

MEMORANDUM

TO: Water Right Files 51-13007, 51-13008, 51-13035, and 51-13037
FROM: Daniel A. Nelson
DATE: September 14, 2010
SUBJECT: Standlee Family Partnership LLC. Water Supply Bank Rental Application

SUMMARY

Standlee Family Partnership LLC filed four water bank leases and a water bank rental on June 14th, 2010. The lease applications request to lease a total of 220.3 acres, 2.84 cfs, and 880.9 acre feet into the water bank indefinitely from the above water rights. The rental application requests to lease 1.58 cfs and 504 afa to irrigate 126 acres from the water bank for a five year period using the leases from the water rights mentioned above. I recommend that only water rights 51-13007 and 51-13008 be used for the water bank rental. By using these two water rights we can achieve a 126 acres, 504 acre feet, and diversion rate of 1.65 cfs when the two rights are combined. The diversion rate should be reduced to match the rental request. This is the closest combination that can be used to achieve the diversion rate requested in the rental request.

AUTHORITY TO FILE

There were some issues with ownership and signatory authority on this application. However, a change of ownership was submitted and a reformation of the partnership has clarified these issues. There does not appear to be any problems at this point.

SUFFICIENCY OF SUPPLY

The leases and the rental requests are all in the Blue Gulch Critical Ground Water Management Area, but the movement of the water is within the borders of the Critical Ground Water Management Area. This rental proposal is generally within a mile or two of the leased rights existing location.

INJURY

No water rights were found between the lands being leased and the rental place of use that are not owned by the applicant. No injury is anticipated.

ENLARGEMENT

This rental will actually reduce the combined diversion rate by 0.02 cfs.

BENEFICIAL USE

The purpose proposed does qualify as a beneficial use.

LOCAL PUBLIC INTEREST

There is nothing to suggest that this leases and rental are not within the local public interest.

WATER DISTRICT

This area is not currently within an active water district.

RECOMMENDATION

This memo addresses four water bank leases and one water bank rental. To maintain order, I will address the water bank leases first. The lease applications all request to lease a portion of each of the four water rights to the water bank for an indefinite period. The water bank leases should have the following rates and conditions:

Water Right 51-13007:

WATER BANK PORTION:

The water bank portion will be for 42.3 acres, 0.85 cfs, and 169.2 acre feet.

This right will need a combined condition that states, "When water rights 51-13007 and 51-13008 are combined they are limited to 1.79 cfs.

REMAINING WATER RIGHT PORTION:

The remaining water right portion will be for 157.7 acres, 3.15 cfs, and 630.8 acre feet.

This right will need a combined condition that states, "When water rights 51-13007 and 51-13008 are combined they are limited to 1.79 cfs.

Water Right 51-13008:

WATER BANK PORTION:

The water bank portion will be for 94.3 acres, 1.70 cfs, and 377.2 acre feet.

This right will need a combined condition that states, "When water rights 51-13007 and 51-13008 are combined they are limited to 1.79 cfs.

REMAINING WATER RIGHT PORTION:

The remaining water right portion will be for 225.7 acres, 4.06 cfs, and 902.8 acre feet.

This right will need a combined condition that states, "When water rights 51-13007 and 51-13008 are combined they are limited to 1.79 cfs.

Water Right 51-13035:

WATER BANK PORTION:

The water bank portion will be for 1.8 acres, 0.02 cfs, and 7.2 acre feet.

This right will need a combined condition that states, "When water rights 51-13035 and 51-13037 are combined they are limited to 83.7 acres and 334.5 afa.

REMAINING WATER RIGHT PORTION:

The remaining water right portion will be for 134.4 acres, 1.75 cfs, and 544.8 acre feet.

This right will need a combined condition that states, "When water rights 51-13035 and 51-13037 are combined they are limited to 169.2 acres and 683.5 afa.

Water Right 51-13037:

WATER BANK PORTION:

The water bank portion will be for 81.9 acres, 1.03 cfs, and 327.6 acre feet.

This right will need a combined condition that states, "When water rights 51-13035 and 51-13037 are combined they are limited to 83.7 acres and 334.5 afa.

REMAINING WATER RIGHT PORTION:

The remaining water right portion will be for 109 acres, 1.40 cfs, and 443.2 acre feet.

This right will need a combined condition that states, "When water rights 51-13035 and 51-13037 are combined they are limited to 169.2 acres and 683.5 afa.

It does need to be noted that the combined acres in the remaining water rights condition for 51-13035 and 51-13037 have been reduced in Township 10 South, Range 12 East, Section 1, NWSW by 3.6 acres. Both water rights overlap the same 40 acres in the NWSW. Each of the water rights request to enter 1.8 acres into the water bank, and the map shows that 3.6 acres will be retired. Therefore, the remaining rights need to be reduced by 3.6 acres, so that the entire 3.6 acres is retired. The place of use for the remaining portion of both water rights 51-13035 and 51-13037 will need to show that there are 36.4 acres in Township 10 South, Range 12 East, Section 1, NWSW. The water bank leases can show the 1.8 acres for in this area as the portion being retired, as long as the remaining water rights show that only 36.4 acres can be irrigated when the two rights are combined or separately.

With the conditions and clarification to the NWSW of Section 1, there does not appear to be any reason these leases should not enter the water bank.

The water bank rental provides a logistical problem of trying to determine a way to attain a rental of 126 acres, 1.58 cfs and 504 acre feet to rent out of the four water rights leased to the water bank. The acreage amounts and volume amount are not an issue. However, the diversion rate is problematic. The closest I could come to meeting the 1.58 cfs was using the combined diversion rate for water rights 51-13007 and 51-13008. The combined diversion rate for these two water rights for 126 acres is 1.65 cfs. A diversion rate of 1.65 cfs is 0.07 cfs above what was requested, but it is less than 5% over the diversion rate requested. Since the combined diversion rate limitation allows the diversion rate to be moved back and forth between the two water rights, the rental agreement can reduce the amount of the combined limitation to the 1.58 cfs, and the remainder of the combined diversion rate can be placed on the portion of the water right remaining in the water bank as long as the remaining combined diversion rate does not exceed the diversion rate allowed by the remaining water right. Therefore, I recommend the following:

Approval of Water Bank Rental:

Approve a rental of water right 51-13007 for 42.3 acres, 0.85 cfs, and 169.2 acre feet.

Approve a rental of water right 51-13008 for 83.7 acres, 1.51 cfs, and 334.8 acre feet.

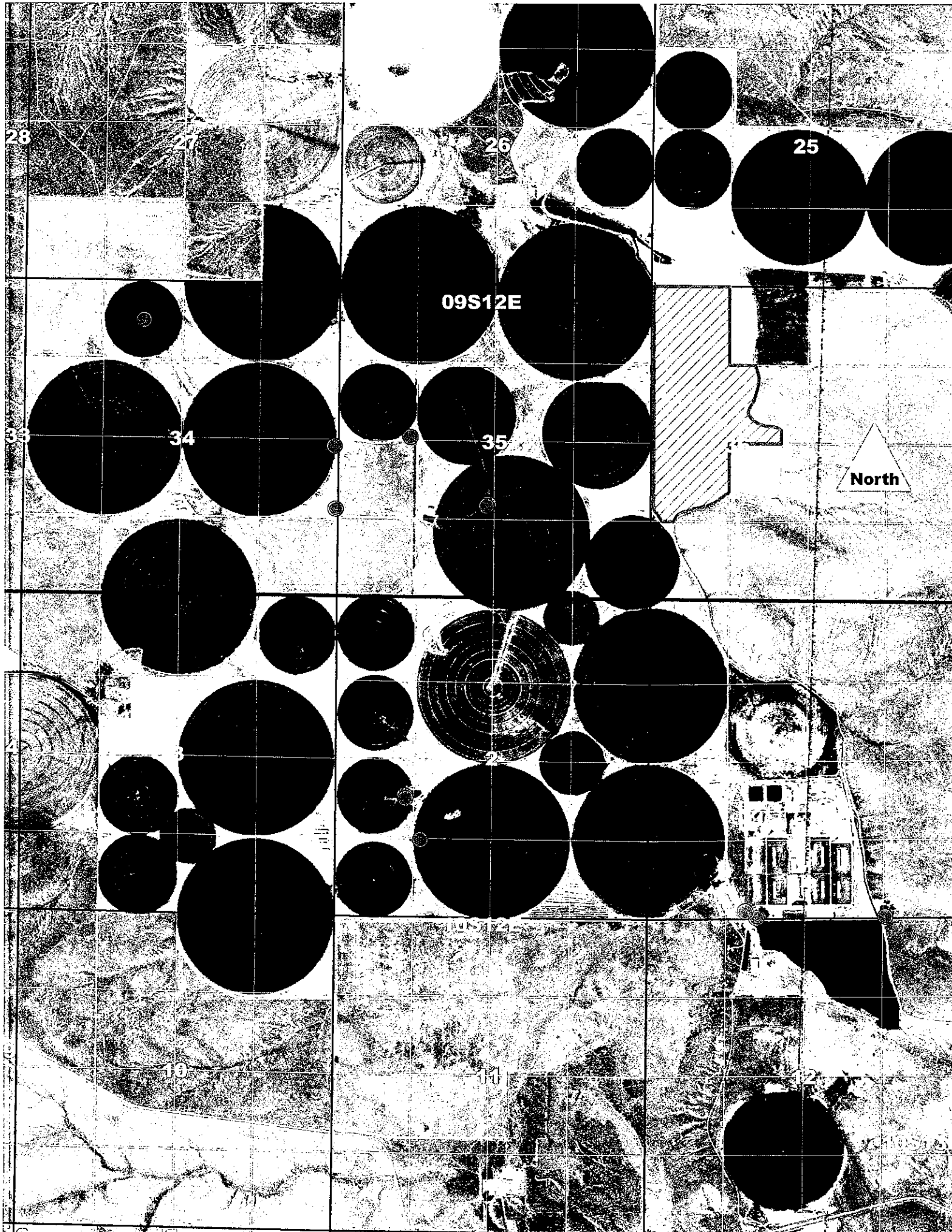
When combined the water bank rental for water rights 51-13007 and 51-13008 are limited to 1.58 cfs.

The remaining portion of water right 51-13008 that will be left in the water bank will be limited to 10.6 acres, 0.19 cfs, 42.4 acre feet.

Please note that the diversion rate for the portion remaining in the water bank by determining the diversion rate allowed by water right 51-13008. The 0.19 cfs allowed on the remaining portion of 51-13008 is 0.02 cfs less than the remaining portion of the combined diversion rate. The remaining portion of the combined diversion rate was calculated by subtracting the combined diversion rate of the rental of 1.58 cfs from the total combined portion of the diversion rate leased to the bank of 1.79 cfs for a remaining amount of 0.21 cfs. Since this is a combined diversion rate condition, it can be re-instituted back to the 1.79 cfs once the water bank rental is returned to the water bank. Using this method, the portion of 51-13008 remaining after the water bank lease can still be leased from the water bank without affecting the existing rental proposal. Therefore, an additional condition should be added as follows:

When rental for this water right is returned to the bank and portion of water rights 51-13007 and 51-13008 are re-combined, the combined diversion rate for these two water rights will be 1.79 cfs.

The water bank leases have been submitted indefinitely, and the water right rental was submitted for 5 years. As long as the above separations and conditions are included, I can find no reason to approve these water bank leases and the water bank rental.



MEMORANDUM

TO: Aaron Marshall

FROM: Daniel A. Nelson

DATE: 7/9/2009

SUBJECT: Water Bank Leases/Rental for Standlee Family Limited Partnership

My initial review of the water bank leases for water rights 51-13007, 51-13008, 51-13035, and 51-13037 in the name of Standlee Family Limited Partnership, and the water bank rental in the name of Standlee Family Limited Partnership has revealed that Standlee Family Limited Partnership are not listed as the owners of water rights 51-13007, 51-13008, 51-13035, and 51-13037. The Idaho Department of Water Resources (Department) tax lot records do show that Standlee Family Limited Partnership owns the property associated with the water rights, but I cannot find that a change of ownership has been filed on these water rights.

Another issue is that the Idaho Secretary of State Business Search website shows that the only trustee of the Standlee Family Limited Partnership is Michael Standlee. All of the lease and the rental applications are signed by Dusty Standlee. Therefore, even if the ownership change information had been completed, the applications would still not be acceptable unless Michael Standlee signed the applications.

A letter requesting a change of ownership and a power of attorney that allows Dusty Standlee to sign these applications for the Standlee Family Limited Partnership.

FILED EFFECTIVE

280



CERTIFICATE OF LIMITED PARTNERSHIP

(Instructions on back of application)

2009 DEC 29 PM 1:33

A/C #1117

Our File No. 24388.0

SECRETARY OF STATE
STATE OF IDAHO

1. The name of the limited partnership:

Standlee Family Limited Partnership

2. The mailing address of the principal office:

826 S. 1700 E., Eden, Idaho 83325

3. The name and business address of the registered agent:

Idaho Service Company, 101 S. Capitol Blvd., 10th Floor, Boise, ID 83701

4. The name and mailing address of each general partner:

NameAddressStandlee Management Trust, Michael G. Standlee, Trustee 826 S. 1700 E., Eden, ID 83325

(If more space is needed, continue on form 6.)

5. This limited partnership
- ☒
- is not
- ☐
- is a limited liability limited partnership.

(If you check that your partnership is a limited liability limited partnership, your partnership name must end in LLP or Limited Liability Limited Partnership.)

6. Other matters (optional):

7. Signature of all general partners:

Michael Standlee, Trustee

Michael Standlee, Trustee

Typed Name

Typed Name

Typed Name

Typed Name

Secretary of State use only

IDAHO SECRETARY OF STATE

12/29/2009 05:00

CK: NONE CT: 1117 BH: 1201826

1 @ 100.00 = 100.00 LTD PTR DM # 2

1 @ 20.00 = 20.00 EXPEDITE C # 3

 Application of Limited
 Partnership Act
 Received 12/29/09

Web Form

BOLMT1401122

L6348