

WATER SUPPLY BANK LEASE CONTRACT NO. 790

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

LESSOR: IDAHO IRRIGATION DISTRICT
496 E 14TH ST
IDAHO FALLS ID 83404

RECEIVED

APR 23 2018

**DEPARTMENT OF
WATER RESOURCES**

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on March 29, 2018.
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)
25-224	5/1/1889	WILLOW CREEK tributary to SNAKE RIVER	160.0	Not Stated	35,995.0
Combined Lease Totals			160.0	Not Stated	35,995.0

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: Not Rentable

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2018 to December 31, 2022. 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.

WATER SUPPLY BANK LEASE CONTRACT NO. 790

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.



WATER SUPPLY BANK LEASE CONTRACT NO. 790

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

LESSOR IDAHO IRRIGATION DISTRICT

:

496 E 14TH ST

IDAHO FALLS ID 83404

By Alan D. Kekich

Title Chairman

Date 4-18-18

By _____

Title _____

Date _____

IDAHO WATER RESOURCE BOARD

322 East Front Street

P.O. Box 83720

Boise, ID 83720-0098

By

Brian Patton
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date

4/24/2018

Lease approved by IDWR

Chas W. Ed

Date

4-24-2018

**ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 790**

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): 25-224

WILLOW CREEK NESW Sec. 15 Twp 02N Rge 38E BONNEVILLE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
25-224	IRRIGATION	04/01	to	10/31	160.0	Not Stated
Totals:					160.0	Not Stated

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Large POU not Displayed
Total Acres= 35,995

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will not be allowed to 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.
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. Water rights 1-75, 1-76, 1-312, 1-368, 1-369, 1-370 and 25-224 are limited to the irrigation of a combined total of 35, 995 acres in a single irrigation season.
13. 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. 01.
14. These acres are not rentable due to enlargement concerns.



Hersley, Jean

From: Hersley, Jean
Sent: Monday, April 09, 2018 8:57 AM
To: Swank, Lyle
Subject: WSB Lease for Idaho Irrigation District
Attachments: Lease Application Review Checklist 25-224.xls; Lease Contract # 790 25-224.docx; Water Right Lease Application 25-224.pdf

The Idaho Irrigation District submitted an application to lease water right 25-224 to the Water Supply Bank for the 2018-2022 seasons. Because of the overlap of some Snake River rights that overlap the POU, this right will not be rentable from the Bank. Please let me know, within 7 days, if you have any comments or concerns.

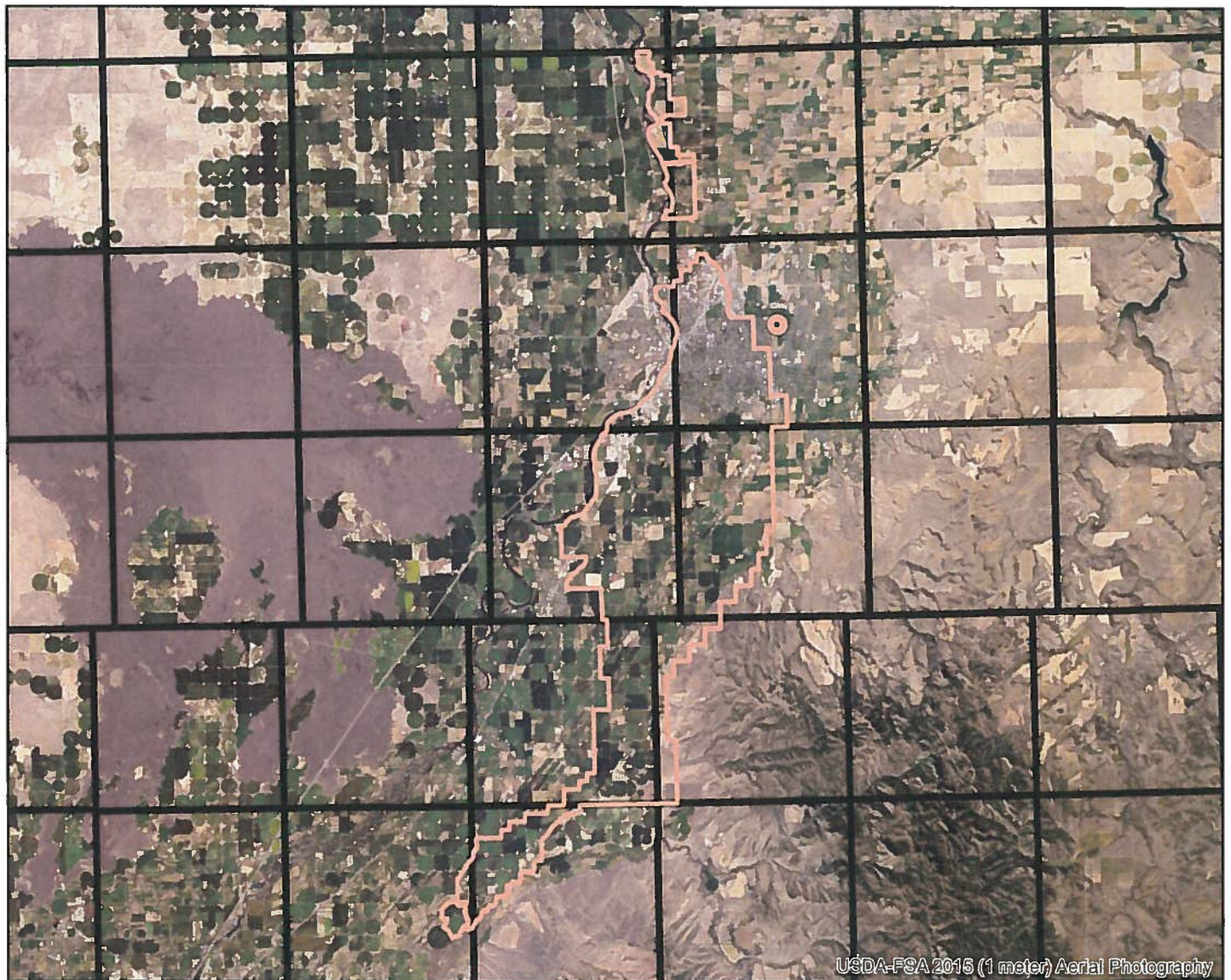
*Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942*

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 790

25-224

Effective until December 31, 2022

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



0 5 10 Miles

RECEIVED

APR 03 2018

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKReceived
March 29 2018
Dept. of Water Reso
Eastern RegionDesignated Applicant IDAHO Irrigation District
(Select one owner – see item 1A on the application)Water Right No. 25-224
(One water right per application)

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

Yes ☐ No ☒

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

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

Department Use Only

Fee Amount \$ <u>250 -</u>	Received By: <u>SC</u>	Date Received: <u>3/29/18</u>	Receipt # <u>E043846</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Idaho Irrigation District</u>	

1067

RECEIVED

APR 02 2018

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

RECEIVED

MAR 29 2018

Department of Water Resources
Eastern Region

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 Idaho Irrigation District

Mailing Address 496 E 14th St Idaho Falls ID 83404
Street City State Zip Code

Email Address idahowater@gmail.com Phone Number 208-522-2356

☒ 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 Alan D Kelsch Organization Idaho Irrigation District

Professional Title Chairman Email Address alankelsch@icloud.com

Mailing Address 496 E 14th Street, Idaho Falls, ID 83404 Phone Number 208-339-2307

☐ 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.

25-224 is diverted by Idaho Irrigation District from Willow Creek and measured at Sand Creek. District distributes water throughout Idaho Irrigation Dist. distribution system to patrons of the District.

- 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. Idaho Irrigation District currently owns water rights 1-75, 1-76, 1-312, 1-368 1-369, 1-370. These rights are for the same purpose and place of use.

- 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. Water Rights 1-75, 1-76, 1-312, 1-368, 1-369, 1-370 will continue to deliver to current place of use. No enlargement of place of use will occur.

- 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. 2016-5542 a/f. 2015-8631 a/f. 2014-6518 a/f. 2013-3778 a/f. 2012-12382 a/f. 2017-Not Measured

- G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☒
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See [Section 42-223, Idaho Code](#) for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

- H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan? Yes ☐ No ☒
If yes, describe.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 2018 to 2022 (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.

N/A

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

Alan D. Kelsch

Signature of Authorized Representative

Idaho Irrigation District

Printed Name

Alan D Kelsch

Printed Name

Date

3-29-2018

Date

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

MINUTES
Of the
REGULAR MEETING

IDAHO IRRIGATION DISTRICT
496 E 14TH St., Idaho Falls ID, ID 83404

January 15, 2018,

Board Members:

Chairman-Alan D. Kelsch, Vice Chairman-David C. Christensen, Treasurer/Director-Merrill G. Hanny, Manager-Richard L. Lockyer, Secretary-Wendy L. Hansen

Minutes of the Regular Meeting held December 8, 2017 were read and discussed. **Mr. Christensen moved to accept the minutes with a few corrections as written. Mr. Hanny Seconded. Board Passed.**

There were no exclusions this month therefore; the **total available acres** that could be annexed into the district are **136.637** acres.

Managers' Report: SEE JANUARY REPORT ATTACHED: **Mr. Hanny moved to accept the Managers Report. Mr. Christensen Seconded. Board Passed.**

Committee Of Nine: Upcoming Committee Meeting in Pocatello January 18, 2018. Mr. Kelsch will be attending.

Mr. Kelsch reports that the last meeting with the Committee was a little upsetting. He says that Bingham County Ground Water Coalition did not make the deadline for the Ground Water Lease and Mr. Lyle Swank would not accept the Lease after the deadline.

13,000 AC with Southwest Irrigation and Milner Water Leases must meet approval by the Sub-Committee. The Sub-Committee for the Rental Pool said everything was good and looked okay to proceed for the people down south. It seems that WD #1 is more lenient to the lower valley and holds our area here in Idaho to stricter standards. The Idaho Irrigation District has not had a member for 12 years.

The Tribe is objecting and affecting the Idaho and Palisades Storage. The Tribe wants to expand the water right in the Blackfoot Storage and use for Machaud. The Project is on Tribal

land. Mr. Kelsch says that the Tribe needs to come to the Committee of Nine for discussions. He says that there is a good chance to stop the transfer.

The Tribe is busy pushing their agenda forward on all of their water issues and one being a State proposal to allow the Tribe and SWC a water storage re-set date of October 15th.

Mr. Jerry Rigby will follow up on the Tribes attempt to expand their storage water rights. Mr. Kelsch suggests waiting and seeing what the outcome is and going from there on Snake River water right.

The Board met with Patrons from Lazy 8 Estates the morning of December 22 on proposed tree removal in the District. The Patrons recognize that the District has the jurisdiction to remove the trees and understands the maintenance needs of the District.

Patrons Jay Kohler and Tim Palmer along with IID Attorney and Ditchrider Brian Servoss are here to discuss and listen.

The District is taking an aggressive mode to get maintenance done on all canals and the trees are an issue to the district.

The Board asked Mr. Rigby about an agreement Phase in period for the landowner. It would include responsibility, vegetation and maintenance. The District will need room around a tree for maintenance and a time frame for the removal of the tree at the owners expense and liability.

Mr. Rigby says that canal companies with limited budgets are advised to do something about the problem now and suggests that the problem and issues will only grow. Patrons do not understand the district and maintenance of canals, some have not even heard of Title 42. Mr. Rigby suggests getting the job done now rather than later. He also says that discrimination could be an issue so make sure to set something that works across the board for all patrons and the long-term benefit of the District.

Mr. Kohler would like to see the trees remain and Mr. Palmer would also like to keep his trees but understands the liability and maintenance required on the canals.

Mr. Rigby says to build a policy with criteria and an appeal process with the board. If the patrons meet the criteria, that's great and if they don't they are out.

The Board will go forward with the process and work to get a policy in place regarding the trees and working with the patrons regarding the trees.

The on-going issue with Justin Albertson regarding the removal of his fence, which is still in place and the Board asks Mr. Rigby where we are in the process. Mr. Rigby says that the issue does still persist and he will pursue it.

Jake Jolley is here by appointment to discuss issues from previous meetings with the Board of Directors. He is interested in excluding water rights from one property and then annexing land into the district. He says that the 18.86 acres of land to be irrigated would come from the Idaho

canal located south of Presto Rd. Mr. Jolley will do some more research and fill out Petitions to Exclude and then Annex into the district. The Board would like Mr. Lockyer to make sure the land Mr. Jolley wants to include is in the District boundaries. No action was taken by the Board.

Mr. Kent Oseen CPA came by appointment to report on the District 2017 Audit. Mr. Oseen says that the Audit was a success and that the District is in great shape currently and for the year ahead. Mr. Oseen says that the general-purpose of the financial statements are free of material misstatement. The Audit was clean and productive and the integrity of the system intact.

Mr. Hanny ran unopposed for re-election in the November Elections and will serve for another 3-year term of Director/Treasurer.

Mr. Hanny moved to hire Richard Lockyer, Manager and Wendy Hansen, Secretary. Mr. Alan D Kelsch, Chairman of the Board, David C Christensen Vice Chairman and Merrill Hanny Director/Treasurer. Mr. Christensen Seconded. Passed.

January Bills were presented, allowed and paid.

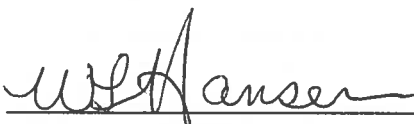
The next Board Meeting will be held on February 7, 2018 at 9:00 a.m.

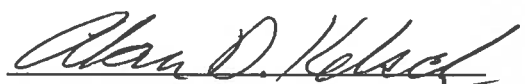
They're being no further business this meeting was adjourned at 1:00 p.m.

Mr. Hanny motioned to adjourn the meeting. Mr. Christensen Seconded. Passed.

ATTEST

Secretary


Wendy L Hansen


Alan D Kelsch-Chairman

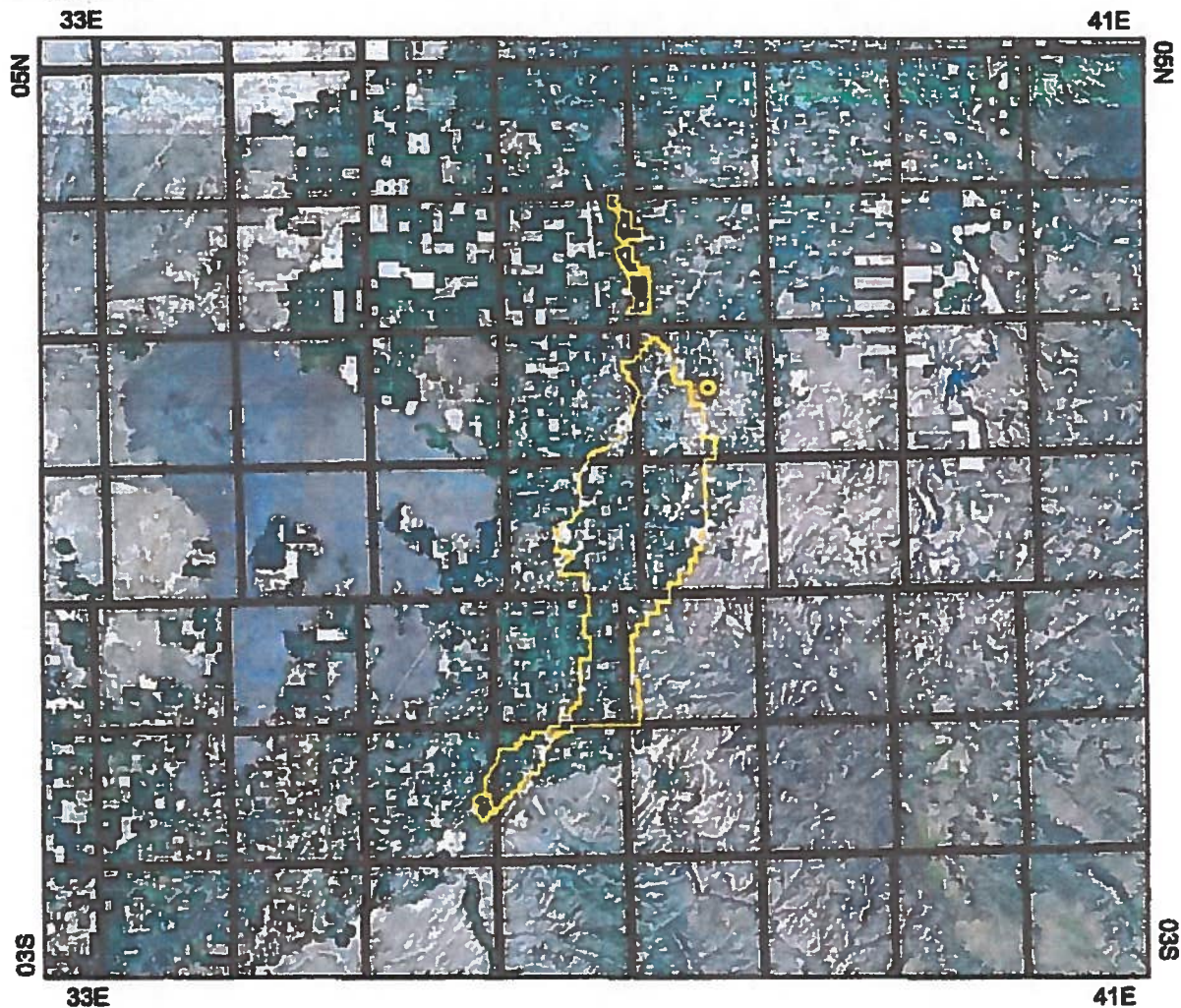
SEAL

State of Idaho
Department of Water Resources

Water Right
25-224

IRRIGATION

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



0 5 10 20 Miles

-  Point of Diversion
-  Place Of Use Boundary
-  Townships



Map produced on March 06, 2017



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

April 25, 2018

IDAHO IRRIGATION DISTRICT
496 E 14TH ST
IDAHO FALLS ID 83404

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHT 25-224

Dear Lessor:

Water right **25-224** was leased into the Water Supply Bank (Bank) as of January 1, 2018, in accordance with the enclosed executed lease contract. **Your water right, as described on the lease contract, is considered leased into the Bank and should remain unused until it is formally released from the Bank.** More information and further restrictions placed on your water right while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The right will automatically be released from the Bank on **December 31, 2022**, unless the right is released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water right from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water right may not be available for immediate release if it has been rented or is being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

for

Water Supply Bank

Enclosure: Executed Lease Contract

c: James Cefalo - IDWR Eastern Region
Lyle Swank – Water District 01

Hersley, Jean

From: Hersley, Jean
Sent: Wednesday, April 25, 2018 8:13 AM
To: Cefalo, James; Swank, Lyle
Subject: Executed WSB Lease for 25-224
Attachments: DOC010

For your information.

Jean



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

April 9, 2018

IDAHO IRRIGATION DISTRICT
496 E 14TH ST
IDAHO FALLS ID 83404

RE: APPLICATIONS TO LEASE WATER RIGHT 25-224 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, 2022**, 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.

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,

Jean Hershey
for Water Supply Bank

Enclosure: Proposed Lease Contracts

WATER SUPPLY BANK

Agent Lease Review Checklist

Applicant(s) Name: Idaho Irrigation District

Memo Date: March 29, 2018

Water Right Number(s): 25-224

Reviewers Name: Jean

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2010	2016
2011	2017
2012	2018
2013	2019
2014	2020

	Check box		COMMENTS/CONCERNS:
1	☒	Fill out WSB Data Entry Checklist for Leases	
2		Reason for lease of water rights (Brief description of lease proposal in narrative)	
		Portion of right	
	☒	All of right	
3		Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	
	☒	Yes	No
4		Rentable? If no explain in comments	☒
5		Authority to file	
	☒	Current owner or designated applicant	
	☒	SOS Web site checked for business entity	
		Other (explain in comments)	
6		Water Right validity	
		Decreed/Licensed/Statutory claim date (write in comments section)	2009
		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?	☒
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)	%
8		Enlargement concerns	
	☒	Complete a POU comparison overlap analysis	
	☒	Complete a combined limits review	
	☒	Complete POD overlap analysis (if there is an overlap add condition to lease)	
	☒	Yes	No
		Are there overlapping rights that need to be placed in the bank also?	☒
	☒	Will the place of use continue to receive water?	
9		Local Public Interest	
		Does the processor know of any problems this action will cause for the local public?	☒
10	☒	Have you contacted regional office and watermaster for comment/concerns?	
		Send the watermaster comment request form or e-mail request	
11		Area Headgate requirement	4
12		Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments	☒
13		Narrative: The Department received this application on March 29, 2018. The applicant wishes to place the entire right in the Bank for the 2018-2022 seasons. Alan Kelsch, president, signed the application. This right was decreed in 2009 and has been put to beneficial use through 2016. Annual volumes from 2012-2016 are listed on the application. The right was in the WSB for the 2017 season. Forfeiture is not an issue. This right overlaps with Snake River water rights 1-75, 1-76, 1-12, 1-368, 1-369, 1-370 and the POU will continue to receive water from these rights. None of these Snake River rights have been offered to the Bank so this right will be unrentable to avoid enlargement issues. I will get comments from Water District No. 1 because of the Snake River rights.	



IDAHO IRRIGATION DISTRICT

ORGANIZED IN 1905

496 East 14th Street Idaho Falls, ID 83404 Office: (208) 522-2356 Fax: (208) 522-1593 idahowater@gmail.com

RECEIVED

MAR 29 2018

Department of Water Resources
Eastern Region

Dear State of Idaho Water Resource Board,

March 27, 2018

Please find attached application to lease Water Right 25-224.

Water Right 25-224 was placed in the Water Bank in 2017 for one (1) year.

Idaho Irrigation District wishes to re-submit Water Right #25-224 into the Water Bank for a period of five (5) years.

If there is any additional information needed please call our office @ 208-522-2356.

Thank you,

Alan D Kelsch

Chairman

Idaho Irrigation District