

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

RECEIVED
FEB 26 2015
DEPARTMENT OF
WATER RESOURCES

This is to certify that: **PURITY SWEET INC**
315 E AVE H
JEROME ID 83338
(208) 438-5821

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
51-4037	6/20/1885	Murphy Hot Springs	East Fork Jarbidge River	0.02 cfs	0.5 af	NA	NA

Annual Combined Rental Totals

0.02 cfs 0.5 af NA NA

Term of Rental: **January, 1 2015 to December 31, 2015**
Rental Fee: **\$8.50**

The fee for rental of the above-described water is \$8.50. Because you own the above referenced water rights you are obligated to pay ten percent (\$0.85) to the Department for administrative costs only. 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.

WATER SUPPLY BANK RENTAL AGREEMENT

Signature of Renter Phinity Sweet Printed Name and Title* Phinity Sweet Date 2-19-2015

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

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

Date February 26, 2015

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

WATER USE DETAILS

RECEIVED
FEB 26 2005
DEPARTMENT OF
WATER RESOURCES

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

MURPHY HOT SPRINGS NW¼NW¼ Sec. 24 Twp 16S Rge 09E OWYHEE County

BENEFICIAL USE

COMMERCIAL

SEASON OF USE

01/01 TO 12/31

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	
16S	09E	24						X											

Total Acres: NA

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. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
11. Commercial use is for a water bottling plant.
12. In the event that continued water use is not authorized, the renter agrees to hold the Board, the Director and the state of Idaho harmless from any claim for reimbursement or expenses associated with the development of new and supplemental water uses.

13. Future rentals for the use authorized under this agreement may be subject to further review and notice requirements.
14. Future rentals for the purpose authorized under this agreement may require review of historic beneficial use associated with the water right rented to determine the consumptive volume of water available.





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

February 27, 2015

PURITY SWEET INC
315 E AVE H
JEROME ID 83338

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 51-4037**

Dear Renter:

Please find enclosed a receipt in the amount of **\$10.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 0.5 acre-feet of water for commercial use 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 are the owner of the rights.

If you have any questions, please contact me at (208) 287-4910.

Sincerely,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure(s): Receipt No. C099790
Rental Agreement (copy)

c: Sascha Marston – Fiscal
Rachel Sommer – IDWR Western Regional Office



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

February 17, 2015

PURITY SWEET INC
315 E AVE H
JEROME ID 83338

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 51-4037**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of **\$8.50** was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 0.5 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$0.85.**

A check for \$10.00 was received with this application. A refund has been requested for \$9.15. You will receive the refund from the State Controller's Office under separate cover. **Please send the signed rental agreement, within 14 days** so I can complete processing.

If you have any questions, please contact me at (208) 287-4910.

Sincerely,

for Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure(s)

Palmer, Cherie

From: Palmer, Cherie
Sent: Friday, February 13, 2015 9:47 AM
To: Marston, Sascha
Subject: Refund Request

Hello Sascha,

Can you please issue a \$9.15 refund to:

Mathew Olivas-Purity Sweet Inc
315 E Ave H
Jerome ID 83338

Under receipt no. C099790. He overpaid for a rental of 51-4037.

Thank you.

Cherie

MEMORANDUM

To: Water Right(s) 51-4037
From: Patrick Kelly
Date: February 13, 2015
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

Bank Chronology

- September 3, 2009 – Application to Lease through 2010 received by IDWR
- September 3, 2009 – Application to Rent Right 51-4037 received by IDWR
- September 17, 2010 – Lease Acceptance issued by IDWR for 9/1/09-8/31/10
- December 22, 2010 – Rental Agreement issued by IDWR for 9/1/09-8/31/10
- April 11, 2011 – Lease Term Extension form received by IDWR for 8/21/2010-8/31/2012
- April 19, 2011 – Lease Term Extension approved by IDWR
- April 25, 2011 – Application to Rent Right 51-4037 received by IDWR for 4/11/2011-8/31/2012
- December 28, 2011 – Rental Agreement issued by IDWR for 9/1/2010-8/31/2011
- December 28, 2012 – Lease Term Extension form received by IDWR for 12/31/2012-12/31/2013
- January 2, 2013 – Lease Term Extension form denied by IDWR. New rules provide a filing fee of \$250
- January 4, 2012 – Lease Term Extension fee of \$250 received and other required items
- January 15, 2012 – Lease Term Extension was approved until 12/31/2013
- June 25, 2013 – An amendment of the January 4, 2012 Lease Term Extension was received by IDWR. The applicant would like the extension for 5 years total or until 12/31/2017
- June 25, 2013 – Application to Rent Right 51-4037 received by IDWR for 12/2012-12/2013
- June 27, 2013 – the amendment is approved to extend the existing lease agreement until 2017.
- July 2, 2013 – Rental Agreement issued by IDWR for 1/1/2013 – 12/31/2013
- January 15, 2014 – Application to Rent Right 51-4037 received by IDWR for 1/2014 – 12/2014
- April 20, 2014 – Rental Agreement issued by IDWR for 1/1/2014 – 12/31/2014
- January 5, 2015 Application to Rent Right 51-4037 received by IDWR for 1/2015 – 12/2015

PURPOSE/NARRATIVE: The application for rental was received January 5, 2015 for commercial use. The lessor and renter is the same individual – Purity Sweet Inc. The proposed lease (51-4037) is a commercial water right out of Murphy Hot Springs. The rental application indicates 'Bottled Water' as the nature of Commercial Use.

According to a previous review memo by Monica Van Bussum in Sep 2010, the commercial use was originally identified as non-consumptive use for pools and baths. Since that time, a water bottling factory has been served under this commercial use. WSB activity has served as a legal use for this consumptive use while a transfer was in the works.

At the time of this review, transfer 78340 is under processing at Western Region. Contact with Angie Grimm was made to check the status of that transfer. Western is holding the application for transfer for further information.

AUTHORITY TO FILE: The rental application was signed by a Mathew Olivas. Mr. Olivas is identified as President according to the IDSOS. Purity Sweet Inc owns the property where POD & POU exist.

WATER RIGHT VALIDITY: 51-4037 is a commercial and domestic water right for 0.06 cfs. ID SOS shows that the company has been within good standing since they originally filed in 2001.

INJURY TO OTHER WATER RIGHTS: This rental has been approved on an annual basis since 2010 with no injury reported. No injury is apparent.

ENLARGEMENT OF USE: The recommended volume of 0.5 af in previous rental agreements seem reasonable for the proposed commercial use. The volume identified is less than the 0.6 af allowed by standard in-home domestic use.

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 rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The rented right is not subject to a Water District. Comment will be requested from Western Region.

No. C 139811	Due no later than Jul 31, 2014 Annual Report Form		2. Registered Agent and Address (NO PO BOX)
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	1. Mailing Address: Correct in this box if needed. PURITY SWEET, INC. DON DOZIER 359 N 400 W PAUL ID 83347 USA	DON DOZIER 359 N 400 W PAUL ID 83347	3. <u>New</u> Registered Agent Signature:*
4. Corporations: Enter Names and Business Addresses of President, Secretary, and Directors. Treasurer (optional).			
Office Held	Name	Street or PO Address	City State Country Postal Code
SECRETARY	CECIL DOZIER	PO BOX 416	PAUL ID USA 83347
PRESIDENT	MATTHEW OLIVAS	315 G AVE. E	JEROME ID USA 83338
DIRECTOR	DANNY CRYSTAL	325 CENTER ST. E	KIMBERLY ID USA 83341
DIRECTOR	DON DOZIER	359 N 400 W	PAUL ID USA 83347
DIRECTOR	BRENT DOZIER	5701 W COMMONWEALTH PL	CHANDLER AZ USA 85226
5. Organized Under the Laws of: ID C 139811		6. Annual Report must be signed.* Signature: Brent Dozier Name (type or print): Brent Dozier Date: 09/10/2014 Title: Director	
Processed 09/10/2014		* Electronically provided signatures are accepted as original signatures.	

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JAN 05 2015

DEPARTMENT OF
WATER RESOURCES

* \$10.00 cash CO99-190

APPLICATION 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) Matthew Oliver Purity Sweet
Mailing Address 315 Est Av H Jerome Id 83338
Phone 208-404-6190 Email _____

A. DESCRIPTION OF WATER SOUGHT FOR RENT

1. Maximum Flow Rate (cfs) 0.02 CFS Maximum Volume (ac-ft) 0.02 CFS Nature of Use Bottled water commercial Period of Use 1/01 to 12/31
0.5 AF to _____
to _____

Total: 0.02 cfs

2. Source of water Murphy Hot Springs tributary to _____
3. Point(s) of Diversion: _____

TWP	RGE	SEC	GOVT LOT	1/4	1/4	1/4	County
							<u>OWY HER</u>
<u>16S</u>	<u>09E</u>	<u>24</u>					

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	
<u>16S</u>	<u>09E</u>	<u>24</u>						<u>X</u>											

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

Total Acres _____

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 of diversion. _____
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. _____

C. MAP

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

D. GENERAL INFORMATION

1. Please provide a description of the proposed diversion system.

2. Describe any other water rights diverted through the same point(s) of diversion or used for the same purpose(s) as described above.

None

3. Will the proposed place of use receive water from any other source?

Yes ☐ No ☒

If yes, describe. _____

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. _____

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. _____

6. Was this rental application submitted in response to a Notice of Violation or a pending Notice of Violation?

Yes ☐ No ☒

If yes, describe. _____

E. RENTAL TERM

Do you wish to rent water from the Board's bank for more than one (1) year?

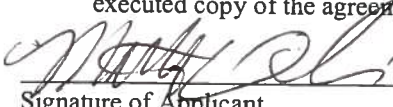
Yes ☐ No ☒

If yes, please specify the number of years desired through proposed rental. _____

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.


Signature of Applicant

Matthew Olivas Purity Sweet
Printed Name and Title*

12-11-2014
Date

Signature of Applicant

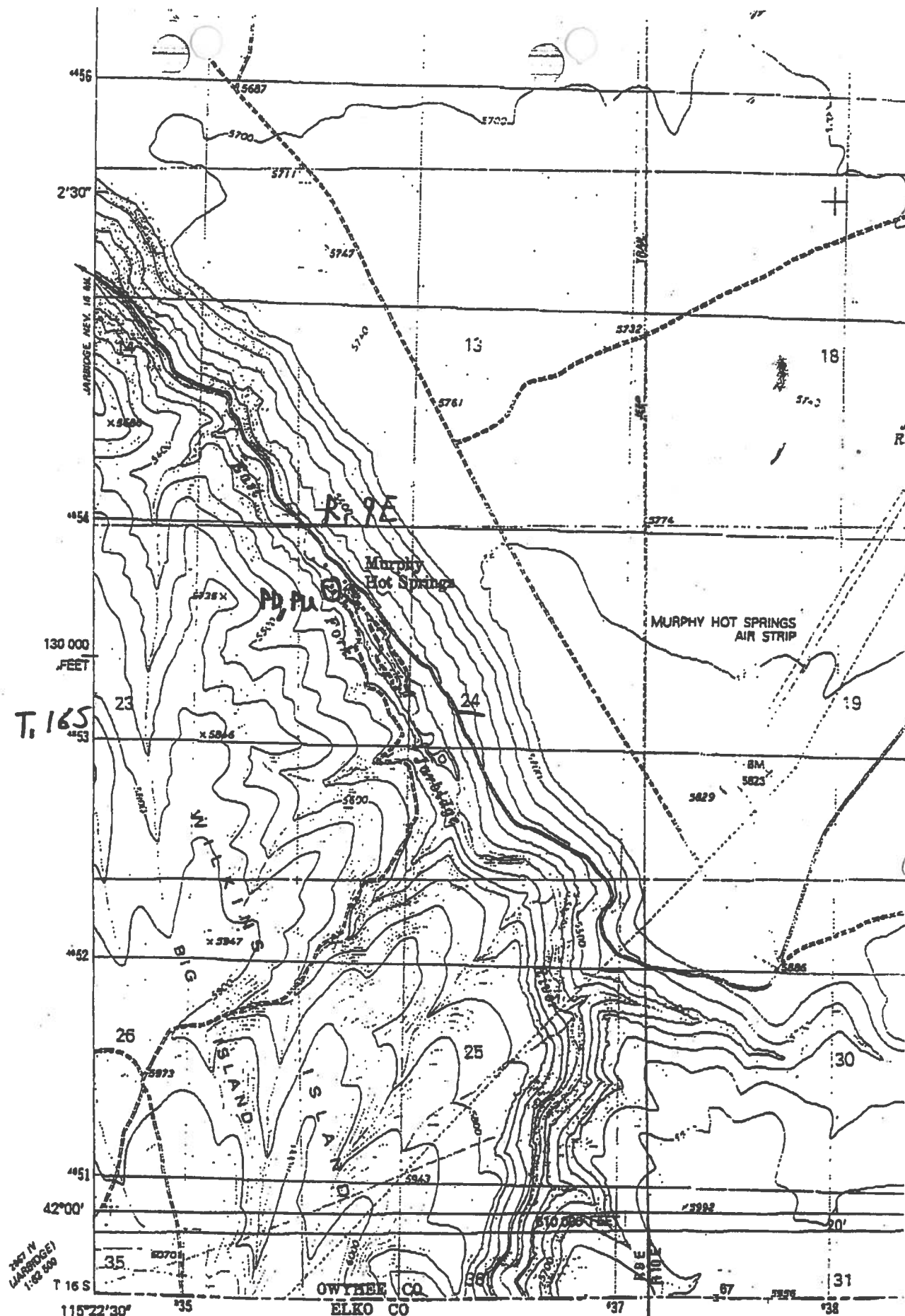
Printed Name and Title*

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

16S
9E



Mapped, edited, and published by the Geological Survey

Control by USGS and NOS/NOAA

Topography by photogrammetric methods from aerial
photographs taken 1973. Field checked 1974
Map edited 1979

Division and 10 000-foot grid ticks: Idaho coordinate

9E 10E

