

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

RECEIVED

NOV 14 2016

**DEPARTMENT OF
WATER RESOURCES**

This is to certify that: **VELIA DEGIULIO**
1643 W 500 S
PINGREE ID 83262
(208)684-4677

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	Priority Date	Source	Tributary	Annual Rented Volume	Acre Limit
35-7415	4/16/1974	GROUND WATER	NA	49.6 af	NA

Annual Combined Rental Totals

49.6 af NA

Term of Rental: This rental is in effect from the day the Idaho Water Resource Board signs the rental agreement and shall be in effect until December 31, 2016.

Rental Fee: \$84.32

The fee for rental of the above-described water is \$843.20 annually for years 2016. Because you own the above referenced water right you are obligated to pay ten percent (\$84.32) to the Department for administrative costs only.

No administrative fees will be refunded once the fee is collected.

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

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DEPARTMENT OF
WATER RESOURCES

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:

Velia De Giulio Velia De Giulio 10-24-16
Signature of Renter Printed Name and Title* Date

Signature of Renter Printed Name and Title* Date

*Please provide title of signatory 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 Date 11/14/2016
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental Approved by IDWR Chy 420 Date 11-14-2016

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

WATER USE DETAILS

BENEFICIAL USE

MITIGATION BY NON-USE

SEASON OF USE

04/01 TO 11/01

IDLED PLACE OF USE

MITIGATION BY NON-USE

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
03S	33E	29		39.0															39.0

CONDITIONS APPLICABLE TO RENTED WATER RIGHT

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 does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
5. 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.

Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. 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.
7. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. No mitigation credit shall be implied or authorized solely through execution of this rental agreement. Mitigation credit towards a delivery call can only be authorized upon approval of a mitigation plan pursuant to the Department's Rules of Conjunctive Management of Surface and Ground Water Resources.
10. The water rented under this agreement is appurtenant to the irrigation of 12.4 acres.

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK

RECEIVED

APR 14 2013

DEPARTMENT OF
WATER RESOURCESApplicant Name: Velia DeGiulio

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 *Application to Rent Water from the Board's Water Supply Bank*
- ☒ 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)

35-7415

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Velia DeGiulio

Mailing Address <u>1643 W. 500 S.</u>	Pingree	ID	83262
Street	City	State	Zip Code
Email Address _____	Phone Number <u>208-684-4677</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>Thomas J. Budge</u>	Professional Title _____
Organization <u>Racine Olson Nye Budge & Bailey, Chtd.</u>	Relationship to Applicant <u>Attorney</u>
Mailing Address <u>P.O. Box 1391, Pocatello, Idaho 83204-1391</u>	
Email Address <u>tjb@racinelaw.net</u>	Phone Number <u>208-232-6101</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**:

Mitigation under SWC-IGWA Settlement Agreement

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)
0.23 CFS	49.6 AF	0.23 CFS	49.6 AF	12.4 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?	
04/01/2016	10/31/2016	☒ 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):

Rental water will not be diverted, but will be used to meet Applicant's mitigation requirements under the SWC-IGWA Settlement Agreement.

- 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
O3S 33E 29 NWNE	Ground Water	35-7415

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 _____ (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: Mitigation from: 4/1 (mm/dd) to: 10/31 (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:

Applicant owns water right 35-7415, a portion of which Applicant seeks to rent for mitigation purposes in connection with other ground water rights owned by Applicant.

**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)
35-7415	Irrigation	0.23	49.6	12.4		0.23	49.6	12.4
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	0.23	49.6	12.4
						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**:

N/A

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**:

Mitigation

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:

- 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:

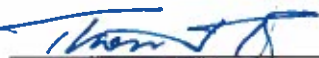
- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- 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



Signature of Representative

Printed Name of Applicant

Thomas J. Budge

Printed Name of Representative

Date

4/12/16

Date

Mail to:

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

Water Modeling Requirement Information Sheet

Information on water modeling requirements for rental requests within special administrative areas

Important information on requesting rental water within special administrative areas: Refer to the information below to determine whether the modeling of potential impacts from your rental request is necessary. Use Section 4 of the rental application to identify selected water rights. If you submit an application to rent water from within a special administrative area and water modeling is required, your rental request will be returned if water modeling is not provided.

Water modeling may be required when an application to rent water involves one of two scenarios:

Scenario 1: The rental request proposes to divert water from a regulated water source and/or within a special administrative area AND the distance between the rental point(s) of diversion (POD) and the POD(s) for the leased water right(s) is greater than the administratively established, acceptable distance.

Regulated water sources may areas include:

- A. Ground water resources within the modeled area of the Eastern Snake Plain Aquifer (ESPA) and tributary aquifers;
- B. Ground water within Ground Water Management Areas (GWMAs) or Critical Ground Water Areas (CGWAs);
- C. Water resources within other specified administrative areas, as established by the Idaho Water Resource Board (IWRB) or the Idaho Department of Water Resources.

The distance between any rental POD(s) and the POD(s) for a leased water right to be rented is important. On the ESPA, distance is measured in terms of model cells that cover an area of one square mile. Ground water modeling is not required if lease POD(s) and rental POD(s) are located within the same model cell or within adjacent model cells. If the lease and rental PODs are separated by more than one model cell groundwater modeling must be completed using the IDWR ESPA Transfer Tool and modeling results must be submitted with the rental application. ESPA modeling tools can be accessed and freely downloaded from IDWR's website by visiting: www.idwr.idaho.gov/WaterManagement/WaterRights/WaterRightTransfers/resources.htm.

Ground water modeling may be required within GWMAs, CGWAs or other regulated administrative areas. Applicants who desire to rent water within an established GWMA, CGWA or other regulated administrative area should consult IDWR's website before submitting their application to review the current status of administrative orders related to regulated administrative areas. Consult www.idwr.idaho.gov/WaterInformation/GroundWaterManagement/designated_areas.htm for information on GWMAs or CGWAs, visit <https://idwr.maps.arcgis.com/home/> to use mapping tools to find other regulated areas.

Applicants interested in renting water within a GWMA, CGWA or other regulated administrative areas should request water rights that have been leased into the Bank from within the same administrative area. Generally, the Bank will not permit a rental of water within a regulated administrative area if the leased water rights are not located within that same administrative area.

Scenario 2: A rental request proposes to divert water from a different but hydraulically connected water source.

Modeling situations may include:

- A. Rental requests that propose to divert surface water rights via ground water POD(s) (wells); and
- B. Rental requests that propose to divert ground water from one aquifer when the right being rented authorizes the diversion of ground water from a hydraulically connected, tributary aquifer.

Rental requests that propose to divert surface water rights from ground water points of diversion may be considered if ground water modeling establishes that the surface and ground water resources are directly and immediately hydraulically connected. An acceptable hydraulic connection occurs when at least 50 percent of the total depletions from a well are detectable from the original water source within a 24 hour period. The existing (leased) POD and proposed (rental) POD must be proximate such that diversion and use of water from the proposed POD would have substantially the same effect on the hydraulically-connected source as diversion and use of water from the original POD.

Requests to rent ground water across tributary aquifer sources may be considered if ground water modeling is provided to demonstrate that two aquifers are hydraulically connected and the anticipated impacts of diverting ground water from one source through the other is modeled accordingly.

For more information about rental application requirements, contact IDWR at (208) 287-4800.

State of Idaho
Department of Water Resources

Water Right
35-7415

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
-  Quarter Quarters
-  Taxlots

0 0.045 0.09 0.18 Miles





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

November 15, 2016

VELIA DE GIULIO
1643 W 500 S
PINGREE ID 83262

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 35-7415**

Dear Renter:

Please find enclosed a receipt in the amount of **\$84.32** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 49.6 acre-feet of water for mitigation by non-use during 2016. 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.

Pursuant to the Water Supply Bank Rules, the rental fee will be retained by the Department to offset administrative costs since you are the owner of the right.

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

Sincerely,

for Water Supply Bank

Enclosures: Receipt No. C101856
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office/Water District # 120
Thomas J Budge – Racine Olson Nye Budge & Bailey, Chtd.



RACINE OLSON
ATTORNEYS

Thomas J. Budge
tjb@racinelaw.net

RECEIVED

NOV 14 2016

**DEPARTMENT OF
WATER RESOURCES**

November 8, 2016

Christine Field
Clay Webster
Water Supply Bank
Idaho Department of Water Resources
322 East Front Street
PO Box 83720
Boise, Idaho 83720-0098

Re: Water Right No. 35-7415

Dear Christine and Clay,

Enclosed are two originals with Velia DeGiulio's signature on the Water Supply Bank Rental Agreement for water right no. 35-7415. Please return a copy with Brian Patton's signature. We previously paid the administrative fee of \$84.32 in April.

Sincerely,

T. J. BUDGE

c: Velia DeGiulio

Webster, Clay

From: Thiel, Sandra
Sent: Wednesday, November 09, 2016 11:52 AM
To: Judd, Debbi
Cc: Webster, Clay
Subject: FW: DeGiulio rental

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: TJ Budge [<mailto:tjb@racinelaw.net>]
Sent: Wednesday, November 09, 2016 11:51 AM
To: Thiel, Sandra
Subject: Re: DeGiulio rental

Rental Agreement has been signed and mailed to Boise.

On Nov 9, 2016 9:08 AM, "Thiel, Sandra" <Sandra.Thiel@idwr.idaho.gov> wrote:

Good morning, Can you tell me the status of the DeGiulio rental?

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

From: TJ Budge [<mailto:tjb@racinelaw.net>]
Sent: Monday, October 24, 2016 10:19 AM

To: Palmer, Cherie
Subject: DeGiulio 35-7415

Cherie,

I received the Water Supply Bank Rental Agreement for Velia DeGiulio (35-7415). She has signed it and mailed it to my office. Because our mail now goes through Salt Lake City I won't have this back to you by the 26th, though it will be en route.

Your letter to Velia asks her to pay \$84.32 for the rental fee but this was paid by me when we submitted the rental application this past spring.

Thanks,

T.J. Budge

RACINE OLSON

201 E. Center St. | P.O. Box 1391 | Pocatello, Idaho 83204

P: (208) 232-6101 | F: (208) 232-6109 | racinelaw.net

Assistant: Tessa Sparrow | (208) 232-6101 | tps@racinelaw.net

CONFIDENTIALITY NOTICE - This email and its attachments may contain information that is confidential, privileged, or otherwise protected from disclosure. If you believe this email may have been sent to you in error, please notify me immediately at tjb@racinelaw.net or 208-232-6101.



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

October 26, 2016

VELIA DEGIULIO
1643 W 500 S
PINGREE ID 83262

**RE: REQUEST FOR RETURN OF SIGNED RENTAL AGREEMENT
FOR WATER RIGHT 35-7415**

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

Dear Applicant:

The Department of Water Resources ("Department") mailed a **Water Supply Bank Rental Agreement ("Agreement")** for your review and signature on October 12, 2016. The signed agreement has not been returned to the Department.

Please sign the rental agreement and return it within ten (10) days of this letter to complete processing. Diversion and use of the water right is not authorized under the proposed agreement until it has been signed by both the renter and the Department. Any use associated with your proposed rental request before it has been executed is considered unauthorized and, if occurring, will be subject to any necessary enforcement action.

If the signed rental agreement is not received by the department within the 10-day period, the rental application will be returned, and the proposed rental right made available for other rental applicants. You can reapply to rent water from the Bank again in the future by submitting a new rental application form that will be processed in turn with other pending applications.

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

Sincerely,


Sgt Water Supply Bank

c: Thomas J Budge – Racine Olson Nye Budge & Bailey Chtd



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

October 12, 2016

VELIA DEGIULIO
1643 W 500 S
PINGREE ID 83262

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO. 35-7415**

*****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 a 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 **\$843.20** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 49.6 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$84.32.** The Department received payment in the amount of \$84.32 on April 14, 2016 and will enclose a receipt along with the copy of the executed rental agreement.

Please send the signed rental agreement within 14 days so I can complete processing.

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

Sincerely,

Water Supply Bank

Enclosure

c: Thomas J Budge – Racine Olson Nye Budge & Bailey Chtd

MEMORANDUM

To: Water Right No. 35-7415
From: Sandra Thiel
Date: October 3, 2016
Re: Review of Applications to Rent Water Rights from the State Water Supply Bank

PURPOSE/NARRATIVE: On April 14, 2016, TJ Budge of Racine Olson Nye Budge and Bailey submitted a rental application for right 35-7415 on behalf of Velia DeGiulio for the 2016 season. The rental application proposes to rent water for mitigation under the Surface Water Collation – Idaho Ground Water Users Association Settlement Agreement.

Because of the lateness of the application, the Department did not process the rental for the 2016 irrigation season in the spring. On April 20, we sent a letter to the applicant and their representative telling them that the application would not likely be processed for 2016. However, the latest possible start date given on the application was October 31, 2016. On October 1 we began processing rentals again. I spoke with TJ Budge about the status of the rental and he requested that it be processed for this year.

Ms. DeGiulio is the owner of right 35-7415. On April 29, 2014, she submitted an application to lease the entire water right into the Bank. She has acquired shares in the Aberdeen-Springfield Canal Co. and continues to irrigate with those shares. Right 35-7415 has been idled since the beginning of the 2014 irrigation season and is leased into the Bank through December 31, 2018. As of this writing, there are two other rentals for this right.

	cfs	af	acres
Lease	0.72	156	39
Funk	0.31	66.4	16.6
Foster	0.18	40	10
	0.49	106.4	26.6
remaining	0.23	49.6	12.4
DeGiulio	0.23	49.6	12.4

The table shows the amounts for the existing rentals and the water reaming for this rental.

This application proposes to rent the remaining water for mitigation. According to the application, the water will not be diverted.

AUTHORITY TO FILE: Mr. Budge signed the application. The lease application included a *Special Power of Attorney for Water Rights*, signed by Velia DeGiulio, appointing Racine Olson Nye Budge and Bailey the lawful attorney for the purposes of dealing with the Idaho Department of Water Resources.

WATER RIGHT VALIDITY: This right was partially decreed in January 2002 and was leased into Bank in 2014. Satellite imagery showed that the property was irrigated between 2002 and 2014. WMIS records show that the applicant had been using the full volume with this right. Forfeiture is not an issue at this time.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No concerns about an enlargement of use through rental of these water rights.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest. Both the lease and rental fall within the Bingham Ground Water District, Water District 120 and the Trust Water Area.

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: No concerns

Thiel, Sandra

From: Kristin Moore [kristin.rmea@gmail.com]
Sent: Tuesday, October 04, 2016 9:29 AM
To: Thiel, Sandra
Subject: RE: water supply bank rental Jeppeson Brothers Ranch

We would like it to be processed for 2016 still.

Thank you,

Kristin Moore
Water Rights Analyst
482 Suite 303 Constitution Way, Ste 303, Idaho Falls, ID 83402
E-Mail: kristin.rmea@gmail.com
VOICE: 208-524-2353 ||| FAX: 208-524-1795



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From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Monday, October 03, 2016 5:30 PM
To: Kristin Moore <kristin.rmea@gmail.com>
Subject: water supply bank rental Jeppeson Brothers Ranch

Hello, I have a lease/rental package that was submitted May 6 of this year. According to the rental application the latest possible state date was June 15th. The applications were not processed in time to meet this deadline. The leases and the rental are all for 5 years. Do you want this package processed for this year? They would have to pay the administrative fees for the rental. The other option is to roll both the lease and rental applications over for 2017. They could still have the five years, through 2021.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

Thiel, Sandra

From: Cefalo, James
Sent: Monday, October 03, 2016 2:06 PM
To: Thiel, Sandra
Subject: RE: Water Supply Bank rental 35-7415

Sandra,

I don't have any concerns with the proposed WSB rental.

James

From: Thiel, Sandra
Sent: Monday, October 03, 2016 11:29 AM
To: Cefalo, James
Subject: Water Supply Bank rental 35-7415

Hello, It is that time of year again. Would you please look at the attached rental application and let me know if you have any questions or concerns? If anything has changed on your end let me know. If not I'll continue to send Bank applications your way for review. Thanks in advance for your help.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov

Thiel, Sandra

From: TJ Budge [tjb@racinelaw.net]
Sent: Thursday, September 29, 2016 1:00 PM
To: Thiel, Sandra
Subject: RE: Rental for water right 37-7415

Thank you

From: Thiel, Sandra [<mailto:Sandra.Thiel@idwr.idaho.gov>]
Sent: Thursday, September 29, 2016 12:47 PM
To: TJ Budge <tjb@racinelaw.net>
Subject: Rental for water right 37-7415

Hello, I've done a brief analysis of the status of Velia DeGiulio's leased water right. There are two rentals for that right. But there does appear to be sufficient water remaining to fulfill her rental application. We will continue to process the rental.

Sandra Beer Thiel
Idaho Department of Water Resources
322 East Front Street
Boise, Idaho 83720-0098
(208)287-4881
sandra.thiel@idwr.idaho.gov



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 20, 2016

VELIA DEGIULIO
1643 W 500 S
PINGREE ID 83262

RE: APPLICATION(S) TO RENT WATER FROM THE WATER SUPPLY BANK

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of your application(s) to rent water from the Idaho Water Resource Board's Water Supply Bank (Bank) for mitigation. Filing a Bank rental application does not automatically result in approval. Before a rental application can be approved, the rental request must be reviewed, a rental agreement must be prepared, the agreement must be approved by the applicant and the Department, and the rental fee must be paid. To maximize the number of rental applications processed while managing competing priorities, the Department begins accepting rental applications on November 1 for use in the next calendar year, and it processes as many applications as it can before the start of the irrigation season in March or April. Once the irrigation season begins, Department staff members are reassigned to address field work and other duties. Consequently, few rental applications are processed after May 1.

Because your application was received near the beginning of the irrigation season, which is now well underway, it is unlikely the Department will be able to process your application in time for approval in 2016 unless you have proposed a start date late in the year. If your application was for 2016 only and the latest possible start date on your application has passed, the application may be returned to you. If your application requests a rental for more than one year, the rental application may be retained by the Department and evaluated for 2017.

In future years, we encourage you to file your rental applications as soon as possible after November 1 to improve the chances that they will be processed.

Additional information about the Bank may be found on the Department's website at <http://idwr.idaho.gov/water-supply-bank/>.

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

Sincerely,

Water Supply Bank

C: TJ Budge – Racine Olson Nye Budge & Bailey

RECEIVED

APR 14 2016

DEPARTMENT OF
WATER RESOURCES

April 12, 2016

Cherie Palmer
Sr. Water Resource Agent
Water Allocation Bureau
Idaho Department of Water Resources
P.O. Box 83720
Boise, Idaho 83720-0098
Cherie.Palmer@idwr.idaho.gov

Re: Water Right Nos. 35-7415

Dear Cherie,

Enclosed is an Application submitted on behalf of Velia DeGiulio to rent the remaining portion of her water right no. 35-7415, consisting of 12.4 acres, from the Water Bank. Thank you again for letting me know this water has become available for the 2016 irrigation season. A check in the amount of \$84.32 is enclosed for the rental fee.

Please let me know if you have any questions.

Sincerely,



T. J. BUDGE

c: Velia DeGiulio

Palmer, Cherie

From: TJ Budge [tjb@racinelaw.net]
Sent: Monday, April 11, 2016 4:30 PM
To: Palmer, Cherie
Cc: Webster, Clay
Subject: RE: 35-7415-Options to have a portion released

Cherie,

Thanks again for letting me know this water is available. Velia confirmed today that she will rent the 12.4 acres out of the Bank. I am working on the application now and will get it submitted shortly.

Thanks,

TJ

From: Palmer, Cherie [mailto:Cherie.Palmer@idwr.idaho.gov]
Sent: Friday, April 08, 2016 5:08 PM
To: TJ Budge <tjb@racinelaw.net>
Cc: Webster, Clay <Clay.Webster@idwr.idaho.gov>
Subject: 35-7415-Options to have a portion released

TJ,

Here is a snapshot of the lease/rental activity for water right 35-7415:

Activity	Rate (cfs)	Volume (af)	Acres	Thru
Lease	0.72	156	39	12/31/2016 per the release request
Rental	0.31	66.4	16.6	12/31/2016
Rental	0.18	40	10	12/31/2016
Total uncommitted portion	0.23	49.6	12.4	As of today

As you can see from the chart, your client has 12.4 acres available to her as of today. She can:

- 1) Submit a new lease for the rented portion, 0.49 cfs, 106.4 af, 26.6 acres for \$250. This would free up the uncommitted portion. OR
- 2) Submit a one year rental for the uncommitted portion for 49.6 af x \$1.70 = \$84.32.

There are a few considerations for your client to be aware of:

- rentals are currently being de-prioritized and this rental may not be processed until mid-summer
- not sure what her rental will look like since it is meant to mitigate—her quickest, most worry-free option is to submit a lease
- timing is an issue; currently there are no rentals competing for this water right. If she would like use any portion of her right this year, a lease should be submitted right away

Let me know if you have any questions.

*Cherie Palmer, Water Rights Supervisor
Idaho Dept of Water Resources
Water Allocation Bureau
322 E. Front Street (Front St. & Broadway Ave)
Mail: PO BOX 83720 Boise, ID 83720-0098
email: cherie.palmer@idwr.idaho.gov
phone: (208) 287-4944
fax: (208) 287-6700*