

MEMORANDUM

To: File 51-4037

From: Cherie Palmer

Date: June 27, 2013

Re: Review/Analysis for Application to Rent Water from the State Water Supply Bank and Amended Lease

BANK ACTIVITY CHRONOLOGY:

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

PURPOSE/NARRATIVE: This rental/lease has been approved in the past in order to get the applicant in compliance with his water bottling operation. Apparently, water right 51-4037 is non-consumptive and water use at the bottling facility is consumptive. On the surface, the lease/rental package authorizes the bottling facility, see Monica Van Bussum's 9/16/2010 review memo for further details. At this point, Monica's assessment of water use at the bottling facility is the only information we really have but, the volume of water that is rented represents the possible full amount of water that is being bottled. The consumptive nature of bottling water may mean that the applicant is enlarging his right. A transfer, 78340, has been filed to corroborate the water use and all the issues should be flushed out upon the approval. In the meantime, the bottling will be authorized through the bank so long that the applicant keeps an active rental on file with us.