WATER SUPPLY BANK LEASE CONTRACT No. 1192

This Lease Contract ("Lease") is between the Idaho Water Resource Board ("Board"), and C C E I V E D

LESSOR: JOHN BRANCA

1625 RIVER DR

JACKSON, WY 83001-8850

AUG 1 4 2020

DEFARTMENT OF SEDRICES RETAIN

SUPPORT DATA

RECITALS

NFILE# 1-10687

- 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 April 06, 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)
1-10687	3/14/1978	SNAKE RIVER, tributary to COLUMBIA RIVER	0.34	Not Stated	20.0
35-14650	4/22/1979	GROUND WATER	0.40	Not Stated	20.0
Combined L	ease Totals	***	0.74	Not Stated	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, 2021. 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.

WATER SUPPLY BANK LEASE CONTRACT No. 1192

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

LESSOR:	JOHN BRANCA	
	1625 RIVER DR	
By X	JACKSON, WY 83001-8850	
Title	Dwee	
Date	Lo Az 20	_

IDAHO WATER RESOURCE BOARD

322 East Front Street P.O. Box 83720 Boise. ID 83720-0098

Doise, 1D 03720-0090	1		
ву 15	Tatto	Date	08/31/20
Brian Patton, Acting Administrator Idaho Water Resource Board			п
Lease approved by IDWR	Flam	Date	08/31/20

WATER SUPPLY BANK LEASE CONTRACT No. 1192

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): 1-10687

SNAKE RIVER L 13NWNWSE Sec. 3 Twp 04N Rge 37E JEFFERSON County

Source and Location of Point(s) of Diversion for Water Right No(s): 35-14650

GROUND WATER NWSE Sec. 4 Twp 04N Rge 37E JEFFERSON County GROUND WATER L 5SWSW Sec. 3 Twp 04N Rge 37E JEFFERSON County

		Seas	on of	Use	Diversion	Volume (AF)
Water Right	Beneficial Use	From		То	Rate (CFS)	
1-10687	IRRIGATIO N	4/01	to	10/31	0.340 cfs	Not Stated
35-14650	IRRIGATIO N	4/01	to	10/31	0.400 cfs	Not Stated
				Totals:	0.74 cfs	

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Pna	Sec		N	E			N/	Ν			SI	Ν			S	E		Totala
TWP	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04N 378	275 2			6.5	6.0														
		ا م		L8	L7														00
104N	3/E	3		4	3.5														20
				L11	L12														

Total Acres: 20

ADDITIONAL CONDITIONS OF ACCEPTANCE

- 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.

WATER SUPPLY BANK LEASE CONTRACT No. 1192

- 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:
 - 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 is delivered through Tomchak B #1 pump.
- 13. A measuring device of a type approved by the Department shall be permanently installed and maintained as part of the diverting works.
- 14. The right holder must obtain adequate supplemental water for the irrigation season that natural flow is not available.
- 15. 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.
- 16. Use of water under right 1-10687 may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 01.
- 17. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 120.
- 18. Rights 1-10687 and 35-14650 when combined shall not exceed the irrigation of 20 acres.

Idaho Water Resource Board Water Supply Bank Lease Contract No. 1192

1-10687 & 35-14650 Effective until December 31, 2021

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.





Form 42-1761-1 10/15

STATE OF IDAHO WATER RESOURCE BOARD

RECEIVED

RECEIVED

APR 1 6 2920

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

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	Easte	m R	Brink	201000

DEFARTMENT OF WATER RESOURCES Designated Applicant	(Select one owner – see item)	A on the	Bran Call Water Right No.		right per application)
Is this application bein	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.

	MIMUMUM REQUIREMENT CHECKLIST All items must be checked as either Attached (Yes) or Not Applicable (N/A)						
		Yes	oms must be entered as entire	Anucheu (165) of Not Applicable (NA)	-		
			Completed Application to Sell or	Lease a Water Right to the Water Supply Bank.			
		Ø	application and the water rights rate or volume, the total fee for must be used to irrigate the sam	.00 per water right. If you are submitting more than one lease have an overlapping, common place of use, or a common diversion all water rights is \$500.00. For places of use, multiple water rights be lands in order to qualify for the joint filing fee. Individual filing to that share a common permissible place of use but which cover sible place of use.			
		Ø	Confirmation this form has been	printed single sided, per requirement of the Water Supply Bank.			
Attachment	N/A	Yes					
1A		Z	Signatures and contact informat application.	ion for all owners of the water right to be leased or sold on this			
1B			An Internal Revenue Service (IR	S) Form W-9 for the Designated Applicant.			
1C		Ø	Notice of Change in Water Right	Ownership form (accessible from www.idwr.idaho.gov).			
1D			represent the Designated Applic	orized representative and documentary proof they are authorized to ant on this application. If the Designated Applicant is a business, nization or association, include documents identifying officers f of the entity.	1		
2			Description of a water right portion	on offered to the Water Supply Bank.			
3			A map that clearly outlines the subeneficial use of water will be su on IDWR's website at: www.idw	specific location where irrigated acres will be dried up, or where a spended. You have the option of printing a map using the map tool r.idaho.gov.			
4A			Written consent from irrigation d	istrict or water delivery company.			
4G			Evidence demonstrating the water Code.	r right has not been forfeited pursuant to Section 42-222(2), Idaho			
Department Us	se Only				-		
Fee Amount \$	500.	00	Received By: M. Pottin	Date Received: 4-6-20 Receipt # E045802			
W-9 received?	Yes 🗹	No [Name on W-9: John C Brance III	**		



A.	This application must be complet by a Designated Applicant to the Water Supply Bank. If there are additional current owner to represent them on this application by completing and signing a	rs, those individuals must authorize the Designated Applicant Attachment 1A of this application package.
	Designated Applicant John C Brai	wca III
	Designated Applicant John C Brain Mailing Address 1625 E River Dr Street Email Address JCB 101702 MSW. Com	Jackson Wyo 83001 City State Zip Code A Phone Number 30, 7733 9208
	The Designated Applicant is the sole owner of the water rigit	tht being sold or leased to the Water Supply Bank.
	☐ The Designated Applicant is representing additional water ri	right holders who have completed Attachment 1A.
В.	Has the Designated Applicant submitted an IRS Form W-9 to this 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 cult no, attach a Notice of Change in Water Right Ownership form along the state of	
D.	Is this application being completed by an authorized representati If yes, representatives (includes employees of Designated Applicant cor of their authority to represent the Designated Applicant (Attachment 1D	impanies) must complete this section and submit documentary proof
	Name of Representative Or	rganization
	Professional Title En	mail Address
	Mailing Address	Phone Number
	Send all correspondence for this application to the represent	tative and not to the Designated Applicant.
	☐ Send original correspondence to the Designated Applicant a	and copies to the representative.
DE	ESCRIPTION OF WATER RIGHT OFFERED TO THE BANK	K
	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.	g.

3. MAP

2.

CONTACT INFORMATION

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 <u>Section 42-108, Idaho Code</u> and <u>IDAPA WSB Rule 37.02.03.25.02e</u> .						
В.	Please provide a description of the current water diversion and delivery system. Society Pipe + hra 5-5 divisso-						
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.						
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 Volume 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.						
Н.	Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes No.						

STATE OF IDAHO WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT

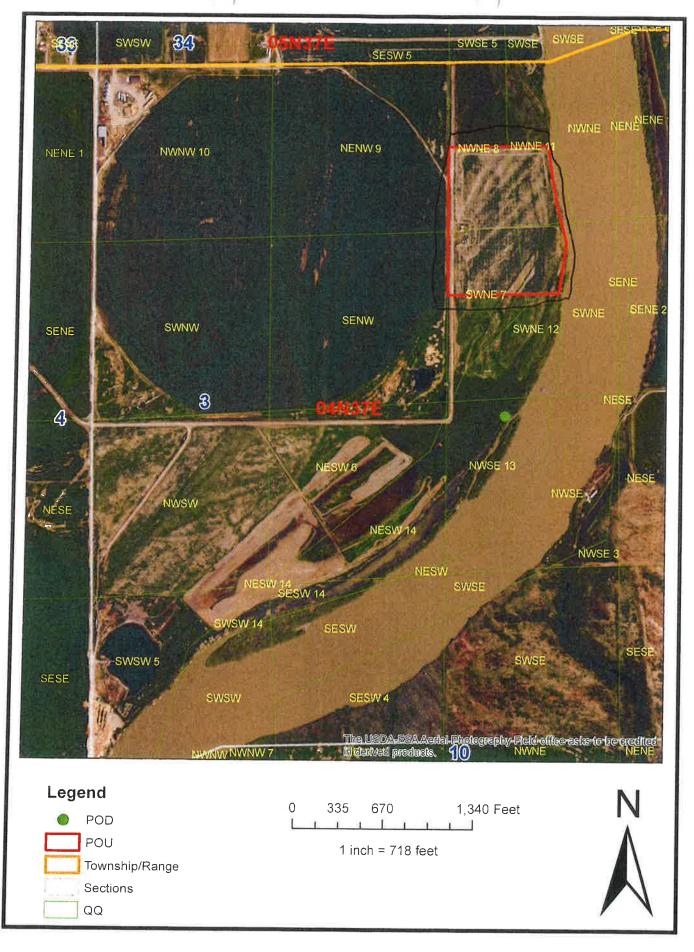
(Continued)

5.	SA	LE/LEASE AGREEMENT		
	A.	Is the water right, or portion thereof, offered to the	ne Idaho Water Resource Board (IWRB) for sale 🔲 🤆	or lease 🗷?
		If lease, specify the years when the use of water	will be suspended: 20 to 21 (maximum lease (Year)	e period 5 calendar years).
	B.	Show the minimum payment acceptable to the se	ller/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	he current rental rate.
ī b	arah	w essert that the information contained in thi	a application is two to the best of my burney.	
aut	hori	ties necessary to offer this water right for sale o	s application is true to the best of my knowledg or lease to the Idaho Water Resource Board.	e, and that I have the
	The	e Designated Applicant acknowledges the followin	g:	
		1. Payment to the Designated Applicant is cont	ingent upon the sale or rental of the water right from	the Bank.
		2. While a water right is in the Bank, the seller/right is not rented from the Bank.	lessor of the water right may not use the water right,	even if the water
		3. A water right accepted into the Bank sta confirmation from the Board or Water Suppl	ays in the Bank until the Designated Applicant y Bank that the water right has been released from the	receives written ne Bank.
		4. While a water right is in the Bank, forfeiture	is stayed.	
		Acceptance of a water right into the Bank do of the water right.	es not, in itself, confirm the validity of the water rigi	ht or any element
_()	(P)	Tolac Branga III 2	24 mar 20
Sign	aupl		red Name Dat	
Sign	atur	re of Authorized Representative Print	red Name Dat	te

Mail to:

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

Water Right 01-10687





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

August 31, 2020

JOHN BRANCA 1625 RIVER DR JACKSON, WY 83301-8850

RE: WATER SUPPLY BANK LEASE CONTRACT 1192

FOR WATER RIGHTS 1-10687 & 35-14650

Dear Lessor:

Water rights 1-10687 & 35-14650 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, 2021**, 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

Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Water District No. 1 &120



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

August 7, 2020

JOHN BRANCA 1625 RIVER DR JACKSON, WY 83301-8850

RE: APPLICATION TO LEASE WATER RIGHT 1-10687, 35-14650 TO THE WATER SUPPLY BANK CONTRACT 1192

****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, 2021**, 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

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Memorandum

To: Water Right 1-10687 & 35-14650

From: Justin Ferguson Date: April 29, 2020

Re: Water Supply Bank Lease Application 1699

Purpose/Narrative: An application was received by the Department April 6, 2020 from Mr. John Branca III offering the full portions of 1-10687 & 35-14650 for lease to the Bank through the end of 2021. The water rights are a split from 35-7720 which was previously leased to the Bank by PT Elliot through the end of 2020. It appears the acreage is being split into smaller parcels and sold along with the water rights, it can be inferred that the Department will received more ownership changes and split requests from the parent right, 35-7720, in the future.

The rights authorize diversions from both the ground water and Snake River water, however there is not a condition that the surface must be used before the ground water. As such, the total combined limit of 20 acres can be met using either source.

Authority to File: The applications were signed and submitted by Mr. Branca, review of the Jefferson County Parcel data indicates Mr. Branca is the current land owner as well. No concerns at this time

Water Right Validity/Forfeiture Evaluation: The parent rights, 35-2270 and 1-7017 were decreed in 2004 and 2007 respectively. The ownership change and split took place in 2019 when it appears Mr. Branca took ownership of the acreage. Review of Sentinel and Climate Engine data indicates irrigation has occurred within the last five years at the historic place of use for these rights. No concerns at this time

Injury Evaluation: No injury is apparent however, proper rental review should protect against injury.

Enlargement of Use: No enlargement is evident as it appears the place of use will not receive irrigation from any other source. Preservation of the overall combined acre limit and source should be evaluated should the rights be rented.

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 Southern Region comments were requested

Water Supply Bank Evaluation: Based on the information presented by the applicant, staff recommend the application be approved through 2021 for Mr. Branca.