

NOV 10 2020

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESDEPARTMENT OF
WATER RESOURCES**WATER SUPPLY BANK LEASE CONTRACT No. 1088**

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

LESSOR: SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

SUPPORT DATA
IN FILE # 63-161BN

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 December 17, 2019.
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)
63-161BN	5/1/1866	BOISE RIVER, tributary to SNAKE RIVER	0.40	90	20.0
63-2932	3/16/1953	GROUND WATER	0.14	2	20.0
Combined Lease Totals			0.40	90.0	20.0

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

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2020 to December 31, 2024. 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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1088

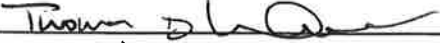
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right 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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WATER SUPPLY BANK LEASE CONTRACT No. 1088

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

LESSOR: SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

By 
Title President
Date 11/3/20

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 11/12/20

Lease approved by IDWR 

Date 11/12/20

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1088

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): 63-161BN

BOISE RIVER L 6NWNE Sec. 4 Twp 02N Rge 03E ADA County

Source and Location of Point(s) of Diversion for Water Right No(s): 63-2932

GROUND WATER SESW Sec. 33 Twp 03N Rge 03E ADA County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
63-161BN	IRRIGATION	03/01	to	11/15	0.40 cfs	90.0 AF
63-2932	IRRIGATION	03/01	to	11/15	0.14 cfs	2.0 AF
Totals:					0.40 cfs	90.0 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	03E	4		14.5 L7			26.0 L3	3.0 L4											43.5
03N	03E	29											0.5 L6						0.5
03N	03E	32		1.5 L2	31.5	4.0 L1	24.0	8.5		16.5					35.0	10.0		8.0	139.0
03N	03E	33										16.0	34.5	21.5					72.0

Total PPU Acres: 255.0

Idled Acres: 20.0

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).

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1088

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.
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. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
13. 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 may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
14. If the surface water right(s) appurtenant to the place of use is abandoned, forfeited, sold, transferred, leased or used on any other place of use, this right to divert ground water shall not be used without an approved transfer pursuant to Section 42-222, Idaho Code, or approval of the Department if a transfer is not required.
15. This right originated as all or part of right no. 30 in the Stewart Decree and the historic Boise River Water Masters records.
16. Diversion for irrigation under this water right prior to April 1 and after October 31 shall occur only as authorized by the Water District 63 Water Master and only when water is being released for flood control by the United States from the Lucky Peak Dam outlet under procedures and requirements for the Memorandum of Agreement between the U.S. Department of the Army and the U.S. Department of the Interior for Flood Control Operations of the Boise River Reservoirs, dated November 20, 1953, the Water Control Manual for Boise River Reservoirs dated April 1985 and any future amendments or revisions made thereto pursuant to state or federal procedures or law; provided that any such use of this water right prior to April 1 and after October 31 shall be subordinated to water rights for storage in Lucky Peak Reservoir, Lake Lowell, Arrowrock Reservoir, and/or Anderson Ranch Reservoir, as decreed in SRBA Case No. 39576.
17. The primary source of water for the irrigation of up to 141 acres of the Surprise Valley Development is to be provided from Boise River water via Water Right No. 63-161BN. This water right is to be utilized to the maximum extent during periods when it is available for diversion. The water right holder shall

STATE OF IDAHO
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WATER SUPPLY BANK LEASE CONTRACT No. 1088

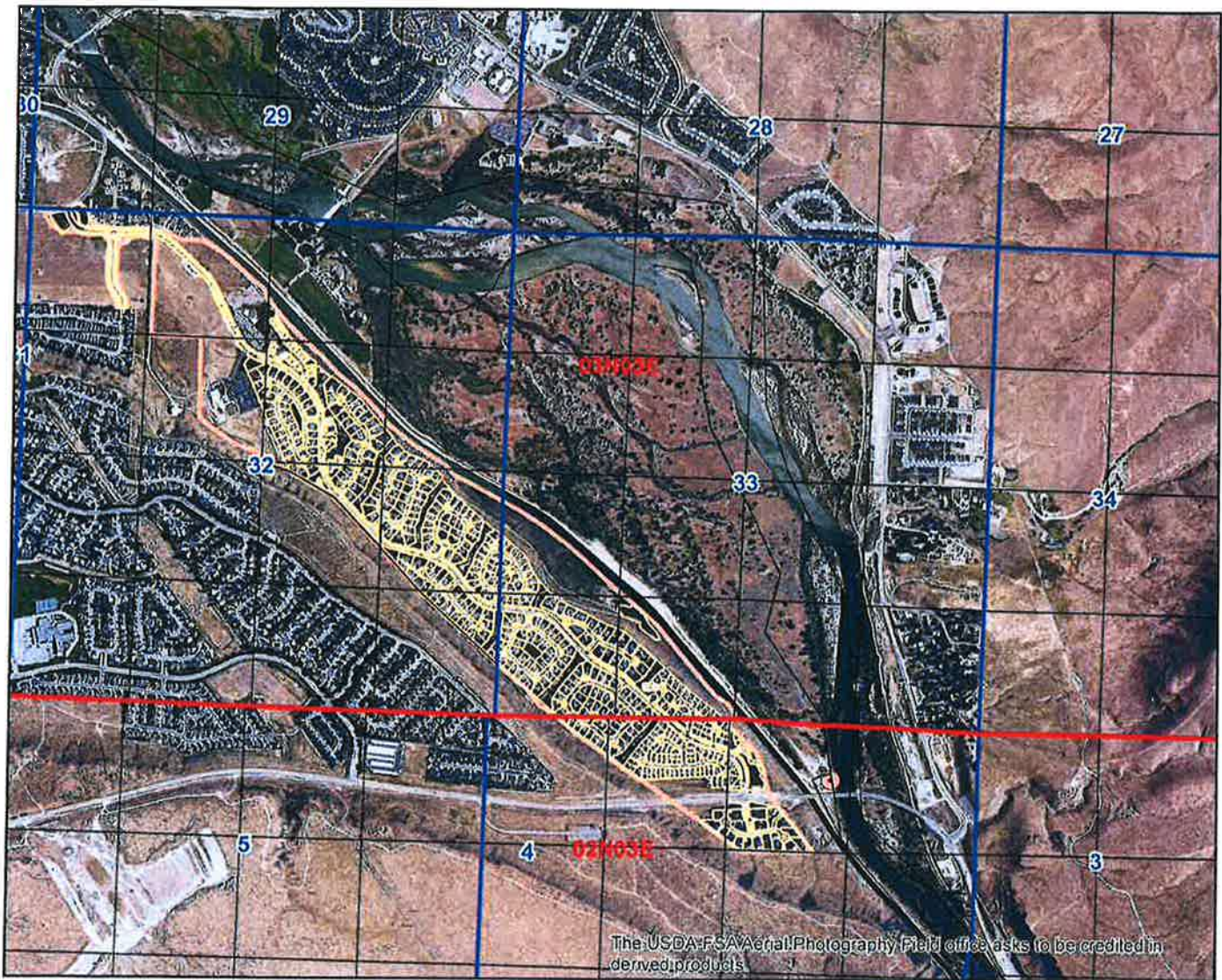
develop and maintain operational storage in the amount of 4.0 to 6.0 acre-feet to enable this water right to be used to satisfy diurnal fluctuations in rate of flow demands.

18. The secondary source of water for the irrigation of up to 141 acres of the Surprise Valley Development is to be provided by ground water via Water Right No. 63-2932. This water right is to be utilized only during periods when (1) full diversion under Water Right No. 63-161BN is inadequate to provide sufficient water to satisfy the irrigation requirements, and (2) during periods not to exceed seven (7) days per irrigation season when the surface water system becomes unoperational due to an unanticipated mechanical failure. The total annual diversion volume under Right No. 63-2932 (this right) shall not exceed 14.0 acre feet.
19. The right holder shall make full beneficial use of all surface water rights available to the right holder for irrigation of the lands authorized to be irrigated under this right. The right holder shall limit the diversion of ground water under this right to those times when the surface water supply is not available or the surface water supply is not reasonably sufficient to irrigate the place of use authorized under this right.
20. These rights when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for the irrigation of the lands above.
21. The unleased portions of these rights, when combined, are limited to 2.32 cfs and 522.0 af for the irrigation of 116 acres.
22. Diversion under right nos. 63-161BN & 63-2932 are subject to all prior water rights and is subject to delivery by the watermaster of Water District No. 63, Boise River and tributaries.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1088

63-1618N & 63-2932
Effective until December 31, 2024

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.



The USDA-FSA Aerial Photography Field Office asks to be credited in derived products

⊙ Approved Lease Point of Diversion

Approved Lease Place of Use

Township/Range

Sections

QQ



0 2,000 4,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

DEC 16 2019

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Surprise Valley HOA

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

Water Right No. 63-2932

(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 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Signatures and contact information for <i>all owners</i> of the water right to be leased or sold on this application. |
| 1B | <input type="checkbox"/> | <input checked="" type="checkbox"/> | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. |
| 1C | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <i>Notice of Change in Water Right Ownership</i> form (accessible from www.idwr.idaho.gov). |
| 1D | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Description of a water right portion offered to the Water Supply Bank. |
| 3 | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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 | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Written consent from irrigation district or water delivery company. |
| 4G | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code . |

Department Use Only

Fee Amount \$ <u>250.00</u>	Received By: <u>KM</u>	Date Received: <u>12-16-19</u>	Receipt # <u>C108101</u>
W-9 received? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> (Route W-9 to Fiscal)		Name on W-9:	

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

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 Surprise Valley HOA

Mailing Address <u>5240 S. Surprise Way</u>	Boise	ID	83716
Street	City	State	Zip Code

Email Address _____ Phone Number 208-368-0058

☒ 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 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.
Pump, pressurized irrigation system

- 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. Overlapping ground water right 63- 161BN (same portion also being re-submitted to bank)

- 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. _____

- 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. Subject water has been banked for the last 5 years under Lease Contract No. 265.

- 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.

- 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 ☒

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: 2020 to 2025 (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.



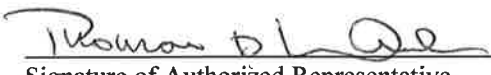
Signature of Designated Applicant

LOKI GRAVES

Printed Name

12/12/2019

Date



Signature of Authorized Representative

THOMAS D WUCHER

Printed Name

12/14/19

Date

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

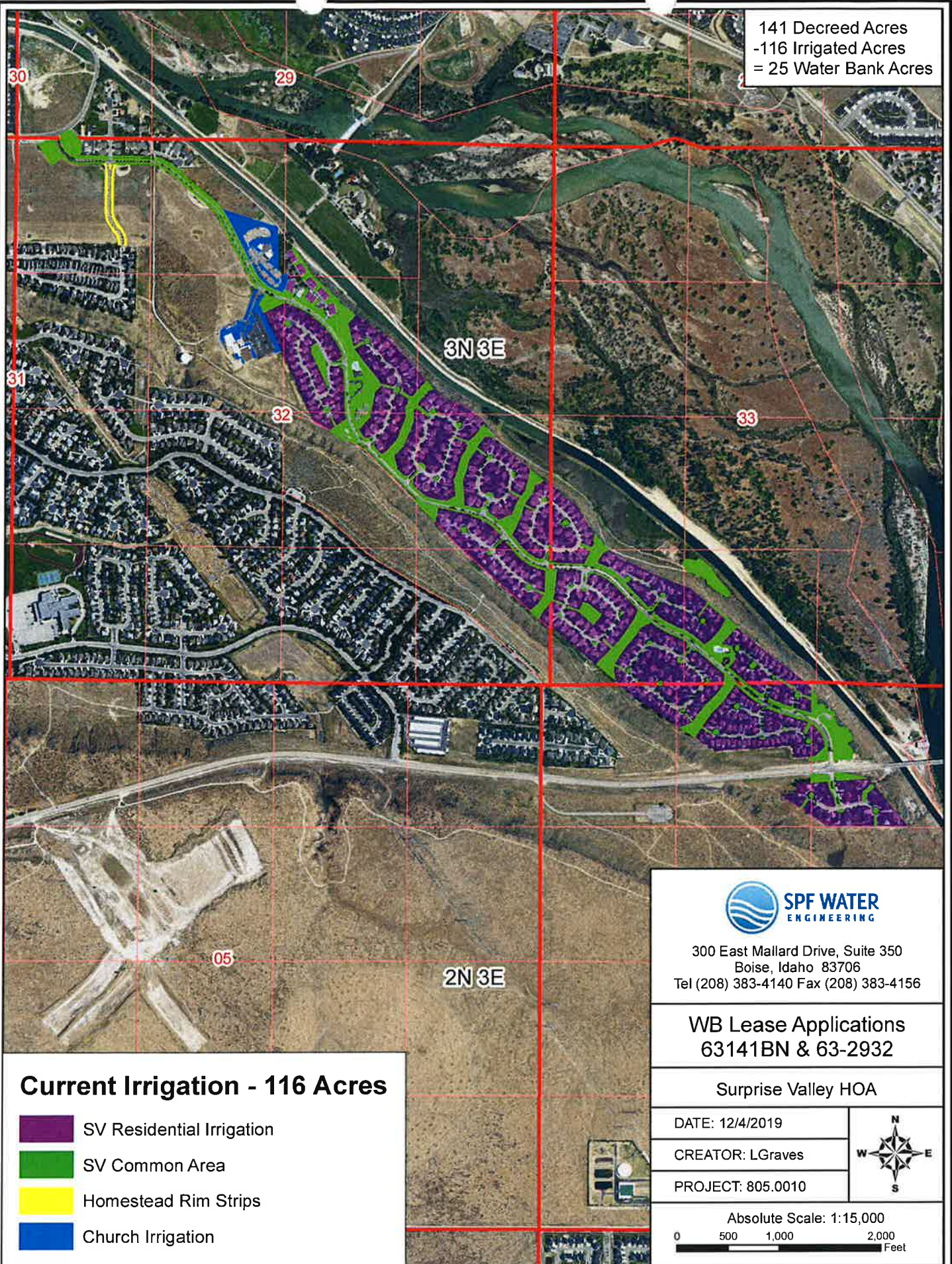
1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
63-2932	Irrigation	0.18	2.5	25
Total Amounts:		0.18	2.5	25

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
3N	3E	33			SE	SW	Ada

141 Deeded Acres
-116 Irrigated Acres
= 25 Water Bank Acres





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

November 13, 2020

SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

**RE: WATER SUPPLY BANK LEASE CONTRACTS 1088 & 1244
FOR WATER RIGHTS 63-161BN & 63-2932**

Dear Lessor:

Water rights **63-161BN & 63-2932** was leased into the Water Supply Bank (Bank) as of January 1, 2020, 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, 2024**, 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,

Amanda Johnson- Veibell

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Western Region
Water District 63
Lori Graves – SPF Water Engineering



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

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NOV 10 2020

**DEPARTMENT OF
WATER RESOURCES**

BRAD LITTLE
Governor

GARY SPACKMAN
Director

November 2, 2020

SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

**RE: APPLICATION TO LEASE WATER RIGHT 63-161BN & 63-2932 TO THE WATER SUPPLY
BANK**

CONTRACT 1088 & 1244

******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, 2024**, 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."

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

Sincerely,

Amanda Johnson Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108101

c. Lori Graves – SPF Water Engineering



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

November 2, 2020

SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

RE: APPLICATION TO LEASE WATER RIGHT 63-161BN & 63-2932 TO THE WATER SUPPLY BANK

CONTRACT 1088 & 1244

*****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, 2024**, 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."

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

Sincerely,

Amanda Johnson Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108101

c. Lori Graves – SPF Water Engineering



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

September 30, 2020

SURPRISE VALLEY HOA
5240 S SURPRISE WAY
BOISE, ID 83716

RE: APPLICATION TO LEASE WATER RIGHT 63-161BN & 63-2932 TO THE WATER SUPPLY BANK

CONTRACT 1088

******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.

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Sincerely,

Amanda Johnson- Veibell

for
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108101

c. Lori Graves – SPF Water Engineering

Hummer, Phill

From: Ferguson, Justin
Sent: Friday, September 18, 2020 12:16 PM
To: Miller, Nick
Subject: WSB Lease - Surprise Valley HOA
Attachments: Draft Lease Surprise Valley HOA.docx; Lease Review Memo.docx; Lease Surprise Valley HOA.pdf

Nick,

Attached are the draft map, memo, and contract for Surprise Valley HOA. Please let me know in the next several days if you have any comments or concerns

Thanks!

Justin

Memorandum

To: Water Rights 63-161BN & 63-2932

From: Justin Ferguson

Date: December 27, 2019

Re: Water Supply Bank Lease Application 1542

Purpose/Narrative: An application to lease portions of water rights 63-161BN and 63-2932 was received by the department December 2019. The portions offered for lease through 2024 have been previously leased to the Bank, beginning in 2009 through December 31, 2019.

The acreage is part of the Surprise Valley subdivision and the 25 acres being offered are not directly designated but are noted to be within the 255 acre place of use. A study provided by SPF Water Engineers indicates that of the acreage covered by homes, the average coverage is only 25% leaving 75% of each parcel irrigable. This value they were able to determine that 116 acres were needed and 25 could be offered for protection to the Bank.

Review of the study information and the most current data available the average coverage is closer to 27 acres. Including a generalized value for driveway coverage the total acreage covered with hardscape was approximately 53 acres. Because the two rights, after an approved 2010 transfer (no. 75967), are within a 255 acre PPU the total acreage can be calculated below:

	SqFt	Acres	Coverage	Coverage Percent
Total Acreage	1041678.0	23.9	109.1	10906.4
Average	2643.9	0.1	0.3	27.7

Driveway Hardscape 12' square For Single and 24' square for Double				
	SqFt		Acres	
W/Single	1098558.0	=	25.22	Acres TTL
W/Double	1269198.0	=	29.14	Acres TTL
			27.18	Average at 50% Single and Double
Roads		=	26.00	Acres
		Total	53.2	
		Decreed w/transfer	255.0	
		Remaining	201.8	
Amount irrigated as indicated in application			116.0	
		Remaining	85.8	

The remaining acreage has enough space such that they are able to still fully use the right regardless of the hardscaped area. This does not however take into account the total actual acreage irrigated. This information was provided by the applicant through the measured diversion rate and volume at the Micron headgate. Further data may be necessary to review the actual acres irrigated to prevent injury or enlargement.

After a phone call with their representative, the HOA would like to split the contract into two separate contracts. The first contract will be for 20 of the 25 initial acres proposed with the same duration while the second will be for the remaining five acres and only leased for a single year.

Authority to File: The applications were signed by Mr. Thomas Wicher and submitted on behalf of the Surprise Valley Homeowners Association by Lori Graves of SPF Water Engineering. Review of the Surprise Valley website indicates that Mr. Wicher is the President of the HOA. No concerns of validity at this time.

Water Right Validity/Forfeiture Evaluation: Initially water right 63-161BN was right no. 30 in the Stewart Decree and Boise River Water Masters records was decreed in 2007. 63-2932 was later developed as a supplemental ground water right for use when diversions under 63-161BN were inadequate or should there be a mechanical failure. Review of the previous leases indicate that only 25 acres have been protected from forfeiture through the Bank and 116 had been irrigated. Using satellite imagery it appears as if the acreage under the hardscape may be lost due to non-use. Further review is necessary to make a determination however, as there are not generally accepted beneficial uses for applying irrigation to hardscape and, there have only been 25 acres protected through the Bank, the actual size of the PPU may be closer to approximately 202 acres instead of the 255 decreed.

Injury Evaluation: No injury is apparent through the lease alone, conditions will be added to the approval such that the combined limits are preserved on the unleased portions of the two rights.

Enlargement of Use: Through this review it does not appear there is a concern of enlargement. Further review of the actual acres irrigated may be necessary such that the 116 acres indicated as irrigable through the study provided can be verified. Should there be more than 116 acres the applicant will have to adjust the amount offered for lease so that the total 141 acres is preserved.

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

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

Department/Watermaster Comments: Watermaster and IDWR Western Region comments were requested September 18, 2020, no concerns were received.

Water Supply Bank Evaluation: Based on the information presented by the applicant, staff recommend the application be approved.



SPF WATER
ENGINEERING

RECEIVED
DEC 16 2019
DEPARTMENT OF
WATER RESOURCES

December 12, 2019

Justin Ferguson
IDWR State Office
PO Box 83720
Boise, ID 83720-0098

Subject: Lease Contract Renewals; 63-161BN & 63-2932

Dear Clay,

Enclosed on behalf of SV Homeowners Association, Inc., are two lease application renewals for the water rights listed above that have been previously banked under Contract No. 265 that is set to expire December 31, 2019. An updated W-9 form is also included.

Check No. 5566 is enclosed for the \$500 filing fee. Please let me know if there are any questions. Thanks Justin.

Sincerely,

Lori Graves
Water Rights Specialist

Cc: Tom Wicher, SV Manager

Enclosures

SPF file number: 805.0010