WATER SUPPLY BANK RENTAL AGREEMENT No. 399

RECEIVED

This is to certify that:

APR 1 7 2020

WILLIAM J MC MORROW REVOCABLE TRUST C/O KENNEDY WILSON
151 S EL CAMINO DR
BEVERLY HILLS, CA 90212

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)
37-276H	6/1/1885	BIG WOOD RIVER	0.06	10.5	3.0	0.02	3.5
Combined R	ental Totals	5	0.06	10.5	3.0	0.02	3.5

Term of Rental:

This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2020. 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:

\$210.00

The full fee for the rental of the above-described right(s) is \$210.00 for 2020. The rental fee includes an administrative fee of \$21.00 for 2020.

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.

RECEIVED APR 17 2020

WATER SUPPLY BANK RENTAL AGREEMENT No. 399

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:

CA	4-12-20
Signature of Renter	Date
WILLIAM J. McMarrow	
Printed Name	Title
*Title required if signing on behalf of a company or organize	zation or with power of attorney
Having determined that this agreement satisfied the provis 37.02.03.030 (Water Supply Bank Rule 30), for the rental provided, and none other, I hereby execute this Rental Ag Board.	and use of water under the terms and condition herein
By BRIAN PATTON, Acting Administrator Idaho Water Resource Board	Date 4 27 7070
Rental approved by IDWR Angula M. Gu	Date 4 27 2020

APR 17 2020 DEFARTMENT OF

WATER SUPPLY BANK RENTAL AGREEMENT No. 399

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

BIG WOOD RIVER

NESE

Sec. 10, Twp 05N, Rge 17E.

BLAINE County

BENEFICIAL USE

DIVERSION RATE

VOLUME

IRRIGATION

0.06 CFS

10.5 AF

SEASON OF USE

From

To

5/1 10/31

RENTERS PLACE OF USE: IRRIGATION

Twp	Dna	Sec		NE		NW		SW			SE			T					
Lwb	Rng	Sec	NE	NW	SW	SE	Totals												
05N	17E	10													3				3.0

Total Acres: 3.0

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 0.03 cfs per acre nor more than 3.5 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. 37.
- 11. Prior to diversion of water under this rental agreement, the renter shall install and maintain a measuring device and lockable controlling works of a type acceptable to the Department as part of the diverting works.

WATER SUPPLY BANK RENTAL AGREEMENT No. 399

12.	Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions
	necessary for the definition of the rights or for the efficient administration of water rights as determined by
	the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.
	•

Idaho Water Resource Board Attachment to Water Supply Bank Rental Agreement No. 399

Effective until December 31, 2020

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.





JAN 2 2 2020
DEPARTMENT OF WATER RESOURCES

APPLICATION TO RENT WATER FROM THE BOARD'S WATER SUPPLY BANK

Applicant Na	me: <u>V</u>	Villiam	J. McMorrow, Trustee of the William J. McMorrow Revocable Trust
Is this application of the second sec	ation l	being s mpanie	submitted with a lease application as a lease/rental package? Yes No v on water rights in Section 4
application and	must b	e incli	ompleted according to the minimum requirement checklist below. This checklist is part of the rental aded with the rental application. Applications that do not meet the minimum requirements will not be seue and may be returned until all minimum requirements have been met.
be processed as November 1 for in advance of applications ma	s early a r use in the pro ny be re	as Nov the ne- posed eturned	e submitted well in advance of the desired start date for the use of rental water. Rental applications may ember 1 of the year prior to the intended use of rental water. Any rental application received on or before xt year will be assigned a received date of November 1. Rental applications submitted more than one year start date for the use of rental water will not be accepted and will be returned to applicants. Rental to applicants if the desired start date for the use of rental water cannot be accommodated by the Water will not be accepted once the rental season of use period has concluded.
for each unique	benefi	cial use	eneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted a of water. One rental application can be submitted if you propose to rent water from multiple sources.
For additional in	nstruct	ions 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
		\checkmark	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	1		Detailed information on a proposed use of rental water
3 F	V		Authorization from the owner/operator of the rental point(s) of diversion
3Н	V		Water modeling to account for the impacts of the rental request
3 J	V		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	\checkmark		Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	V		Explanation of consumptive use amounts for water rights experiencing a change in nature of use
Department Us	e Only	– Prop	osed Water Right(s)
37-276H			



Application to Rent Water (Continued)

1.		ONTACT INFORMATION	-							
	A.	Applicant William J. M								
		Mailing Address C/O Ke	ennedy Wilson, 151 Sou				и			
			n@kennedywilson.com		City	Phone Number (310	State Zip Code (310) 887-6276			
	В,	If yes, representatives (provide their informatio	includes company employed in below if they desire to be	es if the applic	ative on behalf of the applicant? Yes No icant is a corporation, as well as legal counsel or consultants) shoul orrespondence with the rental applicant.					
		Representative James F			Professional Title attorney					
			Aanestad, A Profession		Relationship to Applicant attorney					
		Mailing Address PO Bo	ox 987, Ketchum, ID 83	340						
		Email Address jim@spe	eckandaanestad.com			Phone Number (20	08) 726-4421			
2.	MA	\P								
3.		Describe why you desire irrigation, describe in det additional sheets as requiresidential irrigation		escription o	f your proposed use. If the required. If the space be	ne proposed use is not for low is insufficient, attach				
	В.	Enter the desired and/or r	ninimum rates of flow, vo	olume, or irrig	gable acres 1	requested for your rental	Durnoses:			
		Desired Rate Desired Volume Minir		Minimun (Cubic Fee	n Rate*	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)			
		0.09 CFS	10.5 af		0.06 cfs	9.0 AF	3.0 AC			
		* Sometimes water right acceptable range of wa	s provide an exceptionally later sufficient for your prop	ow rate per act osed water use	re and/or low . Please see q	volume per acre. This sect question 4B and complete i	ion is meant to establish an f necessary.			
	C.	This section must be conwell as the number of ye would be willing to pay for	ears you would like to re	nt water. The	latest poss	ible start is the latest po-	for using rental water as ssible date by which you			

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?			
April 1	April 1 May 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.

Application to Rent Water (Continued)

D.	proposed place of use (POU):	n system and how rental water wi		point(s) of diversion (POD) to the							
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 Ri	ights Diverted from this POD							
	pump	Big Wood River		none							
	If the POD(s) above are located	d where water is turned into a car	nal, lateral or ditch, or i	f they are located on your property							
	but are serviced by water that	t is delivered via a canal, latera t canal companies, irrigation dis	or ditch, your rental	request must include documented very entities, confirming that they							
F.	Has documented consent from a If yes, include documented co	all relevant water delivery entities ansent as Attachment 3F.	peen obtained?	Yes N/A							
G.		estion 3E divert from a water sour Requirements Information Sheet to d									
H.	Has water modeling been provide If yes, label modeling Attacher Rental applications that require		ling is not provided.	Yes N/A							
I,	Specify the desired beneficial use of water and the requested season of use or number of acres required:										
	Irrigation3.0 (number of acres) Duration: Subject to IDWR standard seasons of use										
		(mm/dd) to: (m									
	Stockwater from:	(mm/dd) to:(m	m/dd)								
	Industrial from:	(mm/dd) to: (m	n/dd)								
				(mm/dd) to: (mm/dd)							
J.	If yes, justify the rate of flow		as Attachment 3J. Justifi	N/A Yes No Vication may include information on soil rate of 0.03 cfs/acre is permissible for							
K.		posed rental place of use (POU)?		Yes ✓ No 🗌							
	If no, attach documentation fr	om the POU owner/operator confirming	ng your authorization to use	e the POU and label it Attachment 3K.							
L.		from a municipal supplier, an irri		purpose, including privately owned ompany or any other water delivery							

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

Important Information: Di acre volume limits of the wa should review all water right available to satisfy a rental re Water rights identified below Rental requests for water provided with the rental re	ater right under lea nt lease contracts a	olumes sough	nt for rent r					
	w must either alrea rights not yet le equest. For leased i	ental docume dy be leased eased to the rights featurin	e rental agr nts are sear to the Banl Bank will g combined	Supply I eements to chable via cor a least be returned to limits, re	Bank. Pri to determ a IDWR' se propos rned if e entals mu	or to completing which elems website. al should according a companion leads to be consistent	ng this section, nents of a wate mpany this ren ase application	, applicants er right are tal request. ns are not
rate, volume or acre limits. C	Combined limits sho	ould be listed	on a row b	elow wate	er right nu	ımbers.		
Water Right Eler	ments Leased to	Water Supp	ly Bank		Lease	Water Supp	ly Bank Rent	al Request
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)	Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Diversion Rate (CFS)	Volume (AF)	Acres (AC)
37-276H	irrigation	0.08	N/A	3.9	, minus	0.06	N/A	3.0
					s wate			
					er righ s wate			
					nt eler er righ			
					ments			
					invo			
					ved ii avail			
					n activable f			
					ve or rer		-	
Applicants must ensure th	he requested rate	per acre and	l volume p	er acre	=	0.06	N/A	3.0
do not exceed the rate p rights leased to the Water		ume per acr	e limits o	water	TOTAL	CFS	AF	AC
*Attach multiple copies		above is insuf	ficient to list	all water	rights req			
B. If water right conditio duty of water (e.g., an sufficiently accomplish	unusually low rate	e per acre or v	olume per	acre for ir	rigation i	ise), explain ho	w your propos	sed rental wil
being rented if you	est propose to chan the water right(s) w have it, as well as th age and label it Attac l	ill be converted e new consum	d to new use	s. Include	the histor	ic, consumptive (

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 In the previous rental requests/agreements and explain why you have not secured a permanent water right for your needs: Rented 2.25A of 37-8372 in 2015. Rented 2.25A of 37-8372 and 0.5A of 37-7926 in 2016. Rented 3A of 37-159B								
	in 2017. Also rented 3A of 37-276h	H from 2016 through 2019. Have not located	a water right to purchase.						
В.	Have you or do you intend to submit a If yes, describe:	n application for permit or transfer proposing a si	imilar use as this rental? Yes \[\] No \[\subseteq \]						
C.	If yes, describe the date and locati	in response to a Notice of Violation (NOV) or a prion of the NOV. , 2014 resolved by Consent Order and Agree							
D.	Additional Information								
I hereby willful i underst all appl approva	misrepresentations made in this application is a and that if this rental application is a licable state and federal laws. I und al of a rental agreement. I also under	ned in this application is true to the best of my ication may result in rejection of the application approved, it will be subject to the provisions of derstand that the submission of a rental approstand that, per Idaho Code 42-201, it is unlaw ized to utilize water as proposed in this application.	ion or cancellation of an approval. I of Section 42-1766, Idaho Code and olication provides no guarantee for wful to divert or use water without a						
	ed rental agreement.		1-10-202						
Signatu	e of Applicant	William J. McMorrow, Trustee Printed Name of Applicant	Date						
Signatur	re of Representative	Printed Name of Representative	Date						

Mail to:

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



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

April 28, 2020

WILLIAM J MC MORROW REVOCABLE TRUST C/O KENNEDY WILSON 151 S EL CAMINO DR BEVERLY HILLS, CA 90212

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK

WATER RIGHT NO(S). 37-276H, AGREEMENT 399

Dear Renter:

Please find enclosed a receipt in the amount of \$210.00 and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 10.5 acre-feet of water for irrigation of 3 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, 90% or \$189.00 of the rental fee will be paid to the lessor(s) and 10% or \$21.00 will be retained by the Department to offset administrative costs.

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

Sincerely.

Water Supply Bank

Enclosures:

Receipt No. C108630

Rental Agreement (copy)

C:

Sascha Marston – Fiscal

Corey Skinner - IDWR Southern Regional Office

Kevin Lakey – State Water District No. 37

James Speck - Speck & Aanestad



State of Ic...ho 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 LITTLI Governor

April 2, 2020

GARY SPACKMAN
Director

WILLIAM J MC MORROW REVOCABLE TRUST C/O KENNEDY WILSON 151 S EL CAMINO DR BEVERLY HILLS, CA 90212

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK WATER RIGHT NOS. 37-267H, AGREEMENT 399

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 \$210.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 10.5 acre-feet.

Please send a check for \$210.00 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, 90% or \$189.00 of the rental fee will be paid to the lessor(s) and 10% or \$21.00 will be retained by the Department to offset administrative costs.

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

Sincerely,

Mater Supply Bank

Enclosure

c: IDWR Front Desk James Speck – Speck & Aanestad

Memorandum

To: Water Rights 37-276H

From: Justin Ferguson

Date: March 9, 2020

Re: Water Supply Bank Rental Application 1627

Purpose/Narrative: An application was received on behalf of the William McMorrow Trust on January 22, 2020, requesting a rental of 37-276H. This is in effect a renewal of their prior rental agreements requesting to rent for irrigation to help establish drought resistant vegetation on Mr. McMorrow's property. The prior rentals were in response to two previous NOVs issued by the Department (E2008-347 & E2014-661), this application, for only the 2020 season, seeks to supplement the surface water when it becomes unavailable through the later portion of the irrigation season.

Authority to File: The applications were signed by Mr. McMorrow and submitted by his representative, Jim Speck. Review of Blaine county parcel data indicate the Trust is the current owner for both the place of use and the point of diversion.

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 through the rental. Big Wood River surface water is being used to facilitate the rental and should not be a problem for the groundwater management area. No concerns at this time.

Enlargement of Use: No enlargement is evident through the rental as the ground water is intended to be supplemental to the surface when it becomes unavailable.

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 2020.

Ferguson, Justin

From: Ferguson, Justin

Sent: Monday, March 9, 2020 11:23 AM

To: Skinner, Corey; watermanager@cableone.net

Subject: Water Supply Bank Applications - McMorrow, Spalding, Beaver Springs HOA **Attachments:** Rental Map McMorrow Trust.pdf; Rental Review Memo.docx; Draft Agreement

McMorrow Trust.docx; Rental Review Memo.docx; Draft Agreement Beaver Springs HOA.docx; Rental Map Beaver Springs HOA.pdf; Rental Review Memo.docx; Rental Spalding Revocable Trust.pdf; Draft Rental Agreement Spalding Revocable Trust.docx; Lease Review Memo.docx; Draft Lease Contract Four Seasons HOA.docx; Four Seasons

HOA 37-8031.pdf

Morning!

Attached are the rental documents for William McMorrow, Beaver Springs HOA, and a lease/rental package from Helen Spalding/Four Seasons HOA. Please let me know if you have and comments or concerns, IDWR will assume you do not object to this application if a timely response is not received

Thank you!

RECEIVED

DEPARTMENT OF WATER RESOURCES

TELEPHONE (208)726-4421

FACSIMILE

(208)726-0752

JAN 2 2 2020

JAMES P. SPECK jim@speckandaanestad.com

DOUGLAS J. AANESTAD (retired)

SPECK & AANESTAD A PROFESSIONAL CORPORATION **ATTORNEYS**

120 EAST AVENUE NORTH P. O. BOX 987 **KETCHUM, IDAHO 83340**

January 20, 2020

Remington Buyer Water Supply Bank Coordinator Idaho Department of Water Resources 322 E. Front St. Boise, Idaho 83720-0098

> Application to Rent Water From the Board's Water Supply Bank Re: William J. McMorrow of the William J. McMorrow Revocable Trust

Dear Remington:

Enclosed you will find the original and one copy of the above-referenced Application.

Please receipt date-stamp the copy and return it to me in the postage prepaid selfaddressed envelope I have included for that purpose. Kindly call me right away if you have any questions about this Application.

Thank you.

Sincerely yours,

SPECK & AANESTAD A Professional Corporation

Enclosure

cc:

Client (w/enclosure) via Email