



# AGENDA

## IDAHO WATER RESOURCE BOARD

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### Streamflow Enhancement & Minimum Streamflow Committee Meeting No. 1-23

Friday, June 2, 2023  
1:00 PM (MT)

**Brad Little**  
*Governor*

**Jeff Raybould**  
*Chairman*  
St. Anthony  
At Large

**Jo Ann Cole-Hansen**  
*Vice Chair*  
Lewiston  
At Large

**Dean Stevenson**  
*Secretary*  
Paul  
District 3

**Dale Van Stone**  
Hope  
District 1

**Albert Barker**  
Boise  
District 2

**Brian Olmstead**  
Twin Falls  
At Large

**Marcus Gibbs**  
Grace  
District 4

**Patrick McMahon**  
Sun Valley  
At Large

Water Center  
Conference Room 602 C & D / Online Zoom Meeting  
322 E. Front St.  
BOISE

### Board Members & the Public may participate via Zoom

[Click here to join our Zoom Meeting](#)

Dial in Option: 1(253) 215-8782

Meeting ID: 881 1036 5252 Passcode: 875025

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1. Introductions and Attendance
2. Lemhi River Basin Settlement Implementation\*
3. Idaho Water Transactions Program Update
4. Upper Salmon Water Transactions\*
5. Teton River Transactions Update
6. Other Items
7. Adjourn

Committee Members: Chair Patrick McMahon, Dean Stevenson, Brian Olmstead, and Dale Van Stone.

\* Action Item: A vote regarding this item may be made at this meeting. Identifying an item as an action item on the agenda does not require a vote to be taken on the item.

#### Americans with Disabilities

The meeting will be held in person and online. If you require special accommodations to attend, participate in, or understand the meeting, please make advance arrangements by contacting Department staff by email [jennifer.strange@idwr.idaho.gov](mailto:jennifer.strange@idwr.idaho.gov) or by phone at (208) 287-4800.





# Idaho Water Resource Board Streamflow Enhancement and Minimum Streamflow Committee

Idaho Water Transactions Program Update

John Loffredo

06.02.2023



# Idaho Water Transaction Program

- IWRB has been a CBWTP QLE since 2004.
- Idaho signed Accord with BPA in 2008.
- FY23 - 47 active transactions on 26 separate streams in Upper Salmon Basin

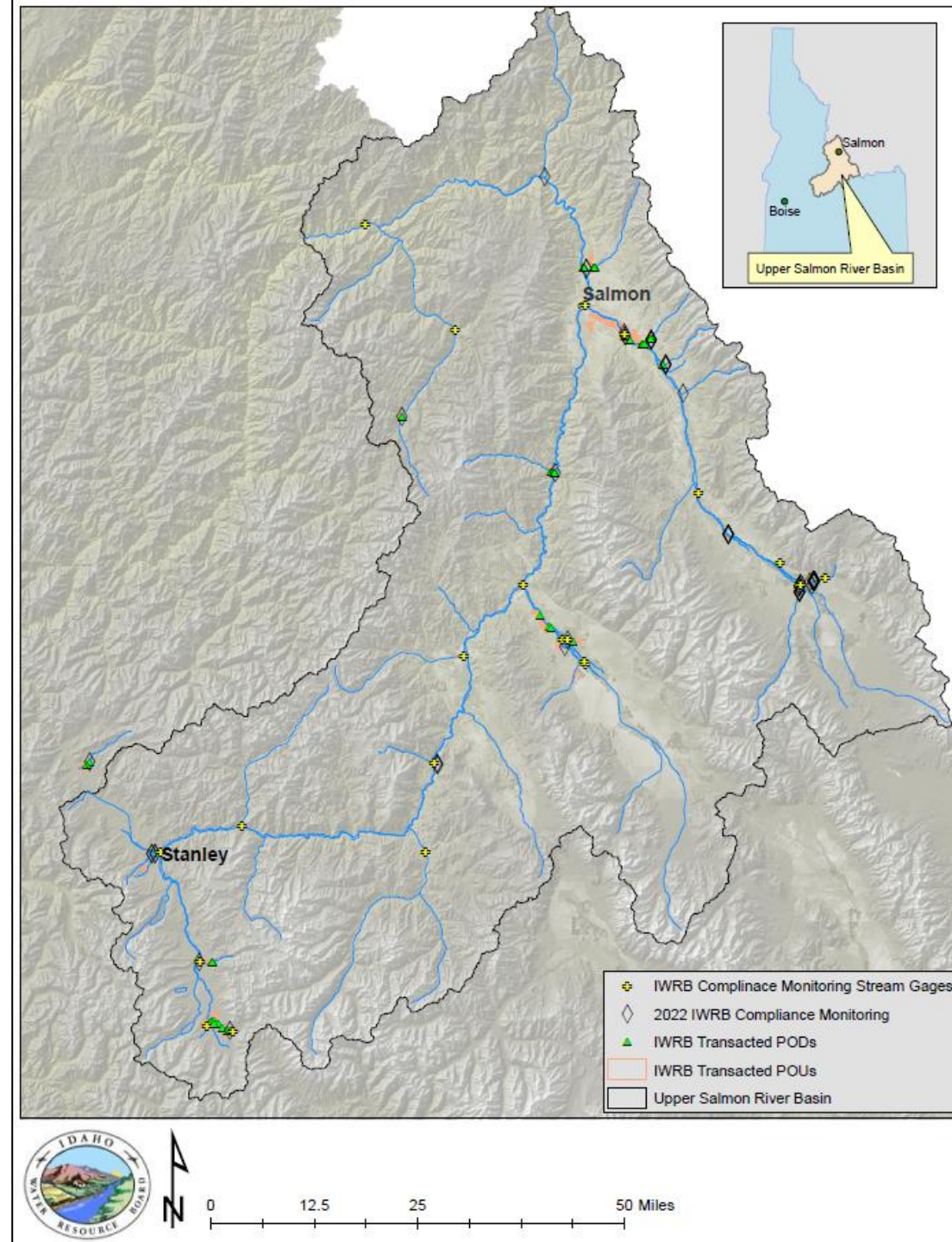


Northwest **Power** and  
**Conservation** Council

Bonneville  
POWER ADMINISTRATION



Columbia Basin  
Water Transactions  
Program



# Columbia Basin Water Transaction Program

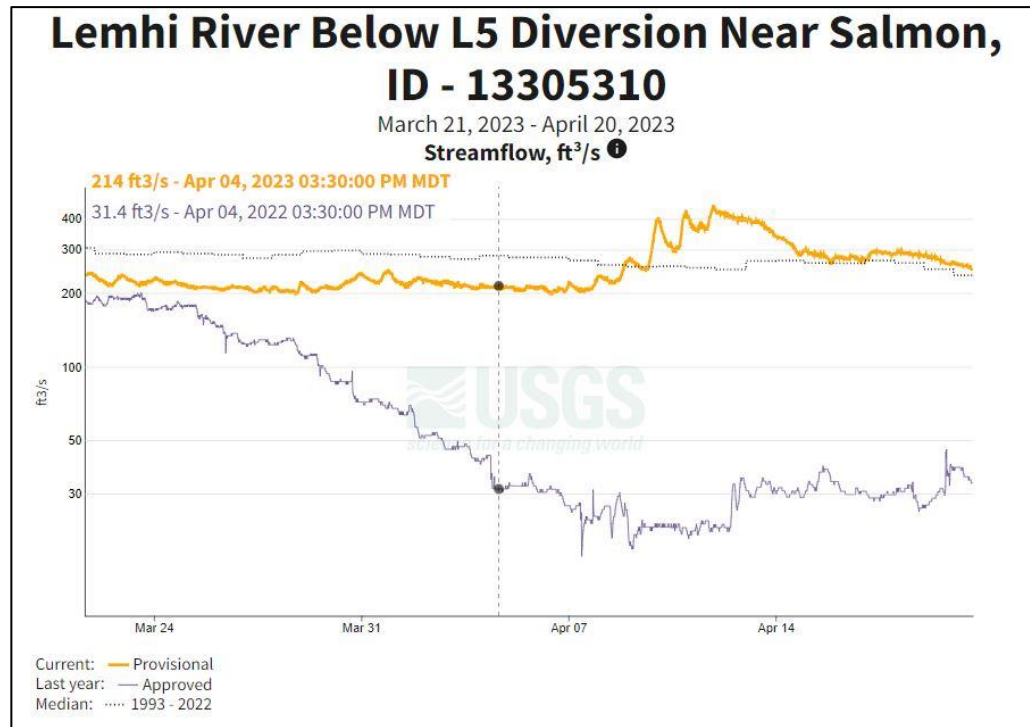
- 25<sup>th</sup> anniversary of CBWTP celebrated November 2022 in Portland.
- IWRB has been a CBWTP QLE since 2004.
- FY24 Request for Proposals – IWRB and FTR submitted FY24 RFP on 5/11.
- CBWTP capped FY24 programmatic ask to \$300k.
- Increasing programmatic needs for FTR and increasing monitoring needs in USB may warrant further discussion for FY25 RFP.
- National Fish and Wildlife Foundation changes.





# 2023 Water Supply and Transaction Implementation

- FY23 - 47 active transactions on 26 separate streams in Upper Salmon Basin

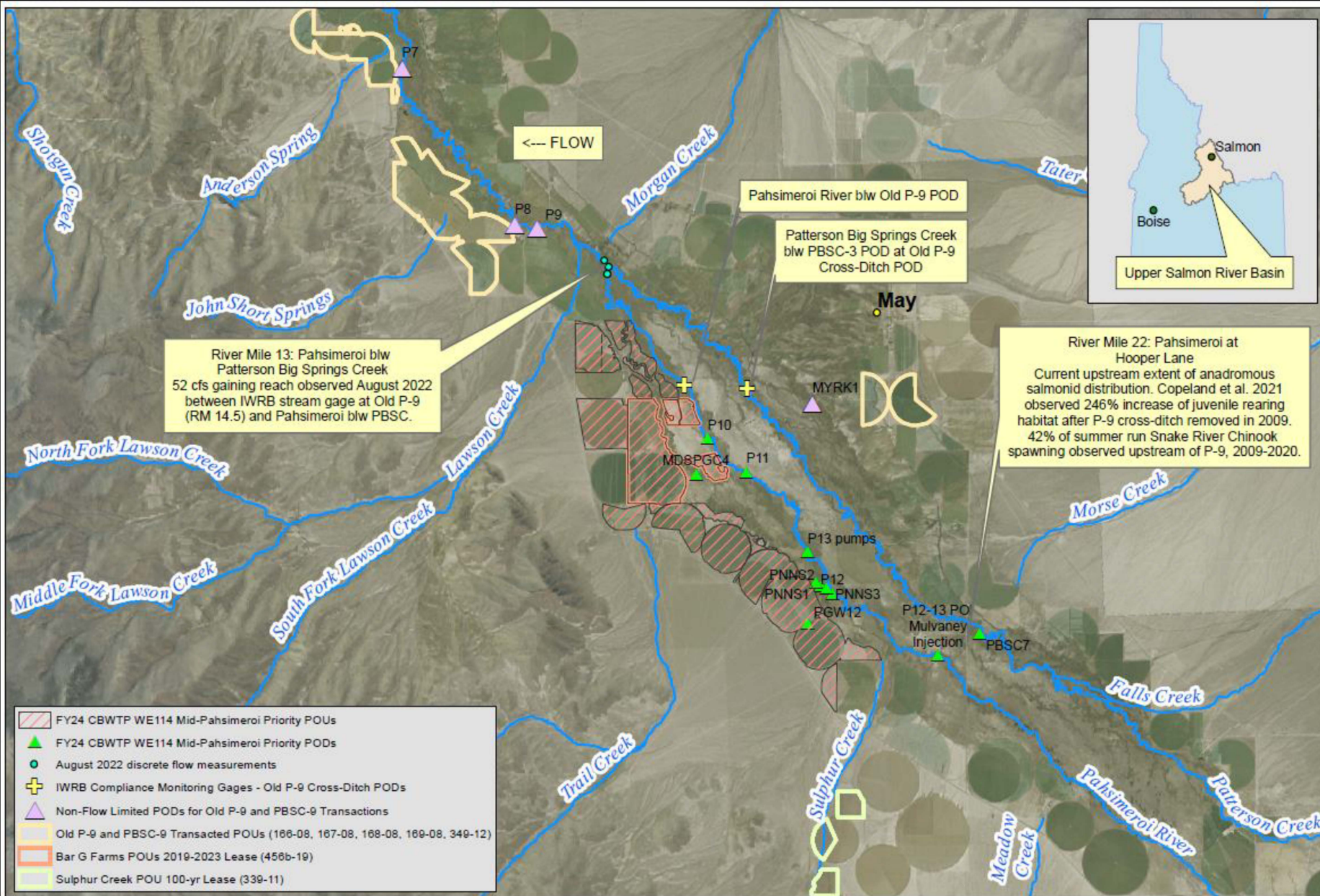




# Programmatic Update - IWTP

- Amy Cassel - Program Manager since 2017, took new position as Project Manager for IWRB in November 2022.
- IWTP Program Manager vacant.
- Project Coordinator conducting grant administration, transaction reporting, transaction implementation, and prioritizing new transactions.
- Idaho MOA/Fish Accord Water Transaction Fund – BPA grant administered by BPA – 3-yr extension 2023-2025.



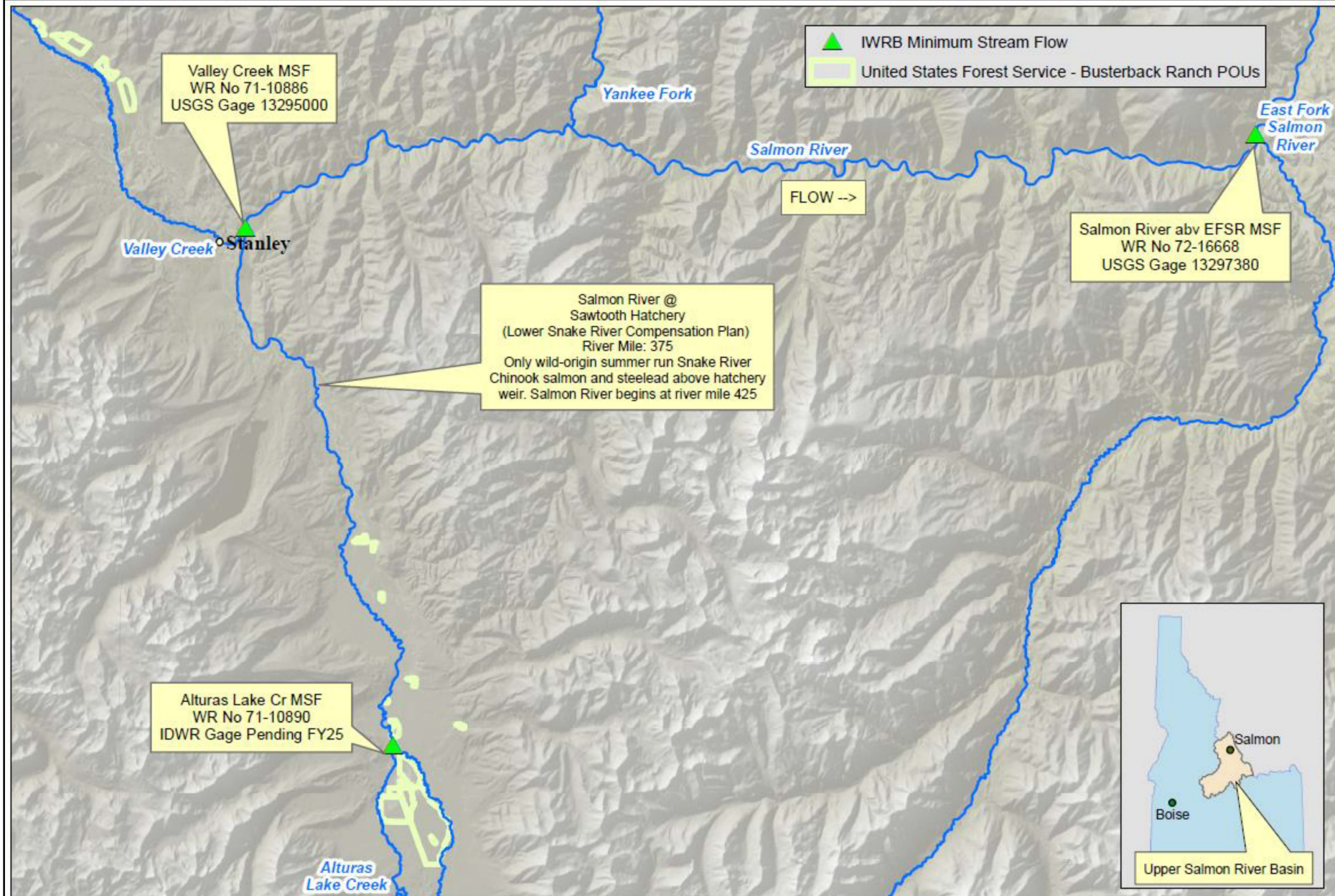


Imagery: 2021 NAIP  
Map Date: 05.09.2023

0 0.75 1.5 3 Miles

FY24 Columbia Basin Water Transaction Program - Idaho Water Resource Board  
WE:114 Identify, Assess, Prioritize, and Select Water Transactions on Priority Reaches  
Mid-Pahsimeroi River (RM 13 - 22) Water Transaction Development





Imagery: 2021 NAIP  
Map Date: 05.02.2023

0 2.25 4.5 9 Miles

FY24 Columbia Basin Water Transaction Program - Idaho Water Resource Board  
WE:154 Transaction Development  
Upper Mainstem Salmon River - USFS Permanent Water Right Rental for three IWRB MSFs



That's All Folks





# Memorandum



To: IWRB – Streamflow Enhancement and Minimum Streamflow Committee

From: John Loffredo

Date: June 2, 2023

Re: Water Transaction Program – Bar G Farm Lease Renewal 2024-2028

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**REQUIRED ACTION:** With the Committee’s recommendation, the attached funding resolution will be presented to the full Board and staff will proceed with project approval and contracting through the Idaho Water Transaction Program Process.

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## Background:

The Pahsimeroi River Basin, in Central Idaho, provides enormous potential for spawning and rearing habitat for Endangered Species Act-listed steelhead and Chinook salmon. Little Mud Springs, tributary of the Pahsimeroi River, was previously intercepted and dewatered by a large cross-ditch until the 2008 Pahsimeroi P-9 ditch removal project eliminated the cross-ditch and allowed Little Mud Springs to flow freely into the Pahsimeroi River. However, due to legal surface water withdrawals, instream flow remains a limiting factor for salmonid recovery goals in Little Mud Springs and the greater Pahsimeroi River Basin.

The Board’s recovery of instream flow in the Salmon River and its tributaries is a one-part of the overall ESA-recovery strategy for the State of Idaho. Recovery and de-listing of Chinook salmon, steelhead, and bull trout would put management of the resource back under State control. Implementation of approved restoration plans also adds some measure of a defense against a third-party “taking” lawsuit under the ESA. It is in the local public interest to recover the species for natural resource, recreational, and economic interests to maintain the viability of agricultural communities.

Bar G Farm, owned by Billy and Rivers Gydesen, diverts water out of Little Mud Springs and the Pahsimeroi River to irrigate approximately 147 acres using both flood and hand line irrigation methods. The remaining ranch acreage is under three pivots and is leased to an adjacent landowner (Figure 1). Since 2018, the high labor costs and the relatively low return on production associated with the flood and hand line acreage has convinced the Gydesen family that a lease of that acreage is a good short-term solution as they continue to develop a long-term strategy for their farm and ranch. A long-term lease has been discussed with the Gydesen family and may become part of the overall strategy.

This 2023-2028 5-year transaction renewal will secure up to 4.6 cfs of flow to the Pahsimeroi River by leasing a portion of water rights numbers 73-10005, 73-11982, 73-90, 73-11978 and the full portion of water right numbers 73-11992, 73-11988, and 73-11987. The transaction will add 0.75 cfs to Little Mud Springs with a portion of water right 73-11981, however due to the stacked nature of the landowner’s water rights, the Little Mud Springs diversion will be closed during the lease period and the full right of 2.25 cfs will remain instream.



Staff proposes compensating the water right owners at a price of \$38.50 per acre over a 5-year period (2024-2028). Mark Olson and Rosana Reith, with the Natural Resource Conservation Service in Salmon, prepared a report detailing the analysis used to determine the cost per acre based on soil productivity and the current cost per animal unit month. The total transaction costs would be \$35,918.00 (\$28,432.25 rental payment, \$5,985.74 rental fees, and \$1,500.00 application fees). Funds are available through the Idaho Fish Accord Water Transactions Fund and will be held in the Water Transaction Subaccount of the Board's Revolving Development Account for annual payment to the water right owner through the Water Supply Bank.

#### **Request for Committee Recommendation**

Staff requests comments and a recommendation from the Committee regarding the transaction. Recommendations from the Committee and a resolution to approve the transaction will be introduced to the full Board at the September 2023 IWRB meeting.

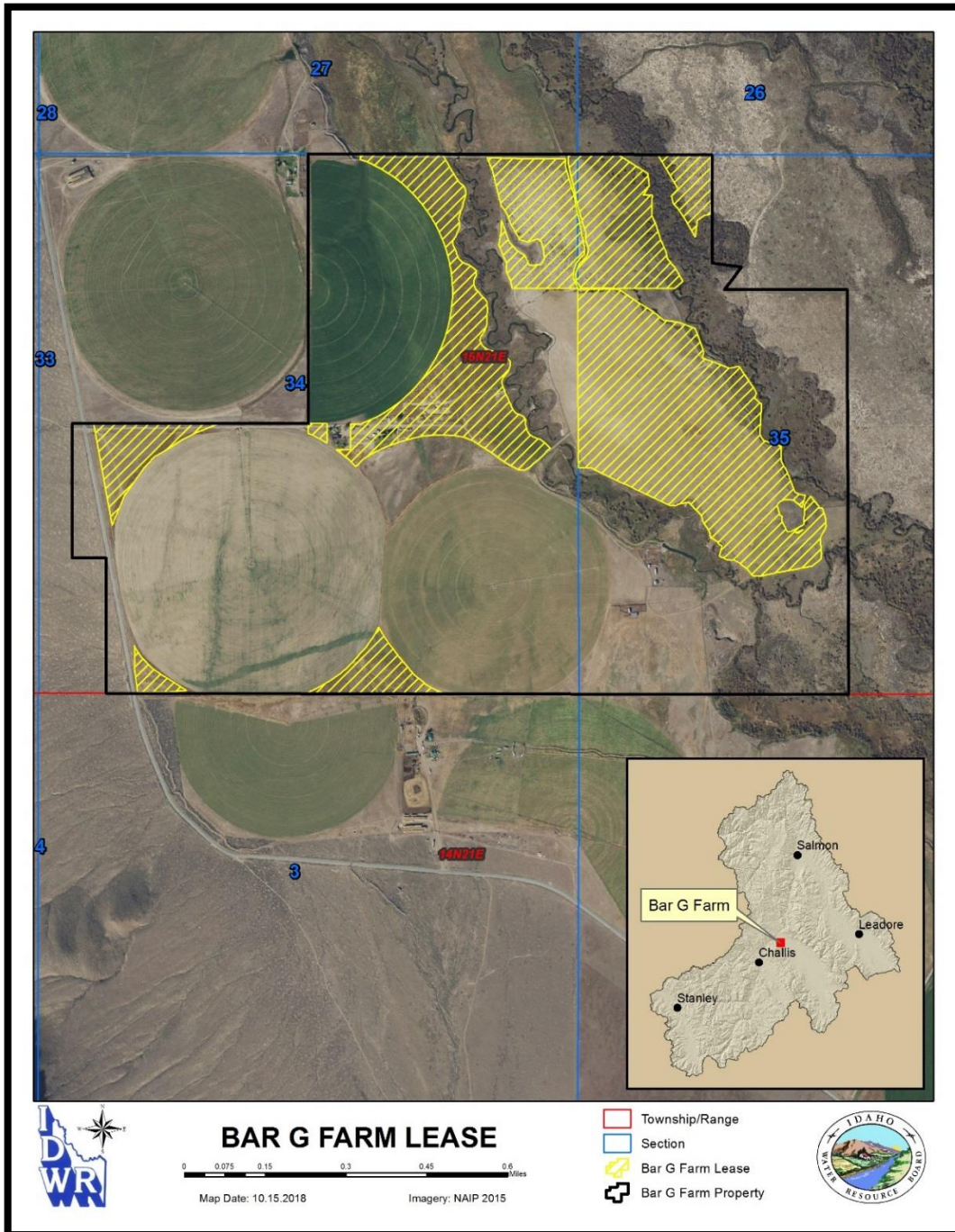


Figure 1. Bar G Farm – 147 acres leased to water supply bank since 2019 for instream flow restoration to benefit ESA-listed salmonids in Little Mud Springs and Pahsimeroi River.



# Memorandum



To: Idaho Water Resource Board

From: John Loffredo

Date: June 2, 2023

Re: Water Transactions Program – Knapp Creek 5-year Rental Contract Renewal

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**REQUIRED ACTION:** Consideration of a 5-year rental contract renewal to compensate water user for a 6-yr water supply bank lease approved by the Board in per Funding Resolution 41-2022.

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**Background:**

Knapp Creek, located in the Upper Middle Fork Salmon Basin, is tributary to Marsh Creek. Marsh Creek and Bear Valley Creek form the Middle Fork Salmon River. ESA-listed Chinook salmon, steelhead, and bull trout currently utilize Knapp Creek for spawning and rearing. The Middle Fork Salmon basin has not been supplemented with hatchery fish and therefore, other than occasional strays, the population is of natural origin. Furthermore, the Middle Fork Salmon River contains the highest elevation spawning grounds in the world for spring/summer Chinook salmon at over 7500' above mean sea level.

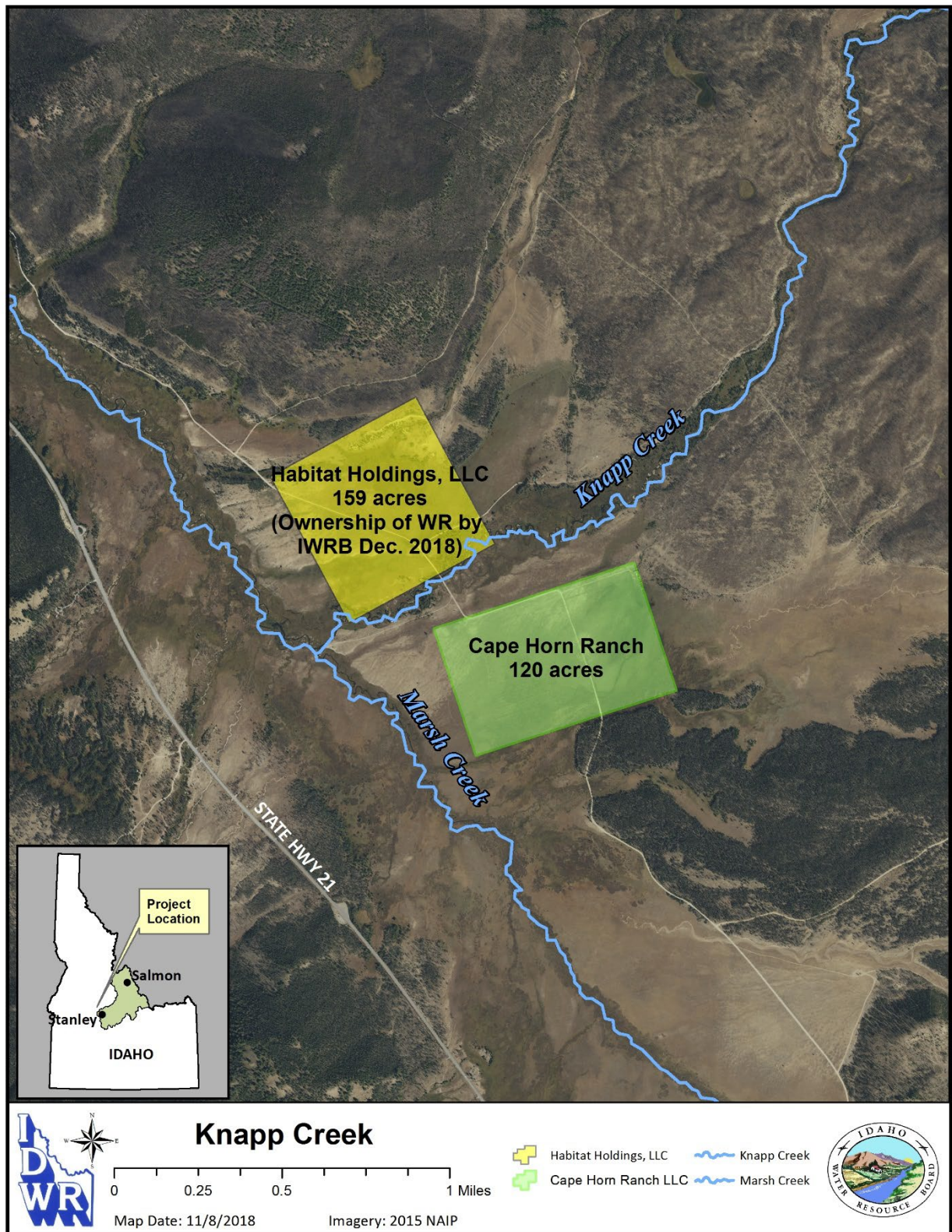
Located in Custer County approximately 20 miles from Stanley, Idaho, Cape Horn Ranch, LLC (CHR, LLC) holds WR No. 77-4208 in the amount of 6.5 cfs for irrigation of 159 acres from Knapp Creek. The Board's purchase of Knapp Creek WR No. 77-4207 was completed in September 2019. As a result, CHR, LLC is the only remaining irrigation diversion on Knapp Creek and there are no irrigation diversions on Marsh Creek or Bear Valley Creek. Hence, WR No. 77-4208 is the last remaining irrigation diversion in the headwater tributaries of the Middle Fork Salmon Basin.

The owner of CHR, LLC has leased a portion (129 acres) of WR No. 77-4208 into the water supply bank since 2018. The water supply bank lease contract for WR No. 77-4208 has a term of December 31, 2018 through December 31, 2022. The rental contract between the IWRB and the owner of CHR, LLC has a contract term of May 1, 2019 to October 31, 2023. In order to sync the renewals of the WSB lease contract and the IWRB's rental contract, staff secured a 6-year water supply bank lease renewal that will terminate in December 2028 and is now requesting a renewal for the IWRB's rental contract that will end October 2028.

In preparation for the contract renewal, staff consulted with the NRCS District Conservationist in Salmon to reassess the production valuation used to establish the compensation rate for the original rental contract. Since 2019, the animal unit month value has increased by \$21 to \$22/AUM. For the 2024-2028 rental contract, the price per acre will be \$60.50, total annual payment will be \$7,804.50, and the 5-yr rental contract will not exceed \$39,022.50.

At this time, staff is requesting authorization to renew the rental contract between IWRB and CHR, LLC for an additional 5 years (2024-2028), totaling \$39,022.50. Funding for the rental contract will come from the Columbia Basin Water Transaction Program Fund and will be presented to the full Board during the September 2023 meeting.

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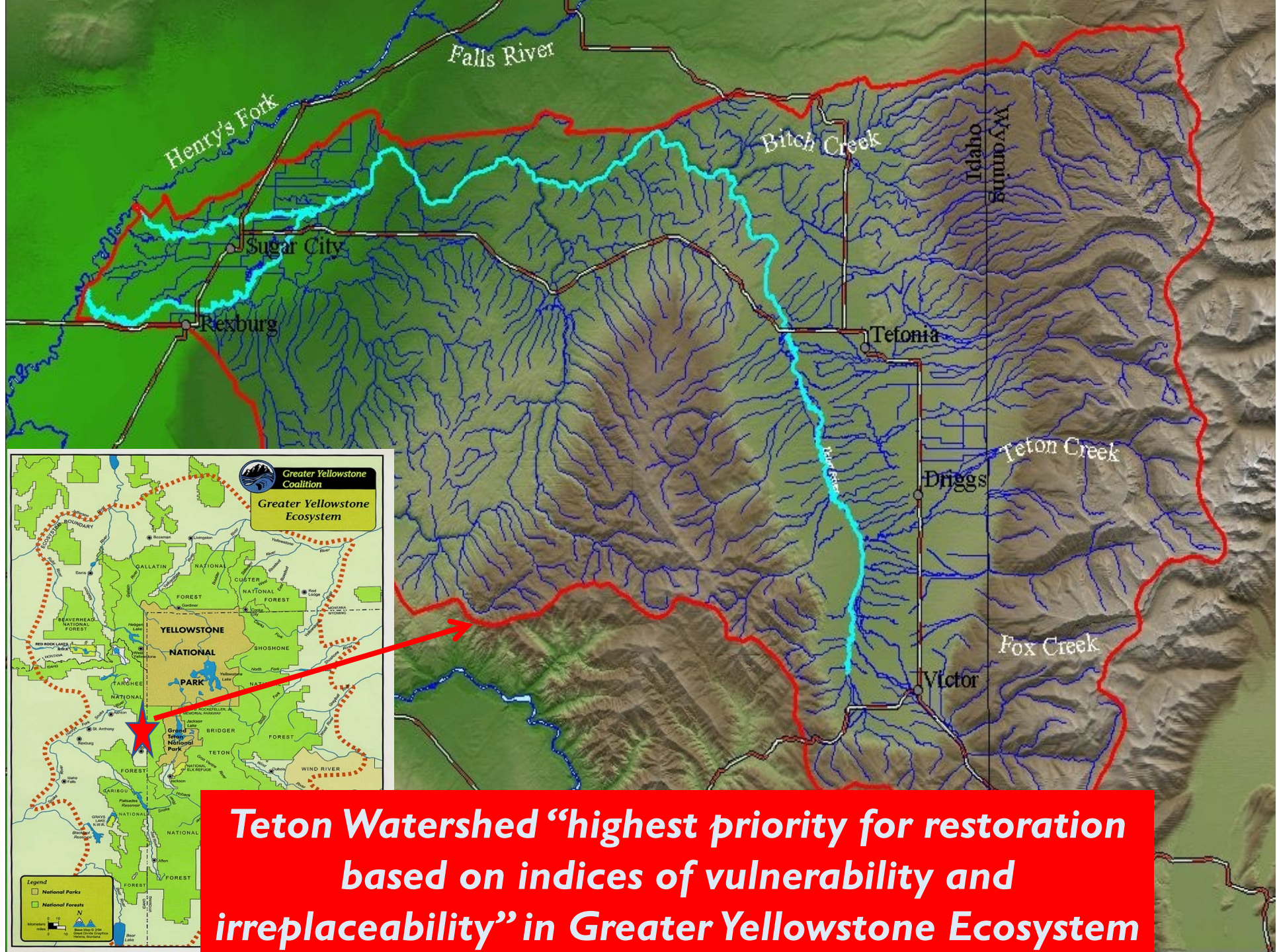
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# Friends of the Teton River

2023 Project Update





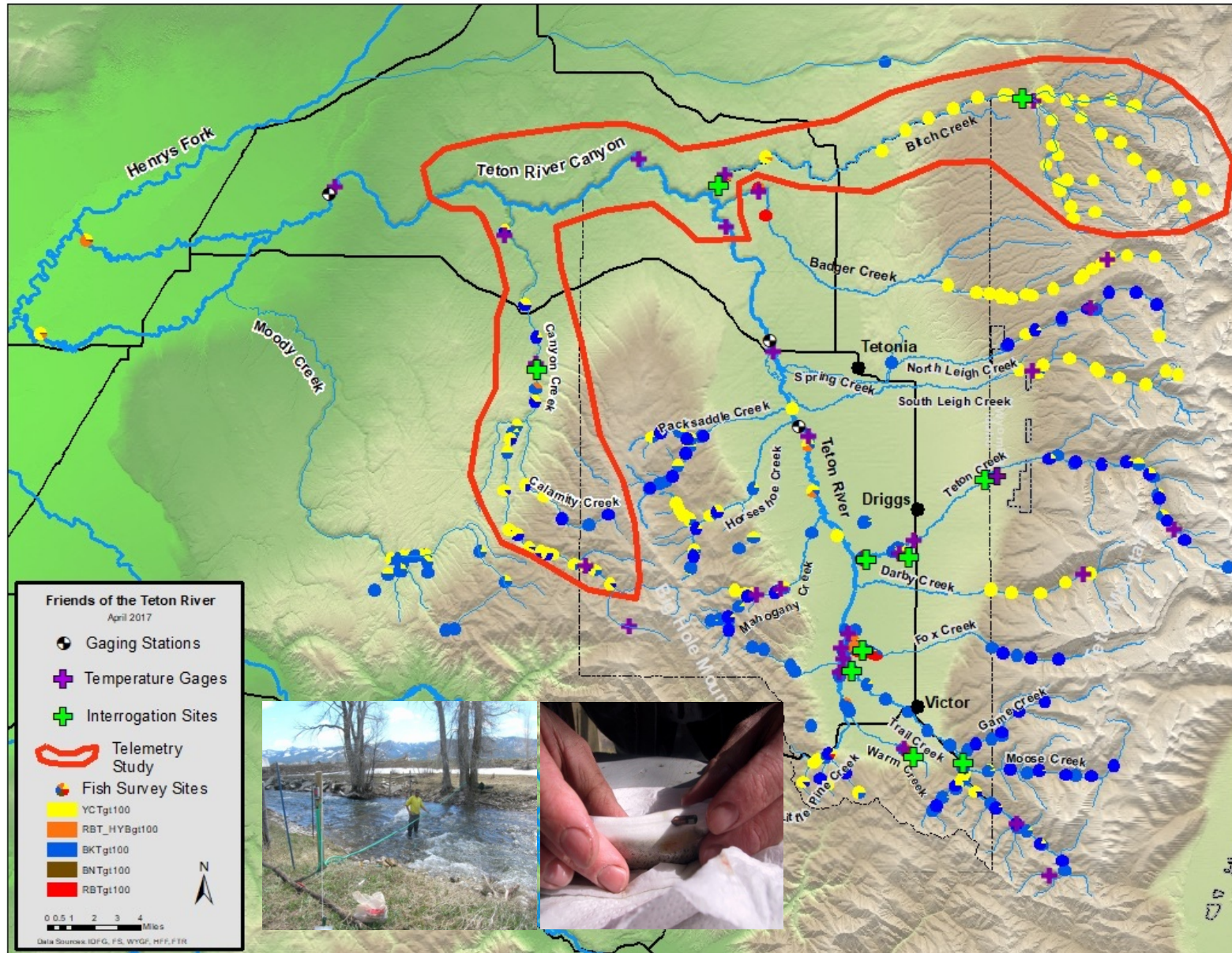


**Teton Watershed “highest priority for restoration based on indices of vulnerability and irreplaceability” in Greater Yellowstone Ecosystem**



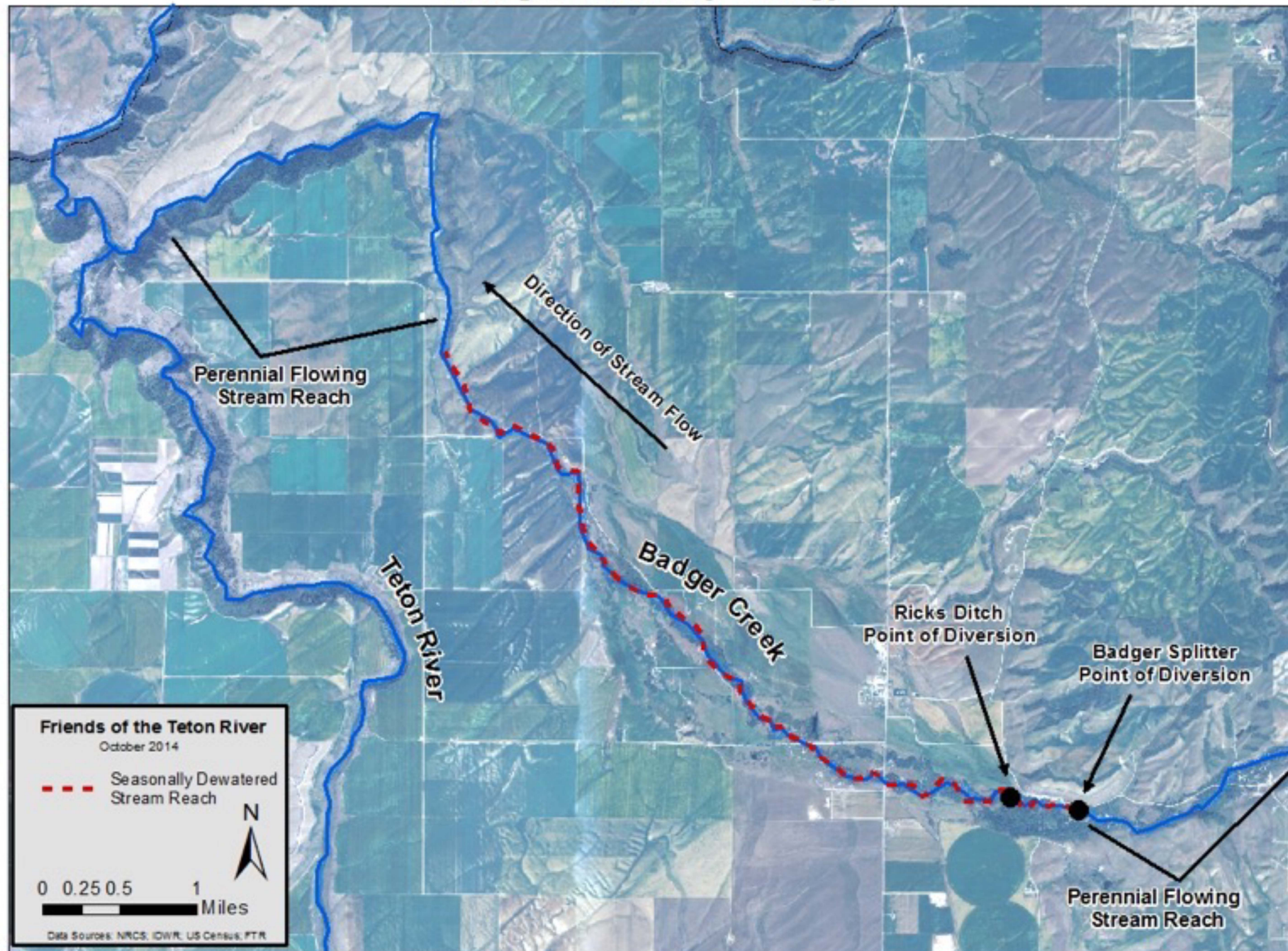


# On-going Fisheries Monitoring





# Badger Creek Hydrology



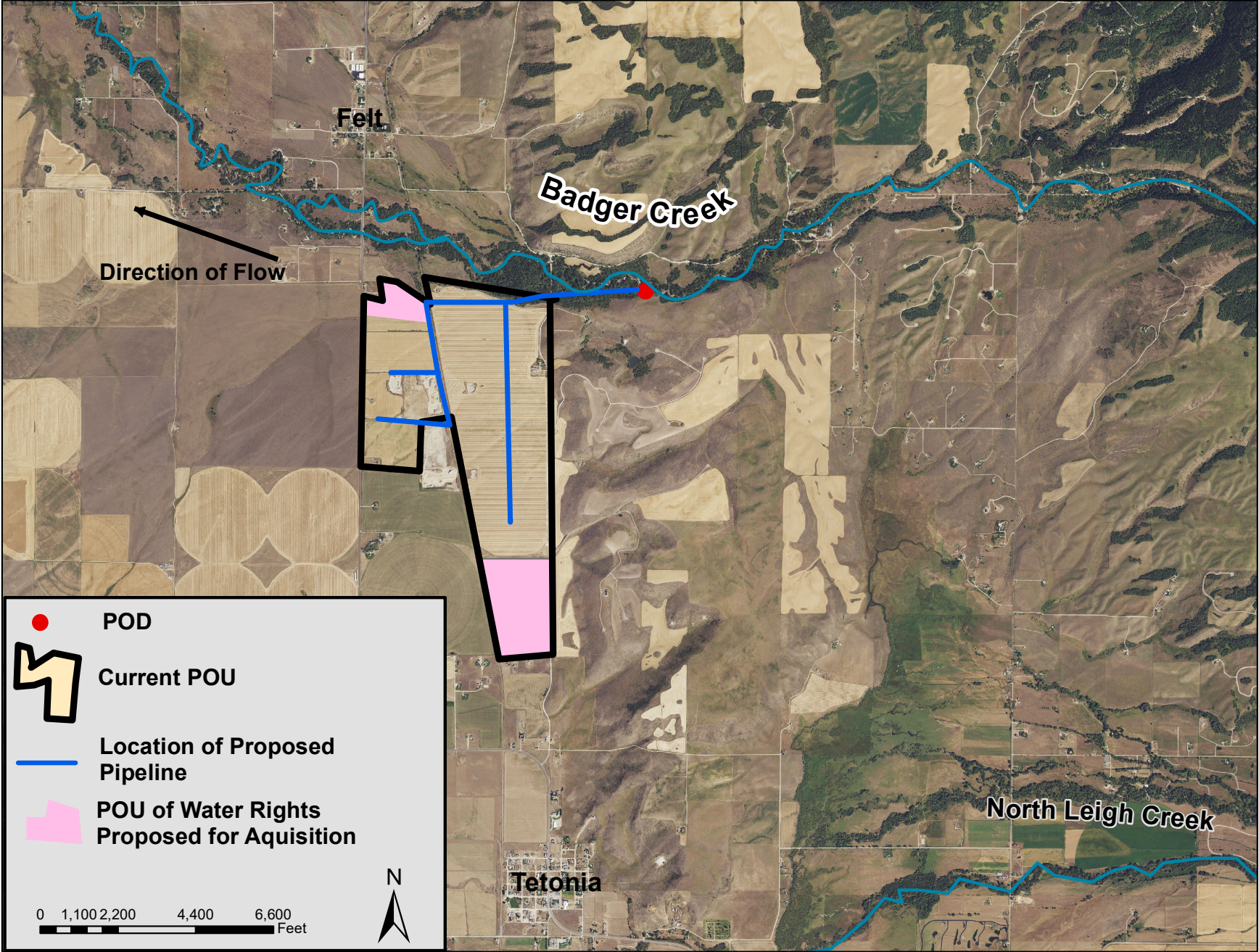


## Badger Creek Transaction Overview



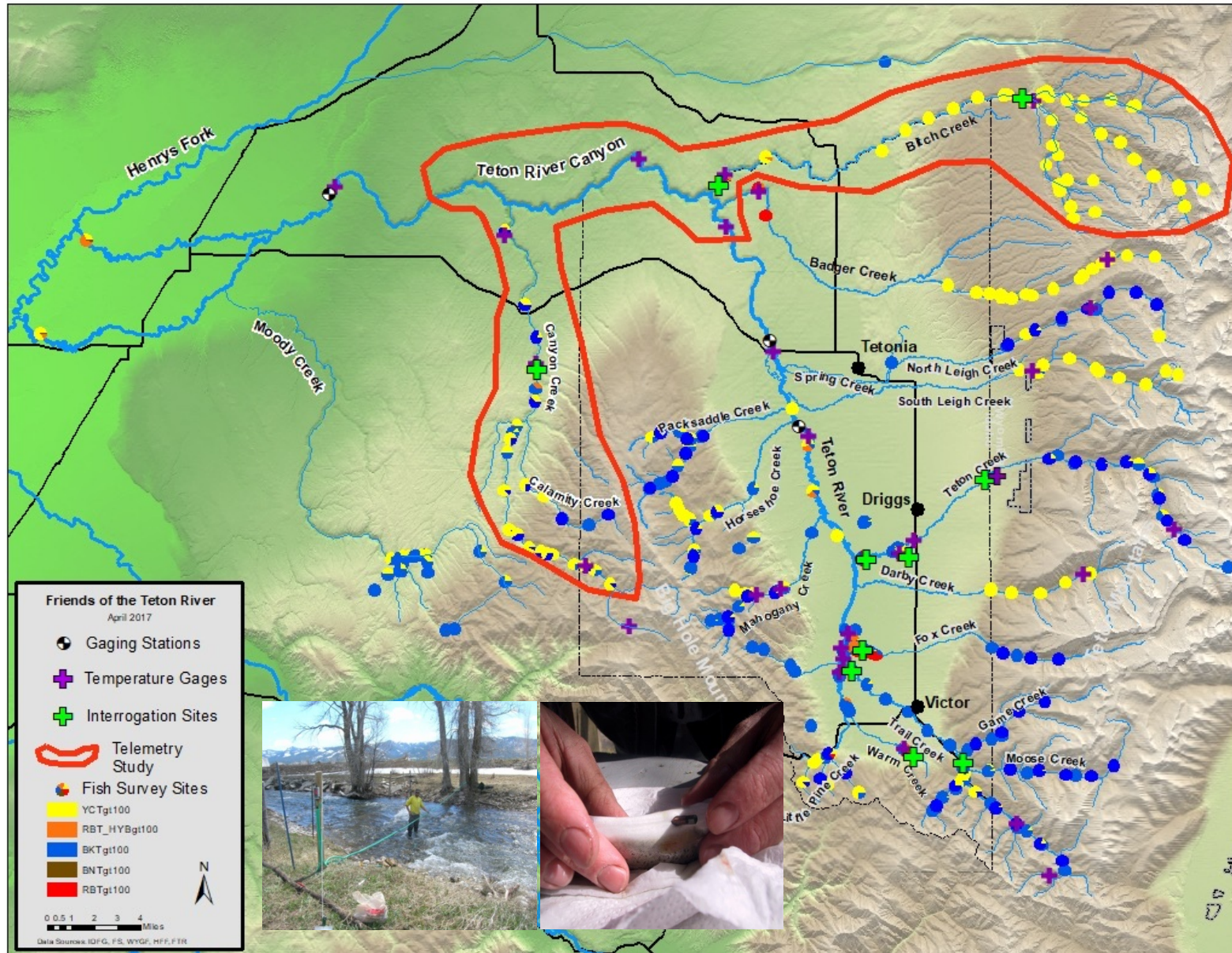


Badger Creek Transaction Concept Map

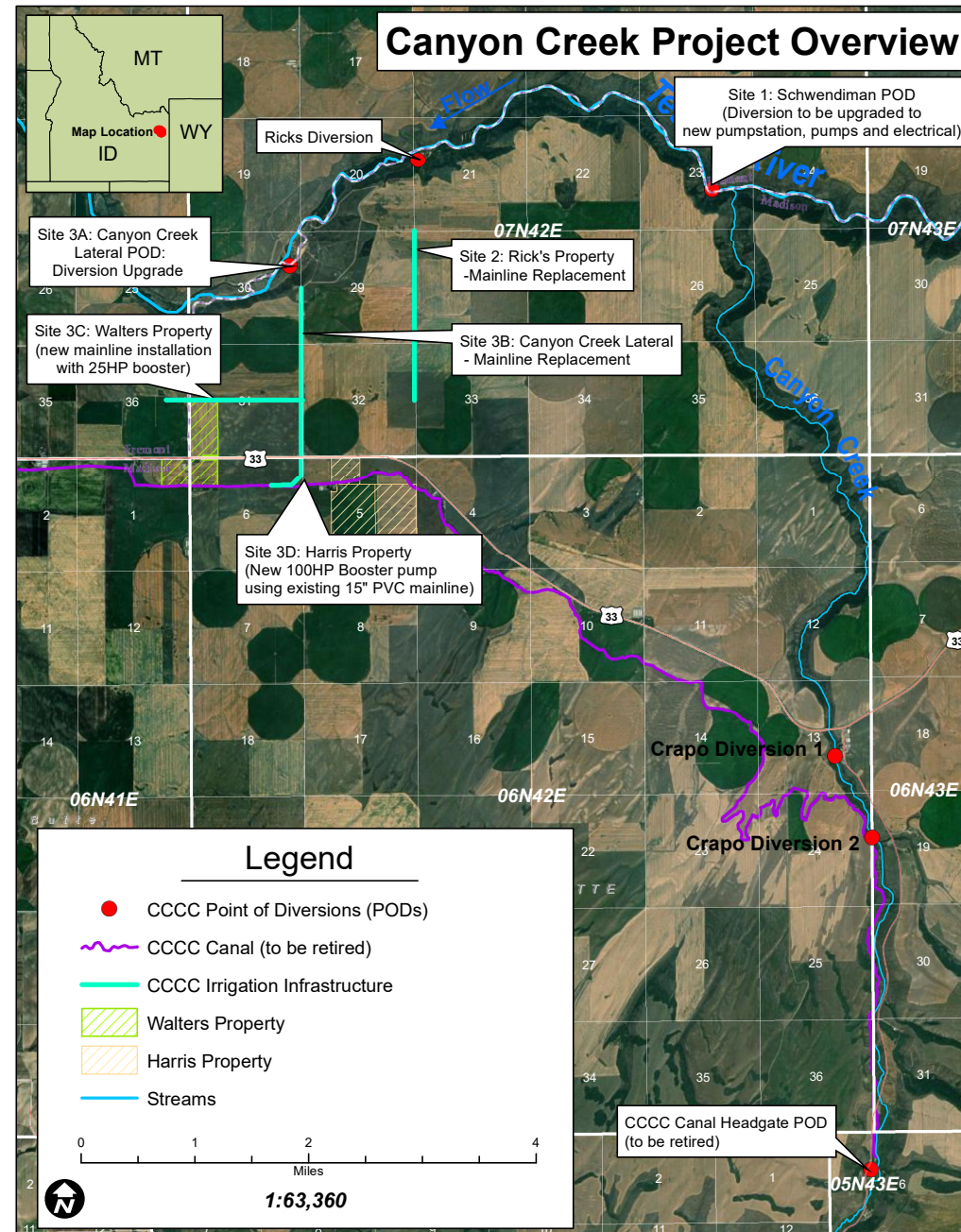




# On-going Fisheries Monitoring



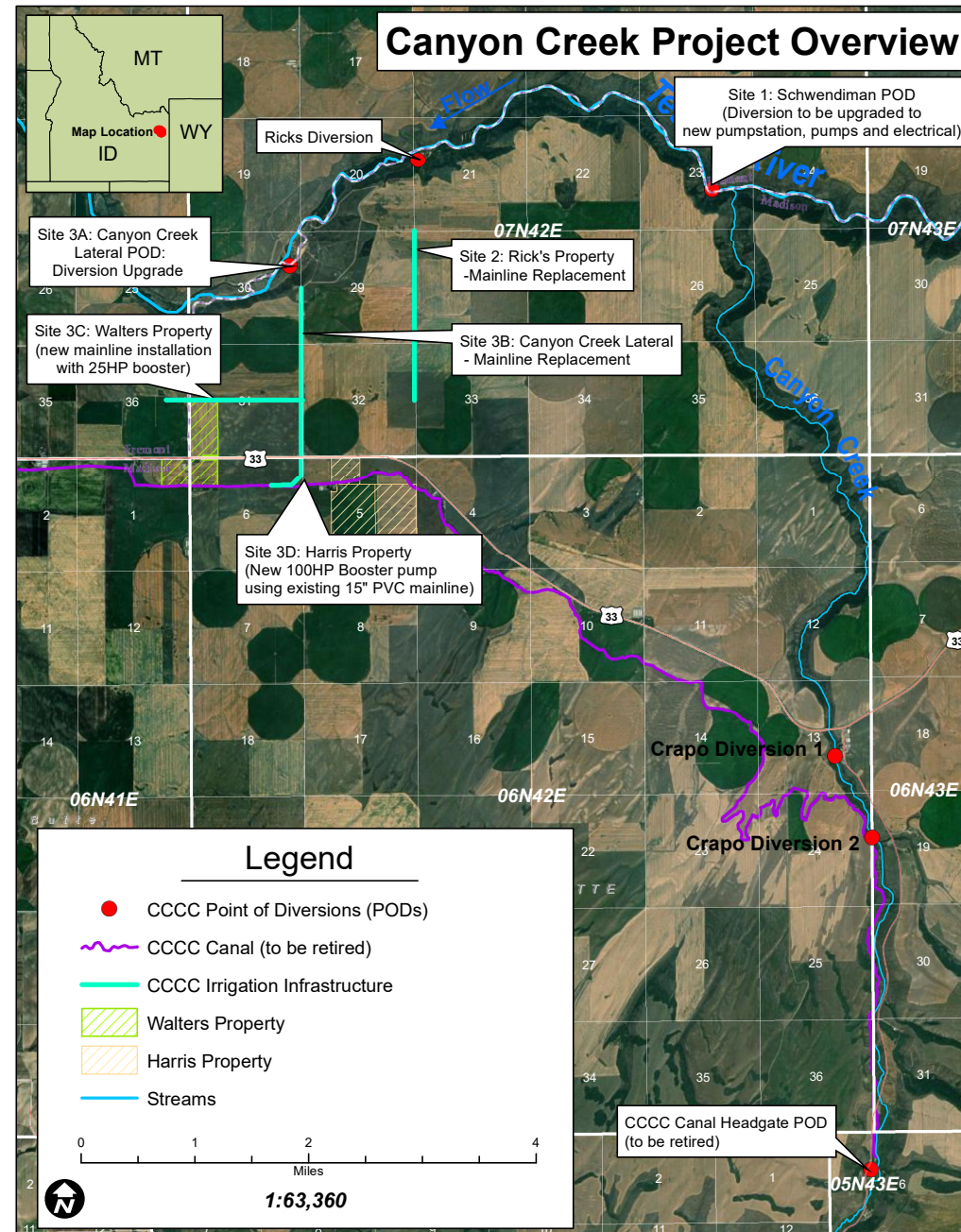








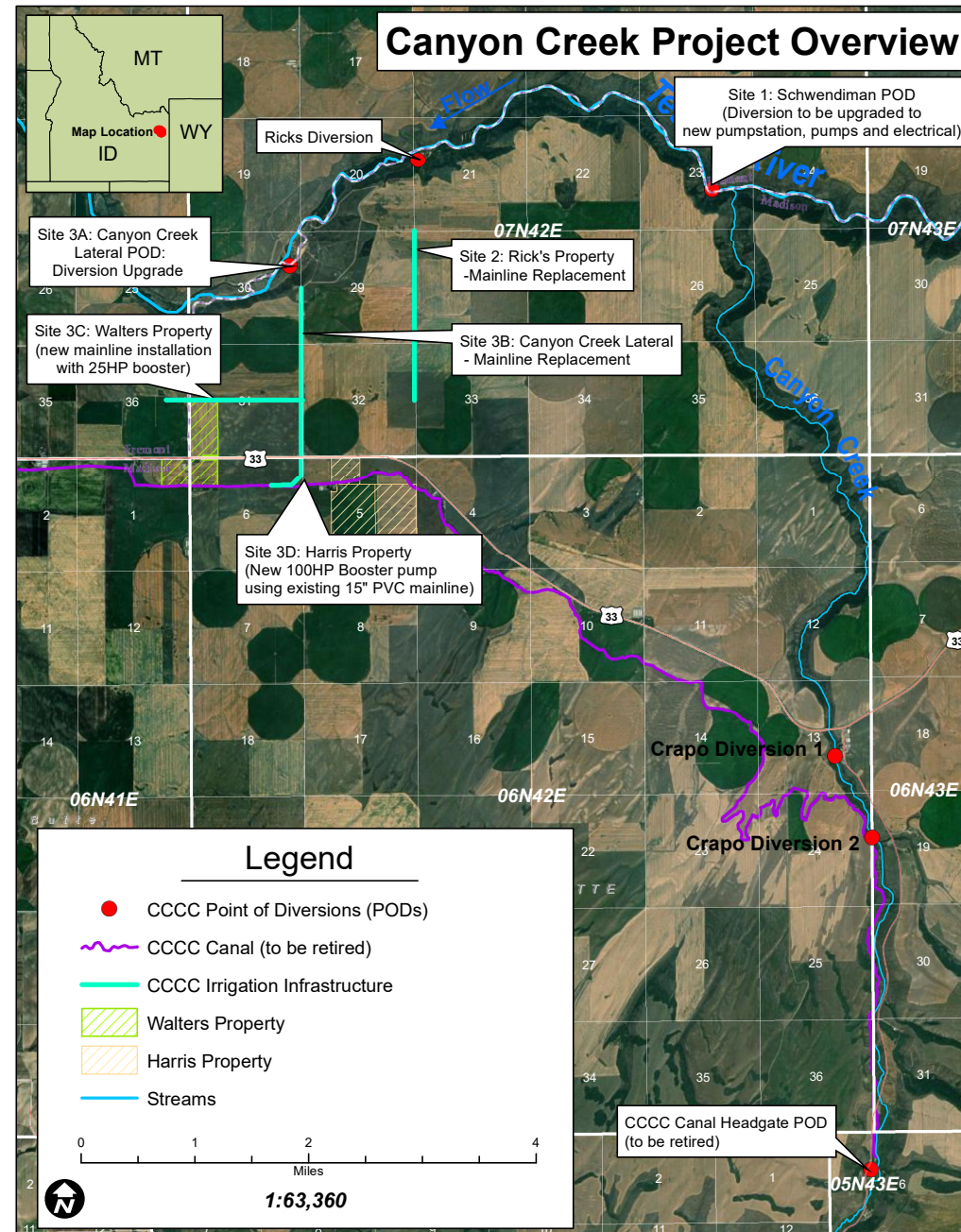
















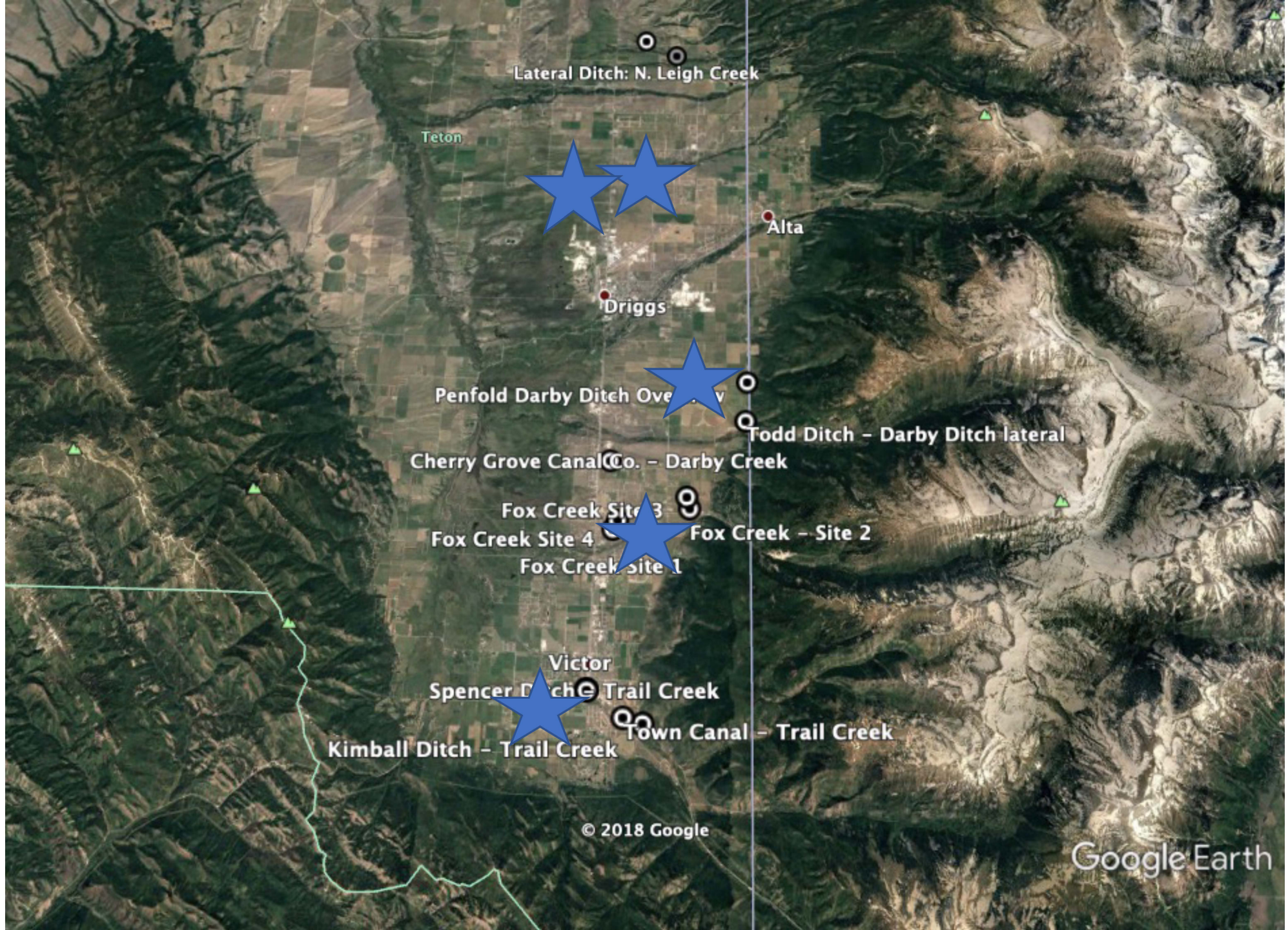
## New Purpose for Old Practices

### Teton Valley, Idaho

Declines in the underground aquifer and water supply are having a big impact on local livelihoods, fish, and wildlife. In response, an unlikely and effective partnership of local irrigators, agencies, scientists and conservation groups are finding solutions to change the way we work together and how water is managed to sustain the future of agriculture in Teton Valley.

**Our goal is to convert cheap and abundant early-season water into valuable summer water. Here's how it works.**











# Questions?

