

MEMORANDUM

To: Water Right File No(s). 95-4597 and 95-8262

From: Monica Van Bussum

Date: June 2, 2011

Re: Review of Application to Lease a Water Right to the State Water Supply Bank

PURPOSE/NARRATIVE: On April 9, 2009, the Department received applications to lease all of 95-4597 and 95-8262 to the Water Supply Bank. The applications stated Mill Sites Inc had received a small percentage of the water rights and the applications were filed jointly by Mill Sites and Stimson Lumber. We have been unable to find any evidence the change of ownership documentation was ever filed. I have been in regular correspondence with Mike Lawrence, attorney for the applicants, and Scott King, consultant for the applicants. They have not filed additional ownership documentation.

Per a telephone conversation on May 13, 2011, Mike Lawrence told me to proceed with processing the applications solely in the name of Stimson Lumber until he could file appropriate ownership documentation.

95-4597 is not eligible for acceptance into the Bank because Water Supply Bank Rule 25.02.a says the water right must have been verified by a prior adjudication or through the permitting/licensing process. 95-8262 has gone through the licensing process and is eligible for acceptance into the Bank.

Both water rights will be included in the NIA. 95-4597 will be verified at that time and the extent of change, if any, will be verified for 95-8262.

AUTHORITY TO FILE: The applications were signed by Jeff Webber, VP of Manufacturing for Stimson Lumber.

WATER RIGHT VALIDITY: The applicant states the water right was fully utilized in 2005 and in January 2006, mill operations were curtailed. The application enclosed a water use chart from 2005.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against 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 appear to be consistent with conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

None.