

AMENDED

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

RECEIVED**APR 25 2016**DEPARTMENT OF
WATER RESOURCES

This is to certify that: **TERRENCE BAGLEY**
423 YALE AVE
REXBURG ID 83440-2572
208-313-1999

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	Rented Rate	Annual Rented Volume	Total Rented Acres
22-12775	6/1/1891	BADGER CREEK	TETON RIVER	1.79 cfs	355.25 af	101.5 ac

Annual Rental Totals

1.79 cfs 355.25 af 101.5 ac

Term of Rental: April 15, 2015 to December 31, 2019
Rental Fee: \$6039.25 annually for years 2015-2017
\$7105.00 annually for years 2018-2019

This rental agreement has been established by the Idaho Water Resource Board, which will pay all associated rental fees. Because of a private agreement between the Board and the lessor, the Board shall pay only administrative fees to the Department, amounting to ten percent of the annual rental fee (\$603.93 for years 2015-2017 and \$710.50 for 2018 and 2019), which will go to the Department to cover administrative costs. No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

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:

Terry Bagley TERRY BAGLEY 4-21-16
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 5/10/2016
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

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

LOCATION OF POINT(S) OF DIVERSION

BADGER CREEK NW¼SE¼NE¼ Sec. 8 Twp 06N Rge 45E TETON County

BENEFICIAL USE

IRRIGATION

SEASON OF USE

04/15 TO 10/31

RENTER'S PLACE OF USE: 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	
06N	45E	6							34	34	26	7				0.5			101.5

CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS

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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. Use of water under this agreement 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. 1

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

RECEIVED

JUL 28 2015

**DEPARTMENT OF
WATER RESOURCES**

This is to certify that: **TERRENCE BAGLEY**
423 YALE AVE
REXBURG ID 83440-2572
208-313-1999

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	Rented Rate	Annual Rented Volume	Total Rented Acres
22-12775	6/1/1891	BADGER CREEK	TETON RIVER	1.79 cfs	355 af	101.4 ac

Annual Rental Totals

1.79 cfs 355 af 101.4 ac

Term of Rental: **April 15, 2015 to December 31, 2019**
Rental Fee: **\$6035 annually for years 2015-2017**
 \$7100 annually for years 2018-2019

This rental agreement has been established by the Idaho Water Resource Board, which will pay all associated rental fees. Because of a private agreement between the Board and the lessor, the Board shall pay only administrative fees to the Department, amounting to ten percent of the annual rental fee (\$603.50 for years 2015-2017 and \$710 for 2018 and 2019), which will go to the Department to cover administrative costs. No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

Detailed water right conditions are attached.

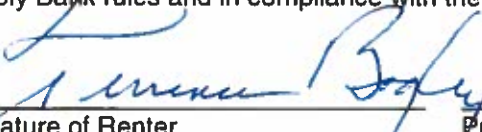
SCANNED
AUG 06 2015

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
JUL 28 2015
DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT

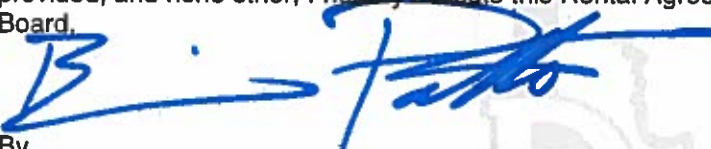
The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

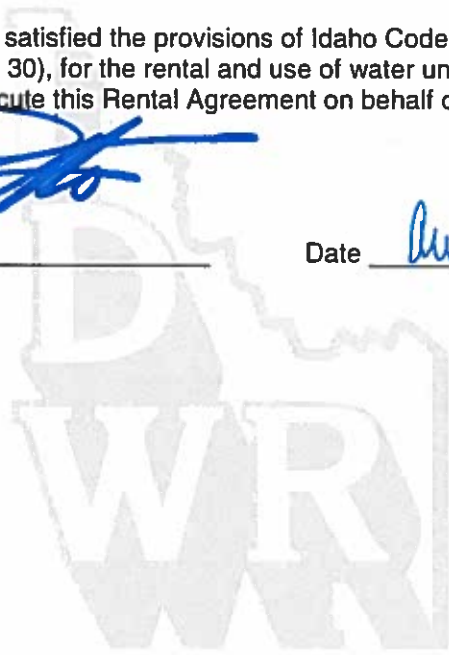
 TERRENCE BAGLEY 7-24-15
Signature of Renter Printed Name and Title* Date

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.

 August 5, 2015
By Date
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board



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

LOCATION OF POINT(S) OF DIVERSION

BADGER CREEK NW¼SE¼NE¼ Sec. 8 Twp 06N Rge 45E TETON County

BENEFICIAL USE

IRRIGATION

SEASON OF USE

04/15 TO 10/31

RENTER'S PLACE OF USE: 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	
06N	45E	6							34	34	26	7				0.4			101.4

CONDITIONS APPLICABLE TO ALL RENTED WATER RIGHTS

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.
6. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
7. 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.
8. 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.
9. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
10. Use of water under this agreement 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. 1

RECEIVED

MAR 16 2015

DEPARTMENT OF
WATER RESOURCESSTATE OF IDAHO
WATER RESOURCE BOARDAPPLICATION TO RENT WATER
FROM THE WATER SUPPLY BANK

This application must be prepared in accordance with the minimum requirements listed to be acceptable for processing by the Department. Incomplete applications will be returned.

Name of Renter(s) Terrence Bagley
 Mailing Address 423 Yale Avenue, Rexburg, ID 83440
 Phone 208-313-1999 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. Maximum Flow Rate (cfs) 1.79 cfs Maximum Volume (ac-ft) _____ Nature of Use Irrigation Period of Use 4/15 to 10/31
 _____ to _____
 _____ to _____
 Total: 1.79 cfs

2. Source of water Badger Creek tributary to Teton River

3. Point(s) of Diversion:

TWP	RGE	SEC	GOVT LOT	¼	¼	¼	County
06N	45E	8		NW	SE	NE	Teton County

4. Lands to be irrigated or place of 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	
06N	45E	6					X	X	X	X									158
											X	X							33
																X			0.4
07N	44E	36									X			X					0.6
															X	X	X	X	107

If the use is for irrigation, show total number of acres proposed through rental.

Total Acres 2

B. OWNERSHIP

1. Do you own the land at the proposed point of diversion?

Yes ☐ No ☒

If no, list owner, contact information, and attach a copy of the agreement or other written authority to use the proposed point diversion. Applicant owns other rights(22-59, 22-167, & 22-224)diverted at this POD, & is thus legally entitled to it

2. Do you own the land at the proposed place of use?

Yes ☒ No ☐

If no, list owner, contact information, and attach a copy of the agreement or other written authority to use the proposed place of use. N/A

C. MAP

Attach a map identifying the proposed point(s) of diversion, place(s) of use, and water diversion and distribution system described by this application in section A. Include legal description labels.

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system.
Leased water will be diverted from Badger Creek at the Ricks Ditch (legal description accurately reflected above in A.3) along with applicant's other water rights, and subsequently delivered to Applicant's land via that ditch.
2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.
Numerous water rights are diverted through the Ricks Ditch by numerous water right holders. Applicant has 3 water rights diverted at this POD and used for irrigation, those rights include: 22-59, 22-167, & 22-224.
3. Will the proposed place of use receive water from any other source? Yes ☒ No ☐
If yes, describe. The proposed place of use will receive water from water rights 22-59, 22-167, & 22-224, when those rights are in priority.
4. If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of water required. Attach additional sheets if needed. N/A
5. Are there any other applications pending before the Department, such as an application for permit or transfer, for the same use(s) proposed by this rental? Yes ☐ No ☒
If yes, describe. N/A
6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation? Yes ☐ No ☒
If yes, describe. N/A

E. RENTAL TERM

- Do you wish to rent water from the Board's bank for more than one (1) year? Yes ☒ No ☐
If yes, please specify the number of years desired through proposed rental. 5

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.

If this application is approved, the applicant agrees to the following:

1. The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code.
2. Renter shall comply with all applicable state and federal laws while using water under this agreement.
3. Renter shall hold the Board, the Director, and the state of Idaho harmless from all liability on account of negligent acts of the renter.
4. 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.
5. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
6. Renter is not authorized to use water proposed by this application until the rental fees are paid in full and the renter receives an executed copy of the agreement signed by the Director.

Terrence Bagley
Signature of Applicant

Terrence Bagley
Printed Name and Title*

2-2-15
Date

Signature of Applicant

Printed Name and Title*

Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

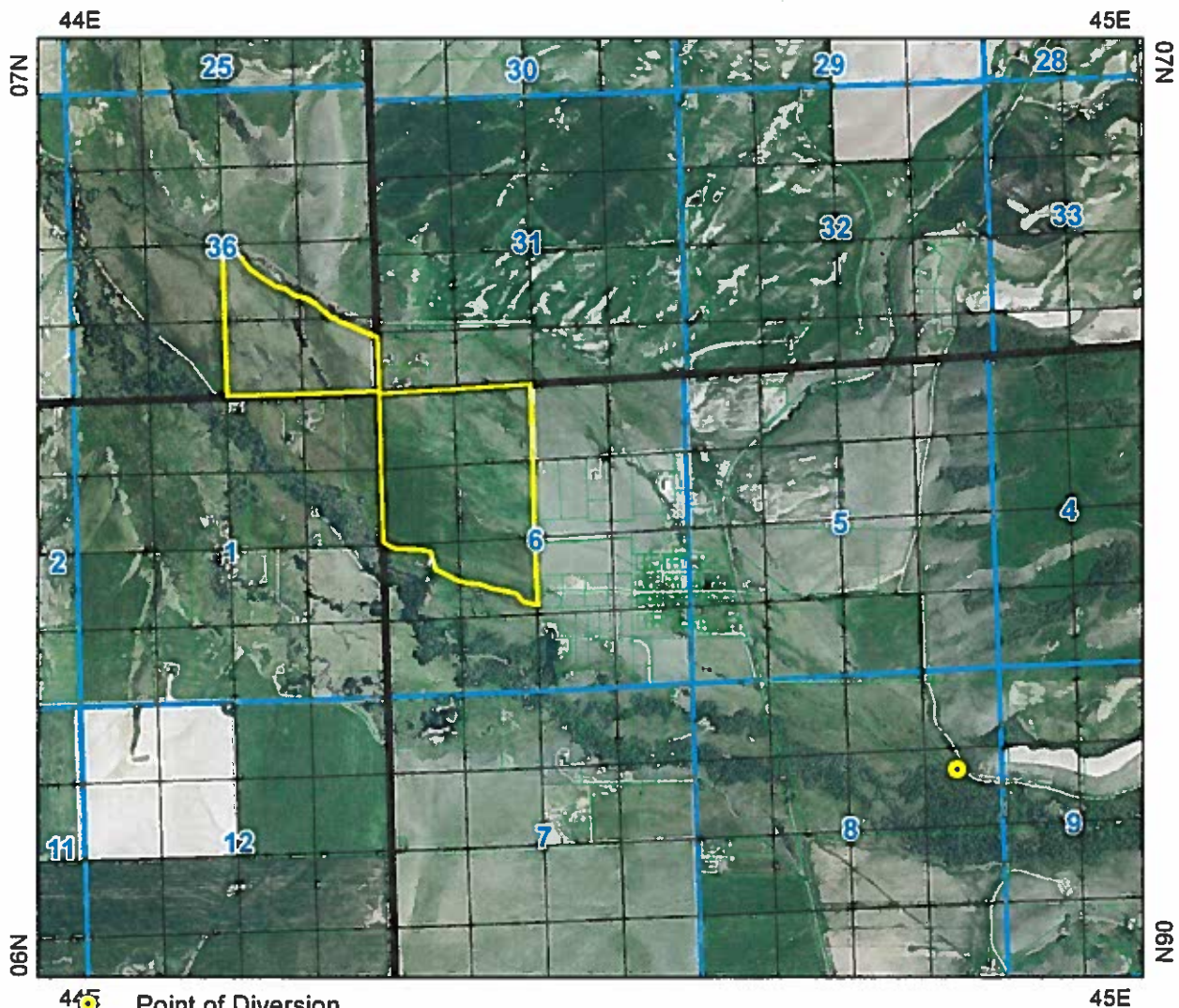
Mail to: Idaho Department of Water Resources, P.O. Box 83720, Boise, ID 83720-0098

State of Idaho
Department of Water Resources

Water Right 22-59

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 0.375 0.75 1.5 Miles



MEMORANDUM

To: Water Right(s) 22-12775
From: Remington Buyer
Date: April 29, 2016
Re: Review of Rental of Water from the State Water Supply Bank

While reconciling end of year rental payments for 2015, a minor discrepancy was discovered regarding the place of use authorized to be irrigated by Mr. Terrence Bagley under this rental agreement.

The rental agreement authorizes the irrigation of 101.4 acres within the following locations:

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	45E	6							34	34	26	7				0.4			101.4

The rental agreement should reflect an additional 0.1 acre of authorized irrigation in the NWSE quarter-quarter, resulting in the authorized irrigation of the following areas:

Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
06N	45E	6							34	34	26	7				0.5			101.5

This location adjustment causes a 0.1 acre, 0.25 acre-foot increase in the size of the Bagley rental, resulting in a rental fee increase of \$0.43 in years 2015-2017 and a fee increase of \$0.50 in years 2018-2019.

The amount owed for years 2015-2017 is thus \$603.93, not \$603.50.
The amount owed for years 2018-2019 is thus \$710.50, not \$710.00.

An amended rental agreement for the correct acreage was submitted for signature by Mr. Bagley. The purpose of this memo is to document the receipt of the amended rental agreement, which will supersede the original, 2015 rental agreement.



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

August 6, 2015

TERRENCE BAGLEY
423 YALE AVE
REXBURG ID 83440-2572

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-12775**

Dear Renter:

Please find enclosed a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 355 acre-feet of water for irrigation of 101.4 acres during 2015. 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 have a private agreement with the lessor of the right(s).

If you have any questions, please contact me at (208) 287-4918.

Sincerely,

For

Remington Buyer
Water Supply Bank Coordinator

Enclosure(s): Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office
Lyle Swank & Tony Olenichak – State Water District No. 01
Morgan Case
Sarah Lien – Friends of the Teton River



State of Idaho

DEPARTMENT OF WATER RESOURCES

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Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER

Governor

July 13, 2015

GARY SPACKMAN

Director

TERRENCE BAGLEY
423 YALE AVE
REXBURG ID 83440-2572

**RE: REQUEST FOR RETURN OF SIGNED RENTAL AGREEMENT AND PAYMENT FOR
WATER RIGHT(S) 22-12775**

*****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 May 5, 2015. The signed agreement and rental fee 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(s) 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 and fee is not received by the department within the 10-day period, the rental application will be returned, and the proposed rental right(s) 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 me at 287-4918.

Sincerely,

For Remington Buyer
Water Supply Bank Coordinator

c: Friends of the Teton River



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

May 5, 2015

TERRENCE BAGLEY
423 YALE AVE
REXBURG ID 83440

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 22-12775

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **A Water Supply Bank Rental Agreement is enclosed for your review and signature.** Upon signature and return of this 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.

The annual rental fee associated with this rental is \$404.60. In light of the agreement you have with the Idaho Water Resource Board (IWRB), annual rental fees will be billed to the IWRB.

Please return the signed rental agreement within 14 days so that processing can be completed on your rental request.

If you have any questions, please contact me at (208) 287-4918.

Sincerely,

for Remington Buyer
Water Supply Bank Coordinator

Enclosure(s): Rental Agreement

c: Friends of the Teton River

MEMORANDUM

To: Water Right(s) 22-12775
From: Remington Buyer
Date: May 18, 2015
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: The Department has received two rental requests, from Danielle and Todd Wilson, as well as from Terrence Bagley, who are neighbors that irrigate their respective properties with water delivered via the Ricks Ditch, off Badger Creek, a tributary of the Teton River. The rental requests from the Wilsons and Mr. Bagley have been submitted with support from Friends of the Teton River, who have worked with the Idaho Water Resource Board to secure funding for this transaction from the Columbia River Basin Transactions Program (CBWTP). CBWTP funding will be utilized to accomplish this rental request and pay all associated rental fees.

This rental proposes to deliver water right 22-12775 to the Wilsons and Mr. Bagley via the Ricks Ditch. Water right 22-12775 is a surface water right that involves Badger Creek water that is historically diverted from Badger Creek at the Badger Splitter diversion, approximately one quarter mile upstream of the Ricks Ditch point of diversion. As such, this rental request proposes to move the water a quarter mile downstream for diversion and use by the renters.

AUTHORITY TO FILE: The rental requests have been submitted by the owners of the properties to which the water right will be rented and delivered. No concerns about the authority to file.

WATER RIGHT VALIDITY: Water right 22-12775 is leased to the Water Supply Bank and available for rental. No concerns.

INJURY TO OTHER WATER RIGHTS: This rental includes leaving water in stream for delivery to a point of diversion downstream of the original POD. The watermaster historically delivers water from Badger Creek into the Phillips Ditch, but no entity shepherds the water down the ditch and accounts for conveyance losses. Additionally, detailed hydrologic data is unavailable for this reach of Badger Creek. As such, to avoid injury to water users downstream of the Ricks Ditch, and/or water users on the Phillips Ditch and Ricks Ditch, this rental will authorize the duty of water not diverted into the Phillips Ditch to be diverted at the Ricks Ditch, but no conveyance losses will be accounted for.

ENLARGEMENT OF USE: The rights will not be enlarged through rental.

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: No concerns regarding this rental not being a beneficial use and/or this rental being contrary to the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: Water District 1 comments were obtained from Tony Olenichak. No watermaster concerns with this rental, to deliver flow past the leased POD to the rental POD.

Buyer, Remington

From: Sarah Rupp [sarah@tetonwater.org]
Sent: Tuesday, May 19, 2015 4:45 PM
To: Buyer, Remington
Subject: RE: Badger Creek Rental

Remington,
Sorry I didn't catch you. That conference call just ended.

I reviewed the map and it looks good.

Thanks so much,
Sarah

From: Buyer, Remington [<mailto:Remington.Buyer@idwr.idaho.gov>]
Sent: Tuesday, May 19, 2015 12:33 PM
To: Sarah Rupp
Subject: Badger Creek Rental

Hi Sarah,

I'm reviewing the FoTR Badger Creek rental for the Wilsons and Mr. Bagley. All looks well, except that we don't know which specific acres are being covered by the rental. I know the purpose of this rental is ostensibly to keep water in Badger Creek, however when water is flowing to the renters through Ricks Ditch, the Bank will need to know which acres are to be covered by the rental agreement (which will be 101.4 acres for Bagley and 6.8 acres for Wilson). It is preferable to specify the acres and avoid allowing a permissible place of use as PPUS creates much additional work if/when a renter moves their rental coverage around within a PPU.

I created shapefiles for these respective areas and placed them on areas that could be covered by the rental. Could you please review the attached map and confirm that these areas will suffice for coverage for this rental. If all looks good, we will do up rental agreements for the Wilsons and Mr. Bagley that authorize their rental and use of water right 22-12775 within these locations.

Give me a call if you have questions,

Remington
287-4918



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

May 4, 2015

TERRENCE BAGLEY
423 YALE AVE
REXBURG ID 83440-2572

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) to irrigate 292 acres. 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.

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 2015 unless you have proposed a start date late in the year. If your application was for 2015 only and the latest possible start date on your application has passed, the application will 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 2016.

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/WaterManagement/WaterRights/WaterSupply/ws_default.htm.

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

Sincerely,

CP Clay Webster
Water Resource Agent
WSB Process Point of Contact

C: Sarah Lien – Friends of the Teton River



RECEIVED

MAR 16 2015

DEPARTMENT OF
WATER RESOURCES

MEMORANDUM

To: Remington Buyer, Idaho Water Supply Bank Coordinator

From: Sarah Lien, Friends of the Teton River

Date: March 10, 2015

Re: Idaho Water Transactions Program – Teton Basin, Badger Creek Leases/Rental

Please find, attached, Water Supply Bank Lease and Rental Applications pertaining to an agreement that the Idaho Water Resource Board has entered into with a water right holder on Badger Creek, tributary to the Teton River. The purpose of the agreement, which is being funded through the Columbia Basin Water Transactions Program, is to improve streamflow conditions for Yellowstone cutthroat trout in a section of Badger Creek. You may recall that Morgan and I discussed this transaction with you in November of 2014, when it was reviewed by the Board.

The water right being leased into the Water Supply Bank is water right no. 22-12775. This water right will subsequently be rented for irrigation use by to two water right holders, both of whom divert water at the Ricks Ditch. The Ricks Ditch is located downstream of the historic point of diversion for water right no. 22-12775. The term of the lease/rental shall be for 5 years.

The Board, through the Columbia Basin Water Transactions Program, will be paying the Water Supply Bank Lease Application Fee, as well as the associated rental fees. I have enclosed the Board's funding resolution which speaks to this issue. The anticipated Water Supply Bank Fees are as follows:

- Lease Application Fee of \$250
- 10% Administrative Rental Fee of \$3,449.37, broken down over the 5 year period, as follows (taking into account the increased rental fee beginning in 2018):
 - 2015 - 108.3 acres x 3.5 AF/acre x \$1.70 per AF = \$644.39
 - 2016 - 108.3 acres x 3.5 AF/acre x \$1.70 per AF = \$644.39
 - 2017 - 108.3 acres x 3.5 AF/acre x \$1.70 per AF = \$644.39
 - 2018 - 108.3 acres x 3.5 AF/acre x \$2.00 per AF = \$758.10
 - 2019 - 108.3 acres x 3.5 AF/acre x \$2.00 per AF = \$758.10

Please contact me or Morgan Case if you have any questions. I can be reached by phone at (208) 709-7008 or by email at sarah@tetonwater.org.



RECEIVED

MAR 16 2015

DEPARTMENT OF
WATER RESOURCES

208 354 3871
www.tetonwater.org

18 North Main Street, Suite 310
PO Box 768
Driggs, Idaho 83422

March 10, 2015

Attn: Mandi Pearson
Idaho Department of Water Resources
322 East Front Street
PO Box 83720
Boise, Idaho 83720-0098

Re: Idaho Water Transactions Program - Badger Creek Documents

Mandi,

Please find, enclosed, the Badger Creek transaction documents, as well as Water Supply Bank documents for Remington Buyer. Once the Board's signature has been added to the documents, please mail the water right holder's copies to the FTR office, at the address listed below. I will then record the contracts and see that the water right holder's receive a fully executed copy for their records.

Please let me know if you have any questions. I can be reached by phone at (208) 709-7008 or by email at sarah@tetonwater.org.

Best,

Sarah Lien (Rupp)
Water Resources Director and Staff Attorney
Friends of the Teton River
PO Box 768
Driggs, Idaho 83422