

MEMORANDUM

To: File(s) 36-16683

From: Monica Van Bussum

Date: December 10, 2010

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

PURPOSE/NARRATIVE: On September 30, 2010, the Department received a rental application from Bill and Susan Millenkamp to rent water for their commercial dairy operation and 3 acres of irrigation from ground water.

Gary Funderburg of TSK Enterprises is acting as their consultant in this manner. Cindy Yenter, watermaster for Water District 130, questioned the amount of water requested for commercial, saying it was too much. I spoke with Gary on November 29, 2010, and he said the Millenkamps need 24 AF to make up for what they used in 2009 and need 61 AF (for a total of 161AF with their other water rights, which was the value used on the application – see the emails from Cindy Yenter attached to this memo) for 2010 through 2014. I have prepared two approvals, one for 2009 and one for 2010-2014, that reflect the desired amounts.

It's important to note that right 36-16683 was for irrigation and the rental is partly for commercial, so the Millenkamps are required to rent the entire field headgate requirement but are limited to the consumptive requirement. This is detailed in the cover letter for the rental, which I have copied here:

You will notice the volume amounts between the first and second pages of both agreements will be different. This reflects the change in nature of use required by this rental. The water right leased is for irrigation and the rental you require is commercial for a dairy operation. The rental shows a total volume for commercial of 48 AF for 2009 and 96 AF for 2010 through 2014 because the original right included the field headgate requirement for irrigation. However, because part of your rental is for commercial, you are limited to the consumptive use, which is 24 AF for 2009 and 61 AF per year for 2010 through 2014. If you had been able to use the field headgate requirement, these amounts would be 32 AF and 84 AF, respectively. You are required to pay for the full field headgate requirement.

AUTHORITY TO FILE: The application was signed by the Millenkamps.

WATER RIGHT VALIDITY: 36-16683 was recently leased to the Bank and was a valid right upon acceptance.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is apparent.

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. The applicant/owner has been operating under an approved permit and a right licensed with the State of Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

See attached emails.