

Memo

To: ESPA CAMP Implementation Committee

From: Brian Patton

Date: April 22, 2010

Re: Staff Proposal for 2010 ESPA CAMP Projects

This IDWR staff proposal was developed in response to an Implementation Committee request and is intended to assist the Committee in developing recommendations for 2010 to the Idaho Water Resource Board (IWRB) and the Governor. Two basic assumptions are included in this scenario: 1) obligating the entire \$2.4 million available and 2) providing 40% in state funds for each project, consistent with the CAMP plan.

PROJECT	ESTIMATED TOTAL COST	SUGGESTED STATE CONTRIBUTION
Thousand Springs Pumpback- Phase 1 (defer other phases to later years when future CAMP direction is more defined)	\$2,270,849	\$908,340 (40%)
Reserve funds for 2011 Managed Recharge Operations (assumes \$200K carryover from 2010 IWRB funds)	\$500,000	\$300,000 (IWRB pays 100% as has been done previously)
Egin Lakes Recharge Site –		
Phase 2 (investigate expansion)	\$100,000	\$40,000 (40%)
Phase 3 (construct expansion)	\$340,000	\$136,000 (40%)
Idaho Irrigation District Managed Recharge Improvements	\$64,000	\$25,600 (40%)

Milepost 31 Managed Recharge Project Pilot test (defer additional work to future years after pilot test demonstrates viability of sites)	\$3,000	\$3,000 (100%)
AWEP 2009 Projects	#3,480,396	\$348,040 (40% of non-federal portion)
AWEP 2010 Projects	\$2,543,333	\$354,333 (40% of non-federal portion)
Buy-outs or Reserve Funds	Unknown	\$284,687 (remainder of available funds)
<u>TOTALS</u>	<u>\$9,301,578</u>	<u>\$2,400,000</u>

Big Wood Canal Company Project

The Big Wood Canal Company Project proposal is not recommended by IDWR staff for CAMP funding at this time. This project provides clear benefit to the applicants including significant energy savings, although it does not appear to provide overall benefit to the aquifer. In addition, the project is likely several years away for actual construction.

The injection well component of the proposal could be valuable for future CAMP consideration. The injection wells could assist in using the IWRB's recharge water right from the Wood River system. The Big Wood canal could be encouraged to better develop this concept and submit it for reconsideration in future years.

Mechanisms for Accomplishing Projects

Consideration has been given to the specific funding and administrative mechanisms to accomplish each of these projects. The IWRB has authority to make grants, loans and to finance and construct its own projects. For some projects currently being considered it makes sense to grant the CAMP funds to the project sponsors, while for others it seems best to undertake them as IWRB projects.

Grants: The IWRB is currently under a statutory restriction from make grants larger than \$50,000, unless legislative approval has been obtained. For those projects where the Board contribution is less than \$50,000 and the project sponsors could manage the projects and own the installations, it may makes sense to accomplish them through a grant. The projects suggested for grant funding that goes directly to the project sponsor are as follows:

Projects	Grant Amount
Idaho Irrigation District Recharge Improvements	\$25,600
Egin Lakes Recharge Site Phase 2 (Investigation)	\$40,000

Milepost 31 Managed Recharge Pilot Test Facilities	\$3,000
AWEP 2009 Projects	\$348,040 (spread among 33 individual projects – grants would go to individual project owners)
AWEP 2010 Projects	\$254,333 (spread among multiple individual projects – grants would go to individual project owners)

Idaho Water Resource Board (IWRB) Projects: For the larger projects, IDWR staff proposes to accomplish them as a IWRB projects, or perhaps as joint ventures between the IWRB and the project sponsors. These include:

Projects	Funding Allocation
Thousand Springs Pumpback Phase 1	\$908,340
2011 Managed Recharge Operations	\$300,000
Egin Lakes Recharge Site Phase 2	\$136,000
Any buy-outs that may occur	Unknown

Long-Term Operations and Maintenance Requirements: Some projects, particularly the Thousand Springs Pumpback, will have ongoing operations and maintenance requirements. The Implementation Committee and the Board need to consider long term O&M and determine how it should be addressed and provided for.