

JAN 13 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: LEIGH ALICE UHL
C/O SHAWN UHL MC FADDEN
608 E 52ND
GARDEN CITY ID 83714
(208) 378-9645

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>Total Leased Acres</u>
2-10014	0.52 CFS	33.8 AF	25.8 AC
Combined Lease Total:	0.52 CFS	33.8 AF	25.8 AC

The water rights described herein shall be available for rental from the Bank as follows:

Authorized Period of Use under Lease: 03/15 to 11/15

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

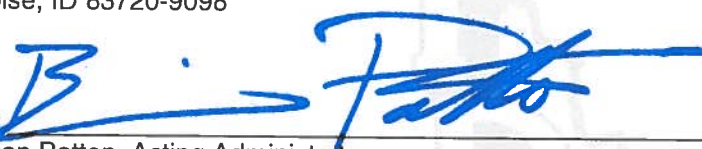
3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 2019.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, 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.

LEIGH ALICE UHL
C/O SHAWN UHL MC FADDEN
608 E 52ND
GARDEN CITY ID 83714

By L.A. UHL by Shawn U. McFadden Date 1/10/15 Conservator / Guardian
Printed Name L.A. UHL by Shawn U. McFadden Title Conservator / Guardian

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 13, 2015

Lease approved by IDWR 

Date 1/13/2015

JAN 13 2015

DEPARTMENT OF
WATER RESOURCES

ATTACHMENT A
WATER RIGHT NO. 2-10014
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: LEIGH ALICE UHL
 C/O SHAWN UHL MC FADDEN
 608 E 52ND
 GARDEN CITY ID 83714
 (208) 378-9645

Priority Date: 3/15/1990

Source: SNAKE RIVER

Tributary to: COLUMBIA RIVER

BENEFICIAL USE

IRRIGATION

From 03/15 to **To** 11/15

Diversion Rate

0.52 CFS

Volume

33.8 AF

Total: 0.52 CFS 33.8 AF

LOCATION OF POINT(S) OF DIVERSION:

SNAKE RIVER

L7

Sec. 31, Twp 05S, Rge 08E, OWYHEE County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
05S	08E	31																8.3 L9	8.3
05S	08E	32											15.0 L5	2.5 L6					17.5

Total Acres: 25.8

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. 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 BOARDWATER SUPPLY BANK LEASE OR SALE
APPLICATION CHECKLISTRECEIVED
NOV 13 2014
DEPARTMENT OF
WATER RESOURCES

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 Leigh Alice UhlWater Right No. 2-10014
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>250⁰⁰</u>	Received By: <u>CJ</u>	Date Received: <u>11/13/14</u>	Receipt # <u>C099606</u>
W-9 received? Yes ☒ No ☐	(Route W-9 to Fiscal)	Name on W-9: <u>Leigh Alice Uhl</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 Leigh A. Uhl Email Address _____
Mailing Address 608 E. 52ND ST. GARDEN CITY ID 83714 Phone Number 378-9645

☒ 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 SHAWN McFADDEN Organization _____

Professional Title _____ Email Address _____

Mailing Address 608 E. 52ND GARDEN CITY ID 83714 Phone Number 378-9645

☐ 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 2-10014 ☒ 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.

Pump directly FROM RIVER

- 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.

N/A

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. _____

Water Right is leased

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 1/1/15 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.

Shawn McFadden
Signature of Designated Applicant

Lerigh A. Uhl
Printed Name

11-7-14
Date

Shawn McFadden
Signature of Authorized Representative

SHAWN McFadden
Printed Name

11-7-14
Date

Mail to:

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

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

List all individuals or business entities that are owners of the property to which the water right on this application is appurtenant. All water right holders must be signatories to a Water Supply Bank Lease Application however only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant.** If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

Water Right No. 02-10014

	Designated Applicant	Applicant #2	Applicant #3
Name	SHAWN McFADDEN	Lerigh Alice Uhl	
Mailing Address	608 E. 52ND GARDEN CITY, ID 83714	608 E. 52ND GARDEN CITY, ID 83714	
Phone Number	208-378-9645	208-378-9645	
Email Address	N/A	N/A	
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature	Shawn McFadden	Lerigh Alice Uhl	

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

**STATE OF IDAHO
WATER RESOURCE BOARD**

ATTACHMENT 2

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

1. Water Right Number 02-10014 Amount (cfs/ac-ft) 0.520 CFS Nature of Use IRRIGATION Period of Use 3/15 to 11/15
 _____ to _____
 _____ to _____
 _____ to _____
 _____ to _____

Total Amount: 0.520

2. Source of water SNAKE RIVER tributary to _____

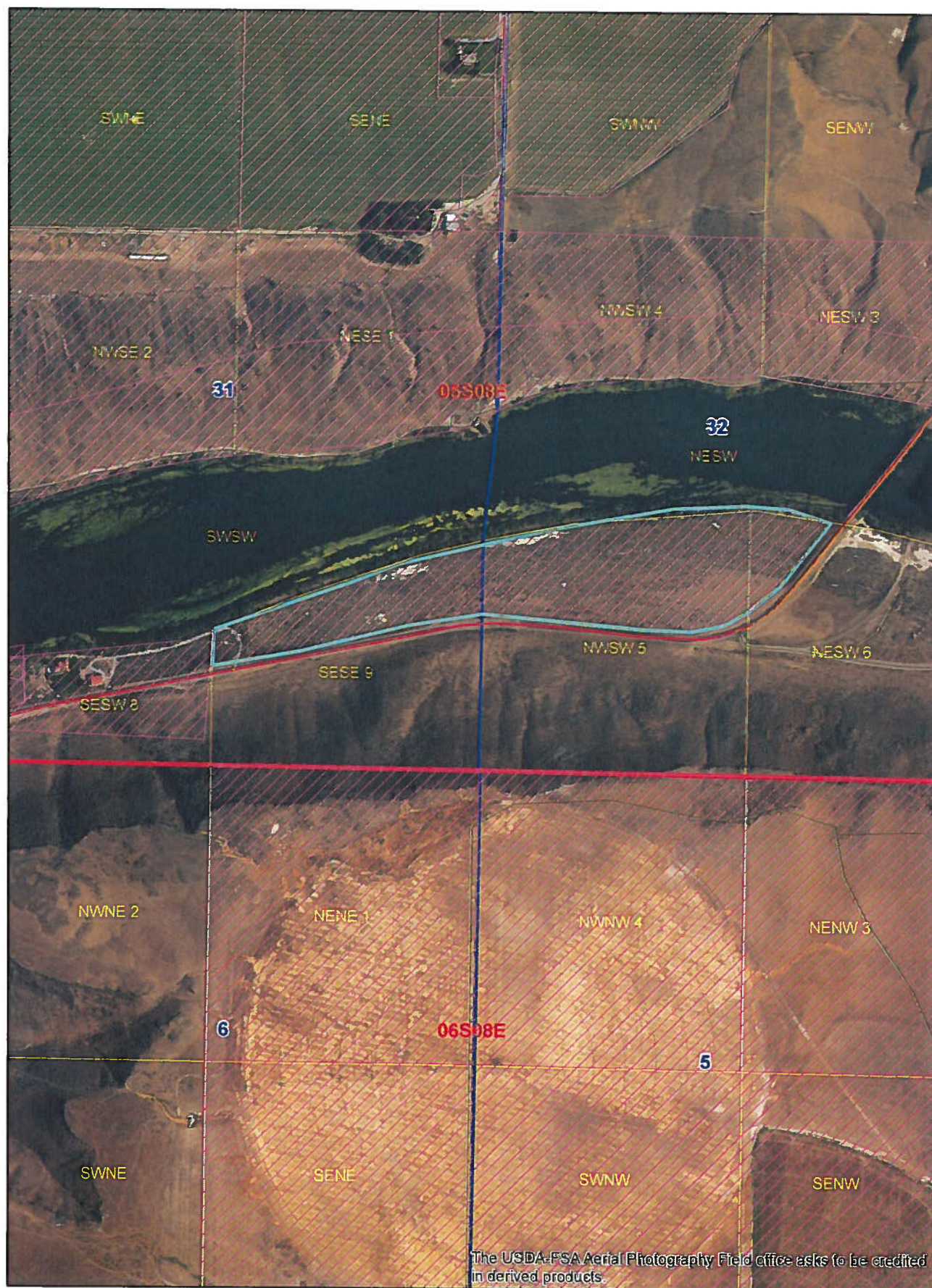
3. Point(s) of Diversion:

Twp	Rge	Sec	Lot	1/4	1/4	1/4	County
<u>05S</u>	<u>08E</u>						
<u>05S</u>	<u>08E</u>	<u>31</u>	<u>7</u>				<u>Owyhee</u>

4. Lands 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>05S</u>	<u>08E</u>	<u>31</u>																<u>8.3</u>	
																		<u>2.9</u>	
<u>05S</u>	<u>08E</u>	<u>32</u>											<u>15.0</u>	<u>2.5</u>					<u>17.5</u>
													<u>1.5</u>	<u>1.6</u>					

If the water right is for irrigation, show total number of acres offered to the Bank. Total Acres 25.8





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 13, 2015

LEIGH ALICE UHL
C/O SHAWN UHL MCFADDEN
608 E 52ND ST
GARDEN CITY ID 83714

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 2-10014

Dear Lessor:

Water Rights **2-10014** 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 it has 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 Jan Hershey
Clay Webster

Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: IDWR Western Region
Corbin Knowles – Water District No. 2



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 7, 2015

LEIGH ALICE UHL
C/O SHAWN UHL MC FADDEN
608 E 52ND
GARDEN CITY ID 83714

RE: APPLICATION(S) TO LEASE WATER RIGHT 2-10014 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,

Clay Webster
Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts
Receipt # C099606

MEMORANDUM

To: Water Right No. 2-10014
From: Clay Webster
Date: January 6, 2015
Re: Review of Application to Lease a Water Right to the State Water Supply Bank

PURPOSE/NARRATIVE: The department received an application to lease this entire water right into the WSB on Nov 13, 2014 for 2014 through 2019. This right has a very low volume (1.3 afa) associated with it, this should be considered when considering it for rental.

AUTHORITY TO FILE: This application was signed by Shawn McFadden and the owner of the right Leigh Alice Uhl. A designated applicant for was provided to designate Shawn McFadden.

WATER RIGHT VALIDITY: This right was partially decreed in 2009 in the SRBA. The priority date of this right was adjusted in the SRBA due to forfeiture and resumption of use after intervening appropriation. It was leased from 2009 to 2014. Forfeiture is not an issue.

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: The leased right is subject to Water District # 02. Angie Grimm from Western had concerns about rental of this right due to the resumption of use issue addressed above, incorrect POD and a volume limitation. See e-mail dated 1/2/2015. I spoke with the watermaster about the POD issue. Since the POD is not used while the right is leased to the WSB, we determined that we could proceed with the lease.

Webster, Clay

From: Grimm, Angie
Sent: Friday, January 02, 2015 7:50 AM
To: Webster, Clay
Cc: Van Dyke, Nick; Knowles, Corbin
Subject: RE: Water Master and Region Comments on WSB Lease Application for 2-10014

Clay,

Good morning! Steve has asked Nick and I took look at this proposed lease application. We both have general concerns (not specific to the area but the right) regarding the validity of this right and potential enlargement should this right be rented. Realizing the enlargement issue will be further contemplated when the right is rented perhaps, Nick and I both thought the fact that the ground appears to not have been irrigated since as long as as 1990 perhaps (despite being decreed) is something to contemplate if not note in the lease review. Additionally, mentioning in the lease review memo that the right has a volume limitation of 1.3 afa/ac may be helpful to note so it sticks out to rental reviewer when the right is proposed for rental. Also, it appears the POD was decreed incorrectly (claim not amended?).

Due to IDWR's ramping up of Water District 02 in the area, many folks in the district have filed various transfers to correct their records and deal with shortages of water with place of use changes etc. Corbin as the watermaster may be able to weigh in on this, but I think IDWR may be remiss to look over this POD error in the records and not request the water right owner address the error when IDWR/water district watermaster is requiring other users to correct their water rights in this area.

The likelihood that someone will rent this water right should it be put into the bank is very high, I'd say, considering the ramping up of water district 02 activity. I'm not sure if the fact that the POU has not been irrigated for years and potentially diversion for this right will resume upon rental is an issue within the water district or not. I have to defer to Corbin on that one, but thought I'd bring the question up.

So, we had lots of comments on this one, but I think part of it is due to my lack of familiarity of how leases are reviewed in the WSB. Nick has been helpful with this though! I hope these comments are helpful, but if I've suggested things that are not applicable in your lease review and you choose not to incorporate all the items mentioned I completely understand. Just trying to be helpful. Let me know if anything I've said is unclear. Thank you for the opportunity to comment.

Happy New Year!

Angie

From: Webster, Clay
Sent: Wednesday, December 24, 2014 2:07 PM
To: Knowles, Corbin; Lester, Steve
Subject: Water Master and Region Comments on WSB Lease Application for 2-10014

Steve and Corbin,

Merry Christmas! I am processing a lease application for all of this water right. It has been in the bank since 2009. Do you have any concerns? Thanks.