

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 551

RECEIVED
JUN 25 2021
DEPARTMENT OF
WATER RESOURCES

This is to certify that:

STONEGATE HOMEOWNERS ASSN INC
C/O SEAN RENKLY
PO BOX 1921
KETCHUM, ID 83340-1861

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-22019	3/29/1961	GROUND WATER	0.06	10.9	3.1	0.019	3.52
Combined Rental Totals			0.06	10.9	3.1	0.019	3.52

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2021. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2021, whichever occurs last.

Annual Rental Fee:

2021: \$218.00

The full fee for the rental of the above-described right(s) is \$218.00 for 2021. The rental fee includes an administrative fee of \$21.80 for 2021.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.06	10.5	3.0	0.020	3.50
Combined Total	0.06	10.5	3.0	0.020	3.50

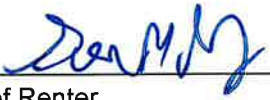
** The authorized water usage reflects a reduction from the water right elements rented, to account for a requested duty of water of 0.02 cfs/ac and 3.5 afa/ac.*

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 551

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:


Signature of Renter

6/24/21
Date

Sean Henley - Property Manager
Printed Name

Park Sky Property Mgmt.
Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By 
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 6/29/21

Rental approved by IDWR 

Date 6/29/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 551

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SESE Sec. 23, Twp 05N, Rge 17E, BLAINE County

BENEFICIAL USE

Irrigation

DIVERSION RATE

0.06

VOLUME

10.5

SEASON OF USE

Water Right No.

37-22019

From

5/1

To

10/31

RENTERS 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	
05N	17E	24											3.0						3.0

Total Acres: 3.0

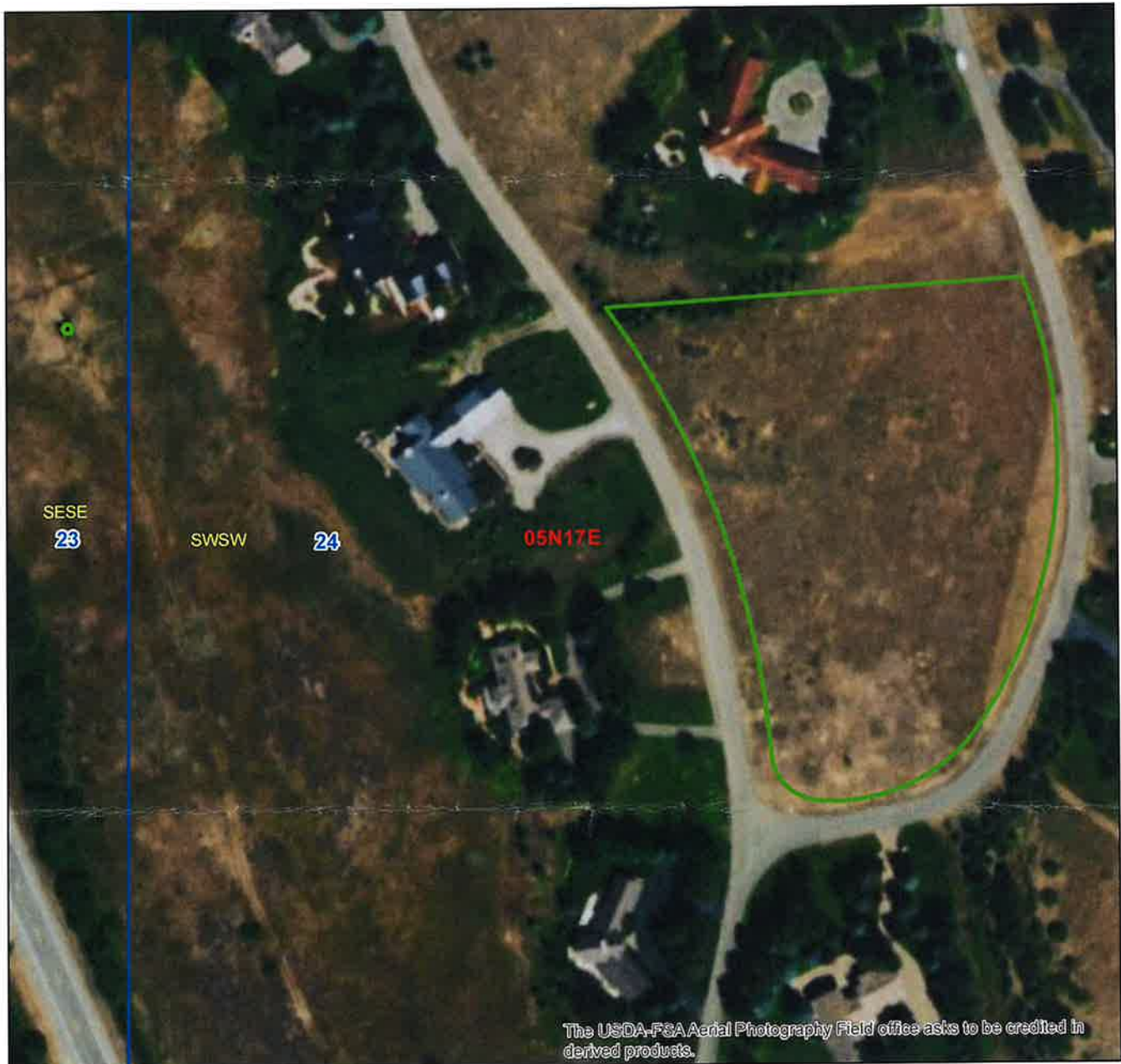
RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. Use of water under this rental may be regulated by the watermaster of State Water District No. 37.
10. 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.
11. Rental does not authorize the construction of a well.
12. The diversion and use of ground water under this rental is limited to those times when the Idaho Water Resource Board's minimum streamflow of 189 cfs is being exceeded, as measured at USGS Gage 13139510, in Hailey Idaho.
13. This right when combined with all other rights shall provide no more than 0.03 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.

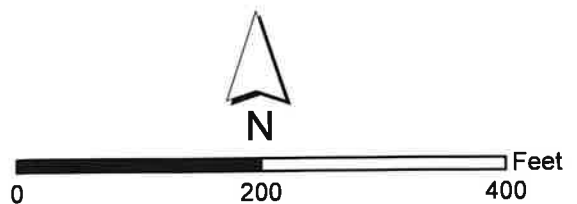
Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 551

Effective until December 31, 2021

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



- Authorized Rental Point of Diversion
- Authorized Rental Place of Use
- Township/Range
- Sections
- QQ



STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Stonegate HOA
 Mailing Address Stonegate Circle Ketchum ID. 83340 P.O. Box
 Street City State Zip Code
 Email Address Sean E darksky property Phone Number 208-788-3107
 .com

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
 If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Sean E Darksky Professional Title Owner of Prop. Mgmt.
 Organization Darksky Property Mgmt. Relationship to Applicant Property Manager
 Mailing Address 455 E Fork Rd, Hule D. 83333
 Email Address Sean E darksky property .com Phone Number 208-788-3107

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

We wish to rent water to irrigate 3 acres of grass in
a community common area

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
<u>.06</u> CFS	<u>10.5</u> AF	<u>.06</u> CFS	<u>10.5</u> AF	<u>3</u> AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Irrigation Sprinkler System on proposed water site

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
Community Well	Ground Water	37-20863, 37-12679, 37-13039
43° 44' 36.47" N		37-12742, 37-12284
114° 23' 13.75" W		

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☐
If yes, include documented consent as Attachment 3F.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☐
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☐
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

☒ Irrigation 3 (number of acres) Duration: Subject to IDWR standard seasons of use

☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)

☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☐ No ☒

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request. For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	CFS	AF	AC

*Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will

WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☒ No ☐

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒

If yes, describe:

C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

If yes, describe the date and location of the NOV.

D. Additional Information

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

Sean M. Rink

Sean Rink
Printed Name of Applicant

4/5/21
Date

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. **If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.**

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit <https://idwr.maps.arcgis.com/home/> to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An



Attachment 2

Area of Application 3.42 Acres

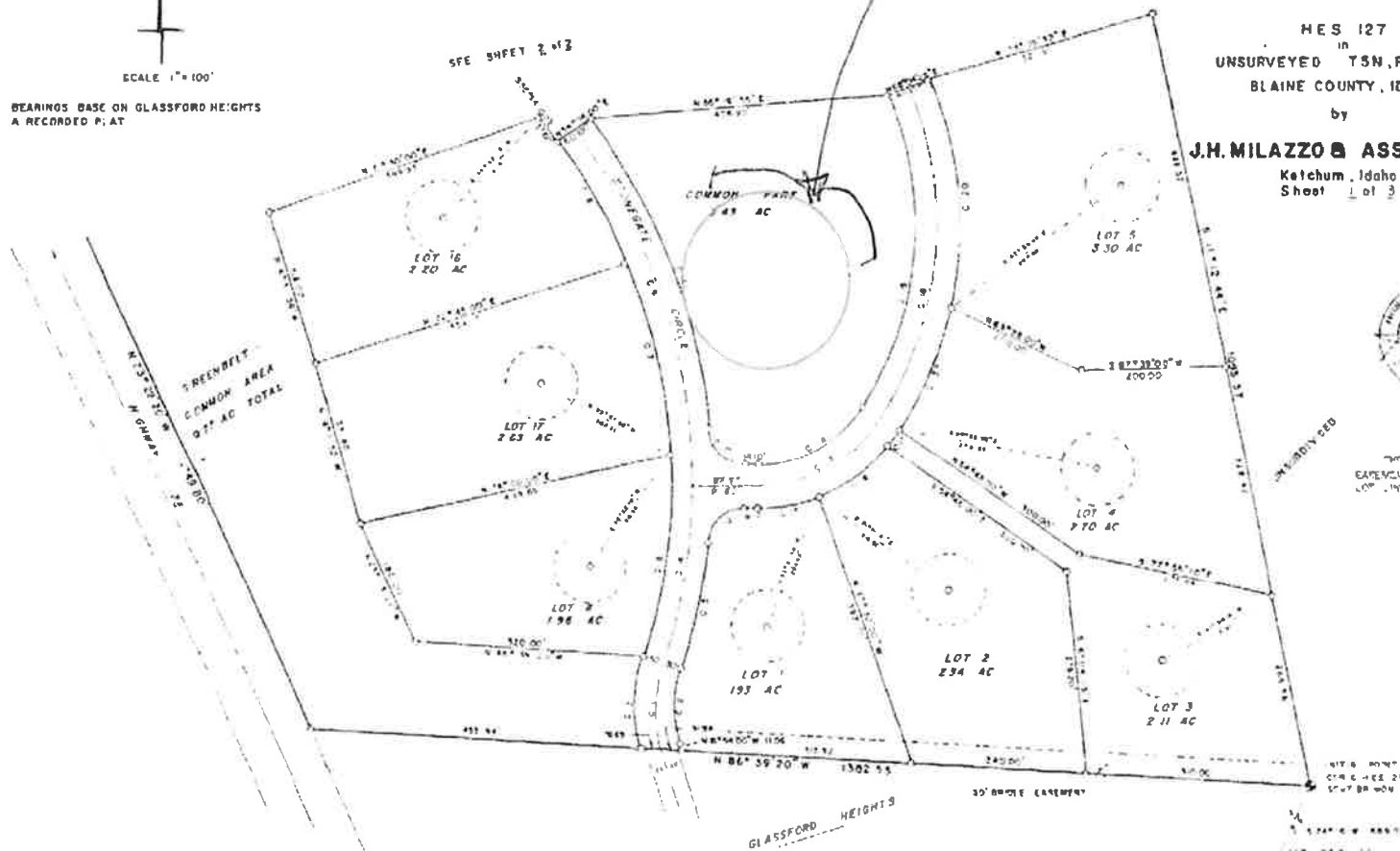
STONEGATE Subdivision

HES 127
IN
UNSURVEYED T5N, R17E, B1M
BLAINE COUNTY, IDAHO

by
J.H. MILAZZO & ASSOCIATES
Ketchum, Idaho
Sheet 1 of 3



BEARINGS BASE ON GLASSFORD HEIGHTS
A RECORDED P. AT



NOT TO BE USED FOR ANY OTHER PURPOSE
EXCEPT CENTER LINE AND REAR
LOT LINES

CURVE TABLE									
NO	PAB	DELTA	ARC	CHD	TAB	NO	PAB	DELTA	ARC
1	100.00	35° 00' 00"	103.82	103.82	103.82	1	100.00	35° 00' 00"	103.82
2	100.00	35° 00' 00"	103.82	103.82	103.82	2	100.00	35° 00' 00"	103.82
3	100.00	35° 00' 00"	103.82	103.82	103.82	3	100.00	35° 00' 00"	103.82
4	100.00	35° 00' 00"	103.82	103.82	103.82	4	100.00	35° 00' 00"	103.82
5	100.00	35° 00' 00"	103.82	103.82	103.82	5	100.00	35° 00' 00"	103.82
6	100.00	35° 00' 00"	103.82	103.82	103.82	6	100.00	35° 00' 00"	103.82
7	100.00	35° 00' 00"	103.82	103.82	103.82	7	100.00	35° 00' 00"	103.82
8	100.00	35° 00' 00"	103.82	103.82	103.82	8	100.00	35° 00' 00"	103.82
9	100.00	35° 00' 00"	103.82	103.82	103.82	9	100.00	35° 00' 00"	103.82
10	100.00	35° 00' 00"	103.82	103.82	103.82	10	100.00	35° 00' 00"	103.82

180FND

SUBDIVISION LINE
LOT LINE
BRASS MONUMENT
5/8" BAR WALUM CAP
BUILDING ENVELOPE -
100' DIA





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

July 15, 2021

STONEGATE HOMEOWNERS ASSN INC
C/O SEAN RENKLY
PO BOX 1921
KETCHUM, ID 83340-1861

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 37-22019 AGREEMENTS 551**

Dear Renter:

Please find enclosed a receipt in the amount of **\$218.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 10.9 acre-feet of water for irrigation of 3.0 acres during 2021. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, 90% or \$196.20 of the rental fee will be paid to the lessor(s) and 10% or \$21.80 will be retained by the Department to offset administrative costs.

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

Sincerely,

Jean Hersley

for
Water Supply Bank

Enclosures: Receipt No. C110560
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR ~~Eastern~~ Regional Office *Southern*
Water District No. 37



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 11, 2021

STONEGATE HOMEOWNERS ASSN INC
C/O SEAN RENKLEY
PO BOX 1921
KETCHUM, ID 83340-1861

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 37-22019 AGREEMENT 551**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$218.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 10.9 acre-feet.

Please send a check for \$218.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, 90% or \$196.20 of the rental fee will be paid to the lessor(s) and 10% or \$21.80 will be retained by the Department to offset administrative costs.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure

c: IDWR Front Desk

Memorandum

To: Water Supply Bank Application 2047
From: Remington Buyer
Date: May 27, 2021
Re: Request to Rent Water Rights from the Water Supply Bank

Purpose/Narrative: An application was received on April 6th, 2021 from Sean Renkly, on behalf of the Stonegate Homeowner's Association (SHOA), requesting a rental authorization to irrigate a 3.4 acre property owned by the HOA, north of Ketchum. The property is serviced with ground water right 37-20863, which authorizes diversions of water for domestic and fire protection uses. There are no irrigation water rights associated with the property.

The HOA has requested a rental diversion rate of 0.06 cfs and a diversion volume of 10.5 afa for the irrigation of 3.0 acres, equivalent to 0.02 cfs/ac and 3.5 afa. Although the property is 3.4 acres in size, it is presumed that 0.4 acres of the property will not be irrigated as the renter has only requested a 3.0 acre rental.

No specific water rights were requested by the applicant. Because this is a ground water rental located north of Gimlet, the Water Supply Bank first attempted to provide the renter with a rental of ground water rights already located at or above Gimlet (as these water rights can be moved north from Gimlet without inducing additional depletions to the Big Wood River). Specifically, water rights 37-11550 (contract 984), 37-2644C (contract 1004) and 37-2644E (contract 1138) were considered as being the basis for the rental by Stonegate HOA, as these three water rights authorize the irrigation of lands from ground water.

However, the lands authorized to be irrigated from ground water under rights 37-11550, 37-2644C and 37-2644E are also authorized to be irrigated with surface water rights on Clear and Greenhorn Creeks. IDWR holds that these ground water rights should be considered as being supplemental to surface water sources. Additional information was requested from the lessors of water rights 37-11550, 2644C and 2644E, to evaluate whether they could be rented as primary ground water rights. As of 5/24/2021, information has been received that only one acre of ground water has historically been irrigated under 37-2644C, and the lessor of 37-2644E was unable to confirm whether any ground water was historically diverted and used for irrigation under 37-2644E. No information has been provided regarding 37-11550.

In light of the inability to authorize an irrigation rental based on the three above-referenced ground water rights, Mr. Renkly was contacted on May 21st, to ascertain whether he would be interested in a rental of ground water right 37-22019. This is a ground water right situated in, and belonging to the City of Hailey. Although there is a condition on water right 37-22019 which acknowledges that this ground water right is associated with Big Wood River surface water rights delivered via the Hiawatha Canal, in fact, the place of use authorized to be irrigated from ground water under 37-22019 is not serviced with any Hiawatha Canal water; it appears that the Hiawatha Canal terminates immediately north of the place of use for 37-22019, and therefore, this can be considered a primary ground water right, and not supplemental to Hiawatha Canal surface water sources.

A relocation of 37-22019 from Hailey to Ketchum will result in increased depletions of ground water tributary to the Big Wood River, north of Hailey. Accordingly, pumping ground water under this rental can impact the Idaho Water Resource Board's 189 cfs minimum streamflow (MSF) water right on the Big Wood River between Ketchum and Hailey. To avoid injury to the MSF, the diversions of ground water under this rental will only be permissible when the flows in the Big Wood River exceed 189 cfs at the Hailey Gage. The

applicant has been informed of this limitation and they have agreed to it. The Bank will proceed with a rental of 37-22019 to Stonegate HOA during 2021.

Authority to File: Sean Renkly is the point of contact for the HOA's domestic/fire protection water right. No concerns about his authority to file on behalf of the HOA.

Water Right Validity/Forfeiture Evaluation: The water right being used for this rental is valid and leased to the Bank. No concerns about the validity of the rights being rented, or of the validity of right 37-20863.

Injury Evaluation: The rental location is north of Ketchum. Pumping ground water at the rental location will cause concentrated depletions of the Wood River Valley aquifer above Gimlet, which will result in depletions of the Big Wood River above Hailey. The water right being rented is located in Hailey, Idaho. To avoid injury to the State of Idaho's MSF water right on the Big Wood River, diversions of ground water under this rental will be limited to those times when streamflows in the Big Wood River at the USGS Hailey gage exceed 189 cfs.

Enlargement of Use: No enlargement is apparent through this rental, as it appears that ground water right 37-22019 is a primary ground water right.

Water right 37-22019 originated from water right 37-2659, which was developed to be a supplemental ground water right used to augment a primary use of Big Wood River surface water. However, it appears water right 37-2659 was licensed without supplemental use conditions. When the right was decreed through the Snake River Basin Adjudication, it was decreed without supplemental ground water conditions, though a remark acknowledged that the right was combined with Big Wood River surface water delivered via the Hiawatha Canal.

Through Transfer #81494, it was clarified that the only Hiawatha Canal water use overlapping with water right 37-22019 was delivered under water right 37-10717. Water right 37-10717 now authorizes irrigation of municipal parks, at a non-overlapping place of use located north of the place of use for water right 37-22019. Hence, it does not appear that the place of use for 37-22019 is now serviced with Hiawatha Canal water. The Hiawatha Canal remark on the water right can thus be disregarded and this water right can be considered a primary use ground water right.

Local Public Interest: Staff are unaware of any local public interests that are averse to the rental.

Beneficial Use/Conservation of Water Resources: The rental appears consistent with the conservation of water resources in Idaho.

Department/Watermaster Comments: Watermaster for District 37 as well as IDWR Southern Regional comments were requested on May 18, 2021. Comments were again requested on May 27, 2021.

Water Supply Bank Evaluation: Bank staff recommend the approval of this rental application.

Buyer, Remington

From: Buyer, Remington
Sent: Thursday, May 27, 2021 4:04 PM
To: watermanager@cableone.net; Skinner, Corey
Subject: Rental Agreement 551
Attachments: Rental Map Stonegate HOA.PDF; Rental Review Memo.docx; Draft Rental Agreement v2.docx

Kevin, Corey,

I've amended my prior recommended rental approval for Stonegate Home Owner's Association. Rather than using ground water rights situated in Gimlet, I'm recommending a rental of the City of Hailey's ground water right 37-22019. My draft approval, memo and map are attached.

Please advise if you have any questions, comments or concerns.

Thanks,

Remington

Buyer, Remington

From: Buyer, Remington
Sent: Tuesday, May 18, 2021 4:42 PM
To: Skinner, Corey; watermanager@cableone.net
Subject: Stonegate HOA
Attachments: Rental Map Stonegate HOA.PDF; Draft Rental Agreement.docx; Rental Review Memo.docx

Corey, Kevin,

Stonegate HOA submitted a rental request back in April, seeking an authorization to irrigate from ground water 3.0 acres of their common area. Attached to this email are my review memo, map and draft rental approval for an irrigation rental for them in 2021. Please let me know if you have any questions, comments or concerns about this rental.

Thank you,

Remington

Buyer, Remington

From: watermanager@cableone.net
Sent: Tuesday, April 6, 2021 4:09 PM
To: Buyer, Remington; Ferguson, Justin
Subject: FW: Water supply Bank rental application
Attachments: scan0047.pdf

Gentlemen:

I have attached a rental application from a property manager I spoke with on the phone. He mistakenly sent the application to me. His contact information is on the application when you need to contact him.

Kevin Lakey
Water District 37

From: Sean Renkly <sean@darkskyproperty.com>
Sent: Monday, April 5, 2021 1:55 PM
To: watermanager@cableone.net
Subject: Re: Water supply Bank rental application

Kevin,

Here is the Application for Stonegate and their watering needs for this 3.4 acre common area in Stonegate Circle. I also attached the Plot map as Attachment 2.

Let me know if you need anything else to get this application submitted.

Thanks,
Sean Renkly
760-845-4259

From: watermanager@cableone.net <watermanager@cableone.net>
Sent: Friday, March 26, 2021 10:11 AM
To: Sean Renkly <sean@darkskyproperty.com>
Subject: Water supply Bank rental application

Sean,
I've attached a blank rental application as well as an application that has been partially complete using some of the information you provided in our phone conversation. Give me a call with any questions.

Kevin Lakey
Water District 37