

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

APR 02 2018

AMENDED WATER SUPPLY BANK RENTAL AGREEMENT No. 179

DEPARTMENT OF
WATER RESOURCES

This is to certify that:

IDAHO WATER CO LLC

1135 VALLEY RD S

EDEN, ID 83325

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

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
61-12039	1/13/1964	GROUND WATER	0.830	237.2	52.70	0.016	4.50
61-2165	12/2/1963	GROUND WATER	0.820	188.10	41.80	0.020	4.50
Combined Rental Totals			1.650	425.25	94.50	0.017	4.50

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2018

Annual Rental Fee:

2018: \$8,505.00

The full fee for the rental of the above-described right(s) is \$8,505.00 for 2018. The rental fee includes an administrative fee of \$850.50 for 2018.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	1.240	378.00	94.50	0.013	4.00
Combined Total	1.240	378.00	94.50	0.013	4.00

** The authorized water usage reflects a reduction in diversion rate and irrigable acre elements rented, to avoid enlargement in the use of water authorized under water right 61-12148, which is partially being utilized at the rental place of use.*

Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 61-2165

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

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

Idaho Water Co. LLC *Deltbert Kohtz* 3/29/18
Signature of Renter Date

Deltbert Kohtz owner - Managing member
Printed Name Title

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

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

By *Brian Patton* 4/3/2018
BRIAN PATTON, Acting Administrator Date
Idaho Water Resource Board

Rental approved by IDWR *Chy Woa* 4-3-2018
Date

WATER SUPPLY BANK RENTAL AGREEMENT No. 179

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER NWNW Sec. 25, Twp 04s, Rge 05e, ELMORE County

Beneficial Use **Diversion Rate** **Volume**
IRRIGATION 1.24 CFS 378.00 AF

BENEFICIAL USE & SEASON OF USE

Water Right No.	From	To
61-2165	3/15	11/15
61-12039	4/1	10/31

RENTERS PLACE OF USE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04S	05E	26	31.5	31.5	31.5														94.5

Total Acres: 94.5

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other department application process.
3. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
4. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
5. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
6. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
7. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
8. Rights 61-12148 is also diverted through the points of diversion described above.
9. The use of water before 4/1 and after 10/31 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than October 26, 2000.
10. This rental agreement does not authorize the construction of a well.
11. Use of water under this rental agreement 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. 161.

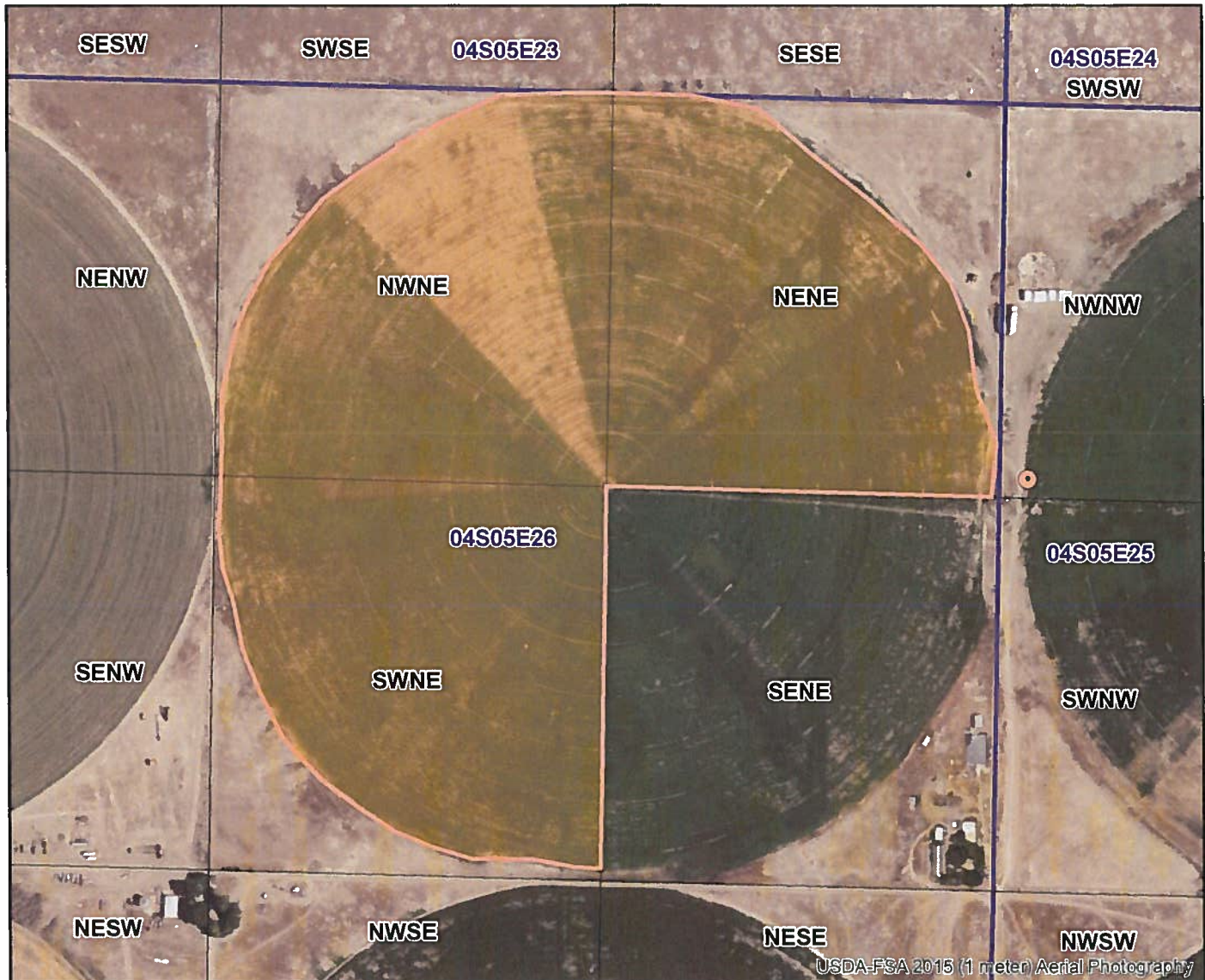
12. Use of water under this rental, when combined with other water rights and water sources, shall provide for no more than 0.013 cfs/acre and 4.0 afa/acre, as measured at the field headgate.



Idaho Water Resource Board Water Supply Bank Rental Agreement

Effective until December 31, 2018

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



-  Rental Point of Diversion
-  Rental Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters



0 0.1 0.2 Miles

JAN 26 2018

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

Applicant Name: Idaho Water Company LLC

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

Yes ☐ No ☒

If yes, specify companion water rights in Section 4

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

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

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

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

MINIMUM REQUIREMENT CHECKLIST

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

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

Department Use Only – Proposed Water Right(s)

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Idaho Water Company LLC

Mailing Address	<u>P.O. Box 191190</u>	<u>Boise</u>	<u>ID</u>	<u>83719</u>
	Street	City	State	Zip Code
Email Address	<u>info@idahowatercompany.com</u>		Phone Number	<u>(208) 312-1135</u>

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
 If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative	<u>Kevin Kohtz</u>	Professional Title	<u>Attorney</u>	
Organization	<u>Idaho Water Company</u>	Relationship to Applicant	<u>Counsel</u>	
Mailing Address	<u>P.O. Box 191190</u>	<u>Boise</u>	<u>ID</u>	<u>83719</u>
Email Address	<u>kevin@idahowatercompany.com</u>		Phone Number	<u>(208) 559-0974</u>

2. MAP

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

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

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

The rented water will be used to irrigate 94.5 acres of potatoes during the 2018 growing season. The crop will be watered from groundwater via an existing pivot irrigation system.

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

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
1.89 CFS	425.25 AF	1.7 CFS	378 AF	94.5 AC

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

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

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
04/01/18	04/01/18	☒ 1	☐ 2	☐ 3	☐ 4	☐ 5	☒ Process application as soon as possible	☐ Return application to applicant

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

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Existing well at POD, Pump, booster, irrigation delivery piping and TL pivot irrigation system.

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

POD Description	Water Source	Other Water Rights Diverted from this POD
Well & Pump	Groundwater	61-12148

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

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒

If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒

Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒

If yes, label modeling Attachment 3 H.

Rental applications that require modeling will be returned if modeling is not provided.

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

- ☒ Irrigation 94.5 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒

If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐

If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

None

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☐ No ☒

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

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

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

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

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

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

Notify Applicant

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

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

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

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

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

Agreement No. 179 Permanent water rights not acquired due to availability.

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

If yes, describe:

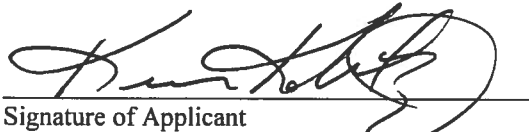
- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

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

- D. Additional Information

DECLARATION

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

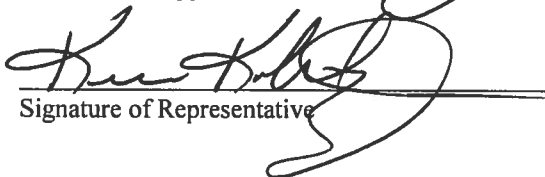

Signature of Applicant

Idaho Water Company LLC

Printed Name of Applicant

1/25/17

Date


Signature of Representative

Kevin G. Kohtz

Printed Name of Representative

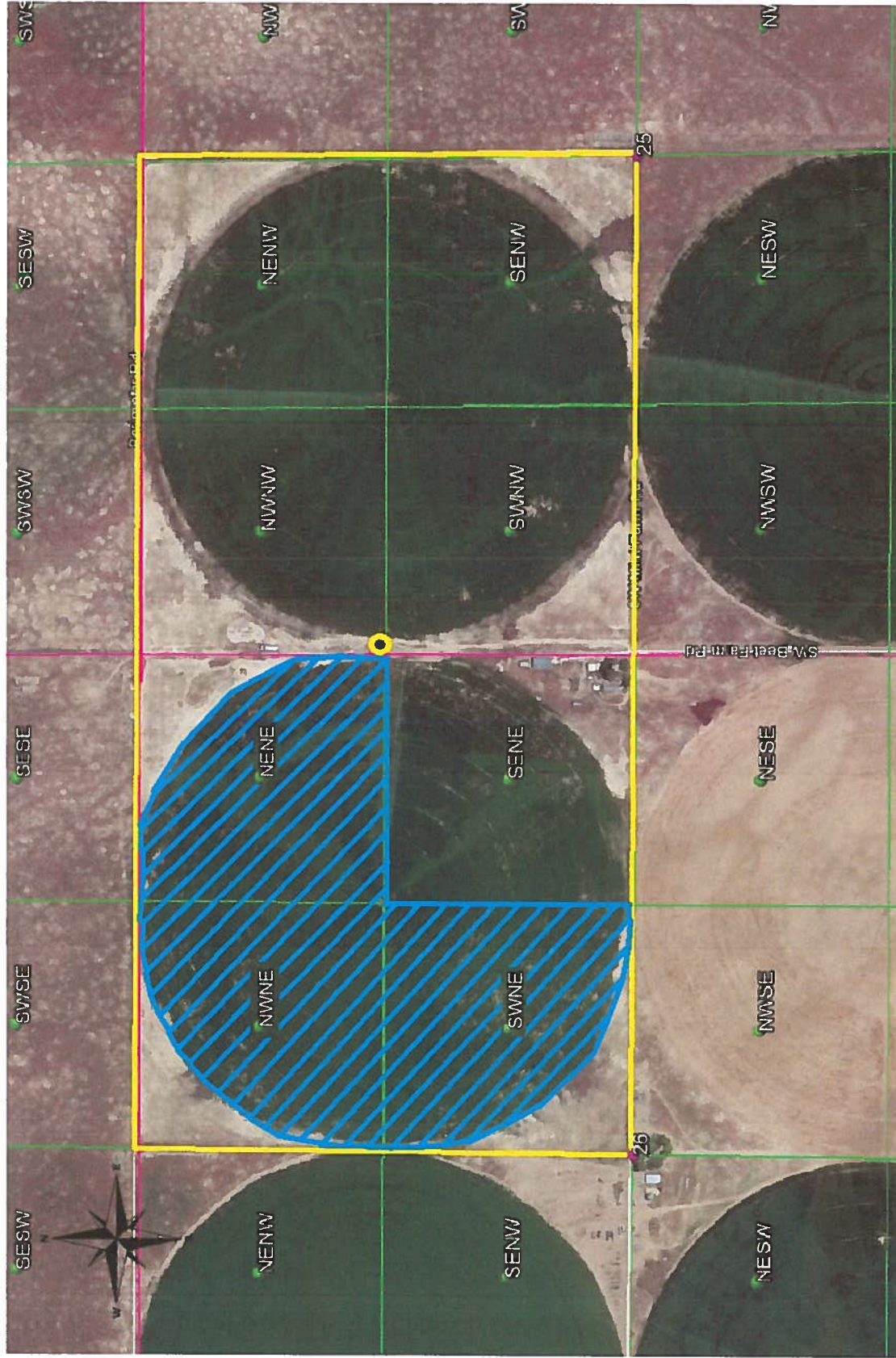
1/25/17

Date

Mail to:

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

NE1/4 Sec. 26 T4S R5E, NW1/4 Sec. 25 T4S R5E



Proposed Rental Water



Point of Diversion



Attachment 2

This map depicts the irrigation of 94.5 acres from rental water in the NE quarter of Sec. 26. This rented water will be used together with No. 61-12148 to water the remaining 160 acres from a shared point of diversion.





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 5, 2018

IDAHO WATER CO LLC
1135 VALLEY RD S
EDEN ID 83325

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 61-2165 and 61-12039**

Dear Renter:

Please find enclosed a copy of a fully executed Amended Water Supply Bank Rental Agreement in connection with the rental of 425.25 acre-feet of water for irrigation of 94.5 acres during 2018. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

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

Sincerely,

Debby Fudd
Water Supply Bank

Enclosure: Rental Agreement (copy)

c: Angie Grimm – IDWR Western Regional Office
Nick Miller – State Water District No. 161



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

March 26, 2018

IDAHO WATER CO LLC
1135 VALLEY RD S
EDEN ID 83325

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 61-2165 and 61-12039

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

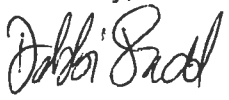
Dear Applicant:

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

A rental fee of \$8,505.00 was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 425.25 acre-feet. A payment of \$8,505.00 was received on January 26, 2018 and no further payment is required.

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

Sincerely,


John S. Sudd
for Water Supply Bank

Enclosure

MEMORANDUM

To: Water Rights 61-12039, 61-2165 and 61-12148
From: Remington Buyer
Date: March 16, 2018
Re: Review of Amendment of Rent Water Right from the State Water Supply Bank

PURPOSE/NARRATIVE: Rental Agreement #179 for Idaho Water Company authorizes irrigation of 126 acres in Elmore County. The rental agreement was initiated during 2017 and was authorized for two years. When the 2018 rental fee payment was requested, the renter (Kevin Kohtz, on behalf of Idaho Water Company) informed IDWR that a transfer was being proposed that would partially cover a portion of the rental place of use with a water right. IDWR recently approved Transfer 82107, which increased the permissible place of use (PPU) for water right 61-12148, allowing for irrigation of 31.5 acres in the SENE of 04S 05E Section 26, which was already authorized under Rental Agreement #179.

As such, authorizations granted under Transfer 82017 have decreased the water use required to be rented under Rental Agreement #179. This rental review memo is an analysis of the water use rental requirements of an amended Rental Agreement #179. Ultimately, 378.0 acre feet of water is required to be rented via amended Rental Agreement #179 during 2018, which results in a 2018 rental fee of \$8,505. This is exactly the amount that was paid by the applicant on IDWR Receipt C104570.

AUTHORITY TO FILE: No actual application has been received.

WATER RIGHT VALIDITY: Water right 61-12148 is valid and authorized to be exercised at the rental location. Water rights 61-12039 and 61-2165 are leased to the Bank and valid for rental.

INJURY TO OTHER WATER RIGHTS: No injury is apparent through the rental.

ENLARGEMENT OF USE: Effectively, during 2018, a single irrigation center-pivot in the northeast quarter of section 26 will be partially irrigated with water authorized under water right 61-12039, as well as partially irrigated with water authorized under amended Rental Agreement #179. As such, to avoid enlargement, the maximum and per acre diversion rate and diversion volumes authorized on the amended rental agreement should be synchronized to match the maximum and per-acre diversion rate and diversion volumes authorized on water right 61-12039.

Water right 61-12039 authorizes irrigation of 160 acres (within a 200 acre PPU) with a maximum instantaneous diversion rate of 2.1 cfs and maximum annual diversion volume of 640.0 af, for a diversion rate of 0.013 cfs/acre and 4.0 afa/acre. Through Transfer 82107, 31.5 acres of the 126 acres previously authorized to be irrigated under Rental Agreement #179 are now going to be irrigated from 61-12039. The remaining balance of acres to be covered under amended Rental Agreement #179 is thus 94.5 acres. Irrigation of 94.5 acres at a per-acre diversion rate of 0.013 cfs/ac and a per-acre diversion volume of 4.0 afa, requires authorization to divert a maximum 1.24 cfs and 378 acre feet annually on amended Rental Agreement #179.

Water rights 61-12039 and 61-2165 were previously included on Rental Agreement #179 and are being adjusted to accomplish the new, required rental diversion rates and volumes. The following summarizes the water right elements rented through Rental Agreement #179, and the water diversion and application volumes authorized through amended Rental Agreement #179:

Water Right Elements Rented:

Water Right	Div. Rate	Div. Volume	Acres	Rate / Acre	Vol. / Acre
61-12039	0.830 cfs	237.15 af	52.7 ac	0.016	4.5
61-2165	0.822 cfs	188.10 af	41.8 ac	0.020	4.5
Totals	1.652 cfs	425.25 af	94.5 ac	0.017	4.5

Water Right Elements Authorized through amended Rental Agreement #179:

Water Right	Div. Rate	Div. Volume	Acres	Rate / Acre	Vol. / Acre
61-12039	0.692 cfs	210.80 af	52.7 ac	0.013	4.0
61-2165	0.549 cfs	167.20 af	41.8 ac	0.013	4.0
Totals	1.240 cfs	378.00 af	94.5 ac	0.013	4.0

The above diversion rate and volumes authorized for amended Rental Agreement #179 should properly avoid enlargement in water use under water right 61-12148.

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

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Since this rental agreement was reviewed by water district and IDWR regional staff prior to its initial execution, comments are not being requested at this time.

Memorandum

To: Water Rights 61-12039, 61-12075, 61-12077, 61-2165 and 61-7170

From: Remington Buyer

Date: 1/26/2018

Re: Water Supply Bank Rental Agreement #179

Purpose/Narrative: This memo is to document the purpose and context for payment of \$8,505.00 (receipt ID C104570) received by IDWR on January 26, 2018 in association with the 2018 use of rental water by Idaho Water Company for irrigation of acres in Elmore County. The 2018 rental payment established under Rental Agreement 179 is \$11,343.00 (to be distributed as \$10,208.70 to the water right owners and \$1,134.30 to IDWR for administrative fees). Payment of \$8,505.00 was submitted to IDWR by Idaho Water Company to partially-secure RA 179 for 2018, while simultaneously allowing for a pending transfer application to be processed for the rental acreage during 2018 (the processing of which might result in changes to RA 179).

Effectively, RA 179 authorizes irrigation of 126 acres in Elmore County that are not presently covered by any irrigation water rights. Idaho Water Company has communicated that they intend to today submit to IDWR's Western Region Office an application to transfer water rights (authorizing irrigation of 31.5 acres) to the acres associated with RA 179. Idaho Water Company believes the transfer may be approved prior to the start of the irrigation season in 2018. If IDWR's Western Region Office does approve a transfer that provides for irrigation of 31.5 acres at the rental place of use, then RA 179 should be amended so that the use of rental water only authorizes irrigation up to the maximum extent required to supplement the transferred water rights. Mr. Kohtz has calculated that if the transfer is approved, the rental payment required for an amended rental will be \$8,505.00. As such, the payment of \$8,505.00 received today serves either as the down-payment of the majority amount required to be paid under RA 179 (as it is currently established), else, it might satisfy as the payment required for a new rental (which will function as an amendment of RA 179).

The payment of \$8,505.00 has been allocated to RA 179 as follows: \$1,134.30 is dedicated to IDWR to cover administrative expenses, while the balance of \$7,370.70 is applied to the owner share (leaving an outstanding balance of \$2838.00 owing to the owners, if necessary, to effect full collection of payment under RA 179). Follow up at a later date during spring 2018 will be required to determine whether RA 179 requires an amendment, and whether additional collection of funds are required for it, or an amended version of RA 179.