

WATER SUPPLY BANK LEASE CONTRACT No. 753

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

LESSOR: SAGEWILLOW LLC
5820 STRASBOURG CT
RENO, NV 89511

RECEIVED

FEB 26 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 Friday, February 02, 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)
37-20900	1/6/1975	GROUND WATER	0.20	66.5	19.0
Lease Totals			0.20	66.5	19.0

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: Current Rental Rate

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. 753

- 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. 753

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

LESSOR: SAGEWILLOW LLC

5820 STRASBOURG CT

RENO, NV 89511

By Edmund W. Dumeke

Title _____

Date 02/20/2018

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 2/26/2018

Lease approved by IDWR Chg Webb

Date 2-26-2018

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 753

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): 37-20900

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

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-20900	IRRIGATION	03/15	to	11/15	0.20 cfs	66.5 AF
Totals:					0.20 cfs	66.5 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							19.0										19.0

Total Acres: 19.0

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.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 753

37-20900

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
-  PLS Sections
-  Quarter Quarters



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

FEB 02 2018

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Sagewillow LLC

(Select one owner – see item 1A on the application)

Water Right No. 37-20900

(One water right per application)

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

Yes ☐ No ☒

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

MINIMUM REQUIREMENT CHECKLIST

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

Yes

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

Attachment N/A Yes

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

Department Use Only

Fee Amount \$ 250.00Received By: TPDate Received: 2/2/2018Receipt # C104612W-9 received? Yes ☒ No ☐

(Route W-9 to Fiscal)

Name on W-9: Sagewillow LLC

997

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 Sagewillow LLC

Mailing Address 5820 Strassbourg Ct., Reno, NV 89511

Street City State Zip Code
Email Address ewdsr@earthlink.net Phone Number 208-622-5385

☒ 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 James P. Speck Organization Speck & Aanestad, A Professional Corp.

Professional Title attorney Email Address jim@speckandaanestad.com

Mailing Address PO Box 987, Ketchum, ID, 83340 Phone Number 208-726-4421

☐ 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.

None

- 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. None

- 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. None

- 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. Partial decree issued for this right September 24, 2010. This right then leased to the Water Supply Bank from 2012 through 2017.

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

If yes, describe.

Yes ☐ No ☒

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

If lease, specify the years when the use of water will be suspended: 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.

Current rental rate

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

The Designated Applicant acknowledges the following:

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



Signature of Designated Applicant

Edmund Dumke, Trustee, Member

Printed Name

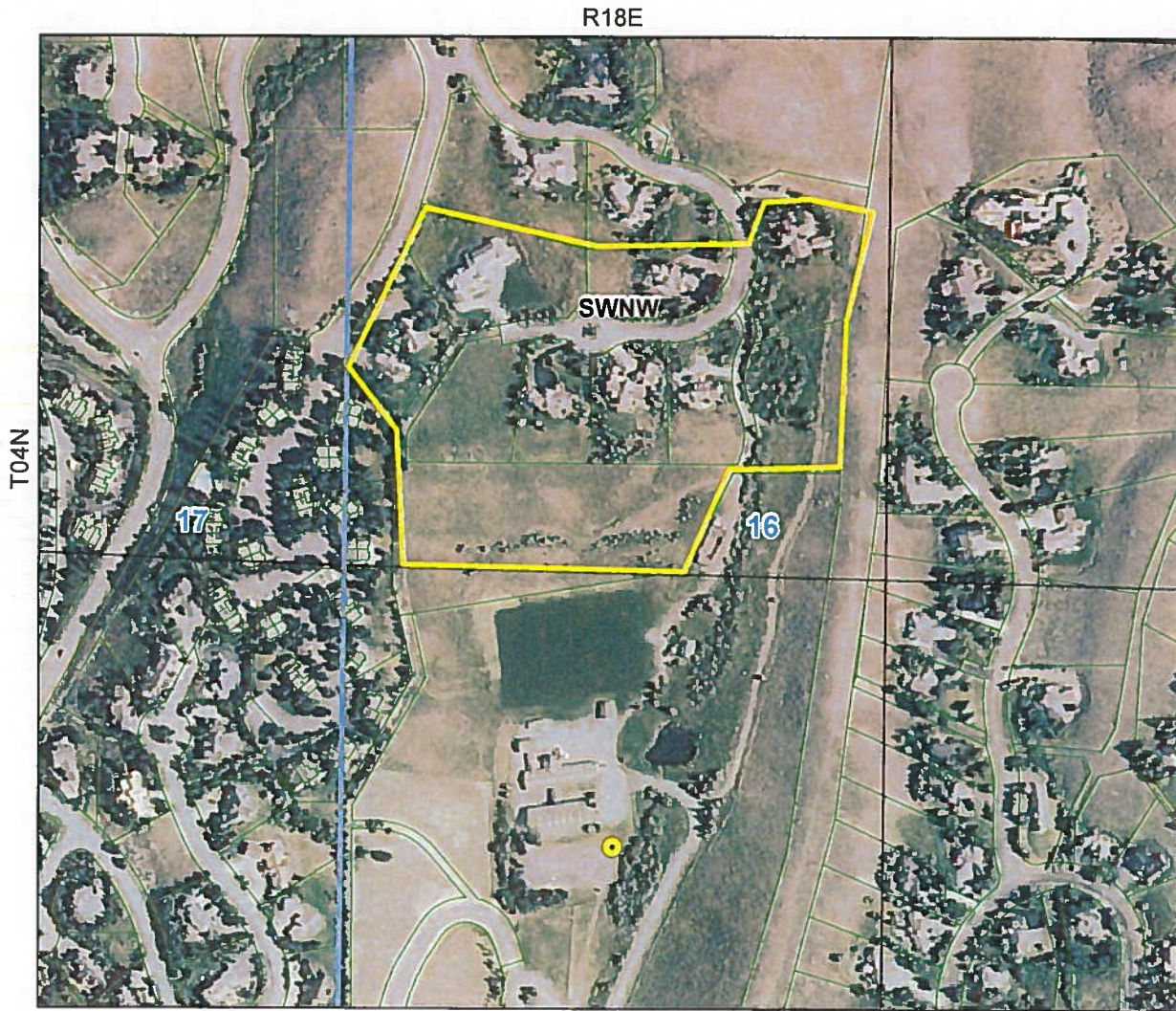
1/22/2018
Date

Signature of Authorized Representative

Printed Name

Date

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



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Taxlots

0 0.05 0.1 0.2 Miles



SAGEWILLOW LLC
 APPLICATION TO LEASE 37-20900
 ATTACHMENT 3





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

February 27, 2018

SAGEWILLOW LLC
5820 STRASBOURG CT
RENO NV 89511

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHT 37-20900

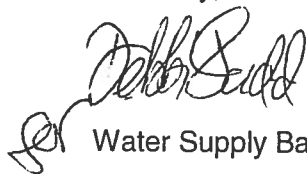
Dear Lessor:

Water right **37-20900** was leased into the Water Supply Bank (Bank) as of February 2, 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,



Water Supply Bank

Enclosure: Executed Lease Contract

c: Corey Skinner - IDWR Southern Region
Kevin Lakey - Water District 37
Galena GWD
James Speck - Speck & Aanestad



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

February 15, 2018

SAGEWILLOW LLC
5820 STRASBOURG CT
RENO NV 89511

RE: APPLICATION TO LEASE WATER RIGHT 37-20900 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,


Deborah Judd
Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C104612

c: James Speck – Speck & Aanstad

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Sagewillow LLC

Memo Date: 2/6/18

Water Right Number(s): 37-20900

Reviewers Name: Rachael Smith

Quick Tools

Decree Year	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)	X		
2	Reason for lease of water rights (Brief description of lease proposal in narrative)			
	Portion of right			
	All of right	X		
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	X		Big Wood River GWMA
4	Rentable? (If no explain in comments or narrative)	X	No	
5	Authority to file			
	Current owner or designated applicant	X		
	SOS Web site checked for business entity	X		Edward Dumke is a Co-Trustee of Sagewillow LLC, verified through SOS
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			37-20900 was decreed in 2010, placed in WSB 2012-2017
	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.)			NA
	Has this right previously been leased to the bank or in CREP?	X		Leased to WSB 2012-2017
7	Injury to other water rights			
	If the POD is through a delivery entity, was consent provided?			NA
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns			
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	X		POU overlap with Sun Valley Water & Sewer District
	Complete a combined limits review	X		No combined limits were found
	Complete POD overlap analysis (if there is an overlap add condition to lease)	X		POD overlap with 37-20901 and 37-22681
		Yes	No	
	Are there overlapping rights that need to be placed in the bank also?		X	
	Will the place of use continue to receive water? (if yes explain in comments)	X		Sun Valley Water & Sewer District
9	Local Public Interest			
	Does the processor know of any problems this action will cause for the local public?		X	
10	Have you contacted regional office and watermaster for comment/concerns?	X		IDWR Southern Regional Office, Galena GW District
	Send the watermaster comment request form or e-mail request	X		
11	Area Headgate requirement (write in Comments)			3.5 af/yr/ac
12	Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments		X	
13	Narrative			
	Sagewillow LLC applied to lease their entire water right 37-20900 to the WSB. This is a groundwater right for irrigation of 19 acres. The right was decreed in 2010 and was leased to the WSB from 2012-2017 so there are no concerns of forfeiture.			
	Review of aerial photography from the past five years shows that the area within the place of use for water right 37-20900 was irrigated; however, there is an overlapping POU with Sun Valley Water & Sewer District and the applicant's representative said that the water right that will be leased to the WSB has not been used since it was decreed. He said any irrigation within the POU would probably have been through Sun Valley Water & Sewer District municipal water right.			
	POD overlaps exist with 37-20901 and 37-22681.			
	The water right is located within the Big Wood River GWMA. IDWR Southern Regional Office did not have any concerns regarding the lease. No comments were provided by the watermaster.			

Smith, Rachael

From: Skinner, Corey
Sent: Tuesday, February 06, 2018 10:15 AM
To: Smith, Rachael
Subject: RE: WSB Lease Application WR 37-20900

This looks like a renewal. No concerns from me.

From: Smith, Rachael
Sent: Tuesday, February 06, 2018 9:45 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: WSB Lease Application WR 37-20900

Corey,

Attached is a review memo and map for a WSB Lease Application for water right 37-20900.
Please let me know if you have any comments or concerns regarding this lease.

Thank you,

Rachael Smith, Sr. Water Resource Agent
Idaho Dept of Water Resources
322 E. Front Street PO Box 83720
Boise, ID 83720-0098
Rachael.Smith@idwr.idaho.gov
208.287.4912

Smith, Rachael

From: James Speck <jim@speckandaanestad.com>
Sent: Monday, February 05, 2018 5:14 PM
To: Smith, Rachael
Cc: ewdsr@earthlink.net
Subject: RE: Water Supply Bank lease: water right 37-20900

Rachael,

Since the date of the partial decree for this water right it has NOT been used. Any irrigation within the decreed place of use during that time would probably have been through the use of Sun Valley Water & Sewer District municipal water rights.

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

CONFIDENTIAL COMMUNICATION

This email message and any attachments are intended only for the use of the addressee named above and may contain information that is privileged and confidential. If you are not the intended recipient, any dissemination, distribution, or copying is strictly prohibited. If you received this email message in error, please immediately notify the sender by replying to this email message or by telephone. Thank you.

From: Smith, Rachael [mailto:Rachael.Smith@idwr.idaho.gov]
Sent: Monday, February 5, 2018 4:54 PM
To: ewdsr@earthlink.net; James Speck
Subject: Water Supply Bank lease: water right 37-20900

Good afternoon,

Attached is a letter that will be mailed regarding a few questions about the lease of water right 37-20900. Either an e-mail or mail reply would be fine.

Thank you,



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

February 5, 2018

SAGEWILLOW LLC
5820 STRASSBOURG CT
RENO NV 89511

RE: APPLICATION TO LEASE WATER RIGHT NO. 37-20900 TO THE WATER SUPPLY BANK

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

Dear Applicant:

On February 2, 2018, the Department of Water Resources (Department) received your application to lease water right 37-20900 to the Water Supply Bank (Bank). The application indicates that the present place of use will not continue to receive water from any other source (item 4E). A review of aerial photography within the past five years when this water right was previously leased to the Bank shows that the place of use was irrigated. Upon acceptance of a water right into the Bank, the owner of the water right is not authorized to continue the diversion and use of the right while it is in the Bank.

Before the lease application may be processed, the following information is required:

- Describe which water rights are used to irrigate the place of use for water right 37-20900
- Indicate whether the place of use for water right 37-20900 has been used for irrigation in conjunction with other water rights for irrigation in the past

Your application will be held for 30 days. If no information has been received at that time, the lease application will be returned.

If you have any questions regarding this matter, please contact me at (208) 287-4912.

Sincerely,

Rachael Smith
Water Resource Agent Sr.

Cc: James Speck, Speck & Aanestad

Enclosure: Aerial Photography of Water Right 37-20900 Place of Use
Water Bank Lease Application Receipt #C104612

Water Right 37-20900

Legend

Place of Use



900 ft

Google Earth



SPECK & AANESTAD
A PROFESSIONAL CORPORATION
ATTORNEYS

JAMES P. SPECK
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(208) 726-4421
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January 30, 2018

Mr. Remington Buyer
Idaho Department of Water Resources
322 E. Front Street
Boise, ID 83702

RECEIVED

FEB 02 2018

**DEPARTMENT OF
WATER RESOURCES**

RE: *Sagewillow LLC*
Water Right No. 37-20900

Dear Remington:

Enclosed for processing you will find the *original* and one (1) copy of an Application to Sell or Lease a Water Right to the Water Supply Bank for the above-referenced Water Right. I have also enclosed my firm's check in the amount of \$250.00 for the required filing fee. If this document meets with your approval, please process and receipt date-stamp the copy and return it to me in the enclosed self-addressed, postage-paid envelope.

If you have questions, please contact me. Thank you for your assistance.

Sincerely yours,

SPECK & AANESTAD
A Professional Corporation

By: _____

James P. Speck

Enclosures

cc: Mr. Edward Dumke w/ copy of form
 Mr. Thomas C. Praggastis w/ copy of form