Water Rights and the Water Division Budget

City Council Meeting
October 5, 2015

Tonight's Presentation

- The Water Division budget
- Idaho Water Rights Law 101
- * Conjunctive Management (surface and groundwater together)
- * Hailey's water rights
- * Recent local water right issues
 - Groundwater flow model
 - Other examples of water right claims in Idaho
 - Galena Groundwater District formation
 - Basin 37 Water Call
- * Hailey's approach to conjunctive administration
- * Other efforts Hailey is taking to address water

Water Rights and Water Rates

Water Rates (revenue)=
Water Division budget
(expenses)

Projects/expense increases for FY 2016

- Indian Springs Improvements
- Water right consulting and legal fees
- Mobile generator for pumps/wells
- Upgrades to River St. well



Discussion Water Rights, A Western PastimePhoto: Duckboy Cards, Paul Stanton

Why are water rights important?

Junior groundwater right holders may be subject to curtailment (water cuts) or mitigation, if material injury is found.

What could this mean?

- * A reduction in irrigation (amount unknown)
- * Engineering and legal fees for qualifying mitigation projects and plans
- * Question domestic (non-consumptive) use

Water Rights – Idaho Law

Doctrine of Prior Appropriation – "First in Time, First in Right"

Subject to abandonment or forfeiture for non-use – "use it or lose it"

Elements of a Water Right: Source, quantity, point of diversion, place of use, period of use and nature of use, priority date

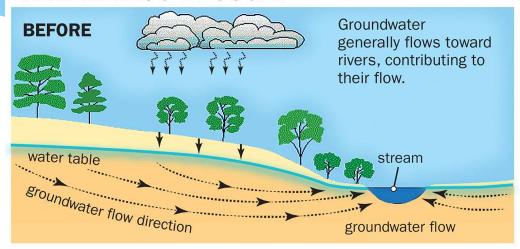
 Beneficial Uses: irrigation, domestic, municipal, stockwater, recreation, aesthetic and power.

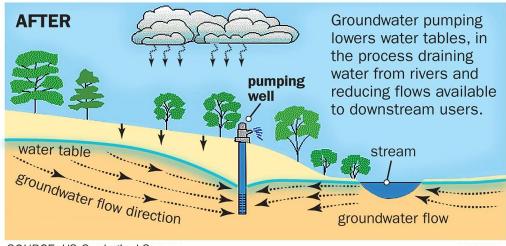
Conjunctive Management

1994 - Surface and groundwater rights shall be administered together as one interconnected resource by the Director of IDWR

- Must be within an Area of Common Ground Water Supply
- File a Petition for a Delivery Call
- Evaluation of whether the call is futile
- Evaluation of material Injury
- Curtailment or Mitigation

GROUNDWATER PUMPING COMPLICATES NEW MEXICO DROUGHT





SOURCE: US Geological Survey

Conjunctive Management Material Injury

Many factors to evaluate and examine by experts that can be costly when addressing a call...

Factors determining whether a senior right is being materially injured by diversion under a junior ground water right

Factors evaluating sufficiency of a mitigation plan

Hailey's Water Rights

- * **Groundwater:** The City has a gravity fed (no power required) spring and 6 wells with municipal groundwater rights can distribute water to entire City with these rights and wells.
- Indian Springs in the most senior groundwater right.
- * The City's non-consumptive or domestic/culinary water use can be provided entirely by Indian Springs.
- * We do not turn on the pumps to our wells during the winter.
- * **Surface water:** 9 surface water rights that the city uses to water some city parks.

City of Hailey Water Rights

Table 8-1
Water Rights Summary, Potable Supply

| Water Right No. | Priority Date | Diversion Rate (cfs) | Diversion Rate (gpm) | Authorized Area | Season of Use | | | | | | |
|-----------------------|------------------|-------------------------|-------------------------|---|---------------------|--|--|--|--|--|--|
| Groundwater | | | | | | | | | | | |
| 37-22670 | 11/1/1907 | 1.78 | 800 | | year-round | | | | | | |
| 37-22671 | 9/1/1931 | 0.60 | 270 | City of Hailey municipal service area | | | | | | | |
| 37-2699 | 8/11/1964 | 2.00 | 900 | | | | | | | | |
| 37-2698 | 10/29/1964 | 2.56 | 1,100 | | | | | | | | |
| 37-7305 | 11/4/1973 | 2.62 | 1,200 |] | | | | | | | |
| 37-8837 | 9/10/2001 | 4.67 | 2,100 |] | | | | | | | |
| Total Auti | horized from | Groundwater | 6,400 | gpm | | | | | | | |
| Indian Creek Spring | | | | | | | | | | | |
| 37-296A | 4/1/1880 | 2.62 | 1,200 | City of Hailey municipal service area | April 15-October 31 | | | | | | |
| 37-1216 | 4/1/1884 | 0.90 | 400 | | November 1-April 14 | | | | | | |
| 37-717A | 8/1/1907 | 1.72 | 770 | | November 1-April 14 | | | | | | |
| 37-717B | 8/1/1907 | 0.76 | 340 |] | year-round | | | | | | |
| 37-7854 | 7/23/1980 | 3.38 | 1,500 | power plant | year-round | | | | | | |
| Total Auti | horized from I | ndian Creek Spring | 1,500 | gpm | | | | | | | |

Table 8-3Water Rights Summary, Non-Potable Supply

| Water Right No. | Parent Location | Priority Date | Water Use | Diversion Rate (cfs) | Diversion Rate (gpm) | Authorized Area/ Irriagted Acreage | | | | |
|--|---|------------------|--------------|-------------------------|-----------------------------------|---------------------------------------|--|--|--|--|
| Big Wood River (through Hiawatha Canal) | | | | | | | | | | |
| 37-906 | | 4/1/1940 | municipal | 1.039 | 466 | 158.7 | | | | |
| 37-10717 | | 03/24/1883 | municipal | 2.860 | 1,284 | Municipal Service Area | | | | |
| 37-22311 | Old Cutters Subdivision | 03/24/1883 | irrigation | 1.500 | 673 | 31.0 | | | | |
| 37-22316 | | 03/24/1883 | | 0.180 | 81 | | | | | |
| 37-22321 | Subdivision | 03/24/1883 | | 0.190 | 85 | | | | | |
| 07.00770 | Northridge Subdivision Streets/ROW | 05/01/1888 | irrigation | 0.135 | 61 | 14.1 | | | | |
| 37-22773 | | | mitigation | 0.059 | 26 | 8.7 | | | | |
| 07.00774 | | 09/18/1885 | irrigation | 0.136 | 61 | 14.1 | | | | |
| 37-22774 | | | mitigation | 0.059 | 26 | 8.7 | | | | |
| 37-22775 | | 06/30/1884 | irrigation | 0.240 | 108 | 14.1 | | | | |
| | | | mitigation | 0.118 | 53 | 8.7 | | | | |
| 37-22776 | | 03/24/1883 | irrigation | 0.145 | 65 | 14.1 | | | | |
| 31-22116 | | | mitigation | 0.072 | 32 | 8.7 | | | | |
| Total Authorized from Big Wood River | | | | 6.425 | 2,884 | Varies | | | | |
| Total Autho | rized for Groun | dwater Mitig | gation | 0.308 | Mitigation for 37-22825, 37-22831 | | | | | |
| Groundwater (mitigated by Big Wood River water rights) | | | | | | | | | | |
| 37-22825 | | 4/24/2013 | irrigation | 0.49 | 220 | 6.2 | | | | |
| 37-22831 | | 7/15/2013 | irrigation | 0.33 | 148 | 2.5 | | | | |
| Total Autho | Total Authorized from Mitigated Groundwater | | | | 368 | 8.7 | | | | |
| Groundwater (currently unmitigated) | | | | | | | | | | |
| 37-20831 | | 10/14/1977 | irrigation | 0.21 | 94 | 9.1 | | | | |
| 37-22019 | | 3/29/1961 | irrigation | 9.37 | 4,205 | 486.0 | | | | |
| Total Authorized from Unmitigated Groundwater | | | | 9.58 | 4,299 | 495.1 | | | | |

Hailey's Efforts to Protect Water Rights

Irrigate with Surface rights for the following parks (Hailey's surface rights have more senior priority dates and could therefore be better protected from curtailment of consumptive uses):

- * Deerfield
- * Curtis
- * Old Cutters
- * Hop Porter
- * Lions
- * Heagle

Future parks and landscaped areas may include:

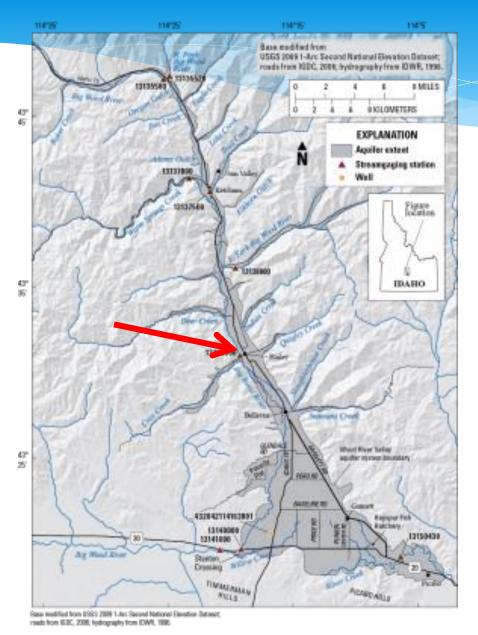
- * Keefer
- * Balmoral
- * Woodside Blvd. right-of-way

Recent Local Water Right Issues

- * Groundwater Model
- * Groundwater District
- * IDWR letter on non-consumptive use
- * Water call

Groundwater-flow Model

- * Examine effects on the groundwater system and its interaction with the Big Wood River due to changes in water use, recharge, or discharge.
- * The model will simulate the effects of climate and human activities on the aquifer system with an emphasis on the interaction of the surface and groundwater system.
- * Technical Advisory Committee
- * Could be used to determine futility of a call or approve mitigation plans
- Completion expected Winter 2015/2016



Map Source: IDWR

Groundwater Districts

1995 – allows for the creation of special districts that can assess cost to their users for the following activities:

- * Measurement
- Legal representation
- Reporting of diversion
- * Mitigation plans and projects

Groundwater Districts are formed by a petition of local water right holders within a geographic boundary that are authorized by the County Commissioners. Then the district and district representatives are voted on by users.

Groundwater Districts

New Districts

- South Valley Ground Water District was formed in May encompasses most of the Bellevue Triangle.
- * Blaine County Commissioners approved a petition to form a district to the north called the Galena Ground Water District. District formation and representatives will voted on by users this November.

Membership

- Formation allows all members to work together in the face of a water call.
- * How fees and associated groundwater district expenses will be assessed to members and what those fees might be are still unknown.
- * The city is evaluating the benefits membership.

IDWR Letter Non-consumptive use is questioned



State of Idaho DEPARTMENT OF WATER RESOURCES

FEB 2 3 2015

Southern Region • 650 Addison Ave West, Suite 500 • Twin

Phone: (208) 736-3033 • FAX: (208) 736-3037 • Website: www.idwrddoho.gov.

C.L. "BUTCH" OTTER

GARY SPACKMAN

February 20, 2015

City of Twin Falls PO Box 1907 Twin Falls, ID 83303-1907

RE: Application for Permit 36-16592 in the name of the City of Twin Falls

Ladies and Gentlemen:

On February 10, 2015, the Department received a Stipulated Settlement Agreement ("Agreement") between the applicant and all protestants to this application in an effort to resolve all protests. The Agreement sets forth terms and conditions acceptable to the parties for resolution of the protests.

Based on a review of the Agreement, the Department has a number of concerns which preclude the Department from accepting the Agreement.

First, the Department disagrees with the manner in which the parties seek to have the agreement documented. The Agreement represents a private agreement between the applicant and the protestants. While the Department is generally willing to add a condition of approval to an application for permit recognizing that the application is subject to a private agreement entered into between the applicant and the protestants, the Department will not approve the Agreement by issuing a separate final agency order.

Second, the Department is concerned with the characterization of the Cities water use as "nonconsumptive."

Municipal use includes the consumptive use of water for irrigation of parks and open spaces, including lawn and garden irrigation for residential use. Municipal use also includes water for other domestic, commercial and industrial uses, which may be partly or fully consumptive. In addition, municipal use allows the re-use of wastewater to its full consumption. For those reasons, the Department normally considers municipal use to be fully consumptive.

There is no exception for municipal use in the Snake River moratorium dated April 30, 1993. The moratorium suspends processing on all applications to appropriate water for consumptive uses from all surface and ground water sources within the Eastern Snake River Plain Area. The moratorium was established to protect existing water rights, including the minimum stream flow water rights at the Murphy Gazing Station on the Snake River near Swan Falls Darn. The

The Water Call

WHO: Basin 37 - Senior Surface Water Right and Northern

City's and other junior groundwater right Holders

WHAT: Basin 37 filed a petition for delivery call, claiming material injury.

WHERE: Claimant: South of Picabo Hills Defendant: Upstream junior groundwater right holders, including the City of Hailey

WHEN: February 2015

WHY: Basin 37 claims upstream junior groundwater right holders water use has diminished their right to water - First in time, first in right.

Hailey's Response to Call

- * JDA
- Bellevue and Hailey's cooperative work
- * Area of common groundwater supply
- * Stay

What does this mean for timing and expense? \$200,000 originally budgeted now \$100,000 (Hailey's share of SPF Engineering contract is approx. \$25,000 of about \$120,000)

Hailey's Approach

- Participating in Water Collaborative
- Considering membership in Galena Groundwater
 District
- * Conservation
- Projects to protect our water rights

Conservation Projects

- * Water meters and water rates
- Irrigation conservation upgrades in City Parks
- * Pilot Water Conservation Rebate Program

Projects to protect and enhance rights

- * Put unused rights in the bank and/or lease
- * Indian Springs improvements
- * Evaluate wastewater reuse
- * Consider recharge projects and other mitigation

Indian Springs Improvement Project

- * \$35,000 for Engineering and Permitting (originally budgeted \$50,000)
- * Estimated \$165,000 for construction and installation (due to \$200,000 in water right expenses, we had not originally budgeted construction dollars for this project. With the legal stay, we now have the funds to construct at least a portion of this project)

WHAT IS THE BENEFIT?

- Improves our most valuable water right
- * Could safeguard us if future curtailment were to occur

Next Meeting – October 19

- * Follow up discussion on water rates with multi-family units included in revenue projections.
- * Discussion on Galena Groundwater District Formation vote and election of District Representatives.