



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

MIRACLE MILE LLC
4799 B RIVER ROAD
BUHL, ID 83316

RE: RETURNED APPLICATION(S) TO LEASE WATER RIGHT 47-7689 TO THE WATER SUPPLY BANK

Dear Applicant:

The Department received a letter dated October 30, 2020 from Ms. Cathy Brown, signed by Mr. James Reed, requesting a withdrawal of your application to lease water right 47-7689 to the Water Supply Bank. As such, your application has been withdrawn and, enclosed with this letter, is your original application

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

If you have questions regarding this matter, please contact me at (208) 287-4936.

A handwritten signature in dark ink, appearing to read 'JF', is positioned above the typed name of Justin Ferguson.

Justin Ferguson
Water Supply Bank Specialist

Enclosure: Original Lease Application

cc: Jonas Regan – Barker, Rosholt, & Simpson

RECEIVED

AUG 03 2020

DEPT OF WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED ✓

JUL 29 2020

DEPT OF WATER RESOURCES
SOUTHERN REGIONAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Miracle Mile LLC

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

Water Right No. 47-7689

(One water right per application)

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

Yes ☒ No ☐

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

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

Department Use Only

Fee Amount \$ 250-Received By: DMDate Received: 7-29-2020 Receipt # S038052W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: James C. Reed,
Miracle Mile LLCReturned
11/2/2020

1762

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 Miracle Mile LLC

Mailing Address 4799B River Road, Buhl, Idaho 83316

Street

City

State

Zip Code

Email Address james@onsenfarm.com

Phone Number 208-720-0673

☒ 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 Jonas Reagan

Organization Barker Rosholt & Simpson LLP

Professional Title Attorney

Email Address jreagan@idahowaters.com

Mailing Address P.O. Box 63, Twin Falls, Idaho 83303-0063

Phone Number 208-733-0700

☐ 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.

Artesian well to pipe distribution 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. N/A

- 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. The current POU will continue to use the portion of the water right not offered to the Water Supply Bank.

- 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. Applicant has diverted water for heating and recreational use during the past 5 years.

- 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.

- 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 ☒.

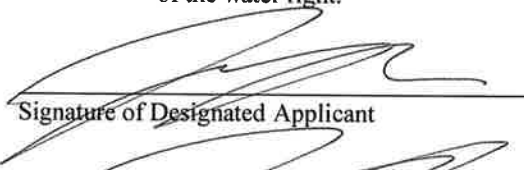
If lease, specify the years when the use of water will be suspended: 2020 to 2021 (maximum lease period 5 calendar years).
(Year) (Year)

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.
There is no payment required. Only the administration fee.

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

for Miracle Mile LLC

Printed Name

7.28.2020
Date


Signature of Authorized Representative

Jonas Reagan

Printed Name

7.28.2020
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

<u>Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>47-7689</u>	<u>Heating</u>	<u>0.037 cfs</u>	<u>15.3 af</u>	<u>N/A</u>
	<u>Recreation</u>	<u>.094 cfs</u>	<u>69.3 af</u>	<u>N/A</u>
	Total Amounts:	<u>.131 cfs</u>	<u>84.6</u>	

2. Source of water Groundwater tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
08S	14E	32			NW	SE	Twin Falls

State of Idaho
Department of Water Resources

Water Right
47-7689

HEATING

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.

14E



- Point of Diversion
- - - Place Of Use Boundary

- Townships
- PLS Sections
- Quarter Quarters

0 0.035 0.07 0.14 Miles



State of Idaho
Department of Water Resources

Water Right
47-7689




RECREATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.

14E



- Point of Diversion
- Place Of Use Boundary

-  Townships
-  PLS Sections
-  Quarter Quarters

0 0.035 0.07 0.14 Miles





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Miracle Mile LLC



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Results: 1

Form Info

Status

Filing Date

Agent

MIRACLE MILE,
LLC (347550)
*Limited Liability
Company (D)*



Inactive-Dissolved
(Administrative)

04/11/2012

NO
AGENT

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NOV 02 2020

DEPARTMENT OF
WATER RESOURCES

October 30, 2020

Justin Ferguson
Water Supply Bank Specialist
Idaho Department of Water Resources
322 E Front Street, Ste 648
PO Box 83720
Boise, ID 83720-0098
idwrinfo@idwr.idaho.gov

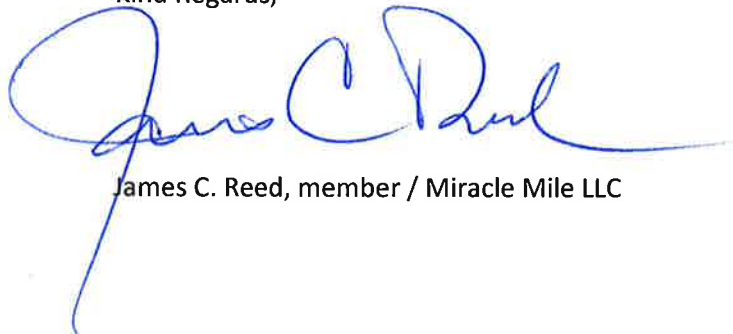
RE: Application to Lease Water Right #47-7689 / Water Supply Bank

Justin,

We are currently evaluating all of our options and have decided to withdraw the Application to Lease filed with the Water Supply Bank on July 29, 2020. We will refile in the future, if we decide to proceed.

Please let me know if you have any questions. Thank you for your time.

Kind Regards,

A handwritten signature in blue ink, appearing to read "James C. Reed", with a long horizontal flourish extending to the right.

James C. Reed, member / Miracle Mile LLC

RECEIVED

OCT 05 2020

DEPARTMENT OF
WATER RESOURCES

October 2, 2020

Justin Ferguson
Water Supply Bank Specialist
Idaho Department of Water Resources
322 E Front Street, Ste 648
PO Box 83720
Boise, ID 83720-0098
idwrinfo@idwr.idaho.gov

RE: Application to Lease Water Right 47-7689 / Water Supply Bank
Our Clients: Miracle Mile, LLC
Our File No. 13147-003

Mr. Ferguson:

In response to your letter dated September 3, 2020, regarding the Application to Lease Water Right 47-7689 to the Water Supply Bank by Miracle Mile, LLC, and your request for additional information, the responses are as follows:

1. Affirmation that the pond areas will not continue to receive any water, and that they will be dried up, or, if the ponds will continue to receive water, information as to how a reduction in recreation beneficial use will be measured such that enlargement or overuse of water does not occur:
 - Water Right 47-7689 includes the following amounts: 1) Heating (0.193 cfs) and 2) Recreation (0.094 cfs), for a total of 0.287 cfs.
 - Only a portion of these water rights are offered to the Bank. A summary of the amount of water rights available, compared to the amount of water rights offered to the Bank, is as follows:
 - Heating:
 - Water right amount: **0.193 cfs**
 - Less amount offered to the Bank: **0.037 cfs**
 - Amount reserved by Applicant: **0.156 cfs**
 - Recreation:
 - Water right amount: **0.094 cfs**
 - Less Amount offered to the Bank: **0.094 cfs**
 - Amount reserved by Applicant: **0.000 cfs**
 - In total, 0.156 cfs will remain with the Applicant and will not be offered to the Bank. As such, the ponds will continue to receive water.
 - Measurement of reduction in recreation beneficial use:
 - The reduction in recreation beneficial use will be measured using the flow measurement device currently in operation at the well. This will ensure that only 0.156 cfs is used by the Applicant, avoiding any enlargement or overuse of water.

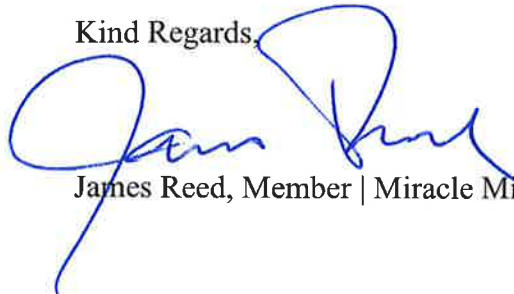
October 2, 2020

Page - 2

2. Information pertaining to the use of the water right for hydropower generation
 - a. Specifically how power will continue to be generated while the water right is being idled
 - The only power generated in connection with this water right is by photo-voltec panels.
 - Water Right 47-7689 does not permit the use of hydropower generation.
 - Installation of the micro-hydro system was done together with the installation of the photo-voltec panels because it was more economical to install the two systems simultaneously.
 - There is no intent to use the micro-hydro system at this time. If this ever changes, an application for a water right permitting hydropower use would first be submitted.
3. Confirmation of the identity of an individual who is an authorized agent for Miracle Mile LLC
 - I, James Reed, am an authorized agent for Miracle Mile, LLC.
 - Attached is the Reinstatement Annual Report for Miracle Mile, LLC filed with the Idaho Secretary of State on October 1, 2020, which lists me as a member of the LLC.

Thank you for your attention in this matter. Please let us know if you have any additional questions.

Kind Regards,



James Reed, Member | Miracle Mile, LLC



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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BRAD LITTLE
Governor

GARY SPACKMAN
Director

September 3, 2020

MIRACLE MILE LLC
4799B RIVER RD
BUHL, ID 83316

RESPONSE DEADLINE:
October 3, 2020

RE: Action Required on WSB Lease Application 1762

Dear Applicant,

The Department of Water Resources (Department) has conducted a preliminary review of your application to lease water right 47-7689 to the Water Supply Bank and determined that your application is incomplete. The following items are required to continue processing your application:

- Affirmation that the pond areas will not continue to receive any water, and that they will be dried up, or, if the ponds will continue to receive water, information as to how a reduction in recreation beneficial use will be measured such that enlargement or overuse of water does not occur,
- information pertaining to the use of the water right for hydropower generation
 - o specifically how power will continue to be generated while the water right is being idled
- Confirmation of the identity of an individual who is an authorized agent for Miracle Mile LLC,

To continue processing your application, our office requires documentation that the applicant is authorized to offer the water right to the Bank as well as how a reduction will be monitored to prevent overuse. Please provide us with the above requested information within 30 days (deadline of October 3, 2020), so that we can continue processing of your application. If we do not hear from you prior to the established deadline, your application will be returned and your filing fee refunded.

If you have any questions, please contact me at (208) 287-4936.

Regards,

Justin Ferguson
Water Supply Bank Specialist

cc: Jonas Regan – Barker, Rosholt, & Simpson