

WATER SUPPLY BANK LEASE CONTRACT

RECEIVED

OCT 11 2016

DEPARTMENT OF
WATER RESOURCES

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

LESSOR: CRANE CREEK COUNTRY CLUB INC
500 W CURLING DR
BOISE ID 83702
208-514-4342

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. On June 29, 2016, the Lessor filed an application to lease the water rights described below into the Water Supply Bank.
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 the 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	Priority Date	Source	Tributary	Leased Rate	Annual Leased Volume	Total Leased Acres
63-3108	07/08/1957	GROUND WATER	NA	0.26 cfs	73.8 af	16.4 ac
63-12596	06/01/2004	GROUND WATER	NA	0.58 cfs	Not Stated	16.4 ac
63-32114	03/15/1933	CRANE CREEK GULCH	BOISE RIVER	0.33 cfs	Not Stated	16.4 ac
63-32115	03/15/1933	GROUND WATER	NA	0.03 cfs	22.7 af	16.4 ac
Total annual combined limits of these water rights				0.78 cfs	73.8 af	16.4 ac

SUPPORT DATA

Lease Totals 0.78 cfs 73.8 af 16.4 ac

IN FILE # 63-3108

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** The term of this lease shall be January 1, 2016 to December 31, 2020. This Lease shall bind the parties and take effect when both parties have signed it.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

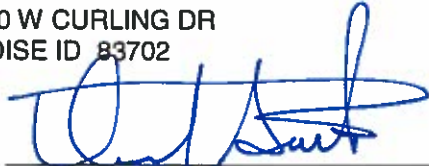
WATER SUPPLY BANK LEASE CONTRACT

5. **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.

CRANE CREEK COUNTRY CLUB INC
500 W CURLING DR
BOISE ID 83702

By



Printed Name

THOMAS J. SOUTH

Date

10.6.16

Title

TREASURER

IDAHO WATER RESOURCE BOARD
322 EAST FRONT ST
PO BOX 83720
BOISE ID 83720-0098

By

Brian Patton, Acting Administrator
Idaho Water Resource Board

Date

10/12/16

Lease approved by IDWR



Date

10-12-2016

ATTACHMENT A

WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

WATER RIGHT NOS. 63-3108, 63-12596,
63-32114, and 63-32115

The water right or portion thereof leased to the bank is described as follows:

Lessor: CRANE CREEK COUNTRY CLUB INC
500 W CURLING DR
BOISE ID 83702
208-514-4342

Location of Point(s) of Diversion for Water Right 63-3108, 63-12596, 63-32115

GROUND WATER	SWSW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWSW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWSE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NWSE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SENE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NWSE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWSW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SENE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SENE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SENE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWNE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWNE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	SWNE	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County
GROUND WATER	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County

Location of Point(s) of Diversion for Water Right 63-32114

CRANE CREEK GULCH	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County
CRANE CREEK GULCH	SWNE	Sec. 26, Twp 04N, Rge 02E, ADA County
CRANE CREEK GULCH	NWSE	Sec. 26, Twp 04N, Rge 02E, ADA County
CRANE CREEK GULCH	NESW	Sec. 26, Twp 04N, Rge 02E, ADA County

<u>Water Right</u>	<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
63-3108	IRRIGATION	03/15	to 11/15	0.26 cfs	73.8 af
63-12596	IRRIGATION	03/01	to 11/15	0.58 cfs	Not Stated
63-32114	IRRIGATION	03/01	to 11/15	0.33 cfs	Not Stated
63-32115	IRRIGATION	03/01	to 11/15	0.03 cfs	22.7 af
Total:				0.78 cfs	73.8 af

Place of Use to be Idled Under This Lease: IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	02E	26														5.0	2.5	2.1	9.7
04N	02E	35					2.8	4.0											6.8

Total Acres: 16.4

Conditions Applicable to All Leased Water Rights

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, nor does it improve the status of the right or accomplish the 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 after the following rental season.
11. The water rights leased to the bank are 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. Use of water under water right 63-32114 is 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. 63.

13. When combined with all other rights, the leased rights, 63-3108, 63-32114 and 63-32115 shall provide not more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the lands above.
14. When combined with all other rights, the leased right, 63-12596, shall provide not more than 4.5 afa per acre at the field headgate for irrigation of the lands above.
15. The period of use for the irrigation described for water right 63-3108 in this approval may be extended to a beginning date of 3/1 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 3/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 2/16/2007.
16. The unleased portions of these rights are limited to the irrigation of 98.3 acres within the authorized place of use in a single irrigation season.
17. The unleased portions of water rights 63-3108, 63-32114 and 63-32115 when combined shall not exceed a total diversion rate of 1.97 cfs, a total annual maximum diversion volume of 442.8 af at the field headgate, and the irrigation of 98.4 acres.
18. The following rights are diverted through points of diversion described above: 63-3108 and 63-32115.
19. Diversion of water from a point of diversion listed for water right 63-12596 above, also known as the "Clubhouse Well", which is located within the SW¼SW¼ of Section 26, shall not exceed the diversion rate of 1.25 cfs.
20. The following rights are diverted through points of diversion described above: 63-3108, 63-12596, 63-32115. In addition, right 63-33535 is also diverted through the point of diversion described above as being in the SW¼SE¼ of Section 26, and right 63-12162 is also diverted through a point of diversion described above as being in the SW¼NE¼ of Section 26.
21. The unleased portion of water rights 63-3108, 63-12152, 63-12596, 63-32115, and 63-33535 when combined shall not exceed a total diversion rate of 4.65 cfs.
22. The unleased portion of water rights 63-3108, 63-12596, 63-32114, and 63-32115 when combined shall not exceed a total annual maximum diversion volume of 442.8 af at the field headgate and the irrigation of 98.4 acres.
23. The unleased portion of water right 63-32114 is limited to the irrigation of 98.4 acres within the authorized place of use in a single irrigation season.
24. The unleased portion of water right 63-32115 is limited to the irrigation of 98.4 acres within the authorized place of use in a single irrigation season.
25. Water rights 63-33535 and 63-12152 and the unleased portion of 63-3108 shall not exceed a total diversion rate of 1.57 cfs.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JUN 29 2016

DEPARTMENT OF
WATER RESOURCES

**APPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK**

Designated Applicant Crane Creek Country Club, Inc.

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

Water Right No. 63-3108

(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 \$ 500Received By: AODate Received: 6-29-16Receipt # C102218W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)Name on W-9: Crane Creek Country Club Inc

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 Crane Creek Country Club, Inc.

Mailing Address <u>500 West Curling Drive</u>	<u>Boise</u>	<u>ID</u>	<u>83702</u>
Street	City	State	Zip Code

Email Address adam@cranecreekcc.com Phone Number 208-514-4342

☒ 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 Lori Graves Organization SPF Water Engineering

Professional Title Water Rights Specialist Email Address lgraves@spfwater.com

Mailing Address 300 E. Mallard Dr., Ste 350 Phone Number 208-383-4140

☐ 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.

3 pumped wells, 15 artesian wells

- 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. Decrees 63-32114 & 63-32115, license 63-12596

- 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. n/a, subject water has been leased to the bank the last 5 years

- 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. subject water has been leased to the bank the last 5 years

- 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: 5 yrs to _____ (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.

Benjamin M. Hay
Signature of Designated Applicant

BENJAMIN M. HAY
Printed Name

6/28/2016
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

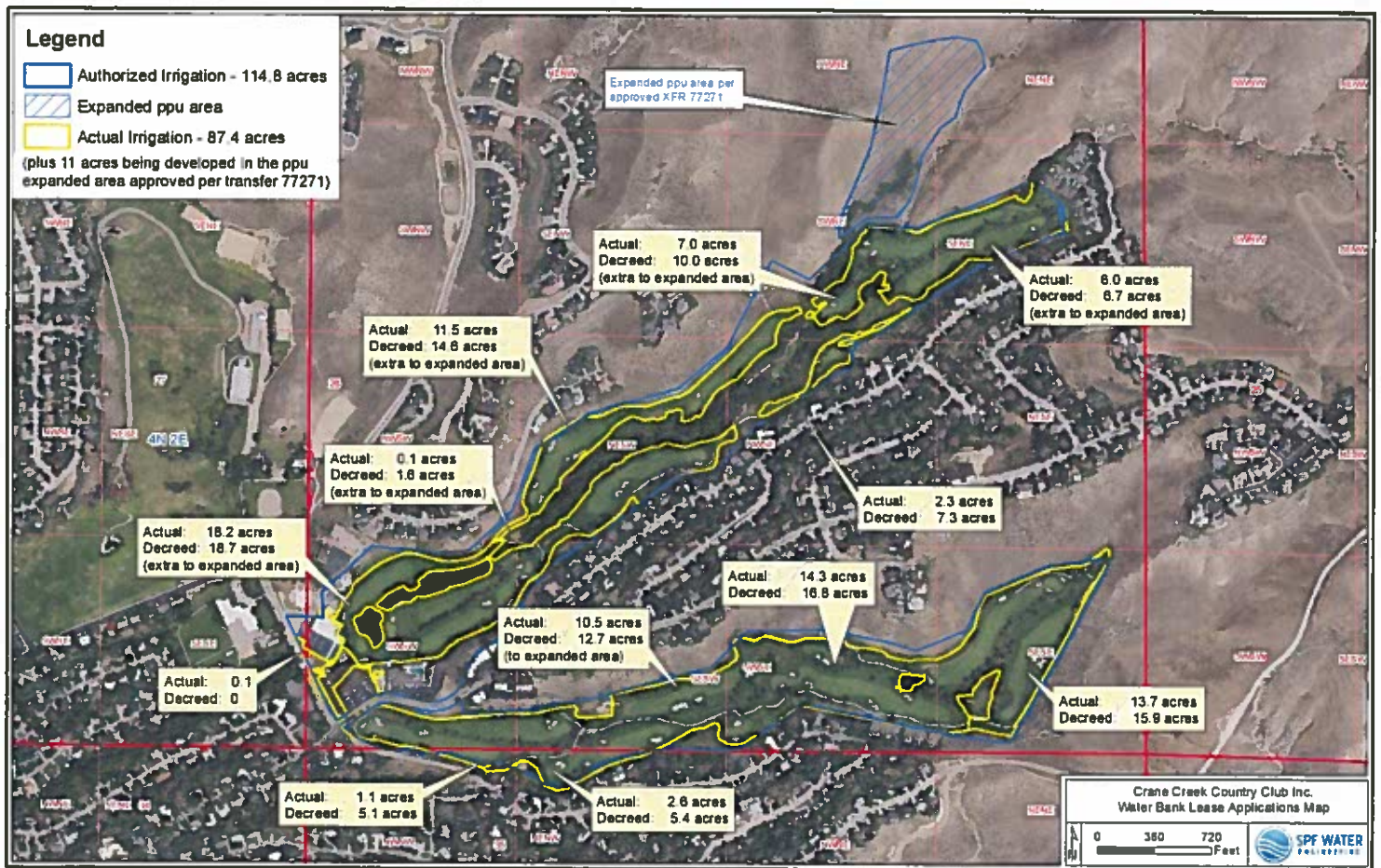
DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

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)
63-3108	Irrigation	0.26 cfs	73.8 af	16.4
	Total Amounts:	0.26 cfs	73.8 af	16.4

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County	
4N	2E	26			SW	NE	3 Wells	Ada
4N	2E	26			SE	NE	4 Wells	Ada
4N	2E	26			NE	SW	5 Wells	Ada
4N	2E	26			SW	SW	3 Wells	Ada
4N	2E	26			NW	SE	2 Wells	Ada
4N	2E	26			SW	SE	1 Well	Ada



Received
July 22, 2016
Jnt

Crane Creek Country Club Acres Leased to the IWSB (2011)																						
Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals			
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE				
4N	2E	26			3.0	0.7							3.1	1.5	0.5	2.2		5.0	2.5	2.2	20.7	
		35					2.8	4.0													6.8	
Minus 0.1 acre irrigated in the SESE, Section 27																						27.5
(allowed per approved transfer 77271)																						-0.1
Total Acres to Bank																					27.4	

Crane Creek Country Club Acres to Lease to the IWSB (2016)																				
Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals	
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE		
4N	2E	26														5.0	2.5	2.2	9.7	
		35					2.8	4.0											6.8	
																			16.5	
Minus 0.1 acre irrigated in the SESE, S27 (per approved transfer 77271)																			-0.1	
Total Acres to Bank																			16.4	
11 acres of previously banked water is being developed for irrigation in expanded ppu area																				

Crane Creek Country Club Acres Leased to the IWSB (2011)																			
Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	2E	26			3.0	0.7					3.1	1.5	0.5	2.2		5.0	2.5	2.2	20.7
		35					2.8	4.0											6.8
Minus 0.1 acre irrigated in the SESE, Section 27																			27.5
(allowed per approved transfer 77271)																			-0.1
Total Acres to Bank																			27.4

Crane Creek Country Club Acres to Lease to the IWSB (2016)																			
Twp	Rge	Sec	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
4N	2E	26			3.0	0.7					3.1	1.5	0.5	2.2		5.0	2.5	2.2	9.7
		35					2.8	4.0											6.8
																			16.5
Minus 0.1 acre irrigated in the SESE, S27 (per approved transfer 77271)																			-0.1
Total Acres to Bank																			16.4
11 acres of previously banked water is being developed for irrigation in expanded ppu area																			

SUPERCEDED



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 13, 2016

CRANE CREEK COUNTRY CLUB INC
500 W CURLING DR
BOISE ID 83702

RE: WATER SUPPLY BANK LEASE CONTRACT FOR WATER RIGHTS 63-3108, 63-12596, 63-32114, and 63-32115

Dear Lessor:

Water rights 63-3108, 63-12596, 63-32114, and 63-32115 were leased into the Water Supply Bank (Bank) as of June 29, 2016, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank.** More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2020**, unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

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

Sincerely,

for Water Supply Bank

Enclosure: Executed Lease Contract

c: Lori Graves – SPF Water Engineering
Charles Honsinger – Honsinger Law PLLC
Angie Grimm - IDWR Western Region
Rex Barrie – Water District 63

Hersley, Jean

From: Grimm, Angie
Sent: Thursday, October 13, 2016 7:46 AM
To: Hersley, Jean
Subject: RE: WSB Lease contract for Crane Creek Country Club for 2016-2020

Jean,

No comments or concerns come to mind. Thank you for the opportunity to comment.

Thanks,
Angie

Angela M. Grimm, P.G.
Water Rights Supervisor
IDWR - Western Region
2735 Airport Way
Boise, ID 83705-5082
(208) 334-2190 phone
(208) 334-2348 fax

From: Hersley, Jean
Sent: Tuesday, October 04, 2016 7:46 AM
To: Grimm, Angie; Rex Barrie
Subject: WSB Lease contract for Crane Creek Country Club for 2016-2020

Attached is the contract and lease review memo. Please let me know if you have any comments or concerns.
Thank you.

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



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

October 4, 2016

CRANE CREEK COUNTRY CLUB INC
500 W CURLING DR
BOISE ID 83702

**RE: APPLICATIONS TO LEASE WATER RIGHT 63-3108, 63-12596, 63-32114 and 63-32115 TO
THE WATER SUPPLY BANK**

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

Dear Applicant:

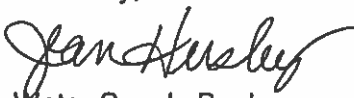
The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** 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, 2020**, 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,


for Water Supply Bank

Enclosure: Proposed Lease Contracts
Receipt # C102218

c: Honsinger Law PLLC } via email
SPF Water Engineering LLC }

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, October 04, 2016 7:46 AM
To: Grimm, Angie; 'Rex Barrie'
Subject: WSB Lease contract for Crane Creek Country Club for 2016-2020
Attachments: Lease Application Review Checklist Oct 2015.xls; Lease Contract.docx

Attached is the contract and lease review memo. Please let me know if you have any comments or concerns.
Thank you.

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

Hersley, Jean

From: Hersley, Jean
Sent: Tuesday, October 04, 2016 7:54 AM
To: 'lgraves@spfwater.com'; honsingerlaw@gmail.com
Subject: WSB Lease Contract for Crane Creek Country Club
Attachments: Lease Contract.docx; Lease Cover Letter-Proposed Contract-14 Days.docx

The contracts will go out in today's mail to Crane Creek. Sorry for the delay.

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

WATER SUPPLY BANK

Agent Lease Review Checklist

Applicant(s) Name: Crane Creek Country Club

Memo Date: July25, 2016

Water Right Number(s):63-3108, 63-12596, 63-32114 and 63-32115

Reviewers Name: Jean

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2009	2015
2010	2016
2011	2017
2012	2018
2013	2019

	Check box	COMMENTS/CONCERNS:
1 Fill out WSB Data Entry Checklist for Leases	x	
2 Reason for lease of water rights (Brief description of lease proposal in narrative)		
Portion of right	x	
All of right		
3 Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)		
	Yes No	
4 Rentable? If no explain in comments	x	
5 Authority to file		
Current owner or designated applicant		
SOS Web site checked for business entity	x	
Other (explain in comments)		
6 Water Right validity		
Decreed/Licensed/Statutory claim date (write in comments section)		
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?	x	
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)		%
8 Enlargement concerns	Check box	
Complete a POU comparison overlap analysis	x	
Complete a combined limits review	x	
Complete POD overlap analysis (if there is an overlap add condition to lease)	x	
	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?	x	
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	
Send the watermaster comment request form or e-mail request	x	
11 Area Headgate requirement		4.5
12 Is water right involved in any other department action? Pull file and check database () Ownership Change () Transfer () Mitigation () Other - Explain in comments	x	

Narrative: The applicant wishes to place 16.4 acres in the Bank. These water rights are overlapping. The applications were signed by Benjamin M Hay, Director of Crane Creek Country Club. (IDSOS) These rights were decreed in 2007 except 63-12596, which was licensed in 2012. Portions of water rights 63-3108, 32114 and 32115 were leased to the Bank from 2011 to 2015. Forfeiture is not an issue. The Crane Creek rights are within WD 63.

No. C 33143	Due no later than Nov 30, 2015 Annual Report Form		2. Registered Agent and Address (NO PO BOX)																																											
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. CRANE CREEK COUNTRY CLUB, INC. BENJAMIN M HAY 500 WEST CURLING DR. BOISE ID 83702 USA		BENJAMIN HAY 500 WEST CURLING DR. BOISE ID 83702																																											
			3. <u>New</u> Registered Agent Signature:*																																											
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional). <table border="1"> <thead> <tr> <th>Office Held</th><th>Name</th><th>Street or PO Address</th><th>City</th><th>State</th><th>Country</th><th>Postal Code</th></tr> </thead> <tbody> <tr> <td>DIRECTOR</td><td>BENJAMIN M HAY</td><td>5357 N GOLDIE PLACE</td><td>BOISE</td><td>ID</td><td>USA</td><td>83703</td></tr> <tr> <td>PRESIDENT</td><td>EDWARD MOORE</td><td>3034 NORTH 28TH STREET</td><td>BOISE</td><td>ID</td><td>USA</td><td>83703</td></tr> <tr> <td>VICE PRESIDENT</td><td>DEAN PARK</td><td>1220 N 12TH ST</td><td>BOISE</td><td>ID</td><td>USA</td><td>83702</td></tr> <tr> <td>TREASURER</td><td>TOM SOUTH</td><td>3487 E MISTYWOOD</td><td>BOISE</td><td>ID</td><td>USA</td><td>83706</td></tr> <tr> <td>SECRETARY</td><td>GEORGE HARAD</td><td>3675 W. QUAIL HEIGHTS CT.</td><td>BOISE</td><td>ID</td><td>USA</td><td>83703</td></tr> </tbody> </table>					Office Held	Name	Street or PO Address	City	State	Country	Postal Code	DIRECTOR	BENJAMIN M HAY	5357 N GOLDIE PLACE	BOISE	ID	USA	83703	PRESIDENT	EDWARD MOORE	3034 NORTH 28TH STREET	BOISE	ID	USA	83703	VICE PRESIDENT	DEAN PARK	1220 N 12TH ST	BOISE	ID	USA	83702	TREASURER	TOM SOUTH	3487 E MISTYWOOD	BOISE	ID	USA	83706	SECRETARY	GEORGE HARAD	3675 W. QUAIL HEIGHTS CT.	BOISE	ID	USA	83703
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5. Organized Under the Laws of: ID C 33143	6. Annual Report must be signed.* Signature: Benjamin Hay Name (type or print): Benjamin Hay Date: 09/29/2015 Title: General Manager																																													
Processed 09/29/2015		* Electronically provided signatures are accepted as original signatures.																																												