

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1014

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

LESSOR: ABERDEEN SPRINGFIELD CANAL CO
PO BOX 857
ABERDEEN, ID 83210

RECEIVED

AUG 09 2019

**DEPARTMENT OF
WATER RESOURCES**

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on April 10, 2019.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

NOW, THEREFORE, in consideration of the mutual covenants and contracts herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
35-2543	8/7/1958	GROUND WATER	3.20	1,358.4	Not Stated
Lease Totals			3.20	1,358.4	Not Stated

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
35-2543	3.20	1,358.4	339.6	0.01	4.0
Limit Totals	3.20	1,358.4	339.6	0.01	4.0

** The water right elements rentable have been calculated from the water right elements leased to account for acre limits based on the area headgate standard.*

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1014

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2019 to December 31, 2023. 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.
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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1014

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

LESSOR: ABERDEEN SPRINGFIELD CANAL CO
PO BOX 857

ABERDEEN, ID 83210

By [Signature]
Title General Manager
Date 8/5/2019

IDAHO WATER RESOURCE BOARD

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

By [Signature]
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 8/12/2019

Lease approved by IDWR [Signature]

Date 8-12-2019

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1014

**ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 35-2543

GROUND WATER NWNESW Sec. 11 Twp 05S Rge 31E BINGHAM County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
35-2543	IRRIGATION	04/01	to	10/31	3.20 cfs	1,358.4 AF
Totals:					3.20 cfs	1,358.4 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Place of use is within the area served by Aberdeen-Springfield Canal Company
Large POU: 61,772.6

Total Acres: 339.6

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
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.
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

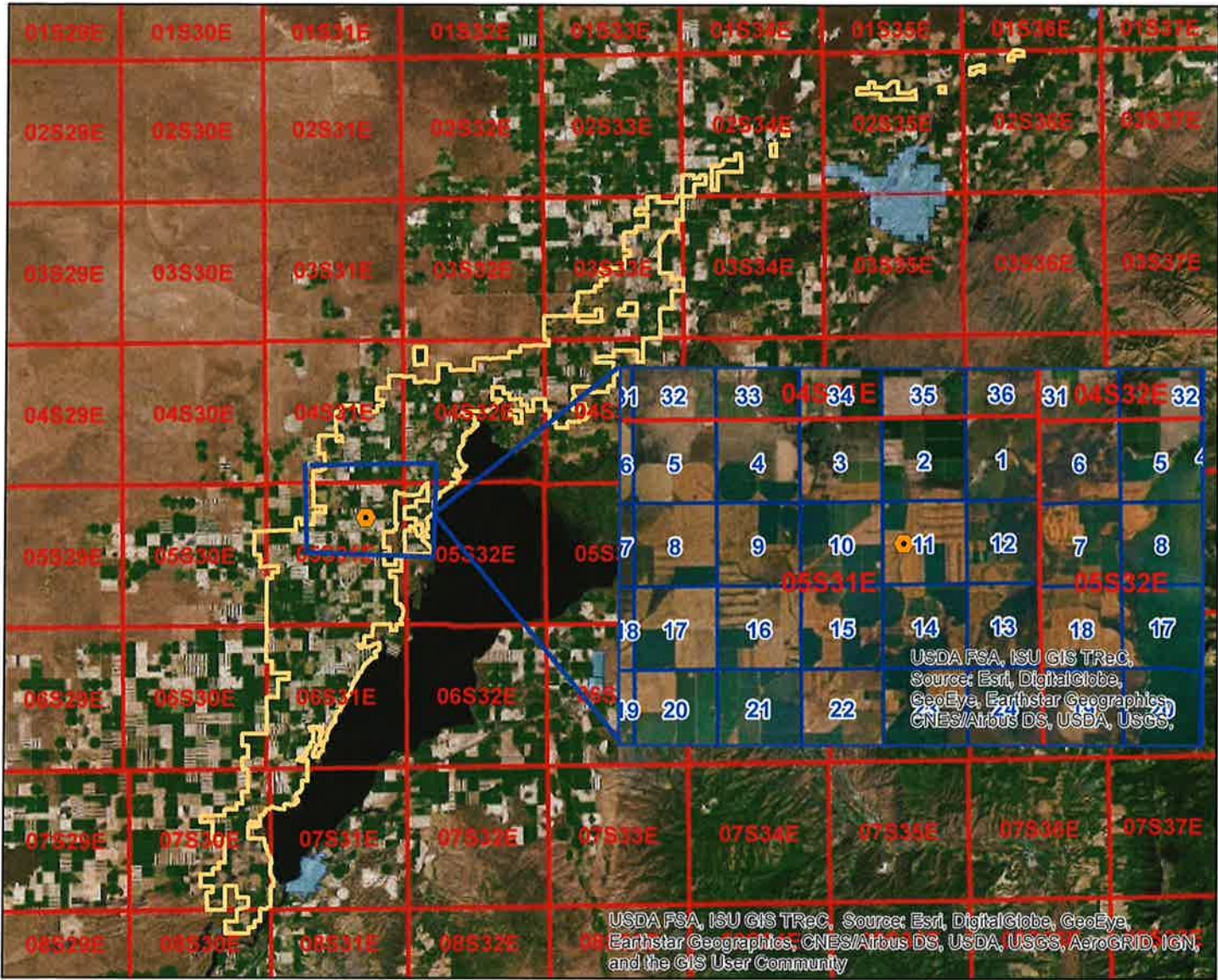
WATER SUPPLY BANK LEASE CONTRACT No. 1014

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. Place of use is within the area served by Aberdeen-Springfield Canal Company.
13. The boundary encompassing the place of use for this water right is described with a digital boundary as defined by I.C. Section 42-202B(2) and authorized pursuant to I.C. Section 42-1411(2)(h). The data comprising the digital boundary are incorporated herein by reference and are stored on a CD-ROM disk issued in duplicate originals on file with the SRBA District Court and the Idaho Department of Water Resources. A map depicting the place of use is attached hereto to illustrate the place of use described by the digital boundary.
14. The unleased portion of right 35-2543 is limited to a diversion rate of 2.80 cfs and an annual diversion volume of 1,188.6 af.
15. The unleased portion of right 35-2543 with Right Nos. 1-23B, 1-297, 35-2543, and 35-4246 are limited to the irrigation of a combined total of 61,433 acres in a single irrigation season.
16. Use of water under this right is 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.

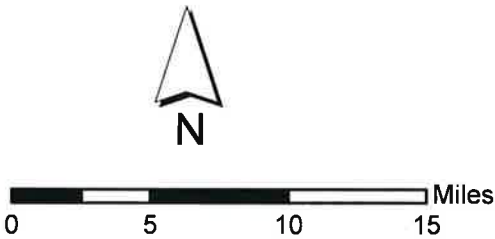
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1014

35-2543
Effective until December 31, 2023

This map depicts the IRRIGATION place of use pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



- Approved Lease Point of Diversion
- Approved Lease Place of Use
- Township/Range
- Sections



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

APR 10 2019

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Aberdeen-Springfield Canal Company
(Select one owner – see item 1A on the application)

Water Right No. 35-2543
(One water right per application)

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

Yes ☒ No ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. Applications that do not meet the minimum requirements will not be processed and may be returned or denied.

MINIMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached (Yes)* or *Not Applicable (N/A)*

Yes

- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank*.
- ☒ Application filing fee of \$250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is \$500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
- ☒ Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment N/A Yes

- 1A ☐ ☒ Signatures and contact information for *all owners* of the water right to be leased or sold on this application.
- 1B ☒ ☐ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☒ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☒ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☒ Description of a water right portion offered to the Water Supply Bank.
- 3 ☒ ☐ 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.
- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☒ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$

250

Received By:

[Signature]

Date Received:

4/6/19

Receipt #

C100557

W-9 received? Yes ☐ No ☒

(Route W-9 to Fiscal)

Name on W-9:

1398

STATE OF IDAHO
WATER RESOURCE BOARD

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 Aberdeen-Springfield Canal Company
Mailing Address P.O. Box 857, Aberdeen, Idaho 83210-0857
Street City State Zip Code
Email Address steveh@ascanal.org Phone Number 208-397-4192

☒ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

- B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☒ No ☐
If no, complete the form and attach to this application (Attachment 1B).

- C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☒ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

- D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☒ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Steven T. Howser Organization Aberdeen-Springfield Canal Company
Professional Title General Manager Email Address steveh@ascanal.org
Mailing Address P.O. Box 857, Aberdeen, ID 83210-0857 Phone Number 208-397-4192

☐ 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

☐ 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**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☒ No ☐
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).
If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to [Section 42-108, Idaho Code](#) and [IDAPA WSB Rule 37.02.03.25.02e](#).
- B. Please provide a description of the current water diversion and delivery system.
Well located in NWNESW of Sec. 11, Twnshp 05S, Range 31 E.B.M., Bingham County, Idaho. Discharges
directly to canal
- 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. 35-4246, 1-23B, 1-297
- 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. This right is appurtenant to the entire place of use of Aberdeen-Springfield. A portion of this right will be leased to another Company owned well, so will continue to be used on lands within its POU.
- 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. Well is used to supplement canal flow at 5 cfs. Annual average volume is less than 2,000 AF/year
- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.
- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes ☐ No ☒
If yes, describe.

STATE OF IDAHO
WATER RESOURCE BOARD

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: 2019 to 2023 (maximum lease period 5 calendar years).
(Year) (Year)

- 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.

No cost as company will continue to use this right at a different POD.

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

Steven T. Howser, Gen. Manager
Printed Name

3/28/2019
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
WATER RESOURCE BOARD**

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
35-2543	Irrigation	3.2	640	160
Total Amounts:		3.2	640	160

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
05S	31E	11		NW	NE	SW	Bingham

No. C 6957 Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	Due no later than May 31, 2018 Annual Report Form 1. Mailing Address: Correct in this box if needed. ABERDEEN-SPRINGFIELD CANAL COMPANY STEVEN T HOWSER PO BOX 857 144 SOUTH MAIN STREET ABERDEEN ID 83210-0857	2. Registered Agent and Address (NO PO BOX) STEVE..HOWSER 144 S MAIN ABERDEEN ID 83210-0857 3. <u>New</u> Registered Agent Signature:*				
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).						
Office Held	Name	Street or PO Address	City	State	Country	Postal Code
DIRECTOR	BRAD SHACKELFORD	2954 W 1500 S	ABERDEEN	ID	USA	83210
DIRECTOR	VAL WAHLEN	2700 W 1352 S	ABERDEEN	ID	USA	83210
DIRECTOR	THAYNE DRISCOLL	PO BOX 334	AMERICAN FALLS	ID	USA	83211
DIRECTOR	RAY DUFFIN	3182 W 2000 S	ABERDEEN	ID	USA	83210
TREASURER	MELVIN CHAPPELL	2727 W 1500 S	ABERDEEN	ID	USA	83210
VICE PRESIDENT	JOHN HOUGHLAND	PO BOX 97	SPRINGFIELD	ID	USA	83277
SECRETARY	STEVEN T HOWSER	408 SKYLINE DR.	POCATELLO	ID	USA	83204
DIRECTOR	ROBERT KNUDSEN JR	2700 W 2100 S	ABERDEEN	ID	USA	83210
PRESIDENT	RON THOMPSON	4045 SOUTH 900 WEST	BLACKFOOT	ID	USA	83221
DIRECTOR	WILL A ROWE	3025 CEDAR LANE	AMERICAN FALLS	ID	USA	83211
5. Organized Under the Laws of: ID C 6957		6. Annual Report must be signed.* Signature: Annette K. Johnson Name (type or print): Annette K. Johnson Date: 04/12/2018 Title: Office Manager				
Processed 04/12/2018		* Electronically provided signatures are accepted as original signatures.				

WMIS

Water Management Information System

Quick Search:

[For assistance, email WMIS Info](#)[Login](#)

Search Method:

WMIS Number ▼

WMIS Number

210016

Search

[Point Of Diversion](#) [PCC](#) [Flow Meter](#) [Time Clock](#) [Alternate](#) [Contacts](#) [Data Summary](#) [Other](#) [Logout](#)**Data Summary**

You are viewing 210016; A0008774

Report Year	Alternate	FM	PCC	Time Clock
2018		1.80		
2017		5.87		
2016		41.36		
2015		91.73		
2014		122.78		
2013		462.17		
2012		0.00		
2011		0.00		
2010		0.00		
2009		0.00		
2008		0.00		
2007		542.20		
2006		0.00		
2005		271.19		
2004		698.90		
2003		0.00		
2002		262.90		
2001		1064.59		
2000		0.00		
1999		0.00		
1998		0.00		
1997		0.00		



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700

Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

August 13, 2019

ABERDEEN SPRINGFIELD CANAL CO
PO BOX 857
ABERDEEN ID 83210

**RE: WATER SUPPLY BANK LEASE CONTRACT 1014
FOR WATER RIGHT 35-2543**

Dear Lessor:

Water right **35-2543** was leased into the Water Supply Bank (Bank) as of April 10, 2019, in accordance with the enclosed executed lease contract. **Your water right, as described on the lease contract, is considered leased into the Bank and should remain unused until it is formally released from the Bank.** More information and further restrictions placed on your water right while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right will automatically be released from the Bank on **December 31, 2023**, unless the right is 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 right from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water right may not be available for immediate release if it is been rented or is 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,



Water Supply Bank

Enclosure: Executed Lease Contract

c: James Cefalo - IDWR Eastern Region
Blake Jordan – Water District 120



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700

Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

August 2, 2019

ABERDEEN SPRINGFIELD CANAL CO
PO BOX 857
ABERDEEN ID 83210

**RE: APPLICATION TO LEASE WATER RIGHT 35-2543 TO THE WATER SUPPLY BANK
CONTRACT 1014**

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

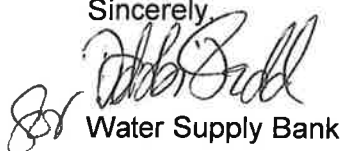
The right will automatically be released from the Bank on **December 31, 2023**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

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

Sincerely,


Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C106557

MEMORANDUM FOR LEASE CONTRACT 1014

To: Water Right(s) 35-2543
Associated water rights: 1-23B, 1-297 & 35-4246

From: Mary Condon and Remington Buyer

Date: July 16, 2019

Re: Review & Analysis of Application to Lease Water Rights to the Water Supply Bank

PURPOSE/NARRATIVE: Companion application to lease and rent a portion of water right 35-2543 received on April 10, 2019. Lease/rental term is intended to be for five years. The applicant (Aberdeen Springfield Canal Company; ASCC) would like to divert ESPA ground water from wells that are not authorized under water rights 35-2543 (nor under 35-4246) and they are leasing in portions of water right 35-2543, so that diversion rates and volumes associated with the lease can be authorized for diversion via a rental that will authorize additional wells as PODs for their water rights. This review memo pertains to the lease of water right 35-2543.

AUTHORITY TO FILE: Lease application signed by Steven Howser, GM for ASCC. Recent Annual Report to the Idaho Secretary of State lists Mr. Howser as the Registered Agent and Secretary for the company. The canal company owns the leased well and canals in which they deliver the water to users. No concerns with authority to file.

WATER RIGHT VALIDITY: Decreed in 2012 for 6.0 CFS, 2,547 AF, for irrigation of lands within ASCC's 61,772.6 acre permissible place of use (PPU). Water has been diverted under this water right for irrigation of ASCC lands during recent years. No concerns about water right validity.

INJURY TO OTHER WATER RIGHTS: No injury to other water rights is apparent through the partial lease of this right.

ENLARGEMENT OF USE: The 2019 – 2023 lease application values were for a decreased volume, not proportional to the rate offered and not consistent with the historic acres calculated for the rate and volume from 2008 to 2015. The error on leased portions began in 2016 & 2017 for leased volume and acres, as summarized below.

Historic WSB Activity	Diversion Rate	Volume	Total Acres	CFS/ ACRE	AF/ ACRE
2008 Lease / Rental	1.550	660.0	165.0	0.01	4.0
2013 Lease	5.040	2,140.0	535.0	0.01	4.0
2014 Lease	1.650	700.0	175.0	0.01	4.0
2014 Lease	0.330	140.0	35.0	0.01	4.0
2015 Lease	3.000	1,273.5	318.4	0.01	4.0
2015 Rental	3.000	600.0	150.0	0.02	4.0
2016 Lease / Rental	3.200	640.0	160.0	0.02	4.0
2017 Lease / Rental	3.200	640.0	160.0	0.02	4.0
2019 Lease Request	3.200	640.0	160.0	0.02	4.0
Actual Proportion, 2019 Lease	3.200	1,358.4	339.6	0.01	4.0
2019 Rental Request	3.200	640.0	160.0	0.02	4.0

Table 1

The 2019 - 2023 leased portion for 3.2 cfs can be brought into the bank for 1,358.4 af at an unstated acre limit as it is decreed, with a rentable amount of 3.2 cfs and total diversion volume

The 2019 - 2023 leased portion for 3.2 cfs can be brought into the bank for 1,358.4 af at an unstated acre limit as it is decreed, with a rentable amount of 3.2 cfs and total diversion volume of 1,358.4 af for 339.6 acres. Rental of this right has historically been either within the ASCC service area or to be combined with Snake River rights, as developed.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the rental PD is subject to Water District # 120.

Email requesting comments or concerns sent to Eastern Region Manager and WD 120 Watermaster on June 28, 2019.

Buyer, Remington

From: Cefalo, James
Sent: Friday, June 28, 2019 9:07 AM
To: Buyer, Remington
Subject: RE: Water Supply Bank Rental Application 1396

Remington,

I don't have any concerns with the proposed WSB rental.

James

From: Buyer, Remington
Sent: Thursday, June 27, 2019 3:44 PM
To: Jordan, Blake <Blake.Jordan@idwr.idaho.gov>; Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: Water Supply Bank Rental Application 1396

Blake, James,

Todd Clement lives on a 11 acre property northwest of Blackfoot. He has submitted a WSB rental application to irrigate 5.0 acres of his property with ESPA ground water. Attached is a draft rental agreement, review memo and map. On behalf of the IDWR Regional Office and Water District 120, please advise if you have any questions, comments or concerns about the rental request.

Thank you,

Remington