

MEMORANDUM

To: Water Right File No(s). 13-2092 AND 13-2179

From: Monica Van Bussum

Date: August 11, 2011

Re: Review of Applications to Lease and Rent Water Rights through State Water Supply Bank

PURPOSE/NARRATIVE: We've received these applications several times – April 8, 2008; December 24, 2009; and have most recently received the rental application again on June 27, 2011. This application packet is the result of an agreement between Franklin Cub River Pumping Co (lessor) and Maple Leaf Investments (renter). Franklin Cub River is leasing irrigation water into the Bank and Maple Leaf Investments is renting storage water under the leased rights. The dates on the lease and rental applications reflect the original filing when the applicants thought the lease and rental would only be temporary and on a year-to-year basis. The lease/rental agreement allows for the agreement to extend this way and T.J. Budge, attorney for the applicants, said the lease and rental should be approved for the maximum five-year period.

The initial fill for this pond is covered by a rental under 13-43, 13-44, 13-45 and 13-46. This lease/rental is for pond level maintenance.

The renter should be filing an application for permit (13-7694) to allow for the ongoing storage in the pond. However, the applicant for permit only covers the storage component, not the diversion to storage component. Therefore, the Department will not act on the application for permit until it an application for transfer is filed to cover the diversion to storage component. This underscores the need for this lease/rental to be approved to allow time for the transfer to be filed and approved, and allow time for the application for permit to be authorized.

AUTHORITY TO FILE: The applications were signed by Chris Allen, President of Franklin Cub River Pumping Co, and T.J. Budge, attorney for Maple Leaf Investments.

WATER RIGHT VALIDITY: Aerial imagery of the proposed lease area shows irrigation occurred in 2004. The applications were received first in 2008, so five years would not have elapsed prior to the first application filing.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident. This rental does authorized a change in nature of use from irrigation to storage. The lessor put 29 acres into the Bank and the rental is for 14 AF (4 acres at 3.5 AF/ac/yr) and limited to the annual

consumptive volume of 10 AF. Therefore, the renter will be paying for the full headgate volume of the irrigation right, but they will be limited to the consumptive volume to avoid 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 leases and rental appear to be consistent with conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

The watermaster was contacted by email but did not respond, indicating no concerns.