

JAN 23 2015

DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective January 1, 2015, between the Idaho Water Resource Board ("**Board**"), and

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

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>
29-14054	1.47 CFS	491.6 AF	122.9 AC	158.1 AC
29-14055	0.13 CFS	26.4 AF	6.6 AC	158.1 AC
29-14056	0.09 CFS	18.8 AF	4.7 AC	158.1 AC
29-14080	0.27 CFS	87.6 AF	21.9 AC	158.1 AC
29-14081	0.03 CFS	4.4 AF	1.1 AC	158.1 AC
29-14082	0.02 CFS	3.6 AF	0.9 AC	158.1 AC
Combined Lease Totals:	1.74 CFS	632.4 AF	158.1 AC	158.1 AC

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: April 1 to October 31

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

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, 2015.

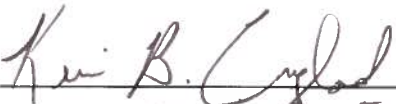
SUPPORT DATA

IN FILE # 29-14054

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 2015.
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.

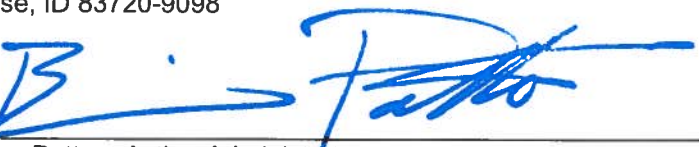
IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604

By 
Printed Name Kevin B. England

Date 20 Jan 2015
Title Mayor

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 January 26, 2015

Lease approved by IDWR 

Date 1/26/2015

ATTACHMENT A
WATER RIGHT NO. 29-14054
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 12/31/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 10/31	1.47 CFS	491.6 AF
	Total:		1.47 CFS	491.6 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 122.9 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
16. 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 the approval, this water right is within State Water District No. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.

ATTACHMENT A
WATER RIGHT NO. 29-14055
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 6/20/1961

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 1/31	0.13 CFS	26.4 AF
	Total:		0.13 CFS	26.4 AF

Source and Point(s) of Diversion

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate. >
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 6.6 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs
16. 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 the approval, this water right is within State Water District No. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.

ATTACHMENT A
WATER RIGHT NO. 29-14056
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 10/26/1966

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 10/31	0.09 CFS	18.8 AF
	Total:		0.09 CFS	18.8 AF

Source and Point(s) of Diversion

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 4.7 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
16. 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 the approval, this water right is within State Water District No. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
19. The period of use for the irrigation described in this approval may be extended to a beginning date of 4/1 and an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 5/1 and after 10/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 3/22/2004.

ATTACHMENT A
WATER RIGHT NO. 29-14080
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 12/31/1974

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 10/31	0.27 CFS	87.6 AF
	Total:		0.27 CFS	87.6 AF

Source and Point(s) of Diversion

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 21.9 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
16. 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. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.

ATTACHMENT A
WATER RIGHT NO. 29-14081
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 6/20/1961

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 10/31	0.03 CFS	4.4 AF
	Total:		0.03 CFS	4.4 AF

Source and Point(s) of Diversion

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 1.1 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
16. Use of water under this right will be regulated by a watermaster with responsibility for the distribution of among appropriators within a water district. At the time of the approval, this water right is within State Water District No. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.

ATTACHMENT A
WATER RIGHT NO. 29-14082
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK, ID 83202-5604
(208)237-2430

Priority Date: 10/26/1966

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	to 10/31	0.02 CFS	3.6 AF
	Total:		0.02 CFS	3.6 AF

Source and Point(s) of Diversion

GROUND WATER	SENWSW	Sec. 34, Twp 05S, Rge 34E, BANNOCK County
GROUND WATER	L13(SWSW)	Sec. 10, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	NWNWSW	Sec. 3, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	SWSESW	Sec. 4, Twp 06S, Rge 34E, BANNOCK County
GROUND WATER	L4(NENWNW)	Sec. 11, Twp 06S, Rge 34E, BANNOCK County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: MUNICIPAL (FOR IRRIGATION)
LARGE POU NOT DISPLAYED

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate. There is no
2. rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
13. Municipal use under this right is for irrigation of 0.9 acres within the authorized place of use in a single irrigation season.
14. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
15. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
16. 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 the approval, this water right is within State Water District No. 120.
17. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 af per acre at the field headgate.
18. A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
19. The period of use for the irrigation described in this approval may be extended to a beginning date of 4/1 and an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 5/1 and after 10/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than 3/22/2004.

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

DEC 12 2014

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 City of ChubbuckWater Right No. 29-14054
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 \$ 500
2250

Received By:

Date Received: 11/14/14
12/26/14Receipt # C099609
C099768W-9 received? Yes ☐ No ☐ (Route W-9 to Fiscal)

Name on W-9:

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED

DEC 12 2014

DEPARTMENT OF
WATER RESOURCESAPPLICATION 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 City of Chubbuck Email Address ssmart@cityofchubbuck.us
Mailing Address P.O. Box 5604 Phone Number (208) 237-2430

☒ 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 _____ Organization _____

Professional Title _____ Email Address _____

Mailing Address _____ Phone Number _____

☐ 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 29-14054 ☒ 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.

City of Chubbuck municipal water delivery system.

- B. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank.

29-2385, 2413, 2469, 7624, 8188, 8229, 8230 will continue active use. 29-14012, 14013, 14016, 14054-14056, 14058, 14080-14082, 14096, 14097, 14099, 14106, 14107 proposed for lease from common place of use.

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

Yes ☒ No ☐

If yes, describe. 29-2385, 2413, 2469, 7624, 8188, 8230 will continue to be used.

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 01/01/2015 to 12/31/2015 (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.

Kevin B. England
Signature of Designated Applicant

Kevin B. England
Printed Name

8 Dec. 2014
Date

Signature of Authorized Representative

Printed Name

Date

Mail to:

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

29-14054

Close

IDAHO DEPARTMENT OF WATER RESOURCES
Water Right Report

10/28/2014

WATER RIGHT NO. 29-14054

<u>Owner Type</u>	<u>Name and Address</u>
Current Owner	CITY OF CHUBBUCK PUBLIC WORKS DEPARTMENT PO BOX 5604 CHUBBUCK, ID 83202-5604 (208)237-2430
Original Owner	HOWARD & MARILYN ARMSTRONG TRUST 13244 W TRAIL CREEK RD POCATELLO, ID 83204 (208)232-5816

Priority Date: 12/31/1974
 Basis: Decreed
 Status: Active
 Water Supply Bank Status: Active

<u>Source</u>	<u>Tributary</u>
GROUND WATER	

<u>Beneficial Use</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	04/01	10/31	1.47 CFS	491.6 AFA
Total Diversion			1.47 CFS	

Location of Point(s) of Diversion:

GROUND WATER	SENWSW	Sec. 34	Township 05S	Range 34E	BANNOCK County
GROUND WATER	NWNWSW	Sec. 03	Township 06S	Range 34E	BANNOCK County

29-14054

GROUND WATER SWSESW	Sec. 04 Township 06S Range 34E BANNOCK County
GROUND WATER SWSW Lt 13	Sec. 10 Township 06S Range 34E BANNOCK County
GROUND WATER NENWNW Lt 4	Sec. 11 Township 06S Range 34E BANNOCK County

MUNICIPAL Use:

Acre Limit: 122.9

Place(s) of use: Large POU Info

Conditions of Approval:

1. 124 Place of use is within the service area of the City of Chubbuck municipal water supply system as provided for under Idaho Law.
2. 180 A map depicting the place of use boundary for this water right at the time of this approval is attached to this document for illustrative purposes.
3. 228 Municipal use under this right is for irrigation of 122.9 acres within the authorized place of use in a single irrigation season.
4. 228 Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is for irrigation of 158.1 acres within the authorized place of use in a single irrigation season.
5. Municipal use under rights 29-14054, 29-14055, 29-14056, 29-14080, 29-14081 and 29-14082 is limited to 1.736 cfs.
6. 186 Diversion of water from the point(s) of diversion authorized under Transfer 78626 shall not exceed a total combined maximum diversion rate as specified below: SENWSW, Sec. 34, T05S, R34E, B.M. limited to 20.386 cfs. SWSESW, Sec. 04, T06S, R34E, B.M. limited to 13.236 cfs.
7. R05 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. 120.
8. R02 A lockable device subject to the approval of the Department shall be maintained on the diverting works in a manner that will provide the watermaster suitable control of the diversion.
9. 212 Prior to diversion and use of water under Transfer approval 78626, the right holder shall install and maintain acceptable measuring device(s) at the authorized point(s) of diversion, in accordance with Department specifications.
10. 213 Upon specific notification of the Department, the right holder shall install and maintain data loggers to record water usage information at the authorized point(s) of diversion in accordance with Department specifications.
11. The irrigation component of municipal use under this right when combined with all other rights shall provide no more than 4.0 afa per acre at the field headgate.
12. 205 The approval of this transfer redefines all of the elements of this water right, and the new use of water authorized by this approval shall constitute the full extent of the right.
13. 004 This right does not grant any right-of-way or easement across the land of another.
14. T07 The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.

29-14054

15. T08 Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
16. T19 Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as may be determined by the Snake River Basin Adjudication court at a point in time no later than the entry of the final unified decree.

Dates:

Licensed Date:

Decreed Date: 03/22/2004

Enlargement Use Priority Date:

Enlargement Statute Priority Date:

Water Supply Bank Enrollment Date Accepted:

Water Supply Bank Enrollment Date Removed:

Application Received Date:

Protest Deadline Date:

Number of Protests: 0

Other Information:

State or Federal: S

Owner Name Connector:

Water District Number: 120

Generic Max Rate per Acre: 0.02

Generic Max Volume per Acre: 4

Combined Acres Limit:

Combined Volume Limit:

Combined Rate Limit: 1.47

Civil Case Number:

Old Case Number:

Decree Plaintiff:

Decree Defendant:

Swan Falls Trust or Nontrust: N

Swan Falls Dismissed:

DLE Act Number:

Cary Act Number:

Mitigation Plan: False

Water Supply Bank:

Lessor Name(s): CITY OF CHUBBUCK

Lease Status: Active

Lease Amount: 491.6 af

Rental Availability: None

Date Received: 12/18/2013

Lease Begin Date: 1/1/2014

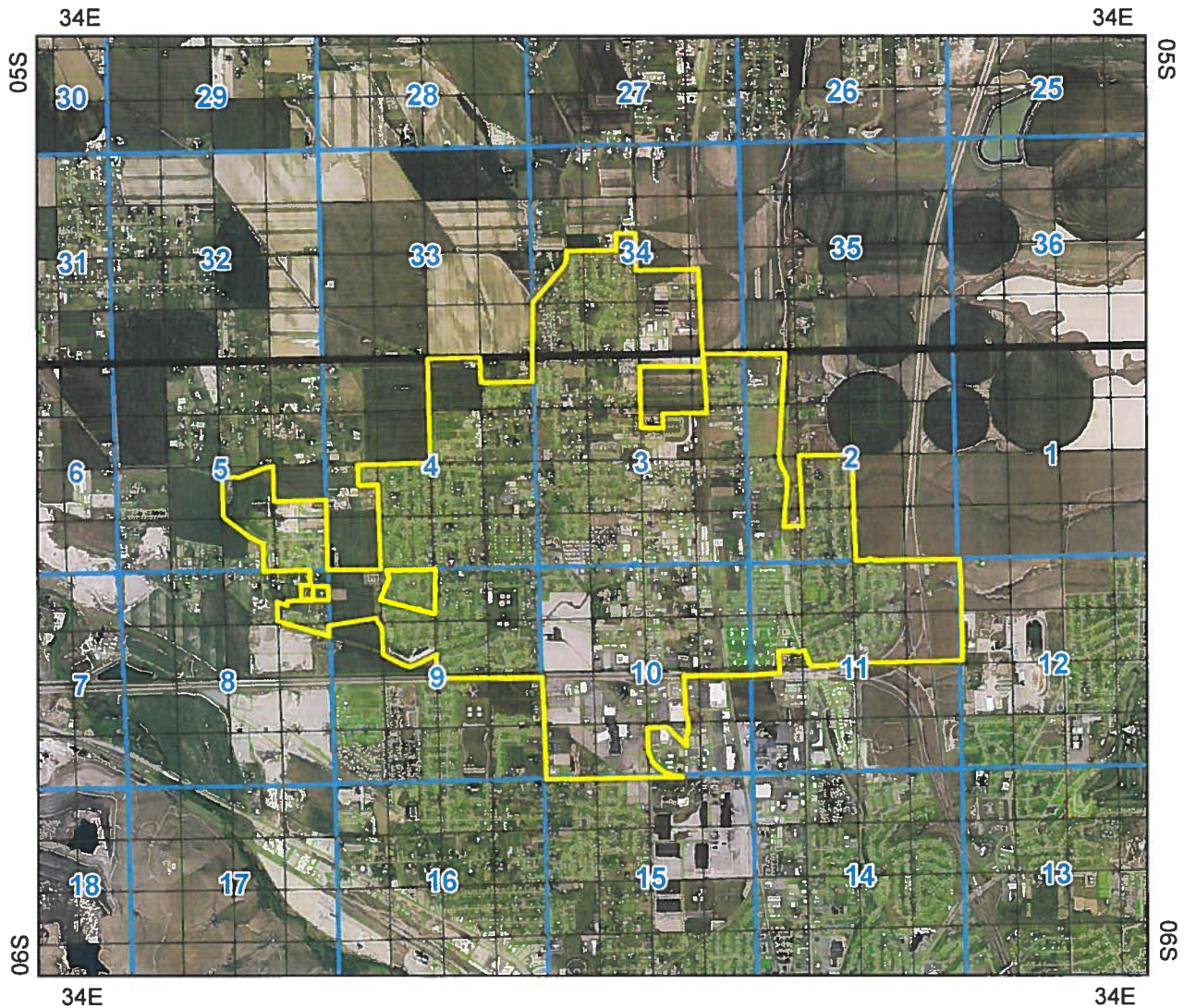
Expiration Date: 12/31/2014

State of Idaho
Department of Water Resources

Water Right 29-14054

MUNICIPAL

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.



-  Water Service Area Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters
-  Taxlots

0 0.5 1 2 Miles





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

January 27, 2015

CITY OF CHUBBUCK
PUBLIC WORKS DEPARTMENT
PO BOX 5604
CHUBBUCK ID 83202-5604

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHT 29-14012, 29-14013, 29-14016, 29-14058, 29-14096, 29-14097, 29-14099, 29-14054, 29-14055, 29-14056, 29-14080, 29-14081, 29-14082, 29-14106 and 29-14107

Dear Lessor:

Water Rights 29-14012, 29-14013, 29-14016, 29-14058, 29-14096, 29-14097, 29-14099, 29-14054, 29-14055, 29-14056, 29-14080, 29-14081, 29-14082, 29-14106 and 29-14107 were leased into the Water Supply Bank on January 1, 2015 in accordance with the executed original Lease Contract enclosed. **Your water rights as described on the Lease Contract are considered leased into the Bank and should remain unused until they are formally released from the Bank.**

The rights will automatically be released from the Bank on **December 31, 2019**, unless the rights are released earlier by the Board, or upon your request. **Please note your rights may not be available for immediate release if it has been rented.** To release the rights 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: James Cefalo- Eastern Region Office and Water District No.120



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

RECEIVED

JAN 23 2015

DEPARTMENT OF
WATER RESOURCES

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

January 15, 2015

1-20-15

Returning to IDWR for IDWR execution.
Jan M. Smet

CITY OF CHUBBUCK
PUBLIC WORKS DEPT
PO BOX 5604
CHUBBUCK ID 83202-5604

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 29-14012, 29-14013, 29-14016, 29-14058, 29-14096, 29-14097, 29-14099, 29-14054, 29-14055, 29-14056, 29-14080, 29-14081, 29-14082, 29-14106 and 29-14107 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your applications to lease the above-mentioned water right(s) to the Water Supply Bank. **I have enclosed two each of three original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contracts are not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2015**, 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 Jan Webster
Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts



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

January 15, 2015

CITY OF CHUBBUCK
PUBLIC WORKS DEPT
PO BOX 5604
CHUBBUCK ID 83202-5604

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 29-14012, 29-14013, 29-14016, 29-14058, 29-14096, 29-14097, 29-14099, 29-14054, 29-14055, 29-14056, 29-14080, 29-14081, 29-14082, 29-14106 and 29-14107 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Department of Water Resources has completed its review of your applications to lease the above-mentioned water right(s) to the Water Supply Bank. **I have enclosed two each of three original Water Supply Bank Lease Contracts for your review and signature. Please sign and return ALL Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contracts are not considered final until you and the Department have both signed.

The rights will automatically be released from the Bank on **December 31, 2015**, 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



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

November 19, 2014

COPY

KBC FARMS LLC
3010 MCKINLEY ST
AMERICAN FALLS, ID 83211

RE: EXPIRATION OF RENTAL AGREEMENT FOR WATER RIGHT NO(S). 29-14080, 29-14056, 29-14055, 35-14040, 43-13595, 43-13597, 29-14082, 29-14081, and 29-14054 FROM THE WATER SUPPLY BANK

Dear Renter:

This letter is to inform you that your Rental Agreement for rental of water from the Water Supply Bank has expired. You applied for the rental of water on 3/26/2014 and the subsequent Rental Agreement authorized diversion of water under Water Right No(s). 29-14080, 29-14056, 29-14055, 35-14040, 43-13595, 43-13597, 29-14082, 29-14081, and 29-14054 through the 2014 season only.

The Rental Agreement is expired, or will be expired by the end of the season of use, and the water use in connection with the rental will no longer be in effect.

Any diversion or use of water associated with this rental agreement is not authorized and, if occurring, will be subject to any necessary enforcement action.

If you wish to rent water in the future, please reapply using new forms from the Department's website at www.idwr.idaho.gov. If you have any questions regarding this matter, please contact me at (208) 287-4944.

Sincerely,

Cherie Palmer
Water Rights Supervisor
WSB Process Point of Contact

c: NA

SCANNED