

RECEIVED

MAY 25 2011

Department of Water Resources
Eastern Region

May 25, 2011

Jason C. Helms, P.E.

6755 N. Albert Lane
Idaho Falls, ID 83401
(208) 308-2109
jasoncivil@alumni.nd.edu

ATTN: Mr. Blake Jordan
Idaho Department Of Water Resources
Eastern Region
900 North Skyline Drive, Suite A
Idaho Falls, Idaho 83402-1718

Re: Idaho Water Company, LLC Water Rights 35-14019, 35-14069 Applications For Transfer

Dear Blake,

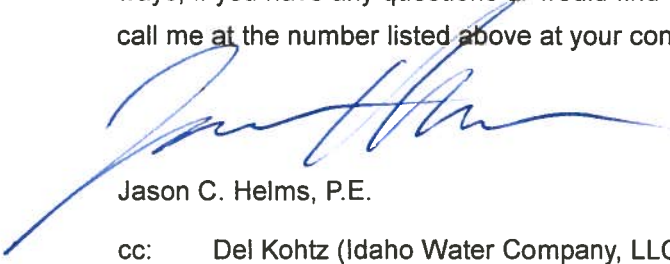
Please find attached a total of ten applications for transfer all seeking a change in portions of Idaho Water Company existing water rights 35-14019 & 35-14069 that we discussed to some extent several weeks ago.

Six of the applications are combined for Off-Setting ESPA analysis purposes: The City of Chubbuck, Country Club Hills, Theodore Baar, LDS-Hibbard, LDS-Rigby and the Cannon-Shelley Dairy transfers provide offsetting mitigation requiring a delay in available transfer diversion volume for the Country Club Hills and LDS-Hibbard Transfers. Full details are provided in the attached ESPA Impact Analysis Report.

Three additional applications are included to provide irrigation water rights to additional LDS church properties (each falling beneath the 2 acre-ft per trimester mitigation threshold - independent ESPA analyses are included) while the tenth transfer application re-orders the remaining 188 acres of water rights (retained by the landowners, Mr. & Mrs. Jerry Brower) into a Permissible Place of Use at their existing location.

With the exception of the Cannon-Shelley Transfer, the applicant is Idaho Water Company, LLC (current listed water right owner) and specific signed agreements are attached demonstrating property owner agreement with the proposed transfers by Idaho Water Co. This arrangement should allow Idaho Water Company to coordinate with IDWR transfer processing more quickly. Ownership changes are contemplated following formal transfer approval and final closing. Please contact me with any transfer issues, except the Cannon-Shelley transfer specifically which should be directed to Rocky Mountain Environmental.

Below is a list of the transfers showing amounts, agreements analyses and processing fees. As always, if you have any questions or would find any GIS information shown helpful with processing please call me at the number listed above at your convenience. Thanks,



Jason C. Helms, P.E.

cc: Del Kohtz (Idaho Water Company, LLC)
Keith Wilson (Rocky Mountain Environmental)
Mathew Weaver (IDWR-Boise Hydrology)

Attachments

- ESPA Impact Analysis Report (Transfers #1 - #6) Dated 4/18/2011
- Transfer #1 (4.09 cfs 1,140.0 afa / 285.0 ac) to City of Chubbuck
 - City of Chubbuck Check #13667 (\$410.⁰⁰)
 - Agreement Allowing Water Right Transfer
- Transfer #2 (0.75 cfs / 207.2 afa / 51.8 ac) to Country Club Hills
 - Check # (\$250.⁰⁰)
 - Agreement Allowing Water Right Transfer
- Transfer #3 (0.04 cfs / 12.0 afa / 3.0 ac) to Theodore Baar
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
- Transfer #4 (0.07 cfs / 17.7 afa / 4.4 ac) to LDS-Hibbard
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
- Transfer #5 (0.05 cfs / 12.3 afa / 3.1 ac) to LDS-Rigby
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
- Transfer #6 (0.43 cfs / 125.6 afa / 31.4 ac) to Cannon-Shelley Dairy
 - Check # (\$250.⁰⁰)
- Transfer #7 (0.04 cfs / 10.4 afa / 2.6 ac) to LDS-Welfare
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
 - Condensed ESPA Impact Analysis
- Transfer #8 (0.04 cfs / 10.0 afa / 2.5 ac) to LDS-Ririe
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
 - Condensed ESPA Impact Analysis
- Transfer #9 (0.03 cfs / 9.6 afa / 2.4 ac) to LDS-East Rigby
 - Check # (\$100.⁰⁰)
 - Agreement Allowing Water Right Transfer
 - Condensed ESPA Impact Analysis
- Transfer #10 (2.73 cfs / 752.0 afa / 188.0 ac) to LDS-Hibbard
 - Jerry & Connie Brower Check #784 (\$330.⁰⁰)
 - Purchase-Sell Agreement

Jordan, Blake

From: Jason Helms [jasoncivil@alumni.nd.edu]
Sent: Tuesday, July 26, 2011 3:53 PM
To: Jordan, Blake
Cc: Del Kohtz
Subject: Chubbuck transfers
Attachments: Amended-IDwaterco-10transfers_072611.zip

HI Blake,

I have attached a zipfile containing the amended transfers and dataentry tables you requested. From my notes I was going to provide the following in support of the 11-transfers splitting up the Idaho Water Company 8/19/1952 rights:

- 1 - City of Chubbuck (See attached amended transfer)
 - a. Change nature of use to Municipal
 - b. Correct period of use end for 35-14019
 - c. Remove POD outside model cell utilized in ESPA analysis
- 2 - Country Club Hills (See attached amended transfer)
 - a. Attach Part 2A
 - b. Correct period of use end for 35-14019
 - c. Remove POD outside model cell utilized in ESPA analysis
 - d. Correct POU
 - e. Provide Tax Notices (PENDING)
- 3 - Theodore Baar (See attached amended transfer)
 - a. Attach Part 2A
 - b. Correct period of use end for 35-14019
 - c. Provide map for POU
- 4 - LDS Hibbard (See attached amended transfer)
 - a. Attach Part 2A
 - b. Correct period of use end for 35-14019
 - c. Provide map for POU - EXHIBIT 2 of agreement
- 5 - LDS Rigby11 (See attached amended transfer)
 - a. Attach Part 2A
 - b. Change period of use end
 - c. Provide map for POU - EXHIBIT 2 of agreement
- 6 - Cannon Shelley (Items to be provided by Rocky mountain Environmental)
- 7 - LDS Welfare (Attached amended transfer & dataentry)
 - a. Provide data entry to verify summary details
 - b. Change period of use end to standard 10/31
 - c. Provide map for POU - EXHIBIT 2 of agreement
- 8 - LDS LURC-Ririe (Attached amended transfer & dataentry)
 - a. Provide data entry to verify summary details

- b. Change period of use end to standard 10/31
- c. Provide map for POU - EXHIBIT 2 of agreement

9 - LDS Labelle (Attached amended transfer & dataentry)

- a. Provide data entry to verify summary details
- b. Change period of use end to standard 10/31
- c. Correct map for 40-split and POU indicated on page 3
- d. Provide map for POU - EXHIBIT 2 of agreement

10 - Brower PPU

- a. Ownership issues resolved.

11 - Heiskell (Items to be provided by Brockway Engineering)

Hopefully the attachment addresses these issues.

I remember you said you were missing some shapefiles, but I can't recall which ones? Let me know and I will zip them up and send them along.

Thanks,

Jason C. Helms, P.E.
(208) 308-2109

City of Chubbuck #1

- Nature of Use should be Municipal authorizing irrigation only. Are there 285.0 acres that are and/or can potentially be irrigated?
- Diversion rate should be 1.83cfs.
- Not an area with a period of use from 4/01-11/01.
- Place of use change need to specify where place of use is being changed to.
- No POD for the city of Chubbuck recorded in Section 2, 06S, 34E, SESESW.
- Adding a point of diversion
- Need lien holder letter.

Country Club Hills #2

- No municipal water rights established. Need to identify irrigation acres.
- Adding points of diversion
- Missing part 2A for both water rights
- Need lien holder letter
- Not an area with a period of use from 4/01-11/01.
- Place of use described incorrectly. Missing land in Section 21 SESE, Section 28 NENE.
- Provide latest tax assessments showing Country Club Investments as current owner of proposed place of use.
- Only ran the model to include the 2 wells in cell 80,159. No Analysis for the well in cell 81-159. Need to include analysis for the well in 81-159 or drop the pod from the transfer.

Baar # 3

- Map not provided
- Need latest tax assessments
- No lease agreement from baar
- Could do a period of use change from 3/15-11/15
- No lien holder statement
- No proof report for rights

LDS Hibbard #4

- No map
- Not an area with a period of use from 4/01-11/01.
- AF should be 15.4 taking 17.6
- No proof report

LDS Rigby #5

- No map.
- No Lien Holder Statement
- Period of use 4/1-10/31

Cannon Shelley #6

- Needs to list Stockwater as a Nature of Use
- Other transfer for this water right indicates that the land is subject to a lien. Need lien holder letter.
- Item 2b. cfs is described incorrectly.
- ESPA analysis data entry and graphs are inconsistent to that of Jason Helms's. Data entry and graphs provided by Jason appear to be correct.

LDS LURC Ririe #7

- No lien Holder Letter
- No ESPA data entry spreadsheet
- Period of use 4/01-10/31
- Exhibit 2 of the Special Water Right Transfer Agreement is missing.

LDS LaBelle #8

- POU is described incorrectly. Should include the NWSW, 04N, 39E, Section 3.
- Which 2.4 acres will be irrigated?
- Need ESPA data Entry spreadsheet
- Lien Holder statement
- Period of use 4/01-10/31
- Exhibit 1 of the special agreement allows for .03cfs to be transferred. Transfer shows .04 cfs.
- Exhibit 2 of the Special Water Right Transfer Agreement is missing.

LDS Welfare Farm #9

- Need ESPA data entry spreadsheet
- Period of use 4/01-10/31.
- Exhibit 2 of the Special Water Right Transfer Agreement is missing.

Brower #10

- Ownership issue 35-14019 located in the SWSW and SESE, 01S, 33E, Section 36

Jordan, Blake

From: Weaver, Mathew
Sent: Wednesday, July 13, 2011 4:09 PM
To: Jordan, Blake
Cc: Peppersack, Jeff
Subject: RE: Idaho Water Co. ESPA analysis for 6 offsetting xfers

Blake,

I'm trying to get up to speed with you. Using the Cannon-Shelley transfer as an example. Doesn't 31.4 acres have a field headgate diversion volume of 125.6 AFA (4 x 31.4) and a consumptive volume of 94.2 AFA (3x31.4)? When evaluating a transfer with a change in nature of use don't we compare historic consumptive use with proposed future consumptive use? If so, the historic CU would be 31.4 AF/trimester (94.2 / 3) and the future CU would be 28.5 AF/trimester (85.6 / 3).

The scenario I am concerned about is one in which the transferred volume of water is being ramped up in use (or conversely ramped down in non-use) at the new location as a means of mitigation—i.e. **Transfer #4 (23% to 68% to 91% to 100% at year 18)**. In this instance, the irrigation headgate volume is 125.6 AFA, if Jason does not decrease the volume to the proposed consumptive use volume (85.6 AFA) until the water is *"allowed for diversion at the proposed new places of use"* (whatever that means) **is he gaining an advantage by mitigating with an artificially inflated volume of water—i.e. the field headgate volume associated with the historic irrigation as opposed to the new lesser consumptive use volume.**

I think we need to point out to Jason the inconsistency in his approach. If he can show us that it does not decrease his mitigation obligations then I don't think he needs to change it this time, but the next time we would expect him to model it correctly. By which I mean to use the historic consumptive volume associated with irrigation at the "From" location and the proposed consumptive volume associated with the new use at the new "To" location.

I sure hope that made sense. If not give me a call.

Mat

From: Jordan, Blake
Sent: Wednesday, July 13, 2011 12:53 PM
To: Weaver, Mathew
Subject: RE: Idaho Water Co. ESPA analysis for 6 offsetting xfers

Mat

I ran the model to simulate the nature of use reduction. The cannon Shelley transfer is seeking to dry up 31.4 acres (125.6 af, 41.9 af/tri) for commercial and stockwater purposes at a dairy. The consumptive portion of the 31.4 acres comes out to be 85.6 af. The proposed water use after the transfer will be 85.6 af(28.5 af/tri).

From what I see, no mitigation is required.

Copies of the analysis; including the transient analysis at each time step can be found (P:\BJordan\IDAHOWATER CO ESPA ANALYSIS).

The new analysis will be labeled: Cannon_Shelley_#2_Volume_Reduced.xlsm
TRANSIENT ANALYSIS_CannonShelley_Reduction_IDAHO WATER CO 6XFERS OFFSET.xlsm
Mitigation Analysis Tool_CannonShelley_Volume_Reduced 12-16-09.xlsm

Look at my data entry for the new model run to make sure it looks ok.

Blake

From: Weaver, Mathew
Sent: Wednesday, July 13, 2011 9:05 AM
To: Jordan, Blake
Subject: RE: Idaho Water Co. ESPA analysis for 6 offsetting xfers

Blake,

Just tried to call you but you were already preoccupied with the phone. Give me a call when you get a chance to discuss.

Mat

From: Jordan, Blake
Sent: Monday, July 11, 2011 11:58 AM
To: Weaver, Mathew
Subject: Idaho Water Co. ESPA analysis for 6 offsetting xfers

Mat,

I have reviewed Jason Helm's ESPA analysis for Idaho Water Co. 6 offsetting transfers. Doing my own analysis for the transfers, I find both steady state and transient off set each other for the six transfers. I was wondering if you could look at what Jason submitted and my analysis for concurrence? You can find my analysis and a copy of Jason Helms analysis under the p drive (P:\BJordan\IDAHOWATER CO ESPA ANALYSIS).

Thanks,
Blake