

Bureau of Reclamation

Cooperative Watershed Management Program Grant Proposal

Task B

May 2, 2016

Idaho's Wood River Water Collaborative



Submitted by:

Wood River Land Trust

Patti Lousen, Project Coordinator

119 East Bullion Street

Hailey ID 83333

plousen@woodriverlandtrust.org

phone: 208-788-3947

Table of Contents

Technical Proposal and Evaluation Criteria	3
Executive Summary.....	3
Background Data.....	3
Narrative Description of Watershed.....	3
Watershed Map	4
Technical Project Description	9
Description of Applicant:	9
Eligibility of Applicant:	10
Goals:	10
Approach:.....	11
Evaluation Criteria.....	13
Evaluation Criteria A: Watershed Group Diversity and Geographic Scope	13
Evaluation Criteria B: Addressing Critical Watershed Needs.....	15
Evaluation Criteria C: Implementation and Results	17
Evaluation Criteria D: Building Resilience to Drought.....	19
Letters of Support (see Appendix C)	20
Required Permits or Approvals.....	20
Official Resolution.....	20
Project Budget	20
Budget Proposal.....	20
Budget Narrative.....	22
Appendix	24
Appendix A: Timeline Proposal - pg 25	24
Appendix B: WRWC Goals and Objectives – pg 26	24
Appendix C: Letters of Support.....	24
Appendix D: Total Budget Breakdown – pg 27	24

Technical Proposal and Evaluation Criteria

Executive Summary: May 2, 2016 - Wood River Land Trust Hailey, Blaine County, ID

The Wood River Land Trust (the “Land Trust”) is applying for a Cooperative Watershed Management Group Grant (Task B) on behalf of the Wood River Water Collaborative. The Wood River Water Collaborative (WRWC) represents fifty diverse water users that came together at a critical juncture in our basin’s 140-year water history. This group formed to address decreasing water supplies and increasing demand for multiple uses of water. The collaborative is working towards resolving water conflicts collaboratively with mutual respect for the needs of municipalities, farmers, future development, stream systems, and wildlife. The Land Trust works with staff from The Nature Conservancy (“The Conservancy”) and Trout Unlimited to lead and facilitate the collaborative. Work funded by this proposal will catalyze our efforts thus far; funding will be used to further address water conflicts and solutions through outreach, research, project prioritization, and coordination of the WRWC.

The grant will fund: facilitation and expansion of the existing watershed group; continued outreach to the public; identifying watershed management scenarios and projects for municipalities and farmers; researching projects that will enhance flows and the aquifer; identifying funding sources for implementation; and hiring a watershed coordinator. We value the opportunity to work with diverse partners and the Bureau of Reclamation to find long term, sustainable solutions for agriculture, domestic use, and fish and wildlife. We request funding for two years for this water management phase of our work. The non-profit conservation organizations have a long history in this region and are all committed to supporting the collaborative beyond the two years of funding.

Background Data

Narrative Description of Watershed

The Big Wood basin comprises approximately 3,000 square miles. It includes the Big Wood, Little Wood, and Camas Creek sub basins. The entire basin is situated in a high desert environment receiving an average of between 13 and 16 inches of rainfall per year. The majority of land cover (70%) is sagebrush steppe or grasslands with only a fraction of the land developed. Approximately 14% is classified as agricultural.

Watershed Map

Big Wood, Little Wood and Camas Creek Subbasins, Idaho



(Note: Cities of Sun Valley, Hailey and Bellevue are in the northern reach of the watershed).

Source of water supply

Mountains snowpack is an important storage mechanism for satisfying late spring and summer water demand lower in the basin and the main water supply for rivers and streams. There are no man-made reservoirs above Magic Reservoir in the upper Wood River Valley. Climate models evaluated by the Pacific Northwest Climate Impacts Research Consortium (CIRC) for this watershed show clear trends in the timing and amount of snow expected in the future. In general, the amount of snow tends to continue the current downward (less and earlier) trend predicted in larger, regional studies.

The underlying aquifer system is also an important water source and also recharged by snowfall. As summarized in the 2014 U.S. Geologic Survey (USGS) Report titled “Groundwater Resources of the Wood River Valley: A groundwater flow Model for Resource Management”:

The Wood River Valley aquifer system is composed primarily of Quaternary-age sediment and basalt. This material constitutes the three components of the aquifer system: a single unconfined aquifer underlying the entire valley, a deeper confined aquifer present to the south of Baseline Road (fig. 1), and a confining layer separating the two aquifers. The confining layer thickens toward the south and generally, as land surface altitude decreases in the same direction, the water-level surface rises above land surface so that wells flow under artesian pressure. South and east of Gannett the confining unit thins and disappears over the basalt.

The unconfined aquifer, and lack of current or desired opportunity for above ground storage, influences the timing of our snowpack and spring run-off which is critical to aquifer storage, stream flows and meeting agricultural water demands in the lower watershed. The Idaho Department of Water Resources (IDWR) in conjunction with the United States Geological Survey is finalizing a three year Wood River Ground Water Flow Model to help water managers understand water inputs, demands and aquifer response in the upper watershed and its effect on surface water delivery to the lower watershed. Completion is expected in the summer of 2016.

Water delivery system

Water District 37 encompasses the Big Wood River and all of its tributaries. Water District 37M encompasses Silver Creek and all of its tributaries and the lower Little Wood River and all of its tributaries. Both river systems (Big and Little Wood) come together to form the Malad River, which is a tributary to the Snake River. Both Water Districts (37 & 37M) are managed cooperatively as Basin 37 by one Watermaster’s office located in Shoshone, Idaho.

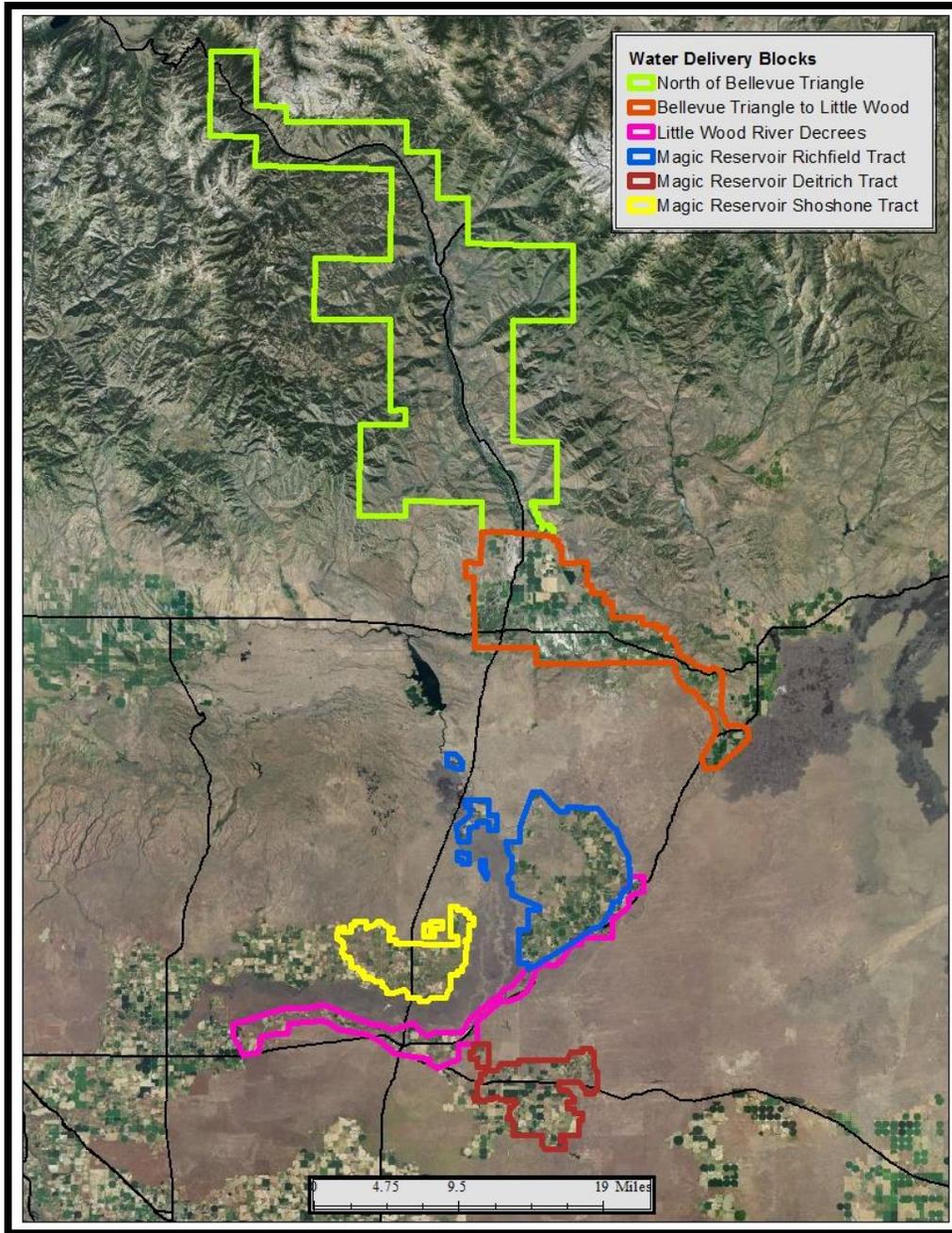
Most of the upstream or northern reaches of Water Districts 37 & 37M lies within the Wood River Valley in Blaine County. The majority of Blaine County's population resides in the cities of Ketchum, Sun Valley, Hailey and Bellevue, with a total population of approximately 20,000. This area includes world famous Sun Valley, a renowned tourist destination for skiing, hiking, biking, fishing and conventions. The primary economic activity is tourism, with roughly 75% of the 1.8 billion GDP attributable to cultural and recreational visitors. Reliance on tourism puts pressure on development in the cities and in the county. Municipal and domestic uses that occur with development are often thought of as non-consumptive, but with each new lawn or park developed in a side tributary canyon more pressure is placed on the already over-allocated resource of water.

Although this pressure on future development in Water Districts 37 & 37M is the biggest concern for the future, the largest current water use by far is for agricultural irrigation in the lower area of Blaine County and in the southern reaches of the basin. The growing season in central Idaho is typically from May until the end of September. In lower Blaine County, over half of the irrigation water applied is surface water diverted by irrigation canals; the rest is abstracted by groundwater pumping. This contrasts sharply with the lower watershed where 95% of the water use comes from surface water rights. Irrigation water is distributed based on a system of water rights which is regulated by a local water distribution authority (Water Master) based on water right priorities and water availability (Idaho Department of Water Resources). According to the IDWR Resources database, there are over a thousand irrigation water rights in the project area.

(http://www.idwr.idaho.gov/GeographicInfo/GISdata/water_rights.htm)

The southern reaches of the basin are served either by Magic Reservoir which is filled by runoff from Camas Creek and the Big Wood River or the Little Wood River. A large percentage of these crops are for livestock feeds including alfalfa, pasture, corn and barley. Other crops include malting barley, wheat, potatoes and sugar beets. There is also some Industrial use of water within Water Districts 37 & 37M, but much of the industrial use is non-consumptive in nature.

Over the last 5 years, total water use in Water District 37 & 37M has peaked at around 437,000 acre feet per year. In the map below, the upper watershed green and orange delivery blocks have been quantified at peak demand of 167,000 acre-feet per year. The blue, yellow and pink blocks characterize the lower watershed demand at peak demand of 260,000 acre-feet per year. The last five years have been below average in water supply, but even in the best water years, water users are curtailed because of insufficient supply. There just isn't enough water to meet all demand.



Until 2015, groundwater use in Basin 37 was not regulated or subject to senior priority delivery calls. This changed with conjunctive management in 2015. Now, groundwater diversions can be curtailed along with junior surface diversions. In 2012, well owners were required to start the planning process of installing measuring devices for their wells. In 2013, irrigators of more than 5 acres were required to install measuring devices followed by irrigators with less than 5 acres in 2014.

Environmental issues

Over-allocation of water for agricultural, municipal, and industrial use severely depletes streamflow across the American West, degrading aquatic and riparian ecosystems, and posing economic risk to sectors that depend on reliable water supplies. Voluntary water transactions and agreements present a significant opportunity to restore streamflow and enhance water supply reliability within the prior appropriation system.

Silver Creek

Silver Creek is a unique high desert spring creek system surrounded by fertile agricultural ground in the Wood River Watershed. Silver Creek flows into the Little Wood River and the adjacent Little Wood Watershed. For decades, conservation groups (primarily the Land Trust and The Conservancy) have worked with local communities and farmers on restoration efforts, modifying agricultural practices and establishing conservation easements to protect this unique resource. These efforts have benefited the area's wildlife habitat, improved water quality, and increased land values. Despite this success, a recent study commissioned by The Conservancy also suggests that Silver Creek's health remains threatened by a wide range of stressors, including high summer water temperatures directly related to decreased flows.

The Big Wood

The Big Wood River originates from snow pack in the upper valley and flows down valley, exiting to the west (on the west side of the geologic divide, Silver Creek is the east side) into Magic Reservoir. The river attracts visitors from all over the world because of its scenic beauty and robust fishery. The Big Wood above Magic reservoir is limited by habitat conditions rather than low flows. A geomorphic assessment commissioned by Trout Unlimited and the Land Trust in 2016 states, "The most prevalent types of river impairment observed within the Big Wood River project area include channel degradation and incision, rapid lateral channel migration and sedimentation. These impaired river processes are the result of altered channel form associated with severely entrenched (F-type) or braided (D-type) reaches. A predominant cause of river impairment is reduced floodplain inundation and conveyance that has resulted from development encroachment and infrastructure (including roadways and bridges). The loss of proper floodplain function has resulted in increased lateral channel erosion and sedimentation. In addition, existing rock sills and bank armoring (riprap) maintain reduced aquatic habitat conditions and inappropriate channel form" (Biota 2016).

Yellow Billed Cuckoo critical habitat has been identified above Magic Reservoir on the Big Wood River and Wood River sculpin are found throughout the system above Magic.

Technical Project Description

Description of Applicant: Wood River Land Trust (the “Land Trust”) is a 501c(3) organization founded in 1994. Our mission is to protect and restore land, water and wildlife habitat in the Wood River Valley and its surrounding areas by working cooperatively with private landowners and communities. The Land Trust has protected over 25,000 acres, maintains 14 preserves and holds over 40 conservation easements in our region. We work extensively with other non-profits, private entities, municipalities, students, agricultural producers, state and federal entities, and the public. The Land Trust also accomplishes water conservation outreach and restoration, water quality, and water quantity projects.

The Land Trust helps facilitate and provides administrative support for the WRWC. The WRWC formed in March 2015 to bring together diverse water users and stakeholders to discuss the water quantity issues we face in the Wood River basin. At the same time, surface water users in the southern watershed filed a water call on groundwater users in the upper watershed. One of the WRWC’s immediate goals is to provide an opportunity for all involved in the water call to discuss possible solutions. Often water calls result in multiple years of litigation, and instead, we want to address conflicts collaboratively and form creative solutions to this current water call. In the WRWC, over fifty diverse users include:

- Hydroelectric production (Idaho Power)
- Canal companies (Big Wood Canal Company; Irrigation District 45)
- Big Wood River Water Users Association (Carl Pendleton)
- Little Wood River Water Users Association (Rod Hubsmith)
- Recreation (Silver Creek Outfitters; private fishing guides)
- Tourism (Silver Creek Outfitters; Sun Valley Economic Development)
- Communal well homeowner associations (Golden Eagle; Valley Club; Heatherland’s Homeowners; Hulen Meadows)
- Irrigated agricultural producers (Picabo Livestock Co.; Hillside Ranch; Wood River Organics; John and Kristy Molyneux; Wood River Ranch)
- Smaller hobby farms (<5 acres)
- Municipalities (City of Hailey; City of Ketchum; City of Bellevue)
- Water consultants (Water Futures, Inc.)
- Idaho Department of Water Resources (Brian Patton, Bureau Chief)
- Idaho Water Resources Board (Pete VanDerMeulen, Board Member)
- Idaho Fish and Game (Doug Megargle, Regional Fisheries Manager)
- Groundwater districts (Galena Groundwater District; South Valley Groundwater District)

- Legislators: State Senator Donna Pence and State Representative Michelle Stennett
- County Commissioner Larry Schoen
- Water District #37 (Kevin Lakey, Watermaster)
- Sun Valley Water and Sewer District
- Property Managers: Nichols Property Management; Sun Country Property Management)
- Conservation non-profits (Wood River Land Trust; The Nature Conservancy; Trout Unlimited)

Eligibility of Applicant: As a 501c(3) non-profit organization, Wood River Land Trust (“Land Trust”) is eligible to apply for this funding as one of the listed types of applicants. The Land Trust’s priority is protecting and enhancing the aquifer and ensuring that water is available for instream flow, agriculture, and domestic use. Instream flows are paramount for providing riparian resilience, aquifer recharge, improving the quality of our fishery and water quality throughout our watershed. Agricultural and domestic uses are necessary for the local economy and community that support our organization. The Land Trust holds conservation fee-title property and conservation easements that have ground and surface water rights within the Wood River Watershed.

Since its inception, the Land Trust has been involved with projects and programs that promote healthy and sustainable water resources and water conservation. We have coordinated a number of restoration projects along the Big Wood River. Each project has included educational components that teach the public about water resource protection and conservation. In 2007, the Land Trust founded its Trout Friendly Program, which provides education and outreach to homeowners and municipalities on water conservation. To date, we have involved over 200 homeowners, 28 landscaping or property management companies, and three cities within the watershed. Annually, the Land Trust sponsors a number of public events and educational workshops that focus on sustainable landscaping and water conservation. This year, the Land Trust is partnering with the City of Hailey to offer a rebate program for turf removal. The Land Trust also supports sustainable water use in agriculture by promoting programs offered by the Natural Resources Conservation Service that can conserve water, such as variable rate irrigation, end-gun removal, automated pivots, and planting pollinator habitat. Idaho is one of the states listed in the Reclamation Act of June 17, 1902 which allows us to apply for this grant.

Goals: The overarching goal of the Wood River Water Collaborative “is to create a long-term, practical water management framework providing new tools to help balance the consumptive needs of upstream and downstream users in order to provide water for people, crops and fish both now and in the future.” Funding for a Cooperative Watershed Management Grant will allow us to perform Task B - further develop our existing

watershed group by expanding outreach to water users, identifying strategies that benefit the watershed, and developing innovative water management solutions.

Preliminary goals for this proposal are to leverage the work of three organizations (Trout Unlimited, The Conservancy and Land Trust) and their five staff. These three organizations share overlapping concerns for the entire Wood River watershed and have been working together for over three years without any outside financial support. The collaborative formed one year ago as a result of this concern. WRLT proposes to administer the grant, contract work for staff time and contractors/consultants, to expand public outreach and develop watershed management scenarios and projects. In year two, we will work together create a project priority list through consensus of the collaborative; and identify funding mechanisms.

Approach: We envision two overarching objectives (1) Coordination and Outreach; and (2) Project Development in order to advance community solutions for future watershed management. Our approach is to implement this proposal through the specific work elements described in detail below for our two objectives as follows: Coordination and Outreach and Project Development consisting of three phases (Exploratory, Development, and Finalization).

Outreach will include improved communication, expansion of stakeholder interests and educating the general public. Water conservation education and strategies will be enhanced through public events, establishing a website, ongoing Trout Friendly programs and promotion of water conserving ordinances with municipalities.

Identifying and advancing community driven solutions for future watershed management has several facets. It includes researching opportunities to increase agricultural water delivery, aquifer recharge, and instream flows. Working with state agencies, partners, and subcontractors will provide non-profit partners the leverage to complete project goals.

In the final phase, we will identify project opportunities through the collaborative and complete a cost benefit analysis of projects. During this phase we will also research and apply for public and private funding opportunities to implement projects.

Coordination and Outreach: Increase coordination and public awareness of water conservation throughout the Wood River Watershed through the following specific work elements. (*October, 2016 – September, 2018*).

Work Elements:

1. Continue to expand and develop stakeholder interest in the collaborative by coordinating meetings, transcribing and disbursing minutes, hosting speakers and studies and identifying further outreach needs.

2. Increase outreach to the public by developing a public relations strategy that highlights the value of the Wood River Water Collaborative as the model for confronting the Wood River basin's water requirements.
3. Increase capacity to develop improved communication among members of the WRWC, increase public awareness, and improve information sharing such as the creation of a central storage repository of documents for the collaborative.
4. Formalize a governance process for the WRWC
5. Facilitate and host a public event (Spring, 2017) in order to share information, impacts, and solutions for water conservation in the community.
6. Work with municipalities, Home Owner's Associations (HOA), and small water users to promote water conservation through policy changes with cities and/or HOA guidelines.

Project Development: Work with water users and partners throughout the Wood River basin to better understand hydrology, aquifer health, and develop projects that balances water supply with demand including preserving sufficient water for fish and wildlife needs (November, 2016 – September, 2018).

Exploratory Phase (October, 2016 – March 2018)

Work Elements:

1. Work with the Wood River Water Collaborative to assess and develop project plan that meet the needs of water users, river health, and improve aquifer health.
2. Work with the IWRB and IDWR to develop water market or water exchange programs to facilitate aquifer recharge and downstream surface water delivery.
3. Increase the role of science to better understand the biological and physical needs for improved river health in the Big Wood River Watershed in order to identify key reaches for instream flows and fishery needs.
4. Evaluate instream flow and groundwater recharge opportunities in Silver Creek and its tributaries with assistance from the Idaho Department of Water Resources Groundwater Flow Model.
5. Work with water users to explore alternatives to existing crop patterns throughout the basin in order to reduce water demand during times of low water conditions.

Development Phase (November 2017 – September, 2018)

Work Elements:

1. Work with the South Valley Ground Water District, IDWR, and irrigators to develop a managed aquifer recharge program for Bellevue triangle in order to increase aquifer health and improve instream flow in Silver Creek and the Little Wood River.
2. Work with the Big Wood Canal Company and Water District 37 to improve water delivery infrastructure by implementing conservation measures such as canal lining or piping, improving and/or consolidating points of diversion, head gate

automation, and other projects that increase efficiencies in water delivery and conserve water.

3. Identify water acquisition opportunities to increase instream flow and aquifer recharge. This would include an analysis of the State of Idaho Water Supply Bank and prioritizing water rights for acquisition.
4. Enhance surface water measurement by installing additional stream gaging in the Big and Little Wood Rivers and Silver Creek in order to better monitor water use throughout the basin and achieve downstream flow delivery targets and improve measurement of all surface water diversions.

Finalization Phase (January 2018 – September 2018):

Work Elements:

1. Coordinate with the WRWC to prioritize projects for implementation and complete a cost benefit analysis of projects and scenarios.
2. Research and apply for funding for project implementation using public funding, such as the Idaho Water Resources Board, Bureau of Reclamation Water Energy and Efficiency Grant, and the Natural Resources Conservation Service.
3. Identify private funding sources, such as foundations, and the Galena and South Valley Groundwater Districts to fund projects identified for implementation.
4. Produce a final report and close out of grant.

Duration of Project: We anticipate a completion date of October, 2018 with project implementation to follow subsequent to this grant period. See Appendix A for a Timeline for Project Implementation.

Evaluation Criteria

Evaluation Criteria A: Watershed Group Diversity and Geographic Scope

Sub-criterion A1. Watershed Group Diversity

The WRWC is a grassroots collaborative which formed in March, 2015 to provide a forum in which parties interested in and affected by water resources in the Wood River drainage to meet, discuss and resolve water issues among themselves. From its creation there has been an effort to include all interested stakeholders in the WRWC. The Land Trust, Trout Unlimited and The Conservancy identified key water users and stakeholders within the Wood River basin and requested their attendance in the WRWC. It currently operates under an informal, consensus-based, model.

From the start, the inclusion of state representatives, county commissioners, Idaho Department of Water Resources (IDWR), and Idaho Water Resource Board - which oversees IDWR - has been instrumental for the collaborative. Their representation and

understanding of current and future financial, legal and political implications has given us opportunities to gain broader insights and potential tools.

Additionally, this group includes stakeholders from both sides of a pending water call between surface water users in the lower watershed and groundwater users in the upper watershed. Stakeholders from The Big and Little Wood Water Users Associations represent the senior surface water callers, and impacted groundwater stakeholders are represented by: municipalities, groundwater districts, homeowner associations, tourism and recreation industries, property managers, consultants, and small and large agricultural producers. The conservation sector is represented by four non-profit organizations and Idaho Department of Fish and Wildlife. Please see earlier section: **Description of Applicant** for the list of stakeholders.

We are pleased to include letters of support which demonstrate the support of diverse entities and organizations. Our goals are to continue capturing stakeholder interest by coordinating meetings, transcribing and disbursing minutes, hosting speakers and studies that are pertinent to the collaborative, and responding to individual collaborative member needs. We plan to reach out to other potential stakeholders. Contacts are being developed with the City of Carey, on the Little Wood River, and Idaho Power, a hydropower interest on the lower river. The WRWC will reach out to water users in the Camas Creek basin and the Cities of Fairfield and Gooding. It will also reach out to the U.S. Bureau of Reclamation and the Little Wood Reservoir patrons, as well as the U.S. Forest Service and Bureau of Land Management. We are not currently aware of any timber interests that are water resource stakeholders in the proposed water sheds.

We also plan to increase outreach to the public by developing a public relations platform. This may include talking points, press releases, and presentations at municipal and county meetings, soil conservation district meetings, and irrigation district meetings. Please see Appendix B for WRWC Goals and Objectives.

Sub-criterion A2. Geographic Scope

The current geographic scope of the WRWC is the Big and Little Wood River watersheds in Blaine and Shoshone Counties, which include the following HUC codes: HUC 17040210— Big Wood (area 1460 square miles) and HUC 17040221 -- Little Wood (area 1120 square miles). (see Figure 1). The WRWC and its members represent the full geographic scope of the watershed, from the northern Big Wood Valley, down to the Bellevue Triangle and Silver Creek, to the lower Big and Little Wood where they come together near Shoshone and flow into the Snake River as the Malad River. These two river watersheds are functionally and legally connected by water use, diversion and water rights.

The WRWC will continue outreach to include the Little Wood Reservoir and Fish Creek water users and the City of Carey on the west side of the Little Wood River basin, and include Idaho Power, which generates electricity from the Malad River, at the very southern range of the WRWC. The WRWC will also expand its connections with the City of Fairfield and Camas Creek water users on the east side of the basin (HUC 17040220, area 672 sq.mi), and the City of Gooding, on the very southeast side of the basin. These contacts will be made directly by staff, of the Land Trust and The Conservancy, who have pre-existing contacts with these entities.

We are pleased to include letters of support (Appendix C) which demonstrate the support of diverse entities and organizations. Our goals are to continue capturing stakeholder interest by coordinating meetings, transcribing and disbursing minutes, hosting speakers and studies that are pertinent to the collaborative, and responding to individual collaborative member needs. We plan to reach out to other potential stakeholders. Contacts are being developed with the City of Carey, on the Little Wood River and Idaho Power, a hydropower interest on the lower river. The WRWC will reach out to water users in the Camas Creek basin and the City of Fairfield. It will also reach out to the U.S. Bureau of Reclamation and the Little Wood Reservoir patrons, as well as the U.S. Forest Service and Bureau of Land Management. We are not currently aware of any timber interests that are water resource stakeholders in the proposed water sheds. We also plan to increase outreach to the public by developing a public relations platform. This may include talking points, press releases, and presentations at municipal and county meetings, soil conservation district meetings, and irrigation district meetings. Please see Appendix B for WRWC Goals and Objectives.

Evaluation Criteria B: Addressing Critical Watershed Needs

Sub-criterion B1: Critical Watershed Needs or Issues

The ground and surface water supply in the Wood River Valley is declining. At the same time, consumptive ground water use has increased. The ground and surface water supplies in the Valley are closely inter-related. The decline in water supplies and increase in consumptive ground water use have led to lower stream flows in the Big and Little Wood Rivers and shortfalls in surface water supplies for irrigation at the southern, downstream end of the Wood River Valley. Consequently, some water users in the Wood River Valley are being forced to reduce their water use either involuntarily through inadequate water supplies or because of the application of state water law.

Theoretically, under Idaho's prior appropriation doctrine these inadequate supplies and resulting conflicts would be resolved by the distribution of water by priority, with any shortfalls falling on the most junior water users. Much of the junior water use, however, utilizes ground water which, in the Wood River Valley, has historically not been regulated

under the prior appropriation doctrine in conjunction with the surface water users. Rigid application of water right priorities, and the extension of regulation to ground water users, would lead to severe impacts on the developed, ground water-using, economy in the northern, upstream end of the Wood River Valley, including the northern Bellevue Triangle. Prior appropriation, as a strict method of resource allocation, does not recognize or accommodate social or economic importance of a particular water use.

Strict water right administration could threaten large investments in domestic and commercial landscaping, municipal parks, school grounds and ground water irrigated farms. It could lessen the attractiveness of the upper Wood River Valley as a recreation and tourist destination. At the same time, lessening flows to the lower watershed threaten both the agricultural economy and investments in that economy, while harming the natural and recreational values of the Wood Rivers and Silver Creek and their related fisheries. The bottom line is that water supplies are inadequate to meet all important uses in the watershed.

The original intent of the WRWC was to create a mechanism to voluntarily reduce developed upstream consumptive uses in the Wood River Valley to provide water to senior downstream irrigation needs and Wood River instream flows. Additionally, goals included reducing downstream demand to the extent needed to ensure that sufficient water is available for upper Valley users to support critical economic and social needs. This original intent has been overtaken by the Big and Little Wood Water Users Associations. filing a water call. The “callers” have asked the Idaho Department of Water Resources to shut off upper groundwater uses so that downstream surface water needs are met. This has led to expensive litigation and anxiety in the entire watershed. The WRWC has adapted its original intent and is now focused on bringing together water users to find water management solutions that work for everyone and avoid litigation.

Sub-criterion B2: Watershed Group Contributions that Address Needs or Issues

The WRWC will continue to provide a forum to openly share information and proposed solutions to water supply issues in the Wood River Valley, as well as fund and implement those solutions. By expanding its membership and geographic reach it will provide a comprehensive, basin-wide forum for these discussions. Accomplishments to date include:

- Initial organization and invitation to interested stakeholders.
- Facilitated the establishment of two ground water districts to organize ground water users for effective response to ground water shortages caused both physically and by downstream legal demands for water.
- Formed three breakout groups: 1.) southern valley irrigators; 2.) small irrigators and homeowners associations; 3.) municipal water providers.

Breakout groups allow for candid discussions regarding individual interests with reports back to the full WRWC.

- Developed a working relationship with the Idaho Department of Water Resources, the Idaho Water Resource Board and area legislators.
- Developed and approved formal goals and objectives.
- Received information presentations by the Idaho Water Resource Board, Idaho Department of Water Resources, Legislators, Trout Unlimited, and others.
- Worked as a partner with the Idaho Department of Water Resources to successfully apply for a Regional Conservation Partnership Program grant from the U.S. Department of Agriculture, Natural Resource Conservation Service, for water use efficiency projects in the Wood River watershed.
- Developed a conceptual water project list.
- Developed a listing of stakeholder water needs.
- Developed a draft water exchange (mitigation bank) to implement voluntary water transactions.
- Affiliated with a small drafting group attempting to settle the water “call.”

The WRWC will achieve its objectives by: developing a collaborative water management plan for the Wood River watershed that resolves the water call and balances upstream and downstream water use with consideration for important biological and ecological water needs; implementing physical water savings projects; adopting a water exchange that facilitates voluntary efforts to balance water needs; applying for funding to implement projects; and providing a forum for discussing and resolving future water issues.

Evaluation Criteria C: Implementation and Results

Sub-criterion C1: Understanding of and Ability to Meet Program Requirements

A proposed schedule for project implementation is described in the Technical Proposal: Approach section and illustrated in the Appendix as the Timeline for Project Implementation. The chart delineates three phases showing major tasks, dates, and goals. Budget information and in-kind values for the grant period are found in the Project Budget section.

Cost-share for this grant is provided through in-kind staff time from the Land Trust, The Conservancy, and Trout Unlimited. There are seven staff that will dedicate time to coordinate the collaborative, lead watershed research and studies, work with subcontractors and partners, and identify projects through organizational networks. There is a breadth of work, relationships, and expertise that each of these organizations will lend to this effort. Trout Unlimited has vast experience enhancing streams and expertise in diversions, screens, and instream flow. The Land Trust and The Conservancy have worked with over 30 agricultural producers and have conserved over 26,000 acres in the Wood River watershed. Both organizations sit on technical committees for Idaho Department of

Water Resource's Groundwater Model Study and a recently completed Wood River Watershed Climate Model Study. Relationships with municipalities, homeowners and commercial businesses have existed through the Land Trust's Trout Friendly Program for over 10 years. This program works directly with the public and 31 sponsors (landscapers, property managers, architects, municipalities) to conserve water, reduce pesticides and incorporate native plants in the landscape. This grant will allow non-profit staff to dedicate more time to the WRWC through funding organizational staff time. In this way, we will be more effective in coordinating the WRWC and implementing water management projects.

There are no major difficulties anticipated in implementing this schedule. Watershed studies are started early in the schedule and are expected to be completed within the two year grant window.

The Land Trust, Trout Unlimited and The Conservancy have worked collaboratively with agricultural producers and the Natural Resources Conservation Service to implement land and water conservation practices within the Wood River watershed for over 20 years. Specifically, we have helped implement variable rate irrigation, remotely-operated pivots, improved flood irrigation, planted native pollinator tracts, restored wetlands, improved fish passage, and improved fish and wildlife habitat. Many of the producers we support are members of the WRWC.

Sub-criterion C2: Building on Relevant Federal, State, or Regional Planning Efforts

The WRWC's activities directly support the programs established by the Idaho Water Resource Board in the 2012 State Water Plan:

<http://www.idwr.idaho.gov/waterboard/WaterPlanning/StateWaterPlanning/PDFs/ADOPTED%20State%20Water%20Plan%202012.pdf>

The following specific sections of the State Water Plan are applicable to the WRWC's activities and anticipate the establishment of advisory groups:

Policies:

1. Optimum use
 - 1B Beneficial Use of Water
 - 1C Change in Use
 - 1D Water Supply Bank
 - 1E Conjunctive Management
 - 1F Ground Water Withdrawal
 - 1H Quantification and Measurement of Water Resources
 - 1I Aquifer Recharge
 - 1K Comprehensive Aquifer Management Plans

2. Conservation
 - 2A Water Use Efficiency

2C Minimum Stream Flow

- 3. Management
 - 3D Funding Program
 - 3E Water Resource Planning Program
 - 3G Climate Variability

The work of the WRWC is also consistent with: the Idaho Water Resource Board's Eastern Snake Plain Aquifer Comprehensive Aquifer Management Plan (ESPA CAMP):

http://www.idwr.idaho.gov/waterboard/WaterPlanning/CAMP/ESPA/PDFs/ESPA_CAMP_lowres.pdf

The WRWC will also assist in the application of the following plans and orders of the Idaho Department of Water Resources:

- April 30, 1993 Eastern Snake Plain and Boise River Drainage water right moratorium, http://www.idwr.idaho.gov/files/legal/orders/19930430_Moratorium_ESA
- June 28, 1991 Order in the Matter of Designating the Big Wood River Ground Water Management Area, http://www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/BigWoodRiver/PDFs/bw_gwma-order_create.pdf
- May 2001 Idaho Drought Plan, <http://www.idwr.idaho.gov/files/water-data/Idaho-Drought-Plan.pdf>
- Plans that meet the criteria identified in the U.S Environmental Protection Agency's (EPA) Nonpoint Source Management Program
- Plans that meet the EPA's criteria for Watershed-Based Plans
- Blaine County Code Chapter 3: Local Public Interest Water Policy addresses the need for public benefit and review of application for water permits, diversions and transfers of water rights within Blaine County which might impact the "affairs of the people." The County has requested comments on two occasions from the WRWC regarding water right transfers and their impact to the public benefit.

Evaluation Criteria D: Building Resilience to Drought

Water supply for the Wood River watershed is declining. National Resource Conservation Services data shows that snowpack in the Big Wood River Basin has declined by 9% and in the Little Wood River Basin by 7% from the 1971-2000 average to the 1981-2010 average.

http://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/nrcs144p2_044596.pdf

Likewise flows in the Big Wood River, Camas Creek, and the Little Wood River have substantially decreased from the 1971-2000 average to the 1981-2010 average.

http://www.nrcs.usda.gov/Internet/FSE_DOCUMENTS/nrcs144p2_045217.pdf

Drought and water supply shortages are a re-current condition in the Wood River valley. The most recent Order Declaring Drought Emergency was issued April 24, 2014.

<http://www.idwr.idaho.gov/files/lehttp://www.idwr.idaho.gov/files/legal/orders/20140424-Drought-Order-2014-Blaine-Lincoln-Counties.pdfgal/orders/20140424-Drought-Order-2014-Blaine-Lincoln-Counties.pdf>

The work of the WRWC will contribute to drought resiliency. The development of downstream water use efficiency projects will allow irrigators to continue irrigation in the face of declines in water supply. The focus on upstream water use reductions will increase the amount of water flowing downstream, to the benefit of both riverine habitat and irrigation needs. The protection of critical upstream water uses will insulate municipal and domestic drinking water supplies from drought. Finally, development of a water exchange will provide a timely and flexible means of shifting water to important water needs.

Letters of Support (see Appendix C)

Required Permits or Approvals

There are no permits or approvals required for the work proposed in this grant application.

Official Resolution

Wood River Land Trust Resolution: The Wood River Land Trust Board will be convening and executing a formal Board Resolution at their June 14, 2016 board meeting. This resolution will be emailed to Darren Olson (dolson@usbr.gov) and be inclusive of the information requested to be a recipient of this award. We request that this information be included in the proposal when received.

The Wood River Water Collaborative met on April 11, 2016 and a proposal to apply for the Cooperative Watershed Management Grant, Task B was presented by the Wood River Land Trust. After discussion, the WRWC agreed to have Wood River Land Trust apply for this grant on behalf of The Wood River Land Trust, Trout Unlimited and The Nature Conservancy for the Wood River Water Collaborative.

Project Budget

Budget Proposal

BUDGET PROPOSAL					
	Year 1		Year 2		TOTALS
Contractual	% Time	Cost	% Time	Cost	
Wood River Land Trust					
Conservation Director	25	\$6,240.00	25	\$6,240.00	\$12,480
Project Coordinator	40	\$7,488.00	40	\$7,488.00	\$14,976
Direct Costs Subtotals		\$13,728.00		\$13,728.00	\$27,456
Indirect Costs	0.225	\$3,088.80	0.225	\$3,088.80	\$6,178
Wood River Land Trust Total		\$16,816.80		\$16,816.80	\$33,634
Trout Unlimited					
ID Water Project Director	5	\$1,300.00	5	\$1,300.00	\$2,600
ID Senior Legal Counsel	10	\$2,496.00	15	\$3,744.00	\$6,240
Project Manager	20	\$4,680.00	20	\$4,680.00	\$9,360
Direct Costs Subtotals		\$8,476.00		\$9,724.00	\$18,200
Indirect Costs	0.1645	\$1,394.30	0.1645	\$1,599.60	\$2,994
Trout Unlimited Total		\$9,870.30		\$11,323.60	\$21,194
The Nature Conservancy					
Senior Conservation Manager	25	\$6,240.00	25	\$6,240.00	\$12,480
Director of Conservation Initiatives	20	\$5,200.00	15	\$3,900.00	\$9,100
Direct Costs Subtotals		\$11,440.00		\$10,140.00	\$21,580
Indirect Costs	0.225	\$2,574.00	0.225	\$2,281.50	\$4,856
The Nature Conservancy Total		\$14,014.00		\$12,421.50	\$26,436
Other Expenses (BOR Cooperative Grant)					
Consultants, hydrologists, engineers, etc.		\$5,500.00		\$7,500.00	\$13,000
Communications and Website Design		\$1,500.00		\$500.00	\$2,000
Host public events		\$1,000.00		\$1,000.00	\$2,000
Other Expenses (BOR Cooperative Grant) Total		\$8,000.00		\$9,000.00	\$17,000
Other Expenses (non-BOR Cooperative Grant)					
Consultants, hydrologists, engineers, etc.		\$45,500.00		\$50,500.00	\$96,000
Communications and Website Design		\$1,500.00		\$500.00	\$2,000
Host public events		\$1,000.00		\$1,000.00	\$2,000
Other Expenses (non-BOR Cooperative Grant) Total		\$48,000.00		\$52,000.00	\$100,000
BOR Cooperative Grant - TOTAL		\$48,701.10		\$49,561.90	\$98,263
Non-BOR Cooperative Grant - Total		\$48,000.00		\$52,000.00	\$100,000
FULL PROJECT AGREEMENT TOTALS		\$96,701.10		\$101,561.90	\$198,263
Pre-Grant In-Kind Match		\$40,737.00		\$0.00	\$40,737

Funding Plan: Summary of Non-Federal and Federal Funding Sources

Funding Sources	Funding Amount
Non-Federal Entities	
Idaho Water Resource Board Aquifer Stabilization Fund	\$40,000.00
Non-Federal Subtotal	\$40,000.00
Funding Sources	Funding Amount
Other Federal Entities	
Natural Resource Conservation Service - Regional Conservation Partnership Program	\$60,000.00
Other Federal Subtotal	\$60,000.00
Requested Reclamation Funding	\$98,263.00
Total Study Funding	\$198,263.00

Budget Narrative

The activities supported by this grant will cost \$198,263 over two years. Funding will provide for staff time, outreach and education, project development including – engineering, hydrology support, project planning, and coordination support for the Wood River Water Collaborative. WRLT has applied for funding with the intent for grant funded activities to begin in November 2016 and to complete in October 2018. WRLT requests \$98,263 from Reclamation over two years, with \$48,701 requested for FY17 and \$49,561 FY18. Our team is comprised of the following: Wood River Land Trust (WRLT), Trout Unlimited (TU), and The Nature Conservancy (TNC). Each member of our team is committed to implementing a shared vision for watershed health including finding balance between water demand and supply for the basin’s people, farms and ranches, and fish and wildlife.

Position Descriptions

- List of all team members, their roles, disciplines, time per task, wage, and total cost
 - Keri York, Conservation Director Wood River Land Trust (Grant Administrator) – \$48.00/hour
 - Assist in facilitation of the Wood River Water Collaborative.
 - Manage subcontractors and ensure deliverables.
 - Analyze and prioritize projects.
 - Manage and monitor projects from initiation to implementation.
 - Ensure alignment of project team objectives.
 - Patti Lousen, Project Coordinator Wood River Land Trust (Grant Administrator) – \$36.00/hour

- Administer grant, coordinate efforts between technical and non-technical stakeholders and assist in facilitation of the Wood River Water Collaborative.
- Coordinate regular meetings with project partners.
 - Manage subcontractors and ensure deliverables.
- Kira Finkler, Idaho Water Project Director, Trout Unlimited (Partner) \$50.00/hour
- Peter Anderson, Senior Counsel, Trout Unlimited (Partner) \$48.00/hour
- Chad Chorney, Project Manager, Trout Unlimited (Partner) \$45.00/hour
 - TU staff will provide legal counsel
 - Support WRLT in organizing project deliverables
 - Analyze and prioritize projects.
 - Manage and monitor projects from initiation to implementation.
- Mark Davidson, Director of Conservation Initiatives, The Nature Conservancy (Partner) \$50.00/hour
 - Assist in facilitation of the Wood River Water Collaborative.
 - Coordinate efforts between technical and non-technical stakeholders.
 - Coordinate regular meetings with project partners.
 - Support WRLT in organizing project deliverables.
 - Ensure alignment of project team objectives.
- Dayna Gross, Senior Conservation Manager, The Nature Conservancy (Partner) \$48.00/hour
 - Assist in facilitation of the Wood River Water Collaborative.
 - Analyze and prioritize projects
 - Manage and monitor projects from initiation to implementation
 - Support WRLT in organizing project deliverables.
 - Ensure alignment of project team objectives.

Fringe Benefits

- *Fringe benefits are rolled up in the hourly wage rates listed above.*
WRLT calculates fringe benefits to include such costs as social security taxes, health insurance, dental insurance and worker's compensation insurance. The costs of all of the fringe benefits allocated to employees are then divided by total payroll to arrive at a benefit rate.

Equipment Description: N/A

Materials and Supplies: N/A

Travel / Mileage: N/A

Subcontracts

A majority of the contracted services resulting from this grant are proposed to come from other federal and nonfederal sources. The proposal overall contemplates \$117,000 of contracted services during the four components of the project. WRLT is proposing the following breakdown in support for contractual work:

BOR Cooperative Grant = \$17,000

Natural Resources Conservation Service = \$60,000

Idaho Water Resource Board = \$40,000

Support from other funding sources has not been secured to date but funding is regularly allocated to the agencies identified. In selecting contract support WRLT will work with its partners in this grant and the Wood River Water Collaborative to identify areas where additional capacity is required and secure contracts on an as needed basis as the grant program progresses.

Pre Grant In-kind Table: see Appendix D, Total Budget Breakdown

Indirect Costs and Total Costs: See Budget Proposal

Appendix

Appendix A: Timeline Proposal - pg 25

Appendix B: WRWC Goals and Objectives – pg 26

Appendix C: Letters of Support

Appendix D: Total Budget Breakdown – pg 27

Water Resource Board

Blaine County Commissioners

The Galena Groundwater District

Trout Unlimited

The Big Wood Canal Company

The Nature Conservancy