

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

SEP 04 2018

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 265

This is to certify that:

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE, ID 83313

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

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-2581	8/16/1955	GROUND WATER	0.13	52.70	32.0	0.004	1.63
37-2599	9/30/1957	GROUND WATER	0.07	26.30	32.0	0.002	0.82
37-2604	7/29/1958	GROUND WATER	0.11	43.90	32.0	0.003	1.37
37-2616	6/3/1959	GROUND WATER	0.13	52.30	32.0	0.004	1.63
37-7758	2/6/1979	GROUND WATER	0.16	23.40	7.8	0.020	3.00
Combined Rental Totals			0.60	112.00	32.0	0.019	3.50

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2022. 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 - 2022: \$240.00 annually

The full fee for the rental of the above-described right(s) is \$2,240.00 per year for years 2018 - 2022. However, in recognition of a water use agreement between the renter and the water right lessor, the owner's portion of the rental fee is not being collected, and the only fee to be paid is an administrative fee of \$224.00 per year for years 2018 - 2022.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

SUPPORT DATA

Total Water Use Authorized Under Rental Agreement

IN FILE # 37-2581

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.60	112.00	32.0	0.019	3.5
Combined Total	0.60	112.00	32.0	0.019	3.5

*** The authorized water usage reflects a reduction from the water right elements rented, to account for combined limits**

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 265

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:


Signature of Renter

8/27/18
Date

John F. Stevenson
Printed Name

Operator/owner
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 
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 9/5/2018

Rental approved by IDWR 

Date 9-5-2018

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DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 265

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	NWNWNE	Sec. 20, Twp 01S, Rge 19E,	BLAINE County
GROUND WATER	NWNWNE	Sec. 20, Twp 01S, Rge 19E,	BLAINE County
GROUND WATER	SESWSW	Sec. 21, Twp 01S, Rge 19E,	BLAINE County

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.60 CFS

VOLUME
112.00 AF

SEASON OF USE

Water Right No.	From	To	
37-2581	4/15	10/31	0.13 CFS
37-2599	4/15	10/31	0.07 CFS
37-2604	4/15	10/31	0.11 CFS
37-2616	4/15	10/31	0.13 CFS
37-7758	4/1	11/1	0.16 CFS

RENTERS PLACE OF USE: 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	
01S	19E	21									32.0								32.0

Total Acres: 32.0

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

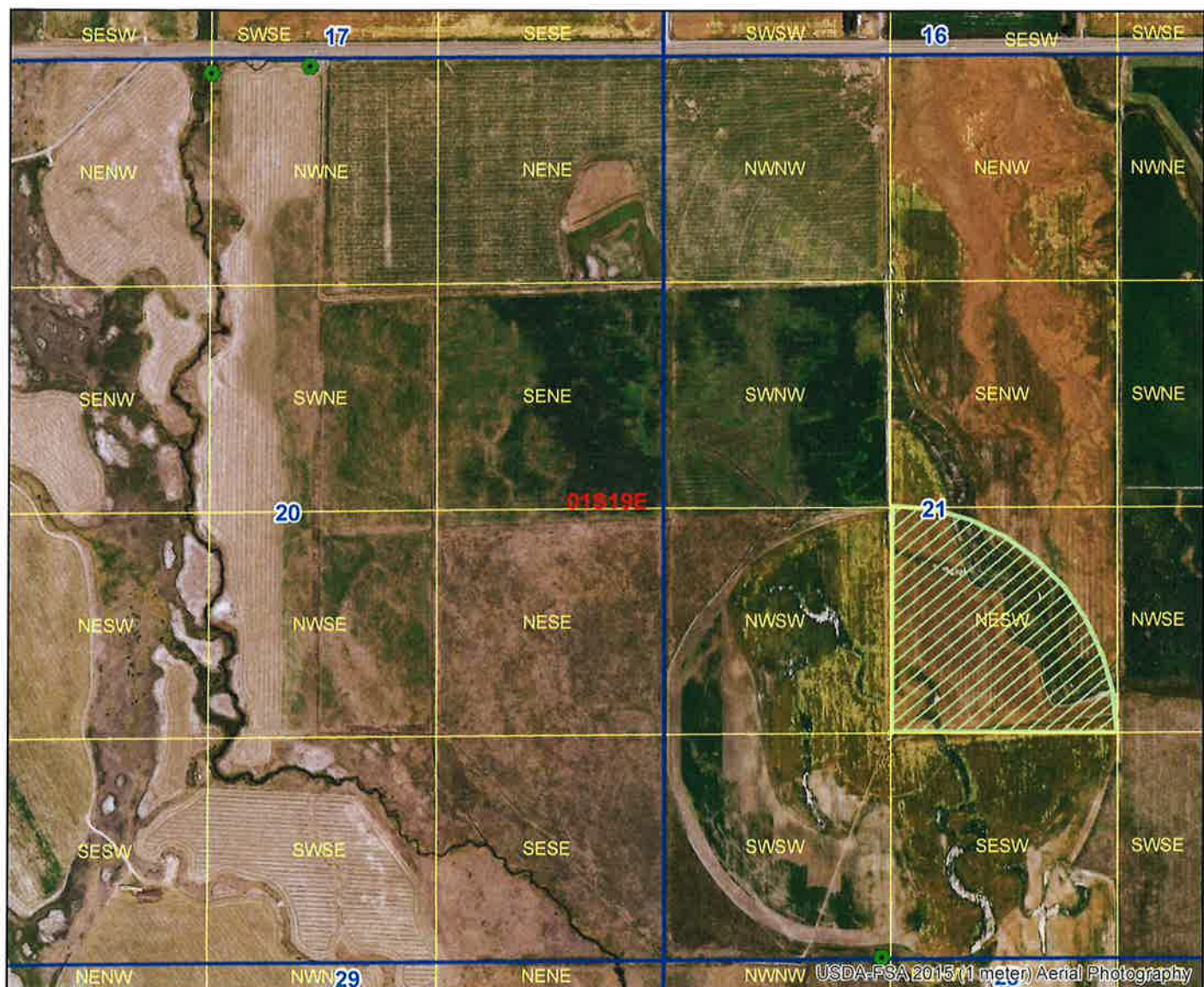
WATER SUPPLY BANK RENTAL AGREEMENT No. 265

9. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No.37.
10. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.
11. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion.
12. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
13. Rented Rights 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758 when combined shall not exceed a total annual maximum diversion volume of 112 af at the field headgate and the irrigation of 32.0 acres.
14. Rented Rights 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758 and Rights 37-7644, 37-2649A, 37-2649B and 37-7014 when combined shall not exceed a total diversion rate of 8.04 cfs.

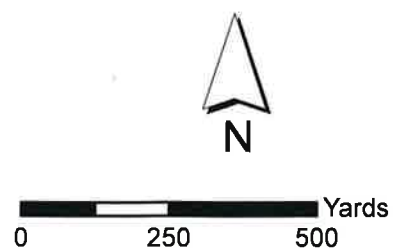
Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 265

Effective until December 31, 2022

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



-  Authorized Rental Point of Diversion
-  Authorized Rental Place of Use
-  Township/Range
-  Sections
-  QQ



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

MAY 23 2018

DEPARTMENT OF
WATER RESOURCESApplicant Name: John F. Stevenson

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)

37-2581	37-2604	37-7758
37-2599	37-2616	

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant John F. Stevenson

Mailing Address 36 Hillside Ranch Rd Bellevue Idaho 83316
Street City State Zip Code
Email Address _____ Phone Number (208) 788-4826

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 Jonas Reagan Professional Title Attorney
Organization Barker Rosholt & Simpson LLP Relationship to Applicant Counsel
Mailing Address 163 2nd Avenue West, Twin Falls, Idaho, 83301
Email Address jreagan@idahowaters.com Phone Number (208) 733-0700

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**:
Irrigation with applicant's pivot of 32 acres of neighboring property not owned by applicant. See "Water Use Agreement," and First Amendment, between applicant and Tom O'Gara attached hereto.

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)
0.64 CFS	112 AF	0.64 CFS	112 AF	32 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?	
4/15/2018	5/01/2018	☐ 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):
Well and pipe to pivot. See "Water Use Agreement," and First Amendment, between Applicant and Thomas M. O'Gara attached hereto.

- 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
Well	Groundwater	37-2649B See Transfer No. 78424

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 32 (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: _____ from: _____ (mm/dd) to: _____ (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:

Land is within permissible place of use created by T76658. However, applicant is not authorized to control that water. Water use is pursuant to "Water Use Agreement," and First Amendment, attached hereto.

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)
37-2581	Irrigation	0.14	30.0	NA		0.14	30.0	7.1
37-2599	Irrigation	0.07	15.0	NA		0.07	15.0	3.5
37-2604	Irrigation	0.12	25.0	NA		0.12	25.0	6.0
37-2616	Irrigation	0.14	29.0	NA		0.14	29.0	7.1
37-7758	Irrigation	0.17	13.0	NA		0.17	13.0	8.3
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	0.64	112.0	32.0
						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**:

N/A

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**:

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:

Applicant has previously rented water rights 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758 in Rental

Agreement ID: 29. A permanent water right has not been secured as this rental is to use water on another's land.

See "Water Use Agreement," and First Amendment, between Applicant and Tom O'Gara attached hereto.

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental?

If yes, describe:

Yes ☐ No ☒

- 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.

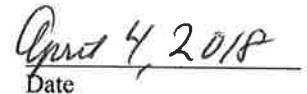
- D. Additional Information

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.


Signature of Applicant

John F. Stevenson
Printed Name of Applicant


Date

Signature of Representative

Printed Name of Representative

Date

Mail to:

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

STATE OF IDAHO
WATER RESOURCE BOARD

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. **If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.**

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit <https://idwr.maps.arcgis.com/home/> to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

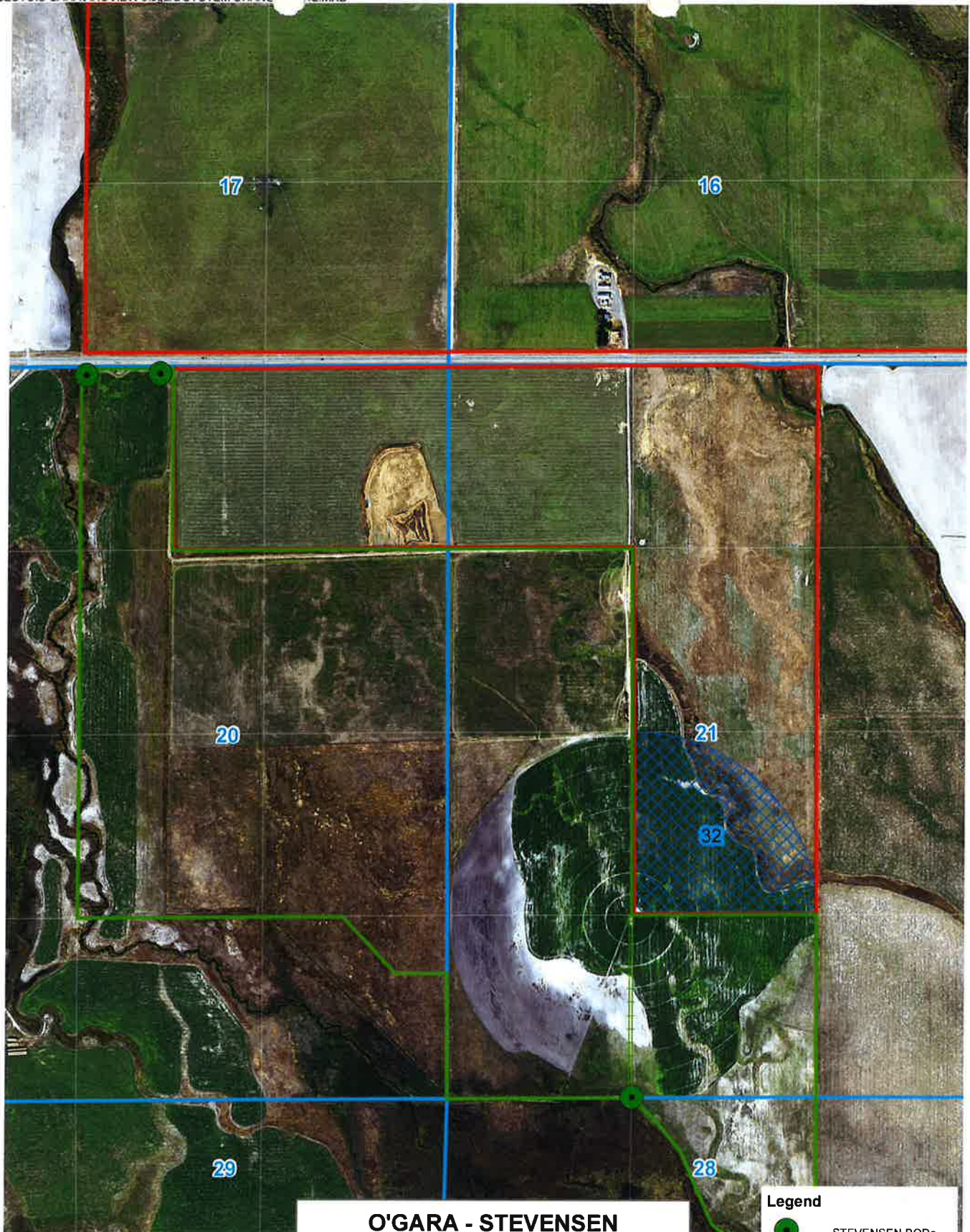
Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.



**O'GARA - STEVENSEN
WATER BANK APPLICATIONS
T1S R19E SEC 21
BLAINE COUNTY IDAHO
NAIP 2017 AERIAL PHOTOGRAPH**

0 500 1,000 2,000 Feet

BROCKWAY ENGINEERING, PLLC.
GEP - MARCH 23, 2018

Legend

-  STEVENSEN PODs
-  STEVENSEN SYSTEM
-  STEVENSEN PPU
-  O'GARA PPU
- WATER SOURCE**
-  O'GARA PROPERTY



FIRST AMENDMENT TO WATER USE AGREEMENT

THIS AGREEMENT is entered this 10 day of April, 2018, by and between the THOMAS M. O'GARA FAMILY TRUST, with THOMAS M. O'GARA, Trustee, c/o Brian Barsotti, P.O. Box 370 Ketchum, Idaho, 83340 ("O'GARA") and JOHN F. STEVENSON, 36 Hillside Ranch Road Bellevue, Idaho 83313 ("STEVENSON").

WHEREAS, O'GARA and STEVENSON entered into a Water Use Agreement on April 25, 2013 ("Agreement"); and

WHEREAS, O'GARA has removed the pivot identified in Agreement, and is no longer irrigating as contemplating in the Agreement; and

WHEREAS, O'GARA and STEVENSON desire to amend the Agreement as provided herein;

NOW THEREFORE, in consideration of the mutual promises and performances set forth below, the sufficiency of which is hereby acknowledged, the Parties agree to amend the Agreement as follow:

1. Article 1 of the Agreement shall be amended as follows:

1. Authority:

1.1. STEVENSON hereby authorizes O'GARA to graze cattle in the fall on the STEVENSON PROPERTY.

1.2. O'GARA hereby authorizes STEVENSON to divert 0.64 cfs of O'GARA's water rights 37-2581, 37-2604, 37-2616, 37-7758 and 37-2599 to irrigate thirty two (32) acres of the O'GARA PROPERTY using the STEVENSON irrigation system. The O'GARA PROPERTY to be irrigated pursuant to this AGREEMENT is identified on the aerial photo attached hereto as ATTACHMENT A.

1.3. Each Party shall use the other Party's property with sound practices for the intended use under the amendment. STEVENSON's use must be appropriate for the crop and soil types and use an application rate equal to that used by STEVENSON on his land under that same pivot. O'GARA shall graze the STEVENSON PROPERTY using sound grazing practices appropriate for the soil and vegetation conditions.

2. Article 2 of the Agreement shall be deleted and replaced with the following provisions:

2. STEVENSON shall be responsible for the preparation and filling of any necessary application(s) with the Idaho Water Supply Bank, as well as any filing fees, rental fees and other costs relating to the preparation and filing of the applications, to authorize the diversion and use of water as provided in Article 1.2, above.

3. Article 4 of the Agreement shall be deleted, and the article shall be intentionally left blank.

4. Article 6 of the Agreement shall be amended as follows:

6. Use of Property: Except as otherwise provided in this Agreement, the Parties shall continue to use their own respective properties and shall retain all rents, profits and other proceeds associated with the use of their respective properties. Nothing in this AGREEMENT gives either Party a right to share in the rents, profits or any other proceeds associated with activities on the other Party's property.

5. Article 7 of the Agreement shall be amended as follows:

7. Placement of Pivots: During the term of this Agreement O'GARA consents to the placement and use of the pivot belonging to STEVENSON on O'GARA's PROPERTY, and consents to STEVENSON's entry on O'GARA's PROPERTY for routine operation and maintenance of the pivots. STEVENSON shall provide reasonable notice to O'GARA if extraordinary measures are required to deal with the pivots on O'GARA's PROPERTY and will consult on appropriate measures to protect the land and crops of O'GARA, as necessary.

6. All other provisions of the Agreement shall remain unchanged.

"O'GARA"

THOMAS M. O'GARA FAMILY TRUST

By: _____

Thomas M. O'Gara, Trustee

"STEVENSON"

JOHN STEVENSON

By:  4/10/18

John Stevenson

2. STEVENSON shall be responsible for the preparation and filling of any necessary application(s) with the Idaho Water Supply Bank, as well as any filing fees, rental fees and other costs relating to the preparation and filing of the applications, to authorize the diversion and use of water as provided in Article 1.2, above.

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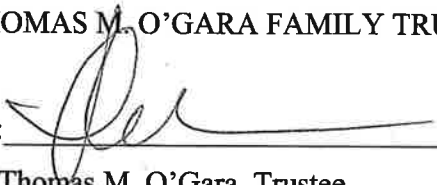
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6. All other provisions of the Agreement shall remain unchanged.

"O'GARA"

THOMAS M. O'GARA FAMILY TRUST

By:  5/14/18

Thomas M. O'Gara, Trustee

"STEVENSON"

JOHN STEVENSON

By: _____

John Stevenson



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

September 6, 2018

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758**

Dear Renter:

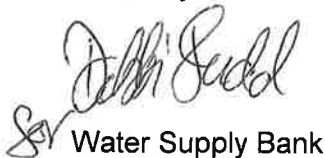
Please find enclosed a receipt in the amount of **\$240.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 112.0 acre-feet of water for irrigation of 32.0 acres during 2018. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, the rental fee will be retained by the Department to offset administrative costs since you have a private agreement with the lessor.

The Department discovered a discrepancy in fees stated on the first page of the rental agreement. The annual rental fee states \$240.00 annually with the following paragraph stating "... the only fee to be paid is an administrative fee of \$224.00 per year for years 2018-2022". The correct fee is \$224.00. A refund has been requested and will arrive under separate cover from the Idaho State Controller's Office.

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

Sincerely,



Water Supply Bank

Enclosures: Receipt No. C105592
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Corey Skinner – IDWR Southern Regional Office
Kevin Lakey – State Water District No. 37
South Valley GWD
Jonas Reagan – Barker, Rosholt & Simpson

Judd, Debbi

From: Judd, Debbi
Sent: Wednesday, September 05, 2018 4:07 PM
To: Marston, Sascha
Subject: Refund request

TO: Sascha Marston
FROM: Debbi Judd
DATE: September 5, 2018
RE: Refund: Ownership change

Please refund \$16. Incorrect WSB rental fee

NAME: HILLSIDE RANCH
ADDRESS: 36 HILLSIDE RANCH RD
BELLEVUE ID 83313

RECEIPT: C105592

Thank you.

Debbi

Debbi Judd
Technical Records Specialist
debbi.judd@idwr.idaho.gov

Idaho Department of Water Resources
322 E Front St
PO Box 83720
Boise, ID 83720-0098
208-287-4920
www.idwr.idaho.gov



State of Idaho

DEPARTMENT OF WATER RESOURCES

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Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

August 21, 2018

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

In light of a water use agreement between you and the water right lessor, only an administrative rental fee of \$240.00 has been calculated, based on 10% of the current rental rate of \$20.00 per acre-foot times a diversion volume of 112.0 acre-feet.

Please send a check for \$240.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so that our office can complete processing.

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

Sincerely,

Water Supply Bank

Enclosure

c: IDWR Front Desk
Jonas Reagan – Barker Rosholt & Simpson

Buyer, Remington

From: Jonas Reagan <jreagan@idahowaters.com>
Sent: Tuesday, August 21, 2018 2:44 PM
To: Buyer, Remington
Subject: RE: Stevenson Rental Application

Hey Remington,

Thanks so much. Specific financial compensation for the exchange was not contemplated, and O'Gara does not anticipate being financially compensated by Stevenson for the rental of O'Gara's water rights. If you could amend the proposed rental agreement to reflect only the need for Stevenson to pay administrative rental fees, and no owner fees, that would be perfect.

Best,
Jonas

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
Twin Falls, Idaho 83303-0063
Office: (208) 735-2229
Fax: (208) 735-2444*

CONFIDENTIALITY NOTICE: This e-mail and its attachments are confidential and may be privileged. If you believe this e-mail has been sent to you in error, please notify the sender immediately and delete this email. Do not deliver, distribute or copy this transmission.

From: Buyer, Remington [mailto:Remington.Buyer@idwr.idaho.gov]
Sent: Tuesday, August 21, 2018 2:41 PM
To: Jonas Reagan <jreagan@idahowaters.com>
Subject: RE: Stevenson Rental Application

Jonas,

Based on your last email, it can be understood that the water use agreement between O'Gara and Stevenson pertains to an exchange of property and services, and that specific financial compensation for the exchange is not contemplated. If this is in fact the case, and O'Gara does not anticipate being financially compensated by Stevenson for the rental of O'Gara's water rights by Stevenson, then IDWR only needs to collect the administrative rental fees for the rental of water rights. Because you are listed as the representative of both O'Gara and Stevenson on their respective lease and rental applications, IDWR can amend the Stevenson rental agreement, so that it only specifies payment of administrative rental fees, and not payment of owner fees, once you confirm that the information stated above is correct.

If the above is correct, please confirm via a reply to this email, and we will reissue amended rental agreements.

Regards,

Remington

From: Jonas Reagan [<mailto:jreagan@idahowaters.com>]
Sent: Tuesday, August 21, 2018 12:11 PM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Subject: RE: Stevenson Rental Application

Hey Remington,

The First Amendment to Water Use Agreement is not a simply rent and lease of water. The Agreement is for an exchange of services. Normally, I would agree that Article 2 could be construed to include admin rental fees to IDWR *and* owner portion rental fees to O'Gara, but when reading the Agreement in light of the intended exchange I believe the Agreement does not implicate owner portion rental fees. Here, O'Gara is getting the right to graze cattle on Stevenson's property in exchange for renting the rights to the WSB. There is no monetary payment for the owner portion.

In the previous agreement, IDWR was not responsible for the collection of the owner's portion of the rental fee (in the past was \$1). Here, there is no monetary owner's portion. O'Gara simply gets grazing privileges as a result of the agreement.

Is there any way for WSB to amend the proposed rental agreement to reflect these provisions in the Water Use Agreement making Stevenson only liable for admin rental fees? If you have any questions, please feel free to call.

Best,

*Jonas Reagan
Barker Rosholt & Simpson LLP
163 2nd Avenue West
P.O. Box 63
Twin Falls, Idaho 83303-0063
Office: (208) 735-2229
Fax: (208) 735-2444*

CONFIDENTIALITY NOTICE: This e-mail and its attachments are confidential and may be privileged. If you believe this e-mail has been sent to you in error, please notify the sender immediately and delete this email. Do not deliver, distribute or copy this transmission.

From: Buyer, Remington [<mailto:Remington.Buyer@idwr.idaho.gov>]
Sent: Monday, August 20, 2018 2:58 PM
To: Jonas Reagan <jreagan@idahowaters.com>
Subject: Stevenson Rental Application

Jonas,

Based on the First Amendment to Water Use Agreement documents in the attached rental application, IDWR's reading of Article 2 was that Stevenson was required to pay all rental fees, interpreted as admin rental fees to IDWR and owner portion rental fees to O'Gara. IDWR can amend the rental agreement for Stevenson so that it only includes collection of administrative fees to IDWR, however we'll need to get documentation from O'Gara and Stevenson to confirm that the owner portion of the annual rental fee will be paid directly to O'Gara by Stevenson and that IDWR will not be responsible for collection of the owner's portion of the annual rental fee.

Remington



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

August 17, 2018

JOHN F STEVENSON
36 HILLSIDE RANCH RD
BELLEVUE ID 83313

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of \$2,240.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 112.0 acre-feet.

Please send a check for \$2,240.00 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, 90% or \$2,016.00 of the rental fee will be paid to the lessor(s) and 10% or \$224.00 will be retained by the Department to offset administrative costs.

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

Sincerely,

for Water Supply Bank

Enclosure

c: IDWR Front Desk
Jonas Reagan – Barker Rosholt & Simpson

Webster, Clay

From: Condon, Mary
Sent: Friday, July 13, 2018 12:00 PM
To: Webster, Clay
Subject: FW: Lease and Rental review - 37-2581 etc.
Attachments: Draft Companion Lease Rental Review Memo.docx; combined limits review.xls; An Irr SPLIT RIGHT TOOL.xlsx; Move Map.pdf

FYI

Corey called me today at 11:58 and said he was fine with this repeat companion package.

Mary

From: Condon, Mary
Sent: Friday, July 06, 2018 10:25 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; watermanager@cableone.net
Subject: Lease and Rental review - 37-2581 etc.

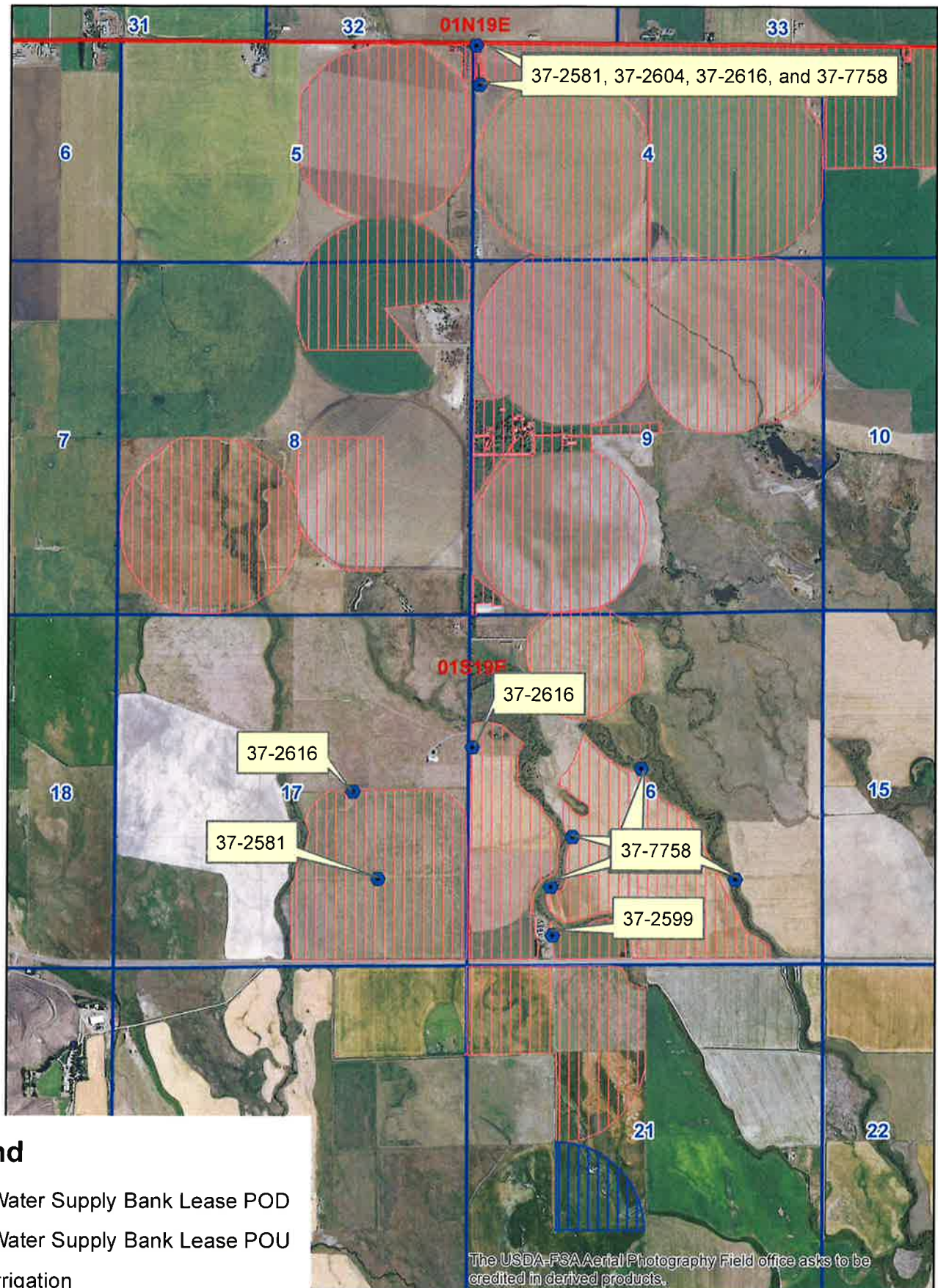
Happy Friday, Corey and Kevin,

Please see my review for lease rental package for 5 year repeat from O'Gara to Stevenson, and kindly respond within 7 days.

Best,
Mary

Mary Condon
Water Supply Bank Specialist
Planning & Projects Bureau
Idaho Department of Water Resources
Main: (208) 287-4936
Fax: (208) 287-6700

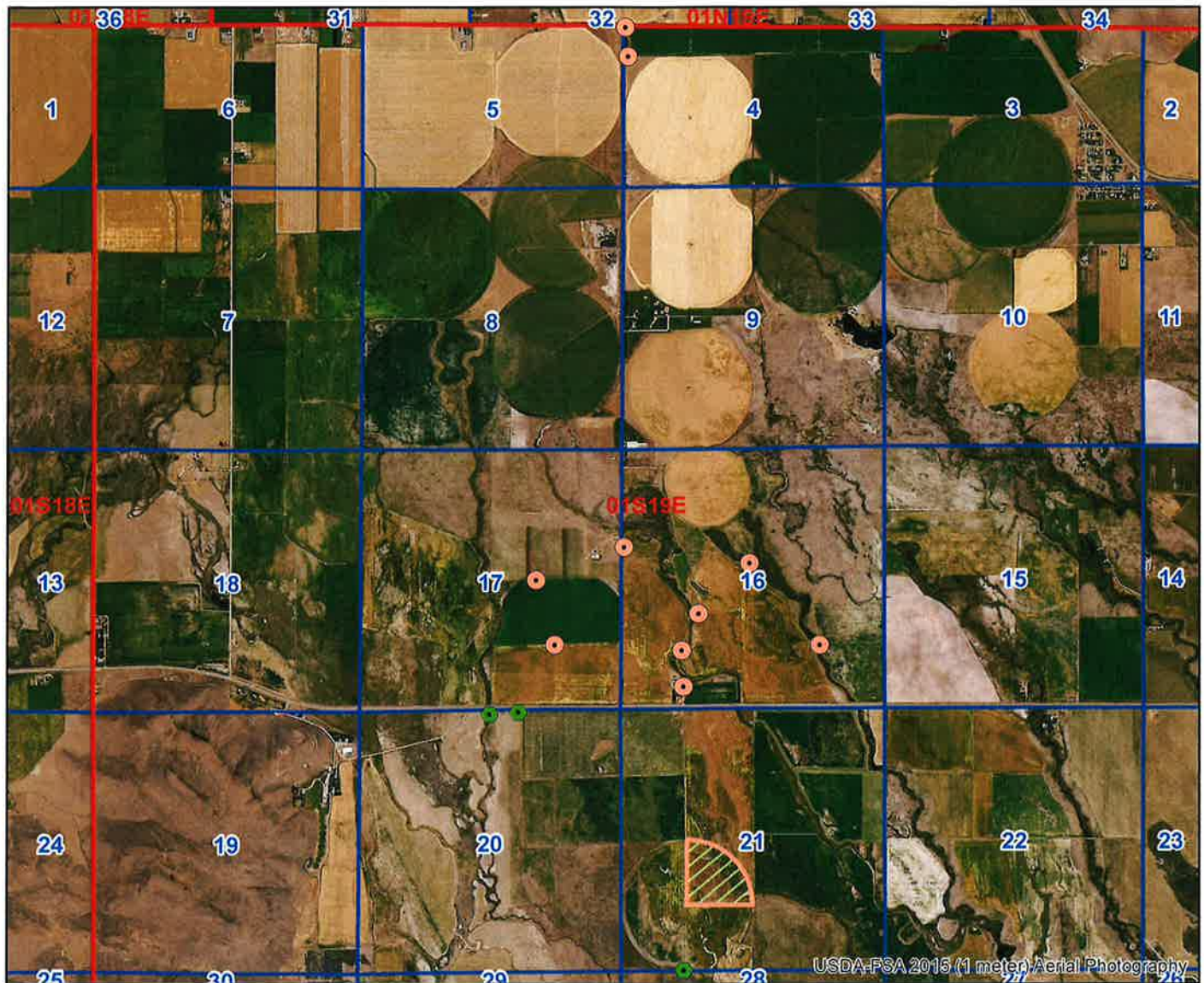
37-2581, 37-2599, 37-2604, 37-2616 and 37-7758 PODs



Idaho Water Resource Board
Move Map 37-2581, etc.

Lease O Gara and Rental Stevenson

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



-  Active Water Supply Bank Lease POD
-  Active Water Supply Bank Lease POU
-  Water Supply Bank Rental POD
-  Water Supply Bank Rental POU
-  Township/Range
-  Sections



0 0.5 1 Miles

MEMORANDUM

To: Water Right File No(s). 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758

From: Mary Condon and Remington Buyer

Date: June 20, 2018

Re: Review of Applications to Lease and Rent Water Right to and from the State Water Supply Bank

PURPOSE/NARRATIVE: There are 2 applications which include stacked lease applications from O'Gara and a rental package from the Stevenson's. These applications were all received May 23, 2018 with 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758.

A Water Use Agreement was made between the O'Gara's and the Stevenson's April 25, 2013, and amended April 2018, that allows the Stevenson's to use 0.64 cfs and 32 acres of O'Gara property with O'Gara rented water rights 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758 year by year.

AUTHORITY TO FILE: A trustee of the O'Gara Trust signed the lease applications and John Stevenson signed the rental application. Both are authorized to sign the applications. The applications have been submitted by attorney Jonas Reagan of Barker, Rosholt, & Simpson LLP.

WATER RIGHT VALIDITY: All of the O'Gara water rights on the applications were decreed on 6/1/2010. The 32 acres placed in the bank from 2013-2017, which were then rented fully. The rights are all valid and are not subject to forfeiture at this time. A transfer in 2015 combined all water rights "To" and "Associated" listed above into PPU, limited to 2119.9 within the 3437.0 POU.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: There will be no apparent enlargement issues in connection with the approval of these applications. See the attached overlap analysis. These rights are not supplemental to surface water rights, and are not "stacked" with other rights on the PPU. The lease/rental of 37-2581, 37-2599, 37-2604, 37-2616, and 37-7758 will not constitute an enlargement. Lease amounts will be proportionate to the total acres allowable, of 4.4%. After detailed analysis and irrigation rights split tool, actual amounts needed within the lease have been adjusted from previous amounts calculated differently. See end tables. A map showing what acres will be leased within the PPU during the duration of the lease/rental was included as the same 32 acres as is rented. This map is sufficient.

The Points of Diversion for the lease applications all listed the same point of diversion from the SESWSW of Section 16, Township 01S, Range 19E; however, a transfer has never been processed to allow diversion of all water rights from the same point of diversion as 37-2599. The applications also state the groundwater is diverted to a pond and then pumped to the POU. It is possible this was a mistake on the applications. A map showing the points of diversion and assigned water rights to those diversions is attached. Additionally, the POD's will be listed by WR number on the lease.

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

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The leases/rentals appear consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Headgate is 3.5 afa; Lease Rental is within the Big Wood GWMA, South Valley Ground Water District, Water District 37- Big and Little Wood River Drainages including Ground Water and Southern Region. Request for comments to Southern and BWGWMA watermaster sent June 22, 2018.

Previous O'Gara Water Rights Leased into the Bank based on proportions as follows:

Water Right	Rate cfs	Volume af	Acres	Proportion %	Leased Rate	Leased Volume	Leased Acres
37-2581	3.0	1188	721.7	22	0.14	30	7.1
37-2599	1.5	594	721.7	11	0.07	15	3.5
37-2604	2.5	990	721.7	19	0.12	25	6.0
37-2616	2.98	1180	721.7	22	0.14	29	7.1
37-7758	3.5	525	175	26	0.17	13	8.3
TOTAL	13.48	2526	721.7	100	0.64	112	32

However, the acres are not additive and this is not proportionate to individual and combined limits, and will be leased instead as:

Water Right	Rate cfs	Volume af	Acres	Proportion %	Leased Rate	Leased Volume	Leased Acres
37-2581	3.0	1188.0	721.7	4.4%	0.13	52.7	32
37-2599	1.5	594.0	721.7	4.4%	0.07	26.3	32
37-2604	2.5	990.0	721.7	4.4%	0.11	43.9	32
37-2616	2.98	1180.1	721.7	4.4%	0.13	52.3	32
37-7758	3.5	525.0	175	4.4%	0.16	23.4	7.8
TOTAL	13.48	2526.0	721.7	4.4%	0.60	112.0	32

Updated values required for proportionate values will be presented to lessor prior to Contract preparation.

An amendment was signed April 10, 2018 and attached with the applications. Article 1.2 allows Stevenson's water to be applied to land that is owned by the O'Gara's but the water will be delivered using Stevenson's irrigation system. This is essentially a transfer for POD, and is the same as previous Lease Contract 318 and Rental Agreement 29 from 2014-2017.