

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1417

This Lease Contract ("**Lease**") is between the Idaho Water Resource Board ("**Board**"), and

LESSOR: BLAINE COUNTY SCHOOL
DISTRICT #61
118 W BULLION ST
HAILEY, ID 83333-8425

RECEIVED

JUN 24 2021

DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on June 01, 2021.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
37-23229	3/29/1961	GROUND WATER	0.18	33.3	15.0
Lease Totals			0.18	33.3	15.0

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-23229	0.18	33.3	9.5	0.019	3.51
Combined Limit Totals	0.18	33.3	9.5	0.019	3.51

** The water right elements rentable have been reduced from the water right elements leased to account for acre limitation.*

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

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DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1417

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2021 to December 31, 2021. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: BLAINE COUNTY SCHOOL
DISTRICT #61
118 W BULLION ST
HAILEY, ID 83333-8425

By 
Title Superintendent
Date 6-16-21

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 7/29/21

Lease approved by IDWR 

Date 7/29/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1417

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 37-23229

GROUND WATER SESE Sec. 9 Twp 02N Rge 18E BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-23229	IRRIGATION	04/15	to	10/31	0.18 cfs	33.3 AF
Totals:					0.18 cfs	33.3 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
02N	18E	9													1.0			14.0	15.0

Total Acres: 15.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.

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DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1417

9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 37.
13. This right is limited to the irrigation of 9.5 acres within the authorized place of use in a single irrigation season.
14. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1417

37-23229
Effective until December 31, 2021

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



● Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections

QQ



0 250 500 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JUN 01 2021

DEPARTMENT OF
WATER RESOURCES

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

Designated Applicant Blaine County School District #61

(Select one owner – see item 1A on the application)

Water Right No. 37-23229

(One water right per application)

Is this application being submitted with a rental application as a lease/rental package?

Yes ☐ No ☒

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- 1A ☐ ☒ Signatures and contact information for **all owners** of the water right to be leased or sold on this application.
- 1B ☒ ☐ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☒ ☐ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☒ ☐ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☒ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☒ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$ 250 -Received By: KuDate Received: 6-1-21Receipt # C110473W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

2082

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

JUN 01 2021

DEPARTMENT OF
WATER RESOURCES

1. CONTACT INFORMATION

- A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Blaine County School District #61

Mailing Address 118 W. Bullion St. Hailey ID 83333
Street City State Zip Code

Email Address _____ Phone Number 208-578-5000

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Lori Graves Organization SPF Water Engineering

Professional Title Sr. Water Rights Specialist Email Address lgraves@spfwater.com

Mailing Address 300 E. Mallard Dr., Ste 350, Boise, ID 83706 Phone Number 208-383-4140

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☒ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☒ The full water right is being offered to the Bank.

OR

☐ A part of the water right is being offered to the Bank.

If a portion of the water right is being offered, complete Attachment 2.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Water will be diverted from a new well currently being developed per approved transfer #84114 (attached).

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. none

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☐
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.
- E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☒
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased. n/a - water right was purchased and withheld from property

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. n/a - this water right is a portion of parent right 37-22019 that has not been used and is protected from forfeiture until July 1, 2021 (see attached extension approval).

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☒ No ☐
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. See item 4F above. Upon approval of transfer #84114, applicants hoped to have use resumed for their 9.5 acre portion of water right 37-22019 they transferred to the Hailey Elementary School site, however completion of the new well is subject to the well driller's schedule. Applicants wish to protect water right 37-23229 during the 2021 irrigation season while the new well is drilled and completed as advised by the *

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☐ No ☒

*Department in the attached email dated 4/26/2021.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

- A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒.

If lease, specify the years when the use of water will be suspended: 2021 to 2022 (maximum lease period 5 calendar years).
(Year) (Year)

- B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.
Current rental rate _____

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

Signature of Designated Applicant

Printed Name

Date

Signature of Authorized Representative

Printed Name

Date

Mail to:
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

APPLICATION FOR EXTENSION OF TIME TO AVOID
FORFEITURE OF A WATER RIGHT

Section 42-222(4), Idaho Code, provides that a water right holder may apply to protect a valid water right from forfeiture. Upon a showing of reasonable cause, the Director may grant one (1) extension of five (5) years in which to resume use.

1. Water Right No. 37-22019 (one right per application)
☒ Attach a copy of the water right record, available at <http://www.idwr.idaho.gov> *Water Right Transfers, Step 1*, or by contacting any Department office.
2. Applicant City of Hailey and Hailey Cemetery Maintenance District Phone (208) 788-4221
3. Are you the current water right holder of record? Yes ☒ No ☐
☐ If no, provide documentation of your authority to sign on behalf of the right holder – OR – attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee.
4. Mailing address ☒ Same as water right record – OR – complete the following information:
Address _____ City _____
State _____ Zip code _____ Email _____
5. Give the last date water was beneficially used decree issued in 2010
6. Explain your reasons for non-use of the water right and your reasons for requesting an extension of time.
Attach additional documentation if needed.
The city of Hailey and the Hailey Cemetery Maintenance District are co-owners. Authorized point of diversion is within Hailey Cemetery. City and District are currently negotiating ownership division of the water right and have not yet reached agreement. City will file transfer application to add this right to the City-owned distribution system.

The information contained in this application is true to the best of my knowledge.

<u>[Signature]</u> Signature of applicant or authorized agent	<u>Erin X Hammond, Mayor</u> Print name (and title, if applicable)	<u>12/14/15</u> Date
<u>[Signature]</u> Signature of applicant or authorized agent	<u>MARSHA RIEMANN</u> Print name (and title, if applicable)	<u>12/17/15</u> Date

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined this application for extension of time within which to resume the use of a water right and hereby Approve said application, subject to the following conditions or reasons:

The right holder shall resume beneficial use of water on or before July 1, 2021.

Signed this 17th day of March, 2016. Shelley W. Kean
Title: Water Rights Section Manager

Stamped received ☒ Fee receipted by dh Date 1-26-16 Receipt # C101459



STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT
TRANSFER NO. 84114

This is to certify that: BLAINE COUNTY SCHOOL DISTRICT #61
118 W BULLION ST
HAILEY, ID 83333

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

<u>Water Right</u>	<u>Origin/Basis</u>	<u>Priority Date</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
37-22019	WR/DECREED	3/29/1961	9.010 cfs	1635.2 af	N/A	467.2	GROUND WATER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
37-22019	YES	YES	YES	NO	NO	NO

Summary Of Water Rights After the Approved Change

<u>Existing Right</u>	<u>New No. (Changed Portion)</u>	<u>Transfer Rate</u>	<u>Transfer Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>New No. (remaining portion)</u>	<u>Remaining Rate</u>	<u>Remaining Volume</u>	<u>Remaining Acre Limit</u>	<u>Remaining Total Acres</u>
37-22019	37-23229	0.180 cfs	33.3 af	9.5	15.0	37-22019	8.830 cfs	1601.9 af	N/A	457.7
COMBINED TOTALS		0.180 cfs	33.3 af	9.5	15.0		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 3rd day of August, 2020.


Southern Region Manager

SUPPORT DATA

IN FILE # 37-22019

Transfer No. 84114

WATER RIGHT NO. 37-22019

As Modified by Transfer No. 84114

In accordance with the approval of Transfer No. 84114, Water Right No. 37-22019 is now described as follows:

Right Holder: CITY OF HAILEY
115 S MAIN ST # H
HAILEY, ID 83333-8408

Priority Date: 3/29/1961

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
IRRIGATION	04/15	to 10/31	8.830 cfs 8.830 cfs	1601.9 af 1601.9 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SESW Sec 10 Twp 02N Rge 18E BLAINE County

PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
02N	18E	10											1.0	8.5			30.0		39.5
02N	18E	14										14.0	26.8						40.8
02N	18E	15			38.7	34.9	20.7	28.0		4.0					37.7	11.0		22.9	197.9
02N	18E	22	1.0																1.0
02N	18E	23					32.4	32.3	3.5	33.9	9.0				31.4	20.4	15.6		178.5

POU Total Acres: 457.7

CONDITIONS OF APPROVAL

1. Use of this right is combined with water from Hiawatha Canal.
2. This right is licensed right 37-2659.
3. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

Transfer No. 84114

WATER RIGHT NO. 37-23229
As Modified by Transfer No. 84114

In accordance with the approval of Transfer No. 84114, Water Right No. 37-23229 is now described as follows:

Right Holder: BLAINE COUNTY SCHOOL DISTRICT #61
 118 W BULLION ST
 HAILEY, ID 83333

Priority Date: 3/29/1961

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>
IRRIGATION	04/15	to 10/31	0.180 cfs	33.3 af
			0.180 cfs	33.3 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SESE Sec 9 Twp 02N Rge 18E BLAINE County

PLACE OF USE: IRRIGATION

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
02N	18E	9													1.0			14.0	15.0

Right Acre Limit: 9.5
 POU Total Acres: 15.0

CONDITIONS OF APPROVAL

1. This right is limited to the irrigation of 9.5 acres within the authorized place of use in a single irrigation season.
2. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
3. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 37.
4. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
5. Right holder shall comply with the drilling permit requirements of Idaho Code § 42-235 and applicable Well Construction Rules of the Department.

Transfer No. 84114

WATER RIGHT NO. 37-23229

As Modified by Transfer No. 84114

CONDITIONS OF APPROVAL

6. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
7. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
8. Pursuant to Idaho Code § 42-1412(6); this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.

State of Idaho
Department of Water Resources
Attachment to Transfer # 84114
37-23229

This map depicts the IRRIGATION place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters

0 0.0425 0.085 0.17 Miles



From: [Buyer, Remington](#)
To: [Lori Graves](#)
Cc: [Sean Albertson](#); [Howard Royal \(HRoyal@blaineschools.org\)](#)
Subject: RE: Blaine County School District
Date: Monday, April 26, 2021 12:30:35 PM

Good morning Lori,

If the well is not drilled and the school district is unable to resume use under 37-23229 as of July 1, 2021, it may be advisable for the school district to lease water right 37-23229 to the Water Supply Bank. If there are concerns that the well might not be completed this year, a lease through 2022 would presumably suffice to provide protection from the notion of forfeiture, while the well construction work commences and is completed.

Remington

From: Lori Graves [mailto:LGraves@spfwater.com]
Sent: Monday, April 26, 2021 8:59 AM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: Sean Albertson <Salbertson@spfwater.com>; Howard Royal (HRoyal@blaineschools.org) <HRoyal@blaineschools.org>
Subject: Blaine County School District

Good Morning Remington,

The School District recently received approved transfer 84114 on August 3, 2020. The City quitclaimed part of their water right 37-22019 to the School District to allow 9.5 acres irrigation at Hailey Elementary from a new well. The School District's resulting right is now 37-23229. Parent water right 37-22019 has been protected from forfeiture under an extension that is set to expire 7/1/2021. Upon transfer approval, the City put their remaining right in the bank even though their forfeiture extension has not yet expired. The School District is in the midst of drilling a well at the elementary school and plan to have it operating by the end of the irrigation season, however timing is subject to the well driller's completion of the well. In the case that the driller encounters delay(s), is the School District at risk with regards to the water right forfeiture clock? If so, I will advise them to lease water right 37-23229 to the bank while the well is being completed. Thanks Remington.

Lori Graves | Water Rights Specialist

SPF Water Engineering, LLC

300 E Mallard Drive, Suite 350 | Boise, ID 83706

p. 208.383.4140 | f. 208.383.4156 | d. 208.489.2139

e. lgraves@spfwater.com | w. www.spfwater.com



Governor Brad Little

Director Gary Spackman

August 2, 2021

BLAINE COUNTY SCHOOL DISTRICT #61
118 W BULLION ST
HAILEY ID 83333-8425

**RE: WATER SUPPLY BANK LEASE CONTRACT 1417
FOR WATER RIGHTS 37-23229**

Dear Lessor:

Water right **37-23229** was leased into the Water Supply Bank (Bank) as of January 1, 2021, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2021**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Jean Hershey

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Southern Region
SPF Water Engineering LLC
Water District No. 37



SPF WATER
ENGINEERING

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JUN 24 2021

DEPARTMENT OF
WATER RESOURCES

June 21, 2021

Jean Hersley
IDWR State Office
PO Box 83720
Boise, ID 83720-0098

Subject: Water Bank Lease Contract #1417

Dear Jean,

Enclosed on behalf of Blaine County School District #61, are signed lease contracts for water right 37-23229 appurtenant to the Hailey Elementary School site. The School District Superintendent signed the applications.

Please let me know if there are any questions. Thanks Jean.

Sincerely,

A handwritten signature in cursive script that reads "Lori Graves".

Lori Graves
Water Rights Specialist

Cc: Howard Royal

Enclosures

SPF file number: 322.0080

Hersley, Jean

From: Lori Graves <LGraves@spfwater.com>
Sent: Monday, June 21, 2021 5:45 PM
To: Hersley, Jean
Cc: Howard Royal (HRoyal@blaineschools.org)
Subject: RE: Copy of Lease Contract No. 1379 (Blaine County School Dist.)
Attachments: Contract 1417 (signed by BCSD).pdf

Hi Jean,

The time frame on the attached contract is correct. It is for the Elementary School. The original will be mailed to you ASAP.

Thank you for checking with Remington regarding the incorrect time frame listed for pending contract 1379. That one is for subdivision area no longer irrigated.

Still waiting for a contract to sign for the Middle School lease applications 37-183A, 37-298C, 37-334E, and 37-577BX.

From: Lori Graves
Sent: Monday, June 21, 2021 2:17 PM
To: Hersley, Jean (Jean.Hersley@idwr.idaho.gov) <Jean.Hersley@idwr.idaho.gov>
Subject: FW: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

From: Lori Graves
Sent: Thursday, June 17, 2021 1:05 PM
To: 'Betts, David' <David.Betts@idwr.idaho.gov>
Cc: Howard Royal (HRoyal@blaineschools.org) <HRoyal@blaineschools.org>
Subject: RE: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

Hi Dave,
Can you let me know the status of this one? I did not receive a response to my email below. Thanks.

From: Lori Graves
Sent: Monday, June 7, 2021 4:38 PM
To: 'Betts, David' <David.Betts@idwr.idaho.gov>
Subject: RE: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

Dave, the Department has documents (lease application and cover letter) indicating 1 year only. Why can't the current contract be fixed and recent as a replacement?

From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Monday, June 7, 2021 3:51 PM
To: Lori Graves <LGraves@spfwater.com>
Subject: RE: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

Hello Lori,

After discussing the Blaine County School District lease contract (no. 1379) with Remington, I think that the school district's best bet is to submit a [Request to Release a Water Right from the Water Supply Bank](#). I believe that the request form will allow the Bank to reduce the lease contract to end by December 31, 2021, and avoid additional rounds of mailing and signatures trying to amend the active contract.

--
Dave Betts
Senior Water Resource Agent
Idaho Department of Water Resources
(208) 287-4826

From: Lori Graves [<mailto:LGraves@spfwater.com>]
Sent: Monday, May 24, 2021 4:53 PM
To: Betts, David <David.Betts@idwr.idaho.gov>
Subject: RE: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

Dave,
They only requested lease for one year. Can you fix it and send me a corrected contract? Thanks.

From: Betts, David <David.Betts@idwr.idaho.gov>
Sent: Monday, May 24, 2021 3:08 PM
To: Lori Graves <LGraves@spfwater.com>
Subject: Copy of Lease Contract No. 1379 (Blaine County School Dist.)

Hello Lori,

I have attached a copy of the lease contract for water right 37-21114.

I am still tracking down the lease applications for water rights 37-183A, 37-298C, 37-334E, and 37-577BX. My review is complete, and I recommended the applications to the WSB. I haven't heard back as to whether or not the WSB decided to accept the lease.

I'll get back to you as soon as I find out where those rights are.

--
Dave Betts - *Water Resource Agent*
Water Rights Section | Idaho Department of Water Resources
322 East Front St | P.O. Box 83720 | Boise, ID 83720
Phone: (208) 287-4826 | email: david.betts@idwr.idaho.gov

Hersley, Jean

From: Skinner, Corey
Sent: Thursday, June 3, 2021 7:55 AM
To: Hersley, Jean
Subject: RE: WSB Lease Application for Blaine County School 37-23229

No problem from me on this one.

From: Hersley, Jean
Sent: Wednesday, June 2, 2021 1:53 PM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; Kevin Lakey <watermanager@cableone.net>
Subject: WSB Lease Application for Blaine County School 37-23229

This right is a split from 37-22019. Blaine County School purchased a portion of this water right from the City of Hailey. Water right 37-22019 has been idled since 2016 due to an Extension of Time to Avoid Forfeiture, which expires July 1, 2021. Resumption of use was received with the Bank applications. Please let me know if you have any comments or concerns with this lease. Thank you.

*Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942*



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700

Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

June 3, 2021

BLAINE COUNTY SCHOOL DISTRICT NO. 61
118 W BULLION ST
HAILEY ID 83333

**RE: APPLICATION TO LEASE WATER RIGHTS 37-23229 TO THE WATER SUPPLY BANK
CONTRACT 1417**

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2021**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:
"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

According to Idaho Code § 42-222, in his approval of an extension of time to avoid forfeiture the director of the department of water resources shall set the date when the use of water is to be resumed. The resumption date for this right via the parent right, 37-22019, was set as July 1, 2021.

According to Idaho Code § 42-223 A water right shall not be lost or forfeited by failure of the owner of the right to divert and apply the water to beneficial use while the right is placed in the water supply bank or is retained in or rented from the water supply bank. The department has allowed water rights to be placed in the water supply bank prior to the resumption of use date. However, this practice has not been challenged in court as of the date of this letter.

Since the application to place this right into the water supply bank was received one month prior to the resumption of use deadline, the applicant must be ready to resume use the day after this right is released from the bank.

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Jean Hersley

for
Water Supply Bank

Enclosures: Proposed Lease Contracts

C: Lori Graves- SPF Water Engineering LLC

Hersley, Jean

From: Hersley, Jean
Sent: Wednesday, June 2, 2021 1:53 PM
To: Skinner, Corey; Kevin Lakey
Subject: WSB Lease Application for Blaine County School 37-23229
Attachments: Lease Application Review Checklist July 2017.xls; Lease Contract -1417.docx; Lease_.pdf

This right is a split from 37-22019. Blaine County School purchased a portion of this water right from the City of Hailey. Water right 37-22019 has been idled since 2016 due to an Extension of Time to Avoid Forfeiture, which expires July 1, 2021. Resumption of use was received with the Bank applications. Please let me know if you have any comments or concerns with this lease. Thank you.

*Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942*

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Blaine County School District # 61

Memo Date: June 2, 2021

Water Right Number(s): 37-23229

Reviewers Name: Jean

Quick Tools

Decreed	No Forfeiture Concerns Thru:
Year	
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

	Check box		COMMENTS/CONCERNS:
1	☒		
Fill out WSB Data Entry Checklist for Leases (Front of File)			
2			
Reason for lease of water rights (Brief description of lease proposal in narrative)			
	☒		
Portion of right			
All of right			
3			
Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
	Yes	No	
4	☒		
Rentable? (If no explain in comments or narrative)			
5			
Authority to file			
	☒		
Current owner or designated applicant			
SOS Web site checked for business entity			
Other (explain in comments)			
6			
Water Right validity			
			2010
Decreed/Licensed/Statutory claim date (write in comments section)			
Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
		☒	
Has this right previously been leased to the bank or in CREP?			
7			
Injury to other water rights			
		na	
If the POD is through a delivery entity, was consent provided?			
			%
If the POD is through a delivery entity, was holdback required? (percentage in comments)			
		☒	
Any other concerns			
8			
Enlargement concerns			
	☒		
Complete a POU comparison overlap analysis			
	☒		
Complete a combined limits review			
	☒		
Complete POD overlap analysis (if there is an overlap add condition to lease)			
	Yes	No	
		☒	
Are there overlapping rights that need to be placed in the bank also?			
		☒	
Will the place of use continue to receive water? (if yes explain in comments)			
9			
Local Public Interest			
		☒	
Does the processor know of any problems this action will cause for the local public?			
10	☒		
Have you contacted regional office and watermaster for comment/concerns?			
	☒		
Send the watermaster comment request form or e-mail request			
11			3.5
Area Headgate requirement (write in Comments)			
12		☒	
Is water right involved in any other department action? Pull file and check database			
() Ownership Change () Transfer () Mitigation () Other - Explain in comments			

Narrative: The applicant wishes to place the entire right in the Bank. The parent of this right, 37-22019, was decreed in 2010. An extension of time to avoid forfeiture was approved in 2016 and expires July 1, 2021. This right was split in transfer 84114, approved in August, 2020. The well for this right has not been drilled due to driller availability. There are several City of Hailey rights that overlap this one. Application states this land will not receive water from another source during the term of the lease. After speaking with Lori Graves, SPF Water, she said the school district is doing new landscape and any irrigation or watering that takes place will be from the City of Hailey. This water right was recently transferred to this POU and has not been co-mingled with city water. This is a ground water right currently within WD 37.

13



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JUN 01 2021

DEPARTMENT OF
WATER RESOURCES

May 27, 2021

Dave Betts
IDWR State Office
PO Box 83720
Boise, ID 83720-0098

Subject: *BCSD Resumption of Beneficial Use Statements (37-23229, 37-23230)*
BCSD Water Bank Lease Application (37-23229)

Hi Dave,

Enclosed on behalf of Blaine County School District #61 are *Resumption of Beneficial Use Statements* for water rights 37-23229 and 37-23230. These rights are splits from City water right 37-22019 that is protected from forfeiture until July 1, 2021. Water right 37-23230 serves the Hailey Middle School and is currently in use since it was transferred to an existing well. Water right 37-23229 was transferred to the Elementary School and the well is currently being drilled. Because the School District wants to protect this right during the 2021 irrigation season while the new well is being completed, also enclosed is a *Water Bank Lease Application*.

Check No. 015893 is enclosed for the lease application's \$250 filing fee. Please let me know if there are any questions. Thanks Dave.

Sincerely,

A handwritten signature in cursive script that reads "Lori Graves".

Lori Graves
Water Rights Specialist

Cc: Howie Royal

Enclosures

SPF file number: 322.0080