



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 2, 2009

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

ROGER DITTUS
UNITED WATER IDAHO INC
PO BOX 19420
BOISE ID 83719-0420

RE: WATER SUPPLY BANK APPLICATIONS TO LEASE AND RENT WATER RIGHT
NO. 63-7066

Dear Lessor/Renter:

The Department of Water Resources ("Department") has completed its review of your applications to lease water right no. 63-7066 to the Water Supply Bank ("Bank") and rent this right from the Bank. This right is accepted into the Bank in accordance with the enclosed Lease Acceptance. If you do not agree with the conditions of acceptance and would like to withdraw your water right from the Bank, you must contact the Department within thirty (30) days of receipt of this notification.

Also enclosed is a Rental Agreement for your review and signature. Upon signature and **return** of the original agreement, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

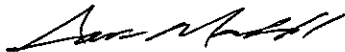
A total rental fee of \$2,100.00 was calculated based on the current rental rate of \$14.00 per acre-foot times a diversion volume of 150.0 acre-feet. Ten percent (10%) of the total rental fee is retained by the Department for administrative fees in accordance with Water Supply Bank Rules, IDAPA 37.02.03. The remaining ninety percent (90%) is issued back to the lessor of the above referenced water right in the form of a warrant. Since you are the lessor and the renter under this agreement, the Department requires that you submit only the portion of the total payment to be retained for administrative fees. Enclosed is a receipt for **\$210.00** paid for the administrative fees associated with the rental of 150.0 acre-feet of ground water for municipal use from May 6 to October 31, 2009. Please return the signed agreement to my attention within ten (10) days of receipt of this letter so I can complete the processing.

Please note that applications for rental of water must be reviewed in accordance with Idaho Code § 42-1763 and Water Supply Bank Rule 30 (IDAPA 37.02.03.030). This includes consideration of whether there will be injury to other water rights, whether the

proposal would constitute an enlargement of the water rights, whether the water will be put to a beneficial use, whether the water supply available from applicable rights in the Bank is sufficient for the use intended and whether the proposal is in the local public interest. While a one-year rental usually involves a general review of the water rights and proposed use, rental of water over multiple years may require more comprehensive review, notice to advise anyone who desires to protest the proposed water use, and approval by the Idaho Water Resource Board.

If you have any questions, please contact me at (208) 287-4943.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Marshall".

Aaron Marshall
Sr. Water Resource Agent

Enclosures: Copy of Lease Acceptance, Original Rental Agreement, Receipt

c: John Westra – IDWR Western Regional Office

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
WATER SUPPLY BANK RENTAL AGREEMENT

This is to certify that: UNITED WATER IDAHO INC
PO BOX 19420
BOISE ID 83719-0420
(208) 362-7325

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

	<u>Water Right</u>	<u>Rented Rate</u>	<u>Annual Rented Volume</u>	<u>Total Rented Acres</u>
	63-7066	1.56 CFS	150.0 AF	N/A
COMBINED RENTAL TOTALS:		1.56 CFS	150.0 AF	N/A

TERM OF RENTAL: May 6, 2009 to October 31, 2009

RENTAL FEE: \$210.00

The total fee for rental of the above-described water is \$2,100.00. The undersigned renter is also the lessor under this agreement, and is therefore obligated to pay only the administrative fee of \$210.00.

Detailed water right specific limitations and conditions attached.

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

Dated this _____ day of _____, 20_____.

By: _____
(Print Name) (Signature)

(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Section 42-1763, Idaho Code, and, IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and conditions herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board this ____ day of _____, 20_____.

DAVID R. TUTHILL, JR., Director
Department of Water Resources

**WATER RIGHT NO. 63-7066
WATER SUPPLY BANK RENTAL AGREEMENT**

The renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described below:

Renter: UNITED WATER IDAHO INC
PO BOX 19420
BOISE ID 83719-0420
(208) 362-7325

Priority Date: 02/28/1968

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
MUNICIPAL	01/01 to	12/31	1.56 CFS	150.0 AF
	Total:		1.56 CFS	150.0 AF

LOCATION OF RENTER'S POINT(S) OF DIVERSION:

GROUND WATER SE¼SE¼ Sec. 6 Twp 03N Rge 02E ADA County

RENTER'S PLACE OF USE: MUNICIPAL

Place of use is within the service area of United Water Idaho as provided for under Idaho law. The place of use is generally described as within the city limits of Boise and the surrounding service area.

CONDITIONS OF WATER USE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. After specific notification by the Department, the renter shall record the quantity of water diverted and report the information to the Department.
3. Rental of the specified right from the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in the ongoing Snake River Basin Adjudication or any other department application process.
4. Use of water under this agreement does not constitute a dedication of the water to renter's place of use and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
5. This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
6. This rental agreement does not authorize the construction of a well.
7. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
8. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
9. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
10. Renter acknowledges and agrees that the Director may terminate diversion of water if the Director determines there is not a sufficient water supply for the priority of the right or portion thereof being rented.
11. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
12. Point of diversion is locally known as the Maple Hill No. 1 well.