

Lester, Steve

From: Lester, Steve
Sent: Thursday, June 23, 2011 7:58 AM
To: 'Rex Barrie (waterdistrict63@qwestoffice.net)'
Subject: Golf Course Transfer
Attachments: Crane Creek Golf Course.pdf

Contacts: Rex Barrie

Rex:

Crane Creek Golf Course near Bogus Basin Road in Boise filed a transfer application to add some land to their set up. This only increases the total area in which they can use their rights, nothing else changes. Two rights are for wells (several regular wells and a bunch of old artesian wells) not subject to Watermaster regulation, but the third right is for Crane Creek, tributary to the river.

The transfer does not need legal notices. It is being expedited per request to help them out. The transfer can be approved once your comments are received. Approval will include standard Watermaster controls for the creek water right.

Please review the attached copy of the application and let me know what you think. Your reply within a few days will be very helpful. Thanks for your help.

Steve Lester
Water Rights Supervisor
IDWR Western Region
208-334-2190



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

June 15, 2011

RECEIVED

C. L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Interim Director

JUN 15 2011

Crane Creek Country Club, Inc.
C/O SPF Water Engineering
Attn: Lori Graves
300 E Mallard DR, Suite 350
Boise, ID 83706

WATER RESOURCES
WESTERN REGION

COPY

RE: Crane Creek Country Club Inc. Water Supply Bank Lease Applications

Dear Ms. Graves:

On May 27, 2011 our office received Water Supply Bank lease applications for water rights 63-3108, 63-32114, and 63-32115 from your office in the name of Crane Creek Country Club Inc. Review of these applications revealed several issues that will need to be addressed prior to moving forward with Water Supply Bank leasing process.

It appears from the review, that water right transfer 77271 was submitted on these water rights. In this water right transfer, there appears to be approximately 13 acres that would be included in the 27.4 acres described in the water bank leases. We are not allowed to accept water rights into the Water Supply Bank that cannot be rented. If the 13 acres were rented out of the Water Supply Bank, then your client would not be able to develop their water right transfer in the year development period generally allowed. Therefore, we have determined that it would be in the best interests of everyone involved to hold these Water Supply Bank leases until the water right transfer is complete, and only place the 14.4 acres that are not involved in the water right transfer into the Water Supply Bank. This way we would be able to prevent any issues that would prevent the water right transfer to be developed in a timely fashion.

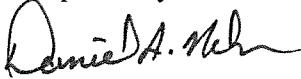
Another issue arose concerning the overlapping water right permit 63-12596. If it is determined in the licensing process that water right permit 63-12596 supplies water to the 14.4 acres being placed into the Bank, then this water right would need to be included in the Water Bank lease package to avoid expansion of the other water rights. We have determined that it would be best to expedite the licensing of water right 63-12596 to prevent any expansion of the water use of the portion of the water rights being placed in the Water Supply Bank. We will ask that you send a Water Supply Bank lease for 63-12596 if it is determined to be attached to the portion of the existing water rights being placed into the Water Supply Bank. There will be no fee for this additional application, since the maximum allowable fee for this property has already been met.

Therefore, we will hold the Water Supply Bank leases for Crane Creek Country Club Inc. until the administrative processes for water right transfer 77271 and water right permit 63-12596 are resolved. Upon resolution of these processes, the Water Supply Bank leases will be revisited and any approvals of these applications will be made retroactive to the date the applications were received to avoid any issues that may arise due to forfeiture. This should prevent any conflict with the other administrative processes currently under way.

Generally, we don't hold applications any longer than 14 days, but we have decided to make an exception in this case, because the water right transfer and the permit licensing have both been expedited and are well on their way to resolution. I would like to ask you to review your records and determine the exact amount of each of these water rights that will be placed into the Water Supply Bank after the water right transfer is complete, and amend the applications that have already been submitted. This will not need to be done until the water right transfer and the licensing processes have been completed.

If you have any questions or concerns please contact me at the above address.

Respectfully,

A handwritten signature in black ink, appearing to read "Daniel A. Nelson". The signature is fluid and cursive, with the first name "Daniel" being more prominent.

Daniel A. Nelson
Staff Hydrologist
Planning Bureau
Idaho Department of Water Resources
Telephone # (208) 287-4856

Cc Steve Lester

Lester, Steve

From: Lori Graves [LGraves@spfwater.com]
Sent: Monday, June 06, 2011 12:49 PM
To: Lester, Steve
Subject: RE: Crane Creek Country Club transfer
Attachments: DC-260-B4C6F6438.pdf

Steve,

Attached is CCCC's lease agreement with Highlands, Inc. The lease agreement authorizes CCCC to expand the golf course on the subject property under "Tenant's Improvements". Please let me know if you have any further questions or need any additional info. Thanks Steve.

From: Lester, Steve [<mailto:Steve.Lester@idwr.idaho.gov>]
Sent: Tuesday, May 24, 2011 3:18 PM
To: Lori Graves
Subject: Crane Creek Country Club transfer

Lori:

I am working on this one and need one piece of additional information. Please provide a document of some sort confirming either (a) ownership of the new land to be included in the place of use, or (b) possessory interest in that new land if not yet owned by the applicant (example: purchase contract, lease etc.). This will document the applicant's authority to operate water rights on the new acres.

I checked the tax lot information, but it states that Highlands Inc. owns the land – maybe not updated yet.

I will be out 5/25-6/1 and back in action 6/2 if you need to discuss. Thanks for your help.

Steve

*LEASE to operate
ON NEW ACRES*



When Recorded Please Return to:

Christopher J. Beeson
Givens Pursley LLP
601 West Bannock Street
Boise, Idaho 83702

MEMORANDUM OF GROUND LEASE

THIS MEMORANDUM OF GROUND LEASE is made as of the 8th day of February, 2010, between The Highlands, Inc., an Idaho corporation ("Landlord"), and Crane Creek Country Club, Inc., an Idaho non-profit corporation ("Tenant").

1. GROUND LEASE. Landlord and Tenant have entered into a Ground Lease of even date herewith for the Leased Premises as described below. This Memorandum of Ground Lease is subject to all conditions, terms and provisions of the Ground Lease, which agreement is hereby adopted and made a part hereof by reference to the same in the same manner as if all the provisions thereof were copied herein in full.

2. LEASED PREMISES. That certain parcel of land together with all appurtenances located in the County of Ada, State of Idaho, as more particularly described in Exhibit "A" attached hereto, and as shown on the plot plan attached hereto as Exhibit "B".

3. LEASE TERM. The term of the Ground Lease is for ninety-nine (99) consecutive years ("Term") commencing on the date of this Memorandum of Ground Lease, and terminating on the ninety ninth (99th) anniversary of the commencement date of the Term.

4. LANDLORD'S TITLE. Landlord covenants in the Ground Lease that there shall be no mortgage, deed of trust or other lien or any encumbrance on the Leased Premises prior to the Ground Lease or prior to this recorded Memorandum of the Ground Lease other than the Permitted Title Exceptions as defined in the Ground Lease.

5. TENANT'S IMPROVEMENTS.

5.1 Tenant may, at Tenant's expense construct on the Leased Premises golf course related improvements, including, without limitation, those customary to golf course holes, fairways, tee boxes, landscaping, hazards, water courses, sprinkler systems (including pump houses), cart paths, restroom facilities, and trash receptacles, but excluding (i) any maintenance or other buildings except those specifically noted above, and (ii) material storage yards other than for materials or equipment which are temporary and directly related to maintenance and repair activities being conducted. Tenant may make such repairs, additions, alterations and improvements thereto as Tenant may deem desirable. Landlord shall not be obligated to maintain, replace or reconstruct any improvements thereon.

5.2 Fee title to all improvements constructed on the Leased Premises by Tenant and all additions, alterations and improvements thereto made by Tenant, even though a part of the realty, shall be and shall remain in Tenant during the Term of the Ground Lease.

6. TENANT'S RIGHT TO ACQUIRE THE LEASED PREMISES. Tenant has the right to acquire the Leased Premises on the terms and conditions provided in the Ground Lease.

7. CONDITIONS OF GRANT OF LEASE. Tenant's leasehold estate is subject to termination and reversion to Landlord on the terms and conditions in the Ground Lease related to continued use of the Leased Premises for golf course purposes.

8. GENERAL PROVISIONS.

8.1 All of the provisions contained in the Ground Lease are binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

8.2 The captions and headings in this Memorandum of Ground Lease are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions or agreements contained herein or in the Ground Lease. Capitalized terms not defined herein shall have the meanings given to them in the Ground Lease.

8.3 In construing the provisions of the Ground Lease and whenever the context so requires, the use of a gender shall include all other genders, the use of the singular shall include the plural, and the use of the plural shall include the singular.

8.4 Nothing contained herein or in the Ground Lease shall, be deemed to be a gift or dedication of any portion of the Leased Premises to the general public or for the general public or for any public purpose or benefit whatsoever, it being the intention of the parties that the Ground Lease shall be strictly limited to and for the purposes expressed therein.

8.5 The provisions of the Ground Lease do not create, nor shall they be in any way interpreted or construed to create, a joint venture, partnership, or any other similar relationship between the Landlord and Tenant.

8.6 The Ground Lease is not intended to create, nor shall it be in any way interpreted or construed to create, any third party beneficiary rights in any person not a party to the Ground Lease.

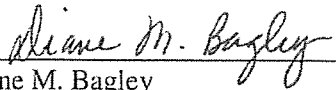
8.7 In the event of a conflict between the terms of the Ground Lease and this Memorandum of Ground Lease, the Ground Lease shall prevail. Reference should be made to the Ground Lease for a more detailed description of all matters contained in this Memorandum of Ground Lease.

[Signature Page Follows]

EXECUTED as of the date first above written.

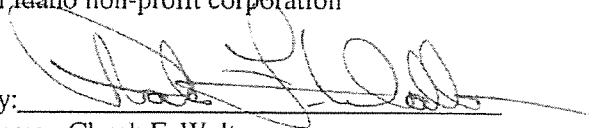
LANDLORD:

THE HIGHLANDS, INC., an Idaho
corporation

By: 
Name: Diane M. Bagley
Its: President

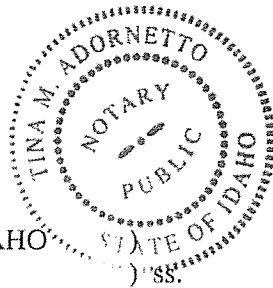
TENANT:

CRANE CREEK COUNTRY CLUB, INC.,
an Idaho non-profit corporation

By: 
Name: Chuck F. Walter
Its: President of the Board of Directors

STATE OF IDAHO)
) ss.
County of Ada)

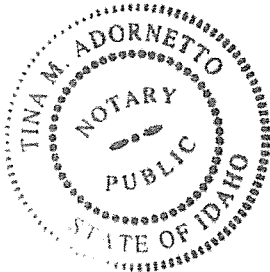
On this 9th day of FEBRUARY, 2010, before me, a Notary Public in and for said State, personally appeared DIANE M. BAGLEY, known or identified to me to be the President of The Highlands, Inc., the corporation that executed the instrument or the person who executed the instrument on behalf of such corporation and acknowledged to me that such corporation executed the same.



Tina M. Adornetto
Notary Public for the State of Idaho
Residing at Boise Idaho
My Commission expires: 5-7-2015

STATE OF IDAHO)
) ss.
County of Ada)

On this 9th day of FEBRUARY, 2010, before me, a Notary Public in and for said State, personally appeared CHUCK F. WALTER, known or identified to me to be the President of the Board of Directors of Crane Creek Country Club, Inc., the corporation that executed the instrument or the person who executed the instrument on behalf of such corporation and acknowledged to me that such corporation executed the same.



Tina M. Adornetto
Notary Public for the State of Idaho
Residing at Boise Idaho
My Commission expires: 5-7-2015



December 16, 2009
Page 2 of 3

THE LAND GROUP, INC.

Form of Memorandum of Lease
Exhibit A
Leased Premises

Thence following said northerly boundary line, North 86°19'58" West a distance of 302.80 feet to a point;

Thence following said northerly boundary line, South 46°37'39" West a distance of 286.34 feet to the POINT OF BEGINNING.

The above-described tract of land contains 18.35 acres, more or less, subject to any existing easements or rights-of-way.

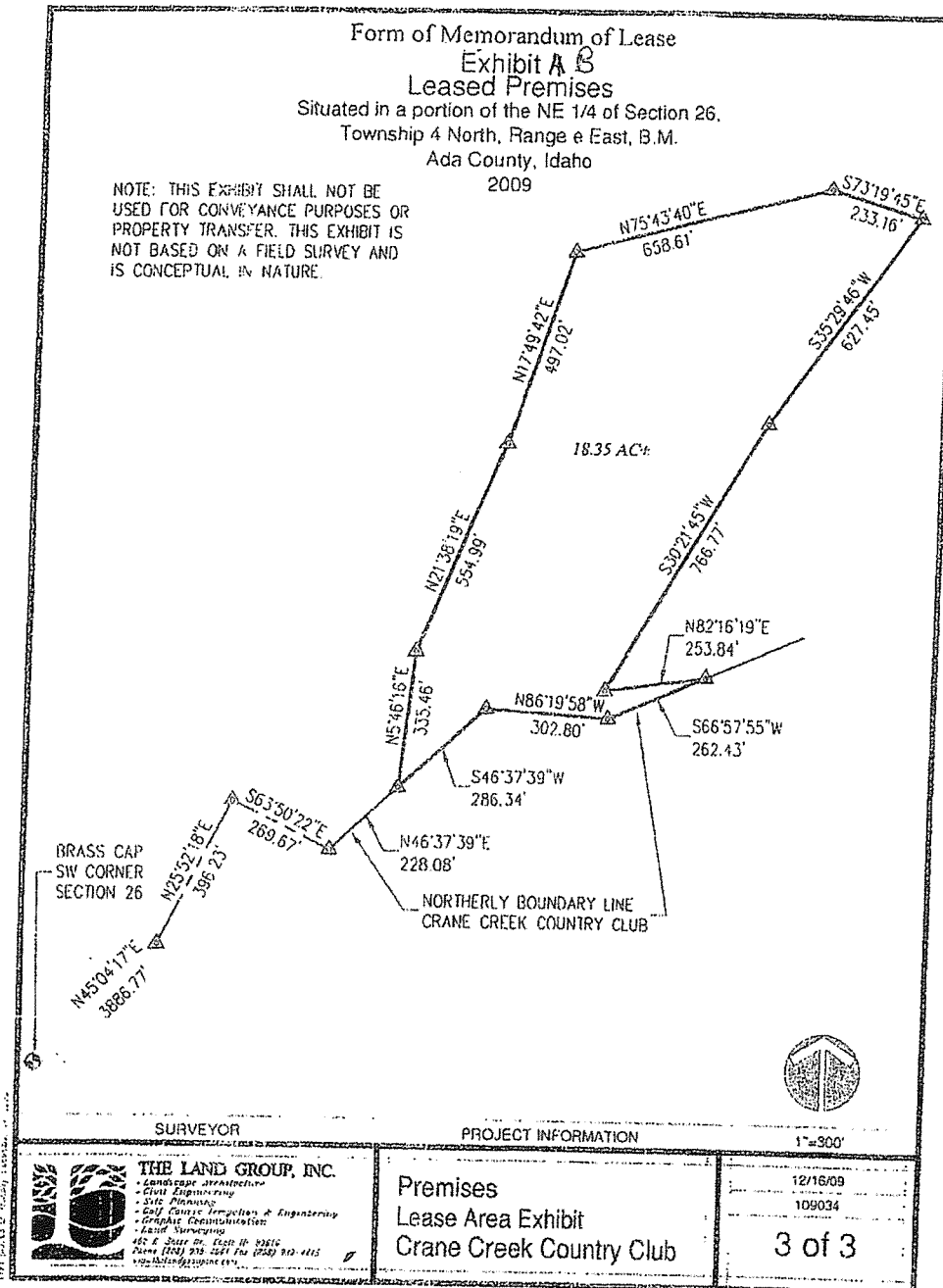
Attached hereto is Exhibit "B" and by this reference is made a part thereof.

Prepared By: THE LAND GROUP, INC.
462 E. SHORE DRIVE
EAGLE, IDAHO 83616
208-939-4041
208-939-4045 (FAX)

The Land Group, Inc. is a full-service land use and planning firm. We provide a wide range of services including site planning, civil engineering, and environmental consulting. Our experienced staff is dedicated to providing high-quality service to our clients. For more information, please contact us at 208-939-4041 or visit our website at www.thelandgroupinc.com.

Memorandum of Ground Lease

Exhibit "B" Plot Plan of Leased Premises



Lester, Steve

From: Lester, Steve
Sent: Tuesday, May 24, 2011 3:18 PM
To: 'lgraves@spfwater.com'
Subject: Crane Creek Country Club transfer

Contacts: Lori Graves

Lori:

I am working on this one and need one piece of additional information. Please provide a document of some sort confirming either (a) ownership of the new land to be included in the place of use, or (b) possessory interest in that new land if not yet owned by the applicant (example: purchase contract, lease etc.). This will document the applicant's authority to operate water rights on the new acres.

I checked the tax lot information, but it states that Highlands Inc. owns the land – maybe not updated yet.

I will be out 5/25-6/1 and back in action 6/2 if you need to discuss. Thanks for your help.

Steve

NEED more info