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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESDEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 489

This is to certify that:

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY, ID 83445

SUPPORT DATA

IN FILE # 22-288

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)
22-12694	3/1/1883	TETON RIVER	0.33	139.8	258.1	0.001	0.54
22-288	5/15/1883	TETON RIVER	0.09	31.3	258.1	0.000	0.14
22-12695	5/22/1884	TETON RIVER	2.10	892.5	258.1	0.008	3.46
22-589B	6/1/1884	TETON RIVER	0.69	293.4	258.1	0.003	1.14
22-12696	6/1/1885	TETON RIVER	6.67	903.2	258.1	0.026	3.50
22-571	6/1/1888	TETON RIVER	0.10	39.1	258.1	0.000	0.15
22-12697	4/1/1898	TETON RIVER	6.38	903.2	258.1	0.025	3.50
Combined Limit Totals			16.35	903.2	258.1	0.063	3.50
Combined Rental Totals			16.35	903.2	258.1	0.063	3.50

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until October 31, 2025. 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 - 2022: \$1,806.40 annually
2023 - 2025: \$2,077.36 annually

The full fee for the rental of the above-described right(s) is \$1,806.40 per year for years 2021 - 2022 and \$2,077.36 per year for years 2023 - 2025. The rental fee includes an administrative fee of \$1,806.40 per year for years 2021 - 2022 and \$2,077.36 per year for years 2023 - 2025. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 22-12694, 22-288, 22-12695, 22-589 B, 22-12696, 22-571, 22-12697.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)
GROUND WATER RECHARGE	16.35	800.00
Combined Total	16.35	800.00

* The volume authorized to be diverted for ground water recharge is reduced from the volume rented in the table above, to account for a historic, calculated diversion volume of 3.1 afa/ac.

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 489

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:

Rodney Dalling April 19, 2021
Signature of Renter Date

Rodney Dalling President TIF
Printed Name 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 Date 4/23/21
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR TPH Date 4/23/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 489

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

TETON RIVER NWSNW Sec. 36, Twp 07N, Rge 40E, MADISON County

BENEFICIAL USE

GROUND WATER RECHARGE

DIVERSION RATE

16.35 CFS

VOLUME

800.0 AF

SEASON OF USE

Water Right No.	From	To
22-288	4/1	10/31
22-571	4/1	10/31
22-589B	4/1	10/31
22-12694	4/1	10/31
22-12695	4/1	10/31
22-12696	4/1	10/31
22-12697	4/1	10/31

RENTERS PLACE OF USE: GROUND WATER RECHARGE

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	40E	5	X	L1			X												X
06N	40E	7									X					X			X

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 489

9. The right holder shall notify the watermaster when diversion of water under this rental is required for beneficial use. They shall also notify the watermaster when diversion of water for this beneficial use is no longer required.
10. Water is delivered through Teton Island Feeder Canal.
11. Prior to the diversion and use of water under this approval, the renter shall comply with applicable water quality monitoring and/or permitting requirements administered by the Department of Environmental Quality or the Department of Agriculture.
12. The renter shall record the daily quantity of water diverted for ground water recharge at the rental location places of use and shall report the diversion data for the prior calendar year to the Department by February 1 each year. Reporting shall occur in a manner specified by the Department, consistent with Section 42-701 Idaho Code. To facilitate this reporting requirement, the renter shall install and maintain a totalizing measuring device approved by the Department at each point of diversion and at point where water is delivered from the conveyance system into a designated recharge site.
13. Renter is authorized to deliver water to the rental places of use for ground water recharge only when water is not being delivered to the rental places of use for other, non-recharge related activities. It is anticipated that water for recharge will be delivered to the rental places of use only after active irrigation-related deliveries of water to the rental places of use are concluded, in spring or early summer.
14. Renter will account for and discount from recharge deliveries, water delivered to the rental places of use for irrigation related activities, which is anticipated to occur one day per week, each week, between mid-May and mid-August, annually
15. This rental is not an authorization for the described recharge effort to be used as mitigation or credit for any other purposes. The sufficiency of the recharge effort authorized under this rental for mitigation or credit for some other purpose may be determined by the Department upon proper submission of a mitigation plan pursuant to the Department's Rules of Conjunctive Management of Surface and Ground Water Resources, a mitigation plan to offset depletions in association with a water right application, a Management Program pursuant to Idaho Code Section 42-14168, or any other proposal to utilize credit for the recharge effort.
16. The water rights rented under this agreement are appurtenant to irrigation of 258.1 acres.
17. Pursuant to Section 42-234(4), Idaho Code, to ensure that other water rights are not injured by the operations of the recharge projects authorized under this rental, the Director has authority to approve, disapprove, or require alterations in the methods employed to achieve ground water recharge.
18. Pursuant to Section 42-234(3), Idaho Code, the Director may reduce the amount of water that may be diverted for recharge purposes under this rental, even though there is sufficient water to supply the entire amount authorized for this rental.
19. Consistent with Section 42-234(5), Idaho Code, seepage from canals and associated ponds incidental to or coincident with delivery of irrigation water shall not be considered ground water recharge under this rental. Canal seepage will be considered to be ground water recharge only when the canals are not conveying water for irrigation or other beneficial uses.
20. Use of water under this agreement 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, the water rights being rented are within State Water District No. 01.

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKRECEIVED
JAN 12 2021
DEPARTMENT OF
WATER RESOURCESApplicant Name: Teton Island Feeder Canal Company

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

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- 2 ☒ A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
- 3A ☐ ☒ Detailed information on a proposed use of rental water
- 3F ☒ ☐ Authorization from the owner/operator of the rental point(s) of diversion
- 3H ☒ ☐ Water modeling to account for the impacts of the rental request
- 3J ☒ ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre
- 3K ☐ ☒ Authorization from the owner/operator of the property at the proposed rental place(s) of use
- 4B ☒ ☐ Explanation of how the rental water will sufficiently accomplish your rental purposes
- 4C ☒ ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

22-288	22-589	22-12695	22-12697
22-571	22-12694	22-12696	

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Teton Island Feeder Canal Company

Mailing Address 386 North 2400 East St. Anthony Idaho 83445
Street City State Zip Code
 Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

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 Aaron Dalling Professional Title 208-624-3381
 Organization FMID Relationship to Applicant _____
 Mailing Address PO BOX 15 St. Anthony, Idaho 83445
 Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

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 propose to rent our own natural flow water associated with acres that are not currently being irrigated back from the Water Supply Bank and recharge the water into the aquifer. We would like to recharge the water associated with 79.9 acres in our irrigated place of use that are not currently being irrigated in 2021.

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)
5.06 CFS	840 AF	CFS	AF	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.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
5/1/2021	10/31/2025	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

STATE OF IDAHO
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):

The water will be diverted at the Teton Island Feeder Canal diversion and will be delivered to Sunset Lake and Cornelson Pond (See attachment 2)

- 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
TIFCC Headgate	North Fork Teton River	None

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 _____ (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: Aquifer Recharge from: 04/01 (mm/dd) to: 10/31 (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.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☐ No ☒
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:
None

**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)
22-288	Irrigation	.46	76.1	7.2		.03	4	.42
22-571	Irrigation	.48	79.9	7.6		.03	5	.45
22-589	Irrigation	3.63	601.8	57.2		.21	36	3.37
22-12694	Irrigation	1.73	286.6	27.2		.10	17	1.6
22-12695	Irrigation	11.03	1830.1	174		.65	108	10.27
22-12696	Irrigation	35.01	5811.9	552.5		2.07	343	32.60
22-12697	Irrigation	33.47	5556.0	528.2		1.97	328	31.16
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	5.06	840	79.9
						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 sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

N/A

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☒ No ☐

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

It is proposed the nature of use for the water associated with this lease be changed from irrigation to aquifer recharge for the 5 year term of the lease

STATE OF IDAHO
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.

Signature of Applicant

Printed Name of Applicant

Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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

**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 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 acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.



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

April 23, 2021

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY, ID 83445

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-12694, 22-288, 22-21695, 22-589B, 22-12696, 22-571 & 22-12697 AGREEMENT 489**

Dear Renter:

Please find enclosed a receipt in the amount of **\$1,806.40** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 903.2 acre-feet of water for ground water recharge 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, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right(s).

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

Enclosures: Receipt No. C110264
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office



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

April 8, 2021

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-12694, 22-288, 22-12695, 22-589B, 22-12696, 22-571, 22-12697,
AGREEMENT 489

*****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 **\$2,672.68** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 4,745.9 acre-feet. Since you are both the lessor and the renter of the right(s), **you are only obligated to pay the 10% administrative fee or \$2,672.68.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$2,672.68 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

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(s)

c: IDWR Front Desk

MEMORANDUM FOR AGREEMENT #489

To: Water Right(s) 22-288, 22-571, 22-589, 2212694, 22-12695, 22-12696 and 22-12697
From: Remington Buyer
Date: April 16, 2021
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: On January 12, 2021, IDWR received from the Teton Island Feeder Canal Company (TIFCC), an application to rent from the Water Supply Bank the leased extent of the above listed water rights, for the purposes of ground water recharge. It is proposed that ground water recharge will be accomplished by diverting water from the Teton River via TIFCC infrastructure, for delivery to "Sunset Lake" and "Cornelison Pond", where water will be ponded and allowed to settle into the ground.

This rental request was previously authorized under Rental Agreements 368 and 348. Rental Agreement 368 authorized a maximum diversion volume of 500 af for recharge purposes during 2019 and data from the applicant indicates approximately 337 af was recharged. Rental Agreement 348 authorized a maximum diversion volume of 1,500 af for recharge purposes during 2020 and data from the applicant indicates approximately 597 af was recharged. This new rental application proposes 840 af for recharge purposes for five years, beginning in 2021, and running through 2025.

After a rental for 840 af was approved for TIFCC, the canal company responded back with a request to adjust the rental down to 800 af. On April 16th, 2021, a rental for 800 af was reissued to them.

AUTHORITY TO FILE: The applications have been submitted by Rodney and Aaron Dalling, who respectively have represented themselves as the President and Executive Officer of the canal company. I was unable to discern the specific organizational structure of TIFCC, however it is assumed the Dallings hold the self-described positions with the canal company and are authorized to conduct administrative matters on behalf of the canal company.

Sunset Lake is located on lands owned by Sunset Lake Farms, LLC, while Cornelison Pond is located on lands owned by Keith and Karen Cornelison. Sunset Lake Farms, LLC is an incorporated business which lists Jeffrey, Sherri and Carol Parkison as manager and members, respectively. Documents confirming that TIFCC is authorized to conduct recharge using these ponds were provided by the Parkisons and Cornelisons. No concerns about the authority of the TIFCC to file this rental request.

WATER RIGHT VALIDITY: There are no storage water rights associated with the two ponds. Per applicant-provided information, the ponds have historically been filled to irrigate agricultural lands; effectively, prior to the irrigation season, canal water is delivered to the ponds for "subirrigation" (charging ground water tables), while during the irrigation season, water is spilled into the ponds as part of the management and operation of the canal system. The water rights proposed to be rented are the same water rights that authorize subirrigation and delivery of canal water to the ponds for irrigation purposes. No concerns about water right validity.

INJURY: Because recharge under this rental will be restricted to the two aforementioned ponds, which have historically received water during the irrigation season in past years, it is not apparent that any additional injury might occur by delivering recharge water to these ponds. Also, because the rental requests the delivery of water via the infrastructure system into which TIFCC water rights are typically diverted, it is not anticipated that this rental will cause injury through a change in return flows to downstream users. This rental will include a condition to acknowledge that water quality monitoring may be required. Because this requested rental use of water has twice been authorized during the past two years without any injury allegations arising, it is not foreseen that injury should occur under this rental request.

ENLARGEMENT OF USE: Because this rental proposes a change in nature of use, avoiding enlargement in the overall water use authorized for the rental requires consideration of the consumptive use extent of the leased portions of the TIFCC irrigation water rights. Enlargement will be avoided if the consumptive use of water authorized for the recharge rental does not exceed the consumptive use volume limits set for the leased portions of the TIFCC water rights. Similarly, enlargement will also be avoided if the overall diversion volume of the rental does not exceed the diversion volume limits set for the TIFCC water right lease.

Validating that no enlargement will occur under this rental requires evaluating consumptive and overall diversionary volumes of water associated with TIFCC irrigation practices, as well as consumptive and diversionary volumes attributable to recharge activities proposed for the rental. Consistent with previous reviews of rental requests for ground water recharge, an analysis was conducted by IDWR's Hydrology Section to ascertain the overall and consumptive use diversion volumes associated with irrigation of lands within TIFCC's service area during recent years. The report, titled: **Determining Irrigation Water Volume Diversions Associated with Lease Contract 1364**, affirmed that during the most recent five year period (from 2016 through 2020), a maximum of 9,584.7 acres were irrigated within the canal company service area in 2020, in which 21,357.8 af was consumptively used, from an overall diversion volume of 29,900.9 af, providing a per-acre consumptive use value of 2.2 afa/ac, and a per-acre overall diversion volume of 3.1 afa/ac.

The water rights authorize a maximum irrigation volume of 3.5 afa/ac, as measured at the field headgate so the total amount available for rent listed on lease contract 1364 is calculated from this per acre volume. TIFCC desires to recharge 800 af which can be diverted exclusively for ground water recharge without inducing enlargement of the rights being rented if an equal proportion of each right is rented. Further, based on a calculated, historic per-acre consumptive use volume of 2.2 afa/ac, no enlargement should occur provided no more than 903.2 af of water is diverted into the canal system for recharge rental activities (903.2 afa for irrigation of 258.1 acres is 3.5 afa/ac).

Per IDWR's 2019 evaluation of Sunset Lake and Cornelison Pond, it was calculated that the maximum consumptive use of water (evaporative losses from the pond) associated with conducting recharge at these ponds should be 64.1 af/year. As such, no enlargement is evident based on a rental diversion volume of 800 af and a rental consumptive use volume of 567.7 af.

Finally, as was done under prior rental agreements for the applicant, this rental will authorize delivery of water to the ponds for recharge purposes six out of seven days a week, so that the historic delivery of water to these ponds for irrigation related purposes (approximately one day each week during the irrigation season) can continue without enlarging the water rights being rented. A condition will be included on the rental agreement to acknowledge this limitation.

LOCAL PUBLIC INTEREST: Staff have no information to suggest this rental is inconsistent with local public interests.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: Ground water recharge is a beneficial use of water. Staff have no information to suggest that a beneficial use will not occur under this rental request.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Comments were requested from IDWR's Eastern Regional Office and Water District 01 staff on March 5, 2021. No concerns were received.

WATER SUPPLY BANK RECOMMENDATION: Staff recommend approval of this rental request.