

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 410

This is to certify that:

LANCE AND/OR LISA FUNK PARTNERSHIP
PO BOX 310
AMERICAN FLS, ID 83211-0310

RECEIVED
MAY 18 2020
DEPARTMENT OF
WATER RESOURCES

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
35-7789	2/16/1978	GROUND WATER	0.93	220	55.0	0.02	4.0
Combined Rental Totals			0.93	220	55.0	0.02	4.0

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2024. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2020, whichever occurs last.

Annual Rental Fee:

2020 - 2022: \$440.00 annually
2023 - 2024: \$506.00 annually

The full fee for the rental of the above-described right(s) is \$440.00 per year for years 2020 - 2022 and \$506.00 per year for years 2023 - 2024. The rental fee includes an administrative fee of \$440.00 per year for years 2020 - 2022 and \$506.00 per year for years 2023 - 2024. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 35-7789.

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

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 410

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:



Signature of Renter _____ Date _____

Printed Name _____ Title _____

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.


By _____ Date 7-2-20
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR  _____ Date 7-2-20

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 410

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SWNE Sec. 24, Twp 07S, Rge 30E, POWER County

<u>BENEFICIAL USE</u>	<u>DIVERSION RATE</u>	<u>VOLUME</u>
IRRIGATION	1.10 CFS	220 AF

SEASON OF USE

From	To
4/1	10/31

RENTERS PLACE OF USE: 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	
07S	30E	24		26	29														55

Total Acres: 55

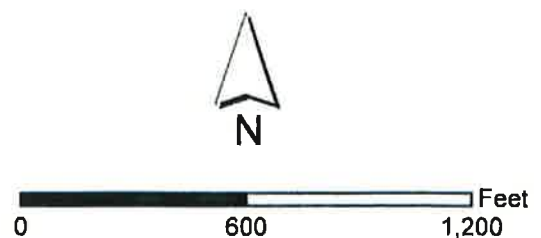
RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the place of use.
10. 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.
11. Upon specific notification of the Department, the renter shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 410

12. Prior to the diversion and use of water under this rental agreement, the renter shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
13. Prior to December 31 of each year, the Board may review this rental agreement to determine whether it is consistent with the management plan that may be approved for the Eastern Snake Plain Aquifer Ground Water Management Area ("ESPA GWMA Plan") pursuant to Idaho Code § 42-233b. The Board may cancel this rental agreement if the Board determines it is not consistent with the ESPA GWMA plan. If this rental agreement is canceled, the cancellation shall not take effect until December 31 of the year in which the rental agreement is canceled.
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 rental agreement does not authorize the construction of a well.



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

FEB 10 2020

DEPARTMENT OF
WATER RESOURCESApplicant Name: Lance and/or Lisa Funk

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

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

Completed *Application to Rent Water from the Board's Water Supply Bank*

Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

2



A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request

3A



Detailed information on a proposed use of rental water

3F



Authorization from the owner/operator of the rental point(s) of diversion

3H



Water modeling to account for the impacts of the rental request

3J



Documents justifying a rate of flow greater than 0.02 cfs/acre

3K



Authorization from the owner/operator of the property at the proposed rental place(s) of use

4B



Explanation of how the rental water will sufficiently accomplish your rental purposes

4C



Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

35-7789

1641

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Lance and/or Lisa Funk

Mailing Address PO Box 310 American Falls, Idaho 83211

Street

City

State

Zip Code

Email Address _____

Phone Number 208-226-5551

- B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Greg Sullivan

Professional Title Engineer

Organization Brockway Engineering

Relationship to Applicant Consultant

Mailing Address 2016 North Washington Street, Suite 4 Twin Falls, Idaho 83301

Email Address greg.sullivan@brockwayeng.com

Phone Number 208-736-8543

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

- A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Existing well, mainline and delivery system.

- B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
1.1 CFS	220 AF	1.1 CFS	220 AF	55 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

- C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
4/1/2020	7/1/2020	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Existing well, mainline and delivery system.

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
07S 30E Sec 24 SWNE	Ground Water	None

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒
If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☒ Irrigation 55 (number of acres) Duration: Subject to IDWR standard seasons of use
☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

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

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

None. This rental POD is in the same ESPA Model cell as the POD for water right 35-7789. Therefore, no ESPA Modeling is required.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
35-7789	Irrigation	4.68	936	234		1.1	220	55.0
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	1.1	220	55.0
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

N/A

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

Yes ☐ No ☒

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

Previous attempts to secure permanent water was protested and the transfer was ultimately withdrawn.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒

If yes, describe:

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

If yes, describe the date and location of the NOV.

- D. Additional Information

This rental POD is in the same ESPA Model cell as the POD for water right 35-7789. Therefore, no ESPA Modeling is required.

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

Signature of Applicant

Printed Name of Applicant

Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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



0 125 250 500 Feet

FUNK, LANCE

2020-2024 RENTAL
NAIP 2017 AERIAL

Legend

- POD Field 112
- Jahnke Rental



LIMITED POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENT:

I, Lance Funk and/or Lisa Funk, hereby nominate and appoint Greg Sullivan of Brockway Engineering as my attorney-in-fact with full authority to act for and on my behalf to undertake any and all acts or matters pertaining to Idaho Water Supply Bank applications and water right transfers before the Idaho Department of Water Resources for the following water right transactions:

All water rights, applications and transactions pertaining to water rights in which I own, applied for or have a security interest in Water Basin 35 of the State of Idaho.

in Power, Bingham County, Idaho. Additionally, I hereby ratify and confirm any and all such acts on matters as contemplated herein.

My agent is hereby authorized to sign, seal and deliver, as my act in deed, those said instruments of writing that may be necessary or proper to carry into execution and effect the applications, and transfers above-mentioned. Further, I hereby declare that each and every application, transfer, agreement, receipt, or payment which shall be by my said agent given, made or done for the aforesaid purposes shall be as good, valid, and effectual as if they had been signed, sealed, and delivered by me in my own proper person; and I hereby undertake at all times to ratify whatsoever my said agent shall lawfully do or cause to be done in or concerning the said premises by virtue of these present. This Limited Power of Attorney will become void upon my written request submitted to the Idaho Department of Water Resources.

Dated this 21ST day of FEBRUARY 2013.

Signature

Signature

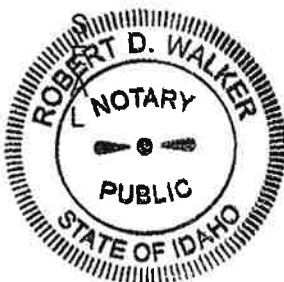
State of Idaho

County of POWER

SS.

On this 21ST Day of FEBRUARY, 2013, before me, a Notary Public in and for said County and State, personally appeared LANLE FUNK, known or identified to me to be the individual whose name and subscription to the within instrument, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public
In and for said State and County

11-7-2017
My Commission Expires



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

July 6, 2020

LANCE D FUNK
PO BOX 310
AMERICAN FALLS, ID 83211

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 35-14056, 35-14058, 35-7789, AGREEMENT 410, 409, 408**

Dear Renter:

Please find enclosed a receipt in the amount of **\$3,660.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental 410 of 200 acre-feet of water for irrigation of 55.0 acres, rental 409 of 696 acre-feet of water for irrigation of 174 acres, and rental 408 of 914.0 acre-feet of water for irrigation of 229 acres. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, the renter is obliged to pay only the 10% administrative fees associated with the above rentals.

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

Sincerely,


Amanda Johnson-Vibell
Water Supply Bank

Enclosures: Receipt No. C108777
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office
Blake Jordan – State Water District No. 120
Greg Sullivan – Brockway 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

May 7, 2020

LANCE D FUNK
PO BOX 310
AMERICAN FALLS, ID 83211

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 35-14056, 35-14058, 35-7789, AGREEMENTS 410, 409, 408**

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$1,828.00 was calculated for Agreement 408 based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 914.0 acre-feet.

A rental fee of \$1,392.00 was calculated for Agreement 409 based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 696.0 acre-feet.

A rental fee of \$440.00 was calculated for Agreement 410 based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 220.0 acre-feet.

Please send a check for \$3,660.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, the renter is obligated to pay only the 10% administrative fees associated with the above rentals.

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

Sincerely,


for Water Supply Bank

Enclosure

c: IDWR Front Desk
Greg Sullivan – Brockway Engineering

Memorandum

To: Water Right 35-7789

From: Justin Ferguson

Date: March 9, 2020

Re: Water Supply Bank Rental Application

Purpose/Narrative: An application was received from Brockway Engineering on behalf of Lance & Lisa Funk. The application has requested a rental of 55 acres to irrigate acreage owned by the Funks and was included in the lease/rental package using water rights held by Northern Agriculture. The remaining portion of 35-7789 will be used to fill this rental from the Northern Agriculture rights, no modeling is required at this time as Mr. Funk's place of use is directly adjacent to the historic place of use for the water right.

During the previous reviews it was found that there appears to be irrigation on the place of use for this water right. It was found that after the right was placed in the Bank, Mr. Funk acquired shares from the Aberdeen Springfield Canal Company and is using them to continue irrigation through a land and water use agreement with Norther Ag.

Authority to File: The applications were signed by Greg Sullivan of Brockway Engineering. Provided in the application documentation was a limited power of authority signed by Mr. Funk allowing Mr. Sullivan to sign documentation concerning IDWR on his behalf. No concerns at this time.

Water Right Validity/Forfeiture Evaluation: The leased water right is in the Bank and available to be rented. No concerns about its validity.

Injury Evaluation: No injury is apparent as the rental place of use is directly adjacent to the historic place of use. The area does not appear to be within the Trust Water boundary however it is within the ESPA modeling boundary. At this time the Bank does not require modeling for any rental within the same cell or any cell adjacent to the lease place of use. Mr. Funk's acreage falls within the same cell as the lease place of use and, as such, no modeling is required.

Enlargement of Use: No enlargement is evident through the rental. After the water right being requested was initially placed in the Bank, Mr. Funk acquired shares of the Aberdeen Springfield Canal Company and will continue to irrigate the lease place of use. As the two sources have never been comingled, the water right can remain a primary right without causing enlargement. No concerns at this time.

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

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

Department/Watermaster Comments: Watermaster and IDWR Eastern Region comments were requested March 9, 2020

Water Supply Bank Evaluation: Bank staff recommend the approval of this rental through 2024.

Ferguson, Justin

From: Ferguson, Justin
Sent: Monday, March 9, 2020 11:43 AM
To: Cefalo, James; Jordan, Blake
Subject: Water Supply Bank Lease/Rental Package - Northern Agriculture & Lance Funk
Attachments: Rental Review Memo.docx; Draft Agreement Lance & Lisa Funk 55 acres.docx; Rental Map Lance Funk - 55 Acres.pdf; Rental Review Memo.docx; Draft Agreement Lance & Lisa Funk 228.5 acres.docx; Rental Map Lance & Lisa Funk - 228.5 acres.pdf; Rental Review Memo.docx; Draft Agreement Lance & Lisa Funk 174 acres.docx; Rental Map Lance Funk - 174 acres.pdf; Lease Review Memo.docx; Draft Lease Northern Agriculture 35-7789.docx; Lease Northern Ag II 35-7789.pdf; Lease Review Memo.docx; Draft Lease Northern Agriculture 35-14056 & 35-14058.docx; Lease Northern Ag II 35-14056 & 35-14058.pdf

James, Blake,

Sorry there are so many attachments, I wanted to send the whole package together. I thought this may make it easier to review the whole picture of what Mr. Funk is proposing to rent with the Northern Ag water rights. Please let me know if you have any comments or concerns, IDWR will assume you do not object to this application if a timely response is not received

Thank you!



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

FEB 10 2020

DEPARTMENT OF
WATER RESOURCES

February 6, 2020

Remington Buyer
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Water Lease/Rental of 35-14056, 35-14058 and 35-7789

Dear Mr. Buyer:

Northern Agriculture II LLC desires to lease water rights 35-14056, 35-14058 and 35-7789 into the Idaho Water Supply Bank for the 2020, 2021, 2022, 2023 and 2024 irrigation season. The allowed irrigated acres under these water rights are to be rented to Lance Funk for the duration of the lease contract.

Lance Funk desires to rent 55.0 acres, 1.1 cfs and 220 afa from water right 35-7789 for five years. No ESPA model analysis was performed for this rental because the FROM and TO cells are the same for water right 35-7789 and the proposed POD.

Lance Funk desires to rent 174.0 acres, 3.48 cfs and 696 afa from water right 35-14056 for five years. The ESPA model analysis for this rental indicates that no mitigation is required.

Lance Funk desires to rent 228.5 acres, 4.56 cfs and 914 afa from water rights 35-14056, 35-14058 and 35-7789 for five years. The ESPA model analysis for this rental indicates that no mitigation is required.

Northern Agriculture II LLC and Lance Funk have entered into an agreement regarding the rental payment for water rights 35-14056, 35-14058 and 35-7789 over the next five years. Lance Funk agrees to pay the Idaho Water Supply Bank the annual 10% processing and rental fee. Northern Agriculture II LLC will not receive a rental payment from the Idaho Water Supply Bank for the duration of their lease contract.

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
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IDAHO 83301

208•736•8543

FAX: 736•8506

Sincerely,

A handwritten signature in cursive script, appearing to read "Greg Sullivan".

Greg Sullivan, M.S., Engineer

Cc: Lance Funk

Enc: Rental Applications, Lease Applications, Aerial Maps of Rental POU, ESPA
Model Analysis, Limited Power of Attorney, Contract of Agreement, Brockway
Engineering Check # 15751 for \$750.00

CONTRACT OF AGREEMENT

To Whom It May Concern,

Lance Funk and Northern Agriculture have in place a long term farm lease agreement or contract for property owned by Northern Agriculture. The contract includes the property, water rights and water distribution systems.

Lance Funk has agreed to pay the annual contract payment for 2020, 2021, 2022, 2023 and 2024. No additional fees are required by Northern Agriculture of Lance Funk for 2020, 2021, 2022, 2023 and 2024 from the Idaho Water Supply Bank.

Therefore, the rental payment of the 90% of the rental fees for water rights 35-7789, 35-14058 and 35-14056 for the years 2020, 2021, 2022, 2023 and 2024 have been paid in full. Lance Funk will pay the Idaho Water Supply Bank the 10% processing fee.

Northern Agriculture Representative:

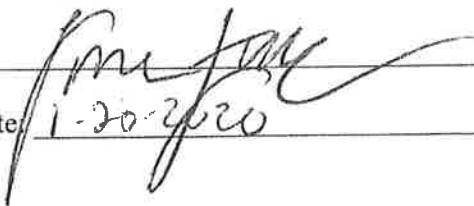
Jim Redmond-Agent for Northern Ag

Jim Redmond

Digitally signed by Jim Redmond
DN: cn=Jim Redmond, o=Hancock Farmland
Services, email=jredmond@hns.com, c=US
Date: 2020.01.10 17:39:57 -0700

Date: 1-10-2020

Lance Funk


Date: 1-20-2020