

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 990

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

LESSOR: TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY, ID 83445

RECEIVED

JUL 22 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 March 12, 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	Diversio n Rate (CFS)	Diversion Volume (AF)	Acres (AC)
22-12694	3/1/1883	TETON RIVER, tributary to HENRYS FORK	1.73	Not Stated	1,354.00
22-288	5/15/1883	TETON RIVER, tributary to HENRYS FORK	0.46	Not Stated	1,354.00
22-12695	5/22/1884	TETON RIVER, tributary to HENRYS FORK	11.03	Not Stated	1,354.00
22-589B	6/1/1884	TETON RIVER, tributary to HENRYS FORK	3.63	Not Stated	1,354.00
22-12696	6/1/1885	TETON RIVER, tributary to HENRYS FORK	35.01	Not Stated	1,354.00
22-571	6/1/1888	TETON RIVER, tributary to HENRYS FORK	0.48	Not Stated	1,354.00
22-12697	4/1/1898	TETON RIVER, tributary to HENRYS FORK	33.47	Not Stated	1,354.00
Combined Limit Totals			85.81	Not Stated	1,354.00
Combined Lease Totals			85.81	Not Stated	1,354.00

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 990

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)
22-12694	1.73	4,739	1,354.00	0.001	3.5
22-288	0.46	4,739	1,354.00	0.000	3.5
22-12695	11.03	4,739	1,354.00	0.008	3.5
22-589B	3.63	4,739	1,354.00	0.003	3.5
22-12696	35.01	4,739	1,354.00	0.026	3.5
22-571	0.48	4,739	1,354.00	0.000	3.5
22-12697	33.47	4,739	1,354.00	0.025	3.5
Combined Limit Totals	85.81	4,739	1,354.00	0.063	3.5

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, 2019 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.
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. 990

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

LESSOR: TETON ISLAND FEEDER CANAL CO

386 N 2400 E

ST ANTHONY, ID 83445

By *Robyn Callins*

Title *President*

Date *July 19, 2019*

IDAHO WATER RESOURCE BOARD

322 East Front Street

P.O. Box 83720

Boise, ID 83720-0098

By *Brian Patton*

Brian Patton, Acting Administrator
Idaho Water Resource Board

Date *7/29/2019*

Lease approved by IDWR *Cheryl*

Date *7-29-2019*

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 990

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): 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, 22-12697

TETON RIVER NWSENW Sec. 36 Twp 07N Rge 40E FREMONT County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
22-288	IRRIGATION	04/01	to	10/31	0.460 cfs	Not Stated
22-571	IRRIGATION	04/01	to	10/31	0.480 cfs	Not Stated
22-589B	IRRIGATION	04/01	to	10/31	3.630 cfs	Not Stated
22-12694	IRRIGATION	04/01	to	10/31	1.730 cfs	Not Stated
22-12695	IRRIGATION	04/01	to	10/31	11.030 cfs	Not Stated
22-12696	IRRIGATION	04/01	to	10/31	35.010 cfs	Not Stated
22-12697	IRRIGATION	04/01	to	10/31	33.470 cfs	Not Stated
22-288	STOCKWATER	04/01	to	10/31	0.460 cfs	Not Stated
22-12694	STOCKWATER	04/01	to	10/31	1.730 cfs	Not Stated
Totals:					85.810 cfs	Not Stated

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	39E	1								1.0									1.00
06N	39E	12				0.9							0.1	0.4			4.5	22.0	27.90
06N	39E	13	5.6		13.0	1.5	4.7	30.0	33.0	36.0					5.3	0.5			129.60
06N	39E	14				0.7												6.0	6.70
06N	39E	22				2.4													2.40
06N	39E	23					0.2			0.7									0.90
06N	40E	2					0.9	5.7											6.60
06N	40E	3	0.6				4.8	1.0	1.4	1.7		0.3					1.0	2.9	13.70
06N	40E	4		0.4		26.0	16.0	35.0	27.0	11.0	29.0	24.0	11.0	35.0	38.0	40.0	39.0	13.0	344.40
06N	40E	5	20.0	1.2	0.8	10.0									4.3			0.7	37.00
06N	40E	6				3.3							3.2	0.5			16.0	16.0	39.00
06N	40E	7	0.1		1.0	6.9					10.0					1.7			19.70
06N	40E	8	6.2	14.0			0.4		2.3				23.0	0.8	2.8	6.0	5.5	0.7	61.70
06N	40E	9	9.5	27.0			38.0	33.0	35.0	36.0									178.50
06N	40E	10	1.5	7.3	0.5			0.9			1.9				2.4				14.50
06N	40E	15										0.7	2.2						2.90

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 990

06N	40E	16			11.0				2.7		0.2	0.4	11.0	0.2	0.4	22.0			47.90
06N	40E	17				1.6		6.1	32.0	7.1	0.3	8.1	1.9	5.5	0.8				63.40
06N	40E	18	2.3	2.2	3.0	1.9	6.7	0.2		0.4	0.2				5.5	6.9	0.9	1.8	32.00
06N	40E	19	12.0	0.7			5.4												18.10
06N	40E	20	1.8	23.0	0.9		39.0	24.0	15.0	9.7									113.40
07N	40E	32													1.0	2.7			3.70
07N	40E	33			0.5					3.6	33.0	4.1	36.0	33.0	0.4	12.0	28.0	15.0	165.60
07N	40E	34				5.1						4.6	7.0						16.70
07N	40E	35							3.0			1.7	0.5	1.8					7.00

Total Acres: 1354.0

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.
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:

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 990

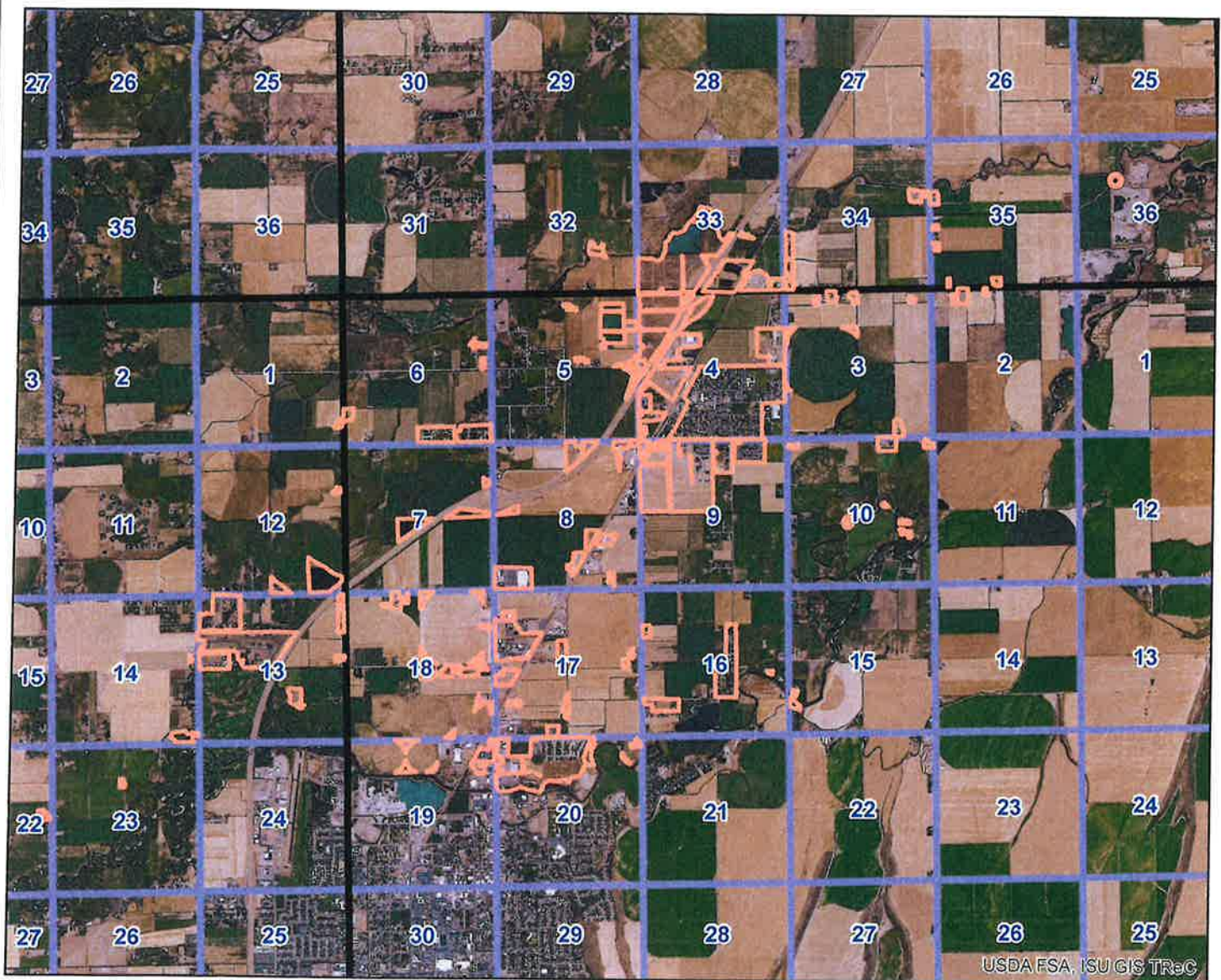
- a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
- 11. The water right(s) 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. Water is delivered through Teton Island Feeder Canal.
 - 13. The following rights are all diverted through point of diversion described above: 22-288, 22-571, 22-589B, 22-12694 through 22-12697.
 - 14. For the duration of this lease contract, the unleased portions of the water rights listed below are limited to the irrigation of a combined total of 8,094.2 acres in a single irrigation season. Combined Right Nos.: 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, 22-12697.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 990

22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, 22-12697

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.



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



0 2 4 Miles

STATE OF IDAHO
WATER RESOURCE BOARD

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MAR 12 2019

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)Water Right No. 22-288
(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 \$ <u>500</u>	Received By: <u>AW</u>	Date Received: <u>3/12/19</u>	Receipt # <u>C106370</u>
W-9 received? Yes ☐ No ☒	(Route W-9 to Fiscal)	Name on W-9:	

13661

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 Teton Island Feeder Canal Company

Mailing Address 386 North 2400 East Saint Anthony Idaho 83445
Street City State Zip Code

Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

☒ 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 Aaron Dalling Organization FMID

Professional Title Executive Director Email Address aaron.fmid@myidahomail.com

Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-403-8474

☒ 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)

N/A

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.

The water is diverted from the North Fork of the Teton River. The water is used irrigate land in the Sugar City, Salem and Rexburg areas.

- 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. There are a few overlapping canals and at least one groundwater irrigation right however the fields these water rights apply to are not included in this application.

- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.

- 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?

If yes, describe.

Yes ☐ No ☒

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 ☒.

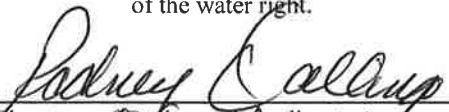
If lease, specify the years when the use of water will be suspended: 2019 to 2020 (maximum lease period 5 calendar years).
(Year) (Year)

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.
There is not a minimum payment as we will be leasing the water back.

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.



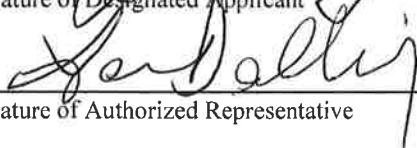
Signature of Designated Applicant

Rodney Dalling-President

Printed Name

3-11-2019

Date



Signature of Authorized Representative

Aaron Dalling

Printed Name

3-11-2019

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)
<u>22-288</u>	<u>Irrigation</u>	<u>.46</u>	<u>76.1</u>	<u>7.2</u>
	Total Amounts:			

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 12 2019

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)Water Right No. 22-571
(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*.
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- ☒ 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 \$ <u>500</u>	Received By: <u>AW</u>	Date Received: <u>3/12/19</u>	Receipt # <u>C106370</u>
W-9 received? Yes ☐ No ☒	(Route W-9 to Fiscal)	Name on W-9:	

1364

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 Teton Island Feeder Canal Company

Mailing Address 386 North 2400 East Saint Anthony Idaho 83445
Street City State Zip Code

Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

☒ 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 Aaron Dalling Organization FMID

Professional Title Executive Director Email Address aaron.fmid@myidahomail.com

Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-403-8474

☒ 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.

The water is diverted from the North Fork of the Teton River. The water is used irrigate land in the Sugar City, Salem and Rexburg areas.

- 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. There are a few overlapping canals and at least one groundwater irrigation right however the fields these water rights apply to are not included in this application.

- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.

- 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?

If yes, describe.

Yes ☐ No ☒

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 2020 (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.

There is not a minimum payment as we will be leasing the water back.

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

Rodney Dalling-President

Printed Name

3-11-2019

Date

Signature of Authorized Representative

Aaron Dalling

Printed Name

3-11-2019

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)
<u>22-571</u>	<u>Irrigation</u>	<u>.48</u>	<u>79.9</u>	<u>7.6</u>
Total Amounts:				

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 12 2019

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK

Designated Applicant Teton Island Feeder Canal Company

(Select one owner -- see item 1A on the application)

Water Right No. 22-589

(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 \$ 500

Received By: AW

Date Received: 3/12/19

Receipt #

C106370

W-9 received? Yes ☐ No ☐

(Route W-9 to Fiscal)

Name on W-9:

1364

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 Teton Island Feeder Canal Company

Mailing Address 386 North 2400 East Saint Anthony Idaho 83445
Street City State Zip Code

Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

☒ 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 Aaron Dalling Organization FMID

Professional Title Executive Director Email Address aaron.fmid@myidahomail.com

Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-403-8474

☐ 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.
The water is diverted from the North Fork of the Teton River. The water is used irrigate land in the Sugar City, Salem and Rexburg areas.
- 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. There are a few overlapping canals and at least one groundwater irrigation right however the fields these water rights apply to are not included in this application.
- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.
- 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 2020 (maximum lease period 5 calendar years).
(Year) (Year)

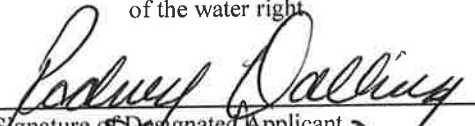
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

There is not a minimum payment as we will be leasing the water back.

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.

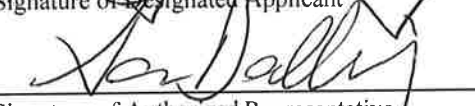

Signature of Designated Applicant

Rodney Dalling-President

Printed Name

3/11/2019

Date


Signature of Authorized Representative

Aaron Dalling

Printed Name

3/11/2019

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)
<u>22-589</u>	<u>Irrigation</u>	<u>3.63</u>	<u>601.8</u>	<u>57.2</u>
Total Amounts:				

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED
MAR 12 2019
DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)Water Right No. 22-12694
(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.**

MIMUMUM 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.
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- 4A ☒ ☐ Written consent from irrigation district or water delivery company.
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Department Use Only

Fee Amount \$ 500Received By: [Signature]Date Received: 3/12/19

Receipt #

C106370W-9 received? Yes ☐ No ☒

(Route W-9 to Fiscal)

Name on W-9:

1364

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.

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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).

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Name of Representative Aaron Dalling Organization FMID

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☐ The full water right is being offered to the Bank.

OR

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If a portion of the water right is being offered, **complete Attachment 2.**

3. MAP

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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 ☐
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If yes, describe.

Yes ☐ No ☒

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 ☒.

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(Year) (Year)

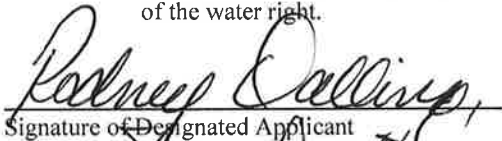
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There is not a minimum payment as we will be leasing the water back.

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Signature of Designated Applicant

Rodney Dalling-President

Printed Name

3-11-2019

Date


Signature of Authorized Representative

Aaron Dalling

Printed Name

3-11-2019

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.

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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)
<u>22-12694</u>	<u>Irrigation</u>	<u>1.73</u>	<u>286.6</u>	<u>27.2</u>
	Total Amounts:			

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 12 2019

DEPARTMENT OF
WATER RESOURCES

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

Designated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)

Water Right No. 22-12695
(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.**

MIMUMUM 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 <i>all owners</i> of the water right to be leased or sold on this application. |
| 1B | ☒ | ☐ | An <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant. |
| 1C | ☒ | ☐ | <i>Notice of Change in Water Right Ownership</i> 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 <u>Section 42-222(2), Idaho Code</u> . |

Department Use Only

Fee Amount \$ 500

Received By: AW

Date Received: 3/12/19

Receipt # C106370

W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

1364

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 Teton Island Feeder Canal Company

Mailing Address 386 North 2400 East Saint Anthony Idaho 83445
Street City State Zip Code

Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

☒ 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 Aaron Dalling Organization FMID

Professional Title Executive Director Email Address aaron.fmid@myidahomail.com

Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-403-8474

☐ 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.

The water is diverted from the North Fork of the Teton River. The water is used irrigate land in the Sugar City, Salem and Rexburg areas.

- 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. There are a few overlapping canals and at least one groundwater irrigation right however the fields those water rights apply to are not included in this application.

- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.

- 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?

If yes, describe.

Yes ☐ No ☒

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 2020 (maximum lease period 5 calendar years).
(Year) (Year)

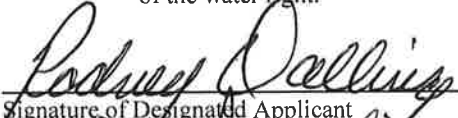
B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

There is not a minimum payment as we will be leasing the water back.

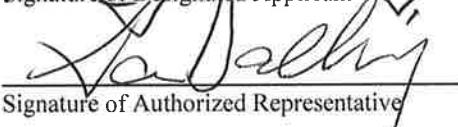
I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

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



Signature of Authorized Representative

Rodney Dalling-President

Printed Name

3-11-19
Date

Aaron Dalling

Printed Name

3-11-19
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)
<u>22-12694</u>	<u>Irrigation</u>	<u>11.03</u>	<u>1830.7</u>	<u>174</u>
	Total Amounts:			

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 12 2019 *B*DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)Water Right No. 22-12696
(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 \$ 500Received By: *AW*Date Received: 3/12/19Receipt # C106370W-9 received? Yes ☐ No ☒ (Route W-9 to Fiscal)

Name on W-9:

1364

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 Teton Island Feeder Canal Company
Mailing Address 386 North 2400 East Saint Anthony Idaho 83445
Street City State Zip Code
Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

☒ 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 Aaron Dalling Organization FMID
Professional Title Executive Director Email Address aaron.fmid@myidahomail.com
Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-403-8474

☒ 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 ☐
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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.

The water is diverted from the North Fork of the Teton River. The water is used irrigate land in the Sugar City, Salem and Rexburg areas.

- 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. There are a few overlapping canals and at least one groundwater irrigation right however the field those water rights apply to are not included in this application.

- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.

- 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?

If yes, describe.

Yes ☐ No ☒

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 2020 (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.

There is not a minimum payment as we will be leasing the water back.

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.
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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

Rodney Dalling-President

Printed Name

3-11-2019

Date


Signature of Authorized Representative

Aaron Dalling

Printed Name

3-11-2019

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>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>22-12695</u>	<u>Irrigation</u>	<u>35.01</u>	<u>5811.9</u>	<u>552.5</u>
	Total Amounts:	<u>35.01</u>	<u>5811.9</u>	<u>552.2</u>

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County

STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED
MAR 12 2019
DEPARTMENT OF
WATER RESOURCES

DE

APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Teton Island Feeder Canal Company
(Select one owner – see item 1A on the application)Water Right No. 22-12697
(One water right per application)

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

Yes ☒ No ☐

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Attachment N/A Yes

- 1A ☐ ☒ Signatures and contact information for **all owners** of the water right to be leased or sold on this application.
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Department Use Only

Fee Amount \$ <u>500</u>	Received By: <u>[Signature]</u>	Date Received: <u>3/12/19</u>	Receipt # <u>C106370</u>
W-9 received? Yes ☐ No ☒	(Route W-9 to Fiscal)	Name on W-9:	

1364

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

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Email Address aaron.fmid@myidahomail.com Phone Number 208-624-3381

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OR

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- 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).

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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 Aaron Dalling Organization FMID

Professional Title Executive Director Email Address aaron.fmid@myidahomail.com

Mailing Address PO BOX 15 St. Anthony Idaho 83445 Phone Number 208-624-3381

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

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2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

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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

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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 ☐
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- B. Please provide a description of the current water diversion and delivery system.

The water is diverted from the North Fork of the Teton River. The water is used to irrigate land in the Sugar City, Salem and Rexburg areas.

- 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. There are a few overlapping canals and at least one groundwater irrigation right however the fields those water rights apply to are not included in this application.

- 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. The average annual diversion over the last 5 years has been 99,389 Acre Feet.

- 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?

If yes, describe.

Yes ☐ No ☒

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 ☒.

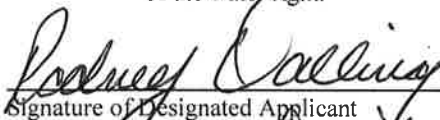
If lease, specify the years when the use of water will be suspended: 2019 to 2020 (maximum lease period 5 calendar years).
(Year) (Year)

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.
There is not a minimum payment as we will be leasing the water back.

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.

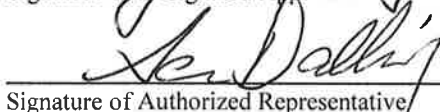

Signature of Designated Applicant

Rodney Dalling-President

Printed Name

3-11-2019

Date


Signature of Authorized Representative

Aaron Dalling

Printed Name

3-11-2019

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)
<u>22-12697</u>	<u>Irrigation</u>	<u>33.47</u>	<u>5556</u>	<u>528.2</u>
	Total Amounts:	<u>33.47</u>	<u>5556</u>	<u>528.2</u>

2. Source of water North Fork of the Teton River tributary to Henry's Fork

3. Point(s) of diversion:

Twps	Rge	Sec	Lot	¼	¼	¼	County
7N	40E	36		NW	SE	NW	Fremont County



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

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

BRAD LITTLE
Governor

GARY SPACKMAN
Director

July 29, 2019

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY ID 83445

**RE: WATER SUPPLY BANK LEASE CONTRACT 990
FOR WATER RIGHTS 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696,
and 22-12697**

Dear Lessor:

Water rights **22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, and 22-12697** were leased into the Water Supply Bank (Bank) as of March 12, 2019, 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 unused 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 www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

Water Supply Bank

Enclosure: Executed Lease Contract

c: James Cefalo - IDWR Eastern Region
Tony Olenichak - Water District 01
Aaron Dalling - FMID



State of Idaho

DEPARTMENT OF WATER RESOURCES

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BRAD LITTLE
Governor

GARY SPACKMAN
Director

July 18, 2019

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY ID 83445

**RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS 990
FOR WATER RIGHT 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, and
22-12697**

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on June 19, 2019. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application will be returned, and the application fee will not be refunded. You can reapply to lease the water right in the future by submitting new application form along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

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

Sincerely,


For Water Supply Bank



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

June 19, 2019

TETON ISLAND FEEDER CANAL CO
386 N 2400 E
ST ANTHONY ID 83445

RE: APPLICATION TO LEASE WATER RIGHTS 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, and 22-12697 TO THE WATER SUPPLY BANK - CONTRACT 990

****TIME SENSITIVE RESPONSE REQUIRED***

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned 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 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 rights may not be available for immediate release if they have 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 # C106370

Buyer, Remington

From: Cefalo, James
Sent: Monday, June 3, 2019 8:28 AM
To: Buyer, Remington; Olenichak, Tony
Cc: Webster, Clay
Subject: RE: WSB Lease

Remington,

I don't have any concerns with the proposed WSB lease. I agree that the WSB Rental review should include an analysis of the historical consumptive use for the portion of the water rights being changed to ground water recharge.

James

From: Buyer, Remington
Sent: Friday, May 31, 2019 4:12 PM
To: Olenichak, Tony <Tony.Olenichak@idwr.idaho.gov>; Cefalo, James <James.Cefalo@idwr.idaho.gov>
Cc: Webster, Clay <Clay.Webster@idwr.idaho.gov>
Subject: WSB Lease

Tony, James,

Teton Island Feeder Canal Company has proposed to lease into the Bank 1,354 acres of their 9,448.2 acre irrigable service area, so that they might rent back to themselves from the Bank, an equivalent amount of the leased water rights for ground water recharge purposes via a rental. Attached are the draft contract, review memo and map for the lease. Early next week, I intend to submit for your consideration the review memo, map and draft rental agreement.

Please let me know if you have any questions, comments, or concerns about this lease proposal.

Thanks,

Remington

Memorandum

To: Water Rights 22-288, 22-571, 22-589B, 22-12694, 22-12695, 22-12696, 22-12697

From: Remington Buyer

Date: 5/31/2019

Re: Water Supply Bank Lease Application 1364 for Contract 990

Purpose/Narrative: Applications to lease portions of the above water rights to the Water Supply Bank were received on 3/12/2019 from the Teton Island Feeder Canal Company (TIFCC), which is proposing to lease in a portion of the irrigation use from the water rights listed above, in order to conduct ground water recharge with the leased portions through an approved Water Supply Bank rental agreement. This memo pertains to the lease, not the rental, of the above rights.

Authority to File: The applications were signed by Rodney and Aaron Dalling, who represented themselves as the President and Executive Director, respectively, of the TIFCC. It is presumed that the Dallings are authorized to represent the TIFCC in this administrative matter and the water rights proposed to be leased belong to the TIFCC. No concerns about authority to file.

Water Right Validity/Forfeiture Evaluation: The water rights were decreed in 2010. Per question 4.G on the lease applications, the applicant has affirmed that no portion of the irrigation water rights have been subjected to diminishment or partial forfeiture through five years or more of non-use. No concerns about validity or forfeiture.

Injury Evaluation: No injury is evident through the lease alone. Proper review should guard against injury via the rental of these water rights.

Enlargement of Use: The seven water rights involved in this lease proposal do not feature decreed volume limits. The applicant states in their application that their five year annual average diversion volume is 99,389.2 af. It is not clear how they calculated annual diversion volumes. Beyond irrigation, these water rights also authorize diversion and delivery of water for stockwater and subirrigation purposes. The applicant has proposed to lease into the Bank a portion of their irrigation authorization, equivalent to 1,354.0 acres, which is 14.3% of their irrigation water right portfolio.

To avoid enlargement in water use, 14.3% of the irrigation water right portfolio will be leased into the Bank, along with a proportionate amount of the stockwater diversion rate under 22-288 and 22-12694, which cannot be separated from the irrigation diversion rate on these two rights. Because subirrigation is authorized outside the irrigation season of use, no enlargement should occur by leasing in only portions of the irrigation and stock water use as outlined in the tables on the following page.

Water Right Portfolio, as decreed by the SRBA Court							Water Right Portfolio, as proposed for lease							Water Right Portfolio remaining available during the WSB lease						
Water Right	Use	Rate	Vol	Acres	Rate/Ac	Vol/AC	Water Right	Use	Rate	Vol	Acres	Rate/Ac	Vol/AC	Water Right	Use	Rate	Vol	Acres	Rate/Ac	Vol/AC
22-288	Irrigation	3.20		9448.2	0.000		22-288	Irrigation	0.46		1354.0	0.000		22-288	Irrigation	2.74		8094.2	0.000	
	Stockwater	3.20						Stockwater	0.46						Stockwater	2.74				
	Total	3.20		9448.2	0.000			Total	0.46		1354.0	0.000			Total	2.74		8094.2	0.000	
22-571	Irrigation	3.36		9448.2	0.000		22-571	Irrigation	0.48		1354.0	0.000		22-571	Irrigation	2.88		8094.2	0.000	
	Subirrigation	3.36						Subirrigation	0.00						Subirrigation	2.88				
		3.36		9448.2	0.000				0.46		1354.0	0.000				2.88		8094.2	0.000	
22-589B	Irrigation	25.30		9448.2	0.003		22-589B	Irrigation	3.63		1354.0	0.003		22-589B	Irrigation	21.67		8094.2	0.003	
	Subirrigation	25.30						Subirrigation	0.00						Subirrigation	21.67				
		25.30		9448.2	0.003				3.63		1354.0	0.003				21.67		8094.2	0.003	
22-12694	Irrigation	12.05		9448.2	0.001		22-12694	Irrigation	1.73		1354.0	0.001		22-12694	Irrigation	10.32		8094.2	0.001	
	Stockwater	12.05						Stockwater	1.73						Stockwater	10.32				
		12.05		9448.2	0.001				1.73		1354.0	0.001				10.32		8094.2	0.001	
22-12695	Irrigation	76.96		9448.2	0.008		22-12695	Irrigation	11.03		1354.0	0.008		22-12695	Irrigation	65.93		8094.2	0.008	
	Stockwater	34.75						Stockwater	0.00						Stockwater	34.75				
	Subirrigation	42.21						Subirrigation	0.00						Subirrigation	42.21				
22-12696		76.96		9448.2	0.008		22-12696		11.03		1354.0	0.008		22-12696		65.93		8094.2	0.008	
	Irrigation	244.32		9448.2	0.026			Irrigation	35.01		1354.0	0.026			Irrigation	209.31		8094.2	0.026	
	Subirrigation	244.32						Subirrigation	0.00						Subirrigation	244.32				
22-12697		244.32		9448.2	0.026		22-12697		35.01		1354.0	0.026		22-12697		244.32		8094.2	0.030	
	Irrigation	233.56		9448.2	0.025			Irrigation	33.47		1354.0	0.025			Irrigation	200.09		8094.2	0.025	
	Subirrigation	210.21						Subirrigation	0.00						Subirrigation	210.21				
All Water Rights		233.56		9448.2	0.025		All Water Rights		33.47		1354.0	0.025		All Water Rights		233.56		8094.2	0.029	
	Irrigation	598.75		9448.2	0.063			Irrigation	85.81		1354.0	0.063			Irrigation	512.94		8094.2	0.063	
	Subirrigation	525.40						Subirrigation	0.00						Subirrigation	521.29				
	Stockwater	50.00						Stockwater	2.19						Stockwater	47.81				
		598.75		9448.2	0.063				85.81		1354.0	0.063				521.29		8094.2	0.064	

Although the applicant has stated they have diverted an average annual volume of 99,389.2 over the past five years, a maximum diversion volume of 4,739 would be appropriate for this lease, as this is the leased acres (1354.0) multiplied by the regional headgate standard (3.5 afa/ac). Regardless, the purpose of this lease is to make irrigation water available to conduct ground water recharge via a rental, so additional scrutiny of the consumptive use extent of the leased irrigation and stockwater portions of the rights is pertinent. However, this review will be part of the rental review memo.

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

Beneficial Use/Conservation of Water Resources: The maximum beneficial use authorized (per decree) to the TIFCC will be reduced by this lease.

Department/Watermaster Comments: The lease is subject to IDWR Eastern Region and Water District 1 comments, which will be requested.

Water Supply Bank Evaluation: Subject to favorable water district and regional office comments, it recommended that this lease proposal be approved.