

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

**RECEIVED**

**MAY 14 2015**

DEPARTMENT OF  
WATER RESOURCES

This is to certify that: **LANCE AND LISA FUNK**  
**PO BOX 310**  
**AMERICAN FALLS ID 83211**  
**208-226-5551**

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 | Acre Limit | Total Rented Acres |
|-----------------|---------------|--------------|-----------|-------------|----------------------|------------|--------------------|
| <b>35-14056</b> | 12/23/1974    | Ground Water | NA        | 2.52 cfs    | 539.7 af             | NA         | 134.9 ac           |
| <b>35-14058</b> | 04/01/1980    | Ground Water | NA        | 0.18 cfs    | 38.3 af              | NA         | 9.6 ac             |

|                |            |              |    |          |         |    |         |
|----------------|------------|--------------|----|----------|---------|----|---------|
| <b>35-7621</b> | 12/29/1969 | Ground Water | NA | 0.49 cfs | 98.0 af | NA | 24.5 ac |
|----------------|------------|--------------|----|----------|---------|----|---------|

|                |            |              |    |           |         |    |        |
|----------------|------------|--------------|----|-----------|---------|----|--------|
| <b>35-7789</b> | 02/16/1978 | Ground Water | NA | 0.10* cfs | 20.0 af | NA | 5.0 ac |
|----------------|------------|--------------|----|-----------|---------|----|--------|

**Annual Combined Rental Totals** **3.27 cfs    696.0 af    NA    174.0 ac**

\*This right is limited to the diversion rate of 0.08 cfs

**Term of Rental:** **May 1, 2015 to December 31, 2015**

**Rental Fee:** **\$1,183.20**

The fee for rental of the above-described water is \$11,832.00. Because you own or have a private agreement with the lessor(s) of the above referenced water rights, you are only obligated to pay ten percent (\$1,183.20) to the Department for administrative costs.

No rental fees will be refunded once the fee is collected and the start date for a Rental Agreement has passed.

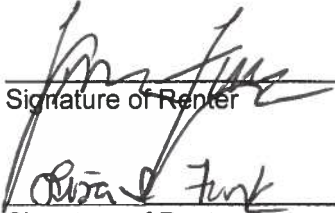
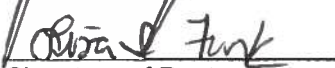
Detailed water right conditions are attached.

**SUPPORT DATA**

IN FILE # 35-7621

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

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

|                                                                                                                   |                                                       |                                |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------|
| <br>_____<br>Signature of Renter | <u>Lorie Funk</u><br>_____<br>Printed Name and Title* | <u>5-9-15</u><br>_____<br>Date |
| <br>_____<br>Signature of Renter | <u>Lisa Funk</u><br>_____<br>Printed Name and Title*  | <u>5-9-15</u><br>_____<br>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, Acting Administrator  
Idaho Water Resource Board

Date May 14, 2015  
\_\_\_\_\_

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

**WATER USE DETAILS**

**LOCATION OF POINT(S) OF DIVERSION**

GROUND WATER      NW¼NW¼      Sec. 34      Twp 06S      Rge 29E      POWER County

**BENEFICIAL USE**

IRRIGATION

**SEASON OF USE**

05/01 TO 11/01

**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   |        |
| 07S | 29E | 4   |    |    | 10.0 | 10.0 |    |    |    |    |    |    |    |    | 40.0 | 40.0 | 39.0 | 35.0 | 174.0  |

Total Acres:    174.0

**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. Use of water under this agreement shall not prejudice any pending permanent transfer applications that the renter has filed to modify other water rights for irrigation of the subject lands nor shall it prejudice any future rental agreement that may be made of the subject water right after this rental agreement expires.
7. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
8. 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.
9. 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.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. This rental agreement does not authorize the construction of a well.
12. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.

13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.0 afa per acre at the field headgate for irrigation of the lands above.
14. The water right(s) referenced above is accepted into the bank and rented in accordance with a private agreement formulated between the lessor and the renter. Administrative fees will be paid based on the current rental rate.
15. 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. 120.

STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

MAR 25 2015

DEPARTMENT OF  
WATER RESOURCESAPPLICATION TO RENT WATER  
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Lance and Lisa FunkIs this application being submitted with a lease application as a lease/rental package? Yes ☐ No ☒

An *Application to Rent Water from the Board's Water Supply Bank* must be completed in accordance with the minimum requirement checklist below to be acceptable for processing by the Idaho Department of Water Resources (IDWR). This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Applications to rent water should be submitted well in advance of the desired start date for the use of water. Rental applications may be submitted as early as November 1 of the year prior to the intended use of rental water. Rental applications submitted more than one year in advance of the proposed start date for water use will not be accepted and will be returned to applicants. Rental applications will not be processed if they are received after the end of the rental season of use.

One rental application per beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources. For multiple beneficial uses of water, individual rental requests should be submitted for each unique beneficial use of water.

For additional instructions on completing a rental application, visit the Department's website at [www.idwr.idaho.gov](http://www.idwr.idaho.gov).

## Checked All Items as Either Attached (Yes) or Not Applicable (N/A)

YES

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

Attachment N/A YES

- |    |                                     |                                                                                                                                                              |
|----|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2  | <input checked="" type="checkbox"/> | A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request |
| 3A | <input type="checkbox"/>            | <input checked="" type="checkbox"/> Detailed information on a proposed use of rental water                                                                   |
| 3E | <input type="checkbox"/>            | <input checked="" type="checkbox"/> Authorization from the owner/operator of the rental point(s) of diversion                                                |
| 3G | <input type="checkbox"/>            | <input checked="" type="checkbox"/> Water modeling to account for the impacts of the rental request                                                          |
| 3J | <input checked="" type="checkbox"/> | <input type="checkbox"/> Documents justifying a need to rent water for irrigation at a rate of flow greater than 0.02 cfs/acre                               |
| 3K | <input checked="" type="checkbox"/> | <input type="checkbox"/> Authorization from the owner/operator of the property at the proposed rental place(s) of use                                        |
| 4B | <input type="checkbox"/>            | <input checked="" type="checkbox"/> Explanation of how the rental water will sufficiently accomplish your rental purposes                                    |
| 4C | <input checked="" type="checkbox"/> | <input type="checkbox"/> Explanation of consumptive use amounts for water rights experiencing a change in nature of use                                      |

## Department Use Only – Proposed Water Right(s)

35-14056

35-14058

35-2084

7621

35-7699

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

**1. CONTACT INFORMATION**

A. Applicant Lance and Lisa Funk

Mailing Address PO BOX 310 AMERICAN FALLS, ID 83211

Email Address \_\_\_\_\_ Phone Number (208)226-9976

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☐ No ☐  
If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Greg Sullivan Professional Title Engineer

Organization Brockway Engineering Relationship to Applicant Consultant

Mailing Address 2016 North Washington Street, Suite 4 Twin Falls, Idaho 83301

Email Address greg.sullivan@brockwayeng.com Phone Number 208-736-8543

**2. MAP**

Create a map of the proposed point(s) of diversion, place(s) of use, and water diversion, delivery and distribution systems. Make sure the place of use is outlined with an obvious, bolded line. For irrigation purposes, note that the place of use outlined on your map cannot exceed the number of acres you are proposing to rent. Attach the map to this application and label it **Attachment 2**.

**3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER**

A. Describe the purpose of your rental request. Include any anticipated rates of water application, water use practices or number of stock (if any). If the proposed use is not for irrigation, please provide a detailed description of the proposed use and how you determined the amount of rental water required. Attach additional sheets if required and label it **Attachment 3A**:

The rental will provide 174.0 acres of irrigation water for the 2015 irrigation season. Existing well, pump, main line and sprinkler system is installed.

B. Enter the desired and/or minimum necessary rates of flow, volume, or irrigable acres requested for your rental purposes:

| Desired Rate<br>(Cubic Feet/Second) | Desired Volume<br>(Acre-Foot) | Minimum Rate*<br>(Cubic Feet/Second) | Minimum Volume*<br>(Acre-Foot) | Acres (if applicable)<br>(Acre) |
|-------------------------------------|-------------------------------|--------------------------------------|--------------------------------|---------------------------------|
| 3.3 CFS                             | 696 AF                        | 3.3 CFS                              | 696 AF                         | 174 AC                          |

*Sometimes water rights available for rent provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.*

C. Enter the proposed start date and latest possible start date for using rental water. Also provide the number of years you would like to rent water:

| Proposed Start Date<br>(month/day/year) | Latest Possible Start<br>(month/day/year) | * Proposed Rental<br>Duration<br>(Max 5 Years) | ** For multi-year rentals, indicate whether you desire to rent water for remaining years if a rental request cannot be approved for the first year? |                                                                                              |
|-----------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 4/1/2015                                | 10/1/2015                                 | 1                                              | <input type="checkbox"/> Yes, approve rental for all remaining future years.                                                                        | <input checked="" type="checkbox"/> No, return rental request if first year is unapprovable. |

\* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

\*\* Subject to the availability of rentable water. A multi-year rental that cannot begin during the first year requested may be approved for some or all remaining years, depending on availability. Rental requests will be returned if no water is available to rent in the first and/or subsequent years of the rental request.

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

- D. Refer to the map you created in item 2 and specify the location of the point(s) of diversion (POD) from which rental water is proposed to be diverted:

| Water Source | TWP | RGE | SEC | ¼ | ¼  | ¼  | County       | Other water rights for the same purpose diverted from this POD |
|--------------|-----|-----|-----|---|----|----|--------------|----------------------------------------------------------------|
| Ground Water | 6S  | 29E | 34  |   | NW | NW | Power County |                                                                |
|              |     |     |     |   |    |    |              |                                                                |
|              |     |     |     |   |    |    |              |                                                                |
|              |     |     |     |   |    |    |              |                                                                |

The entry in this grid must match the map from item 2 on the application.

- E. Do you own and/or possess the authority to divert water from the above POD(s)? Yes ☒ No ☐  
If no, provide documentation from the owner/operator confirming your authorization to use the POD(s) and label it **Attachment 3E**.
- F. Do any POD(s) identified in Question 3D divert from a water source that may require water modeling? Yes ☒ No ☐  
*Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.*
- G. Has water modeling been provided with your rental request? Yes ☒ No ☐  
If yes, include as **Attachment 3G**. Otherwise please explain why modeling was not provided:

*Rental applications that require modeling will be returned if modeling is not provided.*

- H. Specify the proposed beneficial use: ☒ Irrigation ☐ Commercial ☐ Industrial ☐ Municipal  
☐ Groundwater Recharge ☐ Mining ☐ Stockwater ☐ Other: \_\_\_\_\_
- I. Refer to the map you created in item 2 and specify below the places you propose to use water. If for irrigation, specify the number of acres to be irrigated per ¼ ¼ tract. Otherwise indicate usage by marking the ¼ ¼ tracts with the first letter of your proposed use identified above:

| TWP                                                                       | RGE | SEC | NE |    |    |    | NW |    |    |    | SW |    |    |    | SE |    |    |    | TOTALS                       |
|---------------------------------------------------------------------------|-----|-----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------------|
|                                                                           |     |     | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE |                              |
| 7S                                                                        | 29E | 4   |    |    | 10 | 10 |    |    |    |    |    |    |    |    | 40 | 40 | 39 | 35 | 174.0                        |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |                              |
| The entry in this grid must match the map from item 2 on the application. |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | Total Acres (for irrigation) |
|                                                                           |     |     |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 174.0                        |

- J. For irrigation uses, do you propose a water diversion rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒  
If yes, explain the justification for this rate of flow and attach any supporting documents as **Attachment 3J**:
- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐  
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.
- L. Describe your water distribution system and how water will be delivered from the POD(s) to the proposed POU(s):  
Existing well, pump, main lines and delivery system.

STATE OF IDAHO  
WATER RESOURCE BOARD

**Application to Rent Water (Continued)**

M. List all other water rights and sources of water at the rental place of use for the same purpose and explain why additional water is required. Include privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company, or any other water deliver entity:  
35-14082, 35-14085, 35-14090 and 35-14093

**4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS**

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the water rights you are requesting to rent. Otherwise continue to Section 5 of this application form.

**Please note:** Diversion rates and volumes to be rented from a leased water right must be proportionate to the per acre diversion rates and per acre volume limits of the water right leased to the Bank. Applicants should query a water right's rental availability by reviewing active lease and rental documents, searchable via [IDWR's website](#), to ensure all elements of a water right remain available in sufficient quantity to satisfy a rental request.

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany the rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.**

For leased rights with combined limits, applicants should request to rent against the combined limit diversion rate, volume or acre limits.

| Elements of Water Rights Leased to the Bank (Contract Details)                                                                                                                   |               |              |            |             |            |              |            | Leased totals minus water actively engaged in rental agreement equals rental availability | Rental Request |           |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|------------|-------------|------------|--------------|------------|-------------------------------------------------------------------------------------------|----------------|-----------|------------|
| Water Right Number                                                                                                                                                               | Nature of Use | Water Source | Rate (CFS) | Volume (AF) | Acres (AC) | Start (year) | End (year) |                                                                                           | Rate (CFS)     | Vol. (AF) | Acres (AC) |
| 35-14056                                                                                                                                                                         | Irrigation    | Groundwater  | 4.17       | 834.8       | 208.7      | 2013         | 2015       |                                                                                           | 2.52           | 539.7     | 134.9      |
| 35-14058                                                                                                                                                                         | Irrigation    | Groundwater  | 0.28       | 59.2        | 14.8       | 2013         | 2015       |                                                                                           | 0.19           | 38.3      | 9.6        |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
| 35-2084                                                                                                                                                                          | Irrigation    | Groundwater  | 1.5        | 400         | 100        | 2013         | 2015       |                                                                                           | 0.23           | 46.3      | 11.6       |
| 35-7699                                                                                                                                                                          | Irrigation    | Groundwater  | 1.62       | 620         | 155        | 2013         | 2015       |                                                                                           | 0.36           | 71.7      | 17.9       |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           |                |           |            |
| <b>Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre that have been leased to the Water Supply Bank</b> |               |              |            |             |            |              |            | <b>TOTAL</b>                                                                              | 3.3            | 696       | 174.0      |
|                                                                                                                                                                                  |               |              |            |             |            |              |            |                                                                                           | CFS            | AF        | AC         |

Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:  
No unconventional duty is expected.

STATE OF IDAHO  
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- C. Does your rental request propose to change the nature of use for any water right(s) being requested? Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented, as well as the new consumptive use amount for your proposed beneficial use. Attach a separate page if space is insufficient and label it **Attachment 4C**:

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5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☐ No ☒

If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs: Rental agreements have been in place for multiple years. Additional water is being searched for.

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- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒

If yes, describe: \_\_\_\_\_

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- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒

If yes, describe the date and location of the NOV.

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DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws.

  
Signature of Applicant

Greg Sullivan  
per Limited Power of Attorney  
Printed Name of Applicant

3-20-2015  
Date

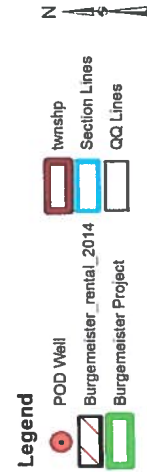
\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Printed Name of Representative

\_\_\_\_\_  
Date

Mail to:

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



**FUNK, LANCE - BURGEMEISTER  
WATER BANK RENTAL 2015  
NAIP 2013 AERIA**