

WATER SUPPLY BANK LEASE CONTRACT No. 739

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

LESSOR: SILVER CREEK FARMS
HOMEOWNERS ASSN INC
C/O H ALLEN LURAY
94 TOWNSEND GULCH RD
BELLEVUE, ID 83313-5008

RECEIVED

FEB 02 2018

RECITALS

**DEPARTMENT OF
WATER RESOURCES**

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 Tuesday, November 21, 2017.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

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

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
37-685C	10/15/1884	BIG WOOD RIVER, tributary to MALAD RIVER	2.06	122.0	41.8
Combined Limit Totals			2.06	122.0	41.8
Combined Lease Totals			2.06	122.0	41.8

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-685C	1.65	122.0	41.8	0.049	2.92
Combined Limit Totals	1.65	122.0	41.8	0.049	2.92

** The water right elements rentable have been reduced from the water right elements leased to account for conveyance losses of 20% as requested by irrigation district.*

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, 2017 to December 31, 2018. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.
6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.
7. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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

LESSOR: SILVER CREEK FARMS
HOMEOWNERS ASSN INC
C/O H ALLEN LURAY 94
TOWNSEND GULCH RD
BELLEVUE, ID 83313-5008

By [Signature]
Title H. Allen Luray - PRESIDENT
Date 2/1/18

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

By [Signature]
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 2/5/2018

Lease approved by IDWR [Signature]

Date 2-5-2018

**ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE
FOR LEASE CONTRACT NO. 739**

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): 37-685C

BIG WOOD RIVER 3NESWNW Sec. 36 Twp 02N Rge 18E BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-685C	IRRIGATION	4/01	to	11/01	2.06 cfs	122.00 AF
	DIVERSION TO STORAGE	4/01	to	11/01	2.06 cfs	Not Stated
Totals:					2.06 cfs	122.00 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	
01N	18E	12				1.0									22.2			18.6	41.8

Total Acres: 41.8

ADDITIONAL CONDITIONS OF ACCEPTANCE

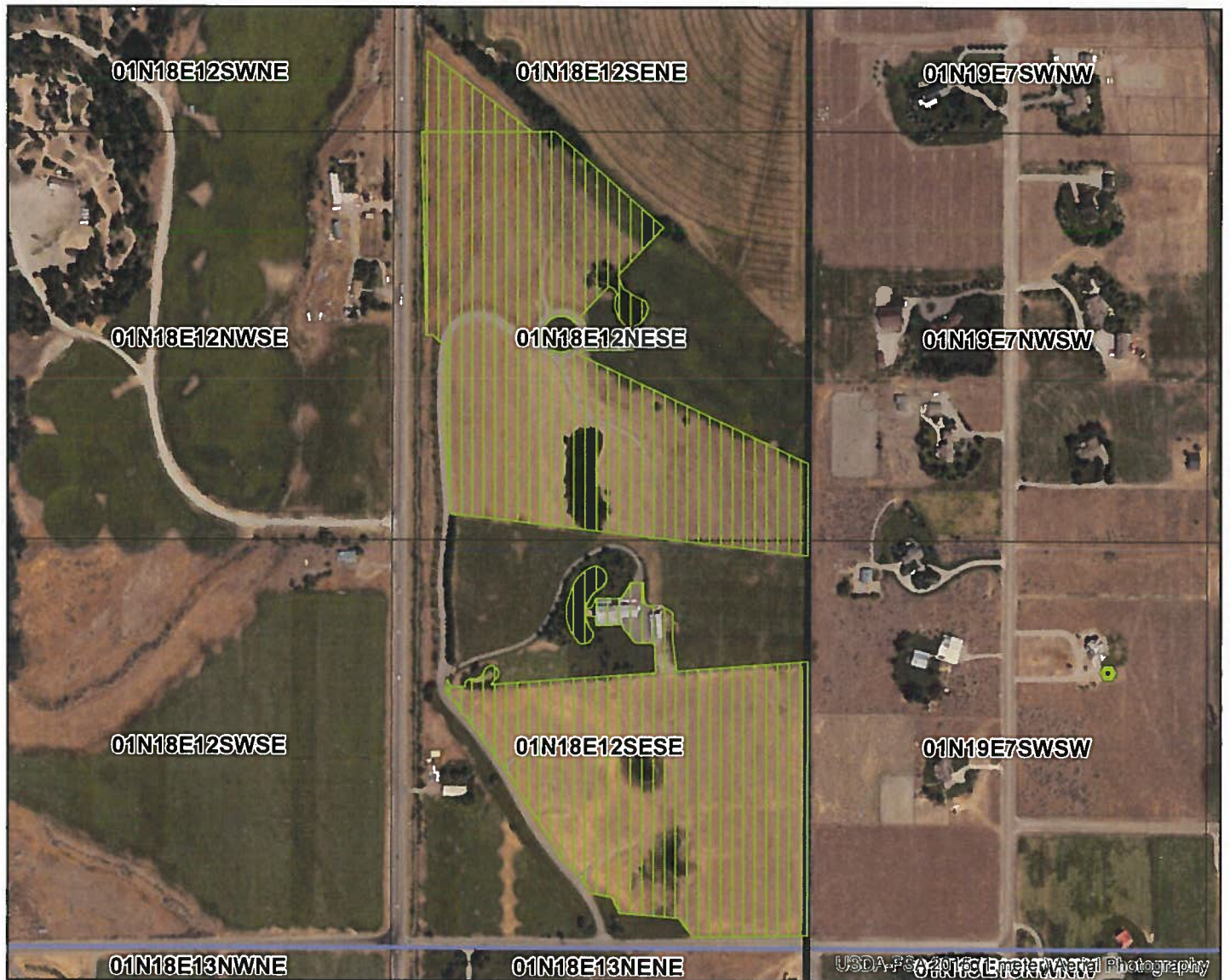
1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of 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. A portion of this right provides conveyance for other right holders in the shared delivery of water through the Wood River Valley Irrigation District #45 and Triangle Irrigation District canal. To prevent injury to other water right holders, the watermaster shall deliver 20% or 0.41 cfs of this right into the canal whether it is rented or not.
13. Unleased portion of Right 37-685C shall not exceed a diversion rate of 0.94 cfs, irrigation of 19.2 acres, and a total diversion volume of 76 AF.
14. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 37.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 739

37-00685c
Effective until December 31, 2018

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.



-  Active Water Supply Bank Lease POU
-  Townships
-  PLS Sections
-  Quarter Quarters



0 500 1,000 Feet

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

NOV 21 2017

DEPARTMENT OF
WATER RESOURCESAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANKDesignated Applicant Silver Creek Farms Homeowners Assn
(Select one owner – see item 1A on the application)Water Right No. 37-685C
(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 <u>Internal Revenue Service (IRS) Form W-9</u> for the Designated Applicant.
1C	☒	☐	<i>Notice of Change in Water Right Ownership</i> 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 <u>Section 42-222(2), Idaho Code</u> .

Department Use Only

Fee Amount \$ <u>250.00</u>	Received By: <u>TE</u>	Date Received: <u>11/21/2017</u>	Receipt # <u>C104339</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Silver Creek Farms Homeowners Assn</u>	<u>inc.</u>

c/o H Allen Luray

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STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

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

Designated Applicant Silver Creek Farms Homeowners Assn Inc C/O H Allen Luray

Mailing Address 94 Townsend Gulch Rd Bellevue, Idaho 83313

Street

City

State

Zip Code

Email Address _____

Phone Number 208-788-4774

- ☒ 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 Greg Sullivan

Organization Brockway Engineering

Professional Title Engineer

Email Address greg.sullivan@brockwayeng.com

Mailing Address 2016 N Washington St Ste 4 Twin Falls, Idaho 83301

Phone Number 208-736-8543

- ☐ 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.
Existing diversion and delivery systems _____

- 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. 37-8614, 37-8615, 37-8616 and 37-8617

- 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. This water right was decreed on 5/3/2011 and no annual volumes or rates are available.

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

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

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

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

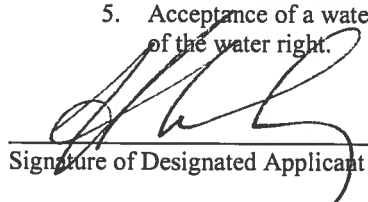
If lease, specify the years when the use of water will be suspended: 2017 to 2021 (maximum lease period 5 calendar years).
(Year) (Year)

- 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.
\$500.00 for each 1.0 acre-foot of irrigation water rented.

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

W. Allen Lundy
Printed Name

10/26/12
Date

Signature of Authorized Representative

Printed Name

Date

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

STATE OF IDAHO
WATER RESOURCE BOARD

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>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>37-685C</u>	<u>Irrigation</u>	<u>2.06</u>	<u>-</u>	<u>41.8</u>
	<u>Diversion to Storage</u>	<u>2.06</u>	<u>-</u>	<u>-</u>
	Total Amounts:	<u>2.06</u>	<u>-</u>	<u>41.8</u>

2. Source of water Big Wood River tributary to Malad River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
02N	18E	36		NE	SW	NW	Blaine

**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

<u>1. Water Right Number</u>	<u>Nature of Use</u>	<u>Leased Rate</u> (cfs)	<u>Leased Volume</u> (af)	<u>Leased Acres</u> (ac)
<u>37-685C</u>	<u>Irrigation</u>	<u>2.06</u>	<u>-</u>	<u>41.8</u>
	Total Amounts:	<u>2.06</u>	<u>-</u>	<u>41.8</u>

2. Source of water Big Wood River tributary to Malad River

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
02N	18E	36		NE	SW	NW	Blaine



0 125 250 500 Feet

SILVER CREEK FARMS H.O.A. INC.
NAIP 2015 AERIAL

BROCKWAY ENGINEERING, PLLC.
GWS - Oct. 13, 2017

Legend

- pond
- Lease Acres

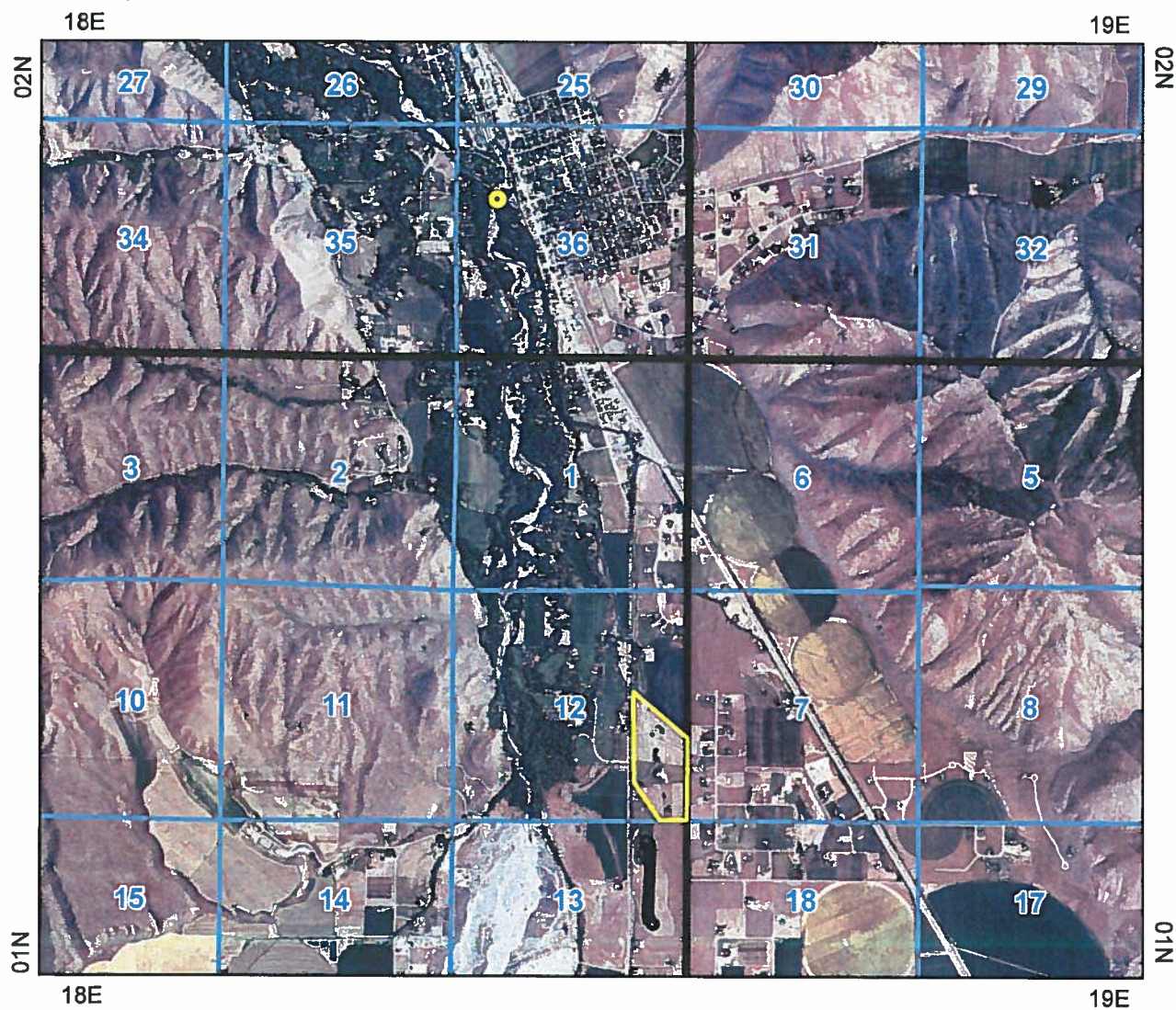


State of Idaho
Department of Water Resources

Water Right 37-685C

IRRIGATION

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



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections

0 0.5 1 2 Miles



Close

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

10/13/2017

WATER RIGHT NO. 37-685C

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	SILVER CREEK FARMS HOMEOWNERS ASSN INC C/O H ALLEN LURAY 94 TOWNSEND GULCH RD BELLEVUE, ID 83313-5008 2087884774
Directors Report Owner	FRANKLIN L BRAMON 536 W BOGUS VIEW DR EAGLE, ID 83616 2086316383
Directors Report Owner	DARLENE M BRAMON 536 W BOGUS VIEW DR EAGLE, ID 83616 2086316383
Directors Report Owner	RONALD SLOCUM
Directors Report Owner	SALLIE SLOCUM PO BOX 4029 HAILEY, ID 83333 2087884350
Attorney	ROBERT E WILLIAMS FREDERICKSEN WILLIAMS MESERVY 153 E MAIN ST PO BOX 168 JEROME, ID 83338 2083242303
Original Owner	ELIZABETH R BROWN JR
Original Owner	GEORGE H BROWN JR 1950 112TH AVE N E STE #204 BELLEVUE, WA 98004 2066217626

Priority Date: 10/15/1884
Basis: Decreed
Status: Active

<u>Source</u>	<u>Tributary</u>
BIG WOOD RIVER	MALAD RIVER

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	4/01	11/01	3 CFS	
FIRE PROTECTION STORAGE	1/01	12/31		20 AFA
AESTHETIC STORAGE	1/01	12/31		20 AFA
DIVERSION TO STORAGE	4/01	11/01	3 CFS	
Total Diversion			3 CFS	

Location of Point(s) of Diversion:

BIG WOOD RIVER|NESWNW Lt 3|Sec. 36|Township 02N|Range 18E|BLAINE County

IRRIGATION Use:
Acre Limit: 61

Place(s) of use:

Place of Use Legal Description: IRRIGATION BLAINE County

<u>Township</u>	<u>Range</u>	<u>Section</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>	<u>Lot</u>	<u>Tract</u>	<u>Acres</u>
01N	18E	12		SENE 1										
				NESE 30			SESE 30							

Total Acres: 61

Conditions of Approval:

1.

C18

This partial decree is subject to such general provisions necessary for the definition of the rights or for the efficient administration of the water rights as may be ultimately determined by the Court at a point in time no later than the entry of a final unified decree. Section 42-1412(6), Idaho Code.
2.

The owner of this right shall not permit the ponds containing the water stored under this right to exceed the size necessary to store more than twenty (20) acre feet by volume.
3.

The aesthetic portion of this right shall be a non-consumptive use except for any portion of such right subject to evaporation.

Dates:
Licensed Date:
Decreed Date: 05/03/2011
Enlargement Use Priority Date:
Enlargement Statute Priority Date:
Water Supply Bank Enrollment Date Accepted:
Water Supply Bank Enrollment Date Removed:
Application Received Date:
Protest Deadline Date:
Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: 37

Generic Max Rate per Acre:

Generic Max Volume per Acre:

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust:

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False

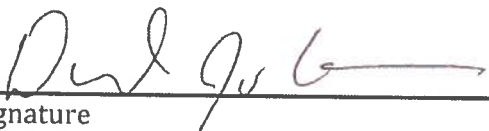
Close

**CERTIFICATE OF ACTION TAKEN BY
THE WOOD RIVER VALLEY IRRIGATION DISTRICT #45**

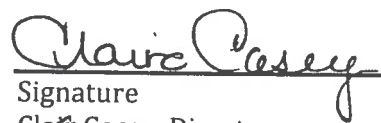
**P.O. Box 2223
Hailey, Id 83333**

The undersigned hereby certifies that at the Wood River Valley Irrigation District #45 meeting on November 14th, 2017, The directors accepted the water bank application from Silver Creek Farms Homeowners Association subject to and with the continuing condition of a 20% hold back in the system and on the further condition that there be no adverse impact on the minimum stream flow in the river and that carriage loss sufficient to convey water to the Wood River Valley Irrigation District #45 head gate must be left in the river if the water is to be leased upstream.

DATED: November 14th, 2017



Signature
David Johnson, President and Director



Signature
Claire Casey, Director
Claire

TRIANGLE IRRIGATION DISTRICT

P.O. BOX 424

BELLEVUE, IDAHO 83313

At the Triangle Irrigation District Board meeting on November 8, 2017, the directors accepted the water bank application from Silver Creek Farms Homeowners Association subject to and with the continuing condition of a 20 % hold back in the system and on the further condition that there be no adverse impact on the minimum stream flow in the river and that carriage loss sufficient to convey water to the Triangle Irrigation District head gate must be left in the river if the water right is to be leased upstream.

Sarah Gardner

President and Director



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 6, 2018

SILVER CREEK FARMS HOMEOWNERS ASSN INC
C/O H ALLEN LURAY
94 TOWNSEND GULCH RD
BELLEVUE ID 83313-5008

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHT 37-685C

Dear Lessor:

Water right **37-685C** was leased into the Water Supply Bank (Bank) as of November 21, 2017, 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, 2018**, 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
Greg Sullivan - Brockway Engineering
Wood River Valley Irrigation District #45
Triangle Irrigation District



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 1, 2018

SILVER CREEK FARMS HOMEOWNERS ASSN INC
C/O H ALLEN LURAY
94 TOWNSEND GULCH RD
BELLEVUE ID 83313-5008

RE: APPLICATION TO LEASE WATER RIGHT 37-685C 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, 2018**, 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,

Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C104339

c: Greg Sullivan – Brockway Engineering

WATER SUPPLY BANK
Lease Review Checklist
Applicant(s) Name: Silver Creek Home Owner Association

Memo Date: 01/15/17

Water Right Number(s): 37-00685C

Reviewers Name: Chelsey Serrano

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)			Lease of this water right will help the homeowners association avoid any forfeiture on the 41.8 acres being leased.
	Portion of right	✓		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)	N/A		N/A
		Yes	No	
4	Rentable? (If no explain in comments or narrative)	✓		
5	Authority to file			
	Current owner or designated applicant	✓		
	SOS Web site checked for business entity	✓		Silver Creek Farms homeowners association
	Other (explain in comments)			
6	Water Right validity			
	Decreed/Licensed/Statutory claim date (write in comments section)			Partial Decree 5/3/2011
	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?	✓		Wood River Valley Irrigation District #45, Triangle Irrigation District
	If the POD is through a delivery entity, was holdback required? (percentage in comments)	✓		two water districts are requesting that 20% of the leased water be held back
	Any other concerns			
8	Enlargement concerns	Check box		
	Complete a POU comparison overlap analysis	✓		See Below
	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?		✓	See Below
	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			
	Background: This property has 6 ponds that are for diversion to storage, fire protection storage, and aesthetic storage. 4 groundwater rights supplement surface water right 37-00685C during the winter months to keep the ponds full. A quick analysis was performed to ensure that the leasing of 2.06 cfs of the surface would not lead to the ponds drying up. If the ponds were to lose water and go dry, there would be concern about the groundwater rights being over-used to fill the ponds. Analysis: The total diversion rate was determined each month by totaling the rate of flow in (Surface water rights, ground water rights) and flow out (lease, seepage, evaporation). For each month, the net rate was positive, so water would not be lost in the ponds. Conclusion: The ponds should remain filled year-round, even when water is being leased. Therefore, there is no concern of enlargement of the groundwater rights to keep the ponds filled.			

Serrano, Chelsey

From: Kevin Lakey <watermanager@wd37.org>
Sent: Monday, January 29, 2018 10:26 AM
To: Serrano, Chelsey
Subject: RE: Basin 37 Lease Review

I think I'm good. Thanks for the reply.

Kevin Lakey

From: Serrano, Chelsey [mailto:Chelsey.Serrano@idwr.idaho.gov]
Sent: Monday, January 29, 2018 10:24 AM
To: Kevin Lakey <watermanager@wd37.org>
Cc: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: RE: Basin 37 Lease Review

Mr. Lakey,

I wanted to follow up and check whether you have any follow up questions following my explanation of the water rights at the Silver Creeks HOA property. If you have additional questions or any comments please let me know. Thank you,

Chelsey Serrano

From: Serrano, Chelsey
Sent: Wednesday, January 24, 2018 10:11 AM
To: 'Kevin Lakey' <watermanager@wd37.org>
Cc: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>
Subject: RE: Basin 37 Lease Review

Kevin,

Thank you for your questions. The four water rights that overlap are 37-8614, 37-8615, 37-8616, and 37-8617. All of these are groundwater rights. I may have used 'supplemental' in the wrong context meaning overlapping.

The water right being put into the Bank is water right 37-00685C. The applicant is are putting 2.06 cfs out of 3 cfs into the bank for irrigation and diversion to storage. The reason the diversion to storage is included is so avoid enlargement situation where irrigation would cease but diversion would continue for storage. I've attached the proof report and Attachment 2, which describe the water right and defines what is being put into the bank. Let me know if you still have questions after reviewing. Thanks!

Chelsey Serrano

From: Kevin Lakey [mailto:watermanager@wd37.org]
Sent: Wednesday, January 24, 2018 8:53 AM
To: Serrano, Chelsey <Chelsey.Serrano@idwr.idaho.gov>; Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; 'Kevin Lakey' <watermanager@cableone.net>
Subject: RE: Basin 37 Lease Review

Ms. Serrano:

You mention there are four ground water rights that are to be supplemental to this right in the winter to keep the ponds full. When I looked on the public search engine for the right, the four supplemental rights are not listed. WD 37 was not aware of these rights and consequently has not been administering them, and we don't know if we even should be. Could you please send me a list of the four rights you mentioned. Additionally, WD 37 only delivers this right from the river and we are not sure whether this right is actually used to fill the ponds mentioned. If the right is being used to fill the ponds, why does it need to be placed in the bank to prevent forfeiture? I'm not sure what the applicant is asking for and need some clarification. Thanks

Kevin Lakey
Water District 37

From: Serrano, Chelsey [<mailto:Chelsey.Serrano@idwr.idaho.gov>]
Sent: Monday, January 22, 2018 10:04 AM
To: Skinner, Corey <Corey.Skinner@idwr.idaho.gov>; watermanager@cableone.net
Subject: Basin 37 Lease Review

Dear Corey and Kevin,

I am working on a water supply bank lease located in Basin 37. I am hoping to have this lease reviewed by the watermaster and regional manager. The application review can be found attached. If you have any questions or feedback, please aim to have that to me in the next 5 days.

Thank you,

Chelsey Serrano

From: Buyer, Remington
To: "Greg Sullivan"
Cc: "Al Luray"
Subject: RE: Lease of 37-685C
Date: Monday, November 27, 2017 10:53:31 AM

Greg,

Thank you for the email. I will update the lease application to reflect that the desired end date for the contract should be 12/31/2018.

Remington Buyer

Water Supply Bank Coordinator
Idaho Department of Water Resources
322 East Front Street, Boise, ID, 83720
T: (208) 287-4918 | **F:** (208) 287-6700

From: Greg Sullivan [mailto:greg.sullivan@brockwayeng.com]
Sent: Monday, November 27, 2017 10:35 AM
To: Buyer, Remington <Remington.Buyer@idwr.idaho.gov>
Cc: 'Al Luray' <al.luray@sunvalleysir.com>
Subject: Lease of 37-685C

Remington,

It has been brought to my attention that I identified the incorrect year in which the lease contract would end in the lease application for 37-685C. The Silver Creek Farm Homeowners Assn would like the lease contract to expire 12/31/2018. Please make the necessary changes when the lease contract is prepared by the Water Supply Bank staff.

Thank you,

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

NOV 21 2017

DEPARTMENT OF
WATER RESOURCES

November 17, 2017

Remington Buyer
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Silver Creek Farms Homeowners Assn

Dear Mr. Buyer:

The Silver Creek Farms Homeowners Assn desires to lease a portion of 37-685C into the Idaho Water Supply Bank until 13/31/2021. Water right 37-685C was decreed 5/30/2011 and this lease application will avoid any forfeiture concerns on the 41.8 acres that will be leased into the Idaho Water Supply Bank.

Written consent letters from the Wood River Valley Irrigation District #45 and the Triangle Irrigation District are attached to this letter. Both districts are requesting that 20% of the leased water be held back into the system to minimize adverse impacts on minimum stream flows in the canal systems. This will limit the amount of water that could potentially be rented from 37-685C.

Please copy our office on all correspondence regarding this application.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Al Luray

Enc: Water Districts Consent Letters, Aerial Maps, W-9, Brockway Engineering Check
14359 for \$250.00

CHARLES E.
BROCKWAY,
PH.D., P.E.

CHARLES G.
BROCKWAY,
PH.D., P.E.

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909