

NEWS RELEASE - FOR IMMEDIATE RELEASE

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Idaho Water Resource Board approves funding for multiple major water infrastructure projects with federal ARPA and state surplus funds

HAILEY - (Sept. 19, 2022) – The Idaho Water Resource Board voted to spend approximately \$87 million in American Rescue Plan Act (ARPA) funds on a number of major water infrastructure projects statewide in its regular meeting on Friday held at the Community Campus here in Hailey, Idaho.

The Board authorized spending \$72.9 million to pay for the state's share of the cost to raise Anderson Ranch Dam by six feet to create an additional 29,000 acre-feet of storage water; \$8.3 million for two, new Upper Snake Basin aquifer-recharge projects to benefit the Eastern Snake Plain Aquifer (ESPA); and \$5 million for the initial costs associated with design and contracting the Mountain Home Water Resiliency project, a pump station and pipeline from the Snake River to the Mountain Home Air Force Base for municipal water supply.

The Board also authorized \$12.5 million in grant funding for 12 Aging Infrastructure Projects and approved six low-interest loans totaling \$18.1 million to assist irrigation entities with the aging infrastructure projects.

The Idaho Water Resource Board received 31 applications for the first go-round of the Aging Infrastructure Grant program, and 16 applications for low-interest loans to cover costs in replacing aging irrigation infrastructure projects. All of the projects were ranked and scored by staff, following the evaluation criteria approved by the Board. Several irrigation entities applied for and received a combination of grant and loan funds.

For example, Enterprize Canal Company received a \$2.73 million Aging Infrastructure Grant and a \$6.3 million low-interest loan to finance the rehabilitation of its water-conveyance system. Enterprize delivers water to 5,436 acres of farmland in Bonneville and Jefferson counties.

"Thank you," said an emotional Darrell Kerr with Enterprize Canal Company, based in Ririe. "This is critical for our well-being."

During the 2022 session, the Idaho Legislature appropriated \$75 million to the Idaho Water Resource Board 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." House Bill 769 provided that "no more than one-third of these moneys shall be used for grants."

Background on federal and state funds: The 2022 Idaho Legislature set aside \$250 million of the State's American Rescue Plan Act (ARPA) funds to support water projects managed by the Idaho Water Resource Board that qualify under the federal guidance, including the enlargement of Anderson Ranch Reservoir, the Mountain Home AFB water supply project, and managed recharge projects on the ESPA. The Legislature appropriated \$100 million from the ARPA State and Local Fiscal Recovery Fund for use by the Board in fiscal year 2023, with the expectation that an additional \$50 million will be allocated the Board annually through fiscal year 2026. Where possible, the Board will use ARPA funding in lieu of state funds previously appropriated for priority water projects. This will free up state monies for additional, future water projects, officials said.

The total cost of raising Anderson Ranch Dam by six feet is currently estimated to be \$83.3 million. The \$72.9 million allocation of ARPA funding will satisfy the state's non-federal, cost-share obligation for the project, based on current estimates. The Bureau of Reclamation is expected to provide revised estimates in the spring of 2023 based on revised engineering and design work.

Wesley Hipke, ESPA recharge project manager for the Board, detailed two new ESPA recharge projects in the Upper Snake region that required new funding to move forward:

- Goyne Sump is an injection well near Lake Walcott that would have a recharge capacity of 100 cubic feet per second. Funding for the project would connect a Minidoka Irrigation District canal to the injection well site, and add pumps and capacity to existing infrastructure. The Board allocated \$3.38 million to that project.
- Hamer Road recharge site near the existing Egin Bench recharge site. In that project, the Board would develop a new 291-acre recharge basin in lava fields on Bureau of Land Management property. Potential recharge capacity is 200 cfs. Board staff will work on permitting with the BLM and engineering and design to develop that site. The Board allocated \$5 million to that project.

For the Board to meet its goal to recharge an average of 250,000 acre-feet of water into the ESPA each year, it needs more recharge sites in the Upper Snake region, Hipke said. Water Board members agreed.

"To make our goal, we're going to need every site possible, especially in the Upper Snake," said Dean Stevenson, Rupert-based Water Board member. "We need to get significant volume out of the Upper Snake. These are the best two sites that we've looked at so far."

In addition to \$5 million allocation for the Mountain Home AFB Water Resiliency Project, the Board authorized execution of a Memorandum of Agreement with the U.S. Air Force that broadly outlines responsibilities and design parameters required to merge the water treatment plant being constructed by the Air Force and the pipeline and pump station being constructed by the Board. The Board will retain ownership of the water rights from the Snake River, acquired to supply water to the Base, but will gift the infrastructure to the Air Force. The target completion date is January 2026, officials said.

The 12 AIG grant projects funded by the Water Board are as follows:

- 1. Bannock Feeder canal, diversion replacement \$250,000
- 2. Big Lost dam repair \$2 million
- 3. Boise Project Board of Control, New York Canal lining \$2,418,500
- 4. Chester Canal & Irrigation Co., diversion headgate \$29,725

- 5. Dalton Gardens Irrigation District, delivery improvements \$23,460
- 6. Enterprize Canal Company, converting canal to pipeline \$2,736,227
- 7. Falls Irrigation District, pump station rehabilitation \$200,588
- 8. Fremont Madison Irrigation District, upgrades to diversion structures \$58,200
- 9. King Hill Irrigation District, pump station and closed circuit \$1,980,259
- 10. Nampa-Meridian Irrigation District, Ridenbaugh Canal rehabilitation \$1,820,048
- 11. North Side Pumping Company #2, pump station and canal abandonment \$951,800.
- 12. Water District #63, monitoring system upgrades \$30,793

The six Water Project Loans funded by the Water Board are as follows:

- 1. Falls Irrigation District, irrigation system upgrade \$8,894,500
- 2. Enterprize Canal Co., rehabilitation of irrigation conveyance systems \$3,588,856
- 3. Barber Pool Hydro, bypass rehabilitation \$850,670
- 4. Bannock Feeder Canal, diversion replacement \$335,110
- 5. Southeast Idaho Canal Company, headgate modernization and automation \$58,074
- 6. Chester Canal & Irrigation Company, replacement of headgate structure \$34,895

Loan increase: Cloverdale Ridge Water Corp., \$36,000 increase for new total of \$92,615 to replace aging pumps and piping infrastructure.

(Please see attached spreadsheets for details about the grant and loans that were approved by the Board).