WATER SUPPLY BANK LEASE CONTRACT No. 1171

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

LESSOR:

LYNN J METCALF & VELMA L METCALF TRUST

3780 W 4050 N

MOORE, ID 83255-8744

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SEP 0 8 2020

DEPARTMENT OF WATER RESOURCES

RECITALS

- 1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
- 2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on March 05, 2020.
- 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)
34-713B	5/30/1885	BIG LOST RIVER, tributary to SINKS	0.12	Not Stated	6.0
Combined L	ease Totals		0.12	Not Stated	6.0

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
34-713B	0.12	21.0	6.0	0.02	3.5
Combined Limit Totals	0.12	21.0	6.0	0.02	3.5

^{*} The water right elements rentable have been reduced from the water right elements leased to account for a headgate standard of 3.5

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1171

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

WATER SUPPLY BANK LEASE CONTRACT No. 1171

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

LESSOR:	LYNN J METCALF & VELMA L METCALF TRUST	
	3780 W 4050 N	
0	MOORE, ID 83255-8744	*
By King	man J. Metado & Voluma L Metado	tal
Title Vis	man J. Metaal) & Voluma L Meta	towart (se
Date	4/2020	O
IDAHO WATE 322 East Front P.O. Box 8372 Boise, ID 8372	0	ماييا م
Brian Patton, A	cting Administrator	Date
Idaho Water Re	esource Board	

Lease approved by IDWR

WATER SUPPLY BANK LEASE CONTRACT No. 1171

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): 34-713B

BIG LOST RIVER NENESW Sec. 10 Twp 06N Rge 25E CUSTER County

		Seas	on of	Use	Diversion	Volumo
Water Right	Beneficial Use	From		То	Rate (CFS)	Volume (AF)
34-713B	IRRIGATION	5/01	to	10/15	0.12 cfs	Not Stated
				Totals:	0.12 cfs	Not Stated

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Pog	Sec		. N	Ε			N/	Ν			SI	N			S	E		T-4-1-
ΙΨΡ	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
06N	25E	11							6										6

Total Acres: 6

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 <u>not</u> use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
- 4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
- 5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
- 6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
- 7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
- 8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.

WATER SUPPLY BANK LEASE CONTRACT No. 1171

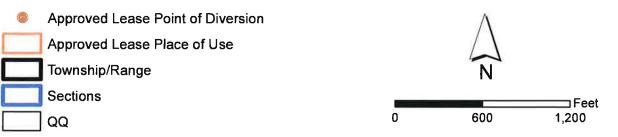
- 9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
- 10. If a water right leased 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. Water delivered through the Angelo Ditch
- 13. A measuring device of a type approved by IDWR shall be maintained as a part of the diverting works.
- 14. Pursuant to Idaho Code § 42-1412(6), this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.
- 15. This water right, when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use
- 16. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 34.

Idaho Water Resource Board Water Supply Bank Lease Contract No. 1171

34-713B 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.





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DEPARTMENT OF WATER RESOURCES

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

Water Right No. 34-7/3 8
(One water right per application) Velma L Metcalt **Designated Applicant** Yes No No Is this application being submitted with a rental application as a lease/rental package? 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. MIMUMUM REQUIREMENT CHECKLIST All items must be checked as either Attached (Yes) or Not Applicable (N/A) Yes M 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 M Attachment N/A Yes **1A** ablaSignatures and contact information for all owners of the water right to be leased or sold on this application. 54 1**B** An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant. Notice of Change in Water Right Ownership form (accessible from www.idwr.idaho.gov). 1C V \Box M 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. Description of a water right portion offered to the Water Supply Bank. ¥ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a 3 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 N 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** Name on W-9: Velma L. Metcalf. Fee Amount \$ 7 Received By: W-9 received? Yes No 🗌 (Route W-9 to Fiscal)

APPLICATION TO SELL OR LEASE A WATER RIGHT

(Continued)

A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased

1. CONTACT INFORMATION

	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 VELMA L. METCALF
	Mailing Address 3780 W 4050 N Moore ID 83255 Street City State Zip Code
	Mailing Address 3780 W 4050 N Moore ID 83255 Street City State Zip Code Email Address a/mf@Arenet. NeT Phone Number 208-604-3671
	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.
В.	Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes No I 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 In No In It 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 I 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 ANTIA L. FREEMONOrganization LYNN J. Metcalft Velma L. Metcalft
	Name of Representative ANTIA L. FREEMON Organization LYNN J. Metcalft Velma L. Metca
	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.
DE	SCRIPTION OF WATER RIGHT OFFERED TO THE BANK
Ø	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

2.

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**.

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.
	Switer DiTel, pump to sprinklers
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 BankNone
D	Are enve of the wester mights identified in Section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the control of the section 4C and a decided the section 4
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.
G.	Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes No X 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. Water right Leased to water bank
Н.	Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes No 1
Н.	

APPLICATION TO SELL OR LEASE A WATER RIGHT

(Continued)

5. SA	LE/LEASE AGREEMENT		
A.	Is the water right, or portion thereof, offer	red to the Idaho Water Resource Board (IWRB)	for sale or lease 2
	If lease, specify the years when the use o	f water will be suspended: 2020 to 2024 (mar) (Year)	naximum lease period 5 calendar years).
B.	Show the minimum payment acceptable t	to the seller/lessor. The minimum payment may b	e shown as the "current rental rate
	as established by the IWRB. Include the r	method of determining the minimum payment if o	other than the current rental rate.
I hereb	y assert that the information contained ties necessary to offer this water right fo	I in this application is true to the best of my or sale or lease to the Idaho Water Resource Bo	knowledge, and that I have the
	Designated Applicant acknowledges the f		
	1. Payment to the Designated Applicant	t is contingent upon the sale or rental of the water	right from the Bank.
		e seller/lessor of the water right may not use the	_
	3. A water right accepted into the E confirmation from the Board or Water	Bank stays in the Bank until the Designated or Supply Bank that the water right has been relea	Applicant receives written sed from the Bank.
	4. While a water right is in the Bank, for	rfeiture is stayed.	
	 Acceptance of a water right into the I of the water right. 	Bank does not, in itself, confirm the validity of the	e water right or any element
Signatur	e of Designated Applicant	Printed Name	Date
Ini	ta J. Dreeman	Anita L Freeman	3-2-20
Signatur	of Authorized Representative	Printed Name	Date

Mail to:

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

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant. If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s).	34-713B		

	Designated Applicant	Applicant #2	Applicant #3
Name	Velma L Metcalf		
Mailing Address	3780W 4050 N MUGRE, ID 83255		
Phone Number	208-588-3362		
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

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

	ght Number		Nature of		<u>Le</u>	ased Rate (cfs)	Leased Volume	Leased Acres
34-7	713B		rrigat	101	_	(011)	(d.)	
		-			-			
		Tota	l Amounts:		_			
	water B	ig Los	+ Riv	er	tril	butary to		
Twp	Rge	Sec	Lot	1/4	1/4	1/4	Count	у
061	25 E	13		NE	NE	3W	Custer	

R

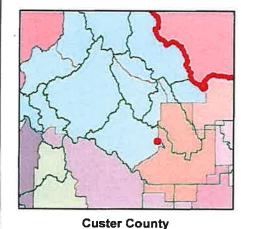
Idaho Department of Water Resources

Water Right 34-713b (IRRIGATION)



PLS Sections

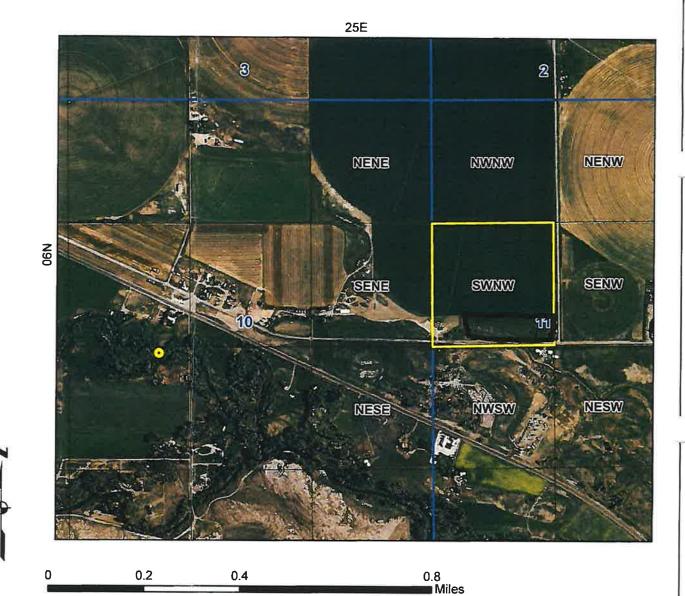
Quarter Quarters



IDWR Basin 34

Prepared by Mathews, Kerrie

2009 Aerial Photography





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DEPARTMENT OF WATER RESOURCES

DURABLE POWER OF ATTORNEY

Until I am certified as incapacitated as provided hereunder, this Power of Attorney shall have no force or effect. All authority granted in this Power of Attorney shall be subject to establishment of incapacity as provided hereunder. After this Power of Attorney becomes effective, it shall not be affected by any subsequent incapacity which I may hereafter suffer or the passage of time. For purposes of establishing incapacity, whenever two licensed, practicing medical doctors who are not related to me or to any beneficiary or heir at law by blood or marriage certify in writing that I am unable to manage my financial affairs because of mental or physical infirmity and the certificates are personally served upon me, then the agent named herein shall assume all powers granted in this Power of Attorney. However, even after receipt of the doctors' certificates, I retain the right to revoke this Power of Attorney at any time. Anyone dealing with the agent may rely upon written medical certificates or a photocopy of them presented to them along with the original or a certified copy of the Power of Attorney document and shall incur no liability for any dealings with any designated agent in good faith reliance on said certificates and the original or a certified copy of the Power of Attorney document. This provision is inserted in this document to encourage third parties to deal with my agent without the need for court proceedings. My agent shall not be entitled to compensation for serving in such capacity.

DESIGNATION OF AGENT

I, **VELMA L. METCALF**, of 3816 W 4050 N, Moore, Idaho 83255, (208) 588-3362, (referred to as "principal" or "my"), appoint **LYNN J. METCALF**, of 3816 W 4050 N, Moore, Idaho 83255, (208) 588-3362, my true and lawful attorney-in-fact, (hereinafter referred to as "agent") for me and in my name, to do any and all acts which I could do if personally present.

DESIGNATION OF SUCCESSOR AGENT(S)

If LYNN J. METCALF is unable or unwilling to act as agent then ANITA FREEMAN, of 3238 W 2600 N, Arco, Idaho 83201, (208) 527-3672, shall act with all rights and responsibilities given to the original agent. If ANITA FREEMAN, is unable or unwilling to act as agent then THEODORE J. CHRISTENSEN, of 37 Dortha, Blackfoot, Idaho 83221, (208) 785-2956, shall act with all rights and responsibilities given to the original agent. My agent(s) shall act without bond.

GRANT OF AUTHORITY

I grant my agent and any successor agent general authority to act for me with respect to the following subjects as defined in the Uniform Power of Attorney Act, Chapter 12, Title 15, Idaho Code and as illustrated below:

A. <u>REAL PROPERTY</u>. With regards to real property, the agent may: (1) Demand, buy, lease, receive, accept as a gift or as security for an extension of credit or otherwise acquire or reject an interest in real property or a right incident to real property; (2) Sell; exchange; convey with or without covenants, representations or warranties; quitclaim; release; surrender; retain title for security; encumber; partition; consent to partitioning; subject to an easement or covenant; subdivide; apply for zoning, rezoning or other





State of Idaho DEPARTMENT OF WATER RESCURCES

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 15, 2020

LYNN J METCALF & VELMA L METCALF TRUST 3780 W 4050 N MOORE, ID 83255-8744

RE:

WATER SUPPLY BANK LEASE CONTRACT 1171

FOR WATER RIGHTS 34-713B

Dear Lessor:

Water rights **34-713B** 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 <u>unused</u> 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 <u>bank@idwr.idaho.gov</u> or 208-287-4800.

Sincerely,

Amanda Johnson Veibell

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Water District No. 34



State of Ida... 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 4, 2020

LYNN J METCALF & VELMA L METCALF TRUST 3780 W 4050 N MOORE, ID 83255-8744

RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS 1171 FOR WATER RIGHT 34-713B

TIME SENSITIVE RESPONSE REQUIRED

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on August 21, 2020. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application will be returned, and the application fee will not be refunded. You can reapply to lease the water right in the future by submitting new application form along with applicable fees.

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 <u>Application for Extension of Time to Avoid Forfeiture of a Water Right</u> 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 this office at bank@idwr.idaho.gov or 287-4800.

Sincerely.

Amanda Johnson Veibell

for

Water Supply Bank



State of Ida 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 LITTL Governor

GARY SPACKMAN Director

August 21, 2020

LYNN J METCALF & VELMA L METCALF TRUST 3780 W 4050 N MOORE, ID 83255-8744

RE: APPLICATION TO LEASE WATER RIGHT 34-713B TO THE WATER SUPPLY BANK CONTRACT 1171

****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 <u>Request to Release a Water Right from the Bank</u> form. To propose a new lease period, submit a new <u>Application to Sell or Lease a Water Right to the Water Supply Bank</u> 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,

Water Supply Bank

Enclosures:

Proposed Lease Contracts

rolusa-Veibul

Receipt # C108394

Memorandum

To: Water Right 34-713B

From: Justin Ferguson

Date: May 28, 2020

Re: Water Supply Bank Lease Application

Purpose/Narrative: An application was received March 5, 2020 offering the full portion of water right 34-713B for lease to the Bank. The application was submitted on behalf of Velma Metcalf by her designated agent, a prior application had been returned for insufficient information relating to agents of the trust. The lease is a continuation of the prior lease beginning in 2014 through the end of 2018.

From a review of the place of use it appears this right will continue to be offered to the Bank as the acreage is being almost completely covered by another water right. It does not appear that the two have been comingled as the water right being used was moved to the place of use through a transfer while this right was being offered to the Bank. The overlapping water right comes from a different point of diversion and does not share any combined limits with this right, as such, we will not need to lease a portion of those as well to lease this right.

Authority to File: The application was signed by Ms. Anita Freeman on behalf of Ms. Metcalf. Per the documentation provided, Ms. Freeman is authorized to act as an agent for Ms. Metcalf. The previous application was signed by Mr. Christensen however, the power of attorney was not provided so the Bank was unaware as to how Mr. Christensen was connected to the Trust. As Ms. Freeman and Mr. Christensen are both names in the power of attorney for Ms. Metcalf there are no concerns at this time.

Water Right Validity/Forfeiture Evaluation: Initially the water right was decreed in 1997 and leased to the Bank in 2014 through 2018. During the prior review it was determined through aerial photography that the irrigation had taken place. During this review it was determined that the place of use does in fact still receive irrigation from the overlapping right. This may possibly mean that any vegetation may not be related to this water right however, as irrigation has taken place at the place of use for the water right we can consider it valid and acceptable for lease.

Injury Evaluation: No injury is apparent through the rental alone, it appears this right may be leased in perpetuity until such time it can be transferred as it does not appear it can be used at its current place of use.

Enlargement of Use: No evidence of enlargement through the lease alone, the water right place of use will continue to receive irrigation from the overlapping water rights. As they have not been comingled both can be accepted as primary and can be leased separately.

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: IDWR Eastern Region comments were requested May 28, 2020, ກວ ເພດເຂເດຣ໌ ພະເເ ເຂເຂ່ນເຝັ

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