



## IDAHO WATER RESOURCE BOARD

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**Board Meeting No. 1-24**

**Friday, January 19, 2024**

**Executive Session begins at 8:00 a.m. (MT) / 7:00 a.m. (PT)**

**Open Meeting begins at 9:00 a.m. (MT) / 8:00 a.m. (PT)**

Water Center

Conference Rooms 602 B – D

322 E. Front Street

BOISE

**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

**Livestream available at <https://www.youtube.com/@iwrbo>**

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1. Roll Call
2. Executive Session: Board will meet pursuant to Idaho Code § 74-206(1) subsection (f) to communicate with legal counsel regarding legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated. Topics: Columbia River System Operations, Priest Lake, and City of Pocatello Litigation CV42-23-1668. Closed to the public.
3. Agenda & Approval of Minutes 8-23 & 9-23\*
4. Public Comment
5. Legislative Audit
6. Financial Report
7. Governor's Proposed IDWR Budget FY25
8. Federal Affairs Update by Mark Limbaugh
9. Priest Lake Dam Modification Update\*
10. City of Hagerman / Billingsley Creek\*
11. Lemhi River Settlement / McFarland Minimum Streamflow Water Right\*
12. Water Supply Bank
  - a. Finances\*
  - b. Program Improvement Review\*
13. Aging Infrastructure Grant Awards\*
14. Regional Water Sustainability Priority List
  - a. Terms and Conditions Approval\*
  - b. Lewiston Orchards Exchange Project\*
15. ESPA Recharge Projects\*
16. Administrative Rules Update
17. Potential Legislation of Interest
18. Director's Report
19. Non-Action Items for Discussion
20. Next Meeting & Adjourn

\* 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:** 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.

**322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098**

**Phone: (208) 287-4800 Fax: (208) 287-6700 Website: [idwr.idaho.gov/IWRB/](http://idwr.idaho.gov/IWRB/)**



# IDAHO WATER RESOURCE BOARD

**Brad Little**  
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**Jeff Raybould**  
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At Large

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**Brian Olmstead**  
Twin Falls  
At Large

**Marcus Gibbs**  
Grace  
District 4

**Patrick McMahon**  
Sun Valley  
At Large

## MINUTES MEETING NO. 8-23

Water Center  
Conference Rooms 602 B-D  
322 E. Front Street  
BOISE

November 16, 2023  
**Work Session**

### **Agenda Item No. 1: Roll Call**

Chairman Raybould called the work session meeting to order at 8:06 AM (MT) in Boise, Idaho. The meeting was livestreamed on the Board's YouTube Channel online. Board members present were Al Barker, Jo Ann Cole-Hansen, Marcus Gibbs, Patrick McMahon, Brian Olmstead, Dean Stevenson, Dale Van Stone, and Chairman Jeff Raybould.

IDWR staff members present were: Brian Patton, Cynthia Bridge Clark, Neeley Miller, Wesley Hipke, Amy Cassel, Mary Condon, Kala Golden, Matt Anders, John Falk, Nick Miller, Shelley Keen, Steve Stuebner, Garrick Baxter, and Jennifer Strange. Online were: Justin Ferguson and Mathew Weaver.

Guests present were: Neil Shippy, Scott Pugrud, Kresta Davis, John Simpson, Lloyd Knight, and Ann Yribar.

### **Agenda Item No. 2: Dam Safety Federal Grant Opportunities**

John Falk, the Safety of Dams program manager at IDWR, shared several funding opportunities through federal grant programs related to dam safety. There was some discussion on the difficulty in the grant application processes. Director Weaver explained why the information was being presented and emphasized the importance of getting the options out to the public.

### **Agenda Item No. 3: Quagga Mussel Update**

Lloyd Knight, the Deputy Director from Idaho State Department of Agriculture provided an update on the quagga mussel treatment plan on the Snake River.

#### **Agenda Item No. 4: Water District 65 Rental Pool Procedures**

Mary Condon discussed rental pool procedures amendments requested by Water District 65. Neil Shippy, Watermaster for WD65 provided some description on the proposed changes.

#### **Agenda Item No. 5: Cloud Seeding Cost Share**

Kala Golden discussed water user funding for the collaborative cloud seeding program, including historical contributions and current challenges. There were concerns about lowering the water users' contribution to accommodate a rounded number in the calculations. It was decided that the contribution amount should remain the same as in previous years.

Upper Snake River basin's RC&D program requested up to \$40,000 in state funding to support cloud seeding operations.

Authorization was sought for use of up to \$200,000 in budget reserves for unplanned expenses related to ongoing maintenance issues.

#### **Agenda Item No. 6: Potential Legislation of Interest**

Garrick Baxter provided an update on three pieces of legislation being considered for the upcoming legislative session.

#### **Agenda Item No. 7: Regional Manager's Update**

Nick Miller presented updates for the work happening at the Western Region office.

#### **Agenda Item No. 8: Swan Falls Minimum Flows Update**

Sean Vincent provided minimum flow updates for Swan Falls and Murphy gauging station.

#### **Agenda Item No. 9: Non-Action Items for Discussion**

Steve Stuebner shared a video of the Enterprize Canal recharge project PR event in Idaho Falls that included Governor Little and board members Brian Olmstead and Marc Gibbs.

#### **Agenda Item No. 10: Adjourn**

Chairman Raybould adjourned the meeting at 11:05 AM.

The board broke for lunch. Following lunch, the board departed for a field trip to the Swan Falls Dam, near Murphy, Idaho.

November 17, 2023  
**Board Meeting No. 8-23**

At 7:54 AM (MT) Chairman Raybould called the meeting to order in Boise, Idaho. The meeting was livestreamed on the Board's YouTube Channel online upon adjournment of the executive session.

#### **Agenda Item No. 1: Roll Call**

*Board Members Present*

Jeff Raybould, Chairman

Jo Ann Cole-Hansen, Vice Chairman

Albert Barker

Marcus Gibbs  
Patrick McMahon  
Dale Van Stone  
Brian Olmstead  
Dean Stevenson, Secretary

*Staff Members Present*

Mathew Weaver, Director  
Cynthia Bridge Clark  
Kala Golden  
Neeley Miller  
Meghan Carter  
Mike Morrison

Brian Patton, Executive Officer  
Wesley Hipke  
Garrick Baxter  
Amy Cassel  
Justin Ferguson  
Jennifer Strange

*Staff Members Present Online*

Mary Condon

*Guests Present*

Scott Campbell  
Tom Banducci  
Remington Buyer  
Irv Leen  
Robert Annalora  
Douglas R. Jones  
Jeff Barnes  
Bill Millenkamp

Ann Yribar  
Jennifer Reinhardt-Tessmer  
Dale Barton  
Michael Fuss  
Bret Andersen  
John Spencer  
Hattie Zobott  
Neil Shippy

*Guests Online*

Wade Egan  
Tonya Boyd  
Chris Keith

Alan Hansten  
Lanie Paquin

**Agenda Item No. 2: Executive Session**

Immediately following roll call, Ms. Cole-Hansen made a motion to amend the agenda to include a topic for the executive session. Chief Campbell at the AG's office had requested an opportunity to discuss Columbia River Basin Litigation. Mr. Barker seconded. Voice vote. All in favor. The motion carried.

At 7:55 AM, Mr. Stevenson moved to resolve into executive session pursuant to Idaho Code 74-206(1) subsection (f) to communicate with legal counsel regarding legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated. Mr. Barker seconded. Roll call vote: Mr. Barker, aye; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 8 ayes. The motion passed.

Scott Campbell spoke on the topic of Columbia River Basin Litigation. Meghan Carter spoke on Priest Lake litigation. Ann Yribar spoke on City of Pocatello litigation CV-42-23-1668. The meeting was closed to the public and no actions were taken during the executive session.



Mr. Stevenson moved to resolve out of executive session at 9:07 AM. Mr. Van Stone seconded. Voice vote. All in favor. The motion carried.

### **Agenda Item No. 3: Agenda and Approval of Minutes 7-23**

The agenda and minutes for meeting 7-23 were available for approval. Mr. Barker moved to approve the minutes for meeting 7-23. Mr. Van Stone seconded. Voice vote. All in favor. The motion carried.

### **Agenda Item No. 4: Public Comment**

There was no public comment.

### **Agenda Item No. 5: Financial Report**

Neeley Miller provided the Board's financial report. The accounts as of October 31, 2023, were: Secondary Aquifer Fund: committed/earmarked but not disbursed \$32,001,299 and uncommitted balance \$4,947,136; Revolving Development Account: committed/earmarked but not disbursed \$33,834,588, loan principal outstanding \$17,338,353, uncommitted balance \$3,350,413, and anticipated loanable funds available next one year \$6,850,413; and Water Management Account: obligated \$164,859,047, and unobligated balance \$132,301,373. Total committed/earmarked but not disbursed \$230,694,935; total loan principal outstanding \$17,338,353; and total uncommitted balance \$140,598,923. ARPA: committed per HB 769 is \$100,000,000; committed per SB 1181 is \$24,497,543; expended \$75,011,582; obligated \$55,450,464; unobligated \$5,964,503.

The obligated balance in the Water Management Account includes the \$20M legislative appropriation per HB 285 (FY 2019) for the Anderson Reservoir Enlargement and/or Mountain Home Air Force Base Water Supply Project. The obligated balance also includes \$50M for large infrastructure projects per Senate Bill 1121 (FY 2021) for the Anderson Ranch enlargement, Mountain Air Force Base Water Supply Project, ESPA Managed Aquifer Recharge Program, other projects identified by the IWRB. The Water Management Account unobligated balance also includes \$150M per HB 1181 to be used for expenditures, loans, or grants for water projects, including studies to address water sustainability, rehabilitate or improve aging water infrastructure, or support flood management. The legislature indicated that the IWRB may provide up to one-third of this money for grants. The Water Management Account includes \$25M obligated for Aging Infrastructure Grants (rounds one and two) and the \$22.7M for non-ARPA eligible Regional Water Sustainability Priority List projects that the IWRB awarded at the July 2023 meeting.

Chairman Raybould suggested some clarification in the budget related to the SB 1181 allocation of \$50M.

### **Agenda Item No. 6: Anderson Ranch Dam Raise Update**

Cynthia Bridge Clark introduced Lanie Paquin of Bureau of Reclamation who discussed alternatives to reduce construction risk on the project. She stated the project team identified opportunities for cost savings, reduced environmental impact, and improvement for the public use of the reservoir. She mentioned that a schedule update would be needed and forthcoming.

Ms. Bridge Clark sought to advance the water rights process with potential space holders. The board suggested a Water Storage Committee meeting be held after the January 2024 meeting to provide a way to gather public input.

#### **Agenda Item No. 7: Priest Lake Dam Modification Update**

Mike Morrison stated the dam modification was on schedule. He shared some recent photos of the project and provided a timeline for the remainder of the work. His timeline included: January 24, 2024—repair void under slab; February 22, 2024—concrete apron extension complete; March 15, 2024—in water work complete; March 19, 2024—gate repairs and seals complete; April 1, 2024—substantial completion; and May 1, 2024—project close-out.

#### **Agenda Item No. 8: Mountain Home Air Force Base Water Resilience Project**

Mike Morrison provided updates for the project. They were finalizing contract negotiations with IMCO Construction to design, build, and test a water transmission system that will provide water to Mountain Home AFB from CJ Strike Reservoir. IMCO's \$26,439,000 bid was significantly below the Engineer's \$38,481,750 estimate or either of the other two bids submitted for this project. Additionally, staff is working with the U.S. Air Force to obtain the water rights needed to provide a year-round municipal supply. The winter use water right application was advertised by IDWR, and three protests were received. Staff will begin working with the department, protestants, and legal counsel toward a resolution. A Water Supply Bank rental application is being developed to change the nature of use of the water rights purchased from the J.R. Simplot Corporation to municipal use during the summer months. Work continues with the Bureau of Land Management, Mountain Home Highway District, the Idaho Transportation Department, Idaho Department of Lands, the J.R. Simplot Company, and other landholders to obtain the necessary easements and rights-of-way to build the project. Only one Design-Build firm, RSCI Inc., was pre-qualified to bid on the Air Force's Water Treatment Plant project. It is anticipated that the Board's Water Transmission System will be completed in time to supply water for commissioning and testing the Air Force's Water Treatment Plant in summer 2025.

#### **Agenda Item No. 9: Aging Infrastructure Grant Awards**

Neeley Miller presented a draft resolution for \$11 million in grant awards for the Aging Infrastructure Program. He stated the application period for the IWRB's third round of aging infrastructure funding had closed on August 4, 2023. The IWRB received 23 grant applications requesting approximately \$11 million in funding. The applications were evaluated, scored, and ranked according to the criteria adopted by IWRB. On November 1, 2023, the Finance Committee met and discussed the projects, and recommended the IWRB approve awards as specified in Attachment A included with the resolution.

Mr. Van Stone moved to adopt the resolution and attachment to fund the third round of Aging Infrastructure Grants at \$11M. Ms. Cole-Hansen seconded. Roll call vote: Mr. Barker, abstain; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, abstain. 6 ayes. The motion passed.

Chairman Raybould stated that he supports the program, but abstained from voting due to a conflict of interest for one of the entities that would receive funding. Mr. Barker abstained for the same reasons.

Following the vote, Mr. Miller shared a timeline for due dates and award dates for a few grant programs.

#### **Agenda Item No. 10: Regional Water Sustainability Project Contract Terms & Conditions**

##### **a. Treasure Valley Water Supply Assessment Project**

There were no changes in terms and conditions recommended by the finance committee.

##### **b. North Fremont Canal Systems Phase 5 Pipeline Project**

There were no changes in terms and conditions recommended by the finance committee.

**c. Nampa Projects**

There were no changes in terms and conditions recommended by the finance committee.

**d. Lost Valley Reservoir Enlargement Project**

The Lost Valley group had stipulations and questions for the board. Douglas Jones announced that QRS (Quadrant Engineering) would be the contractors on the project and that Sundance Consulting would work as EIS consultants. He introduced two board members from the Lost Valley Reservoir Company: Irv Leen and Dale Barton. Mr. Leen described their plan for collecting cost match dollars. Completing the EIS was identified as critical for the project. There was some discussion on financing options. A loan was suggested to assist the project, should shareholders be unable to provide the necessary matching dollars. The group would take the proposal to their shareholders.

Mr. Miller shared the draft resolution and the attachment that specifically listed the terms and conditions for each of the projects. Mr. Barker made a motion to approve the resolution and to adopt attachment A with the removal of the Lost Valley Reservoir Enlargement Project. Mr. Stevenson seconded. Roll call vote: Mr. Barker, aye; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 8 ayes. The motion passed.

**Agenda Item No. 11: Loan Program**

**a. Marsh Center Irrigation Company**

Justin Ferguson introduced a new loan request for Marsh Center Irrigation Company in the amount of \$700,000 to convert a nearly 27,000-foot section of open canal delivery system to pressurized buried pipe system.

Ms. Cole-Hansen moved to adopt the resolution to approve a loan not to exceed \$700,000 at 8.5% interest with a 2-year repayment term. Mr. Gibbs seconded. Roll call vote: Mr. Barker, aye; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 8 ayes. The motion passed.

**b. North Side Canal Company Extension**

North Side Canal Company requested a one-year extension on their loan approved in Resolution No. 06-2023.

**c. North Side Pumping Company Extension**

North Side Pumping Company requested an extension on their loan approved in Resolution No. 45-2022.

**d. King Hill Irrigation District Extension**

King Hill Irrigation District requested an extension through December 2025 on their loan approved in Resolution No. 05-2023.

**e. Raft River Recharge Group Extension**

The Raft River Recharge Group requested an extension through December 2025 for their loan approved in Resolution No. 46-2022.

All loan extension requests were included in one resolution for a period of two years.

Mr. Olmstead moved to adopt the resolution. Mr. McMahon seconded. Mr. Van Stone noted that the draft resolution listed “one year” but should be “two years.” With that edit noted and agreed upon, the board voted. Roll call vote: Mr. Barker, abstain; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 7 ayes. The motion passed.

#### **Agenda Item No. 12: Water District 65 Rental Pool Procedures**

Director Weaver mentioned that he had been working with Mary Condon and Neil Shippy from WD 65. Further work on the rules and procedures for Water District 65 was recommended. The board agreed to wait for revisions to be made to the proposed procedures.

#### **Agenda Item No. 13: Cloud Seeding Cost Share**

Kala Golden discussed a draft resolution with three expenditure requests for the following: one-time expenditures to offset anticipated O&M funding shortages; for costs to support existing cloud seeding program projects, program development, and analysis not to exceed \$200,000; and for O&M costs to support the HCRC cloud seeding program for the 2023-24 season not to exceed \$40,000.

Mr. Gibbs moved to adopt the resolution. Mr. Van Stone seconded. Roll call vote: Mr. Barker, aye; Ms. Cole-Hansen, aye; Mr. Gibbs, aye; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 8 ayes. The motion passed.

#### **Agenda Item No. 14: 2024 Approved Board Meeting Dates**

Brian Patton shared a memo which listed potential dates for regular board meetings in 2024.

Mr. Van Stone moved to approve 2024 board meeting dates. Mr. Stevenson seconded. Voice vote. All in favor. The motion carried.

#### **Agenda Item No. 15: Director’s Report**

Director Weaver discussed his appointment and stated that he viewed himself as a status quo selection from the governor. Changes to the department included appointing two deputy directors: Brian Patton, who will oversee planning and projects bureau, technical services bureau, and maintain his role as Executive Manager to the board; and Shelly Keen, who will oversee water allocations, regional operations, and IT operations. He named fully staffing the department as a need. He emphasized the importance of transparency and accountability in spending the department’s budget.

Garrick Baxter provided an update on Judge Wildman’s decision on November 16, 2023. His ruling stated that signatory members of the mitigation plan are responsible for the 240,000 acre feet obligation, rejecting attempts to shift responsibility to non-signatory entities. The decision may lead to further action in parallel proceedings, such as an appeal.

#### **Agenda Item No. 16: Non-Action Items for Discussion**

There were no other items for discussion.

**Agenda Item No. 17: Next Meeting and Adjourn**

Mr. Patton stated the next scheduled meeting would be January 19, 2024, in Boise and that Idaho Water Users Association annual convention would be the same week. Mr. Van Stone moved to adjourn. Mr. Stevenson seconded. Voice vote. All ayes. Motion carried. Meeting adjourned at 11:31 AM (MT).

Respectfully submitted this 19<sup>th</sup> day of January 2024

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Dean Stevenson, *Secretary*

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Jennifer Strange, *Administrative Assistant II*



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## MINUTES MEETING NO. 9-23

Water Center  
Conference Rooms 602 C & D  
322 E. Front Street  
BOISE

November 28, 2023  
**Special Board Meeting**

### Agenda Item No. 1: Roll Call

At 12:03 PM (MT) Chairman Raybould called the meeting to order in Boise, Idaho and on Zoom for remote participants. The meeting was livestreamed on the Board's YouTube Channel.

### Agenda Item No. 1: Roll Call

#### *Board Members Present Online*

Jeff Raybould, Chairman  
Jo Ann Cole-Hansen, Vice Chairman  
Albert Barker  
Patrick McMahon  
Dale Van Stone  
Brian Olmstead  
Dean Stevenson, Secretary  
Absent: Marcus Gibbs

#### *Staff Members Present*

Brian Patton, Executive Manager  
Cynthia Bridge Clark  
Meghan Carter  
Mike Morrison  
Jennifer Strange  
Sascha Marston  
Glyn Roberts

#### *Guests Present*

Erik Boschulte, IMCO Construction  
Brett Himes, IMCO Construction

**Agenda Item No. 2: Mountain Home Air Force Base Water Resilience Project Design Build Contract**

Mike Morrison provided an overview of a proposed design build contract with IMCO Construction for the Mountain Home Air Force Base Water Resilience Project. He discussed the contract costs, a project schedule, and a draft resolution. The resolution would authorize expenditures of up to \$35,000,000, including \$5,000,000 already approved. There was discussion about the resolution. Mr. Barker suggested that at line 71/72 the resolution add “to execute the IMCO agreement and other necessary agreements or contracts.” He further asked about a unit price listed in the contract when a unit price hadn’t been adopted. Megan Carter stated that reference would be corrected.

Mr. Barker moved to adopt the resolution with the suggested edits to approve contracting with IMCO Construction and to authorize funds from the ARPA State Fiscal Recovery Fund and provide signatory authority. Mr. McMahon seconded. Roll call vote: Mr. Barker, aye; Ms. Cole-Hansen, aye; Mr. Gibbs, absent; Mr. McMahon, aye; Mr. Olmstead, aye; Mr. Stevenson, aye; Mr. Van Stone, aye; and Chairman Raybould, aye. 7 ayes. The motion passed.

**Agenda Item No. 3: Non-Action Items for Discussion**

Brian Olmstead mentioned a letter from IGWA who requested a meeting with Idaho Power Company and board members. Chairman Raybould suggested that staff might check schedules for that.

**Agenda Item No. 4: Next Meeting and Adjourn**

Mr. Stevenson moved to adjourn. Ms. Cole-Hansen seconded. Voice vote. All ayes. Motion carried. Meeting adjourned at 12:35 PM (MT).

Respectfully submitted this 19<sup>th</sup> day of January 2024

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Dean Stevenson, *Secretary*

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Jennifer Strange, *Administrative Assistant II*

# Memorandum

**To:** Idaho Water Resource Board  
**From:** Cynthia Bridge Clark  
**Date:** January 17, 2024  
**Re:** Legislative Audit



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**REQUIRED ACTION:** None

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The Department of Water Resources received the Accountability Report for Fiscal years 2020-2022 completed by the Legislative Services Office Audits Division. A copy of the report is attached. A finding regarding Idaho Water Resource Board (IWRB) funds was identified:

*Finding 1 - Significant errors were found in spreadsheets used to monitor the cash balances for the Revolving Development Fund, Water Management Fund, and the Secondary Aquifer Planning and Management Fund.*

Staff will discuss the finding, agency response and proposed Agency Corrective Action Plan, and steps initiated to reconcile the tracking spreadsheet used to monitor and report cash balances, expenditures, revenues, and committed funds in IWRB funds.

## ATTACHMENTS

- Accountability Report, Idaho Department of Water Resources, For the period of July 1, 2019, through June 30, 2022





# Accountability Report

## Idaho Department of Water Resources

For the period July 1, 2019, through June 30, 2022

**Legislative Services Office Audits Division**

Published [X](#)



# SUMMARY

April Renfro, Legislative Auditor



## PURPOSE OF THE ACCOUNTABILITY REPORT

We completed an accountability report for the Idaho Department of Water Resources (Department) covering the period July 1, 2019, through June 30, 2022. Our report includes the results of procedures completed to review the following areas: Appropriation Compliance, Cash Balances, and Statewide Groundwater Quality Monitoring Program. We also reviewed general administrative procedures and accounting controls to determine that activities are properly recorded and reported.

The intent of this review was not to express an opinion but to provide general assurance on internal controls over the areas reviewed, and to raise the awareness of management and others of internal control weaknesses, noncompliance, or other conditions that came to our attention and offer recommendations for improvement.

## CONCLUSION

We identified deficiencies to report.

## FINDINGS AND RECOMMENDATIONS

There is one finding and recommendation in this report.

**Finding 1** – Significant errors were found in spreadsheets used to monitor the cash balances for the Revolving Development Fund, Water Management Fund, and the Secondary Aquifer Planning and Management Fund.

The complete finding is detailed on page 6 of this report.

## PRIOR FINDINGS AND RECOMMENDATIONS

The prior report contained three findings and recommendations, which were evaluated as part of the follow-up work. Two findings were corrected, and one remained open. The one remaining open finding was evaluated as part of the current review and satisfactorily corrected.

Follow up on the prior findings and recommendations is detailed on page 9 of this report.

## MANAGEMENT'S VIEW

The Department has reviewed the report and is in general agreement with the contents.

## FINANCIAL INFORMATION

The following fiscal year 2022 financial data is for informational purposes only.

Fund No.	Fund Title	Beginning Appropriation/ Cash Balance	Receipts/ Transfers-In	Disbursements/ Transfers-Out	Ending Appropriation/ Cash Balance
0001	General Fund*	\$20,564,800	\$24,729	\$14,286,721	\$6,302,808
0125	Indirect Cost Recovery	601,098	521,803	537,377	585,524
0128	Technology Infrastructure Stabilization	197,924			197,924
0129	Aquifer Planning and Management	23,815,964	12,151,729	7,389,911	28,577,782
0229	State Regulatory Funds	1,009,165	1,511,056	1,421,941	1,098,280
0337	Water resource Adjudication	296,717	118,160	208,520	206,357
0348	Federal Fund **	(19,879)	1,292,776	1,308,612	(35,715)
0349	Miscellaneous Revenue Fund	257,336	1,181,248	1,262,504	176,080
0490	Rural Rehabilitation Funds	104,409,947	9,337,297	5,910,370	107,836,874
0630	Custodial Funds	82,024	191,340	191,720	81,644
Total		\$151,215,096	\$26,330,138	\$32,517,676	\$145,027,558

\* At year-end, \$104,785.92 was encumbered and \$6,198,022.56 was reverted in General Fund 0001.

\*\* The Federal Fund has a borrowing limit of \$300,000.

## OTHER INFORMATION

We discussed other issues which, if addressed, would improve internal control, compliance, and efficiency.

This report is intended solely for the information and use of the State of Idaho and the Idaho Department of Water Resources and is not intended to be used by anyone other than these specified parties.

A copy of this report and prior reports are available on our [website](#) or by calling 208-334-4875.

We appreciate the cooperation and assistance given to us by the director, Mathew Weaver, and his staff.

## ASSIGNED STAFF

Kellie Bergey, CPA, Managing Auditor  
J.E. Bowden, CPA, CFE, Senior Supervising Auditor  
Brayden Davis, Associate Auditor  
Kara Perry, CFE, Associate Auditor Intern

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DRAFT

# OBJECTIVE

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Our objective was to conduct a review of the Department as part of our compliance with Idaho Code, Section 67-702(1)(c). The review may include an evaluation of internal controls over financial and program activities and other matters related to its operations. We reviewed appropriation compliance, cash balances, the Department's Statewide Groundwater Quality Monitoring Program as well as general receipts and expenditures. This report covers July 1, 2019, through June 30, 2022.

The intent of this review was not to express an opinion but to provide general assurance about the reviewed financial and program activities administered by the Department and to raise awareness of management and other stakeholders of any deficiencies or areas of concern that may have come to our attention and offer recommendations for improvement.

# BACKGROUND

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The Department is divided into five major programs for budgeting purposes.

1. The Management and Support Services Program provides administrative, legal, and information system support for the Department.
2. The Planning and Technical Services Division provides staff support for the Water Resource Board and provides planning and project management for water sustainability and aquifer stabilization, technical analysis, and ground water monitoring.
3. The Water Management Division provides water resource protection through inspection and regulatory programs and provides water allocation services through permits and water distribution programs. The division also includes the remaining responsibilities of the Snake River Basin Adjudication Program was rolled into the Water Management Program in 2008. The Snake River Adjudicative Program is responsible for completing a fair and accurate determination of the nature, extent, and priority of Snake River Basin water rights.
4. The Northern Idaho Adjudication Program is responsible for completing a fair and accurate determination of the nature, extent, and priority of the water rights north of the Snake River Basin.
5. House Bill 382 of 2020 authorized a general water rights adjudication the Bear River Basin. The Legislature authorized funding in fiscal year 2022 to begin the adjudication of the Bear River Basin.

The Department is funded through the general fund, various dedicated funds, and federal funds.

# METHODOLOGY

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As part of our review, we identified specific scope areas to evaluate compliance, accuracy, and proper internal controls at the Department. We performed the following procedures to support the conclusion reached in this report.

## **Appropriation Compliance**

We documented the Department's processes and controls to ensure that appropriations were being used for the specified purpose. We reviewed and tested the Department's budget monitoring process, compared budget to actual expenditures and reviewed budgetary line items to determine if funds were spent as appropriated, and investigated any variances found. There were no findings related to this scope area.

## **Cash Balances**

We obtained an understanding and documented the procedures and internal controls used by the Department to ensure the cash balances within Fund 0129-01 and Funds 0490-01 and 0490-02 are accurate and properly committed for the purposes of the funds.

The Department completes a monthly reconciliation of the cash balances within each fund to determine how much is committed or uncommitted to various projects, as well as allocate uncommitted funds based on the Idaho Water Board's resolutions. The reconciliations are prepared using Excel spreadsheets that build from month to month. Due to the cumulative nature of these reconciliations, we selected the June 2022 reconciliation for each fund to determine if there were any formula errors, incorrect information or other errors that could impact the decisions made by the Water Board. Our testing identified deficiencies in internal control and substantive errors. See Finding 1 below for additional information.

## **Statewide Groundwater Quality Program**

We obtained an understanding and documented the procedures and internal controls used by the Department to ensure that it is monitoring the appropriate wells and that the tests conducted meet the various requirements of the Statewide Groundwater Quality Program. During our review, we selected a sample of 30 wells, 10 from each fiscal year, to ensure the Department was monitoring the wells in compliance with its rotation schedule as well as publishing the data and reports collected on these wells. We performed an analytic of all the tests performed at each well and compared this to the required listing for that year's testing to ensure all required tests were performed at each well. Additionally, we completed another analytic to ensure that the Department was complying with its plan to routinely monitor all wells within the established population of testing wells each year. Finally, we reviewed the control activities in place by reviewing documentation of each year's testing to ensure that the control activity was implemented, documented, and working as intended. There were no findings related to this scope area.



### **General Receipts**

We obtained an understanding of the Department's processes and controls of its general receipting activities. We first selected 30 general receipts, 10 from each fiscal year, and completed tests to ensure established control activities were present and functioning as intended. These tests also included tracing receipts to supporting documentation to ensure the proper amounts were correctly recorded within the accounting system as well as compliance testing to ensure amounts collected were in compliance with Idaho Statute and Department rules. Based on our testing, no errors were found. Additionally, we tested the internal control activities related to the monthly reconciliation of receipts recorded within the Department's in-house receipting database and STARS. We selected a sample of 6 months out of 36 months (17 percent) within the review period, two from each fiscal year. There were no findings related to this scope area.

### **General Expenditures**

We obtained an understanding of and documented the Department's process and controls for operating expenditures. During this process, we divided our testing into three areas: P-Card Expenditures, Travel Expenditures, and all other general expenditures. For each of these areas we selected a sample of 30 transactions, 10 from each fiscal year, to perform internal control and substantive testing, as well as test for compliance with State and Department policies. There were no findings related to this scope area.



# CONCLUSION

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We identified a deficiency related to the activities overseen by the Department.

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# FINDINGS AND RECOMMENDATIONS

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**Finding 1** – Significant errors were found in spreadsheets used to monitor the cash balances for the Revolving Development Fund, Water Management Fund, and the Secondary Aquifer Planning and Management Fund.

**Type of Issue:** Internal Control Deficiency, Substantive Error

**Criteria:** The *Internal Control Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) provides a basis for organizations to design internal control procedures to ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Components of this framework include risk assessment and control activities. Risk assessment is the identification and analysis of various risks entities face because of changing economic, industry, regulatory, and operating conditions. It provides a basis to develop appropriate responses to manage those risks. Control activities are policies and procedures that help ensure management directives are carried out and risks are mitigated. Verifications, approvals, reconciliations, authorizations, and segregation of duties are all control activities that support this objective.

**Condition:** Monthly reconciliations are completed for the Revolving Development Fund (Fund 0490-01), Water Management Fund (Fund 0490-02), and the Secondary Aquifer Planning and Management Fund (Fund 129-01). These reconciliations are performed to determine how much funding has been committed to various projects and the overall cash balance of the fund. These reconciliations are then presented to the Water Resources Board (Board). The Board uses this information to allocate funding to various projects.

In determining our sample, we noted that the monthly reconciliations were cumulative; as such, we selected the June 2022 reconciliation to test. We were unable to perform control testing as the review performed of the reconciliation was not documented. Our substantive testing consisted of a review of the tracking spreadsheets to ensure the formulas were appropriate and reasonable. Additionally, we selected a sample of line items from each tracking spreadsheet to trace to expenditure queries from the accounting system, contracts, and reports from the Board to ensure that the information entered was supported and accurate. We noted errors on the reconciliations for Funds 0490-01 and 0129-01; no errors were noted for Fund 0490-02. Below are the errors noted:

Revolving Development Fund (0490-01)

- Ending cash balance did not agree with STARS; the workbook contained an understatement of \$4,930,720.

- Formula errors were found in the workbook resulting in the total committed fund balance to be understated by \$29,146,055 and the uncommitted fund balance to be overstated by \$10,239,120.

#### Secondary Aquifer Planning and Management Fund (0129-01)

- \$8,350 in expenditures for Mountain Home Air Force Base (MHAFB) Water Sustainability project was not included in the calculation of the committed balance, resulting in an overstatement.
- SRAS Operations (PCA- 29822) expenditures were overstated by \$2,745.
- WS Hydrology Monitoring (PCA- 29847) expenditures were overstated by \$182,522, and WS Studies (PCA 29844) expenditures were understated by \$185,522. This created a negative remaining balance for PCA 29847 and overstated the balance of funding remaining for PCA 29844.

**Cause:** The current review process does not involve ensuring the integrity of the formulas within the spreadsheet, but rather is a high-level review checking for new information being added to the workbooks.

**Effect:** The Board utilizes these reports to make funding decisions. Inaccuracies in the information provided could lead the Board to make commitments without available cash.

**Recommendation:** We recommend that the Department establish effective internal controls to ensure data is properly entered into the workbooks and that reviews are completed at the level necessary to determine if errors are present.

#### Management's View and Corrective Action Plan:

#### Auditor's Concluding Remarks:

# **MANAGEMENT'S VIEW AND CORRECTIVE ACTION PLAN**

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# PRIOR FINDINGS AND RECOMMENDATIONS

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**Finding 1** – The Department does not ensure monthly progress reports on flood management grant projects are received as required by its internal flood management grant program guidelines.

**Recommendation:** We recommended that the Department collect the monthly reports as required in the grant program guidelines or consider revising the guidelines to provide appropriate oversight for short-term projects.

**Audit Follow Up:** The Department revised the grant program guidelines and removed the requirement for monthly progress reports starting November 19, 2020. We reviewed the grant program guidelines and noted the removal of the requirement for monthly progress reports. We were able to confirm that the Department continues to complete progress reviews of projects for each reimbursement request.

**Status:** Corrected in the Annual Follow Up.

**Finding 2** – The water supply bank receipt and payment transactions lacked documentation of independent reviews.

**Recommendation:** We recommended that the Department ensure independent reviews of payments made to owners and receipts from renters are consistently documented and maintained.

**Audit Follow Up:** The Division has implemented new policies and procedures relating to the processing and review of rents and payments. This included a requirement to audit at least 10% of leases to ensure correct amounts and fees are being charged and received. Additionally, each receipt is received by fiscal and reviewed by someone in the Water Supply Bank to ensure the amounts are correct and it is properly coded to the correct renter and water rights. Documentation of the audits are maintained in the audit review spreadsheet which are initialed by the auditor and again by an email sent from the Water Supply Bank Coordinator to indicate that they reviewed the issues found during the audit. Additionally, the review of the receipts is documented in the letters sent out to each renter. We were able to confirm this by reviewing the new policy and procedures manual and were also able to verify that the audit review spreadsheet was maintained as well as the follow up email from the Water Supply Bank Coordinator. We also were able to verify that receipt letters contained signatures of someone from the Water Supply Bank indicating the amounts were correct.

**Status:** Corrected in the Annual Follow Up.

**Finding 3** – The receipts for the Revolving Loan Fund Program were not independently reviewed to ensure the accuracy of principal and interest calculations.

**Recommendation:** We recommended that the Department implement control procedures, which include training the senior financial specialist to ensure an independent review of the interest and principal calculations occurs.

**Audit Follow Up:** The Department has implemented new policies and procedures related to processing and review of Revolving Loan Fund program receipts. The Department trained the senior financial specialist to complete an independent review of the interest and principal calculations. We reviewed the new deposit instructions and noted the instruction to verify the loan amounts and initial and date after checking. We also completed testing of the newly implemented review procedures and found no deviations either in documenting the control or in the calculations.

**Status:** Corrected in the Annual Follow Up

# APPENDIX

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## HISTORY

In 1894, Congress passed the Carey Act to encourage investment in the construction of irrigation systems for reclamation of arid lands. The Office of the State Engineer was created to administer the provisions of the Carey Act. Over the years, the agency's duties expanded, with the increasing value, development, and use of Idaho's limited water resources. The agency underwent several name changes including: The Department of Reclamation, State Reclamation Engineer, and the Department of Water Administration.

As it became more economical to lift water from underground aquifer systems, it became apparent that regulatory laws were needed to establish water rights and controls to prevent damage to aquifer systems. Groundwater laws were passed in 1951 (and amended in 1953) to establish a statutory procedure for granting a "priority" of rights to groundwater. Most regulatory controls centered on the State's internal use of water resources.

In the early 1960s, several national and international water transfer proposals were advocated, suggesting that water from the northwestern part of the United States could be transferred to the southwestern part. Consequently, in 1964 Idaho citizens ratified a constitutional amendment (Article XV, Section 7) authorizing creation of a water resource agency. In 1964, the Water Resource Board was created with the authority to prepare the state water plan for optimum development of water resources and to construct and operate water projects.

In 1974, the Department of Water Administration and Water Resource Board were combined under the Department of Water Resources.

In 1984, the State (through the Governor and the Attorney General) and Idaho Power agreed to negotiate a settlement over the Snake River water rights. Included in the agreement was a requirement to adjudicate all water rights in the Snake River Basin. The Snake River Basin Adjudication is the largest adjudication attempted in Idaho (possibly in the nation) and approximately 158,576 water right decrees have been issued by the court through August 2014 (including the disallowing of approximately 7,000 unclaimed water rights). The Northern Idaho Adjudication concerning the water rights north of the Snake River Basin (except for water rights in the Kootenai River water system) was added in 2007.

## PURPOSE

The purpose of the Idaho Department of Water Resources (Department) is to assure optimum and beneficial utilization of the State's water resources by:

1. Assisting the Water Resource Board in developing plans to best utilize water resources.
2. Administering laws that protect and control the use of water resources.

## STATUTORY AUTHORITY

Statutory authority for the Idaho Department of Water Resources is found in the Idaho Constitution, Article XV, Section 7, which states: "There shall be constituted a Water Resource

Agency composed as the Legislature may now or hereafter prescribe which shall have power to formulate and implement a State Water Plan.” The primary authority for the Department and Board, and its programs are included in Idaho Code, Title 42, Chapter 17 and Title 67, Chapter 33.

## **ORGANIZATION**

The director is appointed by the Governor to serve at his pleasure and is directly responsible to the Governor. The Governor also appoints the eight-member Board to four-year terms. The Board assigns administrative duties and other functions to the director to enable the Board to carry out its powers and duties.

## **FUNDING**

The Department receives funding from General Fund appropriations, fees, and federal sources.

**General Fund (0001)** – Appropriated funds are used to administer the constitutional and statutory requirements of the Department and to pay personnel costs, operating expenses, capital outlay, and trustee and benefit payments for the general operation of the Department.

**Indirect Cost Recovery Fund (0125)** – Money recovered from the indirect costs charged to federal agencies and other non-federal entities are used for administration costs of federal grants and other water projects.

**Technology Infrastructure Stabilization Fund (0128)** – Moneys in the technology infrastructure stabilization fund are used solely for technology projects that are requested, recommended, or funded through the annual state budget process.

**Aquifer Planning and Management Fund (0129)** – Appropriated funds are used for technical studies, facilitation services, hydrologic monitoring, measurement and comprehensive plan development, and other costs associated with the statewide comprehensive aquifer planning and management effort.

**Secondary Aquifer Planning and Management Fund (0129-01)** – Funding consists of monies appropriated to the fund, voluntarily contributed by water users or through water delivery entities or districts having authority to contribute, other contributions, gifts, or grants, and any other money provided by law. This fund was created and is continually appropriated to the Board for technical studies, project management services, hydrologic monitoring, measurement and comprehensive plan development, other costs associated with the statewide comprehensive aquifer planning and management effort.

**Water Administration Fund (0229-21)** – Fees collected from water right claim fees, permits to appropriate water and geothermal resources, well drillers’ licenses and permits, injection wells applications, reviewing safety of dams, water bank receipts, and penalties are used for the administration of the provisions of Idaho Code, Title 42.



**Water Rights Enforcement Fund (0229-22)** – Civil penalties collected by the Department for the illegal diversion or use of water are reserved, set aside and appropriated for the water rights enforcement program as directed by the Department director.

**Water Resources Adjudication Fund (0337)** – This fund was established as a result of legal decisions concerning the usage of water from the Snake River Basin. Receipts from filing fees for the adjudication of water rights are deposited and used to pay for costs attributable to the Snake River Basin Adjudication.

**Northern Idaho Adjudication Fund (0337-01)** – The collection of filing fees associated with the adjudication of water rights north of the Snake River Basin, are used to pay expenses related to the Northern Idaho Adjudication.

**Federal Fund (0348)** – Funds received from grants and agreements with federal agencies including the Federal Emergency Management Agency (FEMA), National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service, Natural Resource Conservation Service (NRCS), United States Army Corps of Engineers (USACE), and other federal programs are used to administer various water and research projects.

**Miscellaneous Revenue Fund (0349)** – Fees collected from Water District 01, Priest Lake Dam users, and other entities for various projects and services are used to pay for Water District 01 personnel costs and various water and resource studies.

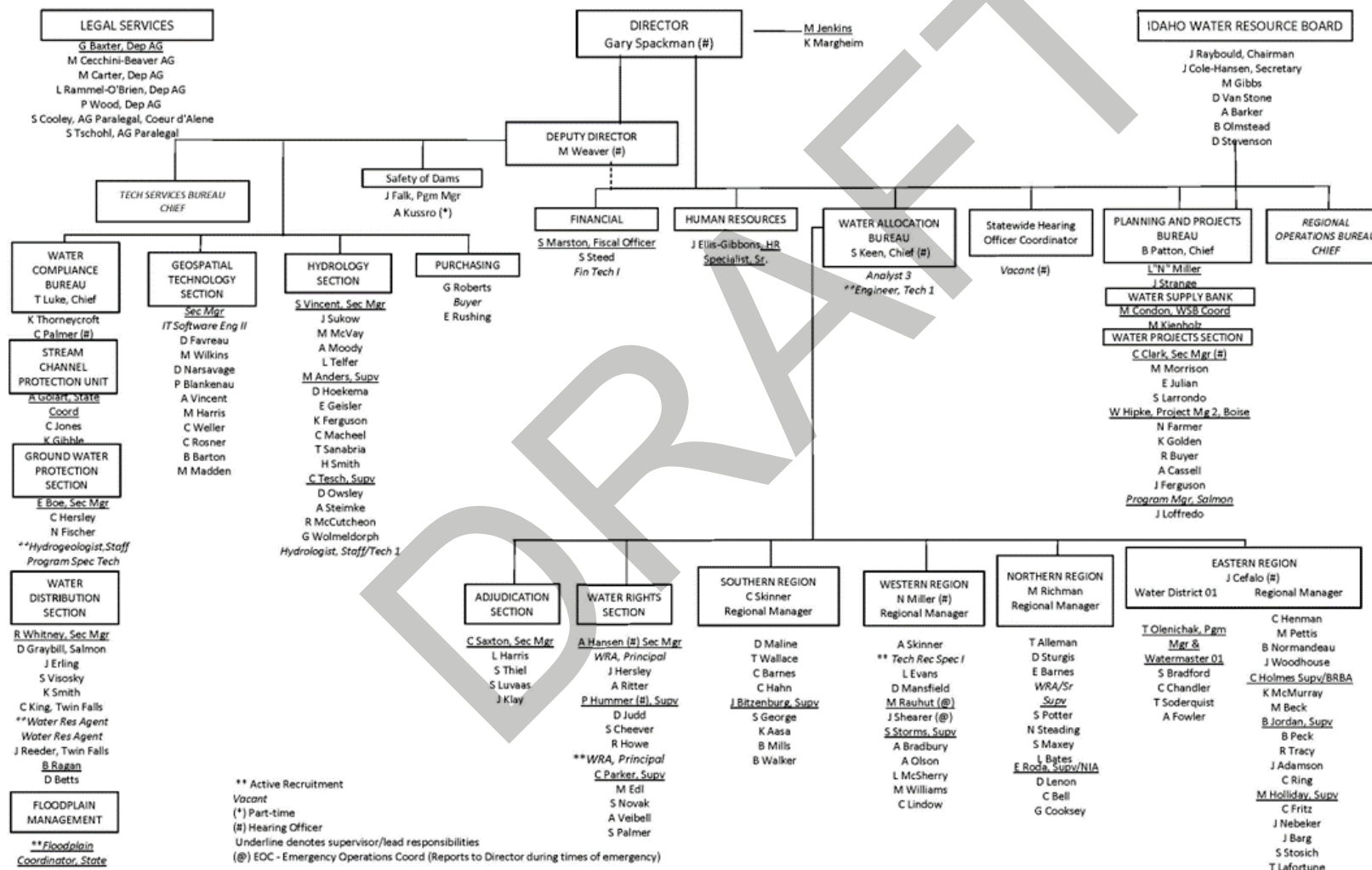
**Revolving Development Fund (0490-01)** – This fund is used to make loans for projects approved by the Board. This fund receives appropriations from the General Fund, revenues from water bank activities (renting water), and interest revenues earned from loans. Money deposited into this fund is continuously appropriated.

**Water Management Fund (0490-02)** – This fund is used to makes loans or grants for new water projects or the rehabilitation of existing projects limited to reclamation, upstream and offstream storage, aquifer recharge, reservoir site acquisition and protection, water supply and quality, recreation, and water resource studies, including feasibility studies. This fund receives State appropriations, revenues from water bank activities (renting water), and interest revenues earned from loans. Money deposited into this fund is continuously appropriated.

**Custodial Fund (0630)** – This fund receives money from the claims against the Carey Act for building irrigation in areas of Southern and Eastern Idaho. Moneys also come from stream gaging costs paid by private landowners and is paid out through the fund to Idaho power and USGS who conduct the monitoring and share the data. It is continuously appropriated.

# ORGANIZATIONAL CHART

Idaho Department of Water Resources  
February 15, 2023



# Memorandum

To: Idaho Water Resource Board  
From: Neeley Miller, Planning & Projects Bureau  
Date: January 17, 2024  
Re: Financial Status Report



As of **December 31, 2023**, the IWRB's available and committed balances are as follows:

## Secondary Aquifer Fund:

Cash Balance	\$38,398,883
Committed/earmarked but not disbursed	\$31,203,927
Uncommitted Balance	\$7,194,956

## Revolving Development Account:

Cash Balance	\$36,784,976
Committed Balance	\$35,138,263
Loan principal outstanding	\$21,527,146
Uncommitted Balance	\$1,646,712

## Water Management Account

Cash Balance	\$294,286,313
Total Committed Funds	\$256,985,327
Uncommitted Funds	\$37,300,986

<b>Total committed/earmarked/obligated but not disbursed</b>	<b>\$323,327,517</b>
<b>Total loan principal outstanding</b>	<b>\$21,527,146</b>
<b>Total uncommitted/unobligated balance</b>	<b>\$46,142,654</b>

## ARPA

Committed per HB 769	\$100,000,000
Committed per SB 1181	\$24,497,543
Expended	\$75,664,568
Obligated	\$84,796,879
Unobligated	(\$35,963,903)

- The obligated balance in the Water Management Account includes the \$20M legislative appropriation per HB 285 (FY 2019) for the Anderson Reservoir Enlargement and/or Mountain Home Air Force Base Water Supply Project. The obligated balance also includes \$50M for large infrastructure projects per Senate Bill 1121 (FY 2021) for the Anderson Ranch enlargement, Mountain Air Force Base Water Supply Project, ESPA Managed Aquifer Recharge Program, other projects identified by the IWRB.

- The Water Management Account unobligated balance also includes \$150M per HB 361 to be used for expenditures, loans, or grants for water projects, including studies to address water sustainability, rehabilitate or improve aging water infrastructure, or support flood management. The legislature indicated that the IWRB may provide up to one-third of this money for grants.
- The Water Management Account includes \$36M obligated for Aging Infrastructure grants (rounds one through three) and the \$22.7M for non-ARPA eligible Regional Water Sustainability Priority List projects the IWRB awarded funds for at the July 2023 meeting.

Idaho Water Resource Board  
Sources and Applications of Funds  
as of December 31, 2023

**SECONDARY AQUIFER PLANNING, MANAGEMENT, & IMPLEMENTATION FUND**

Legislative Appropriation (HB 291, Sec 2) Transfer from Rev Dev FY2011.....	2,465,300.00
Legislative Appropriation (SB 1389, Sec 5) Transfer from Rev Dev FY 2012.....	1,232,000.00
Legislative Appropriation (HB 270, Sec 3) Transfer from Rev Dev FY2013.....	716,000.00
Water User Contributions.....	109,493.16
Interest Earned State Treasury.....	2,844,847.25
Loan Interest.....	15,861.10
Magic Valley/North Snake GWD Principal Payment (Magic Springs Pipeline Project loan).....	4,000,000.00
Magic Valley/North Snake GWD (Magic Springs Pipeline Project loan).....	(4,000,000.00)
Water User Contribution Expenditures.....	(106,537.50)
Conversion Project (AWEP) measurement devices.....	(16,455.21)
Cloud Seeding Project.....	(20,000.00)
Public Information Services.....	(13,641.25)
Five-Year Managed Recharge Pilot Program.....	(1,424,113.56)
Cooperative Weather Modification Program (CON01109).....	(483,997.64)
Mountain Home Air Force Base (MHAFB) Water Sustainability Project.....	(1,238,945.67)
Carryforward to SRAS Sub-Account.....	(1,222,548.45)
Total Expenditures for HB291, Sec 2; SB1389, Sec 5; HB270, Sec 3; Other Contributions.....	(8,526,239.28)
<b>Balance of HB291, Sec 2; SB1389, Sec 5; HB270, Sec 3; Other Contributions.....</b>	<b>2,857,262.23</b>

<b>Committed Funds</b>	<b>Committed</b>	<b>Expended</b>	<b>Carryforward</b>	<b>Balance</b>
<b>HB291 Sec 2, SB1389 Sec 5 &amp; HB270 Sec 3</b>				
Cooperative Weather Modification Program (CON01109).....	492,000.00	(483,997.64)	(8,002.36)	0.00
MHAFB Water Sustainability Project.....	1,900,000.00	(1,238,945.67)	(661,054.33)	0.00
<b>Balance of Committed Funds for HB291, SB1389, HB270.....</b>	<b>2,392,000.00</b>	<b>(1,722,943.31)</b>	<b>(8,002.36)</b>	<b>0.00</b>

**State Recharge & Aquifer Stabilization (SRAS) Sub-Account**

Legislative Appropriation (HB547) State Recharge & Aquifer Stabilization.....	48,318,078.76
Recharge Payments - City of Pocatello.....	91,364.00
Carryforward from Recharge Infrastructure Projects Sub-Account.....	2,151,238.59
SRAS Operations - 29822.....	(664,605.14)
SRAS Recharge Conveyance - 29823.....	(17,076,403.19)
SRAS Studies - 29824.....	(807,171.65)
SRAS Projects - 29825.....	(11,545,853.13)
SRAS Monitoring - 29826.....	(2,205,267.36)
SRAS Hydrology Monitoring - 29827.....	(1,372,027.20)
SRAS Grants - 29828.....	0.00
Total Expenditures for HB547 - SRAS.....	(33,671,327.67)
<b>Balance for State Recharge &amp; Aquifer Stabilization Sub-Account.....</b>	<b>16,889,353.68</b>

<b>Committed Funds</b>	<b>Committed</b>	<b>Expended</b>	<b>Carryforward</b>	<b>Balance</b>
<b>HB547</b>				
SRAS Operations - 29822.....	1,448,880.00	(664,605.14)	(625,439.35)	158,835.51
SRAS Recharge Conveyance - 29823.....	27,750,000.00	(17,076,403.19)	(816,351.70)	9,857,245.11
SRAS Studies - 29824.....	7,923,568.00	(807,171.65)	(4,630,809.87)	2,485,586.48
SRAS Projects - 29825.....	38,317,958.50	(11,545,853.13)	(25,938,466.36)	833,639.01
SRAS Monitoring - 29826.....	3,744,500.00	(2,205,267.36)	(777,571.43)	761,661.21
SRAS Hydrology Monitoring - 29827.....	1,925,000.00	(1,372,027.20)	(260,990.17)	291,982.63
SRAS Grants - 29828.....	0.00	0.00	0.00	0.00
<b>Total HB547 Commitments.....</b>	<b>81,109,906.50</b>	<b>(33,671,327.67)</b>	<b>(33,049,628.88)</b>	<b>14,388,949.95</b>

**Water Sustainability (WS) Sub-Account**

Legislative Appropriation (SB1190, Sec 3) Water Sustainability.....	500,000.00
Legislative Appropriation (SB1402, Sec 4) Water Sustainability.....	2,500,000.00
Legislative Appropriation (SB1402, Sec 5) Water Sustainability.....	5,000,000.00
Legislative Appropriation (SB1176, Sec 4) Water Sustainability.....	5,000,000.00
Legislative Appropriation (HB677, Sec 4) Water Sustainability.....	5,000,000.00
Legislative Appropriation (HB256, Sec 4) Water Sustainability.....	5,000,000.00
Legislative Appropriation (HB646, Sec 4) Water Sustainability.....	4,750,000.00
Legislative Appropriation (SB1190, Sec 4) Water Sustainability.....	5,000,000.00
Legislative Appropriation (HB769, Sec 4) Water Sustainability.....	5,000,000.00
Legislative Appropriation (SB1181, Sec 4) Water Sustainability.....	5,000,000.00
Carryforward from North Idaho Studies Sub-Account.....	109,351.82
WS Administration - 29840.....	(1,137,836.91)

WS Operations - 29842.....	0.00	
WS Recharge Conveyance - 29843.....	0.00	
WS Studies - 29844.....	(5,040,013.28)	
WS Projects - 29845.....	(712,489.31)	
WS Monitoring - 29846.....	0.00	
WS Hydrology Monitoring - 29847.....	(2,335,799.74)	
WS Hydrology Modeling - 29848.....	(2,570,344.56)	
WS Grants - 29849.....	(119,196.03)	
WS Programs - 29850.....	(109,583.72)	
WS Clouds - 29860.....	(12,083,926.38)	
Total Expenditures for Water Sustainability.....		(24,109,189.93)
<b>Balance for Water Sustainability (WS) Sub-Account.....</b>		<b>18,750,161.89</b>

<b>Committed Funds</b>	<b><u>Committed</u></b>	<b><u>Expended</u></b>	<b><u>Carryforward</u></b>	<b><u>Balance</u></b>
<b>SB1190 &amp; SB1402</b>				
WS Admin & Operations - 29840 & 29842.....	1,485,000.00	(1,137,836.91)	(70,976.70)	276,186.39
WS Recharge Conveyance - 29843.....	0.00	0.00	0.00	0.00
WS Studies - 29844.....	9,484,403.00	(5,040,013.28)	(1,021,827.63)	3,422,562.09
WS Projects - 29845.....	4,324,659.00	(712,489.31)	(1,838,652.31)	1,773,517.38
WS Monitoring - 29846.....	0.00	0.00	0.00	0.00
WS Hydrology Monitoring - 29847.....	4,308,352.82	(2,335,799.74)	(972,832.50)	999,720.58
WS Hydrology Modeling - 29848.....	2,700,000.00	(2,570,344.56)	0.00	129,655.44
WS Grants - 29849.....	600,000.00	(119,196.03)	(480,803.97)	0.00
WS Programs - 29850.....	200,000.00	(109,583.72)	0.00	90,416.28
WS Clouds - 29860.....	23,287,000.00	(12,083,926.38)	(1,164,400.00)	10,038,673.62
<b>Balance for SB1190 &amp; SB1402.....</b>	<b>46,389,414.82</b>	<b>(24,109,189.93)</b>	<b>(5,549,493.11)</b>	<b>16,730,731.78</b>

**Department of Energy SEP Grants Sub-Account - 29870 & 29871**

Department of Energy Grant Reimbursement (\$251K).....	251,000.00
Department of Energy Grant Reimbursement (ESPA).....	928,000.00
Department of Energy Grant Reimbursement (Big Lost).....	1,140,000.00
Department of Energy Grant Reimbursement (Raft River).....	649,859.74
Department of Energy Grant Expenditures (\$251K).....	(251,000.00)
Department of Energy Grant Expenditures (29871 - ESPA).....	(928,000.00)
Department of Energy Grant Expenditures (29872 - Big Lost).....	(1,140,000.00)
Department of Energy Grant Expenditures (29874 - Raft River).....	(747,754.36)
<b>Balance of DOE SEP Grants Sub-Account.....</b>	<b>(97,894.62)</b>

<b>Funds Awarded</b>	<b><u>Total Award</u></b>	<b><u>Expended</u></b>	<b><u>Carryforward</u></b>	<b><u>Balance</u></b>
<b>Dept of Energy SEP Award</b>				
DOESEP (2017-2018).....	251,000.00	(251,000.00)	0.00	0.00
ESPA Hydrologic Monitoring (DOE - Years 1-3 = \$928,000).....	928,000.00	(928,000.00)	0.00	0.00
Hydrologic Monitoring (DOE - Years 1-3 = \$1.14M).....	1,140,000.00	(1,140,000.00)	0.00	0.00
Raft River Hydrologic Monitoring (DOE - Years 1-3 = \$832K).....	832,000.00	(747,754.36)	0.00	84,245.64
<b>Balance of DOE Funds Awarded.....</b>	<b>3,151,000.00</b>	<b>(3,066,754.36)</b>	<b>0.00</b>	<b>84,245.64</b>

**Secondary Aquifer Planning, Management, and Implementation Committed Funds..... 31,203,927.37**

**Secondary Aquifer Planning, Management, and Implementation Available Funds..... 7,194,955.81**

**Idaho Water Resource Board**  
**Sources and Applications of Funds**  
**as of December 31, 2023**  
**REVOLVING DEVELOPMENT ACCOUNT - 0490 01**

<b>FY 2023 Ending Cash Balance.....</b>		<b>38,049,755.95</b>
<b>FY 2024 Revenue Received from 07/01/23 - 12/31/23</b>		
Prorated Interest.....	223,668.81	
Loan Principal.....	692,867.96	
Loan Interest.....	414,881.69	
Rental Pool Payments.....	189,736.67	
Dworshak Power Generation Payments.....	712,365.00	
Water Supply Bank Owners Share.....	451,852.45	
Other Revenue.....	532.20	
<b>FY 2024 Revenue as of 12/31/23.....</b>		<b>2,685,904.78</b>
<b>FY 2024 Expenditures from 07/01/23 - 12/31/23</b>		
Priest Lake Expenditures.....	(742,316.20)	
Loan Disbursements .....	(1,161,115.71)	
Water Supply Bank Payments to Owners.....	(699,263.23)	
Water Transactions Program Payments.....	(366,131.05)	
Transfer to CAPM Fund (0129).....	(716,000.00)	
Dworshak Operating Costs.....	(159,587.90)	
Ririe Rule Curve Costs.....	(106,270.99)	
<b>Total Expenditures for FY 2024 as of 12/31/23.....</b>		<b>(3,950,685.08)</b>
<b>Cash Balance as of 12/31/2023* .....</b>		<b>36,784,975.65</b>
<b>Committed Funds as of 12/31/23</b>		
Ririe Reservoir Flood Control Project.....	524,805.01	
Priest Lake Water Management Project.....	732,081.16	
Water Project Studies.....	570,539.82	
Dworshak Repair & Replacement Balance.....	6,508,922.13	
ESPA Commitments.....	783,068.59	
Water Supply Bank Owners Share.....	531,823.61	
Water Transactions Program.....	3,546,992.12	
Loan Commitments.....	21,527,145.79	
Other Commitments.....	412,885.69	
<b>Total Committed Funds as of 12/31/23.....</b>	<b>35,138,263.92</b>	
<b>Uncommitted Funds as of 12/31/2023.....</b>		<b>1,646,711.73</b>

\*The cash balance has not been independently verified with the SCO.

**Idaho Water Resource Board**  
**Sources and Applications of Funds**  
**as of December 31, 2023**  
**WATER MANAGEMENT ACCOUNT - 0490 02**

<b>FY 2023 Ending Balance.....</b>		<b>295,122,443.08</b>
Prorated Interest.....		1,727,180.05
Transfer for SB 1181, Sec 5.....		1,000,000.00
Aging Infrastructure Grant Program Expenditures.....		(1,995,816.09)
Priest Lake Outlet Dam Expenditures.....		(1,258,973.59)
Flood Management Grant Program Expenditures.....		(243,634.09)
Water Quality Collection Program Expenditures.....		(64,886.60)
<b>Cash Balance as of 12/31/23.....</b>		<b>294,286,312.76</b>
<b>Committed Funds as of 12/31/2023:</b>		
Potential Dworshak/Clearwater Pipeline.....	70,000,000.00	
Aging Infrastructure Grant Program.....	68,216,122.07	
Mountain Home AFB Water Project.....	28,000,000.00	
Regional Water Sustainability Projects.....	22,709,056.00	
ESPA Recharge Infrastructure - Upper Valley.....	22,400,000.00	
Loan Commitments.....	20,811,000.00	
Anderson Ranch Interim Funding.....	16,367,953.50	
Priest Lake Outlet Dam Project.....	3,862,015.52	
Flood Management Grant Program.....	2,560,274.89	
Bear Lake.....	2,000,000.00	
Water Quality Collection Program.....	42,904.88	
Other Commitments.....	16,000.00	
<b>Total Committed Funds as of 12/31/2023.....</b>	<b>256,985,326.86</b>	
<b>Uncommitted Funds as of 12/31/2023.....</b>		<b>37,300,985.90</b>



Idaho Water Resource Board  
Sources and Applications of Funds  
as of December 31, 2023  
AMERICAN RESCUE PLAN ACT ACCOUNT

Legislative Appropriation (HB 769, Sec 8).....	100,000,000.00
Legislative Appropriation (SB 1181, Sec 6).....	24,497,543.89
USDOI/BLM - Anderson Ranch CON 21WN102130.....	(72,871,406.00)
Mountain Home Air Force Base pipeline.....	(481,550.95)
Recharge Project Expenditures.....	(2,311,611.50)
Regional Water Sustainability Projects.....	
Total ARPA Fund Expenditures.....	(75,664,568.45)
<b>Total Cash Balance ARPA.....</b>	<b>48,832,975.44</b>
Obligated ARPA Funds	
USDOI/BLM - Anderson Ranch CON 21WN102130.....	28,594.00
Mountain Home Air Force Base pipeline.....	34,517,849.05
Recharge Projects	
Minidoka Irrigation Dist - Goyne Sump Recharge Project.....	3,310,334.00
Hamer Road Recharge Project.....	5,000,000.00
Southwest Irrigation Dist - Big Sky & Murtaugh Injection Well.....	245,000.00
Enterprize Canal Company - 55th Road.....	1,700,000.00
Enterprize Canal Company - Swan Highway Project.....	1,991,999.50
New Sweden Irrigation Dist - Head of the Basalt Recharge Site.....	503,102.00
Regional Water Sustainability Projects	
American Falls Spillway Rehab.....	12,500,000.00
New York Canal lining.....	25,000,000.00
<b>Total Obligated ARPA Funds.....</b>	<b>84,796,878.55</b>
<b>TOTAL UNOBLIGATED ARPA FUNDS.....</b>	<b>(35,963,903.11)</b>

# Memorandum



To: Idaho Water Resource Board (IWRB)  
From: Cynthia Bridge Clark, Planning & Projects Bureau  
Date: January 16, 2024  
Re: Governor's Proposed IDWR Budget FY25

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**ACTION: No action requested at this time**

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Sascha Marston and staff will provide an update on Governor Little's proposed IDWR budget for fiscal year 2025.



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

# **FY 2025 Budget Recommendation for Water Resources**

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**Mathew Weaver**

Director

[mathew.weaver@idwr.idaho.gov](mailto:mathew.weaver@idwr.idaho.gov)

(208) 287-4914

# Comparative Summary

## Department of Water Resources

Analyst: Jessup

### Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2024 Original Appropriation	170.00	23,935,400	81,469,100	170.00	23,935,400	81,469,100
1. Reverted ARPA Funding	0.00	0	25,502,500	0.00	0	25,502,500
2. Adjudication Fee Language	0.00	0	0	0.00	0	0
FY 2024 Total Appropriation	170.00	23,935,400	106,971,600	170.00	23,935,400	106,971,600
Executive Carry Forward	0.00	95,400	95,400	0.00	95,400	95,400
FY 2024 Estimated Expenditures	170.00	24,030,800	107,067,000	170.00	24,030,800	107,067,000
Removal of Onetime Expenditures	0.00	(494,100)	(26,005,600)	0.00	(494,100)	(26,005,600)
Base Adjustments	0.00	0	0	0.00	0	0
FY 2025 Base	170.00	23,536,700	81,061,400	170.00	23,536,700	81,061,400
Personnel Benefit Costs	0.00	137,000	186,200	0.00	(43,700)	(59,500)
Inflationary Adjustments	0.00	13,900	13,900	0.00	13,900	13,900
Replacement Items	0.00	206,500	206,500	0.00	206,500	206,500
Statewide Cost Allocation	0.00	13,200	(21,900)	0.00	13,200	(21,900)
Change in Employee Compensation	0.00	105,000	142,700	0.00	315,000	429,000
FY 2025 Program Maintenance	170.00	24,012,300	81,588,800	170.00	24,041,600	81,629,400
1. Aquifer Monitoring & Measuring	0.00	0	716,000	0.00	0	716,000
2. Salmon Field Office Move	0.00	19,900	19,900	0.00	19,900	19,900
3. Laserfiche Conversion	0.00	90,000	90,000	0.00	90,000	90,000
4. Google Earth Computing Costs	0.00	41,100	41,100	0.00	41,100	41,100
5. GIS Mapping Licensing Increase	0.00	19,600	19,600	0.00	19,600	19,600
6. Water Infrastructure Projects	0.00	0	0	0.00	30,000,000	30,000,000
Revenue Adjustments & Cash Transfers	0.00	0	(716,000)	0.00	(30,000,000)	(30,716,000)
Budget Law Exemptions/Other Adjustments	0.00	0	0	0.00	0	0
FY 2025 Total	170.00	24,182,900	81,759,400	170.00	24,212,200	81,800,000
Change from Original Appropriation	0.00	247,500	290,300	0.00	276,800	330,900
% Change from Original Appropriation		1.0%	0.4%		1.2%	0.4%

# FY 2024 Supplemental Requests Overview

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Supplemental Description	Amount	Fund Source	One-Time?
Request for reverted American Rescue Plan Act funds	\$ 25,502,500	ARPA – State & Local Fiscal Recovery Fund	One-Time
Inclusion of Intent Language – Adjudication Fees	\$ 0	General Fund	Ongoing

# Supplemental Request: Request for Reverted American Rescue Plan Act funds

Supplemental Description	Amount	Fund Source	One-Time?
Request for Reverted American Rescue Plan Act funds	\$ 25,502,500	ARPA – State & Local Fiscal Recovery Fund	One-time

- Why is it needed: The Water Board did not realize ARPA funds would be reverted if not spent within the fiscal year. The timelines for large infrastructure projects often span multiple fiscal years. As a result, the Board allocated funds to certain projects where the funds would be utilized in subsequent years. Because the reverted ARPA funds have been allocated, the Board has over-committed available funds if the reverted funds are not restored. Restoration of the fund is consistent with the 2023 Legislature intent to spend the full \$100M appropriated for FY 2023 (re: Section 6 of SB1181).
- What is being purchased: The reverted ARPA funds have been allocated by the Water Board to the Mountain Home Air Force Base Water Supply Project, American Falls Dam Spillway Repair Project, the New York Canal Repair Project, and other ARPA-eligible water resource management programs, plans, and projects approved by the Water Board.

# Supplemental Request: Intent Language for Adjudication Fees

Supplemental Description	Amount	Fund Source	One-Time?
Inclusion of Intent Language for Adjudication Fees	\$ 0	General Fund	Ongoing

- Why is it needed: The supplemental request would enable the FY2024 General Fund appropriation already granted to IDWR for conducting adjudications to count also toward filing fees required by Idaho Code § 42-1414 for water rights claimed by the Governor and the Water Board. No additional money is requested.
- What is being purchased: Statutorily mandated filing fees for water right claims filed by the Governor and the Water Board.

# FY 2025 Line Item Requests Overview

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Line Item Description	Amount	Fund Source	One-Time?
Aquifer Monitoring & Measuring Funds Transfer	\$ 716,000	Revolving Development Fund	One-Time
Salmon Field Office Move	\$ 19,900	General Fund	Ongoing
Laserfiche Conversion	\$ 90,000	General Fund	One-Time
Google Earth Engine Computing Costs	\$ 41,100	General Fund	Ongoing
GIS Mapping Licensing Increase	\$ 19,600	General Fund	Ongoing



# FY 2025 Line Item Requests Overview

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Line Item Description	Amount	Fund Source	One-Time?
Water Infrastructure Projects	\$ 30,000,000	General Fund	One-Time
Reappropriation Authority for FY 2024 into FY 2025	Unknown	ARPA State Local Fiscal Recovery Fund	One-Time

# Line Item Request: Aquifer Monitoring & Measuring

Line Item Description	Amount	Fund Source	One-Time?
Aquifer Monitoring & Measuring Fund Transfer	\$ 716,000	Revolving Development Fund	One-Time

- Transfer funds from the Water Resource Board's Revolving Development Fund to the Aquifer Planning and Management Funds to help with the costs of monitoring, measuring, and modeling water resources in Idaho.
- This fund transfer is used to pay the personnel costs for ten employees and additional operating expenses for these employees.

# Line Item Request: Salmon Field Office Move

---

Line Item Description	Amount	Fund Source	One-Time?
Salmon Field Office Move	\$ 19,900	General Fund	Ongoing

- The funding for this request is being used to pay for the increase in the Department's Salmon Field Office lease costs incurred by the agency when the previous lessor did not renew the previous lease, which expired at the end of Fiscal Year 2023.

# Line Item Request: Laserfiche Conversion

---

Line Item Description	Amount	Fund Source	One-Time?
Laserfiche Conversion – Ownership Change form creation	\$ 90,000	General Fund	One-Time

- This request would enable IDWR to contract with MCCi to build an online submittal option. MCCi is the statewide enterprise content management system provider selected by the Office of Information Technology Services to develop digital workflows for state agencies.
- Each year IDWR receives and processes more than 2,500 paper or emailed water right ownership change notices. Online submittals will be easier and faster for new water right owners to complete and submit, and they will streamline IDWR's data entry and document storage processes. IDWR hopes to implement online submittal options for additional application or notice processes in future years.

# Line Item Request: Google Cloud Computing Costs

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Line Item Description	Amount	Fund Source	One-Time?
Google Earth Engine Computing Costs	\$ 41,100	General Fund	Ongoing

- The funding for this request will be used to pay the annual subscription costs for two Google Earth Engine (GEE) commercial user licenses and for any additional on-demand usage costs for the use of the software platform.
- The use of the GEE software will reduce the time spent hand digitizing irrigation maps and producing evapotranspiration (ET) maps allowing staff time to produce datasets for future work efforts before they are needed.
- Without this funding the timely delivery of data for the hydrologic models will be jeopardized.

# Line Item Request: GIS Mapping License Increase

---

Line Item Description	Amount	Fund Source	One-Time?
GIS Mapping Licensing Increase	\$ 19,600	General Fund	Ongoing

- The funding for this request is being used to pay for the additional annual licensing maintenance costs and a perpetual license that is necessary for the GIS test/staging environment.
- Many business processes at IDWR are dependent on GIS technology. This funding will allow IDWR staff to effectively and efficiently provide information to the public.

# Line Item Request: Water Infrastructure Projects

---

Line Item Description	Amount	Fund Source	One-Time?
Water Infrastructure Projects	\$ 30,000,000	General Fund	One-Time

- This request transfers funds from the General Fund to the Water Management Fund for Regional Water Sustainability Projects and Aging Water Infrastructure Projects.
- Potential Uses:
  - Lewiston Exchange Project
  - Aging Infrastructure Grants on a competitive basis

# Line Item Request: Reappropriation Authority for FY 2024 into FY 2025

Line Item Description	Amount	Fund Source	One-Time?
Reappropriation authority to carry over unencumbered and unspent appropriation balance	Unknown	ARPA State Local Fiscal Recovery Fund	One-Time

- The 2023 Legislature directed the Water Board to spend \$250M of ARPA funds appropriated over a four-year period. Because timelines for large infrastructure projects often span multiple fiscal years, it is necessary to have reappropriation authority.
- ARPA funds have been allocated by the IWRB to the Anderson Ranch Dam Raise Project, Mountain Home Air Force Base Water Supply Project, American Falls Dam Spillway Repair Project, the New York Canal Repair Project, and other ARPA eligible water resource management programs, plans, and projects approved by the Water Board.



# **Idaho Water Resource Board Federal Affairs Update**

**January 19, 2024**



- FY 2024 Appropriations
- Top-Line Spending Agreement
  - Senate/House working on 12 individual appropriations bills in negotiations – policy riders and spending allocations
  - Short Term CR (March 1/March 8) needed past current January 19/February 2 deadlines (E&W/Ag January 19) – Senate and House action
- Energy and Water Development – Bureau of Reclamation
  - Senate \$1.92 billion (-\$10 million from FY 2023)
  - House \$1.86 billion (-\$91 million from FY 2023)
- Energy and Water Development – Army Corps
  - Senate \$8.9 billion (+\$500 million from FY 2023)
  - House \$9.6 billion (+\$1.2 billion from FY 2023)

- FY 2024 Infrastructure Investment and Jobs Act (IIJA) Spending Plan - Reclamation
  - Aging Federal Infrastructure Loans - \$680M (\$3.2B)
  - WIIN Act Storage Projects - \$242M (\$1.15B)
    - Small Storage Grants - \$25M (\$100M)
    - Rehabilitation of Reclamation Projects Suffering Critical Failure in Previous 2-years (Milk River Project – MT) - \$3.5M (\$100M)
    - Post-1905 Carey Act project rehabilitation - \$30M (\$100M)
  - WaterSMART Grants - \$67.5M (\$400M)
    - Title XVI Reuse Grants - \$29M (\$550M)
    - Title XVI Large Reuse Projects - \$130M (\$450M)

- FY 2024 IIJA Spend Plan (continued)
  - Desalination Project Grants - \$30M (\$250M)
  - Authorized Rural Water Projects - \$108M (\$1B)
  - Dam Safety Projects - \$130 (\$500M)
  - Cooperative Watershed Management - \$20M (\$100M)
  - Aquatic Ecosystem Restoration Grants - \$65M (\$250M)
  - Multi-Benefit Watershed Improvements - \$25M (\$100M)

- Inflation Reduction Act (funded through 2026)
  - \$4B for Western drought mitigation funding (Colorado River/other drought basins/ecosystem restoration)
  - \$550M for disadvantaged communities domestic water supply
  - \$25M for over canal solar projects, including pilot and demonstration



## 2023 IWRB Federal Activities



- Bureau of Land Management (BLM) Issues
  - Worked with local/regional BLM offices/Solicitors on aquifer recharge easement policies based on interpretation of Sec. (c)(3) of the Aquifer Recharge Flexibility Act passed by Congress in 2021.
  - Worked with the Idaho Congressional Delegation to send a letter to BLM Director Tracy Stone-Manning to draw attention to the matter and ask for a policy change.
- Washington DC Trip
  - June 2023 IWRB meetings with the Idaho Delegation/key congressional committee staff/Biden Administration top appointees at the Bureau of Reclamation/Army Corps of Engineers in Washington D.C.
- U.S. Senate ENR Committee Testimony
  - Al Barker, IWRB, testified at an oversight hearing on water availability before the Senate Energy and Natural Resource Subcommittee on Water and Power in September 2023.

# 118<sup>th</sup> Congress Legislative Activities



- S.2160/H.R.6107 (Senate ENR/House NR hearings held)
  - 35% nonreimbursable funding for XM on urban canals of concern
  - Authorizes Aging Infrastructure Account loans as a non-federal match for all federal grant programs, including WaterSMART
- S.843/H.R.2694 (ENR reported)
  - Authorizes access to remaining funds for XM on Carey Act projects (e.g. Milner Dam)

# 2024 Federal WaterSMART Grant Opportunities



- WaterSMART
  - Small Surface Water and Groundwater Storage Grants (Spring 2024)
  - Drought and Climate Resiliency Grants (including aquifer recharge)
  - Water Strategy/Project Planning and Design/Drought Contingency Plan Grants (second round due April 2, 2024)
  - Environmental Water Resources Project Grants (multi-benefit)
  - Aquatic Ecosystem Restoration Grants (second round due January 24, 2024)
  - Water and Energy Efficiency Grants (due February 22, 2024)
  - Cooperative Watershed Management Program (due September 3, 2024)
  - Title XVI WIIN Act Water Reuse/Recycling Grants (second round due September 30, 2024)



- House of Representatives
  - GOP control – 220-213 with two vacancies – Rep. Santos (R-NY) expelled/Rep. McCarthy (R-CA) resigned – Rep. Johnson (R-OH) retires January 21/ Rep. Scalise (R-LA) health-related absence until late-February (effectively 217-213 majority)
  - Speaker Mike Johnson (R-LA) elected after former Speaker Kevin McCarthy (R-CA) was removed in October
    - Minority Leader Hakim Jeffries (D-NY)
  - Major issues encountered/expected:
    - Appropriations
    - WRDA
    - Energy/climate policies
    - Oversight hearings
    - Farm Bill
    - Border Security

- United States Senate
  - Democratic control – 51-49 (3 independents caucus/align with Dems)
  - Majority Leader Chuck Schumer(D-NY) re-elected
    - Minority Leader Mitch McConnell (R-KY)
  - Major issues encountered/expected:
    - Energy/Climate policies
    - Appropriations
    - WRDA
    - Farm Bill
    - Biden Administration nominees
    - Border Security

# Questions

Mark Limbaugh  
The Ferguson Group LLC  
1901 Pennsylvania Avenue, NW, Suite 700  
Washington, DC 20006  
(202) 331-8500  
[MLimbaugh@tfgnet.com](mailto:MLimbaugh@tfgnet.com)  
[www.thefergusongroup.com](http://www.thefergusongroup.com)

# Memorandum



To: Idaho Water Resource Board

From: Mike Morrison

Date: January 16, 2024

Re: Priest Lake Outlet Dam Improvements Project: Request for approval of funds for unanticipated costs to repair the Priest Lake Outlet Dam.

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**REQUIRED ACTION:** The Board will consider approval of a resolution to fund unanticipated costs of repairing the Priest Lake Outlet Dam.

---

Background: Since August 2020, the Idaho Water Resource Board (IWRB) has committed \$7.6 million for engineering and construction work on the Priest Lake Outlet Dam Improvements Project (Project). This includes \$602,285 in Revolving Development Account funds approved by the Board for work that was not completed by the previous contractor and that has not been disbursed.

In August 2023, the Board contracted with Northbank Civil and Marine, Inc. of Vancouver Washington to complete the project and to make repairs to work not done correctly by the previous contractor. Included in Northbank's bid was \$2,000 to repair a known void beneath the dam. At the time that Northbank's bid was prepared, the void was unavailable for inspection because of its location beneath the dam apron; however, estimates made in December 2021 suggested that the void would probably be relatively small and that it could be repaired by a crew using shovels and other hand tools to place concrete in the void.

Since the project's inception, the Board has contracted with Mott MacDonald LLC to serve as its construction manager and to provide engineering and other technical services. Mott MacDonald has contracted with GeoEngineers, Inc. to provide geotechnical engineering services.

Repairing the void: In December 2023, Northbank exhumed the void and found it to be far larger than expected. The void was 12" - 18" deep but extended up to 20 feet from the edge of the dam. This was far too deep to be reached by workers with shovels. Further complicating repairs was flowing water which could entrain or erode the concrete as it was placed into the void. There were also concerns that the differential pressure of pumping concrete into the void could cause the dam apron to crack.

Working with Staff, Mott MacDonald's structural engineers, GeoEngineers' geotechnical engineers, and its own concrete and grouting experts, Northbank developed a plan to fill the void. The void filled according to plan on January 4<sup>th</sup>.

Defective apron slab edge: After it was exhumed, the southern end of the apron slab poured by the previous contractor was found to be non-conforming. Detritus was found in the concrete, the concrete was uneven and cracked, and the keyway needed to connect this portion of the slab with the slab to be poured by Northbank did not conform with drawing specifications. Northbank demolished and refinished the end of the slab to allow proper interconnection with the new slab.

Delays: On December 4<sup>th</sup>, 2023, the Board directed Northbank to suspend construction work on the apron slab pending inspection by experts retained by both litigants in the Board's dispute with the previous contractor. Parties did not inspect the dam until the week of December 20<sup>th</sup> resulting in a substantial delay to the construction schedule. This delay, along with the delay needed to formulate and execute a plan to repair the

void and defective apron slab edge, effected substantial delays to Northbank's construction schedule. Staff worked with Northbank to rearrange its construction schedule and ensure that some non-critical path work could continue at the construction site.

At present, the project is approximately 14 working days behind schedule. Assuming that weather permits concrete pours in early to mid January, we anticipate that the project will be back on schedule by February 1st and completed by April 15<sup>th</sup>, 2024.

Costs and Change Order Nos. 3 and 4: Direct costs and delay costs that can be attributed to litigation support were assigned to Change Order No. 3. These costs will be paid from funds specifically approved by the Board for Priest Lake Litigation. The remaining costs, approximately \$370,000, will be paid via Change Order No. 4.

Funding: Staff and the contractor are still negotiating details of Change Order No. 4. As previously noted, some \$602,285 in Revolving Development Account Funds was not disbursed to the previous contractor. At March's Board meeting, Staff may either request permission to use these undisbursed funds or Staff may request that the Board approve the use of funds from the Water Management Account to cover the costs of Change Order No. 4.



# Priest Lake Outlet Dam Improvements Project Update—January 2024



Dr. Mike Morrison, P.E.

Water Planning/Projects Bureau Engineer



# Priest Lake Outlet Dam Improvements Project--Update

- Project status.
- Void under the dam.
- Defective apron slab edge.
- Costs and Change Orders.
- Questions?



# Update: Project Status

- The project is 2 weeks behind schedule.
- Weather permitting, we will be back on schedule by February 1<sup>st</sup>.



Void beneath the dam







The void was much larger than expected!



A photograph of a cave interior. A stream flows from the background towards the foreground. On the left, a large, dark, weathered wooden post stands partially submerged. The cave walls are covered in yellowish-brown mineral deposits. The floor is rocky and uneven. The text "Measured distance to the back wall was more than 20 feet." is overlaid in white.


Measured distance to the back wall was  
more than 20 feet.



Repairing the void





A large white pipe runs horizontally across the frame in a dark, underground setting. The pipe is wet and has some blue and purple markings near its left end. Above the pipe, a rocky ceiling is visible with several streams of water dripping down. The ground below the pipe is covered with a layer of small, light-colored stones and debris. The overall atmosphere is dimly lit, typical of an underground construction or maintenance site.

Pipes used to convey  
concrete and equalize  
pressure





Concrete was designed to:  
Fill the void without slumping  
Flow easily into the void  
Minimize turbidity in effluent  
river water.



Void repair complete.



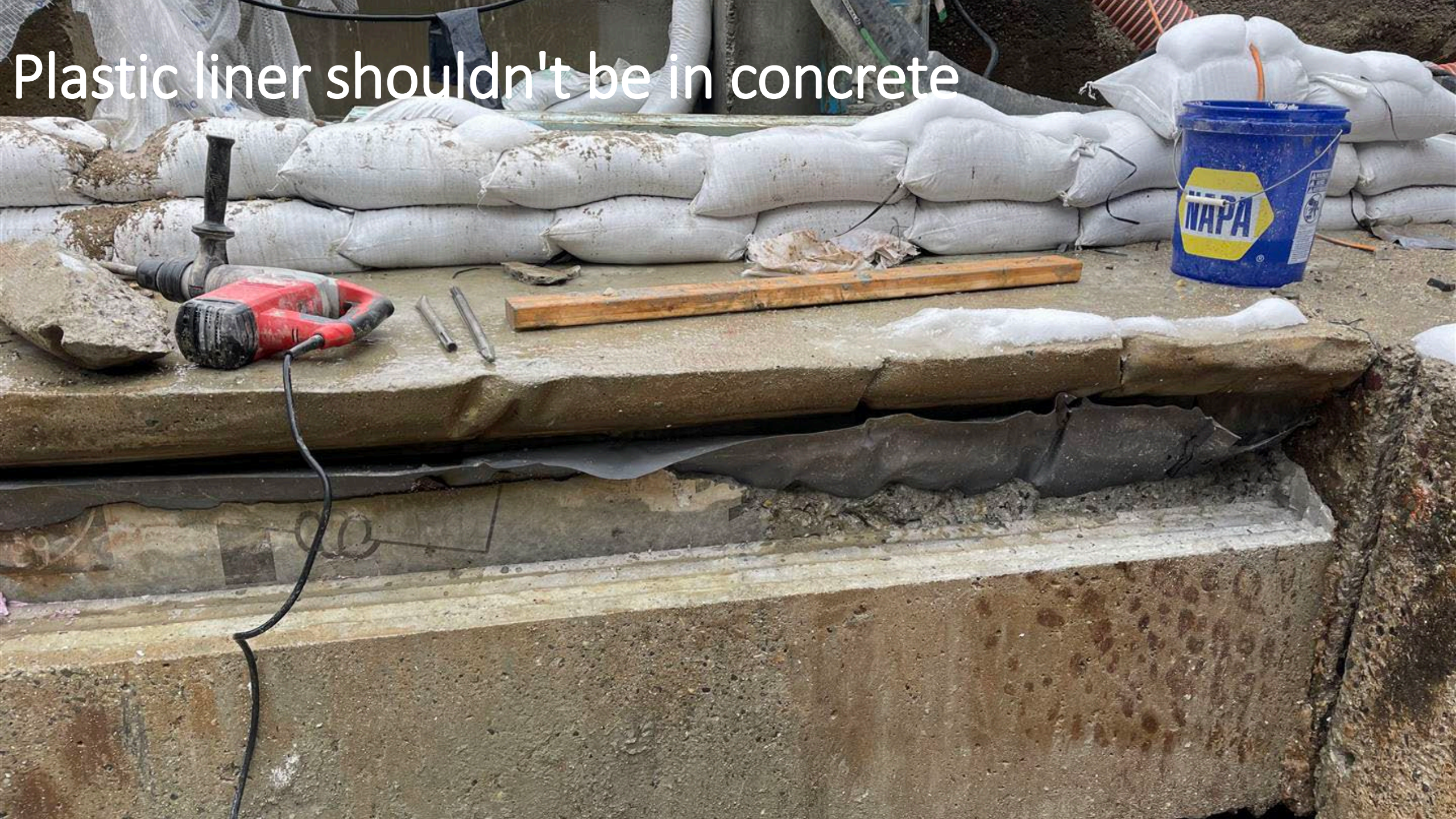


Defective apron slab edge

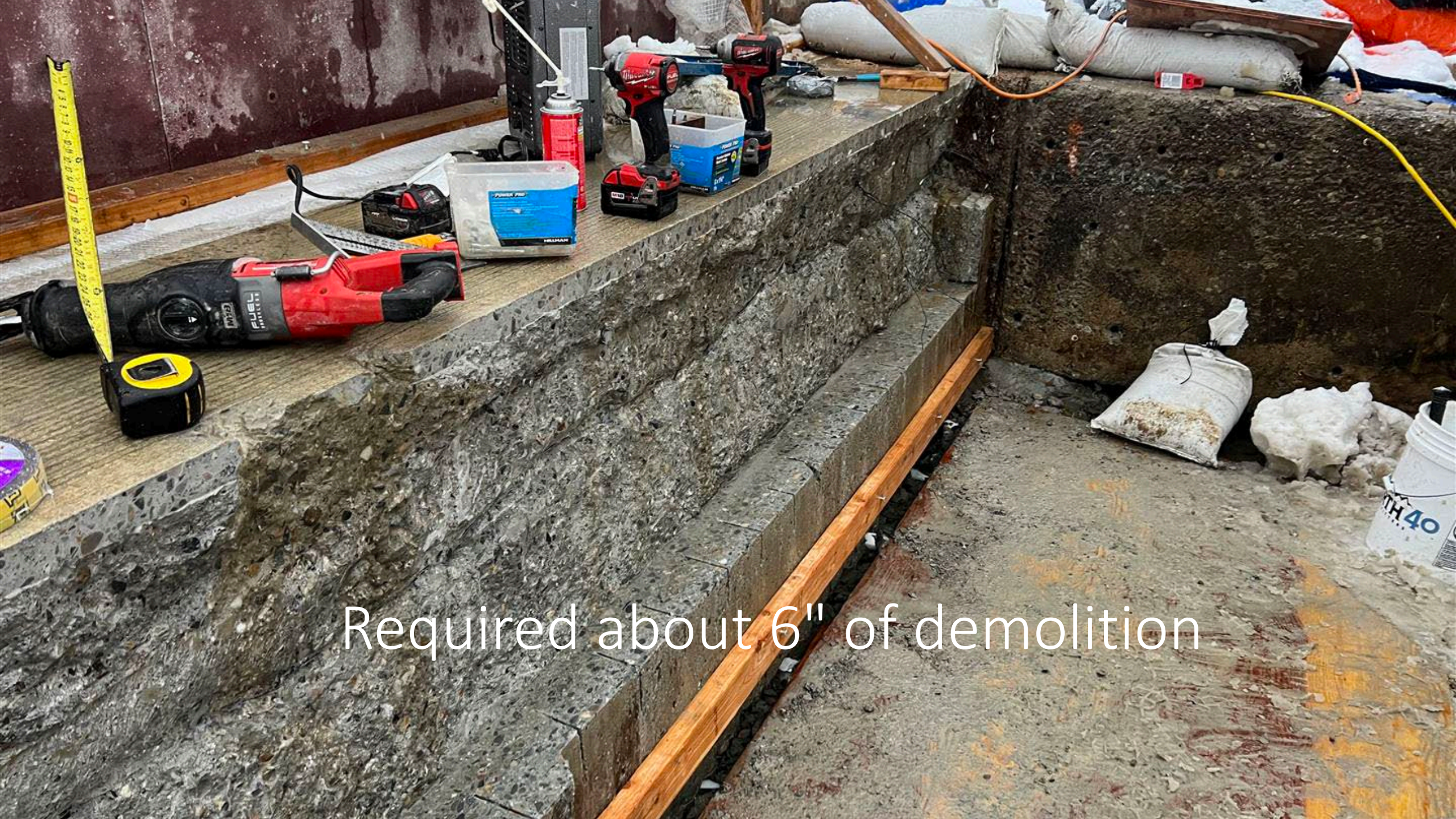




Plastic liner shouldn't be in concrete







Required about 6" of demolition



# Costs and Change Orders



# Costs and Change Orders

- We are still negotiating change orders with Northbank.
- Delays and costs that could be directly assigned to litigation were broken-out into CO#3—Approx \$80,000
- All other costs were assigned to CO#4—Approx \$370,000.
- Currently, there are approx. \$600,000 in undisbursed Revolving Development Account funds that the Board approved for a contract with the previous contractor.
- It is likely that Staff will request that the Board consider a funding resolution, either to use these undisbursed funds, or to use Water Management Account funds to fund CO#4.



Questions?





# Memorandum

To: Idaho Water Resource Board  
From: Amy Cassel  
Date: 1/16/2024  
Re: City of Hagerman – Status of Transfer No. 85491



---

**REQUIRED ACTION:** No action required.

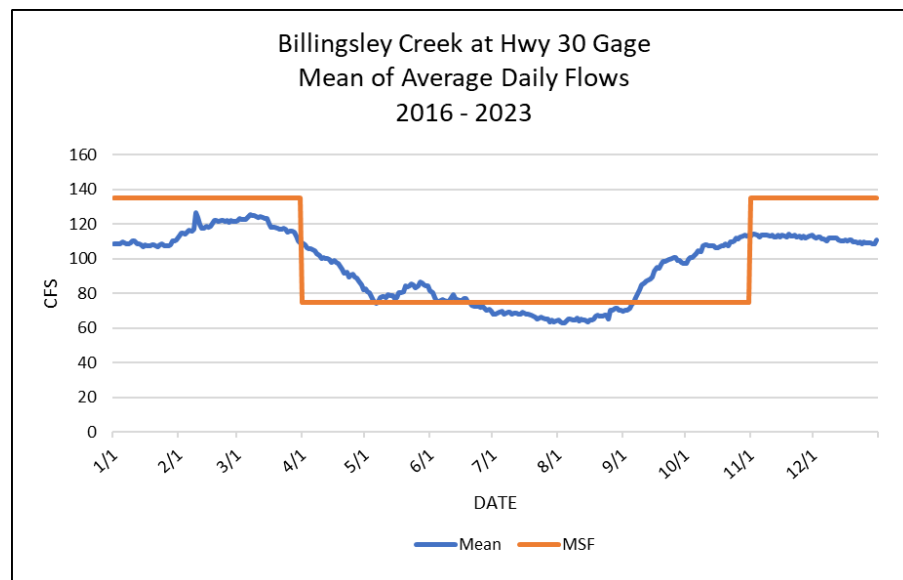
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## Background

Through an agreement with the Idaho Department of Parks and Recreation, the City of Hagerman received a portion of Water Right 36-0049 from Florence Livestock Spring. Water Right 36-0049 is an irrigation right with a 4/1/1900 priority date and 2/15 to 11/30 season of use. Florence Livestock Spring is tributary to Billingsley Creek in the Hagerman Valley.

In 2021 the City applied to IDWR to transfer 1 cfs of 36-0049 to year-round municipal use. IWRB did not protest the City's proposed transfer, and in fact no protests were received. In February of 2022, IDWR issued a preliminary order approving the transfer for 1 cfs for irrigation season use only. The City requested a hearing on the approval and has been participating in an informal settlement process with IDWR, attempting to change the period of use to year-round. IDWR's primary concern is changing the irrigation right from an irrigation season of use to a year-round use and potential injury to existing downstream water rights on Billingsley Creek, including the IWRB's minimum streamflow water rights 36-8793 and 36-8596. Approval of year-round use of the City's proposed transfer would reduce flows in Billingsley Creek by 1 cfs in the winter.

The Idaho Water Resource Board's minimum streamflow water rights on Billingsley Creek could potentially be impacted by the City's proposal. Below is a graph depicting the mean of average daily flows between 2016 and 2023.



**Status**

During the Streamflow Enhancement Committee meeting on December 18, 2023, Travis Thompson, who is representing the City of Hagerman, asked that the IWRB participate in an informal meeting between the City and IDWR to find a resolution to the City's proposed transfer and year-round season of use.

On January 9, 2024, staff attended the meeting with the City of Hagerman, Thompson, the City's consultants, and IDWR to discuss a path forward. While the discussion included possible conditions and potential agreements with the parties on the system, a clear path to a resolution has yet to be determined. The City will draft some proposed conditions and submit them to IDWR for their review. Staff will continue to coordinate with IWRB members as conditions and/or settlement proposal is presented.

# Memorandum

To: Idaho Water Resource Board  
From: Amy Cassel  
Date: January 12, 2024  
Re: Lemhi River at McFarland Minimum Stream Flow Exercise



---

**REQUIRED ACTION:** Approval of attached resolution

---

## Summary

The Lemhi River Basin Comprehensive Settlement Agreement (Agreement), executed on February 24, 2022, set forth a legal process for irrigators in the Lemhi River Basin who divert high flow ancillary to their decreed water rights under a General Provision in the Snake River Basin to perfect a water right for their “high flow” use. Parties to the Agreement include various Lemhi Basin water users, the Idaho Water Resource Board (IWRB), Idaho Department of Fish and Game (IDFG), and the Idaho Office of Species Conservation. Participation in the Agreement is voluntary and allows water users to continue to divert water under the General Provision if they do not choose to obtain a protectable a water right for high flow use.

The Agreement established the Lemhi Settlement Steering Committee (Steering Committee) to oversee the implementation of the Agreement. The IWRB approved the Steering Committee Charter and Members List via resolution on March 31, 2023. The Steering Committee met on December 5, 2023, at the IDWR Salmon Field Office. The following recommendations were discussed:

## Steering Committee Recommendation

The Steering Committee concluded the following steps should be completed prior to IWRB’s exercise of the McFarland MSF: 1) the permitting and accounting of streamflow maintenance water rights by the department; 2) the establishment of a McFarland MSF effectiveness monitoring program; and 3) an assessment of increased flow and potential effects of the McFarland MSF exercise. In the meantime, if natural conditions are favorable for a McFarland MSF exercise, the Steering Committee agrees that the flushing flow benefits all parties and acknowledges the importance of seizing those opportunities in an unpredictable climate. Therefore, water users that are party to the Agreement and who divert water upstream of the McFarland Campground may voluntarily agree to cease diversion of their high flow to meet the McFarland MSF, and that exercise should be counted towards the two in every five-year rolling period.

## Lemhi River at McFarland Minimum Stream Flow

Part of the settlement included the establishment of the Lemhi River at McFarland Campground minimum stream flow (McFarland MSF). Conditions on the McFarland MSF include “this water right may be exercised only two (2) years out of every five (5) years. The five (5) year period shall be a rolling period. The exercise of the right shall be limited to a duration of three (3) days, during the March 15 to July 6 period of use. The three (3) day period shall be timed to occur as near as possible to the peak of the Lemhi runoff.”

The McFarland MSF protocol, which was developed by Carter Borden of Centered Consulting, defines the criteria and indicators for exercising the McFarland MSF. The IWRB approved the Lemhi River at McFarland Campground Minimum Stream Flow Protocol resolution at the March 31, 2023, IWRB meeting.

Snowpack and precipitation conditions in May 2023, as defined and quantified in the McFarland MSF protocol, indicated a favorable year to exercise the McFarland MSF. An exercise was planned for June 9 – 12, 2023. A complaint from a landowner located downstream of the Lemhi at McFarland MSF was received on June 8, 2023. The landowner was concerned about potential flooding, and inquired whether the IWRB would



pay for any damage they deemed was a result of the 72-hour MSF exercise. Due to this complaint and uncertainty regarding IWRB's liability, the exercise was cancelled.

#### **McFarland MSF Effectiveness Monitoring**

The goal of the McFarland MSF is to 1) flush the overlying fine sediment of the armored Lemhi River streambed and 2) mobilize streambed materials to restore and enhance fish habitat. Determining the effectiveness of the "flushing flow" requires the collection and analysis of baseline conditions in the Lemhi River reach near the McFarland campground. IWRB staff is working with Carter Border of Centered Consulting and IDWR staff hydrologist Ryan McCutcheon to develop a McFarland MSF effectiveness monitoring program. Baseline data collection will begin in spring 2024.

#### **"High flow" water rights**

Water users in the Lemhi Basin can now perfect their "high flow" use by filing for a streamflow maintenance water right application. The deadline for filing a streamflow maintenance water right application is July 1, 2024. There is no current mechanism to require streamflow maintenance water right holders to cease diversion while the McFarland MSF is being exercised because the rights do not yet exist.

#### **Attachment**

- 1. Resolution For Steps Needed to Exercise the Lemhi at McFarland Minimum Stream Flow**

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE LEMHI RIVER BASIN

RESOLUTION FOR STEPS NEEDED TO  
EXERCISE THE LEMHI AT MCFARLAND  
MINIMUM STREAM FLOW

1 WHEREAS, the 2021 Idaho Legislature adopted House Concurrent Resolution 21, which  
2 directed the Board to continue to work expeditiously with local water users to complete a  
3 comprehensive settlement that resolves current tensions and conflicts over the use of Lemhi  
4 Basin high flows; and  
5

6 WHEREAS, in 2021, the Idaho Water Resource Board, Idaho Department of Fish and  
7 Game, Idaho Office of Species Conservation, and Various Lemhi Basin Water Users signed the  
8 Lemhi River Comprehensive Settlement Agreement (Agreement); and  
9

10 WHEREAS, the Agreement creates a comprehensive process for 1) resolving protests to  
11 pending applications for permits, 2) appropriating water rights to establish protectable water  
12 rights for the existing high flow practice, and 3) appropriating instream flow water rights on  
13 certain streams for fish passage, spawning, and rearing; and  
14

15 WHEREAS, on February 24, 2022, the Board approved the Agreement by resolution; and  
16

17 WHEREAS, participation in the Agreement is voluntary; and  
18

19 WHEREAS, as part of the Agreement, the 2022 Idaho Legislature enacted 42-251(2)  
20 Idaho Code, which allows Lemhi irrigators who hold irrigation rights decreed in the SRBA and  
21 who use Lemhi Basin "high flow" to file an application for permit with the department of water  
22 resources to convert such use into a protectable water right on or before July 1, 2024, and  
23 these protectable water rights are known as streamflow maintenance water rights; and  
24

25 WHEREAS, as part of the Agreement, the 2022 Idaho Legislature enacted 42-1506A,  
26 Idaho Code, which authorized the Board to appropriate a minimum stream flow water right on  
27 the Lemhi River at the McFarland Campground (McFarland MSF) in the amount of 420 cfs; and  
28

29 WHEREAS, the McFarland MSF may be exercised two out of every five years, and the  
30 exercise of the right shall be limited to a duration of three days (72 hours) between March 15<sup>th</sup>  
31 to July 6<sup>th</sup>. The five-year period shall be a rolling period; and  
32

33 WHEREAS, the McFarland MSF aims to 1) flush the overlying fine sediment of the  
34 armored Lemhi River streambed and 2) mobilize streambed materials to restore and enhance  
35 fish habitat; and

36  
37 WHEREAS, the board needs to develop an effectiveness monitoring program for the  
38 McFarland MSF; and

39  
40 WHEREAS, as a condition of obtaining a streamflow maintenance water right, the  
41 applicant agrees to the inclusion of a condition on the streamflow maintenance water right that  
42 requires the applicant to cease diversions under the right while the McFarland MSF is being  
43 exercised; and

44  
45 WHEREAS, the deadline for filing a streamflow maintenance water right application is  
46 July 1, 2024, and therefore, there is no current mechanism to require streamflow maintenance  
47 water right holders to cease diversion while the McFarland MSF is being exercised because the  
48 rights do not yet exist; and

49  
50 WHEREAS, the exercise of the McFarland MSF will increase flow in the Lemhi River and  
51 the Board needs to assess the extent and potential effects of that increased flow; and

52  
53 NOW, THEREFORE BE IT RESOLVED, the following steps need to be completed to  
54 exercise the McFarland MSF: 1) the permitting and accounting of streamflow maintenance  
55 water rights by the department; 2) the establishment of a McFarland MSF effectiveness  
56 monitoring program; and 3) an assessment of increased flow during the McFarland MSF  
57 exercise; and

58  
59 NOW, THEREFORE BE IT FURTHER RESOLVED, water users that are party to the  
60 settlement and who divert water upstream of the McFarland Campground may voluntarily  
61 agree to cease diversion of their high flow to meet the McFarland MSF; and

62  
63 NOW, THEREFORE BE IT FURTHER RESOLVED, that voluntary exercise may occur prior to  
64 the completion of the steps listed in lines 53-57; and

65  
66 NOW, THEREFORE BE IT FURTHER RESOLVED, the voluntary exercise should be counted  
67 towards the two in every five-year rolling period.

68  
  
DATED this 19<sup>th</sup> day of January 2024.

---

JEFF RAYBOULD, Chairman

Idaho Water Resource Board

ATTEST \_\_\_\_\_  
DEAN STEVENSON, Secretary

# Memorandum



To: Idaho Water Resource Board  
From: Mary Condon  
Date: January 16, 2024  
Re: Board's Bank Rental Fee Rate

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**REQUIRED ACTION:** The Board will consider approval of a resolution to change the Board's bank rental fee rate.

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The Idaho Water Resource Board (IWRB; Board) is responsible for the operation of the Water Supply Bank (WSB), inclusive of the Board's bank. The Board has the authority to collect fees to operate the Board's bank and implement changes to those fees, pursuant to the purposes of the bank within Idaho Code 42-1761, including providing a source of funding for improving water user facilities and efficiencies, and Rule Subsection 030.01 of the Water Supply Bank Rules (IDAPA 37.02.03) for rentals from the Board's bank, "The sale or rental price shall be the price, if any, as determined by the Board."

The IWRB adopted a rental rate schedule in 2012 that provided incremental rental rate increases from 2013 through 2030. The final rate change went into effect in 2023, raising the rental rate to \$23.00 per acre-foot. The administrative fee retained by the IWRB to offset operating costs is 10% of the rental fee. The annual operational costs and revenue received for the Board's bank have been presented to the WSB Committee and the IWRB each year for more than a decade. The annual financial review has shown that the operational costs consistently exceed the revenue generated from lease application filing fees and administrative rental fees retained from the rental of rights.

In December 2023, the IWRB's WSB Committee was presented a summary of alternative fee measures to make the operation of the WSB revenue neutral. The analysis included a review of the average rental fee necessary to meet the operational costs of the bank for a 5-year sample set of calendar years 2018 through 2022. Including revenue generated by the lease application filing fees, the average rental fee rate required to cover the remaining operating cost would need to be set at \$32.50 per acre-foot. This rental fee rate, when summed with the actual lease application filing fees received, would have covered the operational costs of the Board's bank for most of the 5-year sample set and would cover the costs of the five years completely when summed together. The WSB Committee unanimously supported increasing the rental fee rate to \$32.50 per acre-foot beginning in 2025 to cover the operating costs of the Board's bank, with the option to revisit and adjust as necessary in the future.

To simplify calculating the split<sup>1</sup> for the 10% administrative fee and 90% payment to owners of water rights, the WSB Coordinator requests the IWRB consider adopting a rental fee rate at a whole number of either \$32.00 or \$33.00 per acre-foot. A draft resolution is provided for the IWRB's consideration.

**Attachment(s):**

Resolution for Approval of Rental Rate increase for the Board's bank

1 - For example, 8.9 acre-feet X \$32.50 = \$289.25; 10% = \$28.925 & 90% = \$260.325 (rounding on the split required), versus 8.9 acre-feet X \$33.00 = \$293.70; 10% = \$29.37 & 90% = \$264.33 (no rounding required).

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE WATER SUPPLY BANK

RESOLUTION TO INCREASE THE RENTAL FEE  
RATE FOR THE BOARD'S BANK IN 2025

1 WHEREAS, Idaho Code 42-1761 established the Water Supply Bank; and

2  
3 WHEREAS, Water Supply Bank Rule Subsection 030.01 establishes that the Idaho Water  
4 Resource Board (IWRB) may determine the rental price from the Board's bank; and

5  
6 WHEREAS, on March 16, 2012, the IWRB established the Board's bank rental price be equal  
7 to the flow augmentation rental rate schedule as laid out within the terms of the Snake River  
8 Water Rights Agreement of 2004, also known as the Nez Perce Agreement; and

9  
10 WHEREAS, the rental fee increased to \$23.00 per acre-foot in 2023, consistent with the  
11 Nez Perce Agreement; and

12  
13 WHEREAS, the revenue generated from the rental fees for years 2013 through 2022 has  
14 not been sufficient to cover the operating costs of the Board's bank; and

15  
16 WHEREAS, on December 18, 2023, the Water Supply Bank Committee of the IWRB  
17 reviewed options to increase the Board's bank revenues to support operating costs and  
18 recommend the IWRB increase the Board's bank rental price to \$33.00 per acre-foot in 2025.

19  
20 NOW, THEREFORE BE IT RESOLVED that, unless otherwise agreed to between lessor and  
21 renter and approved by the Director of the Department of Water Resources, the price for water  
22 rights rented from the Board's Bank beginning in 2025 shall be \$33.00 per acre-foot. The rental  
23 price includes the 10% administrative fee, which will be a minimum of \$3.30 per acre-foot.

24  
DATED this 19<sup>th</sup> day of January 2024.

\_\_\_\_\_  
JEFF RAYBOULD, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
DEAN STEVENSON, Secretary

# Memorandum

**To:** Idaho Water Resource Board  
**From:** Cynthia Bridge Clark  
**Date:** January 17, 2024  
**Re:** Water Supply Bank – Program Improvement Review



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**REQUIRED ACTION:** None

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At the December 18, 2023 Water Supply Bank Committee meeting, Committee members discussed the importance of the Water Supply Bank (WSB) to water users and its role in optimizing the use of the state's water resources. Given the growing reliance on the WSB and the increase in both Lease and Rental applications, Committee members asked whether there are options to support staff administering the Bank, provide administrative efficiencies, and address review and procedural questions based on the current demands and use of the WSB. The Committee asked staff to evaluate these questions and report on potential program improvement options.

Idaho Department of Water Resources Director Weaver directed staff to pursue this request.

Staff will introduce this topic at the January 19, 2024 meeting.

# Memorandum



To: Idaho Water Resource Board  
From: Neeley Miller, Planning & Projects Bureau  
Date: January 15, 2024  
Re: Aging Infrastructure Grant Scoring/Ranking – Round Four

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## **Action:** Aging Infrastructure Grant Awards

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The application period for the IWRB's fourth round of aging infrastructure funding closed on December 1, 2023. The IWRB received 19 grant applications requesting approximately \$7.7 million in funding. The applications were evaluated, scored and ranked according to the criteria adopted by IWRB.

Round One – awarded \$12.5M in September 2022  
Round Two—awarded \$12.5M in January 2023  
Round Three—awarded \$11,083,621 in November 2023  
Round Four—awards to be announced at the January IWRB Meeting

## **Key Elements of the Criteria**

The IWRB defines an aging water infrastructure project as any new project, or new phase of an improvement project intended to repair, maintain, replace, or improve existing infrastructure that supports irrigation water delivery, storage, drainage, treatment, and use of water for irrigation. Projects that are already completed or underway by the application deadline are not eligible for this funding opportunity. Additionally, for purposes of this grant program, the term 'aging water infrastructure' does not include municipal drinking or wastewater systems.

- Grant Award Limit is \$2,000,000
- IWRB grant portion cannot exceed 1/3rd (33%) of total project costs.
- No more than 50% of the total budget may be spent within a single IWRB district. This limit may be waived if there are no competing funding demands.

## **Finance Committee Recommendation**

On January 11, 2024 the Finance Committee met and discussed the projects, and recommended the IWRB approve Aging Infrastructure Grant awards as specified in Attachment A included with the attached resolution.



**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF AGING  
INFRASTRUCTURE GRANTS

RESOLUTION TO AWARD FUNDS

1 WHEREAS, House Bill 1181 passed and approved in 2023 by the Idaho Legislature  
2 appropriated to the Idaho Water Resource Board's (IWRB) Water Management Account  
3 \$50,000,000 to be used for expenditures, loans, or grants for water projects, including studies,  
4 to address water sustainability, rehabilitate or improve aging water infrastructure; and  
5

6 WHEREAS, the legislature provided that no more than one-third of these moneys shall  
7 be used for grants, and directed the IWRB to develop criteria, taking into account the public's  
8 input for the expenditures of money for grants, which shall be competitive, matching grants  
9 that prioritize projects based on the public benefits they provide; and  
10

11 WHEREAS, on May 19<sup>th</sup> 2023 the IWRB adopted criteria for the award of Aging  
12 Infrastructure grants and set an application deadline of December 1, 2023; and  
13

14 WHEREAS, nineteen (19) Aging Infrastructure grant applications were received by the  
15 deadline and the applications were evaluated, scored and ranked according to the criteria  
16 adopted by IWRB; and  
17

18 WHEREAS, on January 11, 2024 the Finance Committee met and discussed the projects,  
19 and recommended the IWRB approve Aging Infrastructure Grant awards as specified in the  
20 Attachment A included with the resolution; and  
21

22 NOW, THEREFORE BE IT RESOLVED that the IWRB approves the award of Aging  
23 Infrastructure Grants from the Water Management Account as specified in Attachment A to this  
24 resolution.  
25

DATED this 19<sup>th</sup> day of January 2024.

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Jeff Raybould, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
Dean Stevenson, Secretary

Aging Infrastructure Applications for Round Four		
Project	Funds Requested	Total Project Costs
1 Black Canyon Irrigation District Measurement Modernization	100,000	463,397
2 Sunnyside Irrigation District - Canal Lining	2,000,000	6,971,002
3 Jefferson Irrigation Company - Conversion to Pipeline	581,488	2,528,210
4 Twin Falls Canal Company - Closer High Line Measurement	51,332	171,106
5 Mud Lake Water Users - Lateral lining & Pump Station Reconstruction	800,000	2,400,000
6 Jefferson Irrigation Company - Measurement Modernization	145,648	458,800
7 Last Chance Canal Company - Measurement Modernization	140,674	211,000
8 Farmers Land & Irrigation Company - Diversion Replacement	89,667	269,000
9 Mountain Home Irrigation District - Tunnel 13 & 15 repairs	394,403	1,195,161
10 Parks and Lewisville Irrigation Company - SCADA Phase II	83,852	254,098
11 Dalton Gardens Irrigation District - Rehab Irrigation Transmission Line/Pump House	1,369,165	4,107,500
12 FMID - Modernize Crosscut Canal Check Structure	26,680	80,850
13 AFRD2 - Radial Arm Gate Repair	40,000	135,051
14 Teton Irrigation - Conversion of Lateral to Pipeline	58,008	175,780
15 New Sweden Irrigation District - Martin Flume Relocation/Expansion	672,891	2,039,062
16 Bilbrey Ditch Company - Canal Automation	40,173	121,735
17 Capital View Irrigation District - Delivery Pipe Modernization	59,550	198,500
18 Moore Canal Water Users' Association - Conversion of Lateral to Pipeline	1,024,819	3,202,559
19 Squaw Creek Ditch Company - Canal Modernization Study	33,000	100,000
<b>Total Funds Requested</b>	<b>7,711,350</b>	<b>25,082,811</b>

Grant Budget is \$12.5 million for round four

Score	District	Grant Award	Dist	Total Awarded	Percent Of Total
92.00	2	100,000	1	1,369,165	11.0%
89.00	4	2,000,000	2	594,126	4.8%
86.00	4	581,488	3	1,076,151	8.6%
85.00	3	51,332	4	4,638,908	37.1%
81.00	4	800,000	Total	7,678,350	61.4%
80.00	4	145,648	Budget	12,500,000	
80.00	4	140,674	Diff	-4,821,650	
79.00	4	89,667			
79.00	2	394,403			
79.00	4	83,852			
77.00	1	1,369,165			
77.00	4	26,680			
75.00	4	40,000			
74.00	4	58,008			
72.00	4	672,891			
66.00	2	40,173			
63.00	2	59,550			
62.00	3	1,024,819			
23.00	2	Study; not eligible for AIG			
		<b>\$7,678,350</b>			

# MEMO



**To:** Idaho Water Resource Board  
**From:** Neeley Miller, Planning & Projects Bureau  
**Date:** January 12, 2024  
**Subject:** Regional Water Sustainability Projects Terms & Conditions

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**REQUIRED ACTION:** Consider resolutions to approve terms & conditions for selected Regional Water Sustainability Projects

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## Regional Water Sustainability Background

At the July 2023 IWRB meeting in Moscow the IWRB approved nine Regional Water Sustainability Projects statewide for a total of \$59.4 million. The regional projects were funded with federal American Rescue Plan Act (ARPA) monies and state surplus funds allocated to the Board's Water Management Account by Governor Little as part of his Leading Idaho initiative and the Idaho Legislature.

The funded projects are listed below:

- 1. American Falls Spillway Rehabilitation - \$12.5 million; \$23.1M**
- 2. Gooding Flood Control - \$4M; total cost \$40M**
3. City of Nampa Projects - \$3M; total cost \$180M\*
4. New York Canal lining - \$25M; total cost \$50M
5. North Fremont Canal System - \$7.8M; total cost \$19M\*
6. Raft River Pipeline - \$7M; total cost \$49M
7. Treasure Valley Water Supply study - \$155,500; total cost \$155,500\*
8. Palouse Basin Aquifer - \$182,500; total cost \$365,000
- 9. Lost Valley Reservoir Enlargement - \$560,000; total cost \$1.1M**

*\*Terms and Conditions approved in November 2023*

The IWRB directed staff to work with project sponsors to develop appropriate contract terms & conditions to be brought back to the IWRB for approval.

At the Finance Committee on January 11, 2024 staff discussed the terms & conditions for those projects **bolded** above. Attached to this memo is a resolution with the recommended terms and conditions from the Finance Committee.

### Attachment(s):

1. Resolution to approve Contract Terms & Conditions for American Falls Spillway w/ Attachment A

2. Resolution to approve Contract Terms & Conditions for Gooding Flood Control and Lost Valley Reservoir Enlargement Projects w/ Attachment A

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE REGIONAL WATER  
SUSTAINABILITY PRIORITY LIST

RESOLUTION TO APPROVE CONTRACT TERMS  
& CONDITIONS FOR THE AMERICAN FALLS  
DAM SPILLWAY REHABILITATION PROJECT

1 WHEREAS, The American Rescue Plan Act (ARPA), Pub. L. 117-2 subtitle M (2021), appropriated  
2 \$219,800,000,000 to the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) for making payments  
3 to the States to mitigate the fiscal effects stemming from the public health emergency in response to the  
4 Coronavirus disease; and  
5

6 WHEREAS, The SLFRF funds may be used to, among other things, make necessary investments in  
7 water, sewer, or broadband infrastructure. Pub L. 117-2 sec. 602(c)(1)(D), 42 U.S.C. § 802(c)(D); and  
8

9 WHEREAS, Pursuant to 42 U.S.C. § 802(c)(4), SLFRF funds may be used to satisfy any non-federal  
10 matching requirement for an authorized Bureau of Reclamation (Reclamation) project; and  
11

12 WHEREAS, The Idaho Legislature in 2022 and 2023 passed legislation setting aside funds from the  
13 American Rescue Plan Act (ARPA) for the Idaho Water Resource Board (IWRB) to use on projects including  
14 those that have been identified by the IWRB as high priority water sustainability projects; and

15 WHEREAS, American Falls Reservoir District (AFRD) and Idaho Power Company (IPC), on behalf of all  
16 similarly situated spaceholders in American Falls Reservoir, filed a joint application for IWRB Regional  
17 Water Sustainability Funds to cover American Falls Reservoir Spaceholders' contribution to repairs and  
18 replacement work being made on the American Falls Dam and associated spillway (Project); and

19 WHEREAS, The repairs are being constructed through the United States Bureau of Reclamation with  
20 monetary contributions made by AFRD, IPC, and other similarly situated spaceholders (Contractors).  
21 Construction began in 2019 and is expected to continue through 2032; and

22 WHEREAS, The Contractors will enter into individual memorandum of agreements to implement a  
23 Contract with the IWRB for Project funding; and

24 WHEREAS, Contractors met the IWRB's funding criteria and the Project was included on the Regional  
25 Water Sustainability Priority List. In July 2023, the IWRB approved funding for the Contractors' Project;  
26 and

27 WHEREAS, in its resolution the IWRB directed staff to work with project sponsors to develop  
28 appropriate contract terms and conditions to be brought back to the IWRB for approval; and  
29

30 WHEREAS, on January 11, 2024 staff discussed proposed the terms and conditions for the American  
31 Falls Spillway Rehabilitation Project included in Attachment A with the IWRB Finance Committee; and  
32

33           NOW, THEREFORE BE IT RESOLVED that the IWRB approves the Terms and Conditions for the  
34 American Falls Dam Spillway Rehab as specified in Attachment A to this resolution.

35  
36           NOW, THEREFORE BE IT FURTHER RESOLVED that the IWRB approves funding these projects using  
37 the ARPA monies; and

38  
39           NOW THEREFORE BE IT FURTHER RESOLVED that contract for this project will also contain  
40 standard IWRB contract conditions, ARPA Funding contract provisions, and other project specific Terms  
41 and Conditions not specified in this resolution.  
42

DATED this 19<sup>th</sup> day of January, 2024.

\_\_\_\_\_  
Jeff Raybould, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
Dean Stevenson, Secretary

# ATTACHMENT A: Terms & Conditions

## American Falls Dam Spillway Rehabilitation Project

American Falls Dam is owned and operated by the US Bureau of Reclamation (Reclamation). The Project Sponsors include American Falls Reservoir District (American Falls Reservoir District 2 and North Side Canal Company, collectively AFRD) and Idaho Power Company (IPC). The Project Sponsors represent the Spaceholders and Idaho Power Falling Water respectively and are each responsible for a percentage of the costs.

The Project involves a series of repairs to the American Falls Dam including Spillway Repair, Trunnion Pin Replacement, Guard Gate Frame Inspection/Repair, and Dam Intakes Replacement (Design, Acquisitions, and Construction). The Spillway Repair was completed from 2015-2023 and the other projects are scheduled to be completed between 2023 and 2032.

The IWRB approved the use of American Rescue Plan Act (ARPA) money to fund the Project Sponsors' portion of the estimated project costs totaling \$12,486,758.

After coordinating with the Project Sponsors and Reclamation, IDWR and Deputy Attorney General's staff propose the following contract framework:

- Execute a contract between IWRB, IPC, and AFRD.
- Funding shall be disbursed in installments with the final installment being paid before December 31, 2026.
- The first installment will cover, at a minimum, reimbursement for the amount already paid by the Project Sponsors for the completion of the Spillway Repair (\$3,500,000).
- IWRB will require invoices before it makes payments. Accompanying the first invoice, IWRB will need a breakdown of prior expenditures being reimbursed based on invoices from Reclamation to the Project Sponsors. All subsequent invoices should be accompanied by a breakdown of anticipated project costs based on Reclamation's estimates.
- Contract term will run the life of the Project, though all funding will be disbursed by December 31, 2026. Reporting requirements will continue through the life of the contract.
- Project Sponsors will provide annual reports detailing project expenditures and work completed.
- IWRB agrees to pay up to \$12,486,758 to be applied to completion of the Spillway Repair, Trunnion Pin Replacement, Guard Gate Frame Inspection/Repair, and Dam Intakes Replacement (Design, Acquisitions, and Construction).
- Project Sponsors will comply with the IWRB's standard contract terms and ARPA related terms.



**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE REGIONAL WATER  
SUSTAINABILITY PRIORITY LIST

RESOLUTION TO APPROVE CONTRACT TERMS  
& CONDITIONS FOR THE GOODING FLOOD  
CONTROL AND THE LOST VALLEY RESERVOIR  
ENLARGEMENT PROJECTS

1 WHEREAS, the Idaho Legislature, through House Bill 769 passed in 2022 appropriated \$75 Million  
2 to the Idaho Water Resource Board (IWRB) to be used for certain ARPA-eligible water projects and  
3 projects that have been identified by the IWRB as high priority sustainability projects; and  
4

5 WHEREAS, the Idaho Legislature, through House Bill 361 passed in 2023 appropriated \$150 Million  
6 to the IWRB to be used for certain ARPA-eligible water projects and projects that have been identified by  
7 the IWRB as high priority sustainability projects; and  
8

9 WHEREAS, in July 2021 the IWRB adopted an initial Regional Water Sustainability Priority List to  
10 help guide the Idaho Water Resource Board's (IWRB's) spending for large, regional water sustainability  
11 projects from ARPA funds, state general funds, or other applicable sources. The IWRB also, in January  
12 2022, adopted threshold criteria indicating that a project must help achieve water supply sustainability  
13 on a regional, basin-wide, or state wide basis to be included on the Regional Water Sustainability Priority  
14 List; and  
15

16 WHEREAS, on July 21, 2023 the IWRB passed Resolution No. 31-2023 authorizing funding for nine  
17 Regional Water Sustainability Projects statewide for a total of \$59.4 million. The regional projects were  
18 funded with federal American Rescue Plan Act (ARPA) monies and state surplus funds from the IWRB's  
19 Water Management Account; and  
20

21 WHEREAS, in its resolution the IWRB directed staff to work with project sponsors to develop  
22 appropriate contract terms and conditions to be brought back to the IWRB for approval; and  
23

24 WHEREAS, on January 11, 2024, staff reviewed proposed the Terms and Conditions for the  
25 Gooding Flood Control Project and the Lost Valley Reservoir Enlargement included in Attachment A with  
26 the IWRB Finance Committee; and  
27

28 NOW, THEREFORE BE IT RESOLVED that the IWRB approves the Terms and Conditions for the  
29 Gooding Flood Control Project and the Lost Valley Reservoir Enlargement as specified in Attachment A to  
30 this resolution.  
31

32 NOW, THEREFORE BE IT FURTHER RESOLVED that the IWRB approves funding these projects using  
33 the Water Management Account.  
34

35 NOW, THEREFORE BE IT FURTHER RESOLVED that contracts for these projects will also contain  
36 standard IWRB contract conditions and other project specific Terms and Conditions not specified in this  
37 resolution.  
38

DATED this 19<sup>th</sup> day of January, 2024.

---

Jeff Raybould, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
Dean Stevenson, Secretary

# ATTACHMENT A: Terms & Conditions

## Gooding Flood Control Project

The Little Wood River meanders through the City of Gooding in a constructed masonry channel known as the Gooding Canal. In the 1930s, the river was realigned, and the channel was constructed of grouted and un-grouted hand-placed lava rock over the native lava rock riverbed. Since 1941, the channel walls have deteriorated significantly, and the rate of deterioration increases as the project ages. While the City of Gooding has preserved the canal's functionality through ongoing maintenance, targeted repairs, and replacement of channel wall sections, the seventy-five-year-old channel has approached the end of its useful life. Additionally, many sections of the wall have failed, which presents an increased risk of localized flooding and a threat to adjacent public infrastructure and private property.

The City of Gooding has been working with the United States Army Corp of Engineers (USACE) for over twenty years to replace the Gooding Canal. Thanks to efforts by U.S. Congressman Mike Simpson, the project has finally secured the necessary \$40 million in funding, which requires a 10% cost share (\$4 million).

The USACE will obtain all needed permits, approvals, and certifications. The City of Gooding will obtain any real estate interests needed to complete the project. Pre-construction activities will begin in February 2024. Construction is scheduled to begin in October 2025.

### **Invoice-Reimbursement Contract and Proposed Terms & Conditions**

- This is an invoice-reimbursement not to exceed Contract where the IWRB has approved funding for the project. The sponsor shall pay the remainder of the project costs.
- Sponsor shall submit documentation demonstrating cost share has been secured (Project Partnership Agreement).
- 10% holdback on funds until Project Completion Form is submitted (\$400,000).
- When requested by the IWRB, provide a monthly progress report to the Contract Manager. The progress report shall include at a minimum:
  - Updated schedule to completion
  - Issues encountered in the reporting period
  - Final cost forecasts where applicable
  - Up to date project budget
- The Contractor shall provide with the final invoice a financial summary of the Project's costs with a detailed list of the type and amount of funds used to pay for the Project. The financial summary shall include the following:
  - Total final cost of the Project based on expenditures.
  - List all funding sources and the amount used on any aspect of the Project.
  - If a Federal or State grant was awarded for any portion of the Project, include the amount awarded.

## Lost Valley Reservoir Enlargement Project

The Lost Valley Reservoir Enlargement Project (Project) proposes to replace and enlarge the existing Lost Valley Dam by constructing a new dam, spillway, and outlet infrastructure. The proposed enlargement will raise the water level of the reservoir by 30 feet and increase storage from 10,000 acre-feet to 30,000 acre-feet. The total cost estimate for the project is approximately \$15 million.

The project sponsor, Lost Valley Reservoir Company (LVRC), presented the project proposal to the IWRB on June 14, 2023 and requested a 50% cost share for pre-construction costs. Pre-construction costs include the work needed to complete an Environmental Impact Statement (EIS) and federal consultation for the Northern Idaho Ground Squirrel, which is listed as Threatened under the Endangered Species Act. The estimated pre-construction costs, including the EIS, total \$1,120,000. Project sponsors requested 50%, or \$560,000, from the IWRB. The remaining \$560,000 will be secured through the sale of Class D shares (shares of the new storage water).

### **Cost-Reimbursement Contract and Proposed Terms & Conditions**

- This is cost-reimbursement not to exceed Contract for which the IWRB has approved funding for the project. The sponsor shall pay the remainder of the project costs.
- Sponsor shall submit documentation demonstrating the cost share has been secured (\$560,000). Specifically, sponsor shall provide bank statement documentation that the cost share has been secured through the sale of Lost Valley Reservoir Enlargement Class D shares.
- IWRB funds will not be provided until Lost Valley Reservoir Company's cost share is secured.
- Expenses paid by the LVRC for work on the Project after the date of the IWRB's Regional Water Sustainability Resolution to Award Funds Resolution (Resolution No. 31-2023), dated July 21, 2023) must meet the following criteria for cost-reimbursement: 1) invoices must be provided that clearly identify the work was completed for the EIS and/or pre-construction activities, and 2) the invoice was paid by the LVRC using the cost share secured through the sale of the Class D shares.
- 10% holdback on funds until Project Completion Form is submitted (\$56,000).
- When requested by the IWRB, provide a monthly progress report to the Contract Manager. The progress report shall include at a minimum:
  - Updated schedule to completion
  - Issues encountered in the reporting period
  - Final cost forecasts where applicable
  - Up to date project budget

- The Contractor shall provide with the final invoice a financial summary of the Project's costs with a detailed list of the type and amount of funds used to pay for the Project. The financial summary shall include the following:
  - Total final cost of the Project based on expenditures.
  - List all funding sources and the amount used on any aspect of the Project.
  - If a Federal or State grant was awarded for any portion of the Project, include the amount awarded.

# MEMO



**To:** Idaho Water Resource Board  
**From:** Neeley Miller, Planning & Projects Bureau  
**Date:** January 12, 2024  
**Subject:** Regional Water Sustainability LOID Funding Request

---

**REQUIRED ACTION:** Consider request for funding from Lewiston Orchards Irrigation District (LOID)

---

## Background

In July 2021 the IWRB adopted an initial Regional Water Sustainability Priority List to help guide the Idaho Water Resource Board's (IWRB's) spending for large, regional water sustainability projects from ARPA funds, state general funds, or other applicable sources. The initial Regional Water Sustainability Priority list included a reference to the Lewiston Orchards Irrigation district/Lower Clearwater Water Exchange Project. On November 28, 2022, LOID submitted a request to the IWRB to remain on the Priority List. The IWRB chose to keep the LOID project on the list. On December 4, 2023, LOID submitted a request for funding to move forward with a replacement irrigation water supply. It is requesting \$1,287,000 in funding to move engineering and design to the 30% level.

A LOID representative attended the Finance Committee on January 11, 2024, and provided the IWRB's Finance Committee with a presentation on the funding request.

## Attachment(s):

*Funding Request Letter*

*Draft Resolution*



December 4, 2023

Neeley Miller  
Idaho Water Resource Board  
Boise, Idaho

Dear Idaho Water Resource Board:

On behalf of the Lewiston Orchards Irrigation District Board of Directors, thank you for placing the Lower Clearwater Exchange Project (LCEP) on the State's Regional Water Sustainability List. In order to move forward with a replacement irrigation water supply for the Lewiston Orchards Project, further engineering is needed. The Lewiston Orchards Irrigation District and the Nez Perce Tribe paid for a ten percent design to get a valid project estimate.

We respectfully request \$1,287,000 in funding to move the design to the 30% level. Attached is the draft engineering contract from our Engineer of Record, J-U-B. This design work will update the ten percent concept design. This level of design is needed to determine the appropriate placement of the river intake structure and route of the pipeline. The contract also includes negotiations for access from the Army Corps of Engineers, railroad and landowners.

The US BOR has completed their study of the Lewiston Orchards aquifer and has indicated verbally that they concur with the District's and the State's assessment that the aquifer cannot sustain long-term irrigation withdrawals. The Nez Perce Tribe has verbally agreed to a water supply from the Clearwater River but would like more details. The 30% design should help with this and would allow for the progress of any needed environmental and cultural resource work.

The LOID intends to participate in funding the project through construction of the transmission pipeline. Conversations continue with the US BOR and the Nez Perce Tribe to solidify construction funding.

We hope you will give favorable approval of the much needed funds to move this project forward.

Sincerely,

A handwritten signature in blue ink that reads "Barney Metz". The signature is fluid and cursive, with a long horizontal line extending from the end.

Barney Metz  
District Manager

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE REGIONAL WATER  
SUSTAINABILITY PRIORITY LIST

RESOLUTION TO AWARD REGIONAL WATER  
SUSTAINABILITY FUNDS TO LEWISTON  
ORCHARDS IRRIGATION DISTRICT

1 WHEREAS, the Idaho Legislature, through House Bill 769 passed in 2022 appropriated \$75 Million  
2 to the Idaho Water Resource Board (IWRB) to be used for certain ARPA-eligible water projects and  
3 projects that have been identified by the IWRB as high priority sustainability projects; and  
4

5 WHEREAS, the Idaho Legislature, through House Bill 361 passed in 2023 appropriated \$150 Million  
6 to the IWRB to be used for certain ARPA-eligible water projects and projects that have been identified by  
7 the IWRB as high priority sustainability projects; and  
8

9 WHEREAS, in July 2021 the IWRB adopted an initial Regional Water Sustainability Priority List to  
10 help guide the Idaho Water Resource Board's (IWRB) spending for large, regional water sustainability  
11 projects from ARPA funds, state general funds, or other applicable sources; and  
12

13 WHEREAS, the initial Regional Water Sustainability Priority list included a reference to the  
14 Lewiston Orchards Irrigation District (LOID) Lower Clearwater Exchange Project; and  
15

16 WHEREAS, on November 28, 2022, LOID submitted a request to the IWRB for this project to remain on  
17 the Priority List; and  
18

19 WHEREAS, On December 4, 2023, LOID submitted a request for funding to move forward with the  
20 Lower Clearwater Exchange Project. The district is requesting \$1,287,000 in funding to move the  
21 engineering and design to the 30% level; and  
22

23 WHEREAS, representatives from LOID provided a presentation on this funding request to the  
24 IWRB's Finance Committee on January 11, 2024; and  
25

26 WHEREAS, the Finance Committee recommended the IWRB approve the requested funds; and  
27

28 NOW, THEREFORE BE IT RESOLVED that the IWRB approves \$1,287,000 in funds to LOID to move  
29 the engineering and design to 30% level for the Lower Clearwater Exchange Project.  
30

31 NOW THEREFORE BE IT FURTHER RESOLVED staff is directed to work with project sponsor on a  
32 draft contract for this project, including appropriate Terms & Conditions which shall be brought back to  
33 the IWRB for approval before execution of each contract.  
34

35 NOW THEREFORE BE IT FURTHER RESOLVED if LOID enters into an engineering contract for this  
36 work prior to executing a contract with the IWRB, the IWRB will determine those costs to be reimbursable  
37 under this contract once executed.



DATED this 19<sup>th</sup> day of January 2024.

---

Jeff Raybould, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
Dean Stevenson, Secretary

# Memorandum

To: Idaho Water Resource Board  
From: Wesley Hipke  
Date: January 16, 2024  
Re: ESPA Recharge Projects



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**REQUIRED ACTION:** The IWRB will potentially consider approval of resolutions to authorize expenditure of funds from the ARPA State Fiscal Recovery Fund (ARPA Funds) and the Secondary Aquifer Stabilization and Secondary Aquifer, Management, and Implementation Fund

---

The IWRB Aquifer Stabilization Committee is meeting on January 18<sup>th</sup> to discuss potential ESPA Managed recharge projects including:

- South Fork Recharge Project with Progressive Irrigation District
- Recharge Wells Project with Butte and Market Lake Canal Company.
- Canal Infrastructure Study with Butte and Market Lake Canal Company.

If the Aquifer Stabilization Committee recommends the projects, resolutions will be provided for the IWRB to consider.

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE SOUTH FORK RECHARGE  
BASIN SITE DEVELOPMENT

RESOLUTION TO APPROVE FUNDS FROM THE  
ARPA STATE FISCAL RECOVERY FUND AND  
PROVIDE SIGNATORY AUTHORITY

1 WHEREAS, about one-third of Idaho's population resides on the Eastern Snake Plain and the  
2 Eastern Snake Plain Aquifer (ESPA) is the sole source of drinking water for both cities and most rural  
3 residents of the Eastern Snake Plain; and  
4

5 WHEREAS, due to numerous factors, including drought, the ESPA has been losing approximately  
6 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels  
7 in the aquifer and reduced spring flows to the Snake River; and  
8

9 WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA  
10 averaging 250,000 acre-feet annually; and  
11

12 WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136  
13 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed  
14 recharge to the ESPA by December 31, 2024; and  
15

16 WHEREAS, implementation of managed recharge on the ESPA will meet the goals and objectives  
17 of stabilizing and improving aquifer levels for, among other things, protecting municipal and domestic  
18 drinking water supplies and addressing variability in climatic conditions, including drought; and  
19

20 WHEREAS, the American Rescue Plan Act (ARPA), Pub. L. 117-2 subtitle M (2021), appropriated  
21 \$219,800,000,000 to the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) for making payments  
22 to the States to mitigate the fiscal effects stemming from the public health emergency with response to  
23 the Coronavirus disease; and  
24

25 WHEREAS, the SLFRF funds may be used to, among other things, make necessary investments in  
26 water, sewer, or broadband infrastructure. Pub L. 117-2 sec. 602(c)(1)(D), 42 U.S.C. § 802(c)(D); and  
27

28 WHEREAS, eligible uses of the SLFRF include projects that would be eligible to receive financial  
29 assistance through the Clean Water State Revolving Fund (CWSRF), 40 CFR Part 35.3100—35.3170, and  
30 the Drinking Water State Revolving Fund (DWSRF), 40 CFR 35.3520; and  
31

32 WHEREAS, the CWSRF may be used for groundwater projects that protect and restore aquifers,  
33 including aquifer recharge projects; and  
34

35 WHEREAS, the DWSRF can fund aquifer recharge projects such as aquifer storage and recover  
36 wells and water reuse and recycling projects which can replace and offset potable water use and to  
37 develop new sources of water to increase drought resilience; and  
38

39 WHEREAS, in 2022 the Idaho Legislature passed House Bill 769 in which it expressed its intent to  
40 set aside approximately \$250,000,000 of ARPA funding to support projects managed by the IWRB,  
41 including for the continued identification, study, construction, or enlargement of managed aquifer  
42 recharge sites above Milner Dam; and

43  
44 WHEREAS, Senate Bill 1181 appropriated \$50,000,000 for Fiscal Year 2024 to support projects  
45 managed by the IWRB, including for the continued identification, study, construction, or enlargement of  
46 managed aquifer recharge sites above Milner Dam; and

47  
48 WHEREAS, Idaho Code § 42-1760 authorizes the IWRB to expend, loan, or grant moneys from the  
49 water management account for water projects that conserve or increase water supply, improve drought  
50 resiliency, address water sustainability, or support flood management, including the identification, study,  
51 and construction of managed aquifer recharge sites above Milner dam; and

52  
53 WHEREAS, Progressive Irrigation District ("PID") presented a proposal to IWRB on January 18,  
54 2024, for the South Fork Recharge Basin and associated infrastructure for a proposed cost of \$5,868,000;  
55 and

56  
57 WHEREAS, the South Fork Recharge Basin Project will contribute to the IWRB goal of achieving  
58 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024 and will meet  
59 the goals and objectives of stabilizing and improving aquifer levels for, among other things, protecting  
60 municipal and domestic drinking water supplies and addressing variability in climatic conditions, including  
61 drought; and

62  
63 NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures up to \$5,868,000 from  
64 the ARPA State Fiscal Recovery Fund for the development of the South Fork Recharge Basin Project.  
65 Further authorizations may be required upon determination of total development and construction costs;  
66 and

67  
68 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB authorizes its chairman or designee,  
69 to execute the necessary agreements or contracts for the purpose of this resolution.

DATED this 19th day of January 2024.

---

JEFF RAYBOULD, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
DEAN STEVENSON, Secretary

**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE BUTTE MARKET LAKE  
CANAL COMPANY SYSTEM CAPACITY  
IMPROVEMENT STUDY

RESOLUTION TO APPROVE FUNDS FROM THE  
SECONDARY AQUIFER PLANNING,  
MANAGEMENT, AND IMPLEMENTATION  
FUND AND PROVIDE SIGNATORY AUTHORITY

1 WHEREAS, about one-third of Idaho's population resides on the Eastern Snake Plain and the  
2 Eastern Snake Plain Aquifer (ESPA) is the sole source of drinking water for both cities and most rural  
3 residents of the Eastern Snake Plain; and  
4

5 WHEREAS, due to numerous factors, including drought, the ESPA has been losing approximately  
6 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels  
7 in the aquifer and reduced spring flows to the Snake River; and  
8

9 WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA  
10 averaging 250,000 acre-feet annually; and  
11

12 WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136  
13 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed  
14 recharge to the ESPA by December 31, 2024; and  
15

16 WHEREAS, implementation of managed recharge on the ESPA will meet the goals and objectives  
17 of stabilizing and improving aquifer levels for, among other things, protecting municipal and domestic  
18 drinking water supplies and addressing variability in climatic conditions, including drought; and  
19

20 WHEREAS, Senate Bill 1181 appropriated \$50,000,000 for Fiscal Year 2024 to support projects  
21 managed by the IWRB, including for the continued identification, study, construction, or enlargement of  
22 managed aquifer recharge sites above Milner Dam; and  
23

24 WHEREAS, Idaho Code § 42-1760 authorizes the IWRB to expend, loan, or grant moneys from the  
25 water management account for water projects that conserve or increase water supply, improve drought  
26 resiliency, address water sustainability, or support flood management, including the identification, study,  
27 and construction of managed aquifer recharge sites above Milner dam; and  
28

29 WHEREAS, Butte Market Lake Canal Company ("BMLCC") presented a proposal to IWRB on  
30 January 18, 2024, detailing a System Capacity Improvement Study; and  
31

32 WHEREAS, the System Capacity Improvement Study will contribute the identification, study,  
33 construction, or enlargement of managed aquifer recharge sites above Milner Dam; and  
34

35 WHEREAS, the proposed total cost of BMLCC's System Capacity Improvement Study is \$94,000.  
36

37 NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures up to \$94,000 from the

38 Secondary Aquifer Planning, Management, and Implementation Fund the implementation of the System  
39 Capacity Improvement Study. Further authorizations may be required upon determination of total  
40 development and construction costs; and  
41

42 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB authorizes its chairman or designee,  
43 to execute the necessary agreements or contracts for the purpose of this resolution.

DATED this 19th day of January 2024.

---

JEFF RAYBOULD, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
DEAN STEVENSON, Secretary



**BEFORE THE IDAHO WATER RESOURCE BOARD**

IN THE MATTER OF THE EXPANSION OF THE  
POITEVIN INJECTION WELL SITE

RESOLUTION TO APPROVE FUNDS FROM THE  
ARPA STATE FISCAL RECOVERY FUND AND  
PROVIDE SIGNATORY AUTHORITY

1 WHEREAS, about one-third of Idaho's population resides on the Eastern Snake Plain and the  
2 Eastern Snake Plain Aquifer (ESPA) is the sole source of drinking water for both cities and most rural  
3 residents of the Eastern Snake Plain; and  
4

5 WHEREAS, due to numerous factors, including drought, the ESPA has been losing approximately  
6 216,000 acre-feet annually from aquifer storage since the 1950's resulting in declining ground water levels  
7 in the aquifer and reduced spring flows to the Snake River; and  
8

9 WHEREAS, the State Water Plan includes a goal to accomplish managed recharge in the ESPA  
10 averaging 250,000 acre-feet annually; and  
11

12 WHEREAS, the 2016 Idaho Legislature passed and approved Senate Concurrent Resolution 136  
13 directing the IWRB to develop the capacity to achieve 250,000 acre-feet of annual average managed  
14 recharge to the ESPA by December 31, 2024; and  
15

16 WHEREAS, implementation of managed recharge on the ESPA will meet the goals and objectives  
17 of stabilizing and improving aquifer levels for, among other things, protecting municipal and domestic  
18 drinking water supplies and addressing variability in climatic conditions, including drought; and  
19

20 WHEREAS, the American Rescue Plan Act (ARPA), Pub. L. 117-2 subtitle M (2021), appropriated  
21 \$219,800,000,000 to the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) for making payments  
22 to the States to mitigate the fiscal effects stemming from the public health emergency with response to  
23 the Coronavirus disease; and  
24

25 WHEREAS, the SLFRF funds may be used to, among other things, make necessary investments in  
26 water, sewer, or broadband infrastructure. Pub L. 117-2 sec. 602(c)(1)(D), 42 U.S.C. § 802(c)(D); and  
27

28 WHEREAS, eligible uses of the SLFRF include projects that would be eligible to receive financial  
29 assistance through the Clean Water State Revolving Fund (CWSRF), 40 CFR Part 35.3100—35.3170, and  
30 the Drinking Water State Revolving Fund (DWSRF), 40 CFR 35.3520; and  
31

32 WHEREAS, the CWSRF may be used for groundwater projects that protect and restore aquifers,  
33 including aquifer recharge projects; and  
34

35 WHEREAS, the DWSRF can fund aquifer recharge projects such as aquifer storage and recover  
36 wells and water reuse and recycling projects which can replace and offset potable water use and to  
37 develop new sources of water to increase drought resilience; and  
38

39 WHEREAS, in 2022 the Idaho Legislature passed House Bill 769 in which it expressed its intent to  
40 set aside approximately \$250,000,000 of ARPA funding to support projects managed by the IWRB,  
41 including for the continued identification, study, construction, or enlargement of managed aquifer  
42 recharge sites above Milner Dam; and

43  
44 WHEREAS, Senate Bill 1181 appropriated \$50,000,000 for Fiscal Year 2024 to support projects  
45 managed by the IWRB, including for the continued identification, study, construction, or enlargement of  
46 managed aquifer recharge sites above Milner Dam; and

47  
48 WHEREAS, Idaho Code § 42-1760 authorizes the IWRB to expend, loan, or grant moneys from the  
49 water management account for water projects that conserve or increase water supply, improve drought  
50 resiliency, address water sustainability, or support flood management, including the identification, study,  
51 and construction of managed aquifer recharge sites above Milner dam; and

52  
53 WHEREAS, Butte-Market Lake Canal Company ("BMLCC") presented a proposal to IWRB on  
54 January 18, 2024, for the Expansion of the Poitevin Injection Well Site recharge sites and infrastructure to  
55 improve recharge capacity for a proposed cost of \$571,000; and

56  
57 WHEREAS, the Expansion of the Poitevin Injection Well Site will contribute to the IWRB goal of  
58 achieving 250,000 acre-feet of annual average managed recharge to the ESPA by December 31, 2024 and  
59 will meet the goals and objectives of stabilizing and improving aquifer levels for, among other things,  
60 protecting municipal and domestic drinking water supplies and addressing variability in climatic  
61 conditions, including drought; and

62  
63 NOW THEREFORE BE IT RESOLVED that the IWRB authorizes expenditures up to \$571,000 from  
64 the ARPA State Fiscal Recovery Fund for the development of the Expansion of the Poitevin Injection Well  
65 Site; and

66  
67 NOW THEREFORE BE IT FURTHER RESOLVED that the IWRB authorizes its chairman or designee,  
68 to execute the necessary agreements or contracts for the purpose of this resolution.

DATED this 19th day of January, 2024.

---

JEFF RAYBOULD, Chairman  
Idaho Water Resource Board

ATTEST \_\_\_\_\_  
DEAN STEVENSON, Secretary

# Memorandum



To: Idaho Water Resource Board (IWRB)  
From: Cynthia Bridge Clark, Planning & Projects Bureau  
Date: January 17, 2024  
Re: Administrative Rules Update

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**ACTION: No action requested at this time**

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Erik Boe will introduce himself as the new Rules Regulation Officer and provide an update on the Department's rule-making activities.

# Memorandum



To: Idaho Water Resource Board (IWRB)  
From: Cynthia Bridge Clark, Planning & Projects Bureau  
Date: January 17, 2024  
Re: Potential Legislation of Interest

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**ACTION: No action requested at this time**

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Garrick Baxter will provide a briefing on potential legislation of interest.