

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 800

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

LESSOR: CHARLES W MUALEM
76 ALDOUS DR
SALMON, ID 83647

RECEIVED
JUN 18 2018
DEPARTMENT OF
WATER RESOURCES

RECEIVED
JUN 15 2018
WATER RESOURCES
WESTERN REGION

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on December 18, 2017.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

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

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
75-2122	8/17/1953	BOULDER CREEK, tributary to SALMON RIVER	4.000	Not Stated	0.00
Combined Lease Totals			4.000	Not Stated	0.00

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
75-2122	0.000	0.00	0.00	0.000	0.00
Combined Limit Totals	0.000	0.00	0.00	0.0	0.0

** The water right elements rentable have been reduced from the water right elements leased to account for an overlapping right not leased to the Bank.*

2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Un-rentable

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 800

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2017 to December 31, 2020. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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DEPARTMENT OF WATER RESOURCES

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

LESSOR: CHARLES W MUALEM
76 ALDOUS DR
SALMON, ID 83647

By 
Title OWNER
Date 6/12/18

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

By  Date 06-21-2018
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR  Date 06-21-2018

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 800

ATTACHMENT A WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Source and Location of Point(s) of Diversion for Water Right No(s): 75-2122

BOULDER CREEK SWSW Sec. 30 Twp 24N Rge 19E LEMHI County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
75-2122	POWER	01/01	to	12/31	3.98 cfs	Not Stated
	DOMESTIC	01/01	to	12/31	0.02 cfs	Not Stated
Totals:					4.00 cfs	Not Stated

PLACES OF USE TO BE IDLED UNDER THIS LEASE: POWER and DOMESTIC

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
24N	19E	30												x					0.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will not be rented from the bank.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.

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WATER SUPPLY BANK LEASE CONTRACT No. 800

9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
 - b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The quantity of water under this right for domestic use shall not exceed 13,000 gallons per day.
13. The quantity of water decreed for this water right for domestic use is not a determination of historical beneficial use.
14. This right is un-rentable.

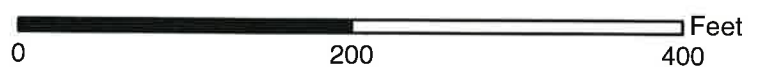
Idaho Water Resource Board
Water Supply Bank Lease Contract No. 800

75-2122
Effective until December 31, 2020

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



-  Approved Lease Point of Diversion
-  Approved Lease Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters



STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKRECEIVED
DEC 18 2017
DEPARTMENT OF
WATER RESOURCESDesignated Applicant CHARLES W. MUALEM
(Select one owner – see item 1A on the application)Water Right No. 75-2122
(One water right per application)

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

Yes ☐ No ☒

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

- 1A ☐ ☐ Signatures and contact information for **all owners** of the water right to be leased or sold on this application.
- 1B ☐ ☐ An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
- 1C ☐ ☐ *Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
- 1D ☐ ☐ Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
- 2 ☐ ☐ Description of a water right portion offered to the Water Supply Bank.
- 3 ☐ ☐ A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
- 4A ☐ ☐ Written consent from irrigation district or water delivery company.
- 4G ☐ ☐ Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount \$ 250.00Received By: TDDate Received: 12/18/2017Receipt # C104402W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: Charles W. Mualem

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STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

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

Designated Applicant CHARLES W. MUALEM
Mailing Address 76 ALDOUS DR. SALMON ID 83467
Street City State Zip Code
Email Address CMUALEM@YAHOO.COM Phone Number 208-756-7939

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

OR

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

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

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

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

Name of Representative _____ Organization _____
Professional Title _____ Email Address _____
Mailing Address _____ Phone Number _____

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

OR

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

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

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

OR

☐ A part of the water right is being offered to the Bank.

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

3. MAP

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

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

- A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☒
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.

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

DAM AND PIPE

- C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.

- D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☐ No ☒

Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of \$500.

- E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☒

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

- F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right.

POWER GENERATION 3.98 CFS
DOMESTIC 0.020 CFS

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒

If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?

If yes, describe.

Yes ☐ No ☒

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☒.

If lease, specify the years when the use of water will be suspended: 2017 to 2020 (maximum lease period 5 calendar years).
(Year) (Year)

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

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

The Designated Applicant acknowledges the following:

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



Signature of Designated Applicant

CHARLES W. MVALEM

Printed Name

12/11/2017

Date

Signature of Authorized Representative

Printed Name

Date

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). _____

	Designated Applicant	Applicant #2	Applicant #3
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right 75-2122

12/4/2017

Owner Type
 Current Owner

Name and Address
 CHARLES W MUALEM
 1829 SALMON RIVER RD
 SHOUP, ID 83469-6500
 (208) 394-2125

Priority Date: 8/17/1953

Basis: Decreed

Status: Active

Source
 BOULDER CREEK

Tributary
 SALMON RIVER

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
POWER	01/01	12/31	3.980 CFS	
DOMESTIC	01/01	12/31	0.020 CFS	
	<u>Total Diversion</u>		4.000 CFS	

Source and Point(s) of Diversion

BOULDER CREEK SWSW Sec. 30, Twp 24N, Rge 19E, LEMHI County

Place Of Use

DOMESTIC within LEMHI County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
24N	19E	30												X					

POWER within LEMHI County

			NE				NW				SW				SE				Totals
Twp	Rng	Sec	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
24N	19E	30												X					

Conditions of Approval:

1. C18 This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2. N10 The quantity of water decreed for this water right for domestic use is not a determination of historical beneficial use.
3. N12 The quantity of water under this right for domestic use shall not exceed 13,000 gallons per day.

Comments:

Dates and Other Information

Decreed Date: 11/17/2008

Civil Case Number: 39576



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

**STATE OF IDAHO
WATER RESOURCE BOARD**

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

ATTACHMENT 2

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

1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
_____	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	Total Amounts:	_____	_____	_____

2. Source of water _____ tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County



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

June 22, 2018

CHARLES W MUALEM
76 ALDOUS DR
SALMON ID 83647

RE: WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHTS 75-2122 and 75-13945

Dear Lessor:

Water rights **75-2122 and 75-13945** were leased into the Water Supply Bank (Bank) as of December 18, 2017, in accordance with the enclosed executed lease contracts. **Your water rights, as described on the lease contracts, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contracts. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2020**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contracts upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,



Water Supply Bank

Enclosure: Executed Lease Contract

c: James Cefalo - IDWR Eastern Region
USDA Forest Service

Hersley, Jean

From: Charles Mualem <cmualem@yahoo.com>
Sent: Wednesday, June 13, 2018 9:00 AM
To: Hersley, Jean
Subject: Re: Request for Return of Signed Contracts for water rights 75-2122 & 75-13945

Thank you for the reminder they will be mailed out this morning.

Sincerely
Charles Mualem

Sent from my iPhone

On Jun 12, 2018, at 2:20 PM, Hersley, Jean <Jean.Hersley@idwr.idaho.gov> wrote:

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two of each original Water Supply Bank Lease Contracts for your review and signature** on May 3, 2018 and resent on May 16, 2018. The signed contracts have not been returned to the Department.

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

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

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

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

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

<Report - Lease Contract - #801 75-13945.docx>

<Report - Lease Contract # 800-75-2122.docx>



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

June 12, 2018

CHARLES W MUALEM
74 SAVAGE RANCH RD
SALMON ID 83467

**RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR
WATER RIGHT(S) 75-2122 & 75-13945**

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two of each original Water Supply Bank Lease Contracts for your review and signature** on May 3, 2018 and resent on May 16, 2018. The signed contracts have not been returned to the Department.

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

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

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

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

Sincerely,

Water Supply Bank

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, June 12, 2018 2:20 PM
To: 'cmualem@yahoo.com'
Subject: Request for Return of Signed Contracts for water rights 75-2122 & 75-13945
Attachments: Report - Lease Contract - #801 75-13945.docx; Report - Lease Contract # 800-75-2122.docx

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two of each original Water Supply Bank Lease Contracts for your review and signature** on May 3, 2018 and resent on May 16, 2018. The signed contracts have not been returned to the Department.

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

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

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

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

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

WATER RESOURCES
RIGHTS SECTION
PO BOX 83720
SE, ID 83720-0098

RECEIVED
MAY 14 2018
DEPARTMENT OF
WATER RESOURCES

resent
5-16-18

U.S.D.
75-2122

CHARLES W MUALEM
76 ALDOUS DR
SALMON ID 83467

MUAL076 834672021-1318 700 05/09/18
RETURN TO SENDER
MUALEM
74 SAVAGE RANCH RD
SALMON ID 83467-5388
RETURN TO SENDER

PRST FIRST-CLASS MAIL
U.S. POSTAGE PAID
Boise, ID
PERMIT # 1

B2-32

840 834 83467



6020180504-120722155

.8

RETURN SERVICE REQUESTED

83467





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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

May 3, 2018

CHARLES W MUALEM
76 ALDOUS DR
SALMON ID 83467

RE: APPLICATIONS TO LEASE WATER RIGHT 75-2122 & 75-13945 TO THE WATER SUPPLY BANK

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

Dear Applicant:

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

The right will automatically be released from the Bank on **December 31, 2020**, unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Water right 75-14725, owned by the USDA- Forest Service completely overlaps these rights. Water right 75-14725 has not been offered to the Bank. Section 42-222(2), Idaho Code states, in part, "All rights to the use of water acquired under this chapter or otherwise shall be lost and forfeited by a failure for the term of five (5) years to apply it to the beneficial use for which it was appropriated."

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

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

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

Sincerely,

Water Supply Bank

Enclosure: Proposed Lease Contracts
Receipt # C104402

c: US Dept of Agriculture- Forest Service

Hersley, Jean

From: Cefalo, James
Sent: Thursday, May 03, 2018 11:35 AM
To: Hersley, Jean
Subject: RE: WSB Lease for Mualem

Jean,

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

James

From: Hersley, Jean
Sent: Thursday, May 03, 2018 10:53 AM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: WSB Lease for Mualem

75-2122 & 75-13945

Please let me know within 7 days if you have any questions or concerns. Thank you.

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

WATER SUPPLY BANK
Lease Review Checklist
Applicant(s) Name: Charles W. Mualem

Memo Date: May 3, 2018

Water Right Number(s): 75-2122 & 75-13945

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

Reviewers Name:

		Check box		COMMENTS/CONCERNS:
1	Fill out WSB Data Entry Checklist for Leases (Front of File)	x		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right			
	All of right	x		
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	No	
4	Rentable? (If no explain in comments or narrative)		x	
5	Authority to file			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	na		
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			2008
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?		x	
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns			
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?	x		75-14725
	Will the place of use continue to receive water? (if yes explain in comments)		x	
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		x	
10	Have you contacted regional office and watermaster for comment/concerns?	x		
	Send the watermaster comment request form or e-mail request			
11	Area Headgate requirement (write in Comments)			3.5
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		x	

Narrative: The Department received these applications on December 18, 2017. A letter was sent on December 21, 2017, regarding an overlapping right (75-14725) owned by the Forest Service. The Department requested the applicant contact the Forest Service about placing their water right in the Bank. No response was received. These rights will be leased to the Bank, but will be unrentable because of the overlap. The Forest Service will be cc'd and a paragraph about forfeiture will be added to the letter when it is sent out. These rights were decreed in 2008 and last used in 2015 when the store and cabins were shut down and are now for sale. According to Homes & Land for sale website, the property was still for sale as of April, 2018. Currently, the rights are not within a WD.

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Business Only - SHOUP, ID

During the gold rush days prospectors discovered major gold deposits in the area and by 1882 the town was founded and a post office was established. The town was named for George L. Shoup the first governor of Idaho. Operations of the area mines were shut down during World War II. Over the years the area became one of the most popular outdoor recreation areas in the West. The area is famous for hunting, fishing, hiking, trail riding and white water rafting. Shoup's buildings have been consolidated under one ownership which are now offered for sale. Although off the power grid, the sale includes a Pelton water wheel electrical system that serves all the buildings. There is phone service and the buildings have propane heat. There are 13 historic structures on the property. The property offered consists of 1.5 acres located on lands of the USFS. Buyer must apply for a special use permit from the USFS to continue business operation. The buildings include two rental cabins, the former school house which will accommodate large groups, the main store that has area for a cafe,

sporting goods, and general merchandise. No ownership of public land is conveyed. Instructions for applying for the permit will be sent upon request.

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Mortgage Calculator

Purchase Price

299000

Interest Rate

3.75 (% per year)

Term

30 (in years)

Down Payment

59800

Calculate

Reset

Monthly Payment

1107.77 (estimated)

*May not reflect current interest rates and is intended for educational/information purposes only. All figures are hypothetical and should not be relied upon in any way.



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Property Features for 1829 Salmon River Road

Status

Market Status

Available

Last Updated

April 29, 2018

Description

Property Type

Commercial Property

Year Built

1882

Stories

0

Building Features

- Basement
- Stories: 0.0

Legal/Financial

- Taxes: 869.38 (2016)

Listing Features

- Property Type: *Commercial; Business Only*

Roger Rife

Robie Real Estate

Data Provided by:

Snake River Regional Multiple Listing Service

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FORECLOSURES



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 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

December 21, 2017

CHARLES W MUALEM
76 ALDOUS DR
SALMON ID 83467

**RE: APPLICATION(S) TO SELL LEASE A WATER RIGHT TO THE WATER SUPPLY
BANK FOR WATER RIGHT NO(S). 75-2122 & 75-13945**

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

Dear Lessor:

The Department of Water Resources received applications to Lease Water Rights 75-2122 & 75-13945 from you on December 18, 2017. During the initial review, it was determined additional information is needed before the Department can process your request.

The Department discovered that water right 75-14725, currently owned by the US Dept of Agriculture, Forest Service, completely overlaps the place of use with your water rights. Condition of Approval No. 4 on water right 75-14725 states:

Rights 75-2122, 75-13945 and 75-14725 when combined authorize commercial and domestic uses for a store, a cafe, associated living quarters, and 3 cabins.

Because these rights overlap, the Department should place water right 75-14725 in the Bank also. This will also protect water right 75-14725 from forfeiture from non-use. Please contact the Forest Service and discuss this with them. If the Forest Service does not want to place their water right in the Bank, an option is to place your water rights in the Bank but they would be un-rentable.

Because the Department cannot process the Applications to lease these water rights without the information requested, we will hold any action on your applications pending a response from you. If we do not hear from you within **30 days** these applications will be processed but made un-rentable in the Bank.

If you have any questions or no longer have an interest in the water right, please contact me at (208) 287-4910.

Sincerely,

for Clay Webster
Water Rights Supervisor
Water Supply Bank contact