

WATER SUPPLY BANK LEASE CONTRACT

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

Lessor: GRINDSTONE BUTTE MUTUAL CANAL CO.
575 W BANNOCK ST
BOISE ID 83702
208-342-6524
john@jmarshalllaw.com

RECEIVED

FEB 05 2015

DEPARTMENT OF
WATER RESOURCES

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>Acre Limit</u>	<u>Total Leased Acres</u>
2-2262	3.44 CFS	1,022 AF	NA	255.5 AC
Combined Lease Totals:	3.44 CFS	1,022 AF	NA	255.5 AC

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: March 15 to November 15

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

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** 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.

GRINDSTONE BUTTE MUTUAL CANAL CO.
575 W BANNOCK ST
BOISE ID 83702

By 

Date 2/3/2015

Printed Name Mark Noble

Title President

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date February 5, 2015

Lease approved by IDWR 

Date 2/5/2015

ATTACHMENT A
WATER RIGHT NO. 2-2262
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: GRINDSTONE BUTTE MUTUAL CANAL CO.
 575 W BANNOCK ST
 BOISE ID 83702
 208-342-6524

Priority Date: 12/06/1963

Source: SNAKE RIVER **Tributary to:** COLUMBIA RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	3.44 CFS	1,022 AF
	Total:		3.44 CFS	1,022 AF

LOCATION OF POINT(S) OF DIVERSION:

SNAKE RIVER L4 (NW¼SW¼) Sec. 34 Twp 05S Rge 09E ELMORE 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	
07S	09E	11													40.0			40.0	80.0
07S	09E	12									40.0	40.0	40.0	40.0			15.5		175.5

Total Acres: 255.5

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. 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.
13. During the lease term, the unleased portion of this right is limited to the irrigation of 13,176.5 acres. There may be additional leases filed with the Department after the approval of this lease that will affect the number of acres that can be irrigated in any given year.
14. 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. 02.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

JAN 20 2015

DEPARTMENT OF
WATER RESOURCESWATER 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 Grindstone Butte Mutual Canal Co.Water Right No. 2-2262
One water right per applicationAll 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>250.00</u>	Received By: <u>J. Strange</u>	Date Received: <u>1-20-2015</u>	Receipt # <u>C099836</u>
W-9 received? Yes ☒ No ☐ (Route W-9 to Fiscal)		Name on W-9: <u>Grindstone Butte Mutual Canal Co.</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 Grindstone Butte Mutual Canal Co. Email Address john@jmarshalllaw.com
Mailing Address 575 W. Bannock St, Boise, ID 83702 Phone Number 208-342-6524

☒ 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 Allen Noble Organization Grindstone Butte Mutual Canal Co.
Professional Title Director Email Address john@jmarshalllaw.com
Mailing Address 575 W Bannock St, Boise, ID 83701 Phone Number 208-342-6524

☒ 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 2-2262 ☐ 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.

Pumps at river, penstocks and an open canal that feeds mainlines.

- 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.

None

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. _____

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 3/1/2015 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

Allen Noble
Printed Name

January 20, 2015
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

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

2. Source of water Snake River tributary to Columbia River
3. Point(s) of Diversion:

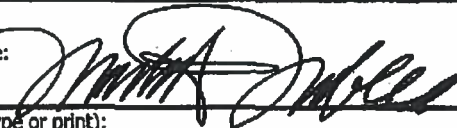
[illegible]

- [illegible]

If the water right is for irrigation, show total number of acres offered to the Bank. Total Acres 178.5 255.5

No. C 38313 Return to: SECRETARY OF STATE 450 N 4th STREET PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE	Due no later than Apr 30, 2014 Annual Report Form 1. Mailing Address: Correct in this box if needed. GRINDSTONE BUTTE MUTUAL CANAL COMPANY P. O. BOX 2673 BOISE ID 83701	2. Registered Agent and Office (NOT A P.O. BOX) ALLEN NOBLE 575 W BANNOCK ST BOISE ID 83702 3. New Registered Agent Signature.
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4. Corporations: Enter Names and Business Addresses of President, Secretary, Directors, Treasurer, Vice Pres.							
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
President	Mark Noble	P. O. Box 2673	Boise	Idaho	USA	83701	
Secretary	Damon Thompson	P. O. Box 1201	Boise	Idaho	USA	83701	
Directors	Allen Noble	P. O. Box 1582	Boise	Idaho	USA	83701	
	Mark Noble	P. O. Box 1201	Boise	Idaho	USA	83701	
	Rusty Johnson	P. O. Box 1201	Boise	Idaho	USA	83701	
	Craig Castagneto	P. O. Box 2822	Boise	Idaho	USA	83701	

5. Organized Under the Laws of: IDAHO C 38313	6. Signature:  Date: 2/12/14 Name (type or print): Mark Noble Title: PRES.
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Issued 02/10/2014 by DK1 102170

INSTRUCTIONS FOR THE IDAHO ANNUAL REPORT FORM

Block 1: Entity name may not be altered through the use of this form. Pay special attention to the mailing address. If the correct mailing address is not given in Block 1, strike it out and write in the correct address. **Note:** To ensure future mailings, the corrected address must be inside Block 1.

Block 2: To change the registered agent or office, strike the incorrect information and write in the correct information. **Note:** The office of the registered agent must be at a street address in Idaho, not a Post Office Box or Personal Mail Box.

Block 3: Only a new registered agent must sign in Block 3.

Block 4: Enter names and business addresses of president, secretary, and directors. **Note:** **DO NOT** put "same as last year" or "same as above". These will not be accepted. Changes here will not affect the address in Block 1. If more space is needed please add an attachment.

Block 5: May not be altered through the use of this form.

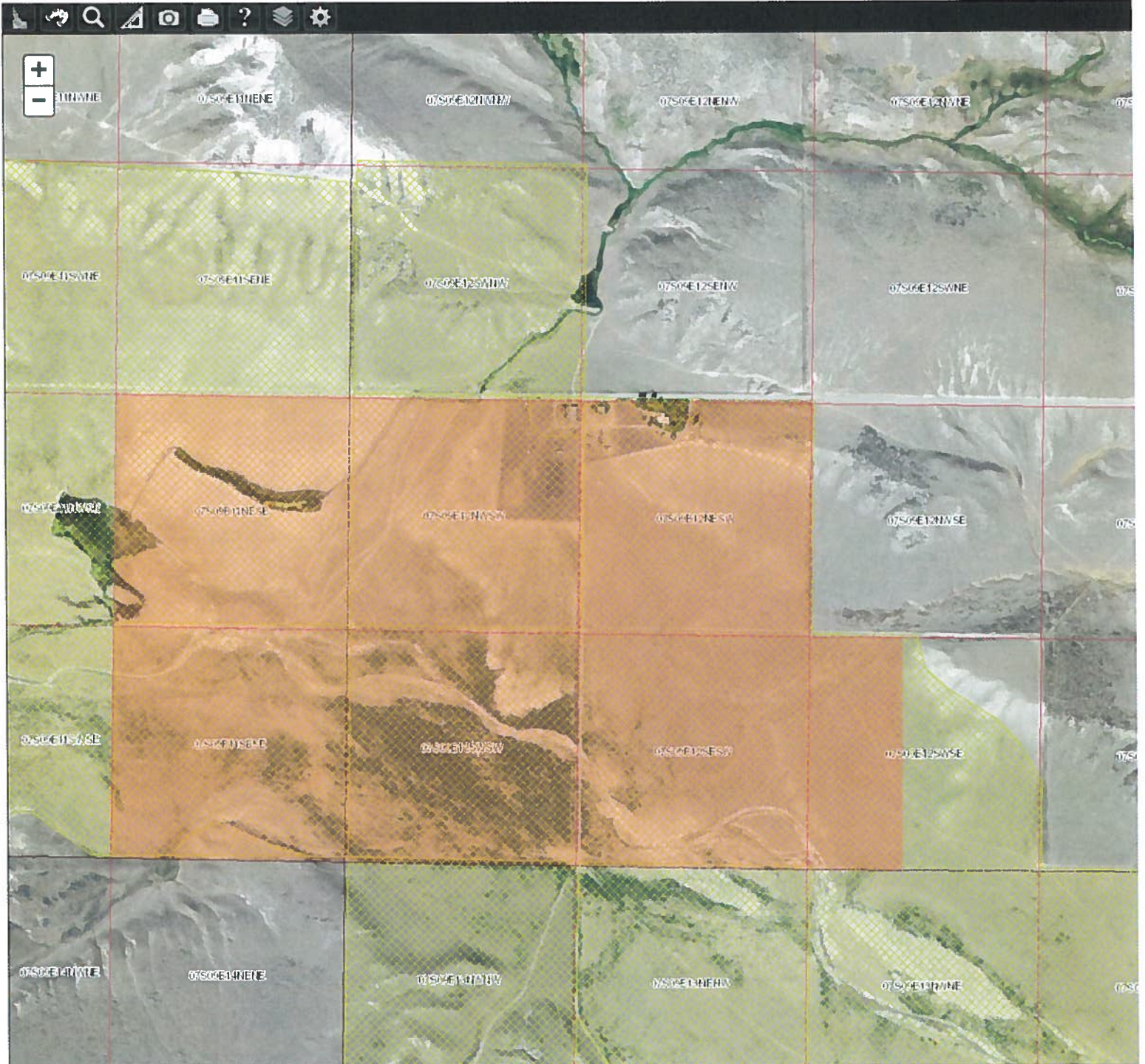
Block 6: The annual report must be signed by a person authorized to represent the corporation. Print or type the name of the signer below the signature.

**** The image of this form will be available on the internet once it has been filed. DO NOT enter Social Security numbers.**

If the corporation is no longer doing business in Idaho, you may file the appropriate form. Forms are available on the website at www.sos.idaho.gov. However, if no timely annual report is filed, administrative action will be taken, at no cost to the corporation to terminate the legal existence. If you have any questions contact the Commercial Division at (208) 334-2301.

If the document is incorrect, is there a telephone number to reach you for corrections? _____

POSTMARK DATES WILL NOT BE ACCEPTED





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 6, 2015

GRINDSTONE BUTTE MUTUAL CANAL CO
575 W BANNOCK ST
BOISE ID 83702

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 2-2262

Dear Lessor:

Water Rights **2-2262** was leased into the Water Supply Bank on January 1, 2015 in accordance with the executed original Lease Contract enclosed. **Your water right as described on the Lease Contract is considered leased into the Bank and should remain unused until it is formally released from the Bank.**

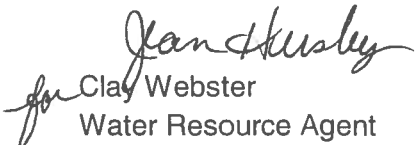
The right will automatically be released from the Bank on **December 31, 2019**, unless the right is released earlier by the Board, or upon your request. **Please note your right may not be available for immediate release if they have been rented.** To release the right from the Bank prior to the release 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,


for Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: John Marshall Law PLLC
IDWR Western Region
Corbin Knowles – Water District No. 2

John Marshall Law PLLC

575 W Bannock, Suite B
Boise, ID 83702

phone 208-991-2701
fax 208-906-8043
john@jmarshalllaw.com

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DEPARTMENT OF
WATER RESOURCES

February 4, 2015

Clay Webster
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

Re: Grindstone Butte Water Bank Lease

Dear Clay

Enclosed please find executed copies of the Water Supply Bank Lease Contract for the 255.5-acre portion of right 2-2262 held by the Grindstone Butte Mutual Canal Co.

Thank you,



John M. Marshall



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 2, 2015

GRINDSTONE BUTTE MUTUAL CANAL CO
575 W BANNOCK ST
BOISE ID 83702

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 2-2262 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return BOTH 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. John Marshall Law

MEMORANDUM

To: Water Right File No(s). 2-2262

From: Cherie Palmer

Date: January 30, 2015

Re: Review of Application to Lease a Water Right to the State Water Supply Bank

PURPOSE/NARRATIVE: On January 20, 2015, we received an application to lease a portion of 2-2262 into the WSB to serve a rental request made by Richard Anderson. The lease proposes to idle 255.5 acres. Note that the application originally requested 176.5 acres; however, Mr. Anderson needed to rent 255.5 acres in order for his rental to be approvable. John Marshall came into my office on January 27, 2015 and amended his original lease application.

While processing this application I noticed that the land list includes land in **6S** 9E to be idled. However, the lease map that was submitted with the application indicates that the idled acres should be in **7S** 9E. I corresponded by John Marshall, the applicant's attorney, and gained clarification on this item.

Grindstone Butte Mutual Canal Co. will be leasing additional acres in the next few weeks. At that time, I will calculate the total number of acres that Grindstone is authorized to irrigate for the 2015 season.

AUTHORITY TO FILE: The applications were signed by Allen Noble, Vice President of Grindstone Butte.

WATER RIGHT VALIDITY: The right was partially decreed in the Snake River Basin Adjudication in 2008. The acres that are proposed to be leased through this application were in the bank last year. Because these acres have been protected from forfeiture there are no validity concerns.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against enlargement.

LOCAL PUBLIC INTEREST:

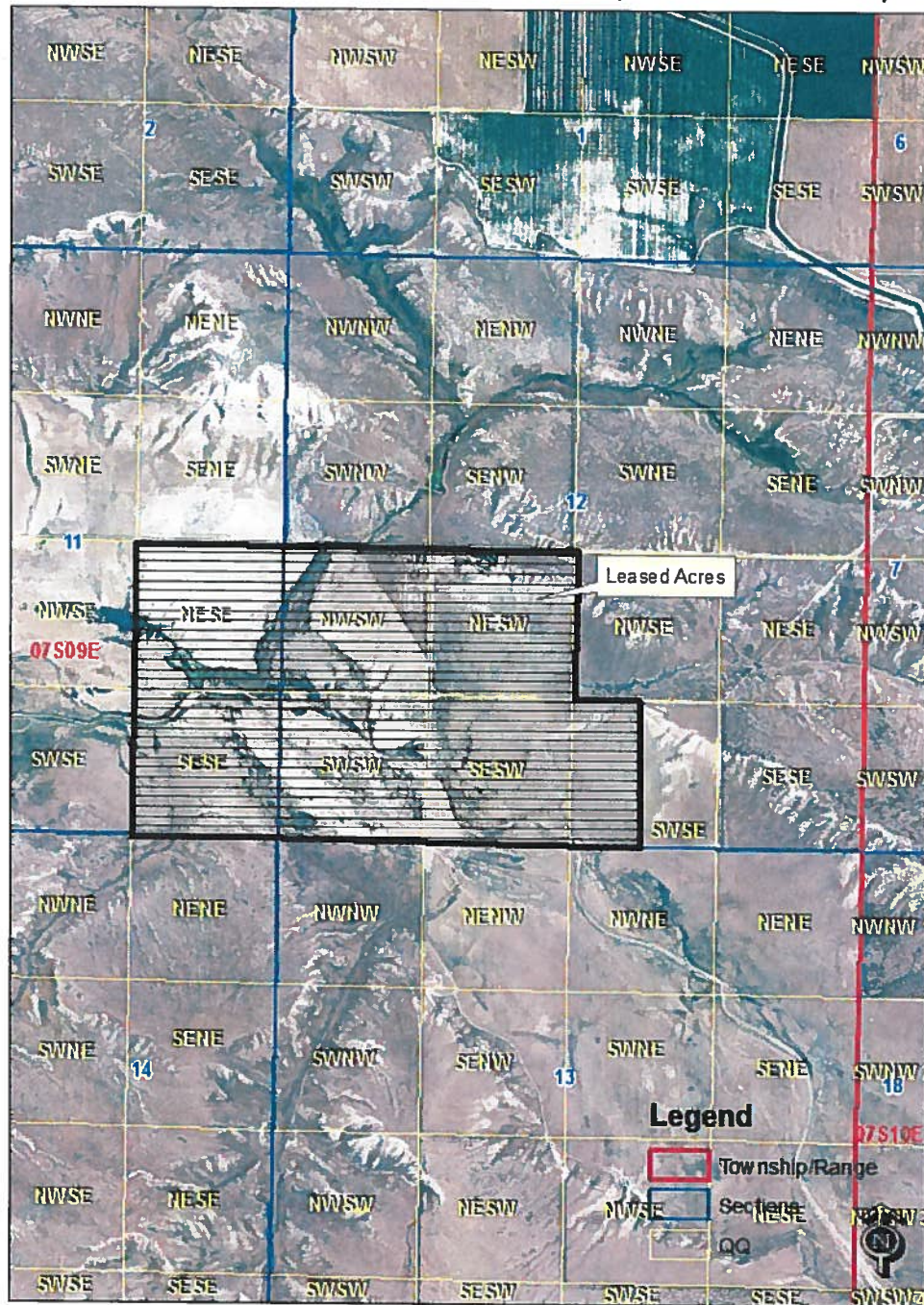
Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: No concerns were voiced.

2-2262 Leased Acres for 2015 (more to follow)



Palmer, Cherie

From: John Marshall [john@jmarshalllaw.com]
Sent: Friday, January 30, 2015 10:43 AM
To: Palmer, Cherie
Subject: Re: 2-2262 Grindstone Butte Lease Correction

Yes, sorry about the error, the land to be idled is in 7S, not 6S.

On Fri, Jan 30, 2015 at 10:39 AM, Palmer, Cherie <Cherie.Palmer@idwr.idaho.gov> wrote:

John,

I started the lease contract for 2-2262 today and need to get you to confirm that your lease application needs corrected. On Attachment 2, item #4 lists idled land in Sections 11 and 12 within Township **6S** and Range 9E; however, based on your map it should be Township **7S**. Can you please reply to this email and it will serve as a correction to Grindstone's application. Thank you in advance.

*Cherie Palmer, Water Rights Supervisor
Idaho Dept of Water Resources
Water Allocation Bureau*

*322 E. Front Street (Front St. & Broadway Ave)
Mail: PO BOX 83720 Boise, ID 83720-0098
email: cherie.palmer@idwr.idaho.gov*

*phone: (208) 287-4944
fax: (208) 287-6700*

Skaggs, Pam

From: John Marshall <john@jmarshalllaw.com>
Sent: Wednesday, January 21, 2015 8:13 AM
To: Skaggs, Pam
Cc: Palmer, Cherie
Subject: Re: Water bank applications for Grindstone and Anderson

Thank you Pam. I should clarify that I only represent Grindstone Butte in this transaction, not the Andersons. Grindstone has taken the lead in preparing the applications because it has experience using the water bank and wants to help the Andersons with their project. Although Grindstone stands to benefit--the steady income from a fixed rental would be nice--its primary goal here is to assist a neighbor and friend with what Grindstone believes is a good project in Glenns Ferry, a town in which any new economic development is welcome. The project includes a land swap with the city that will consolidate land around the airstrip in exchange for ag ground adjacent to the Anderson property. It's a nice little project with many beneficiaries. Again, any effort to speed processing of this one is much appreciated under the circumstances. Thank you,

John

On Tue, Jan 20, 2015 at 4:23 PM, Skaggs, Pam <Pam.Skaggs@idwr.idaho.gov> wrote:

John,

There are a few lease/rental packages already in our processing line that may take precedence. I will note your request & we will do our best to assist your clients.

Pam

Pamela S. Skaggs

Water Rights Supervisor

Idaho Department of Water Resources

322 E Front St

PO Box 83720

Boise ID 83720-0098

Phone (208) 287-4951

Fax (208) 287-6700

From: John Marshall [mailto:john@jmarshalllaw.com]
Sent: Tuesday, January 20, 2015 3:20 PM
To: Skaggs, Pam
Cc: Palmer, Cherie
Subject: Water bank applications for Grindstone and Anderson

Pam,

Today I dropped off a package that includes a water bank lease application in the name of Grindstone Butte Mutual Canal Company and a rental application in the name of the Andersons. These applications seek to lease and rent a 176.5-acre portion of right 2-2262.

The financing required to complete the project contemplated by these applications is contingent on approval of a water diversion to the site. We waited to submit these applications until now because the Andersons were waiting for confirmation from vendors that they could complete their work in time for the 2015 irrigation season, and we did not want to submit applications for processing until we knew for sure the project could be completed in time. Unfortunately, this has created a time crunch in its own right where the Andersons need to start construction very soon to complete the project but cannot absent approval of the applications. Consequently, anything that can be done to expedite the review of the enclosed applications is appreciated.

Grindstone has leased a portion of right 2-2262, including the portion contemplated for lease here, for a number of consecutive years. We are hopeful that this, along with the fact that the diversion point for the rental is very close to the decreed diversion point, will make for a relatively quick review.

Thank you,

John

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January 20, 2015

Pam Skaggs
Water Rights Supervisor
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

RECEIVED

JAN 20 2015

DEPARTMENT OF
WATER RESOURCES

Re: 2-2262 Water Bank Applications

Dear Pam,

On behalf of Grindstone Butte Mutual Canal Company, I enclose an executed Water Bank Lease Application for a portion of water right 2-2262 along with a check for \$250.00 to cover the required fee. I have also enclosed a corresponding Application to Rent in the name of Richard and Georgia Lee Anderson that seeks to rent the portion of 2-2262 offered for lease. Please process these applications in tandem.

Thank you,



John M. Marshall