



State of Idaho

DEPARTMENT OF WATER RESOURCES

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April 10, 2012

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

STEVE WILSON
JIM SUPER
SARAH GARDNER
WOOD RIVER VALLEY IRRIGATION DISTRICT #45
PO BOX 2223
HAILEY ID 83333-2223

**RE: WRVID #45 RESOLUTION REGARDING WATER SUPPLY BANK APPLICATIONS
FOR RIGHT NOS. 37-363D AND 37-20348**

Dear Mr. Wilson, Mr. Super and Ms. Gardner:

I am writing in response to an email received from Joel Teeley of your District, which enclosed a proposed resolution from WRVID #45 regarding Water Supply Bank lease applications for rights with points of diversion (PODs) from the WRVID #45 canal.

As you know, because WRVID #45 owns the point of diversion (POD) for the water rights in question, the Department needs to acquire the written consent of WRVID #45 for the lease of 37-363D and 37-20348. In fact, all applicants seeking to lease a water right into the Water Supply Bank must obtain the written consent if the diversion works or irrigation system delivering the water is owned or managed by an irrigation district.

The Department cannot accept the WRVID #45 resolution as either blanket consent or blanket denial of all future applications to the Bank. WRVID will need to interpret its own resolutions to determine whether or not to provide written consent to each individual lease application. The Department will individually review each application to lease a water right to the Water Supply Bank once it receives the irrigation district's response. The Department is not in a position to interpret this resolution and presume consent or otherwise for each individual application. Without specific written consent being provided, the Water Supply Bank would have no choice but to deny the lease application.

Please keep in mind the goals for the Idaho Water Supply Bank when one of your patrons seeks to lease water into the Water Supply Bank. The Bank's purposes and goals are to be an exchange market for water and to encourage the highest beneficial use of water. Limiting all rentals of water to only those within irrigation district boundaries is contrary to those goals and prevents the Bank from meeting its expressed purposes.

Additionally, I would like to reiterate that, if the rights are not used for five years, the right holder could possibly be subject to forfeiture proceedings. Water rights leased into the Water Supply Bank may provide an alternative to forfeiture for water users within the irrigation district. If water rights held by individuals within WRVID #45 are forfeited, those rights would not be allowed to be diverted down the canal any longer. This is a huge benefit to both right holders and, potentially, to irrigation entities.

Thanks once again for the opportunity to review the resolution. With regards to the Turco Bank lease applications for 37-363D and 37-20348, if the Department does not receive consent from WRVID #45 after the WRVID #45 Board meeting on April 15, the Department will have to return Mr. Turco's lease applications. Feel free to contact me at (208) 287-4907 with questions.

Sincerely,

A handwritten signature in black ink, reading "Monica Van Bussum". The signature is fluid and cursive, with the first name "Monica" being more prominent and the last name "Van Bussum" following in a similar style.

Monica Van Bussum
Sr. Water Resource Agent

c: Kevin Lakey – Watermaster, Water District 37
Timothy Tyree – Hawley Troxell Ennis & Hawley LLP
Allen Merritt – IDWR Southern Regional Office
Jerry Turco – 525 Riverside Ave; Lyndhurst, NJ 07071