



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

September 25, 2013

C.L. "BUTCH" OTTER

Governor

RAY MONTIERTH
825 HEARTLAND DR
NAMPA ID 83686

**RE: WATER SUPPLY BANK RENTAL AGREEMENT
WATER RIGHT NO(S). 61-12038, 61-12140, 61-12141 and 61-12148**

Dear Mr. Montierth:

The Water Supply Bank Rental Agreement issued May 15, 2013 included Right 61-10841. Department review of a transfer request for Right 61-10841 found that a large portion of this right is stacked with surface rights not leased to the bank. The right is therefore being released from the bank at the end of this irrigation season which requires altering your rental agreement for the remaining years. I researched the Bank's leased rights within your rental area and found comparable rights available to replace Right 61-10841. The three replacement rights provide similar rate and acres, but a reduced overall volume (4.0 af/acre) reducing the annual rental cost to you.

I have enclosed the Water Supply Bank Rental Agreement for your review and signature. Upon signature and return of the original agreement, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement. The May 15, 2013 rental agreement with Rights 61-10841 and 61-12148 will be superseded by this executed agreement.

An annual rental fee of \$18,079.50 was calculated based on the current rental rate of \$17.00 per acre-foot times a diversion volume of 1,063.5 acre-feet (limited to diversion of 1,053.2 acre-feet). Pursuant to the Water Supply Bank Rules, 90% or \$16,271.55 of the rental fee will be paid to the lessor(s) and 10% or \$1,807.95 will be retained by the Department to offset administrative costs.

No rental fee is due at this time. An annual payment shall be received by the Department prior to March 15 each year for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please return the signed rental agreement as soon as possible, so I can complete processing and confirm your desire to rent these rights for the 2014 through 2016 irrigation seasons. If you have any questions, please contact me at (208) 287-4951.

Sincerely,

Pamela S. Skaggs
Water Rights Supervisor

Enclosure(s)

c: IDWR Front Desk
Steve Lester – IDWR Western Regional Office