# WATER SUPPLY BANK LEASE CONTRACT No. 1122

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

LESSOR: PT ELLIOTT LLC

FEB 0 3 2020

DEPARTMENT OF WATER RESOURCES

RECEIVED

392 N 4500 E RIGBY, ID 83442-5596

## RECITALS

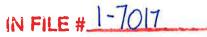
- 1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
- The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on January 03, 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:

| Water<br>Right No. | Priority<br>Date | Source                                      | Diversion<br>Rate (CFS) | Diversion<br>Volume<br>(AF) | Acres<br>(AC) |
|--------------------|------------------|---|-------------------------|-----------------------------|---------------|
| 1-7017             | 3/14/1978        | SNAKE RIVER, tributary to<br>COLUMBIA RIVER | 1.33                    | Not Stated                  | 78.7          |
| 35-7720            | 4/22/1979        | GROUND WATER                                | 1.57                    | Not Stated                  | 78.7          |
| Combined L         | imit Totals      |   | 2.90                    | 315.0                       | 78.7          |
| Combined L         | ease Totals      | SUPPORT DATA                                | 2.90                    | 315.0                       | 78.7          |

#### Summary of Water Rights or Portions Leased to the Bank



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, 2020. 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. 1122

- 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. 1122

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

| LESSOR: | PT ELLIOTT LLC       |
|---------|----------------------|
|         | 392 N 4500 E         |
| 0       | RIGBY, ID 83442-5596 |
| By      | Mythen CARLZITLAD    |
| Title   | UNHAGER              |
| Date/   | -21-2020             |

**IDAHO WATER RESOURCE BOARD** 322 East Front Street P.O. Box 83720 Boise, ID 83720-0098

Lease approved by IDWR

| By B.  | tatto |
|--|-------|
| Brian Patton, Acting Administrator<br>Idaho Water Resource Board |       |

Date 02/19/20

# WATER SUPPLY BANK LEASE CONTRACT No. 1122

### 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 o |                    |               |               |             |                  |
|-----------------------|--------------------|---------------|---------------|-------------|------------------|
| SNAKE RIVER           | L                  | Sec. 3        | Twp 04N       | Rge 37E     | JEFFERSON County |
|                       | 13NWNWSE           |               |               | -           |                  |
|                       |                    |               |               |             |                  |
| Source and Location o | f Point(s) of Dive | rsion for Wat | er Right No(s | s): 35-7720 |                  |
| 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<br>(AF) |  |
|-------------|----------------|-------|-------|---------|---------------|----------------|--|
| Water Right | Beneficial Use | From  |       | То      | Rate<br>(CFS) |                |  |
| 1-7017      | IRRIGATION     | 4/01  | to    | 10/31   | 1.33 cfs      | Not Stated     |  |
| 35-7720     | IRRIGATION     | 04/01 | to    | 10/31   | 1.57 cfs      | Not Stated     |  |
|             |                |       |       | Totals: | 2.90 cfs      | Not Stated     |  |

### PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION 1-7017

| Twp F | Rng  | Sec | NE |    | NW         |    |    | SW |    |    | SE         |      |            | <b>T</b> . (. ). |    |    |    |    |        |
|-------|------|-----|----|----|------------|----|----|----|----|----|------------|------|------------|------------------|----|----|----|----|--------|
| Twp   | Ting | Sec | NE | NW | SW         | SE | NE | NW | SW | SE | NE         | NW   | SW         | SE               | NE | NW | SW | SE | Totals |
| 04N   | 37E  | 3   |    |    | 5.7<br>L7  |    |    |    |    |    | 18.3<br>L6 | 38.0 | 2.3<br>L5  | 0.3<br>L14       |    |    |    |    | 64.6   |
| 04N   | 37E  | 3   |    |    | 4.6<br>L12 |    |    |    |    |    | 9.0<br>L14 |      | 0.5<br>L14 |                  |    |    |    |    | 14.1   |

Total Acres: 78.7

#### PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION 35-7720

| Twp | Png | Sec |    | N  | E    |    |    | N۱ | N  |    |      | S    | N   |    |    | S  |    |    | <b>T</b> |
|-----|-----|-----|----|----|------|----|----|----|----|----|------|------|-----|----|----|----|----|----|----------|
| Twp | Rng | Sec | NE | NW | SW   | SE | NE | NW | SW | SE | NE   | NW   | SW  | SE | NE | NW | SW | SE | Totals   |
| 04N | 37E | 2   |    |    | 11.7 |    |    |    |    |    | 25.0 | 40.0 | 2.0 |    |    |    |    |    | 70.7     |
|     | 572 | 3   |    |    | L7   |    |    |    |    |    | L6   |      | L5  |    |    |    |    |    | 78.7     |

Total Acres: 78.7

#### 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.

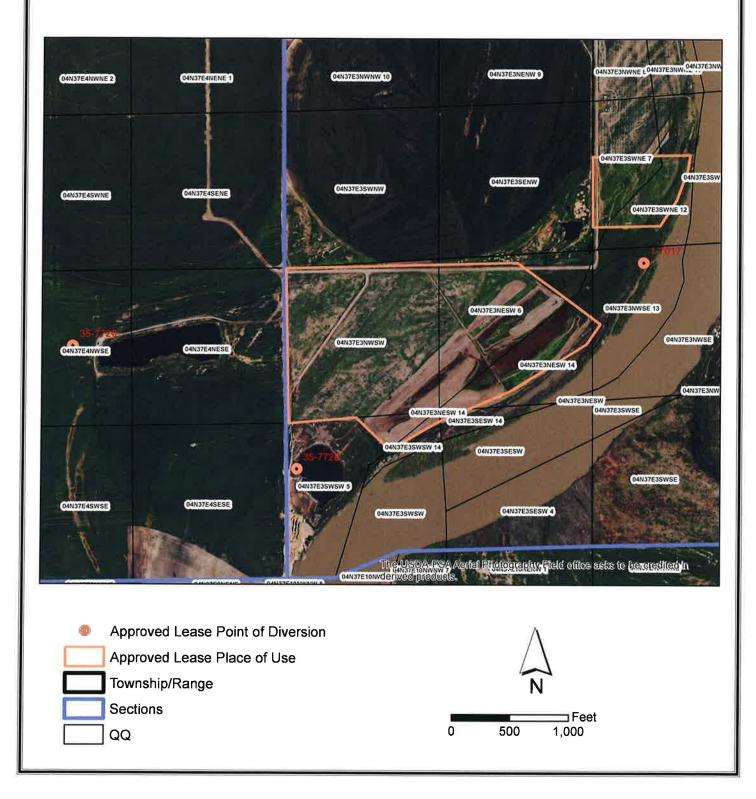
# WATER SUPPLY BANK LEASE CONTRACT No. 1122

- 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.
- 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. Use of this water right 35-7720 with all other rights is limited to a total combined annual diversion volume of 315 af at the field headgate for the lands below.
- 13. Water right 1-7017 is delivered through Tomchak B #1 pump.
- 14. The right holder must obtain adequate supplemental water for the irrigation season that natural flow is not available.
- 15. Use of water under water right 1-7017 is subject to control by the watermaster of State Water District No. 1, Snake River.
- 16. Use of water under water right 35-7720 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, water right 35-7720 is within State Water District No. 120.
- 17. A measuring device of a type approved by the Department shall be permanently installed and maintained as part of the diverting works.
- 18. Right Nos. 1-7017 and 35-7720 are limited to the irrigation of a combined total of 78.7 acres in a single irrigation season.

# Idaho Water Resource Board Water Supply Bank Lease Contract No. 1122

1-7017 & 35-7720 Effective until December 31, 2020

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.



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

JAN 0 3 2020

RECEIVED

DEPARTMENT OF WATER RESOURCES

| <b>Designated Applicant</b> | Carl Zitlau-manager PT Elliot LLC                   | Water Righ |
|-----------------------------|---|------------|
|                             | (Select one owner - see item 1A on the application) |            |

ht No. 1-7017 (One water right per application)

No 🗌

Yes 🗸

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 it       | ems must be checked as either  | Attached (Yes) or Not Applic   | cable (N/A)   |  |  |  |  |  |
|               |                               | Yes          |  |  |   |  |  |  |  |  |
|               |                               | $\checkmark$ | Completed Application to Sell or   | Lease a Water Right to the Water   | Supply Bank.  |  |  |  |  |  |
|               |                               |              | application and the water rights h<br>rate or volume, the total fee for a<br>must be used to irrigate the same             | ave an overlapping, common pla<br>ill water rights is \$500.00. For pla<br>e lands in order to qualify for the<br>s that share a common permissi   | submitting more than one lease<br>ace of use, or a common diversion<br>laces of use, multiple water rights<br>e joint filing fee. Individual filing<br>ble place of use but which cover |  |  |  |  |  |
|               |                               | $\checkmark$ | Confirmation this form has been p  | printed single sided, per requirem   | ent of the Water Supply Bank.   |  |  |  |  |  |
| Attachment    | N/A                           | Yes          |  |  |   |  |  |  |  |  |
| 1A            |                               |              | Signatures and contact information application.  | on for all owners of the water a   | right to be leased or sold on this  |  |  |  |  |  |
| 1B            |                               | $\checkmark$ | An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.   |  |   |  |  |  |  |  |
| 1C            | $\checkmark$                  |              | Notice of Change in Water Right Ownership form (accessible from www.idwr.idaho.gov).                                       |  |   |  |  |  |  |  |
| 1D            |                               | <b>√</b>     | represent the Designated Applica<br>partnership, municipality, organ   | Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity. |   |  |  |  |  |  |
| 2             | $\checkmark$                  |              | Description of a water right portio  | on offered to the Water Supply Ba  | ank.  |  |  |  |  |  |
| 3             |                               | V            | beneficial use of water will be sus  | A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.   |   |  |  |  |  |  |
| <b>4A</b>     |                               |              | Written consent from irrigation di   | strict or water delivery company.  |   |  |  |  |  |  |
| 4G            |                               |              | Evidence demonstrating the water right has not been forfeited pursuant to <u>Section 42-222(2), Idaho</u><br><u>Code</u> . |  |   |  |  |  |  |  |
| Department U  | se Only                       |              |  |  |   |  |  |  |  |  |
| Fee Amount \$ | 500                           | 94<br>1      | Received By: KM  | Date Received: 1-3-2020  | Receipt # C108192   |  |  |  |  |  |
| W-9 received? | Yes 🛃                         | No           | (Route W-9 to Fiscal)  |  | at 116  |  |  |  |  |  |

#### APPLICATION TO SELL OR LEASE A WATER RIGHT (Continued)

#### 1. CONTACT INFORMATION

A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

|    | Designated Applicant PT Elliott LLC  |                                 |                            |          |      |  |  |  |  |
|----|--|---------------------------------|----------------------------|----------|------|--|--|--|--|
|    | Mailing Address 392 N 4500 E   | Rigby,                          | Idaho                      | 83442    |      |  |  |  |  |
|    | Street   | City                            | State                      | Zip Code |      |  |  |  |  |
|    | Email Address carl.zitlau@gmail.com  | Phon                            | e Number 208-538-7140      |          |      |  |  |  |  |
|    | I The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply E   |                                 |                            |          |      |  |  |  |  |
|    | OR   |                                 |                            |          |      |  |  |  |  |
|    | The Designated Applicant is representing ad  | dditional water right holders v | who have completed Attachn | nent 1A. |      |  |  |  |  |
| B. | Has the Designated Applicant submitted an IRS If no, complete the form and attach to this application  |                                 | t within the last 2 years? | Yes 🖌    | No 🗌 |  |  |  |  |
| C. | Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes 🖌 No 🗌<br>If no, attach a <i>Notice of Change in Water Right Ownership</i> form along with the required documentation and fee (Attachment 1C).  |                                 |                            |          |      |  |  |  |  |
| D. | <ul> <li>Is this application being completed by an authorized representative of the Designated Applicant?</li> <li>Yes No V</li> <li>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).</li> </ul> |                                 |                            |          |      |  |  |  |  |
|    | Name of Representative   | Organization                    |                            |          |      |  |  |  |  |
|    | Professional Title   | Email Address                   |                            |          |      |  |  |  |  |
|    | Mailing Address  |                                 | Phone Number               |          |      |  |  |  |  |
|    | Send all correspondence for this application to the representative and not to the Designated Applicant.  |                                 |                            |          |      |  |  |  |  |
|    | OR   |                                 |                            |          |      |  |  |  |  |

Send original correspondence to the Designated Applicant and copies to the representative.

#### 2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

 $\checkmark$  The full water right is being offered to the Bank.

- OR
- A part of the water right is being offered to the Bank. If a portion of the water right is being offered, **complete Attachment 2**.

#### 3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map Attachment 3.

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>.

- B. Please provide a description of the current water diversion and delivery system. Ground water - pond
- 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. <u>35-7720</u>
- 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. 1.57 cfs
- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?

If yes, describe. Change in point of diversion Yes 🗸 No 🗌

## **APPLICATION TO SELL OR LEASE A WATER RIGHT**

(Continued)

#### 5. SALE/LEASE AGREEMENT

- A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale or lease ??
   If lease, specify the years when the use of water will be suspended: 2020 (Year) to 2020 (Maximum lease period 5 calendar years).
- B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate. current rental rate

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

- 1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
- 2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
- 3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
- 4. While a water right is in the Bank, forfeiture is stayed.
- 5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right?

Signature of Designated Applicant

Carl Zitlau

Printed Name

12-27-2019

Date

Signature of Authorized Representative

Printed Name

Date

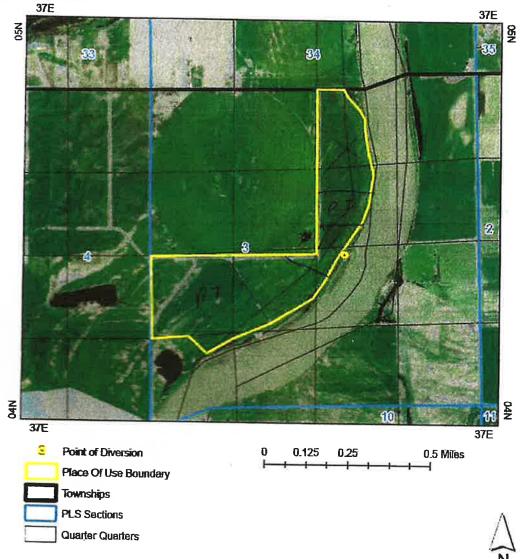
Mail to: Idaho Department of Water Resources P.O. Box 83720 Boise, ID 83720-0098

### State of Idaho Department of Water Resources

## Water Right 1-7017

#### IRRIGATION

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



PT ELLIOT TO IDAHO WATER CO. - OPTION AGREEMENT FOR PURCHASE AND SALE OF WATER RIGHTS



State of Idaho DEPARTMENT OF WATER RESOURCES 322 E Front Street, Suite 648 • PO Box 83720 • Boise 1D 83720-0098 Phone: (208) 287-4800 • Fax: (208) 287-6700 Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE Governor

February 24, 2020

GARY SPACKMAN Director

PT ELLIOTT LLC 392 N 4500 E RIGBY, ID 83342-5596

## RE: WATER SUPPLY BANK LEASE CONTRACT 1122 FOR WATER RIGHTS 1-7017, 35-7722

Dear Lessor:

Water rights 1-7017, 35-7722 were 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, 2020**, 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 <u>www.idwr.idaho.gov</u>. 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 287-4800.

Sincerely,

)almy /ater

Enclosure: Executed Lease Contract

c: James Cefalo - IDWR Eastern Region Toney Olenichak & Blake Jordan – Water District 01 & 120



 $\cap$ 

## Hersley, Jean

From: Sent: To: Subject: Jordan, Blake Monday, January 13, 2020 8:11 AM Hersley, Jean; Olenichak, Tony RE: WSB Lease for 1-7017 & 35-7720

Hi Jean, I have no issues with WSB lease

Blake

From: Hersley, Jean
Sent: Friday, January 10, 2020 9:15 AM
To: Olenichak, Tony <Tony.Olenichak@idwr.idaho.gov>; Jordan, Blake <Blake.Jordan@idwr.idaho.gov>
Subject: WSB Lease for 1-7017 & 35-7720

Please let me know within 7 days if you have any comments or concerns with the attached contract. Thank you.

Jean Hersley Idaho Dept Water Resources Technical Records Specialist II 208-287-4942



State of Idaho DEPAR MENT 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

January 10, 2020

GARY SPACKMAN Director

PT ELLIOTT LLC 392 N 4500 E RIGBY ID 83442-5596

## RE: APPLICATION TO LEASE WATER RIGHT 1-7017 & 35-7720 TO THE WATER SUPPLY BANK CONTRACT 1122

### \*\*\*\*TIME SENSITIVE RESPONSE REQUIRED\*\*\*

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the abovementioned water rights 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 rights will automatically be released from the Bank on **December 31**, **2020**, unless the rights are released earlier by the Board, or upon your request. To release the rights 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 <u>http://www.idwr.idaho.gov</u>. 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 <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."

If you have questions regarding this matter, please contact this office at 287-4800.

Sincerely,

Water Supply Bank

valer Supply Dank

Enclosures: Proposed Lease Contracts Receipt # C108192



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## Hersley, Jean

| From:        | Hersley, Jean  |
|--------------|--|
| Sent:        | Friday, January 10, 2020 9:15 AM   |
| To:          | Olenichak, Tony; Jordan, Blake   |
| Subject:     | WSB Lease for 1-7017 & 35-7720   |
| Attachments: | Idled Acres.pdf; Lease Application Review Checklist July 2017.xls; Report - Lease Contract - 1122.docx |

Please let me know within 7 days if you have any comments or concerns with the attached contract. Thank you.

Jean Hersley Idaho Dept Water Resources Technical Records Specialist II 208-287-4942







STATE OF IDAHO

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-FILED-

File #: 0003389221

Date Filed: 1/7/2019 11:41:56 AM

| Entity Name and Mailing Address:<br>PT ELLIOTT LLC  |                                      |                                 |  |  |  |
|---|--------------------------------------|---------------------------------|--|--|--|
| The file number of this entity on the records of the Idaho Secretary of State is:                     | 0000038741                           |                                 |  |  |  |
| Address   | 392 N 4500 E<br>RIGBY, ID 83442-5596 |                                 |  |  |  |
| Entity Details:   |                                      |                                 |  |  |  |
| Entity Status   | Active-Existing                      |                                 |  |  |  |
| This entity is organized under the laws of:   | IDAHO                                |                                 |  |  |  |
| If applicable, the old file number of this entity on the records of the Idaho Secretary of State was: | W7573                                |                                 |  |  |  |
| The registered agent on record is:  |                                      |                                 |  |  |  |
| Registered Agent  | CARL F ZITLAU<br>Registered Agent    |                                 |  |  |  |
|   | Physical Address                     |                                 |  |  |  |
|   | 392 N 4500 E<br>RIGBY, ID 83442      |                                 |  |  |  |
|   | Mailing Address                      |                                 |  |  |  |
| Limited Liability Company Managers and Members  |                                      |                                 |  |  |  |
| Names of managers or members  | Title                                | Address                         |  |  |  |
| CARL F ZITLAU   | Manager                              | 392 N 4500 E<br>RIGBY, ID 83442 |  |  |  |
|   | Manager                              | 392 N 4500 E<br>RIGBY, ID 83442 |  |  |  |
|   |                                      |                                 |  |  |  |
| The annual report must be signed by an authorized signer of the entity.                               |                                      |                                 |  |  |  |
| Carl Zitlau   |                                      | 01/07/2019                      |  |  |  |
| Sign Here   |                                      | Date                            |  |  |  |
| Signer's Capacity: Manager  |                                      |                                 |  |  |  |



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### Hersley, Jean

From: Sent: To: Subject: Jordan, Blake Thursday, January 09, 2020 2:52 PM Hersley, Jean RE: Transfer 83093 in the name of PT Elliot LLC

I have no issues with the applications being processed.

Blake

From: Hersley, Jean Sent: Thursday, January 9, 2020 2:40 PM To: Jordan, Blake <Blake.Jordan@idwr.idaho.gov>; Normandeau, Brian <Brian.Normandeau@idwr.idaho.gov> Subject: RE: Transfer 83093 in the name of PT Elliot LLC

Yes. The entirety of both rights.

Jean Hersley Idaho Dept Water Resources Technical Records Specialist II 208-287-4942

From: Jordan, Blake Sent: Thursday, January 09, 2020 2:38 PM To: Hersley, Jean <<u>Jean.Hersley@idwr.idaho.gov</u>>; Normandeau, Brian <<u>Brian.Normandeau@idwr.idaho.gov</u>> Subject: RE: Transfer 83093 in the name of PT Elliot LLC

HI Jean, Is PT Elliot also planning to lease water right 1-7017 into the WSB?

From: Hersley, Jean Sent: Thursday, January 9, 2020 12:42 PM To: Normandeau, Brian <<u>Brian.Normandeau@idwr.idaho.gov</u>> Cc: Jordan, Blake <<u>Blake.Jordan@idwr.idaho.gov</u>> Subject: Transfer 83093 in the name of PT Elliot LLC

PT Elliott LLC has submitted an application to lease the entire right, 35-7720 to the Bank for the 2020 season. Since the rate, volume and number of acres are not changing, would it be ok if I processed these applications?

Jean Hersley Idaho Dept Water Resources Technical Records Specialist II 208-287-4942