

Idaho Legislature, 2019 Session, Joint Finance-Appropriations Committee

Motion Makers: Senator Bair and Representative Youngblood

FY 2019 Supplemental to HJM004 & SJM104

Date: March 12, 2019

Department: Department of Water Resources

Division: Department of Water Resources

Program: Planning and Technical Services

Background:

HJM004 of 2019 urges the completion of the federal feasibility study and the NEPA analysis required for expanding Anderson Ranch Dam through provisions in the federal Water Infrastructure Improvements for the Nation (WIIN) Act. Opportunities exist through the WIIN Act for federal, state and private partnerships for the development of water supply infrastructure. The raising of Anderson Ranch Dam by six feet would provide an estimated 29,000 acre feet of additional water storage on the Boise River, or a 6.1% increase. The three dam system of Anderson Ranch, Arrowrock, and Lucky Peak Dams provide a total of 1,044,011 acre feet of water, and are managed with the twin goals of water storage and flood mitigation. The Water Resources Board (WRB) has dedicated \$3 million as a 50% match to federal funds for a feasibility and environmental study on raising the dam, with the aim to complete the study by May of 2020. The WRB recently commissioned a water-demand study for the Treasure Valley, which predicted the population will increase to 1.6 million people by 2065. The water demand for domestic, commercial, industrial, and municipal uses is anticipated to increase by 109,000-188,000 acre-feet by that time. The WRB has also engaged in actions to move the Mountain Home Air Force Base (MHAFB) from ground water wells located on-base to surface water piped from C.J. Strike Reservoir on the Snake River. SJM104 urges the completion of this water project as the Mountain Home Aquifer is over-drafted by an estimated 30,000 acre feet annually.

Fund	Type	OT	FTP	PC	OE	CO	TB	LS	Total
General Fund Appropriation									
0001-00	Gen		0.00	0	0	0	20,000,000	0	20,000,000
Transfer to Water Management Fund									
0001-00	Gen		0.00	0	0	0	(20,000,000)	0	(20,000,000)

Motion 1:

"I request unanimous consent to reopen the fiscal year 2019 budget for the Department of Water Resources." (Note: this requires unanimous consent or 2/3 vote of the quorum)

Motion 2:

"For Fiscal Year 2019, I move the appropriation and the State Controller shall transfer \$20,000,000 from the General Fund to the Water Management Fund."

Discussion for Motion 2:

This motion provides funding to address the fiscal impact of HJM004 and SJM104.

Motion 3:

"I request unanimous consent to accept sections 2 and 3 of the bill language as shown on the screen."

Discussion for Motion 3:

This language amends Section 42-1760, Idaho Code, to allow interest earned in the Water Management Account to be retained by the account, and clarifies that the Water Resources Board has the authority to determine which water projects qualify under the section. It further adds the raising Anderson Ranch Dam, the Mountain Home Air Force Base water systems, and other storage enlargement projects on reservoirs owned by the Bureau of Reclamation or Army Corps of Engineers as allowable expenditures. Further, it requires at least a 50% match of non-state funds on large projects and requirements for the department to submit reports to the Legislature.

LSO Analyst: Sepich

SECTION 2. That Section 42-1760, Idaho Code, be, and the same is hereby amended to read as follows:

TITLE 42
IRRIGATION AND DRAINAGE - WATER RIGHTS AND RECLAMATION
CHAPTER 17

DEPARTMENT OF WATER RESOURCES - WATER RESOURCE BOARD

42-1760. WATER MANAGEMENT ACCOUNT. (1) There is hereby created and established in the trust and agency fund the water management account. All moneys in the account are appropriated continuously to the water resource board to be used and administered by it for the purposes specified in subsection (2) of this section, and shall not be subject to the provisions of the standard appropriations act of 1945 or section 67-3516, Idaho Code. The state treasurer shall invest the idle moneys of the account, and the interest earned on such investments shall be retained by the account.

(2) The board may expend, loan or grant moneys from the water management account for new water projects or the rehabilitation of existing water projects limited to the following purposes: reclamation, upstream storage, offstream storage, aquifer recharge, reservoir site acquisition and protection, water supply, water quality, recreation, and water resource studies, including feasibility studies for qualifying projects. The Board shall be the authority to determine water projects to be undertaken pursuant to the provisions of this section.

(a) Expenditures may be made from the account to provide public moneys for participation in any project constructed with funds from the water resource board revolving development account provided by section 42-1756, Idaho Code.

(b) Grants and loans may be made by the board from the account for any project in the public interest for the projects authorized by this section; no single grant shall exceed \$50,000 unless legislative approval has been obtained.

(c) Expenditures may be made from the account for the costs of large water infrastructure projects for the following projects only:

- i. Costs associated with the construction of a raise of Anderson Ranch Dam, located on the South Fork of the Boise River;
- ii. Costs associated with the Mountain Home Air Force Base water delivery and treatment systems; and
- iii. The enlargement or construction of new or existing surface storage reservoirs owned and operated by the United States Bureau of Reclamation or Army Corps of Engineers.

(d) The selection of any new large water infrastructure project selected pursuant to subsection (2)(c)(i)-(iii) must consider and protect existing water rights, and consider the effects of such projects on other water uses, including water quality, fish and wildlife, recreation, and hydropower, that provide economic value, stability and other benefits to the citizens of the state.

(3) Any large infrastructure project receiving any portion of the funds approved within the provisions of subsection (2)(c)(i)-(iii) shall require that at least fifty percent (50%) matching funds to be provided by

parties other than the state. In the event of in-kind contributions, the Board shall determine the value of the in-kind contribution.

(4) On or before the first day of each regular legislative session, the Board shall submit to the Legislature a report of any moneys spent or obligated and any work begun and/or completed in the prior or current fiscal year on a project selected pursuant to subsection (2)(c)(i)-(iii).

(5) The director of the department of water resources shall assist the board in any way the board deems necessary to fulfill the policy and purpose of the water management account, including technical evaluation of proposed projects and coordination in state and federal agencies.

SECTION 3. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.

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Program: Planning and Technical Services

Background:

The winter and spring of 2017 resulted in significant flood damages across the state, with 35 county-level disaster declarations and four presidential disaster declarations. There are 18 active flood control districts (FCDs), which provide control of rivers, streams, their tributaries, and related structures within the district boundaries in order to protect life and property from flooding. These districts are funded by local taxes through assessment authority in Section 42-3115, Idaho Code, which primarily go toward annual channel maintenance and removal of debris. Annually, FCDs engage in river debris removal, bank repairs, and gravel removal. These activities did not qualify for use of the Emergency Relief Fund established under S1141 of 2017, unless flood damages affected a roadway or bridge. The Legislature passed H712 of 2018, which appropriated \$1 million to the Department of Water Resources to address flood damages not covered under S1141. Through two rounds of applications, the Water Resources Board received 19 applications for flood management projects from FCDs and private entities, such as canal companies. The Board funded a total of 14 projects, with most expected to be completed by early April. This supplemental would add \$1 million for additional projects as determined by the Water Resource Board.

Fund	Type	OT	FTP	PC	OE	CO	TB	LS	Total
General Fund Appropriation									
0001-00	Gen		0.00	0	0	0	1,000,000	0	1,000,000
Transfer to Water Management Fund									
0001-00	Gen		0.00	0	0	0	(1,000,000)	0	(1,000,000)

Motion 1:

"For Fiscal Year 2019, I move the appropriation and the State Controller shall transfer \$1,000,000 from the General Fund to the Water Management Fund."

Discussion for Motion 1:

This motion provides funding to the Flood Control Districts, canal companies, and other private entities across the state, which are responsible for flood preparation, flood response, and long term flood management.

Motion 2:

"I request unanimous consent to accept sections 2 through 5 of the bill language as shown on the screen."

Discussion for Motion 2:

This language requires that grants be competitive, and that there be a 50% match to state dollars. Grants are to be administered through the Idaho Water Resources Board, with assistance from the Department of Water resources. Of the amount appropriated, up to \$200,000 shall be used for water quality data collection on the upper Snake River.

LSO Analyst: Sepich

SECTION 1: CASH TRANSFER FOR FLOOD MANAGEMENT PROGRAM. There is hereby appropriated and the State Controller shall transfer \$1,000,000 from the General Fund to the Water Management Fund created pursuant to Section 42-1760, Idaho Code, as soon as practicable for water quality data collection, monitoring, modeling, flood-damaged stream channel repair, stream channel improvement, flood risk reduction, or flood prevention projects.

SECTION 2: USES OF THE WATER MANAGEMENT FUND. Of the moneys appropriated and transferred for use pursuant to Section 1 of this act for water quality data collection, up to \$200,000 shall be used for monitoring, data collection, modeling, literature review, economic analysis, and other forms of data gatherings and analysis in the upper Snake/Rock Creek (HUC 17040212, as provided in IDAPA 58.01.02.109.02) subbasin in support of the nutrient total maximum daily loads (TMDL) objectives. This process shall be coordinated with the Department of Environmental Quality and the United States Geological Survey.

SECTION 3: USES OF THE WATER MANAGEMENT FUND. The remaining moneys appropriated and transferred in Section 1 of this act for flood prevention and stream repair are to be administered by the Idaho Water Resource Board through a competitive, matching grant process. Notwithstanding the provisions of Section 42-1760(2)(b), Idaho Code, grants may be larger than \$50,000 at the discretion of the board.

SECTION 4: PROJECT PRIORITIZATION. It is the intent of the Legislature that the selection process for the grants authorized in Section 3 of this bill shall require the availability of fifty percent (50%) matching funds and that projects shall be given priority on a competitive statewide basis throughout Idaho. The Department of Water Resources staff shall support this competitive grant process using existing personnel and resources

SECTION 5: An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.