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

WHEREAS, Knapp Creek, tributary to Marsh Creek, has been identified as a high priority stream for flow restoration efforts, to provide high quality spawning and rearing habitat for natural origin anadromous Chinook salmon, steelhead, and resident bull trout, and

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

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

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

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

WHEREAS, the IWRB will compensate Cape Horn Ranch LLC or its successors $57.72 per acre per irrigation season for said lease for an annual payment of $7,445.88 for 129 acres and a 5-year total of $37,229.40;

WHEREAS, the Idaho Water Supply Bank lease application fee for said agreement is $250; and

WHEREAS, a proposal for $37,479.40 has been submitted to the Columbia Basin Water Transactions Program for approval; and

WHEREAS, staff anticipates the funds being placed in the IWRB Revolving Development Account for annual payment to the water right owners; and

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into a lease agreement for water right number 77-4208 using an amount not to exceed $37,479.40; and
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 Columbia Basin Water Transaction Fund in the amount of $37,479.40.

DATED this 28th day of November, 2018.

[Signature]
Roger Chase
ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST:
[Signature]
VINCE ALBERDI, Secretary
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, through 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, Board 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, the Lemhi Subordination Agreements are in the public interest and in compliance with the State Water Plan.

WHEREAS, the state of Idaho signed a 4-year extension of the 2008 Columbia Basin Fish Accords Memorandum of Agreement (MOA) in September 2018; and

WHEREAS, the total budget for the Idaho MOA/Fish Accord Water Transaction Program for years 2019-2022 is $1,218,406; and

WHEREAS, the subordination agreements with the Lemhi water users do not exceed $105,105.00 per year; and

WHEREAS, the contract with Water District 74 to administer said agreements does not exceed $12,000 per year; and

WHEREAS, funding is available through the Idaho MOA/Fish Accord Water Transaction Program to fund the cost of said agreements in 2019, 2020, 2021, and 2022; and

NOW THEREFORE BE IT RESOLVED that the Board authorizes the Chairman to enter into agreements for years 2019, 2020, 2021, and 2022 with lower Lemhi River irrigators to not divert out of the Lemhi River, using a total amount not to exceed $420,420; and

NOW THEREFORE BE IT FURTHER RESOLVED that the Board authorizes the Chairman to enter into contracts with Water District 74 to administer said agreements for years 2019, 2020, 2021, and 2022 using a total amount not to exceed $48,000; and

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 MOA/Fish Accord Water Transaction Program or the Columbia Basin Water Transaction Fund in an amount up to $468,420.00.

DATED this 28th day of November, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

VINCE ALBERDI, Secretary

Resolution No. 41-2018
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE 2019 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 no to divert water at the SMC-2/4 and SMC-1 diversions; and

WHEREAS, a proposal for $10,205.15 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 those 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 divert out of Morgan Creek in an amount not to exceed $10,205.15.

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 $10,205.15.
DATED this 28\textsuperscript{th} day of November, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE
LOWER LEMHI RIVER PERMANENT
SUBORDINATION AGREEMENTS FOR WATER
RIGHT NOS. 74-15952, 74-14995, AND 74-15010

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 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 Idaho Water Resource Board has the authority to enter into water right agreements and undertake water projects; and

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

WHEREAS, Board staff has developed short-term and permanent 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, Board staff has developed short-term subordination agreements to improve stream flow for anadromous and resident fish with owners of water rights 74-15952, 74-14995, and 74-15010; and

WHEREAS, the water right owners desire to enter into subordination agreements that permanently limit their diversions during times of low flow; and

WHEREAS, for these agreements, the water users will continue to irrigate to their full extent when flows exceed the flow targets; and

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

WHEREAS, $130,000 is available through the Idaho Memorandum of Agreement (MOA) Fish Accord Water Transaction Program or the Columbia Basin Water Transaction Program to fund the cost of said agreements; and

WHEREAS, $15,600 is available through the Idaho (MOA)/Fish Accord Water Transaction Program or the Columbia Basin Water Transaction Program to fund the administration of said agreements by Water District 74; and

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into permanent subordination agreements with the current or subsequent owners of water rights 74-15952, 74-14995, and 74-15010 to subordinate their diversions from the Lemhi River to the IWRB’s Lemhi River minimum streamflow water right, using an amount not to exceed $130,000 ($16,000 for water right # 74-15952; $114,000 for water rights 74-14995 and 74-15010).

NOW THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into contracts with Water District 74 using administration funds in the amount of $15,600 ($1,920 for water right #74-15952; $13,680 for water rights 74-14995 and 74-15010).

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 Idaho (MOA)/Fish Accord Water Transaction Program or the Columbia Basin Water Transaction Program in the amount of $145,600.
DATED this 28th day of November, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary
BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF THE 2019-2023 LITTLE MUD CREEK AND PAHSIMEROI RIVER WATER TRANSACTION

RESOLUTION TO MAKE A FUNDING COMMITMENT

WHEREAS, Chinook salmon and steelhead habitat in the Pahsimeroi River Basin is limited by low flow in the main-stem and disconnected tributaries; and

WHEREAS, Little Mud Creek and the Pahsimeroi River have been identified as high priority streams for flow restoration efforts, to provide high quality habitat for anadromous Chinook salmon and steelhead, and the 2004 Snake River Water Rights Agreement (also known as the Nez Perce Agreement) commits the state to providing incentives for improving fish habitat which includes improving or protecting flow conditions to augment streams flows; and

WHEREAS, it is in the interest of the State of Idaho to maintain the reconnection of Little Mud Creek to the Pahsimeroi River to encourage recovery of ESA-listed Chinook salmon and steelhead; and

WHEREAS, the Board will compensate BAR G FARM or its successors, $36.97 per acre per irrigation season for said rental for annual payment of $5,434.59 for 147 acres and a 5-year total of $27,172.95; and

WHEREAS, the lease application fees ($1,500) and rental fees ($5,299.35) for said agreement will not exceed $6,799.35; and

WHEREAS, a proposal for $33,972.30 has been submitted to the Columbia basin Water Transactions Program for approval; and

WHEREAS, funding is available through the Idaho Fish Accord Water Transactions Fund for said lease and rental agreements; and

WHEREAS, staff anticipates the funds being placed in the Idaho Water Resource Board (IWRB) Revolving Development Account for annual payment to the water rights owners; and

WHEREAS, the Little Mud Creek and Pahsimeroi transaction is in the public interest and is in compliance with the State Water Plan; and

NOW, THEREFORE BE IT RESOLVED that the IWRB authorizes the Chairman to enter into lease and rental agreements for water rights 73-10005, 73-11982, 73-90, 73-11978, 73-11992,
73-11988, 73-11987, and 73-11981 for delivery to minimum stream flow 73-7045, for an amount not to exceed $33,972.30; and

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 MOA/Fish Accord Water Transaction Program or the Columbia Basin Water Transaction Fund in an amount up to $33,972.30.

DATED this 28th day of November, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

VINCE ALBERDI, Secretary
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 Board purchased senior Snake River water rights and is coordinating with the Base to develop a pipeline and water treatment plant to deliver treated Snake River water to the Base as a long-term sustainable water supply to support the Base and its mission (Project); and

WHEREAS, the Board terminated the procurement for design-build-operate services to develop the full Project and Owner's Advisor services on September 28, 2018; and

WHEREAS, Board and Base representatives met to develop a revised concept which would split responsibility for development of Project components such that the Base would construct and operate the water treatment plant and the Board would construct and operate the pump station and pipeline; and

WHEREAS, both parties concluded splitting responsibility for Project components is the most likely scenario to ensure successful completion of the water delivery Project; and

WHEREAS, the Office of the Governor issued a letter on November 6, 2018 supporting the revised Project concept, and subject to the Legislature's appropriation process and a commitment from the Base, the State of Idaho will construct and operate the pump station and pipeline; and

WHEREAS, the Project will be delivered based on different criteria and specifications than those presented in the procurement for design-build-operate services; and

WHEREAS, a new OPC for construction of the pump station and pipeline will assist the Board with future financial planning efforts; and
WHEREAS, Professional Engineering services are required to prepare an OPC, the Professional Engineer will have experience with construction; and

NOW, THEREFORE BE IT RESOLVED that the Board authorizes expenditures from the Secondary Aquifer Planning Management and Implementation Fund not to exceed $50,000 for the purposes of preparing an OPC for construction of the pump station and pipeline; and

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 development efforts for the Project.

DATED this 28th day of November, 2018.

ROGER CHASE, Chairman
Idaho Water Resource Board

ATTEST:

VINCE ALBERDI, Secretary
WHEREAS, the Bear River flows through the States of Idaho, Wyoming, and Utah. It begins
in the Uinta Mountains of Utah, meanders back and forth between Utah and Wyoming before
entering Idaho near Montpelier and flowing through Idaho to Utah before discharging to 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, pursuant to the designation of the Bear River Ground Water Management
Area, the Bear River Ground Water Management Plan was prepared by a committee of local
stakeholders and adopted by the Idaho Department of Water Resources (IDWR) in 2003. Among
other recommendations, the Bear River Ground Water 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 depletion allowed to Idaho in the Bear River Compact. New storage could
be in surface reservoirs or underground as managed aquifer recharge;” and

WHEREAS, the Idaho Water Resource Board (IWRB) holds a minimum lake level from the
bottom of Bear Lake to elevation 5,902; 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 the inlet and outlet facilities owned by
PacifiCorp, and renegotiation of the April 18, 2000 Operations Agreement; and

WHEREAS, the IWRB adopted a resolution for the Secondary Aquifer Fund 2019 Budget
on May 18, 2018 that included $250,000 for work in the Bear River Basin; and

WHEREAS, on March 23, 2018 the IWRB filed a water right application to store additional
water in Bear Lake for multiple purposes; and

WHEREAS, IWRB negotiations with Utah and Wyoming are ongoing. As part of the
negotiations the parties wish to model various operational scenarios with the RiverWare
modeling software; and

WHEREAS, the cost to purchase a two year RiverWare license and software training for
one IDWR staff member is $13,000; and

NOW, THEREFORE BE IT RESOLVED that the IWRB authorizes the expenditure of $13,000
from the Secondary Aquifer Fund for the purchase of a two year RiverWare license and software
training for one IDWR staff member.

DATED this 28 day of November, 2018.

ROGER W. CHASE, Chairman
Idaho Water Resource Board

ATTEST
VINCE ALBERDI, Secretary