

WATER SUPPLY BANK LEASE CONTRACT No. 698

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

LESSOR: THE COMMUNITY SCHOOL INC
PO BOX 2118
SUN VALLEY, ID 83353

RECEIVED
APR 05 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 Wednesday, December 28, 2016.
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)
37-20901	1/6/1975	GROUND WATER	0.22	87.15	24.9
Combined Limit Totals			0.22	87.15	24.9
Combined Lease Totals			0.22	87.15	24.9

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2016 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.

LEASE CONTRACT NO. 698

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.

LEASE CONTRACT NO. 698

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

LESSOR: THE COMMUNITY SCHOOL INC
PO BOX 2118
SUN VALLEY, ID 83353

By Brian Patton
Title Head of School
Date 4/3/18

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 4/9/2018

Lease approved by IDWR Cheryl Weber

Date 4-9-2018

**ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 698**

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): 37-20901

GROUND WATER	NWSW	Sec. 16	Twp 04N	Rge 18E	BLAINE County
GROUND WATER	SWNW	Sec. 16	Twp 04N	Rge 18E	BLAINE County
GROUND WATER	SWNW	Sec. 16	Twp 04N	Rge 18E	BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-20901	IRRIGATION	03/15	to	11/15	0.22 cfs	87.15 AF
Totals:					0.22 cfs	87.15 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	18E	16							1.0			20.1	3.8						24.9

Total Acres: 24.9

ADDITIONAL CONDITIONS OF ACCEPTANCE

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

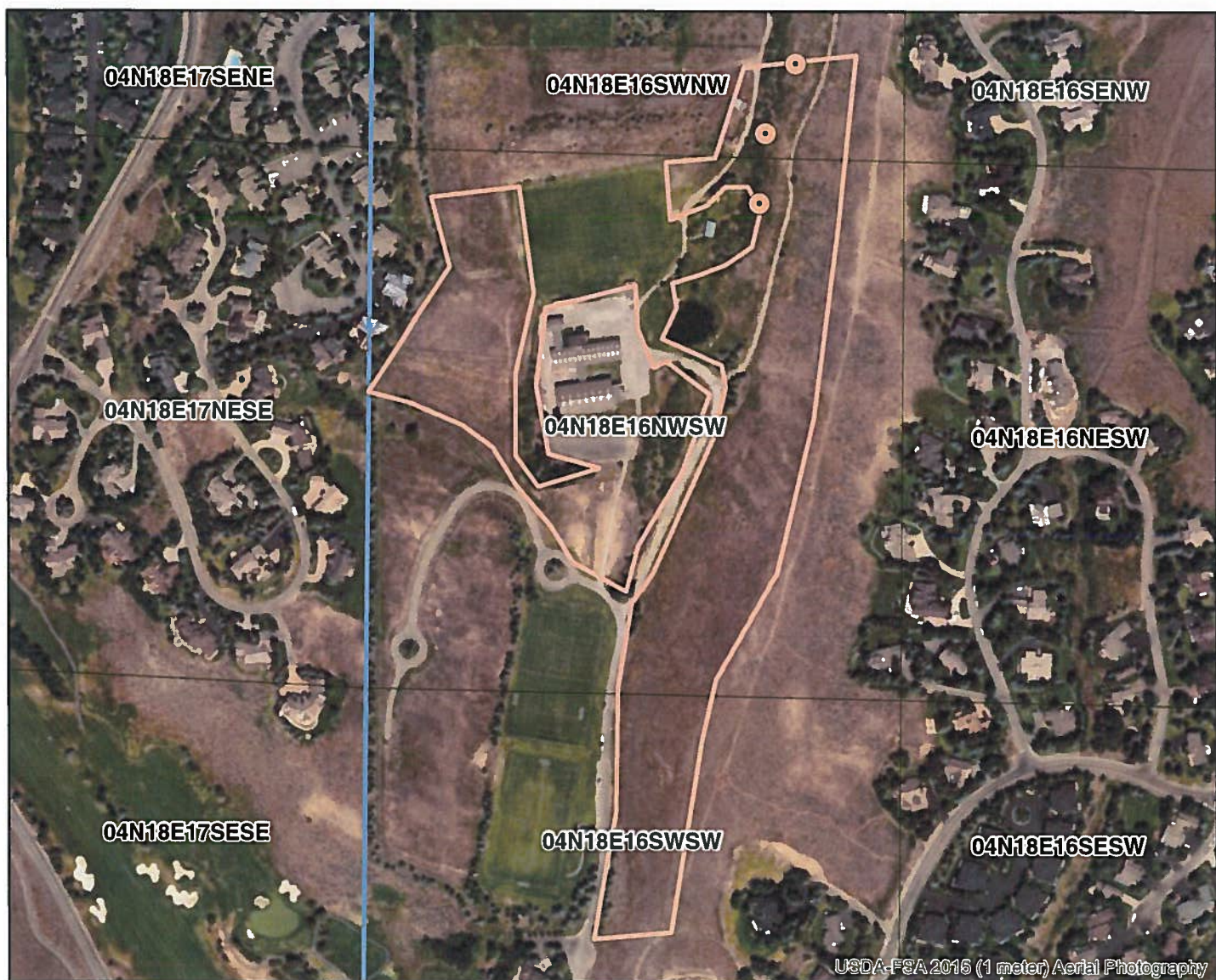
9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - 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 unleased portion of water right 37-20901 shall not exceed 0.05 cfs, 17.8 af and 5.1 acres.
13. The unleased portions of water rights 37-20901 & 37-22681 when combined shall not exceed a total diversion rate of 0.10 cfs, a total annual maximum diversion volume of 37.0 af at the field headgate, and the irrigation of 10.6 acres.
14. Prior to the diversion and use of water under Transfer approval 78215, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion in accordance with Department specifications, or shall obtain an approved variance from the Department to determine the amount of water diverted from power records or to maintain an existing measuring device.
15. The right holder shall record the quantity of water diverted and annually report diversions of water and/or other pertinent hydrologic and system information as required by Section 42-701, Idaho Code.
16. 4.2 acres of the leased portion of 37-20901 under contract 698 must be leased with 37-8157 of contract 740 to prevent enlargement of the rights.
17. Use of water under this right may 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.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 698

37-20901

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



0 500 1,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED
DEC 28 2016
DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant The Community School
(Select one owner - see item 1A on the application)Water Right No. 37-20901
(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>VC</u>	Date Received: <u>12/28/16</u>	Receipt # <u>C102833</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Community School Inc</u>	

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 The Community School, Inc.

Mailing Address PO Box 2118 Sun Valley ID 83353

Street City State Zip Code

Email Address jsiegel@communityschool.com Phone Number (208) 622-3960 ext 104

- ☒ 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 Julie Siegel

Organization The Community School

Professional Title Business Manager

Email Address jsiegel@communityschool.org

Mailing Address PO Box 2118 Sun Valley ID 83353

Phone Number (208) 622-3960 ext 104

- ☒ 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.
Three wells pump into a common mainline that gravity flows into a pond. An irrigation pump diverts from the pond into a pressurized sprinkler system.
- 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. Permit 37-8157 is used with the portion of 37-20901 that is NOT 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. Records for WD37 show in combination rights 37-20901 and 37-22681 diverted 22.63 acre feet in 2015 and 15.62 acre feet in 2016.
- 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. Water right was partially decreed in 2010. According to IDWR Administrative Memo dated March 5, 2012, titled Forfeiture Review Period, applicant has until December 31, 2016 to file a WSB Lease Application before having to address potential forfeiture due to non-use.
- 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: 2017 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.

\$100/acre foot

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.

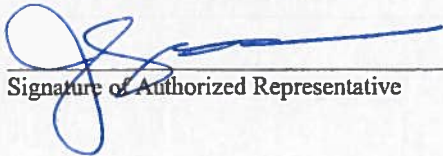
The Designated Applicant acknowledges the following:

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

Printed Name

Date



Julie Siegel

12/27/16

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			

**STATE OF IDAHO
WATER RESOURCE BOARD**

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

ATTACHMENT 2

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

1. <u>Water Right Number</u>	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
<u>37-20901</u>	<u>Irrigation</u>	<u>0.22</u>	<u>87.15</u>	<u>24.9</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
	Total Amounts:	<u>0.22</u>	<u>87.15</u>	<u>24.9</u>

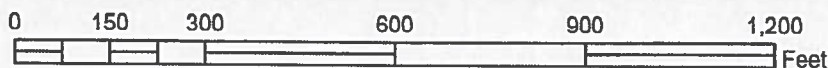
2. Source of water ground water tributary to _____

3. Point(s) of diversion:

Twsp	Rge	Sec	Lot	¼	¼	¼	County
4N	18E	16			SW	NW	
		16			SW	NW	
		16			NW	SW	

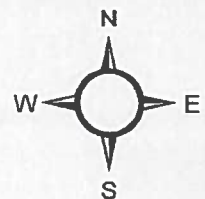
Attachment 3.1

5.1 Acres Irrigated under 37-20901



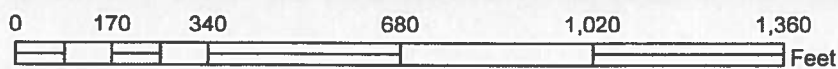
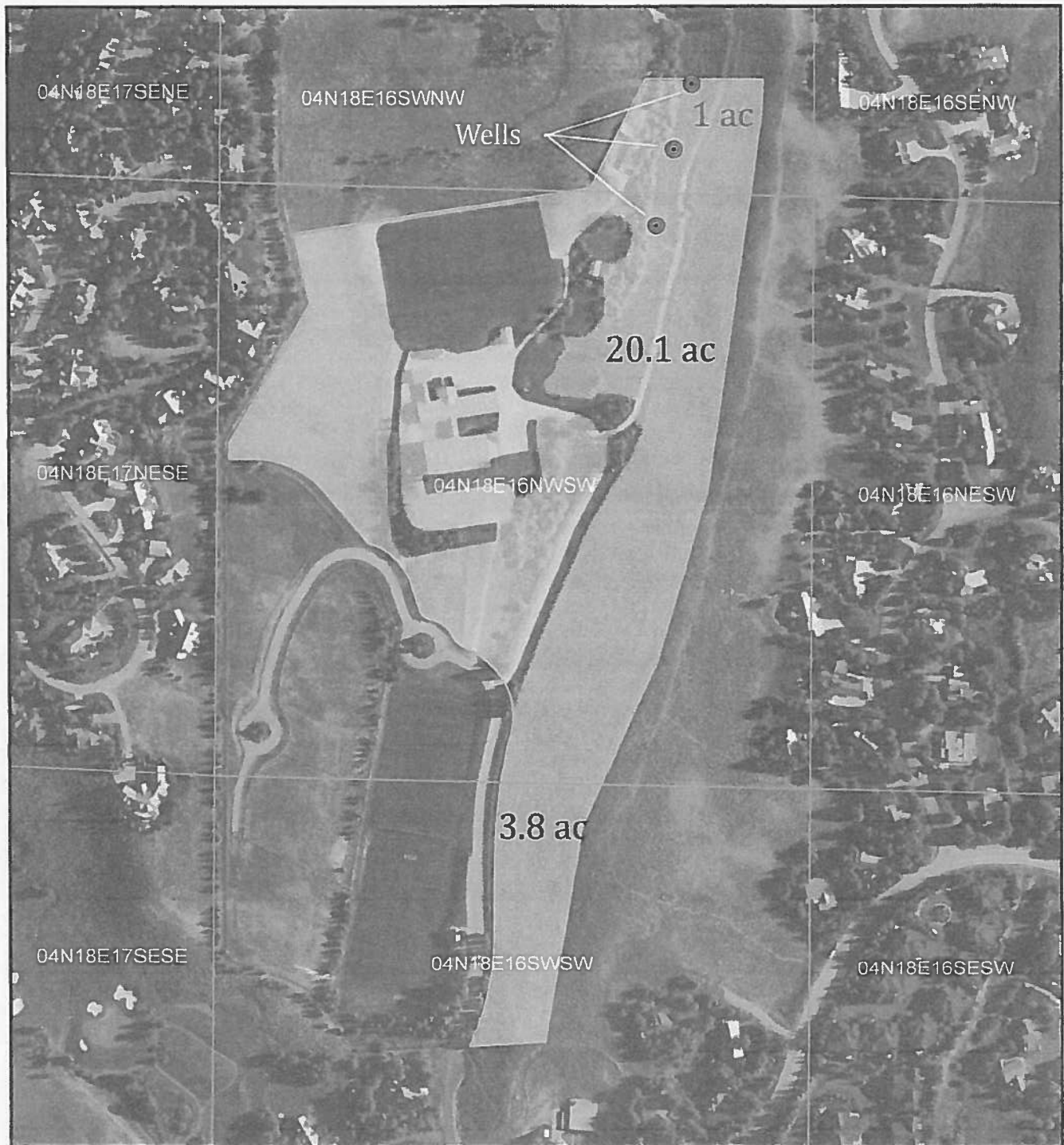
Legend

- Wells
- qq
- 37-20901_5.1_ac_irrigated



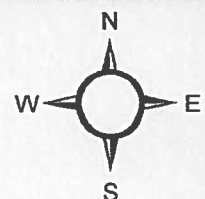
Attachment 3.2

24.9 Acres on 37-20901 WSB Lease Application



Legend

- Wells
- 37-20901_decreed_shape
- 37-20901_WSB_Lease





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 9, 2018

THE COMMUNITY SCHOOL INC
PO BOX 2118
SUN VALLEY ID 83353

RE: WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHTS 37-20901 and 37-22681

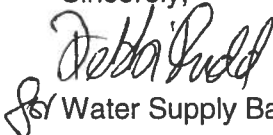
Dear Lessor:

Water rights **37-20901 and 37-22681** were leased into the Water Supply Bank (Bank) as of December 28, 2016, 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,


for Water Supply Bank

Enclosure: Executed Lease Contract

c: Corey Skinner - IDWR Southern Region
Kevin Lakey - Water District 37
James Speck - Speck & Aanestad
Ernie Carlsen - Idaho Water Engineering



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

March 5, 2018

THE COMMUNITY SCHOOL
PO BOX 2118
SUN VALLEY ID 83353

RE: APPLICATIONS TO LEASE WATER RIGHT 37-8157, 37-20901 & 37-22681 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 rights to the Water Supply Bank. **I have enclosed two of each original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

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

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

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

Pursuant to Water Supply Bank Rules 025.06.d, one of the criteria of the Water Resource Board to accept water rights into the Bank is whether the offering price or requested rental rate is reasonable. The rental rate during the 2016-2017 season was \$17.00 per acre foot. The rental rate for 2018-2022 is \$20.00 per acre foot. Unless you have a private agreement with a renter, the Department does not see a reason why leases should be accepted into the Bank at a rental rate other than the current rental rate.

However, you may provide justification of the rental rate you are requesting in your lease applications and the Department will determine if your request is reasonable.

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

Sincerely,

for Water Supply Bank

Enclosure: Proposed Lease Contracts

c: Speck & Aanestad

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: The Community School Inc

Memo Date: November 29, 2017 - Updated 1-30-18

Water Right Number(s): 37-20901 & 37-22681

Reviewers Name: Jean

Quick Tools

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

	Check box		COMMENTS/CONCERNS:
1	☒	Fill out WSB Data Entry Checklist for Leases (Front of File)	
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 or narrative)	
5		Authority to file	
	☒	Current owner or designated applicant	Julie Siegel, Business Manager
	☐	SOS Web site checked for business entity	
	☐	Other (explain in comments)	
6		Water Right validity	
		Decreed/Licensed/Statutory claim date (write in comments section)	2010
		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)	%
		Any other concerns	
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?	37-22681 37-8157
		Will the place of use continue to receive water? (if yes explain in comments)	☒
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 (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	☒

13 Narrative: The Department received these applications on December 31, 2016. The applicant requested the rights be placed in the Bank for 2017-2022. The rights were decreed in 2010 and it doesn't appear that any irrigation has taken place on the 24.9 acres proposed to be leased to the Bank since then. The Department will place the rights in the Bank for 2016-2020 to protect against forfeiture. Beneficial use will need to take place when it is released from the Bank. These rights overlap with water right 37-8157, which is limited to the irrigation of 14.8 acres. 4.2 acres of Water right 37-8157 that overlap these rights will be leased to the Bank for the 2017-2020 season. This water right is currently within WD 37. Water rights 37-20901, 37-22681 and 37-8157 have to be rented together.

Hersley, Jean

From: James Speck <jim@speckandaanestad.com>
Sent: Monday, January 29, 2018 11:00 AM
To: Hersley, Jean
Cc: Ernie Carlsen (ernie@idahowaterengineering.com); Julie Siegel (jsiegel@communityschool.org); Webster, Clay
Subject: RE: The Community School - WSB Lease Application - 37-8157

Thank you, Jean, for the very prompt reply!

Jim

From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Monday, January 29, 2018 10:58 AM
To: James Speck
Cc: Ernie Carlsen (ernie@idahowaterengineering.com); Julie Siegel (jsiegel@communityschool.org); Webster, Clay
Subject: RE: The Community School - WSB Lease Application - 37-8157

I have everything I need. The lease contracts are being reviewed and should go out this week.

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

From: James Speck [mailto:jim@speckandaanestad.com]
Sent: Monday, January 29, 2018 10:57 AM
To: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Cc: Ernie Carlsen (ernie@idahowaterengineering.com) <ernie@idahowaterengineering.com>; Julie Siegel (jsiegel@communityschool.org) <jsiegel@communityschool.org>; Webster, Clay <Clay.Webster@idwr.idaho.gov>
Subject: The Community School - WSB Lease Application - 37-8157

Jean,

I represent The Community School. Please confirm that you now have everything you need to process this Application. Thank you.

Jim

James P. Speck
SPECK & AANESTAD
A Professional Corporation
120 East Avenue North
P.O. Box 987
Ketchum, ID 83340
208.726.4421
208.726.0752 (fax)
jim@speckandaanestad.com

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Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, January 30, 2018 12:40 PM
To: 'James Speck'
Cc: Ernie Carlsen (ernie@idahowaterengineering.com)
Subject: WSB Lease Contracts for Community School
Attachments: DOC000

These leases for The Community School will go out in tomorrow's mail. If you have any questions, please contact the Department. Thank you.

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

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, January 30, 2018 12:38 PM
To: Skinner, Corey; 'Kevin Lakey'
Subject: WSB Lease Contracts for The Community School
Attachments: Lease Application Review 37-20901 & 37-22681.xls; Report - Lease Contract -698.docx; Idled Acres 37-20901.pdf; Idled Acres.pdf; Idled Acres.pdf; Lease Application Review 37-8157.xls; Report - Lease Contract - 740.docx

Please let me know if you have any comments or concerns with these leases. Thank you.

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

SPECK & AANESTAD

A PROFESSIONAL CORPORATION

ATTORNEYS

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(208) 726-4421
FACSIMILE
(208) 726-0752

December 27, 2016

DELIVERY BY FEDERAL EXPRESS

Remington Buyer
Water Supply Bank Coordinator
Idaho Department of Water Resources
322 E. Front St.
Boise, Idaho 83720-0098

RECEIVED

DEC 28 2016

**DEPARTMENT OF
WATER RESOURCES**

***Re: The Community School - Applications to Sell or Lease A Water Right To the
Water Supply Bank - Water Right Nos. 37-20901 and 37-22681***

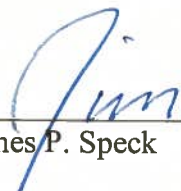
Dear Remington:

Enclosed you will find an originals and one copy each of two Applications To Lease Water in the name of The Community School. I have also enclosed my firm's check in the amount of \$500 to cover the filing fees. Please receipt date-stamp the copies and return them to me in the postage prepaid, self-addressed envelope I have included for that purpose. Contact me right away if you have any questions or concerns about this Application.

Thank you and Happy Holidays!

Sincerely yours,

SPECK & AANESTAD
A Professional Corporation

By: 
James P. Speck

Enclosures

cc: Client w/encl.