

MEMORANDUM

TO: Water Rights File 37-38 and 37-404A
FROM: Daniel A. Nelson
DATE: June 16, 2011
SUBJECT: Smokey Dome LLC Water Supply Bank *Lease* Rental Application

SUMMARY

James P. Speck of Speck and Aanestad filed two Water Supply Bank applications on behalf of Smokey Dome LLC lease all of water rights 37-38 and 37-404A for an indefinite period of time. Water right 37-38 is for 1.50 cfs for 78.9 acres of irrigation. Water right 37-404A is for 0.12 cfs for the same 78.9 acres of irrigation. When both rights are combined, they shall not exceed 78.9 acres of irrigation. Both water rights were decreed on January 1, 2010, so there are no issues with forfeiture.

AUTHORITY TO FILE

The tax lot information and other ownership information suggest that Smokey Dome LLC is the current owner of the property. The Idaho Secretary of State website shows that Greg Vik is the manager of Investments Manager LLC, which is the managing corporation of Smokey Dome LLC. Mr. Vik is also listed as the manager of Smokey Dome LLC, and has the authority to file and sign this application.

SUFFICIENCY OF SUPPLY

There is no evidence to suggest that the sufficiency of water supply would be an issue for this water bank lease.

INJURY

There is nothing to suggest that putting these water rights into the water bank would cause injury to other water users.

ENLARGEMENT

No enlargement is being proposed. If this water right is rented, a closer inspection of historic consumptive use of this industrial use may be needed to rent this water right.

BENEFICIAL USE

The application proposes beneficial use consistent with conservation of water resources in Idaho.

LOCAL PUBLIC INTEREST

There is nothing to suggest that these are not in the local public interest.

WATER DISTRICT

These water rights are in Water District 37C. I have contacted the watermaster of 37C, and his only concern was that he needed to be contacted prior to rental of the water from the water bank. **Therefore, a condition will need to be included stating that rental of this water right cannot occur until the watermaster has been contacted.**

RECOMMENDATION

I recommend that all of water rights 37-38 and 37-404A be leased to the water bank. The lease term will need to be prorated from July 30, 2010 to July 30, 2015. Whereas both of these water rights are on the same exact 78.9 acres, the water rights will need to be leased from the Water Supply Bank in combination. When combined these water rights cannot exceed 78.9 acres.