

NOV 02 2015

WATER SUPPLY BANK LEASE CONTRACT

DEPARTMENT OF
WATER RESOURCES

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

Lessor: DON R. ATKINSON AND
JUDY H. ATKINSON
PO BOX 190
KETCHUM ID 83340
(208) 788-2556

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
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

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Total Leased Acres</u>
37-337A	0.03 CFS	2.8 AF	0.8 AC
37-8396	0.06 CFS	7.0 AF	2.0 AC
Combined Lease Totals:	0.09 CFS	9.8 AF	2.8 AC

The water rights described herein shall be available for rental from the Bank as follows:

Authorized Period of Use under Lease: 4/15 to 10/31

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.

IN FILE # 37-337A

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 2019.
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. **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.

DON R. ATKINSON
JUDY H. ATKINSON
PO BOX 190
KETCHUM ID 83340

By Judy H. Atkinson
Don R. Atkinson

Date OCT 26 2015

Printed Name DON R ATKINSON

Title LESSOR

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

By Brian Patton
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 11/3/2015

Lease approved by IDWR As Witness

Date 11-3-2015

ATTACHMENT A
WATER RIGHT NO. 37-337A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: DON R. ATKINSON
JUDY H. ATKINSON
PO BOX 190
KETCHUM ID 83340
(208) 788-2556

Priority Date: 06/01/1887

Source: GROUND WATER **Tributary:** EAST FORK WOOD RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	10/31	0.03 CFS	2.8 AF
	Total:		0.03 CFS	2.8 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County
GROUND WATER	NESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County
GROUND WATER	SESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County

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	
03N	18E	8													0.45			0.35	0.8

Total Acres: 0.8

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, the lease term expires, or upon request from the lessor to change the term of the lease, 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.
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.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
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. Place of use being idled is located within Lot 6, Block 2, and East Fork Subdivision and Lot 64A, Block 3 and Parcel A of Willowood Subdivision.
13. Diversion of ground water is limited to those times water is available for diversion under this right and priority from the East Fork Wood River.
14. The unleased portion of 37-337A is limited to a total annual maximum diversion volume of 9.8 af at the field headgate and the irrigation of 2.8 acres.
15. This right when combined with all other rights shall provide no more than 0.03 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
16. The right holder shall maintain a measuring device and lockable controlling works of a type approved by the Department in a manner that will provide the watermaster suitable control of the diversion(s).
17. 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.

ATTACHMENT A
WATER RIGHT NO. 37-8396
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: DON R. ATKINSON
JUDY H. ATKINSON
PO BOX 190
KETCHUM ID 83340
(208) 788-2556

Priority Date: 09/08/1988

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/15	10/15	0.06 CFS	7.0 AF
	Total:		0.06 CFS	7.0 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	NESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County
GROUND WATER	NESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County
GROUND WATER	SESE	Sec. 8, Twp 03N, Rge 18E, BLAINE County

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	
03N	18E	8													2.0				2.0

Total Acres: 2.0

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, 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.
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 element of the water right, or improve the status of the right including the notion of resumption of use. It shall 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:
 - d. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - e. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - f. New lessor(s) of record will receive payment after the following rental season.
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. Irrigation use under this right is authorized only in connection with a domestic use.
13. Place of use being idled is located within Lot 6, Block 2, East Fork Subdivision.
14. The right holder shall use the full allotment of appurtenant surface water rights in conjunction with groundwater diverted under this right.
15. This right can only be rented as a supplemental right. The primary surface water right must provide a source of water equal to what has been historically available under right 37-337A.
16. This right is used in connection with domestic water right 37-11273 that can provide ½ acre of lawn and landscaping irrigation. Due to the overlap in use, only 1½ acre would potentially be available for rental in order to avoid enlargement of this water right.
17. This right when combined with all other rights shall provide no more than 0.03 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
18. 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.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

SEP 14 2015

DEPARTMENT OF
WATER RESOURCES**AMENDED****WATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLIST**

An application to lease or sell a water right into the Water Supply Bank must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. 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. **Incomplete applications will be returned to applicants for completion.**

Designated Applicant Don R & Judy H AtkinsonWater Right No. 37-337A

One water right per application

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

- ☒ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☒ Application filing fee of \$250.00. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

Attachment N/A YES

- 1A ☐ ☒ Contact information for *all owners* of the water right that is being 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 ☒ ☐ Written consent from irrigation district or water delivery company.
- 1E ☐ ☒ 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.
- 3D ☐ ☒ Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.
- 4 ☐ ☒ 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. If you don't already have a detailed map, you can create one using IDWR's online General Mapping Tool (<http://maps.idwr.idaho.gov/mapall/>) to locate a water right place of use or point of diversion.

Department Use Only

Fee Amount \$ <u>500</u>	Received By:	Date Received: <u>3/17/15</u>	Receipt # <u>C/00102</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Don + Judy Atkinson</u>	

**STATE OF IDAHO
WATER RESOURCE BOARD**

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

1. CONTACT INFORMATION

- A. An application to sell or lease a water right to the Water Supply Bank must be completed by a Designated Applicant who is a recognized owner of the water right being sold or leased to the Water Supply Bank. If there are additional owners recorded for the property to which the water right is appurtenant, 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 Don R & Judy H Atkinson Email Address _____
Mailing Address PO Box 190 Ketchum, Idaho 83340 Phone Number 208-788-2556

☒ 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 completed an IRS Form W-9 (Attachment 1B)? Yes ☒ No ☐
- 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 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 1D).
- E. 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 1E).

Name of Representative Greg Sullivan Organization Brockway Engineering
Professional Title Engineer Email Address greg.sullivan@brockwayeng.com
Mailing Address 2016 North Washington Street, Suite 4 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

Water Right Number 37-337A ☐ 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 a water right is being offered, complete Attachment 2)

3. GENERAL INFORMATION

- A. Please provide a description of the current water diversion system.
Existing well, pump, motor and delivery system.

- B. 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.
37-8396

C. Will the present place of use continue to receive water from any other source?

Yes ☐ No ☒

If yes, describe. _____

D. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. _____

E. Is this water right involved in any other IDWR process such as an application for transfer or a mitigation plan? Yes ☒ No ☐

If yes, describe. Transfer 79933 involving this water right was recently approved by IDWR.

4. 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, for a period from 1/1/15 to 12/31/2019 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / 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 provisions are stayed.
5. Acceptance of a water right into the bank does not, in itself, confirm the validity of the water right or any elements of the water right.

Don R. Atkinson
Signature of Designated Applicant

DON R. ATKINSON
Printed Name

9/8/2015
Date

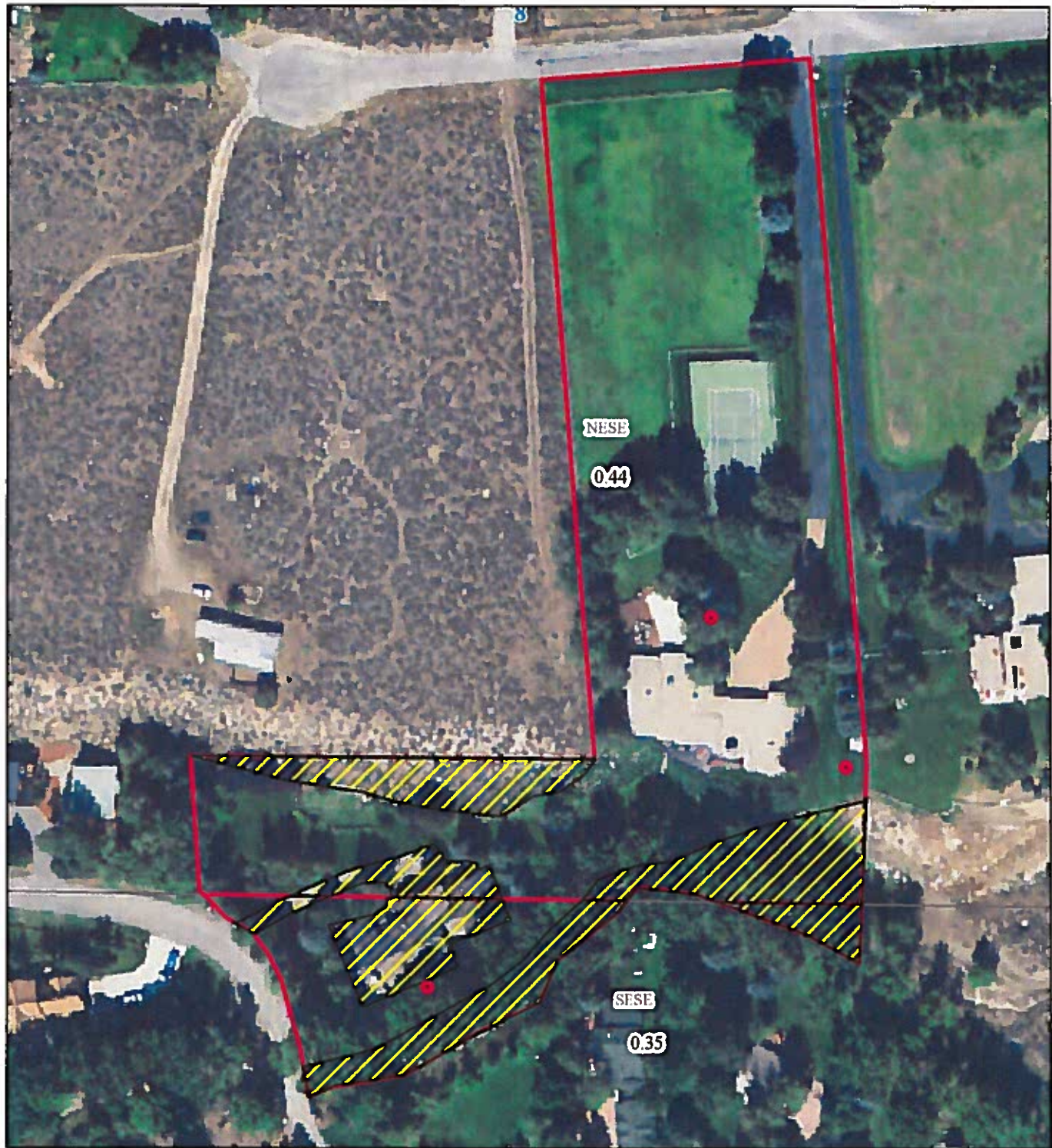
Judy H. Atkinson
Signature of Authorized Representative

JUDY H. ATKINSON
Printed Name

9/8/2015
Date

Mail to:

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



0 40 80 160 Feet

ATKINSON, DON & JUDY
WATER BANK LEASE 2015
NAIP 2013 AERIAL

Legend

- Proposed POD
- WSB Lease 0.79 Acres
- Proposed PPU
- QQ Lines



STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

MAR 17 2015

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK LEASE OR SALE APPLICATION CHECKLIST

An application to lease or sell a water right into the Water Supply Bank must be prepared in accordance with the minimum requirements listed below to be acceptable for processing by the Department. 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. **Incomplete applications will be returned to applicants for completion.**

Designated Applicant Don R & Judy H AtkinsonWater Right No. 37-337A
One water right per application

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

YES

- ☒ Completed *Water Supply Bank Lease or Sale Application Checklist* (this form).
- ☒ Completed *Application to Sell or Lease a Water Right to the Water Supply Bank* (pages 2-3).
- ☒ Application filing fee of \$250.00. If you are submitting more than one lease application and the water rights have a common place of use, or common diversion rate, or common diversion volume, the combined maximum fee is \$500.00.

Attachment N/A YES

- 1A ☐ ☒ Contact information for *all owners* of the water right that is being 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 ☒ ☐ Written consent from irrigation district or water delivery company.
- 1E ☐ ☒ 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.
- 3D ☐ ☒ Evidence demonstrating that a water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code.
- 4 ☐ ☒ 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. If you don't already have a detailed map, you can create one using IDWR's online General Mapping Tool (<http://maps.idwr.idaho.gov/mapall/>) to locate a water right place of use or point of diversion.

Department Use Only

Fee Amount \$ <u>500.00</u>	Received By: <u>J. Strange</u>	Date Received: <u>3-17-15</u>	Receipt # <u>C100102</u>
W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)		Name on W-9: <u>Don & Judy Atkinson</u>	

STATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO SELL OR LEASE A WATER RIGHT
TO THE WATER SUPPLY BANK

1. CONTACT INFORMATION

- A. An application to sell or lease a water right to the Water Supply Bank must be completed by a Designated Applicant who is a recognized owner of the water right being sold or leased to the Water Supply Bank. If there are additional owners recorded for the property to which the water right is appurtenant, 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 Don R & Judy H Atkinson Email Address _____
Mailing Address PO Box 190 Ketchum, Idaho 83340 Phone Number 208-788-2556

☒ 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 completed an IRS Form W-9 (Attachment 1B)? Yes ☒ No ☐

- 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 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 1D).

- E. 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 1E).

Name of Representative Greg Sullivan Organization Brockway Engineering
Professional Title Engineer Email Address greg.sullivan@brockwayeng.com
Mailing Address 2016 North Washington Street, Suite 4 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

Water Right Number 37-337A ☐ 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 a water right is being offered, complete Attachment 2)

3. GENERAL INFORMATION

- A. Please provide a description of the current water diversion system.
Existing well, pump, motor and delivery system.

- B. 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.
37-8396

C. Will the present place of use continue to receive water from any other source?

Yes ☒ No ☐

If yes, describe. 37-337A

D. Has any portion of this water right undergone a period of five or more consecutive years of non-use?

Yes ☐ No ☒

If yes, describe and attach Watermaster records or other evidence to demonstrate that the water right has not been lost through abandonment or forfeiture pursuant to Section 42-222(2), Idaho Code. _____

E. Is this water right involved in any other IDWR process such as an application for transfer or a mitigation plan? Yes ☐ No ☒

If yes, describe. _____

4. SALE/LEASE AGREEMENT

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

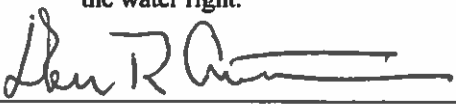
If lease, for a period from 1/1/2015 to 12/31/2019 (maximum lease period 5 years).
(Month / Day / Year) (Month / Day / Year)

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 provisions are stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any elements of the water right.


Signature of Designated Applicant

DON R. ATKINSON
Printed Name

MAR 3, 2015
Date


Signature of Authorized Representative

JUDY H. ATKINSON
Printed Name

MAR 3, 2015
Date

Mail to:

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



0 55 110 220 Feet

ATKINSON, DON & JUDY
WATER BANK LEASE 2015
NAIP 2013 AERIAL

Legend

-  Proposed POD
-  WSB Lease 0.92 Acres
-  Proposed PPU
-  QQ Lines





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 5, 2015

DON R ATKINSON
JUDY H ATKINSON
PO BOX 190
KETCHUM ID 83340

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-337A & 37-8396

Dear Lessor:

Water Rights 37-337A & 37-8396 were leased into the Water Supply Bank on September 14, 2015 in accordance with the executed original Lease Contract enclosed. **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.**

The rights will automatically be released from the Bank on **December 31, 2019**, unless the rights are released earlier by the Board, or upon your request. **Please note your rights may not be available for immediate release if they have been rented.** 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. This form is available from our public website at www.idwr.idaho.gov.

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 me at 287-4910.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: Greg Sullivan – Brockway Engineering PLLC
Allen Merritt - IDWR Southern Region
Kevin Lakey – Water District 37



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NOV 02 2015

DEPARTMENT OF
WATER RESOURCES

October 30, 2015

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

Re: Don and Judy Atkinson water right 37-337A and 37-8396

Dear Mrs. Palmer:

Don and Judy Atkinson have signed the lease contracts prepared by the Idaho Water Supply Bank.

Please complete the lease processing for water rights 37-337A and 37-8396.

Sincerely

Greg Sullivan M.S., Engineer

Cc: Don & Judy Atkinson
Enc: Water Supply Bank Lease Contract

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

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

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

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FAX: 736•8506



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 23, 2015

DON & JUDY ATKINSON
PO BOX 190
KETCHUM ID 83340

**RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR
WATER RIGHT(S) 37-00337A and 37-08396**

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

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on October 7, 2015. The signed contracts have not been returned to the Department.

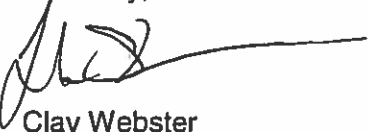
Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.

If the signed lease contracts are not received by the Department within the 10-day period, the lease application(s) will be returned, and the application fee will not be refunded. You can reapply to lease the water right(s) in the future by submitting new application form(s) along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. If forfeiture is a concern, you may consider filing an Application for Extension of Time to Avoid Forfeiture of a Water Right form. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

If you have questions regarding this matter, please contact me at 287-4910.

Sincerely,


Clay Webster
Water Resource Agent
WSB Process Point of Contact

c: Greg Sullivan – Brockway Engineering



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 7, 2015

DON & JUDY ATKINSON
PO BOX 190
KETCHUM ID 83340

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 37-00337A AND 37-08396 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(s) 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.

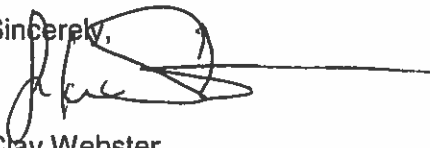
The rights will automatically be released from the Bank on **December 31, 2019**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. 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 me at 287-4910.

Sincerely,



For: Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

c. Greg Sullivan – Brockway Engineering

MEMORANDUM

To: Water Right No(s). 37-337A and 37-8396
From: Cherie Palmer
Date: August 19, 2015 (updated September 30, 2015)
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: These applications were received on March 17, 2015. Water right 37-8396 is a ground water right that is supplemental to 37-337A. The applicant is putting water right 37-8396 entirely into the Bank. The applicant proposes to put portions of 37-337A into the Bank at the same POU for 37-8396, in addition to other acres extending outside of the POU for 37-8396—but still w/i the POU for 37-337A.

I conducted a review of the POU and how the water rights stack together and found that the tennis court and home proposed to be placed in the Bank under 37-337A is not part of the POU for either one of the water rights. The tennis court and home were in place prior to 1987; therefore do not represent historic irrigated areas. I corresponded to the applicants consultant about this and the consultant opted to submit an amended lease application for 37-337A that idles land at the most south home instead of the north home and tennis court.

The POU doesn't overlap for the leased portions coming into the Bank but I will create one contract since they contain a combined volumetric limit.

AUTHORITY TO FILE: The right holders, Judy and Don Atkinson both applied as designated applicants to place these water rights into the Bank. They submitted a single W9 so this will work.

WATER RIGHT VALIDITY: Water right 37-337A was decreed in 2010 so forfeiture is not an issue. Water right 37-8396 was licensed in 1995 and is supplemental to surface water right 37-337A and is not subject to forfeiture.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. A condition will be on the lease for 37-8396 ensuring that the only way it is rented is if the renter has surface water equal to the amount under 37-337A. Proper rental review should protect against enlargement. Note that there is a domestic right that overlaps these rights, 37-11273. The domestic is silent on whether or not it provides irrigation but I assume it does. The ground water right will include a condition that addresses the overlap to avoid enlargement. This is in response to a comment by AMeritt.

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

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: These water rights are within WD 37 and are within Southern Region. AMeritt had the comments addressed in the enlargement section of this memo. A transfer was recently completed so this lease reflects the most up-to-date versions of the water rights.



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SEP 14 2015

DEPARTMENT OF
WATER RESOURCES

September 10, 2015

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

Re: Don and Judy Atkinson water right 37-337A

Dear Mrs. Palmer:

Per your request, the lease application for water right 37-337A has been updated and signed by Don and Judy Atkinson. The updated lease application correctly identifies the three PODs recently approved by Transfer 79933.

The proposed leased acres location has also been updated based on conversations with Southern Office IDWR employees and yourself regarding the lease acre locations.

It is proposed to lease 0.79 acres of 37-337A to the Idaho Water Supply Bank through the end of the 2019 irrigation season.

Water right 37-8396 was previously offered for lease to the Idaho Water Supply Bank. No changes were required on the lease application for 37-8396 and therefore the original lease application should be processed and approved.

The processing fees have already been paid to IDWR.

Sincerely

Greg Sullivan M.S., Engineer

Cc: Don & Judy Atkinson
Enc: Water Supply Bank Application for 37-337A, Aerial Map

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WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506

Palmer, Cherie

From: Palmer, Cherie
Sent: Wednesday, August 19, 2015 5:01 PM
To: Skinner, Corey; Reeder, Jana; Merritt, Allen
Subject: Atkinson Lease

Folks,

I talked to Greg and this is what we agreed on:

- I will wait to approve the lease until the transfer is complete
- I will then approve the leases for 5 years, adding the three GW PDs for the surface water right and change the source to correctly capture what the newly transferred water right reflects
- I told Greg that they should really put the southernmost house into the bank. He will most likely submit a separate application for that...

Can you please let me know when the transfer is approved? And also if you have any other questions about this lease.

Thanks!

Cherie

Palmer, Cherie

From: Palmer, Cherie
Sent: Wednesday, August 19, 2015 1:16 PM
To: Reeder, Jana; 'Kevin Lakey'; Merritt, Allen
Subject: FW: Atkinson Lease Applications 37-337A and 37-8396
Attachments: APPROVAL DOCUMENT NO 34-337A.docx; APPROVAL DOCUMENT NO 34-8396.docx; L1.2 Lease Review Memo Template 37-337A.docx

Jana, Allen, and Kevin,

Please see the attached review memo for comments. I also included the draft lease contracts for your information. Please let me know as soon as possible if you have any concerns. FYI-these folks also filed a transfer to add PDs (change in source from GW to SW) and re-arrange the POU at the same time as these lease applications. I may limit the lease term to this year if the transfer will be approved this year.

Thanks,
Cherie

MEMORANDUM

To: Water Right No(s). 37-337A and 37-8396
From: Cherie Palmer
Date: August 19, 2015
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: These applications were received on March 17, 2015. Water right 37-8396 is a ground water right that is supplemental to 37-337A. The applicant is putting water right 37-8396 entirely into the Bank. The applicant proposes to put portions of 37-337A into the Bank at the same POU for 37-8396, in addition to other acres extending outside of the POU for 37-8396—but still w/i the POU for 37-337A. I conducted a review of the POU and how the water rights stack together and found that the tennis court and home proposed to be placed in the Bank under 37-337A is not part of the POU for either one of the water rights. The tennis court and home were in place prior to 1987; therefore do not represent historic irrigated areas. Please see my attached map for a visual explanation of the situation.

Since the places of use coming into the Bank are not stacked, two lease contracts will be created.

AUTHORITY TO FILE: The right holders, Judy and Don Atkinson both applied as designated applicants to place these water rights into the Bank. They submitted a single W9 so this will work.

WATER RIGHT VALIDITY: Water right 37-337A was decreed in 2010 so forfeiture is not an issue. Water right 37-8396 was licensed in 1995 and is supplemental to surface water right 37-337A and is not subject to forfeiture.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. A condition will be on the lease for 37-8396 ensuring that the only way it is rented is if the renter has surface water equal to the amount under 37-337A. Proper rental review should protect against enlargement.

Note that there is a domestic right that overlaps these rights, 37-11273. The domestic is silent on whether or not it provides irrigation but I assume it does. The ground water right will include a condition that addresses the overlap to avoid enlargement. This in response to a comment by AMerritt.

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

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

DEPARTMENT STAFF OR WATERMASTER COMMENTS: These water rights are within WD 37 and are within Southern Region. AMerritt had the comments addressed in the enlargement section of this memo. Also this water right is in the middle of a transfer to add PDs and re-arrange the POU. Comments will be requested of the agent processing the transfer.

Evaluation of Lease Application for 37-337A and 37-8396

Notice the tennis court, house, and driveway are not in the POU





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MAR 17 2015

DEPARTMENT OF
WATER RESOURCES

March 16, 2015

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

Re: Don and Judy Atkinson water rights 37-337A and 37-8396

Dear Mrs. Palmer:

Two applications for water supply bank lease are being submitted at this time for Don and Judy Atkinson. The leases applications are for a portion of water right 37-337A and for the full irrigation amount under ground water right 37-8396.

It is proposed to lease the two water rights to the Idaho Water Supply Bank through the end of the 2019 irrigation season.

A transfer is concurrently being submitted to the Southern IDWR office to updated the POU and PODs of 37-337A.

If you have any questions regarding these applications do not hesitate to contact our office.

Sincerely

Greg Sullivan M.S., Engineer

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

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

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208•736•8543

FAX: 736•8506

Cc: Don & Judy Atkinson
Enc: Water Supply Bank Applications, Aerial Maps, Brockway Engineering Check #
12547 for \$500