RECEIVED
NOV 13 2018
DEPARTMENT OF WATER RESOURCES

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 279

RECEIVED
NOV 06 2018
Department of Water Resources
Eastern Region

This is to certify that:

CITY OF INKOM
365 RAPID CREEK ROAD
INKOM, ID 83245

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

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
29-10029	9/1/1928	PORTNEUF RIVER	0.31	Not Stated	N/A
29-4069	6/1/1937	GROUND WATER	0.12	89.0	N/A
29-7076	2/16/1972	GROUND WATER	0.01	5.3	N/A
29-7855	10/18/1988	GROUND WATER	0.12	80.4	N/A
		Combined Limit Totals	**0.56**	**174.7**	**N/A**
29-13864	6/1/1885	RAPID CREEK	0.73	Not Stated	32.5
29-294E	6/1/1885	RAPID CREEK	0.10	Not Stated	5.0
29-13533	4/2/1947	JACKSON CREEK	0.10	Not Stated	5.0
		Combined Limit Totals	**0.15**	Not Stated	**5.0**
29-63	5/1/1906	PORTNEUF RIVER	0.40	Not Stated	21.2
		Combined Rental Totals	**1.84**		**58.7**

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2018. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2018, whichever occurs last.

Annual Rental Fee:
2018: $3,409.00

The full fee for the rental of the above-described right(s) is $3,409.00 for 2018. The rental fee includes an administrative fee of $760.40 for 2018. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 29-10029, 29-4069, 29-7076 and 29-7855.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)
MUNICIPAL	1.59	321.5
Combined Total	1.59	321.5

Authorized water usage reflects a reduction from the water right elements rented, to account for the diversion of only consumptive use volume amounts associated with surface water rights diverted from the Portneuf River and its tributary creeks.

Detailed water right conditions are attached.

SUPPORT DATA
IN FILE # 29-63

Receipt # E044511.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 279

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

Joel Curtis Talley
Signature of Renter

Nov. 6, 2018
Date

Joel Curtis Talley
Printed Name

Mayor - City of Inkom
Title

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

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

By _____ Date 11/16/2018
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR _____ Date 11-16-2018

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 279

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

PORTNEUF RIVER SWNW Sec. 27, Twp 07S, Rge 36E, BANNOCK County

BENEFICIAL USE	DIVERSION RATE	VOLUME
MUNICIPAL	1.59 CFS	321.5 AF

SEASON OF USE

Water Right No.	From	To
29-63	1/1	12/31
29-10029	1/1	12/31
29-294E	1/1	12/31
29-13533	1/1	12/31
29-13864	1/1	12/31

RENTERS PLACE OF USE: MUNICIPAL

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
07S	36E	27					X	X	X	X									X

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

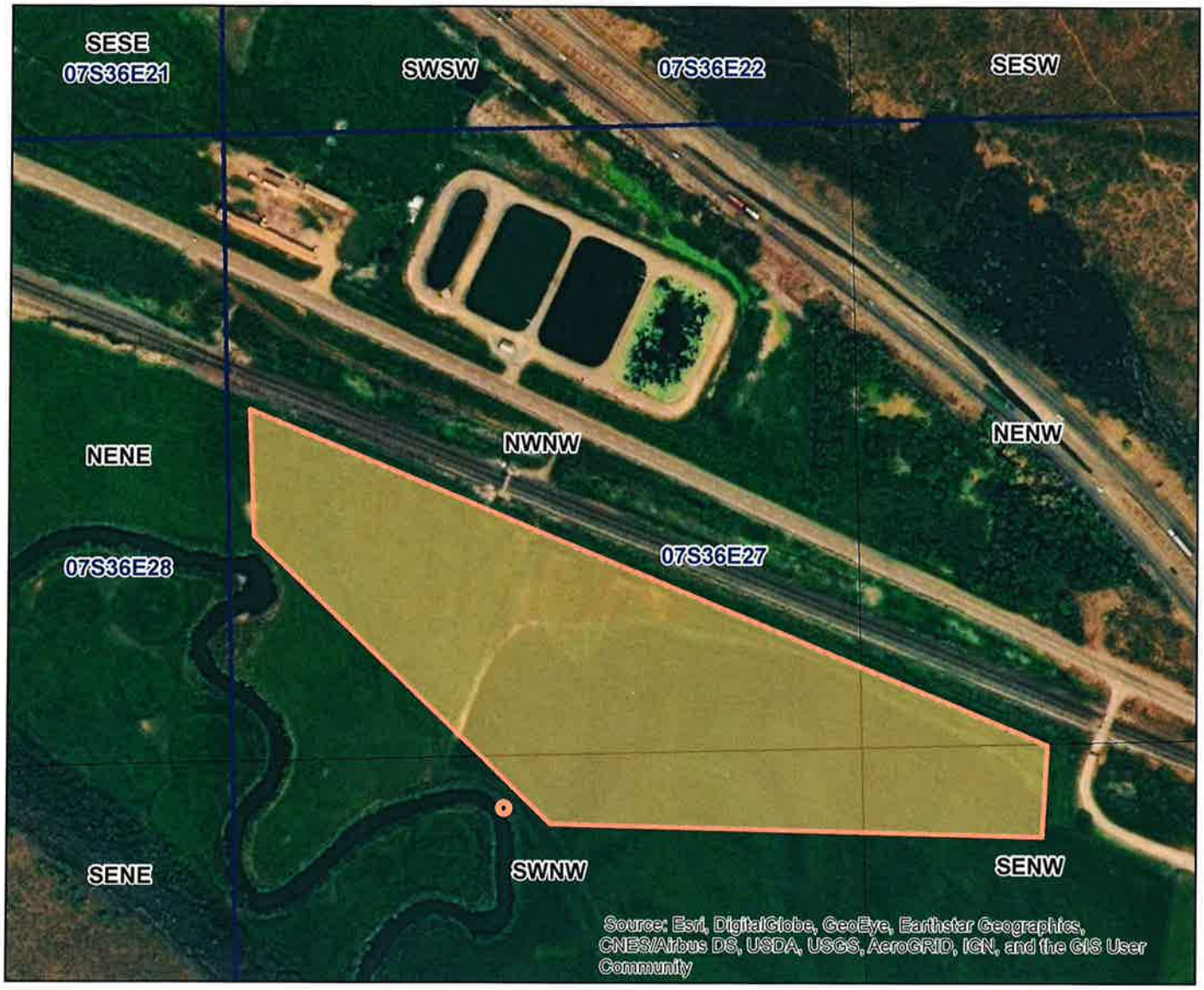
1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. Use of water rights 29-294E and 29-13533 are limited to the combined diversion rate of 0.15 cfs for the irrigation of 5.0 acres in a single irrigation season.
10. Water used under this rental when discharged into a natural channel or subsurface system shall meet Idaho Water Quality Standards.
11. Municipal use under this rental is to store 48.2 af of water for hydraulic testing.

Idaho Water Resource Board

Water Supply Bank Rental Agreement

Effective until December 31, 2018

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



Rental Place of Use

Rental Point of Diversion

Townships

PLS Sections

Quarter Quarters

N

0 1,000 2,000 Feet

Form 42-1761-2 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED DC
NOV 02 2018
DEPARTMENT OF WATER RESOURCES

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

Applicant Name: City of Inkom, Idaho

Is this application being submitted with a lease application as a lease/rental package? Yes ☐ No ☑
If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

		Yes	
		☑	Completed *Application to Rent Water from the Board's Water Supply Bank*
		☑	Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank
Attachment	**N/A**	**Yes**	
2		☑	A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request
3A	☐	☑	Detailed information on a proposed use of rental water
3F	☐	☑	Authorization from the owner/operator of the rental point(s) of diversion
3H	☐	☑	Water modeling to account for the impacts of the rental request
3J	☐	☑	Documents justifying a rate of flow greater than 0.02 cfs/acre
3K	☐	☑	Authorization from the owner/operator of the property at the proposed rental place(s) of use
4B	☐	☑	Explanation of how the rental water will sufficiently accomplish your rental purposes
4C	☐	☑	Explanation of consumptive use amounts for water rights experiencing a change in nature of use

Department Use Only – Proposed Water Right(s)

1221

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant City of Inkom

Mailing Address 365 Rapid Creek Rd. (Street) Inkom, (City) Idaho (State) 83245 (Zip Code)

Email Address jjolley4544@juno.com Phone Number 208-775-3372

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☑ No ☐

If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Mike Settell Professional Title M.S. Environmental Engineering

Organization Sustainable Resource Solutions Relationship to Applicant Consultant

Mailing Address PO Box 39, Pocatello, Idaho 83204

Email Address srs@bridgemail.com Phone Number 208-220-3336

2. MAP

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

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

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

See Attached

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

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
4 CFS	43.3 AF	2.6 CFS	43.3 AF	n/a AC

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

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

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
11/1/2018	11/2/18	☑ 1	☐ 2	☐ 3	☐ 4	☐ 5	☑ Process application as soon as possible	☐ Return application to applicant

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):
We will use a 40 HP portable, diesel-powered pump. We will also have a backup pump of the same size.

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

POD Description	Water Source	Other Water Rights Diverted from this POD
portable pump approx.	Portneuf River	none
880 ft NNW from existing		
POD for right # 29-14216		

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

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

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

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

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

☐ Irrigation _____ (number of acres) Duration: Subject to IDWR standard seasons of use

☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)

☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)

☐ Other: Hydraulic Testing from: 11/1/18 (mm/dd) to: 12/31/18 (mm/dd)

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

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

L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:
The City of Inkom owns 1CFS of rights from the Portnuef River for irrigation. Whereas we propose a temporary storage right, the irrigation season is complete and we require greater flow, the use of that right has been denied.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights? Yes ☐ No ☑

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

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

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

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

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

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

We propose to "borrow" water in the true sense; we will withdraw 43.3 A-F, hold it for about one month, then slowly release the unadulterated water back to the Portneuf River.

C. Does your rental request propose to change the nature of use for any water right(s) being rented? Yes ☑ No ☐

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

This right will be used for temporary storage for the purposes of hydraulic testing.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

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

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

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

If yes, describe:

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

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

D. Additional Information

Any additional flow that can be provided will help us meet our regulatory deadline.

DECLARATION

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

Joel Cutler Jolley	Joel Jolley	10/31/18
Signature of Applicant	Printed Name of Applicant	Date
Mike Settell	Mike Settell	10/31/18
Signature of Representative	Printed Name of Representative	Date

Mail to:

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

Attachment 2

Inkom Lagoons

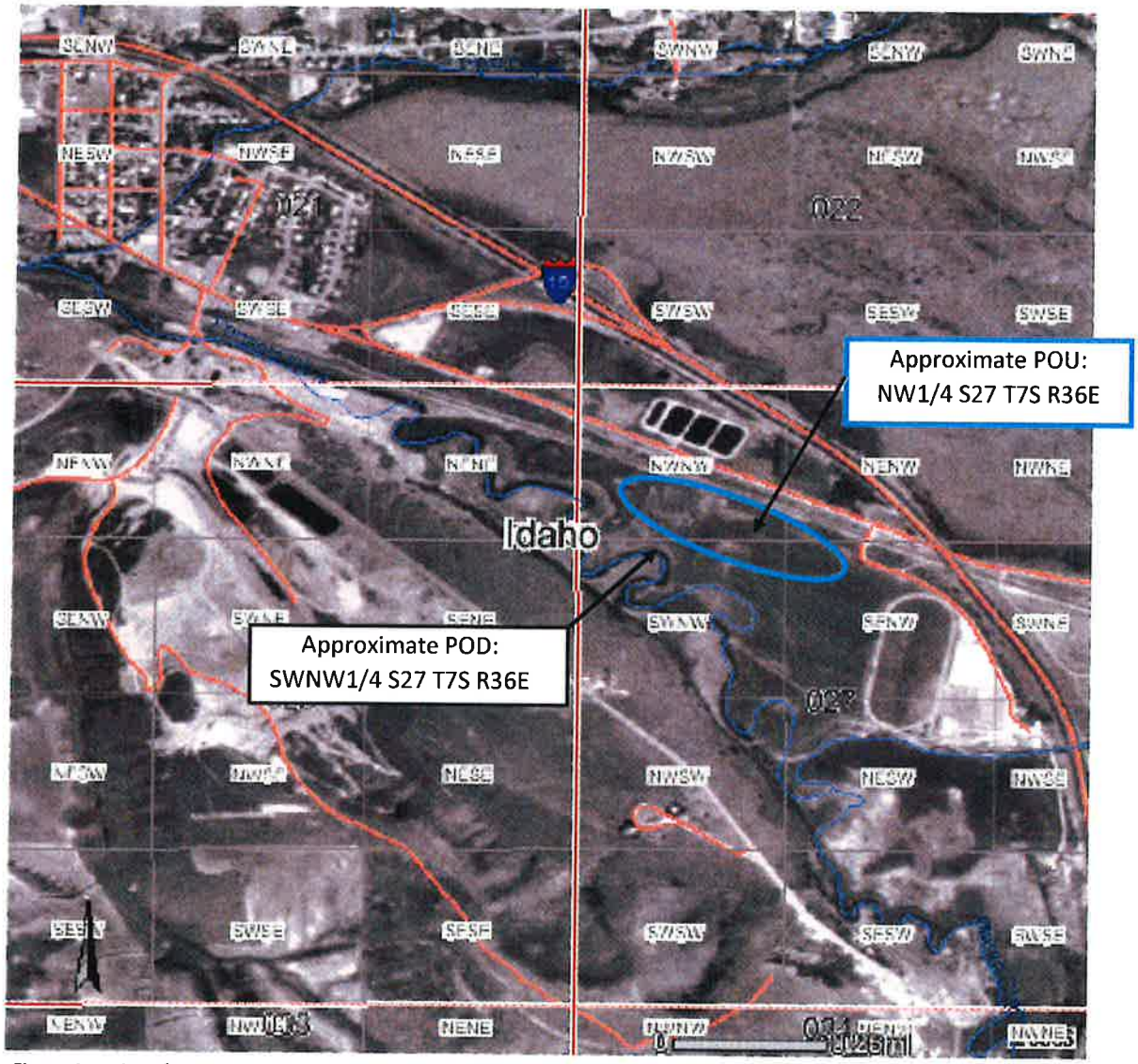


Figure 1: Point of Use and Point of Diversion for the Inkom Winter Storage Pond Water Rental (2018)

Figure 1 shows the location of the Point of Diversion (POD) and the Point of Use (POU) for the water to be rented from the Portneuf Water Bank.

The following sections are responses to questions on IDWR Form 42-1761-2 10/15 (Attached)

3A: As part of its consent decree with the United States EPA, the City of Inkom is required to test its newly constructed re-use winter storage pond and verify that it holds water. The Inkom Winter Storage Pond will be filled with water diverted from the Portneuf River /Water Bank and the rate of water loss will be compared against standards listed in IDAPA 58.01.16. Upon successful completion of the test, the rented water will be returned to the Portneuf River within 60 days. This rented water will not be adulterated or the quality altered, and the consumptive use will be negligible (evaporation and very minor seepage losses only).

3F: Whereas the POD and POU are on property owned by the City, and the City is the requestor, permission to divert the water is granted by default.

3H: Where no transfer between aquifers, basins, streams or rivers is proposed, no modeling is required. This is confirmed via communications with Remington Byer and Tim Luke on 10/31/18, 3:00 PM, 208-287-4959.

3J: Due to the time constraints imposed upon the City to complete the Winter Storage Pond by the U.S. EPA, we must fill the pond in no less than 5 days. The total volume required is 15.7×10^6 Gallons. We have permission to utilize 5 A-F of water from a temporary right assigned on 10/31/18. Assuming that the City and its contractor will be able to pump continuously, we require a flow rate of:

$$15.7 \times 10^6 - 1.63 \times 10^6 = 14.1 \times 10^6 \text{ Gallons}$$

Our flow rate, Q, is then:

$$Q = \frac{14.1\ x\ 10^6}{5\ \ days} \times \frac{day}{1{,}440\ minute} = 1{,}958\ gal/min$$

It is our understanding that the rate available from the bank is considerably less than this amount. Any accommodation to help us achieve this rate will be appreciated.

3K: Whereas the City owns the POD and POU property, permission is given by default.

4B: By supplying the requested volume at the requested flow rate, the City and its contractor can fill the City of Inkom's Winter Storage Pond to the design depth of the pond and the City can complete the IDEQ-specified testing. Upon successful completion of the test, we will return the water to the river and then commence using the Winter Storage Pond for treated effluent storage and avoid significant EPA fines. Once the storage pond can be used, we can then get our normal effluent discharge out of the Portneuf River altogether, which will certainly be an improvement to the overall water quality of the river.

4C: The only anticipated consumptive use of the water would be any losses due to evaporation while the water is held in the Winter Storage Pond. Because evaporative losses are less than 0.1 mm/day, we expect these consumptive losses to be less than 1%, i.e., negligible.

-- End of Attachments --

State of Idaho
DEPARTMENT OF WATER RESOURCES
322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

November 30, 2018

CITY OF INKOM
365 RAPID CREEK RD
INKOM ID 83245

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 29-63, 29-294E, 29-4069, 29-7076, 29-7855, 29-10029, 29-13533, and 29-13864, AGREEMENT 279

Dear Renter:

Please find enclosed a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 58.7 acre-feet of water for municipal use during 2018. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

A rental fee of **$3,409.00** was calculated based on the rented volume of 380.2 acre-feet. Owner fees were waived by the lessors for water rights 29-4069, 29-7076, 29-7855 and 29-10029 for combined volume of 174.7 acre feet. Additionally, a negotiated price was set at $10/af for water rights 29-294E, 29-13533 and 29-13864, for combined diversion volume of 131.3 acre-feet. The remaining 74.2 acre-feet were calculated at the $20 per acre-foot rate for water right 29-63.

However, after payment was made by you to the Department at the calculated cost, the lessor for water right 29-63 requested their owner fee also be waived, equal to $1,335.60 in owner fees.

We have requested a refund in the amount of $1,335.60 be paid to you for the excess payment made.

If you have questions regarding this matter, please contact me at (208) 287-4936.

Sincerely,

Mary Condon
Water Supply Bank Specialist

Enclosure(s): Receipt No. E044511

State of Idaho
DEPARTMENT OF WATER RESOURCES
322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

November 20, 2018

CITY OF INKOM
365 RAPID CREEK RD
INKOM ID 83245

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 29-63, 29-294E, 29-4069, 29-7076, 29-7855, 29-10029, 29-13533, and 29-13864 - AGREEMENT 279

Dear Renter:

Please find enclosed a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 58.7 acre-feet of water for municipal use during 2018. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,

Debbi Sudd
for Water Supply Bank

Enclosure: Rental Agreement (copy)

c: James Cefalo – IDWR Eastern Regional Office
Harold Armstrong – State Water District No. 29D
Mike Settell – Sustainable Resource Solutions

Webster, Clay

From: Webster, Clay
Sent: Monday, November 19, 2018 12:50 PM
To: Marston, Sascha
Cc: Cox, Sharla; Judd, Debbi
Subject: Refund and changes for Receipt # E044511

Sascha,

We need to make some changes to a receipt and have a refund processed.

Please process a refund for $1,335.60 to

CITY OF INKOM
365 RAPID CREEK RD
INKOM ID 83245

We also need some changes made to the receipt

We need the Department share changed to $760.40.
We need the Owner share changed to $1,313.00

Thanks

Clay

Webster, Clay

From: Ed Bala <Ed.Bala@itd.idaho.gov>
Sent: Monday, November 19, 2018 12:10 PM
To: Webster, Clay
Cc: Condon, Mary; Buyer, Remington; wdyer@thedyergroup.com
Subject: RE: Inkom Treatment Pond Leak Test

OK Thx Mr. Webster, yes ITD would like to waive our portion of the rental fees for Inkom. Pls let me know if you need anything else from ITD to accomplish this. Thanks!

From: Webster, Clay <Clay.Webster@idwr.idaho.gov>
Sent: Monday, November 19, 2018 11:48 AM
To: Ed Bala <Ed.Bala@itd.idaho.gov>
Cc: Condon, Mary <Mary.Condon@idwr.idaho.gov>; Buyer, Remington <Remington.Buyer@idwr.idaho.gov>; wdyer@thedyergroup.com
Subject: RE: Inkom Treatment Pond Leak Test

Mr. Bala,

We do have a mechanism in place to process refunds. Are you stating that ITD is waiving their portion of the rental fees for water right 29-63 for the City of Inkom? Thanks.

Sincerely,
Clay Webster
Water Rights Supervisor
clay.webster@idwr.idaho.gov
208-287-4910
Idaho Department of Water Resources (IDWR)

From: Condon, Mary
Sent: Monday, November 19, 2018 9:42 AM
To: Webster, Clay <Clay.Webster@idwr.idaho.gov>
Subject: FW: Inkom Treatment Pond Leak Test

Please see below

From: Eastern Info
Sent: Monday, November 19, 2018 9:40 AM
To: Condon, Mary <Mary.Condon@idwr.idaho.gov>
Subject: FW: Inkom Treatment Pond Leak Test

Mary, please see below:

Thank you.

Sharla

Sharla Cox
Administrative Assistant
Idaho Dept of Water Resources
900 N Skyline Dr. Ste A.
Idaho Falls ID 83402
sharla.cox@idwr.idaho.gov
208-525-7161 phone
208-525-7177 fax

From: Ed Bala [mailto:Ed.Bala@itd.idaho.gov]
Sent: Thursday, November 15, 2018 11:39 AM
To: Eastern Info <easterninfo@idwr.idaho.gov>
Cc: wdyer@thedyergroup.com
Subject: Inkom Treatment Pond Leak Test

Hi, my name is Ed Bala and I'm the District Engineer for Idaho Transportation Department here in Pocatello. I understand that Inkom recently purchased or rented some water from a bank to conduct a seep test on their new treatment pond, and they paid $1335 for water rights held by us. It sounds like they were concerned about getting ITD to answer in time, so didn't ask either agency for a waiver. Do you have a mechanism to refund their payment, I hate to see one government agency paying another. Thanks!

Memorandum

Water Supply Bank Review of Rental Application 1121

To: Rental Application 1221
From: Remington Buyer
Date: November 5, 2018
Re: Water Supply Bank Rental Application 1221

Purpose/Narrative: The City of Inkom submitted a rental application on November 1, 2018, requesting an authorization to divert Portneuf River water, in association with their development and testing of waste water "re-use winter storage ponds". It seems that the ponds are capable of storing 15,700,000 gallons, or 48.2 acre feet of water. The City intends to fill the ponds, to test for seepage and evaporation from the ponds, after which water will be returned to the Portneuf River. Because the ponds are utilized for municipal waste water treatment purposes, this rental is could be considered a "water quality improvement" or "municipal" use of water and a municipal rental is recommended. A representative of Ash Grove Cement Company has consented for fees to be waived for the rental of contract 262 water rights.

Authority to File: Application has been signed and submitted by Mike Jolley, Mayor of the City of Inkom. Mike Settell of Sustainable Resource Solutions, a consultant to the City of Inkom, has also signed onto the application as a representative. No concerns about authority to file.

Water Right Validity/Forfeiture Evaluation: Applicant has requested water rights presently leased to the Bank. No concerns about water right validity or forfeiture.

Injury Evaluation: The rental proposes to divert a significant volume of water from the Portneuf River, at a diversion rate of between 1 – 5 cfs. Diverted water is non-consumptive and will be returned back to the river within a manner of days, once ponds have been filled and tested. As such, this rental could impact Portneuf River water right diversions, downstream of the rental location, during the few days that water is being diverted from the river to fill the ponds.

The following 14 water rights authorize diversions of Portneuf River water downstream of Inkom, within Water District 29D, during the period of the proposed rental:

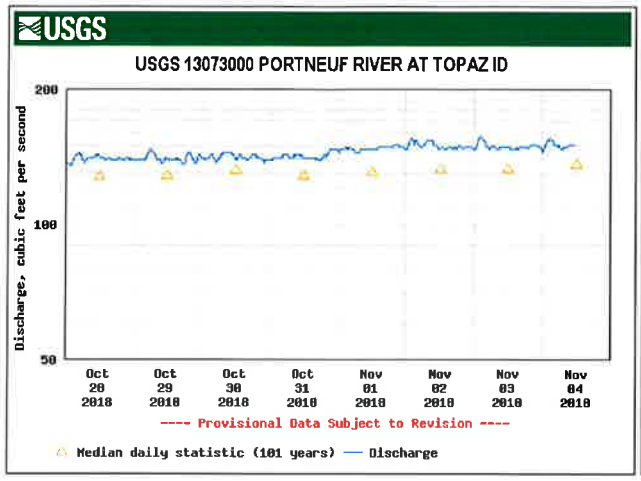
Water Right	Diversion Rate (cfs)	Volume (acre feet)	Water Use List	Current Owner
29-11548	0.040		**DOMESTIC**	ALLDREDGE, GEORGE & RUTH
29-4300	0.010		*IRRIGATION, **STOCKWATER**	BACKER, ERICA
29-13656	0.020		*IRRIGATION, **STOCKWATER**	BROWN, DEBORAH K
29-11259	0.040		**DOMESTIC**	BULLOCK, BART & BRANDIE
29-2224D	0.020		**DOMESTIC**	BULLOCK, MICHELLE & MONTE
29-13921	0.270		**AESTHETIC STORAGE, DIVERSION TO STORAGE,** *IRRIGATION, **RECREATION STORAGE, WILDLIFE STORAGE**	DOYEL, KENNETH E
29-13210	0.020		*IRRIGATION, **STOCKWATER**	HILL, NORMAN A
29-11078	0.010		*IRRIGATION, **STOCKWATER**	HULL, CARL
29-11413	0.010		*IRRIGATION, **STOCKWATER**	PURKEY, GARRY & SUSAN PURKEY, SUSAN
29-14259	0.020		*IRRIGATION, **STOCKWATER**	RAINSDON, JERRY & KERRY
29-4497	0.120		*IRRIGATION, **STOCKWATER**	STANGER, ELMER & FRANCES
29-2137	0.240	48.0	**DIVERSION TO STORAGE, WILDLIFE STORAGE, WILDLIFE**	STATE OF IDAHO
29-13648	2.000	1,448.0	**WILDLIFE**	STATE OF IDAHO
29-2224A	0.010		**DOMESTIC**	STRAND, GARY & JUDITH
Totals:	2.830			

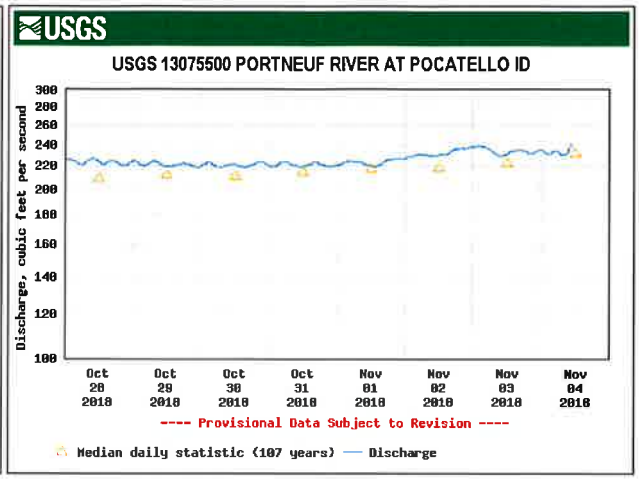
* Because irrigation season is concluded, irrigation diversion rates not included in the diversion rates amounts listed above

Memorandum

Water Supply Bank Review of Rental Application 1121

To avoid injury to in-priority downstream appropriators, at least 2.83 cfs should be flowing downstream of the Portneuf River while the city diverts rental water. A review of USGS stream gages indicates that as much as 140 cfs is flowing in the Portneuf River upstream of Inkom (at USGS gage 13073000) and as much 220 cfs is flowing in the Portneuf River downstream of Inkom (at USGS gage 13075500):





In light of the fact that measured stream flows in the Portneuf River above and below Inkom greatly exceed in-priority appropriated flows from the Portneuf River, downstream of the rental location, it is reasonable to assume that no injury will occur through the city's temporary diversion and impoundment of Portneuf River water under this rental.

Enlargement of Use: The following basin 29 water rights are available for rental to the City:

Water Right	Lease Contract	Source	Season of Use	Water Right Owner	Use	Rate	Vol	Acres	***CU Vol.
29-10029	262	Portneuf River	01/01 - 12/31	Ash Grove Cement	Industrial	0.31			174.7
29-4069	262	*Ground Water	01/01 - 12/31	Ash Grove Cement	Industrial	0.67	485		377.6
29-7076	262	*Ground Water	01/01 - 12/31	Ash Grove Cement	Industrial	0.04	29		22.5
29-7855	262	*Ground Water	01/01 - 12/31	Ash Grove Cement	Industrial	0.67	438.5		377.6
				Combined Limited Rental Amounts:		1.69	952.5		952.5
29-13864	6	**Rapid Creek	04/01 - 10/31	Acres Unlimited LTD	Irrigation	0.73		32.5	81.3
29-294E	121	**Rapid Creek	04/01 - 10/31	Acres Unlimited LTD	Irrigation	0.1			
29-13533	121	**Jackson Creek	04/01 - 10/31	Acres Unlimited LTD	Irrigation	0.1			
				Combined Limited Rental Amounts:		0.15		5	12.5
29-63	808	Portneuf River	04/15 - 9/15	Idaho Transportation Dept.	Irrigation	0.4	74.2	21.2	53
				Rental Availability (without industrial WR 29-10029):		1.28	205.5		146.8
				Rental Availability (with industrial WR 29-10029):		1.59	380.2		321.5

* Industrial ground water rights on contract 262 are included by reference.
** There are no points of diversion between the rental location and the confluence of the Portneuf River with Rapid/Jackson Creek, so a rental of Rapid/Jackson Creek water can functionally exchange Portneuf River water diverted under this rental.
*** Consumptive use volumes for irrigation water rights are based on a field headgate irrigation standard of 2.5 afa/acre.

Memorandum

Water Supply Bank Review of Rental Application 1121

Even though the irrigation season of use in the Inkom area is April 1 through October 31, the potential out-of-season rental of the above irrigation water rights should not result in enlargement, provided that the rented diversion rates and consumptive use volumes of the above irrigation water rights are not exceeded.

Additionally, water right 29-10029 is an industrial water right that authorizes year round diversions from the Portneuf River, in conjunction with industrial ground water rights 29-4069, 29-7076 and 29-7855. Water right 29-10029 does not feature a volume limit, however a combined maximum diversion volume of 952.5 af was decreed for the ground water rights. All four water rights have been leased into the Bank through contract 262 in which it is acknowledged that the four rights were historically used collectively for a fully-consumptive industrial (cement manufacturing) operation. Enlargement can therefore be avoided if no more than the total decreed volume of 952.5 af is rented from the four water rights on contract 262.

The diversion rate of 0.31 cfs for water right 29-10029 represents 18.3% of the total additive diversion rate of 1.69 cfs for these industrial water rights. Applying this percentage amount to the total volume of 952.5 af associated with contract 262 results in 174.7 af being attributable to the proportionate diversion rate associated with water right 29-10029. As such, a full rental of water right 29-10029, and a partial rental of water rights 29-4069, 29-7076 and 29-7855, should suffice to authorize a maximum diversion of 0.31 cfs and 174.7 af of Portneuf River water, by the City of Inkom, without enlarging water rights on contract 262.

Local Public Interest: The purpose of this rental is in conformity local public interests, as it is to comply with an Environmental Protection Agency (EPA) consent decree and the water quality rules of IDAPA 58.01.16.

Beneficial Use/Conservation of Water Resources: No concerns about beneficial use and water conservation practices associated with the use of water contemplated under this rental.

Department/Watermaster Comments: Water District 29D and IDWR Eastern Regional Offices will be requested.

Water Supply Bank Evaluation: Subject to a favorable review by Water District and IDWR regional office staff, it is recommended this rental be approved.

Buyer, Remington

From: Lesslie, Curtis (Ash Grove) <curtis.lesslie@ashgrove.com>
Sent: Monday, November 05, 2018 3:11 PM
To: Buyer, Remington
Cc: Packard, Kelly (Ash Grove); Newell, Bruce (Ash Grove)
Subject: FW: [EXT] RE: Idaho Water Right 29-10029

Mr. Buyer:

I received your request for confirmation to allow short term use of the Inkom facility's water and waiver of the fee from Kelly Packard. I have copied Bruce Newell, as he will be retiring at the end of this year and I thought it would be best that I submit the requested approval since I am responsible for all environmental activities of Ash Grove Cement Company and water rights are tracked by my group.

If you need something more formal to document our agreement to allow the requested short term use by the City, please let me know.

Thanks,
Curtis

Curtis Lesslie, PE
Vice President Environmental Affairs
Ash Grove Cement Company
A CRH COMPANY
11011 Cody Street
Overland Park, Kansas 66210

T 913-319-6065
C 785-550-6330
E Curtis.Lesslie@ashgrove.com

From: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Sent: Sunday, November 4, 2018 2:13 PM
To: Packard, Kelly (Ash Grove)
Subject: [EXT] RE: Idaho Water Right 29-10029

Hi Kelly,

Thanks for confirming Ash Grove is open to waiving the fee for the City of Inkom's rental. Typically, when working with a corporate water right owner, we document consent from individuals associated with filings with the Secretary of State's office, which for Ash Grove are as follows:

No. C 96956	Due no later than Dec 31, 2017 **Annual Report Form**	2. Registered Agent and Address (NO PO BOX)
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 **NO FILING FEE IF RECEIVED BY DUE DATE**	1. Mailing Address: Correct in this box if needed. ASH GROVE CEMENT COMPANY MELISSA RUSCH BOX 25900 OVERLAND PARK KS 66225	C T CORPORATION SYSTEM 921 S ORCHARD ST STE G BOISE ID 83705 3. New Registered Agent Signature:*

4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).

Office Held	Name	Street or PO Address	City	State	Country	Postal Code
DIRECTOR	CHARLES T SUNDERLAND	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	KENTON W SUNDERLAND	11011 CODY	OVERLAND PARK	KS	USA	66210
PRESIDENT	J RANDALL VANCE	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	GEORGE M WELLS	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	JOHN W WEBSTER	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	CHARLES V LARSON	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	F L MARKEL	11011 CODY	OVERLAND PARK	KS	USA	66210
TREASURER	DAVID MEYER	11011 CODY	OVERLAND PARK	KS	USA	66210
SECRETARY	STEPHEN M RYAN	11011 CODY	OVERLAND PARK	KS	USA	66210
DIRECTOR	EILEEN FLINK	11011 CODY	OVERLAND PARK	KS	USA	66210

5. Organized Under the Laws of:	6. Annual Report must be signed.*	
DE C 96956	Signature: Stephen Ryan Name (type or print): Stephen Ryan	Date: 12/20/2017 Title: Secretary
Processed 12/20/2017	* Electronically provided signatures are accepted as original signatures.	

However, I see in our records that Bruce Newell submitted and signed for Ash Grove on the most recent lease filings.

Are you able to obtain from Bruce, or one of the above listed agents, confirmation the waiving of the rental fee for the City of Inkom?

Thanks,

Remington Buyer

Water Supply Bank Coordinator

Idaho Department of Water Resources

322 East Front Street, Boise, ID, 83720

T: (208) 287-4918 | **F:** (208) 287-6700

From: Packard, Kelly (Ash Grove) [mailto:kelly.packard@ashgrove.com]
Sent: Friday, November 02, 2018 5:39 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: Idaho Water Right 29-10029

The City of Inkom approached me about using water right #29-10029 with the intent of using it on a one time basis for testing a newly constructed water impoundment. I don't not oppose the use of the right for this purpose and I waive the fee for rental of the water.

If you need any additional information, please don't hesitate to email, text, or call me.

Kelly Packard

Terminal Manager

Ash Grove Cement Company

A CRH COMPANY

230 Cement Road

Inkom, Idaho 83245

O 208-637-9146

C 208-251-1351

www.ashgrove.com

Home

www.ashgrove.com

Ash Grove Cement Company is a cement manufacturer based in Overland Park, Kansas, with plants and terminals located across the Midwest, Texas and Western United States. Ash Grove also operates two deep-water import terminals west of the Mississippi, ready-mix concrete and aggregates operations in th

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you are expecting this email and know the contents are safe. ATTENTION: Ce courriel vient de l'exterieur de l'entreprise. Ne cliquez pas sur les liens, et n'ouvrez pas les pièces jointes, à moins que vous ne connaissiez l'expéditeur du courriel et savez que le contenu est sécuritaire.

Buyer, Remington

From: Swank, Lyle
Sent: Monday, November 05, 2018 2:59 PM
To: Buyer, Remington
Cc: Cefalo, James
Subject: RE: Inkom City Water Rental

Remington,

Last week I was discussed the options with Tim Luke. We concluded the Water Bank makes more sense for this project than the WD1 rental pool.

Because of those discussions, I'm fine with the rental application.

Tim and I also concluded it would be good to have an in-depth discussion with upper management prior to using a WD1 rental before understanding the unintended consequences of a rental and how additional rental from other basins such as the Portnuef would decrease the ability to stabilize the ESPA.

Lyle

From: Buyer, Remington
Sent: Monday, November 05, 2018 2:34 PM
To: Swank, Lyle <Lyle.Swank@idwr.idaho.gov>
Cc: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: FW: Inkom City Water Rental

Lyle, James,

The attached rental agreement has been drafted for the City of Inkom. My apologies for not providing your office with additional time for review and deliberation—there was a sense of urgency in getting this rental ready for their approval.

That said, I would still welcome your comments on this rental. Specifically, there was some discussion here at the state office about whether it might be equally beneficial for city to rent storage from the WD01 rental pool?

Thanks,

Remington

From: Buyer, Remington
Sent: Monday, November 05, 2018 2:29 PM
To: 'jjolley4544@juno.com' <jjolley4544@juno.com>
Cc: 'srs@bridgemail.com' <srs@bridgemail.com>
Subject: RE: Inkom City Water Rental

Mayor Jolley,

The attached rental agreement is ready for your consideration. I understand you may have some additional questions about this proposed agreement. Please feel free to contact me if you would like to discuss this further, else, if you are prepared to sign the agreement as presently structured, the rental agreement can be executed by IDWR once we

receive from you a signed version, coupled with payment of the rental fee. The agreement and payment can be delivered by mail to IDWR's state office in Boise, or in person to our office in Idaho Falls or Twin Falls.

Regards,

Remington
(208) 287-4918

Buyer, Remington

From: Greg Smedley <greg@smedleybuilders.com>
Sent: Monday, November 05, 2018 6:08 AM
To: Buyer, Remington
Subject: Water rental

Remington,

I just want to inform you that I represent Acres Unlimited and the water we have in the bank. I have negotiated a rental of water to the City of Inkom for $10.00/Acre Ft. to fill their new sewer pond. Let me know if you need anything else from me.

Thanks,

Greg Smedley
Cell 208-221-2537

Buyer, Remington

From: Harold (Hal) Armstrong <halarm@gmail.com>
Sent: Sunday, November 04, 2018 5:43 PM
To: Buyer, Remington
Subject: RE: City of Inkom Rental

Remington,

I am completely aware of this and approve the rental request. This needs to be approved asap.

Thanks!

Water District # 29D

Portneuf River

Lower Portneuf River

Harold (Hal) Armstrong
Watermaster
(208) 233-4346
Email: halarm@gmail.com
Text: (801) 580-3071

From: Buyer, Remington [mailto:Remington.Buyer@idwr.idaho.gov]
Sent: Sunday, November 04, 2018 2:23 PM
To: Swank, Lyle; halarm@gmail.com
Cc: Webster, Clay
Subject: City of Inkom Rental

Harold, Lyle,

The City of Inkom approached the Water Supply Bank last week to request a water right rental to authorize filling and testing of municipal waste water ponds. The attached memo, map and draft agreement outline my review of the city's rental request. There is a sense of urgency with this request—could you please review the attached items are your earliest convenience and advise if you have any questions, comments, or concerns about this proposed use of rental water and the water rights identified to authorize it?

Thanks,

Remington Buyer
Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | **F:** (208) 287-6700

Buyer, Remington

From: Buyer, Remington
Sent: Sunday, November 04, 2018 2:23 PM
To: Swank, Lyle; halarm@gmail.com
Cc: Webster, Clay
Subject: City of Inkom Rental
Attachments: Rental Agreement - Draft.docx; Rental Review Memo.docx; RentalMap.pdf

Harold, Lyle,

The City of Inkom approached the Water Supply Bank last week to request a water right rental to authorize filling and testing of municipal waste water ponds. The attached memo, map and draft agreement outline my review of the city's rental request. There is a sense of urgency with this request—could you please review the attached items are your earliest convenience and advise if you have any questions, comments, or concerns about this proposed use of rental water and the water rights identified to authorize it?

Thanks,

Remington Buyer
Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | **F:** (208) 287-6700

Buyer, Remington

From: jjolley4544@juno.com
Sent: Thursday, November 01, 2018 6:10 PM
To: Buyer, Remington
Cc: Luke, Tim
Subject: Application to rent water from Water Bank
Attachments: Inkom Form 42-1761 - Application to Rent Water 31 Oct 2018.pdf

RECEIVED
NOV 02 2018
DEPARTMENT OF
WATER RESOURCES

Remington,

Thank you so much to both you and Tim Luke for your time today in answering questions and clarifying various information/concerns for me. Your help was much needed and useful. I also appreciate each of your efforts in making things happen at such quick speed. If only we could have used you in other aspects of our project (many delays).

I did speak with Kelly Packard (plant manager) at Ashgrove Cement. He indicated that if they could help the City out with Bank Water they would be willing to do so. Could you please contact me in the morning to discuss if their help will be sufficient for the use we are needing in filling the pond.

To make sure we keep things moving forward, please see the attached copy of the application to rent water from the Water Bank for the purpose of filling the Inkom storage pond and then conducting the necessary seepage testing.

Hopefully, all is in order for you to continue processing this forward.

Much Thanks!

Joel Jolley - Mayor - City of Inkom