was able to initiate recharge activities early in the season due to a donation of 61,100 af of storage water from the Surface Water Coalition (SWC). The SWC received the storage water as part of the SWC’s settlement agreements with various parties. Most of the 61,100 af was recharged in the Upper Valley by the first part of November, 2017.

The Recharge Program was notified on October 31 that the IWRB’s natural flow water right was in priority above Minidoka Dam. The IWRB has active contracts with eight entities in the Upper Valley to conduct recharge. Most of the canals discontinued recharge in late November due to a combination of construction projects and freezing conditions. Some of the canals in the Fremont-Madison Irrigation District (FMID) system have been able to recharge throughout the winter. The Great Feeder Canal (GFCC) resumed recharge in the middle of January. Recharge is expected to resume and/or increase as the weather warms up. Given the current forecast the U.S. Bureau of Reclamation is predicting that natural flow water on the Snake River will be available for recharge through April.

Lower Valley Summary:

IWRB Recharge started below Minidoka Dam on September 14 with Southwest Irrigation District (SWID) recharging some of the donated storage water. The Recharge Program was informed that the IWRB water rights were in priority below Minidoka Dam on October 16, 2017.

SWID switched to recharging natural flow on October 16 with American Falls Reservoir District #2 (AFRD2) and Twin Falls Canal Company (TFCC) starting recharge activities towards the end of October (25th and 30th, respectively) after completing canal maintenance. AFRD2 and TFCC have been able to recharge continuously since that time. SWID stopped recharge between mid-November and mid-January due to pump repair and pipeline maintenance.

TFCC has been able to recharge over 30 cfs throughout the winter. AFRD2 was able to take advantage of the relative mild winter recharging between 700 and 800 cfs until mid-December, utilizing the MP31 and Shoshone recharge sites. Extended freezing conditions at the Dietrich Power Plant stopped deliveries to the Shoshone site on December 11. Ice build-up at the MP28 Power Plant starting on December 24 reduced recharge deliveries to the MP31 site to around 150 cfs. After mid-January recharge flows have steadily increased with recharge resuming at the Shoshone site on February 7. Currently approximately 600 cfs is being delivered to the MP31 site, 250 cfs to the Shoshone site, and 50 cfs to the Big Wood Dry Bed. SWID has been able to bring a couple more injection wells on line towards the end of February and is currently recharging about 50 cfs.

The median recharge in the Lower Valley is 555 cfs with the maximum delivers occurring in the last two weeks over 1,000 cfs.
Big/Little Wood River Summary:

On the Big/Little Wood River the watermaster determined that flow past Magic Dam was available for recharge under IWRB water right 37-7842. The Big Wood Canal Company (BWCC) started recharging on November 30 utilizing the Devil’s Headgate site. Relatively small volumes of water were also recharged utilizing the Shoshone site and to test the new Richfield site. To maximize recharge opportunities, the IWRB’s recharge water was delivered to additional locations in 2017 through a Water Supply Bank lease and rental agreement which expired on December 31, 2017. Through discussions with the IDWR it was determined that the IWRB could conduct recharge under their current permit. A Temporary Water Approval of Water Use application was filed and accepted by IDWR to recharge excess water from the Big Wood (800 cfs) and the Little Wood (800 cfs) Rivers to ensure that recharge of the excess flow on these rivers is maximized.

The BWCC has been able to recharge all winter long and since the end of January it has been recharging a relatively small amount (10 cfs) at the Devils Headgate recharge site. BWCC is expecting to start releasing water out of Magic Reservoir towards the end of March which will increase the amount that can be recharged.

Figure 1. IWRB 2017/2018 ESPA Managed Recharge.
II. ESPA Recharge Program Projects and Buildout Activities

A number of projects have been undertaken to enhance the IWRB’s ability to recharge in the ESPA. The following summary is a brief overview of the projects the IWRB is currently pursuing to meet the managed recharge goal of an average 250,000 af/yr.

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 and prioritize delivery of the IWRB’s recharge water as compensation for financial assistance from the IWRB.

**ESPA Managed Recharge Infrastructure Project Summary**

The IWRB has allocated over $14 million dollars from 2013 through fiscal year 2018 for infrastructure improvements to increase managed recharge throughout the ESPA. A summary and status of the current projects in the Lower Valley and Upper Valley are included in Tables 2 and 3, respectively.

IWRB staff is focused on the development of additional recharge capacity throughout the ESPA. In the Lower Valley, this includes development of recharge capacity on the North Side Canal system below Wilson Lake, investigation of potential recharge sites along the Milner-Gooding canal, and pursuit of other opportunities as they arise. In the Upper Valley, staff is working with numerous canal and other entities to find and develop recharge sites or infrastructure projects to facilitate recharge. A summary of the projected projects is provided in Tables 4 and 5 for the Lower and Upper Valley, respectively.
<table>
<thead>
<tr>
<th>IWRB Partner</th>
<th>Project Name</th>
<th>Project Type</th>
<th>Status</th>
<th>Approved Funds</th>
<th>Scheduled Completion</th>
<th>Description / Key Items</th>
</tr>
</thead>
</table>
| AFRD2        | Dietrich Drop Hydro Plant Winter By-pass              | Design / Construction  | On Hold      | $1,500,000     | 2018                 | Winter recharge by-pass of the Dietrich Drop Hydro plant  
|              |                                                       |                        |              |                |                      | • ENEL and AFRD2 are developing plans to redesign the plant so it could accommodate winter recharge.                                                        |
| North Side CC| Hydro Plants (4) Improvements for Winter By-pass      | Design / Construction  | Active       | $5,074,581     | 2018                 | Winter recharge by-pass of the hydro plants between the Milner Pool and Wilson Lake  
|              |                                                       |                        |              |                |                      | • 100% Design complete - Apr 2018  
|              |                                                       |                        |              |                |                      | • Submittal to FERC Regional office – Mar 2018  
|              |                                                       |                        |              |                |                      | • Non FERC related construction complete – Mar 2018  
|              |                                                       |                        |              |                |                      | • Contractor hired - Jun 2018  
|              |                                                       |                        |              |                |                      | • Project complete – Dec 2018 |
| Southwest ID | Buckhorn Pipeline                                    | Construction           | Active       | $600,000       | Mar 2018             | $15 million dollar new pipeline - IWRB funding recharge related infrastructure  
|              |                                                       |                        |              |                |                      | • Pipeline complete – Summer 2017  
|              |                                                       |                        |              |                |                      | • Construction of Buildings complete – Spring/Summer 2018 |
| Big Wood CC  | Richfield Recharge Site                              | Construction           | Active       | $150,000       | Spring 2018          | Construction and development of the Richfield Site  
|              |                                                       |                        |              |                |                      | • Construction complete – Mar 2018  
|              |                                                       |                        |              |                |                      | • Groundwater Monitoring plan scheduled to be approve by DEQ – Mar 2018  
|              |                                                       |                        |              |                |                      | • All Monitor Well(s) drilled – Spring 2018  
<p>|              |                                                       |                        |              |                |                      | • Dept. of State Lands lease application – Mar 2018 |</p>
<table>
<thead>
<tr>
<th>IWRB Partner</th>
<th>Project Name</th>
<th>Project Type</th>
<th>Status</th>
<th>Approved Funds</th>
<th>Scheduled Completion</th>
<th>Description / Key Items</th>
</tr>
</thead>
</table>
| South Fork canal companies    | South Fork Managed Recharge Site Evaluations      | Evaluation        | Active   | $166,000       | Jan 2018             | Working with Great Feeder, Farmers Friend, & Enterprize canals to evaluate potential recharge sites in the South Fork area  
  - Infiltration testing complete – Nov 2017  
  - Reports completed – Jan 2018                                      |
| Fremont-Madison ID            | Egin Lakes Phase II                               | Construction       | Active   | $580,000       | Summer 2018          | Construction of Egin Lakes Phase II Recharge Capacity Expansion  
  - Submittal of EA/Evaluation – Oct 2017  
  - Est. BLM approval – May/June 2018  
  - Construction of weir on Recharge Canal – Feb 2018  
  - Construction on new recharge areas – Summer 2018 (after BLM approval)                                      |
| New Sweden ID                 | New Sweden Site Testing & Groundwater Monitoring Plan | Evaluation of Sites | Active   | $200,000       | 2018                 | Preliminary survey of the New Sweden system and hydraulic modeling  
  - Approved $200,000 for testing of sites and a Groundwater Quality Monitoring Program – May 2017  
  - Spring 2018 – Testing and evaluation of potential recharge sites                                      |
| Butte Market Lake Co.         | Managed Recharge Canal System Evaluation           | Evaluation        | Active   | $39,000        | Oct 2017             | Evaluation of potential recharge sites and canal infrastructure improvements  
  - Report submitted to BLMCC – Feb 2017                                      |
| Woodville CC                  | Managed Recharge Site Evaluation                   | Evaluation        | Active   | $17,000        | Oct 2017             | Evaluation of potential recharge site  
  - Report – Jan 2017                                      |
<table>
<thead>
<tr>
<th>IWRB Partner</th>
<th>Project Name</th>
<th>Project Type</th>
<th>Status</th>
<th>Approved Funds</th>
<th>Scheduled Completion</th>
<th>Description / Key Items</th>
</tr>
</thead>
</table>
| AFRD2        | MP 28 Hydro Plant Tailbay    | Design / Construction            | Planning  | None at this time    | Winter 2018/2019     | Isolating tailbay and improving forebay of the hydro plant during winter recharge  
  - Minor Modification to current tailbay and forebay – Oct 2017  
  - AFRD2 working with Hydro Plant owner considering various long-term options - Spring 2018 |
| AFRD2        | New Recharge Site Identification | Evaluation                      | Planning  | None at this time    | Spring/ Summer 2018  | Preliminary Survey and analysis to determine potential recharge site at MP29, MP34, and others  
  - Survey data delivered - Feb 2018  
  - Evaluating and assessing MP29 recharge site – Spring 2018 |
| North Side CC| New Recharge Site Development and Identification | Survey, Design / Construction | Planning  | None at this time    | 2018                 | Design, Construction, and development of a Groundwater Quality Monitoring Program for site(s) below Wilson Lake  
  - Alternative Analysis – Dec 2017  
  - NSCC meeting to discuss Alternatives – Jan 2018  
  - Design and construction of Wilson Canyon site - 2018  
  - Design and construction of other site(s) – 2018/2019 |
<table>
<thead>
<tr>
<th>IWRB Partner</th>
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<th>Scheduled Completion</th>
<th>Description / Key Items</th>
</tr>
</thead>
</table>
| South Fork canal      | South Fork Managed Recharge Site Constructions | Construction | Planning | None at this time | 2018                 | Design and Construction of proposed recharge sites  
| companies             |                                           |              |         |                |                      | • Soliciting recharge sites development projects from the various canal companies          |
| Butte Market Lake Co. | Managed Recharge Canal System Evaluation   | Construction | Planning | None at this time | Fall 2018            | Design and Construction of proposed recharge sites  
|                       |                                           |              |         |                |                      | • Soliciting recharge sites development projects                                            |
| New Sweden ID         | Managed Recharge Canal sites               | Construction | Planning | None at this time | Fall 2018            | Design and Construction of proposed recharge sites  
|                       |                                           |              |         |                |                      | • Construction of a recharge site along with corresponding Groundwater Monitoring Plans and monitor wells – Fall 2018 |
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF APPLICATION )
FOR STREAM CHANNEL ALTERATION )
PERMIT NOS. S82-20066 and S82-20067 )

RESOLUTION

WHEREAS, on August 2, 2017, the Idaho Department of Water Resources (“IDWR”) denied Joint Application for Permit No. S82-20066 in the name of Gay Richardson (“Richardson”) for suction dredge mining within the Red River, a tributary of the South Fork Clearwater River; and

WHEREAS, on August 2, 2017, IDWR denied Joint Application for Permit No. S82-20067 in the name of John Stickley (“Stickley”) for suction dredge mining within the Red River, a tributary of the South Fork Clearwater River; and

WHEREAS, IDWR received a letter from Richardson on August 15, 2017, requesting a hearing on the denial of Joint Application for Permit No. S82-20066; and

WHEREAS, IDWR received a letter from Stickley on August 27, 2017, requesting a hearing on the denial of Joint Application for Permit No. S82-20067; and

WHEREAS, it is necessary for the Idaho Water Resource Board (“IWRB”) to appoint a hearing officer to preside over the hearings requested by Richardson and Stickley and issue a recommended order or recommended orders in accordance with Idaho Code §§ 67-5243(1)(a) and 67-5248; and

WHEREAS, on September 15, 2017, the IWRB appointed Hon. John M. Melanson as the hearing officer in the above-captioned proceedings;

WHEREAS, on January 19, 2018, Hearing Officer Melanson issued the Notice of Hearing Officer Resignation; Order Vacating Deadline and Hearing Dates, resigning as hearing officer due to unforeseen medical issues;

WHEREAS, it is necessary for the IWRB to appoint a new hearing officer to preside over the hearings requested by Richardson and Stickley;

NOW THEREFORE BE IT RESOLVED, the IWRB hereby appoints Nick Miller, Manager, IDWR Western Region, as the hearing officer in the above-captioned proceedings.

Resolution for Richardson and Stickley Hearing Officer Appointment – Page 1
Adopted this _____ day of March 2018.

____________________________________
ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST: _____________________________
VINCE ALBERDI, Secretary
### IDAHO DEPARTMENT OF WATER RESOURCES
### LEGISLATIVE UPDATE (2018)
#### Updated March 8, 2018

<table>
<thead>
<tr>
<th>RS/Bill</th>
<th>TITLE</th>
<th>I.C.</th>
<th>STATEMENT OF PURPOSE/SUMMARY</th>
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</thead>
</table>
| 25629   | HB372 | 42-221 | Sometimes water right owners need to file transfers to update their water rights to reflect the actual water use but there will be no physical change to their water use. For example, they may need to change the legal description of their point of diversion but there will be no physical change to the location of their point of diversion. Currently, such transfers can cost hundreds or thousands of dollars. This legislation amends Section 42-221, Idaho Code to charge a flat $50.00 fee to update the elements of a water right when there has been no physical change to the water use. The Department is proposing to lower the fee for this type of transfer to encourage water right owners to keep their water right information accurate and up to date. | • 1/17/18 IDWR presented to H Res & Cons committee meeting  
• 1/18/18 Introduced, read 1st time, referred to JRA for printing  
• 1/19/18 Reported printed and referred to H Res & Cons  
• 1/30/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd Reading  
• 1/31/18 Read 2nd time, filed for 3rd reading  
• 2/1/18 U.C. to hold place on 3rd reading calendar on legislative day  
• 2/5/18 Read 3rd time in full – Passed 70-0-0, title apvd – to Senate  
• 2/6/18 Received from the House passed, filed for 1st reading. Introduced, read 1st time, referred to S Res & Env  
• 2/15/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading  
• 2/16/18 Read 2nd time, filed for 3rd reading  
• 2/26/18 Read 3rd time in full – Passed 33-0-2, title apvd – to House  
• 2/27/18 Returned from Senate Passed, to JRA for enrolling  
• 2/28/18 Reported enrolled, signed by Speaker, transmitted to Senate. Received from the House enrolled/signed by Speaker, signed by President, returned to House  
• 3/1/18 Returned signed by the President, ordered transmitted to Governor |
<table>
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<tbody>
<tr>
<td>25630</td>
<td>Critical Ground Water Areas</td>
<td>42-233a</td>
<td>• This legislation amends Section 42-233a, Idaho Code by: 1) clarifying that the Director shall not curtail a participant in an approved water management plan within a critical ground water area so long as the participant is in compliance with the approved water management plan, and 2) removing the last sentence of the second-to-last paragraph which requires the Director to determine if there is sufficient ground water and issue a curtailment order by September 1 of the year prior to the subject year. • This legislation will make curtailment in a Critical Ground Water Area the same as curtailment in a Ground Water Management Area, providing more clarity and certainty to water users during times of administration.</td>
<td>• 3/2/2018 Delivered to Governor at 10:20 a.m. on March 1, 2018</td>
</tr>
<tr>
<td>HB371</td>
<td></td>
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<td>• 1/17/18 IDWR presented to H Res &amp; Cons committee meeting • 1/18/18 Introduced, read 1st time, referred to JRA for printing • 1/19/18 Reported printed and referred to H Res &amp; Cons • 1/30/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd Reading • 1/31/18 Read 2nd time, filed for 3rd reading • 2/1/18 U.C. to hold place on 3rd reading calendar on legislative day • 2/5/18 Read 3rd time in full – Passed 70-0-0, title apvd – to Senate • 2/6/18 Received from the House passed, filed for 1st reading. Introduced, read 1st time, referred to S Res &amp; Env • 2/15/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading • 2/16/18 Read 2nd time, filed for 3rd reading • 2/26/18 Read 3rd time in full – Passed 23-10-2, title apvd – to House • 2/27/18 Returned from Senate Passed, to JRA for enrolling • 2/28/18 Reported enrolled, signed by Speaker, transmitted to Senate. Received from the House enrolled/signed by Speaker, signed by President, returned to House • 3/1/18 Returned signed by the President, ordered transmitted to Governor</td>
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<td>RS/BILL</td>
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<td>STATEMENT OF PURPOSE/SUMMARY</td>
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<tr>
<td>25688</td>
<td><strong>HB370</strong> Water District Meetings and Elections</td>
<td>42-605</td>
<td>• This legislation amends Section 42-605, Idaho Code to lengthen the period of time in which a state water district can hold annual meetings and to clarify the practice for absentee voting and proxy voting.</td>
<td>• 3/2/2018 Delivered to Governor at 10:20 a.m. on March 1, 2018</td>
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<td>• 2/26/18 Read 3rd time in full – Passed 33-0-2, title apvd – to House</td>
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<td>• 2/27/18 Returned from Senate Passed, to JRA for enrolling</td>
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<td>• 2/28/18 Reported enrolled, signed by Speaker, transmitted to Senate. Received from the House enrolled/signed by Speaker, signed by President, returned to House</td>
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<td>• 3/2/2018 Delivered to Governor at 10:20 a.m. on March 1, 2018</td>
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</thead>
</table>
| 25805  | Electronic Publication of Legal Notices | 60-106B | • This legislation creates a new section to Title 60, Chapter 1, designated as 60-106B, which provides that governmental entities that are required to publish legal notices, advertisements or publications may publish them electronically on their official website in lieu of having them printed in a newspaper.  
• This legislation will greatly reduce the publication fees paid by governmental entities. | • 1/26/18 Introduced, read 1<sup>st</sup> time, referred to JRA for printing  
• 1/29/18 Reported printed and referred to State Affairs |
| 26129  | Flood Control District Commissioners Removal and Replacement Process | 42-3109 | • This legislation amends Section 42-3109, Idaho Code to provide a process for the removal and replacement of a Flood Control District Commissioner. | • 2/12/18 Introduced, read 1<sup>st</sup> time, referred to JRA for printing  
• 2/13/18 Reported printed and referred to H Res & Con  
• 2/20/18 Reported out of Committee, recommend place on General Orders  
• 2/23/18 Referred to the Committee of the Whole, reported out without recommendation as amended. Amendments referred to JRA for printing. Bill as Amended referred to JRA for engrossing  
• 2/26/18 Reported engrossed, filed for 1<sup>st</sup> reading of engrossed bills, read 1<sup>st</sup> timed as amended, filed for 2<sup>nd</sup> reading  
• 2/27/18 Read 2<sup>nd</sup> time as amended, filed for 3<sup>rd</sup> reading  
• 2/28/18 U.C. to hold place on 3rd reading calendar 1 legislative day  
• 3/1/18 Read 3<sup>rd</sup> time in full as amended – Passed 69-0-1, titled apvd – to Senate  
• 3/2/18 Received from the House passed, filed for 1<sup>st</sup> reading. Introduced, read 1<sup>st</sup> time, referred to S Res & Env  
• Reported out of Committee with Do Pass Recommendation, filed for 2<sup>nd</sup> reading |
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<tbody>
<tr>
<td>26191 H603</td>
<td>Proof of Beneficial Use for Stockwater Rights Issued to Federal Agencies</td>
<td>42-501, 42-503, 42-504, 42-505, 42-506</td>
<td>• This legislation provides that within 90 days following the enactment of bill, the Director of IDWR shall (a) Compile a list of all stockwater rights held by a federal agency; and (b) Submit the list of stockwater rights to the federal agency along with an order to the federal agency to show cause before the director why the stockwater rights held by the federal agency should not be lost or forfeited pursuant to section 42-222(2), Idaho Code. The federal agency will have a right to an administrative hearing before the director if requested in writing within twenty-one (21) days from completion of service of the order to show cause. The water right is forfeited if the water right owner fails to timely request a hearing.</td>
<td>• 2/15/18 Introduced, read 1st time, referred to JRA for printing</td>
</tr>
<tr>
<td>26161 H623</td>
<td>Revisions to the Idaho Administrative Procedure Act Regarding Contested Cases</td>
<td>67-52</td>
<td>• This legislation updates the Administrative Procedures Act, Title 67, Chapter 52, to better delineate preliminary review and initial agency actions from contested case proceedings in an effort to address concerns over due process, conflicts of interest and impartiality in contested administrative proceedings.</td>
<td>• 2/22/18 Introduced, read 1st time, referred to JRA for printing</td>
</tr>
<tr>
<td>25868 S1260</td>
<td>Lake Pend Oreille, Pend Oreille River, Priest Lake and Priest River Commission</td>
<td>39-8503</td>
<td>• This legislation updates I.C. 39-8503, the statute for Lake Pend Oreille, Pend Oreille River, Priest Lake and Priest River Commission, to allow the Commission to participate</td>
<td>• 2/1/18 Introduced, read 1st time, referred to JRA for printing</td>
</tr>
<tr>
<td>RS/Bill</td>
<td>TITLE</td>
<td>L.C.</td>
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</tbody>
</table>
| 25894  | Relating to Priest Lake | 70-507 | • This legislation amends Section 70-507, Idaho Code to transfer supervision and control of the Priest Lake outlet structure from the Director of IDWR to the Idaho Water Resource Board.  
• This legislation also raises the maximum regulated elevation of the lake from 3.0 feet at the Priest Lake outlet gage to 3.5 feet.  
• This legislation also directs the Board to maintain the lake level at 3.0 ft during the recreation season in normal to wet years, and directs the Board to hold the lake level between 3.0 and 3.5 feet during the recreation season in dry years. | 1/31/18 presented to S Res & Env committee meeting  
2/1/18 Introduced, read 1st time, referred to JRA for printing  
2/2/18 Reported printed, referred to S Res & Env  
2/8/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading |
| S1261  |      |     |                               |        |

in proceedings related to the Columbia River Basin, including the Albeni Falls mitigation work group, the technical management team and other proceedings regarding federal Columbia River power systems operations, the Columbia River Treaty, and the Idaho Invasive Species Council.

• 2/2/18 Reported printed and referred to S Res & Env  
• 2/8/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading  
• 2/9/18 Read 2nd time, filed for 3rd reading  
• 2/14/18 Read 3rd time in full – Passed 33-1-1, title apvd – to House  
• 2/15/18 Received from Senate, filed for 1st reading, read 1st time, referred to HR & C  
• 2/28/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading  
• 3/1/18 Read 2nd time, filed for 3rd reading  
• 3/2/18 Read 3rd time in full – Passed 68-0-2, titled apvd – to Senate  
• 3/5/18 Returned from House Passed, referred to enrolling  
• 3/6/18 Reported enrolled, signed by President, to House for signature of Speaker  
• 3/7/18 Received from Senate, signed by Speaker, returned to Senate, reported signed by Speaker & ordered delivered to Governor
<table>
<thead>
<tr>
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</thead>
</table>
| 25924C1    | Relating to Stockwater Rights              | 42-113 | This legislation amends Section 42-113, Idaho Code to clarify that when a federal grazing permit is transferred or conveyed to a new owner, the associated stockwater right may also be conveyed and, upon approval of an application for transfer, shall become appurtenant to the new owner’s base property.                                                                                       | 2/12/18 Introduced, read 1st time, referred to JRA for printing  
2/13/18 Reported printed, referred to Res & Env  
2/20/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading  
2/21/18 Read 2nd time, filed for 3rd reading  
2/22/18 Read 3rd time in full – Passed 34-0-2, titled apvd – to House  
2/23/18 Received from the Senate, filed for 1st reading. Read 1st time, referred to Res & Con |
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<tr>
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<tbody>
<tr>
<td>26036</td>
<td>Columbia River Treaty</td>
<td>HJM11</td>
<td>Memorial requesting the U.S. Department of State to support certain positions in negotiations with Canada with respect to the Columbia River Treaty.</td>
<td>2/7/18 presented at H Res &amp; Con committee meeting. Committee voted to have memorial introduced. &lt;br&gt; 2/9/18 Introduced, read 1st time, referred to JRA for printing &lt;br&gt; 2/12/18 Reported printed and referred to H Res &amp; Con &lt;br&gt; 2/14/18 Reported out of Committee with Do Pass Recommendation, filed for 2nd reading &lt;br&gt; 2/15/18 Read 2nd time, filed for 3rd reading &lt;br&gt; 2/16/18 U.C. to hold place on 3rd reading calendar until Mon., 2/19/18 &lt;br&gt; 2/19/18 U.C. to place at bottom of 3rd reading calendar 1 legislative day &lt;br&gt; 2/20/18 – 2/28/18 U.C. to hold place on 3rd reading calendar 1 legislative day &lt;br&gt; 3/1/18 Read 3rd time in full – Adopted – voice vote, title apvd – to Senate &lt;br&gt; 3/2/18 Received from the House passed, filed for 1st reading. Introduced, read 1st time, referred to S Res &amp; Env &lt;br&gt; 3/7/18 Reported out of Committee with Do Pass Recommendation, to 10th order, held 1 legislative day</td>
</tr>
</tbody>
</table>
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE

BEAR LAKE WATER STORAGE

A RESOLUTION

WHEREAS, the Bear River flows through the States of Idaho, Wyoming, and Utah. It begins in the Uinta mountain of Utah, meanders back and forth between Utah and Wyoming, before entering Idaho near Montpelier and finally flowing through Idaho to Utah before ending in the Great Salt Lake, and:

WHEREAS, the entire flow of the Bear River is diverted in Idaho at Stewart Dam into Mud Lake and Bear Lake. The water is subsequently returned to the Bear River’s natural channel, and;

WHEREAS, the Bear River is subject to an interstate Compact dated February 8, 1980 and codified by Idaho Code 42-3402 (“Bear River Compact”); and

WHEREAS, the Bear River Compact sets forth, among other things, allocation in the Lower Division as between Idaho and Utah for future water development, including ground water, and;

WHEREAS, under the Bear River Compact Idaho has the first right to the remaining water in the Lower Division resulting in an annual depletion of not more than 125,000 acre-feet, and Utah has the second right to the remaining water in the Lower Division resulting in an annual depletion of not more than 225,000 acre-feet, and;

WHEREAS, State Water Policy 5A provides: “Water use and management in the Bear River Basin shall conform to the allocations agreed to in the Bear River Compact.”, and;

WHEREAS, State Water Plan Policy 5B provides: “The Idaho Water Resource Board supports enhancing water supplies, increasing water use efficiency, and implementing water supply bank mechanisms to help meet future water needs in the Bear River Basin, and;

WHEREAS, State Water Plan Policy 5B further provides: “[T]he state should move forward with the development of Idaho’s depletion allocation as provided for in the Compact.”, and;

WHEREAS, pursuant to the designation of the Bear River Ground Water Management Area, a Management Plan for the Bear River Ground Water Management Area was prepared by a committee of local stakeholders and adopted by IDWR in 2003. Among other recommendations, the Management Plan states: “The advisory committee recommended preparation of a comprehensive state water plan for the Bear River Basin in Idaho. A water plan could recommend feasibility studies for new storage facilities and other water supply enhancements. Additional storage could facilitate development of the first 125,000 acre feet of
WHEREAS, the Idaho Water Resource Board ("IWRB") holds a minimum lake level from the bottom of Bear Lake to elevation 5902, and;

WHEREAS, Pacificorp owns the facilities used to store water in Bear Lake and operates the reservoir portion of Bear Lake between elevations 5902–5923.65 feet, and;

WHEREAS, Pacificorp entered into the July 2, 2004 Amended and Restated Bear Lake Settlement Agreement with various Idaho and Utah entities regarding irrigation water delivery, and;

WHEREAS, Pacificorp entered into the April 10, 1995 and April 18, 2000 Operation Agreement with Utah, Wyoming, and Idaho regarding operations of Bear Lake Reservoir, and;

WHEREAS, under normal conditions, Bear Lake operations by Pacificorp sets a March 31st lake level target elevation of 5918 feet, known as the PTE, which is set to maintain space in the lake for flood control during high runoff periods while meeting contract requirements for Bear Lake storage water; and

WHEREAS, there appears to be an opportunity to utilize the space in Bear Lake between elevation 5918 and 5923.65 to store water that is otherwise released from the lake or bypassed past the lake to maintain the March 31 target elevation of 5918; and

WHEREAS, the space in Bear Lake between elevations 5918 and 5923.65 is approximately 400,000 acre-feet; and

WHEREAS, the opportunity to store additional water in Bear Lake would assist both Idaho and Utah interests, and may assist both states with development of their respective compact entitlements; and

WHEREAS, it appears that the State of Utah, acting through its Division of Water Resources, has interest in being a joint applicant along with the Idaho Water Resource Board in any water right filing to store additional water in Bear Lake; and

WHEREAS, achieving the ability to store additional water in Bear Lake may entail some significant challenges, including acquiring or developing downstream flood conveyance capacity in the Gem Valley area, acquiring the ability to utilize inlet and outlet facilities owned by Pacificorp, re-negotiation of the April 18, 2000 Operations Agreement, and potentially other challenges.

NOW, THEREFORE BE IT RESOLVED that the Idaho Water Resource Board hereby recognizes the importance of developing the 125,000 acre-feet of depletions allocated to the State of Idaho it under the Bear River Compact.
NOW THEREFORE BE IT FURTHER RESOLVED that the Idaho Water Resource Board authorizes the filing of a water right application or applications to store additional water in Bear Lake for multiple purposes. The application(s) may be filed solely by the Board or may be filed jointly with the State of Utah.

DATED this 23rd day of March, 2018.

ATTEST: ROGER CHASE, Chairman

VINCE ALBERDI, Secretary
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT
To appropriate the public waters of the State of Idaho

1. Name of applicant(s) Idaho Water Resource Bd. & Utah Div. of Water Resources
   Phone (208) 287-4800
   Mailing address 322 E Front Street, PO Box 83720
   State Idaho ZIP 83720-0098
   Email brian.patton@dwr.idaho.gov

2. Name of representative, if any Ann Vonde, Deputy AG
   Phone (208) 334-4141
   Mailing address PO Box 83720
   State ID ZIP 83720-0010
   Email ann.vonde@ag.idaho.gov

   a. ☐ Send all correspondence for this application to the representative and not to the applicant OR
      ☒ Send original correspondence to the applicant and copies to the representative.

   b. ☐ The representative may submit information for the applicant but is not authorized to sign for the applicant OR
      ☒ The representative is authorized to sign for the applicant. Attach a Power of Attorney or other documentation.

3. Source of water supply See Attached which is a tributary of ___________

4. Location of point(s) of diversion:

<table>
<thead>
<tr>
<th>Twp</th>
<th>Rge</th>
<th>Sec</th>
<th>Govt</th>
<th>Lot</th>
<th>¼</th>
<th>¼</th>
<th>County</th>
<th>Source</th>
<th>Local name or tag #</th>
</tr>
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<tbody>
<tr>
<td>15S</td>
<td>44E</td>
<td>16</td>
<td>NW</td>
<td>NE</td>
<td>Bear Lake</td>
<td>See Attached</td>
<td>B.L. Outlet Canal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15S</td>
<td>44E</td>
<td>16</td>
<td>2</td>
<td>SW</td>
<td>Bear Lake</td>
<td>See Attached</td>
<td>B.L. Outlet Canal</td>
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<td></td>
</tr>
<tr>
<td>14S</td>
<td>44E</td>
<td>17</td>
<td>5</td>
<td>NE</td>
<td>Bear Lake</td>
<td>See Attached</td>
<td>Outlet Canal Gate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13S</td>
<td>44E</td>
<td>34</td>
<td>SE</td>
<td>NE</td>
<td>Bear Lake</td>
<td>See Attached</td>
<td>Rainbow Canal Inlet</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Water will be used for the following purposes:

   Amount 2,000 cfs for Diversion to Storage purposes from 10/1 to 7/1 (both dates inclusive)
   (cfs or acre-feet per year)

   Amount 400,000 af for Irrigation Storage purposes from 1/1 to 12/31 (both dates inclusive)
   (cfs or acre-feet per year)

   Amount 400,000 af for Municipal Storage purposes from 1/1 to 12/31 (both dates inclusive)
   (cfs or acre-feet per year)

   Amount See Attached Supplement purposes from to (both dates inclusive)
   (cfs or acre-feet per year)

6. Total quantity to be appropriated is (a) 2,000 cubic feet per second (cfs) and/or (b) 400,000 acre-feet per year (af).

7. Proposed diverting works:

   a. Describe type and size of devices used to divert water from the source. See Attached

   b. Height of storage dam _____ feet; active reservoir capacity _____ acre-feet; total reservoir capacity _____ acre-feet. If the reservoir will be filled more than once each year, describe the refill plan in item 12. For dams 10 feet or more in height AND having a storage capacity of 50 acre-feet or more, submit a separate Application for Construction or Enlargement of a New or Existing Dam. Application required? ☐ Yes ☐ No

   c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet.

   d. Is ground water with a temperature of greater than 85°F being sought? ☐ Yes ☐ No

   e. If well is already drilled, when? ___________: drilling firm ________________: Drilling Permit No. __________.

For Department Use

Received by __________________ Date __________ Time __________ Preliminary check by __________________

Fee $ __________ Receipted by __________________ Receipt No. __________ Date __________
6. Description of proposed uses (if irrigation only, go to item 9):
   a. Hydropower; show total feet of head and proposed capacity in kW.
   b. Stockwatering; list number and kind of livestock.
   c. Municipal; must complete and attach the Municipal Water Right Application Checklist.
   d. Domestic; show number of households
   e. Other; describe fully. See Attached.

9. Description of place of use:
   a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
   b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

<table>
<thead>
<tr>
<th>TWP</th>
<th>RGE</th>
<th>SEC</th>
<th>NE</th>
<th>NW</th>
<th>SW</th>
<th>SE</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>NE</td>
<td>NW</td>
<td>SW</td>
<td>SE</td>
<td>NE</td>
<td>NW</td>
<td>SW</td>
<td>SE</td>
</tr>
</tbody>
</table>

Total number of acres to be irrigated: >80,000

10. Describe any other water rights used for the same purposes as described above. Include water delivered by a municipality, canal company, or irrigation district. If this application is for domestic purposes, do you intend to use this water, water from another source, or both, to irrigate your lawn, garden, and/or landscaping? See Attached

11. a. Who owns the property at the point of diversion? PacifiCorp / US Fish & Wildlife Service
    b. Who owns the land to be irrigated or place of use? See Attached
    c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing: See Attached

12. Describe your proposal in narrative form, and provide additional explanation for any of the items above. Attach additional pages if necessary. See Attached

13. Time required for completion of works and application of water to proposed beneficial use is 5 years (minimum 1 year).

14. MAP OF PROPOSED PROJECT REQUIRED - Attach an 8½" x 11" map or maps clearly identifying the proposed point of diversion, place of use, section #, township & range. The map scale shall not be less than two (2) inches equal to one (1) mile.

The information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval.

Signature of Applicant

Print Name (and title, if applicable)

Signature of Applicant

Print Name (and title, if applicable)
Idaho Water Resource Board and Utah Division of Water Resources
Application for Permit
Additional Information

1. Co-Applicants:

State of Utah
Division of Water Resources
1594 W North Temple
Salt Lake City, UT 84116

Phone: 801-538-7250
Email: ericmillis@utah.gov

State of Idaho
Idaho Water Resource Board
322 E Front Street
P.O. Box 83720
Boise, ID 83720

Phone: 208-287-4800
Email: brian.patton@idwr.idaho.gov

Designated Idaho Representative

These two entities are co-equal co-applicants and will function as such pursuant to
the agreement mentioned in item 12 below.

3. Source of water supply:

This application proposes to store and appropriate water that, under past
practices, would have been released from Bear Lake for flood control purposes or Bear
River water bypassing Bear Lake for flood control purposes. The proposed sources of
water for this application are (1) Bear River tributary to Great Salt Lake, (2) Flood
control releases tributary to Bear River, and (3) Bear Lake inflows tributary to Bear
River. The term “flood control releases” denotes the water that is released from Bear
Lake into the Bear Lake Outlet Canal for flood control purposes. Historically,
PacifiCorp, or its predecessors in interest, have operated Bear Lake to maintain or
create a volume of unfilled space in Bear Lake during the non-irrigation season for flood
control purposes. This flood control space has been maintained or created by
intentionally releasing water from Bear Lake, through the Bear Lake Outlet Canal, or by
routing Bear River water through the Bear Lake National Wildlife Refuge, thereby
bypassing Bear Lake during the non-irrigation season.

4. Points of Diversion:

See the attached Point of Diversion/Place of Use Supplement for additional
points of diversion.

Points of rediversion downstream from Bear Lake include existing headgates and
pump stations for irrigation water right holders and municipal water right holders.
Consistent with Idaho practice for other large storage water rights in the Snake River,
Boise River, and Payette River systems, it is not necessary to list the numerous points
of rediversion.

5. Water Uses, Seasons of Use, and Quantities:

See the attached *Season of Use/Purpose of Use Supplement* for additional water
uses and their corresponding seasons of use and quantities.

7. Proposed diverting works:

Existing facilities will be used to convey water to or retain water in Bear Lake for
storage and deliver the water stored under this right to downstream water users. These
existing facilities include Stewart Dam on the Bear River, the Rainbow Canal (which
conveys water from Bear River to Bear Lake), the Bear Lake Inlet gates, Bear Lake,
Lifton Pumping Station, the Bear Lake Outlet Canal, and the control gate on the Bear
Lake Outlet Canal.

Points of rediversion downstream from Bear Lake include existing headgates and
pump stations for irrigation water right holders and municipal water right holders.

8c. Description of Municipal from Storage use:

This application proposes to appropriate up to 400,000 AF of water by storing it
for multiple purposes, including Municipal Storage. The stored water will be made
available to municipal providers for use within their service areas located in Bear Lake,
Caribou, Oneida, Oneida and Franklin Counties in Idaho and Cache, Box Elder, Weber,
Davis, and Salt Lake Counties in Utah. Because the water is being stored for multiple
purposes, its use for Municipal from Storage purposes may vary from year to year.

8e. Description of proposed uses:

The additional water stored in or retained in Bear Lake will be used to supply
existing and future water uses in the Bear River basin. Recreation storage and
aesthetic storage uses are accomplished by retaining water in Bear Lake. Irrigation
from Storage, Municipal from Storage, and Mitigation from Storage will occur in the Bear
River basin within the states of Idaho and Utah.

9. Description of places of use:

Irrigation Storage, Municipal Storage, Recreation Storage, Aesthetic Storage and
Mitigation by Delivery Storage: Bear Lake

Municipal from Storage: Within the service areas of the municipal providers
located in Bear Lake, Caribou, Oneida and Franklin Counties in Idaho and Cache, Box
Elder, Weber, Davis, and Salt Lake Counties in Utah.

Idaho Water Resource Board and Utah Division of Water Resources Application for Permit Additional
Information, Page 2
Irrigation from Storage: Irrigated lands located within Bear Lake, Caribou, Oneida and Franklin Counties in Idaho and Cache, Box Elder, Weber, Davis, and Salt Lake Counties in Utah. Storage water will be used to irrigate at least 80,000 acres within canal systems covering 25,000 acres or more, irrigation districts, or irrigation projects with more than five water users. Idaho Code § 42-219.

Mitigation by Delivery from Storage: The place of use for mitigation by delivery occurs at the location where storage water conveyed in the Bear Lake Outlet Canal is injected into the Bear River. This confluence is located in the NESW, Section 6, T13S, R44E.

10. Other Rights:

PacifiCorp owns water rights 11-248, 11-249, 11-250 and 11-251 which authorize the storage of water in Bear Lake. Water stored under this proposed new right may be used to augment supplies under existing municipal and irrigation rights in Bear Lake, Caribou, Oneida and Franklin Counties in Idaho and Cache, Box Elder, Weber, Davis, and Salt Lake Counties in Utah.

11b. Place of Use Owners:

Water users in Bear Lake, Caribou, Oneida and Franklin Counties in Idaho and Cache, Box Elder, Weber, Davis, and Salt Lake Counties in Utah.

11c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing:

IWRB does not own the property at the proposed points of diversion or places of use. IWRB plans to negotiate access agreements as needed to develop the proposed water right. If access agreements cannot be obtained, IWRB will obtain any necessary easements through eminent domain proceedings. UDWR and IWRB will work out an arrangement for access to the points of diversion.

12. Describe your proposal in narrative form, and provide additional explanation for any of the items above.

This application is intended to store and appropriate water that would otherwise be released from or routed past Bear Lake for flood control purposes. The water will be used for recreation storage and/or aesthetic storage, and, upon release, for irrigation from storage, municipal from storage, and/or mitigation by delivery from storage purposes. IWRB will acquire easements from property owners in the Gentile Valley to allow for increased river channel carrying capacity during the spring run-off period. These flowage and/or flood easements from the property owners in the Gentile Valley will reduce or eliminate the need for flood control releases from Bear Lake during the non-irrigation season. This application is not intended to appropriate water already stored by PacifiCorp in Bear Lake, which would not otherwise be released for flood control.
control. This application is not intended to appropriate water above and beyond the existing storage capacity in Bear Lake.

This application does not impair any existing water rights. Further, it is not the intent of this application to alter or affect any agreements for the Bear River, including: the Amended Bear River Compact (February 8, 1980), the Bear Lake Settlement Agreement (April 10, 1995), the Amended and Restated Bear Lake Settlement Agreement (July 2, 2004), the Agreement Regarding the Bear River System (October 5, 1999), and the Operations Agreement (April 18, 2000). Consistent with the Amended Bear River Compact, this application will appropriate a portion of the 125,000 acre-feet of additional depletion granted to the state of Idaho and the 275,000 acre-feet of additional depletion granted to the state of Utah. See Amended Bear River Compact, Article V(A)(1). Utah and Idaho will negotiate an agreement on how the additional storage will be apportioned between the states in the future.
STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  

Season of Use/Purpose of Use Supplement

Attachment to:  
☐ Application for Permit to Appropriate Water  
☐ Application for Amendment of Permit  
☐ Adjudication Claim  
☐ Statutory Claim  
☐ Beneficial Use Field Report

Water will be used for the following purposes:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Purpose</th>
<th>Season</th>
</tr>
</thead>
<tbody>
<tr>
<td>400,000 af</td>
<td>Aesthetic Storage</td>
<td>1/1 to 12/31</td>
</tr>
<tr>
<td>400,000 af</td>
<td>Mitigation by Deliver Stor.</td>
<td>1/1 to 12/31</td>
</tr>
<tr>
<td>400,000 af</td>
<td>Recreation Stor.</td>
<td>1/1 to 12/31</td>
</tr>
<tr>
<td>400,000 af</td>
<td>Municipal from Storage</td>
<td>1/1 to 12/31</td>
</tr>
<tr>
<td>400,000 af</td>
<td>Mit by Deliver from Storage</td>
<td>1/1 to 12/31</td>
</tr>
<tr>
<td>400,000 af</td>
<td>Irrigation from Storage</td>
<td>4/20 to 9/30</td>
</tr>
</tbody>
</table>

Amount for purposes from to (both dates inclusive)
Proposed Point of Diversion - Outlet Canal Control Gate

2015 Aerial Photo

- Proposed POD
- Township/Range
- Sections
- Quarter Quarters
Proposed Points of Diversion:
Stewart Dam and Rainbow Canal Inlet

2015 Aerial Photo

Map showing Proposed POD, Township/Range, Sections, and Quarter Quarters.
Proposed Points of Diversion:
Bear Lake Inlet and Outlet and Lifton Pumps

2015 Aerial Photo

Proposed POD

Township/Range

Sections

Quarter Quarters
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Point of Diversion/Place of Use Supplement

Attachment to:  ☒ Application for Permit to Appropriate Water  ☐ Application for Transfer**  ☐ Adjudication Claim
 ☐ Application for Amendment of Permit  ☐ Beneficial Use Field Report  ☐ Statutory Claim

Location of points of diversion (POD):

<table>
<thead>
<tr>
<th>New POD?</th>
<th>Twp</th>
<th>Rge</th>
<th>Sec</th>
<th>Govt Lot</th>
<th>%</th>
<th>%</th>
<th>County</th>
<th>Source</th>
<th>Local name or well/diversion tag #</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Yes</td>
<td>13S</td>
<td>44E</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
<td>NE</td>
<td>NE</td>
<td>Bear Lake</td>
</tr>
<tr>
<td>☐ Yes</td>
<td>15S</td>
<td>44E</td>
<td>15</td>
<td>3</td>
<td></td>
<td></td>
<td>SE</td>
<td>NW</td>
<td>Bear Lake</td>
</tr>
</tbody>
</table>

Description of place of use (POU):

a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below.

<table>
<thead>
<tr>
<th>TWP</th>
<th>RGE</th>
<th>SEC</th>
<th>NE</th>
<th>NW</th>
<th>SW</th>
<th>SE</th>
<th>NE</th>
<th>NW</th>
<th>SW</th>
<th>SE</th>
<th>TOTALS</th>
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</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

**If this supplemental sheet is for an Application for Transfer, insert this page into Part 1B of the application. Page _____
MEMO

To: Idaho Water Resource Board
From: Rick Collingwood
Date: March 23, 2018
Subject: Goose Lake Reservoir Company - Loan Request (Updated)

Action Item: $300,000.00 Loan Request

1.0 INTRODUCTION

The Goose Lake Reservoir Company (Company) is requesting a $300,000 loan from the Idaho Water Resource Board (IWRB) at 4.5% interest with a 20-year term for the design and construction of two new retaining walls and associated embankment reconstruction at the Goose Lake Dam's spillway structure. The Goose Lake Dam, which is located approximately 8 miles northeast of the city of New Meadows, was constructed in 1920, and was later raised in 1951 and 1972. The reservoir was formed at the site of a natural lake, Goose Lake. Goose Lake has 4,600 acre-feet of water storage capacity and is the primary source of water for irrigating approximately 4,600 acres in the northern portion of the Meadows Valley (See Attachments).

The Company, formed in 1919 and incorporated in 1973, is located in Adams County in the City of New Meadows. The Company's 4,600 shares are held by its 25 shareholders. On June 3, 2017, the Company's elected officers passed a resolution authorizing the Company to seek loans from the IWRB to finance the structural evaluation of the dam and structural improvements to the spillway retaining walls and embankment.

On July 28, 2017, the IWRB approved a $20,000 loan request from the Company to hire a consultant to perform the structural evaluation. The consultant concluded that the spillway retaining walls have experienced significant cracking and deterioration, and recommended that both spillway retaining walls be replaced.

2.0 PROPOSED PROJECT

During the last four (4) years, the Company has spent nearly $20,000 on dam improvements. It is concerned that failure of a spillway retaining wall would drain Goose Lake and create a serious safety hazard for the occupants of a campground adjacent to the dam. The loss of irrigation water from Goose Lake would severely impact the Company's shareholders and the economy of the Meadows Valley.
Upon completion of the structural evaluation, the Company directed the consultant to prepare the design documents for the repairs. The design plans and specifications have been completed and approved by the IDWR Dam Safety Department. The updated total estimated construction cost of the project is $300,000. Construction is scheduled to begin in August when water levels in Goose Lake are low, and project completion by the middle of October.

The Company proposes to finance the project using funds from an IWRB loan. Historically, the Company operated with an annual budget of $3,500. The total annual assessment to the shareholders was $3,300, or $0.75 per share. On February 9, 2018, the Company Board of Directors voted to increase the current annual share assessment to $27,600, or $6.00 per share to ensure that the Company can meet its annual loan payment obligation to the IWRB.

3.0 BENEFITS

The recommended structural improvements to the spillway retaining walls and embankment are necessary for the integrity and safety of the structure, and maintain a reliable water delivery source for the Company’s shareholders.

4.0 FINANCIAL ANALYSIS

The Company is requesting a loan of $300,000.00 at 4.5% interest for a 20-year term. The following analysis reflects the IWRB’s current interest rate of 4.5% for this type of project. As stated above, the Company approved an increase in the yearly assessments to fund the dam improvements from $0.75 per share to $6.00 per share. If the IWRB approves the Company’s $300,000 loan request, this loan will be combined with the $20,000 loan approved on July 28, 2017, bringing the total loan repayment amount to $320,000.

Payment Analysis

<table>
<thead>
<tr>
<th>Term (Years)</th>
<th>Estimated Annual Assessment After Loan</th>
<th>Current Assessment Cost/Share/Year</th>
<th>After Assessment Cost/Share/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>$27,604.05</td>
<td>$0.75</td>
<td>$6.00</td>
</tr>
</tbody>
</table>

Loan History:

In July, 2017, the IWRB approved a $20,000 loan request from the Company to initiate a structural evaluation of the Goose Lake Dam spillway retaining walls. If the IWRB approves this new loan request, the two loans will be consolidated to allow the Company to make one annual loan payment instead of two annual payments for each loan.
5.0 WATER RIGHTS

Goose Lake Reservoir Company water rights are as follows:

<table>
<thead>
<tr>
<th>WATER RIGHT</th>
<th>SOURCE</th>
<th>VOLUME (af)</th>
<th>WATER USE</th>
<th>BASIS</th>
<th>PRIORITY DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>78-4006A</td>
<td>Goose Creek</td>
<td>3,500</td>
<td>Irrigation Storage/Irrigation from Storage</td>
<td>Decreed</td>
<td>9/26/1922</td>
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<tr>
<td>78-4006B</td>
<td>Goose Creek</td>
<td>1,150</td>
<td>Irrigation Storage/Irrigation from Storage</td>
<td>Decreed</td>
<td>10/1/1925</td>
</tr>
</tbody>
</table>

6.0 SECURITY

The IWRB is authorized to hold the Company’s water rights as collateral for the loan.

7.0 CONCLUSION AND RECOMMENDATION

This loan will be used for the design and construction of new spillway retaining walls and embankment reconstruction at the Goose Lake Dam.

Improvements to the facility are needed to stabilize the dam, reduce risks to downstream life and property, and to ensure that irrigation water is available for the water users in the Meadows Valley. Staff recommends approval of the requested loan. A draft resolution is in your workbooks for your consideration.
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF GOOSE LAKE RESERVOIR COMPANY FUNDING REQUEST

RESOLUTION TO AUTHORIZE FUNDING TO REPLACE DAM SPILLWAY RETAINING WALLS AND EMBANKMENT RECONSTRUCTION

WHEREAS, the Goose Lake Reservoir Company (Company) owns, operates, and maintains the Goose Lake Dam to deliver irrigation water to 4,600 acres of land in the northern portion of Meadows Valley, located in Adams County; and

WHEREAS, during the past four years, the Company has spent approximately $20,000 for dam repairs and improvements; and

WHEREAS, on July 28, 2017, the JWRB approved a loan to the Company for $20,000 to perform a structural evaluation of the dams spillway retaining walls and embankment; and

WHEREAS, the evaluation concluded that both spillway retaining walls have experienced significant deterioration and are in need of replacement; and

WHEREAS, failure of the spillway retaining walls and embankment may result in safety hazards to campers in a campground adjacent to the dam, costly damage to the dam and lake embankment, and significant economic impacts to the shareholders and residents of Meadows Valley due to considerable water loss from Goose Lake; and

WHEREAS, the Company submitted a loan application to the Idaho Water Resource Board (IWRB) for the amount of $300,000 to replace the deteriorating Goose Lake Dam spillway retaining walls and reconstruct the associated embankment; and

WHEREAS, the Company will use the loan funds to complete design and construction of the new spillway retaining walls and associated embankment reconstruction; and

WHEREAS, the Company is a qualified applicant and the proposed evaluation 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 $200,000 from the Revolving Development Account at 4.5% interest with a 20-year repayment term and provides authority to the Chairman of the Idaho Water Resource Board, or his designee, to enter into contracts with the Company on behalf of the IWRB. The 20-year term of the loan will commence in April, 2018, with obligation of funds and payment requirements as outlined in Condition No. 3 below.

NOW, THEREFORE BE IT FURTHER RESOLVED, the previously approved $20,000 loan, including accrued interest, and this new loan of $300,000 will be consolidated to establish a single annual loan payment; and

IWRB Resolution 03-18-03, Page 1
NOW THEREFORE BE IT FURTHER RESOLVED that this resolution and the approval of the loan are subject to the following conditions:

1) The Company shall comply with all applicable rules and regulations that apply to the proposed project.
2) The Company will provide acceptable security for the loan to the IWRB including, but not limited to, the Company’s water rights and Goose Lake Reservoir Company facilities.
3) The Company shall establish a reserve account in an amount equal to one annual payment.

DATED this 23rd day of March, 2018.

ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
Idaho Water Resource Board
Enclosed with this letter are documents requesting a loan of $300,000 from the IWRB. The Goose Lake Reservoir Company needs this loan to pay to construct the project that assures our dam is safe. Please know we really appreciate the previous loan you provided. Your earlier loan made it possible to do necessary investigation and project design. We believe it would be beneficial to combine the two loans.

During the investigation phase we found that both retaining walls were failing. This made our design effort costlier than we expected. We have a few things to complete, but it appears the investigation and design will cost about $25,000. As I reported in our earlier loan request, during the past 3 or 4 years we have made Dam improvements which cost about $20,000.

Based on the best information we have; preparing bids, supervising construction, and doing the actual retaining wall construction will cost approximately $300,000. At your current interest rate, this $300,000 loan will require an annual payment for 20 years of $23,100. We are prepared to make this payment because we do not have a better alternative. Allowing loss of our irrigation water or dam failure is not an acceptable option. We have been fortunate through the years that our capital investments have been minimal.

Thank you for considering our request. If additional information is needed, please let me know.

Lawrence V. Armacost
President Goose Lake Reservoir Co. Inc.

Revision 2
APPLICATION FOR FINANCIAL ASSISTANCE FOR NON-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:

You can also obtain a copy by contacting IWRB staff.

II. General Information:

A. Type of organization: (Check box)

- Irrigation District
- Canal/Irrigation Company
- Lateral Association
- Flood Control District
- Homeowners Association
- Water User’s Association
- Municipality
- Reservoir Company
- Other

Explain: ____________________________

Goose Lake Reservoir Co.

Organization name

PO Box 232

PO Box/Street Address

New Meadows ID 83654

City, County, State, Zip Code

Project location legal description S14T20NR2E

Vic Armacost, President

Name and title of Contact Person

208 469 0305

Contact telephone number

cmcv7@frontier.com

e-mail address

B. Is your organization registered with the Idaho Secretary of State’s office?  Yes ☐ No ☐
C. Purpose of this loan application.
   - New Project
   - Rehabilitation or replacement of existing facility
   - DEQ requirement
   - Other: ______________________________

D. Briefly describe the project:
   SEE ATTACHMENT A

III. WATER SYSTEM:
A. Source of water:
   - Stream
   - Reservoir
   - Groundwater
   - Other

B. Water Right Numbers:

<table>
<thead>
<tr>
<th>Water Right</th>
<th>Stage</th>
<th>Priority Date</th>
<th>Source</th>
<th>Amount</th>
</tr>
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<tbody>
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<td>784006A</td>
<td>decree</td>
<td>1919</td>
<td>Goose Lake</td>
<td>3500af</td>
</tr>
<tr>
<td>784006B</td>
<td>decree</td>
<td>1925</td>
<td>Goose Lake</td>
<td>1150af</td>
</tr>
</tbody>
</table>

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

C. If irrigation/lateral system:
   - Number of acres served: 4600
   - Number of shareholders served: 23
   - Water provided annually (acre-feet): 4600

D. If flood control system, drainage system, groundwater recharge, or other type of system:
   - Number of acres within District or service area: ____________________________
   - Number of people within District or service area: ____________________________

E. If an Association/Municipality the number of residences served by the system:
   - Number of residences served: ____________________________
   - Number of hookups possible: ____________________________

IV. USER RATES:
A. How does your organization charge users rates?
   - Per acre
   - Per hook up
   - Per share
   - Tax assessment

   Explain what a share is: 1 acre feet of stored water
   - Other, explain ____________________________

IWRB Non-drinking loan form 4/10
B. Current rate? $6.00 per share

C. When was the last rate change? 2/9/18 (month/year)

D. Does your organization measure water use? Yes [ ] No [ ]
   If yes, explain how: Water master measures water released from Dam and diverts water into canals

E. Does you organization have a regular assessment for a reserve fund? Yes [ ] No [ ]
   If yes, explain how it is assessed:

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:
   For Dam repair

V. PROPOSED METHOD FOR REVENUE FOR REPAYMENT OF LOAN
How will you plan to assess for 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) per share

Will an increase in assessment be required? Yes [ ] No [ ]
When will new assessments start and how long will they last?
2/9/18 20 years

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:

<table>
<thead>
<tr>
<th>Property</th>
<th>Estimated Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water rights 76006A 76006B</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

For property Securement, attach a legal description of the property being offered along with a map referencing the property.

VII. FINANCIAL INFORMATION:
A. Attach a copy of each of the last 3 year's financial statement. (Copies must be attached)
B. Reserve fund (current) $31,000
C. Cash on hand $31,000
D. Outstanding indebtedness:

<table>
<thead>
<tr>
<th>To Whom</th>
<th>Annual Payment</th>
<th>Amt. Outstanding</th>
<th>Years Left</th>
</tr>
</thead>
<tbody>
<tr>
<td>IWRB</td>
<td>$1538</td>
<td>$20,000</td>
<td>20</td>
</tr>
</tbody>
</table>

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

NRCS

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: $300,000

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: [Signature] 3/20/18

IWRB Non-drinking loan form 4/19
Introduction (need for project)

Goose lake Dam was originally built in 1920. It was subsequently raised in 1951 and 1972. The dam and reservoir are on US Forest Service land. Enclosure 1 is a topographic map showing the location of the Reservoir and Dam. The project elevation is nearly 6400 feet and it is surrounded by mountains that are over 7000 feet in elevation. The reservoir fills in the spring and water for irrigation is released during the summer. The reservoir is de-watered by early September.

Enclosure 2 is a picture of the dam and spillway looking up stream. On each side of the spillway are retaining walls that retain the earthen embankment. Enclosure 3 is a closer look at the south wall with a closer look at the cracks in the wall. These walls are not structurally sound. With the help of a $20,000 loan from IWRB we hired GeoEngineers and they have found a solution for us. Now we need an expanded loan from IWRB to construct the project and assure the Dam is structurally sound.

PROJECT SPONSOR

The project sponsor is the Goose Lake Reservoir Company Inc. The company was founded in 1919. It was incorporated in 1973. It is a 503c corporation. There are approximately 25 shareholders for 4600- acre feet of water storage. The number of shares per share holder varies. The Company By-Laws provide for the Board of Directors to pass a resolution allowing for a corporate loan. Enclosure 4 is a copy of the resolution. Enclosures 5,6 and 7 are copies our 2016, 2017, and 2018 financial statements.

PROJECT SERVICE AREA AND FACILITIES

The project is a major source of irrigation for the northern portion of Meadows Valley. Enclosure 8 is a digital map of the irrigation boundaries. This is the map used in the Snake River adjudication. The stored water is released into Goose Creek at the Goose Lake Dam and most of the water is diverted out of Goose Creek into the Goose Creek canal. The Canal flows north along the east side of Meadows Valley. There are diversions to the various shareholders along the total length of the canal. All irrigation is surface water irrigation. The town of New Meadows has been severely affected by the elimination of logging on
Federal land. Many of the commercial buildings are closed. The Irrigation provided by Goose Lake Reservoir is an important economic factor for the area.

HYDROLOGY AND WATER RIGHTS

Goose Lake Reservoir and Dam are in Section 14, Township 20N, Range 2E approximately 8 miles northeast of New Meadows, Idaho. The reservoir is at an elevation of approximately 6400 feet. It was formed at the site of a natural Lake Goose Lake. The major tributary is Goose Creek a tributary to Little Salmon River. Snow melt is the major source of water to fill the reservoir. April and May are normally when the runoff occurs. The reservoir fills before irrigation starts in Meadows Valley. During Irrigation season water is released from the Dam into Goose Creek in an amount the users ask the water master to release. The reservoir is completely emptied each year. The reservoir has always filled.

The water Rights are 78400A and 7840068.

PROJECT DESCRIPTION

As previously discussed we have retaining walls that are failing. With the support of the IWRB loan, we now have a replacement project designed by professional engineers. This project will insure the integrity of the dam. The project requires demolition of the upper 4 feet or so of the existing retaining walls and building a new retaining wall approximately 10 feet high and 35 feet long. These walls will be 10 or 15 feet downstream from the existing walls. Additional fill material will be required on the embankment because the new walls open new areas of embankment. This material most likely can come from the reservoir area. The new walls adjacent to the spillway, will parallel the spillway but will not be attached to them. This will prevent damage that might occur if there is differential settling. The walls are concrete with rebar. The foundations will be 3 feet or more below the ground surface. Pit run rock will be placed under the wall foundations to provide wall support. A Nearby USFS rock quarry can be a source of this material. The upstream face of the walls will be lined with drain rock and have a 6-inch imbedded drain pipes the full length of the walls. They will drain into an area filled with rock. There is no work in the stream although silt fences around the work area are required. The project is in Adams County. The County will rely on the engineer inspections and only require they have a final inspection report for their files. A review and approval of the design by the Idaho
Department of Water of Resources is required. A permit to use the USFS material will be required. The Payette Region Supervisors Office of the USFS in McCall, ID is our point of contact. When IDWR approves the design, we will provide design information to USFS.
Financial Ratios

Entity Name: Goose Lake Reservoir Company

Loan amount requested: $300,000

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.

<table>
<thead>
<tr>
<th>of units serviced (acres or residences)</th>
<th>4600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate</td>
<td>4.5%</td>
</tr>
<tr>
<td>(use 6% for residential and 5.5% for agriculture)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenditures</th>
<th>Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$4,670.00</td>
<td>$3,330.00</td>
<td>$1,365.25</td>
</tr>
<tr>
<td>2016</td>
<td>$16,649.00</td>
<td>$14,587.00</td>
<td>$3,086.01</td>
</tr>
<tr>
<td>2017</td>
<td>$23,723.00</td>
<td>$14,079.00</td>
<td>$5,100.00</td>
</tr>
<tr>
<td>Average</td>
<td>$15,014.00</td>
<td>$10,665.33</td>
<td>$3,183.75</td>
</tr>
</tbody>
</table>

Total Debt: $20,000.00

Assessment: $27,600.00

Assessment Charged by: share

How is current assessment charged? By share, acre, residence, etc.

<table>
<thead>
<tr>
<th>Assessment after loan</th>
<th>Estimated Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,604.86</td>
<td>$68,337.49</td>
</tr>
<tr>
<td>$27,608.24</td>
<td>$37,913.65</td>
</tr>
<tr>
<td>$27,606.07</td>
<td>$27,934.14</td>
</tr>
<tr>
<td>$27,605.01</td>
<td>$23,062.84</td>
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<tr>
<td>$27,604.40</td>
<td>$20,231.71</td>
</tr>
<tr>
<td>$27,604.00</td>
<td>$18,417.46</td>
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</tbody>
</table>

Revenue/Expenses

<table>
<thead>
<tr>
<th>Service ratio</th>
<th>5 year</th>
<th>10 year</th>
<th>15 year</th>
<th>20 year</th>
<th>25 year</th>
<th>30 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.06</td>
<td>1.09</td>
<td>1.11</td>
<td>1.13</td>
<td>1.14</td>
<td>1.14</td>
<td>1.14</td>
</tr>
<tr>
<td>1.06</td>
<td>1.11</td>
<td>1.16</td>
<td>1.19</td>
<td>1.21</td>
<td>1.21</td>
<td>1.21</td>
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<tr>
<td>0.31</td>
<td>0.85</td>
<td>0.81</td>
<td>0.78</td>
<td>0.76</td>
<td>0.76</td>
<td>0.76</td>
</tr>
<tr>
<td>$14.86</td>
<td>$8.24</td>
<td>$6.07</td>
<td>$5.01</td>
<td>$4.40</td>
<td>$4.40</td>
<td>$4.40</td>
</tr>
</tbody>
</table>

Is the assessment charged? 1 (use 1 for yearly and 12 for monthly)
1. Goose Lake Dam drainage area and vicinity
2. Spillway picture
3. Close up of damaged area picture
4. Resolution
5. 2016 Financial Statement
6. 2017 Financial Statement
7. 2018 Financial Statement
8. Boundary of Irrigated area
9. Minutes of 2/9/18 Goose Lake Reservoir Board of Directors Special Meeting
10. Tele meeting minutes 3/21/18
Close up of damaged area

incl. 3
We the 2017 elected officers of the Goose Lake Reservoir Company understand that the Goose Lake Dam needs repairs. We further recognize that Engineering expertise is needed to help us most effectively determine the best solution, prepare engineering drawings that can be used to guide dam repairs and supervise the execution of repairs that make the dam safe. We further have concluded getting a loan at 4.5% interest rate from the Idaho Water Resource Board (IWRB) is needed for us to best get the funds necessary for Dam repairs. Further this resolution gives us authority to under “ARTICLE V. CONTACTS, LOANS, CHECKS, AND DEPOSITS; SECTION 2. LOANS” of the BY-LAWS of the Goose Lake Reservoir Company to execute loans for the Reservoir Company.

Therefore, we authorize Goose Lake Reservoir Company President, Lawrence V. Armacost, to obtain loans as necessary to repair Goose Lake Dam.

Lawrence V. Armacost, President 6/3/17

Neal Osborn, Vice President 6/3/2017

Charlotte M. Armacost, Secretary/Treasurer 6/3/2017

Dean Dryden, Director 6/3/2017

Marion Vance, Director 6-7-17
Get paid faster with next day funding and improve your cash flow with Umpqua merchant services. We have a full range of hardware and software available to fit your business needs. Visit our website to learn more about merchant services available through Umpqua Bank, Member FDIC.

### BUSINESS FREE CHECKING

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
<th>Description</th>
<th>Begin Balance</th>
<th>Deposits/Additions</th>
<th>Total Deposits/Additions</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>11-30</td>
<td>12,980.78</td>
<td>Deposit</td>
<td>$12,350.74</td>
<td>$98.25</td>
<td>$13,089.01</td>
<td>$3,086.01</td>
</tr>
<tr>
<td>12-05</td>
<td>2,980.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Daily Balances

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>11-30</td>
<td>12,980.78</td>
</tr>
<tr>
<td>12-05</td>
<td>2,980.78</td>
</tr>
</tbody>
</table>

### Overdraft Fee Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Total For This Period</th>
<th>Total Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Overdraft Fees</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Returned Item Fees</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
2016 Financial Report
February 10, 2017

Goose Lake Reservoir Co.

<table>
<thead>
<tr>
<th>Description</th>
<th>Billed</th>
<th>Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 Assessment</td>
<td>$4,400.00</td>
<td>$4,439.00</td>
</tr>
<tr>
<td>2016 Special Assessment</td>
<td>$12,210.00</td>
<td>$12,210.00</td>
</tr>
<tr>
<td>2016 Expenses</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL INCOME: $16,649.00

Paid: $14,586.75
DIFFERENCE OF: $2,062.25

Balance as of 01/31/2017 $2,487.01
EoY 2017 Inc 1.6
## Water Boards

**Bank Accounts Register**

**As of February 9, 2018**

<table>
<thead>
<tr>
<th>Type</th>
<th>Date</th>
<th>Num.</th>
<th>Name</th>
<th>Memo</th>
<th>Split</th>
<th>Debit</th>
<th>Credit</th>
<th>Original Amount</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>10000 - FB - Goose Lake Reservoir</td>
<td>09/25/2017</td>
<td>0000</td>
<td>GeoEngineers</td>
<td>Deposit</td>
<td>25000 - Loan - ID DWR</td>
<td>3,375.00</td>
<td></td>
<td></td>
<td>3,375.00</td>
</tr>
<tr>
<td>Check</td>
<td>09/25/2017</td>
<td>0000</td>
<td>GeoEngineers</td>
<td>Invoices 0147852</td>
<td>66700 - Professional Fees</td>
<td>3,750.00</td>
<td></td>
<td></td>
<td>3,750.00</td>
</tr>
<tr>
<td>Check</td>
<td>09/30/2017</td>
<td></td>
<td></td>
<td>Service Charge</td>
<td>60490 - Bank Service Charges</td>
<td>2,00</td>
<td></td>
<td></td>
<td>2,00</td>
</tr>
<tr>
<td>Deposit</td>
<td>10/05/2017</td>
<td></td>
<td></td>
<td>Funds Transfer - check to...</td>
<td>12000 - Goose Lake Reservoir</td>
<td>11,657.85</td>
<td></td>
<td></td>
<td>13,833.85</td>
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<tr>
<td>Transfer</td>
<td>10/06/2017</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>-SPLIT-</td>
<td>4,000.00</td>
<td></td>
<td></td>
<td>9,833.85</td>
</tr>
<tr>
<td>Deposit</td>
<td>10/13/2017</td>
<td></td>
<td></td>
<td>Funds Transfer - Check # ...</td>
<td>13000 - Granite Twin Lakes Water Users</td>
<td>2,274.40</td>
<td></td>
<td></td>
<td>12,108.25</td>
</tr>
<tr>
<td>Deposit</td>
<td>10/20/2017</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>-SPLIT-</td>
<td>1,854.00</td>
<td></td>
<td></td>
<td>13,962.25</td>
</tr>
<tr>
<td>Transfer</td>
<td>10/20/2017</td>
<td></td>
<td></td>
<td>Funds Transfer - Check # ...</td>
<td>13000 - Granite Twin Lakes Water Users</td>
<td>1,854.00</td>
<td></td>
<td></td>
<td>13,962.25</td>
</tr>
<tr>
<td>Check</td>
<td>10/20/2017</td>
<td>0000</td>
<td>J.J. Morgan Inc.</td>
<td>Check Printing</td>
<td>67210 - Canal Repairs</td>
<td>745.00</td>
<td></td>
<td></td>
<td>12,737.25</td>
</tr>
<tr>
<td>Check</td>
<td>10/20/2017</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>-SPLIT-</td>
<td>1,09</td>
<td></td>
<td></td>
<td>12,737.25</td>
</tr>
<tr>
<td>Deposit</td>
<td>10/23/2017</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>12001 - Undeposited Funds</td>
<td>688.50</td>
<td></td>
<td></td>
<td>12,018.75</td>
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<tr>
<td>Deposit</td>
<td>10/27/2017</td>
<td>507</td>
<td>GeoEngineers</td>
<td>Deposit</td>
<td>66700 - Professional Fees</td>
<td>5,100.00</td>
<td></td>
<td></td>
<td>11,918.00</td>
</tr>
<tr>
<td>Deposit</td>
<td>11/10/2017</td>
<td>507</td>
<td>GeoEngineers</td>
<td>Deposit</td>
<td>12001 - Undeposited Funds</td>
<td>270.00</td>
<td></td>
<td></td>
<td>11,648.00</td>
</tr>
<tr>
<td>Deposit</td>
<td>11/17/2017</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>12001 - Undeposited Funds</td>
<td>477.00</td>
<td></td>
<td></td>
<td>11,171.00</td>
</tr>
<tr>
<td>Deposit</td>
<td>01/02/2018</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>-SPLIT-</td>
<td>6,450.00</td>
<td></td>
<td></td>
<td>17,621.00</td>
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<tr>
<td>Deposit</td>
<td>01/05/2018</td>
<td></td>
<td></td>
<td>Deposit</td>
<td>12001 - Undeposited Funds</td>
<td>405.00</td>
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<td></td>
<td>17,216.00</td>
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<tr>
<td>Deposit</td>
<td>01/29/2018</td>
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<td></td>
<td>Deposit</td>
<td>25000 - Loan - ID DWR</td>
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<td></td>
<td>6,824.00</td>
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<tr>
<td>Deposit</td>
<td>02/02/2018</td>
<td>506</td>
<td>Keller Associates</td>
<td>Deposit</td>
<td>66700 - Professional Fees</td>
<td>10,500.00</td>
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<td>6,324.00</td>
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<tr>
<td>Total 10000 - FB - Goose Lake Reservoir</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>35,000.00</td>
<td>31,029.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 11000 - Goose Creek Canal | 10/01/2017 | 1189 | Hansen, James D. | Ditch Walker | 66620 - Ditch Walker | 650.00 | 13,593.25 | 421.59 |
| Check | 10/10/2017 | | | Ditch Walker | 12001 - Undeposited Funds | 688.50 | 5,100.00 | 12,018.75 |
| Check | 10/26/2017 | 1182 | C&M Lumber | Deposit | 66700 - Professional Fees | 5,100.00 | 11,648.00 |
| Check | 10/28/2017 | 1183 | J.J. Morgan Inc. | Deposit | 12001 - Undeposited Funds | 270.00 | 11,918.00 |
| Check | 11/03/2017 | 1184 | C&M Lumber | Deposit | 12001 - Undeposited Funds | 477.00 | 12,108.25 |
| Total 11000 - Goose Creek Canal | | | | | | 1,462.46 | | | | 421.59 |

| 12000 - Goose Lake Reservoir Co | 10/06/2017 | 1145 | Vic Armacost | Funds Transfer - Check Inc. | 10000 - FB - Goose Lake Reservoir | 4,000.00 | 105.94 | | | 5,922.29 |
| Transfer | | | | | 64900 - Office Supplies | 7.29 | | | | 5,922.29 |
| Check | 10/26/2017 | 1183 | J.J. Morgan Inc. | Deposit | 67210 - Canal Repairs | 82.00 | 405.00 | 1,650.98 |
| Transfer | 10/27/2017 | | | | 12001 - Undeposited Funds | 64.00 | | | | 1,650.98 |
| Total 12000 - Goose Lake Reservoir Co | | | | | | 1,650.98 | | | | 1,650.98 |

| 13000 - Granite Twin Lakes Water Users | 10/30/2017 | 1133 | J.J. Morgan Inc. | Funds Transfer - Check # ... | 13000 - Granite Twin Lakes Water Users | 620.00 | 5,919.00 | 1,320.58 |
| Check | 10/30/2017 | | | Deposit | 67210 - Canal Repairs | 158.00 | 158.00 | 700.98 |
| Transfer | 10/26/2017 | | | Deposit | 67210 - Canal Repairs | 158.00 | 158.00 | 700.98 |
| Transfer | 10/27/2017 | | | Deposit | 67210 - Canal Repairs | 158.00 | 158.00 | 700.98 |
| Deposit | 11/17/2017 | | | Deposit | 67210 - Canal Repairs | 158.00 | 158.00 | 700.98 |
| Deposit | 01/05/2018 | | | Deposit | 67210 - Canal Repairs | 158.00 | 158.00 | 700.98 |
| Total 13000 - Granite Twin Lakes Water Users | | | | | | 1,650.98 | | | | 1,650.98 |

**Total** | | | | | | 39,950.00 | 33,244.59 | | | 14,509.86 |

**Note**: The page contains a register of bank accounts for various entities, including Water Boards, with transactions and balances listed for each account type. The transactions include deposits, checks, and transfers, along with their respective amounts and dates.
GOOSE LAKE RESERVOIR COMPANY
BOARD OF DIRECTORS
Meeting Minutes
February 9, 2018 – 3:30 p.m.
Meadows Valley Public Library Meeting Room
SPECIAL MEETING ON DAM REPAIR

ATTENDEES:
President: Vic Armacost
Vice President: Neal Osborn
Secretary/Treasurer: Charlotte Armacost

Directors: Dean Dryden and Marion Vance were absent
OTHERS PRESENT: Pam McGarry, Ed Osborn, Jeffrey Luff

CALL TO ORDER
Meeting called to order by President Armacost at 3:23 p.m.

Vic began the meeting by reviewing what has been completed by GeoEngineers to date regarding the repairs to the dam. He went on to say GeoEngineers has proposed to construct a retaining wall on the north and south sides of the spillway. He reviewed drawings that showed the wall location and design. He also explained that rock from a US Forest Service quarry and material from the reservoir area could be used to construct the walls.

Vic reported the $20,000.00 loan from the Idaho Water Resource Board had been used to pay J. L. Morgan and GeoEngineers to design the proposed retaining walls and provide estimated construction cost. He went on to say GeoEngineers had recently informed him they do not solicit contractors or provide construction oversite. He was referred to Keller Associates and has signed a $45,477 contract with them. Keller will review the wall design, gather bids from various contractors, recommend a contractor, and provide construction administration services. He has sent Keller Associates a $10,500 retainer. GeoEngineers has estimated their cost for construction supervision will be $10,160. He explained that there is a strong demand for contractors, so it is important to get our project to them as soon as possible.

Discussion followed regarding the estimated $147,000 to complete the dam repairs as estimated by GeoEngineers. Vic has a meeting in Boise on March 22nd to secure a loan with Idaho Water Resource Board (IWRB). Vic would like to get a loan in place as soon as possible so interest rates do not increase. The total cost estimate to complete the project is $212,137. This includes the existing loan of $20,000. Vic would like a 20-year loan for $200,000. He went on to report the Idaho Water Resource Board, requires we hold one year’s payment in reserve and we pay a 5% portion of the loan demand. Vic stated, “we don’t pay interest on money we don’t use”. The annual cost for a $200,000 loan is $15,375 and the 5% portion will be $9,000 or $10,000. In addition we need to cover the existing $20,000 with an annual payment of $1538.

The Board went on to discuss other possibilities. After much discussion, it was decided an assessment is needed to cover $27,000 for anticipated 2018 expenditures. Neal Osborn motioned to assess $6.00 per share for construction support and construction of project designed by GeoEngineers. Charlotte Armacost seconded the motion. The Board of Directors vote for the motion was unanimous. President Vic Armacost noted that 4,600 shares at $6.00 per share would provide $27,600.

Meeting adjourned at 4:25 p.m.

Vic Armacost
President Goose Lake Reservoir Co.
Telephone contact 3/21/18:

On Wednesday March 21 I called Neal Osborn, Dean Dryden, Charlotte Armacost and Marion Vance who are the directors of the Goose Lake Reservoir Company and asked the following question to all of them:

"With the information we have on the actual low bid for construction of our Dam repair project being approximately $100,000 more than the estimate we had will you approve increasing our loan request from IDWR from $200,000 to $300,000, aye or nay. All 4 members gave an aye vote.

L.V. Armacost

President Goose Lake Reservoir Company
ESPA Managed Recharge Program Update

IWRB Work Session

Wesley Hipke, P.G.
March 22, 2018
IWRB ESPA Managed Recharge – March 20, 2018

Total IWRB Recharge
352,747 af
203 days

Upper Valley
143,075 af
Current: 603 cfs
1,200 af/d

Lower Valley
206,819 af
Current: 1,003 cfs
1,980 af/d

Diversion Rate
Current: 1,615 cfs
3,200 af/d

Big/Little Wood
2,852 af
Current: 10 cfs
20 af/d
Total IWRB Managed Recharge Rates During 2017 - 2018 Season

Total Volume of Recharge = 352,747 af (August 30, 2017 to March 20, 2018)

- Upper Valley
- Lower Valley

2017 SWC Storage Water
Total Volume = 61,100 af

Current Flow past Milner Dam
Total Natural Flow Available below Minidoka Dam
for Recharge - Snake River

Lower Valley Total Natural Flow Diversion - Snake River
Projected IWRB Recharge - During 2017/2018
Aug 30 to Apr 30

Total Projected IWRB Recharge
440,000 AF

Projected Recharge Flow (cfs)

Dates of Recharge

Recharge Flow (cfs)

Richfield Site – Dietrich Canal

Potential Recharge Capacity
100 cfs - Big/Little Wood Rivers

- Construction Cost $150,000
- Construction Complete Mar 2018
- Monitoring Plan Mar 2018
- State Land Easement Mar 2018
- Monitor Wells Spring 2018
  - First Monitor Well – Hydrology Nov 2017
Questions
Acre-Feet/day

2014/2015 = 75,475 af
2015/2016 = 66,218 af
2016/2017 = 317,714 af
2017/2018 = 352,747 af
ESPAn Managed Recharge - Cumulative

Acre-Feet/day

- Total Recharged 2014/2015
- Total Recharged 2015/2016
- Total Recharged 2016/2017
- Total Recharged 2017/2018

Date