

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

RECEIVED

MAR 10 2008

DEPARTMENT OF
WATER RESOURCES

This is to certify that: CITY OF EAGLE
660 E CIVIC LN
PO BOX 1520
EAGLE ID 83616
(208) 331-1800

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

Water Right	Rented Rate	Annual Rented Volume	Total Rented Acres
63-32960	2.00 CFS	342.9 AF	N/A
COMBINED RENTAL TOTALS:	2.00 CFS	342.9 AF	N/A

TERM OF RENTAL: February 29, 2008 to December 31, 2012

RENTAL FEE: \$ 480.06 annually

The total fee for rental of the above-described water is \$ 4,800.60 per year. The undersigned renter has a private agreement with the lessor of this right, and is therefore obligated to pay only the administrative fee of \$480.06 annually. An annual payment shall be received by the Department of Water Resources prior to January 1, each year for the duration of the rental period. The agreement will be void if the payment is not received in a given year.

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 6th day of FEBRUARY, 20 08

By: Phil Brady
(Print Name)

[Signature]
(Signature)
Mayor
(Title if on behalf of company or organization)

Having determined that this agreement satisfies the provisions of Section 42-1763, Idaho Code, and, IDAPA 37.02.03030 (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 10th day of MARCH, 20 08.

[Signature]
FOR DAVID R. TUTHILL, JR., Director
Department of Water Resources

WATER RIGHT NO. 63-32960
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: CITY OF EAGLE
 660 E CIVIC LN
 PO BOX 1520
 EAGLE ID 83616
 (208) 331-1800

Priority Date: 10/06/1973

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	2 00 CFS	342.9 AF
	Total:		2.00 CFS	*342.9 AF

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

GROUND WATER	NW¼SW¼	Sec 3	Twp 04N	Rge 01E	ADA County
GROUND WATER	SW¼SW¼	Sec 3	Twp 04N	Rge 01E	ADA County
GROUND WATER	SW¼SW¼	Sec. 4	Twp 04N	Rge 01E	ADA County
GROUND WATER	SE¼NW¼	Sec 11	Twp 04N	Rge 01W	ADA County
GROUND WATER	NW¼SE¼	Sec 11	Twp 04N	Rge 01W	ADA County
GROUND WATER	SE¼SE¼	Sec. 11	Twp 04N	Rge 01W	ADA County

RENTER'S PLACE OF USE: MUNICIPAL

Place of use is within the service area of the City of Eagle municipal water supply system as provided for under Idaho Law

CONDITIONS OF WATER USE

- 1 The use of water under this agreement shall be subject to the provisions of Section 42-1766, Idaho Code
- 2 * The renter is not authorized to divert more than the consumptive use portion of 342.9 acre-feet of ground water for municipal purposes under this agreement, which is a total annual diversion volume of 266.7 acre-feet.
- 3 The diversion of water under this agreement, when combined with rental of permit no. 63-12448 in the amount of 0.80 cfs, and water permit nos. 63-32089 and 63-32090, shall not exceed a total combined diversion rate of 2.23 cfs.
- 4 This rental does not grant any right-of-way or easement to use the diversion works or conveyance works of another party.
- 5 This rental agreement does not authorize the construction of a well
- 6 Use of water under this agreement shall not prejudice any action of the Department in its consideration of any permanent application for permit filed by the applicant for this same use.
- 7 Renter agrees to comply with all applicable state and federal laws while using water under this agreement
- 8 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 or injury to other water rights while using water under this agreement

**WATER RIGHT NO. 63-32960
WATER SUPPLY BANK RENTAL AGREEMENT**

CONDITIONS OF WATER USE

9. Renter acknowledges and agrees that the Director may terminate diversion of water or require mitigation if the Director determines that diversion and use of water under this agreement causes injury to other water rights or that there is not a sufficient water supply for the priority of the right or portion thereof being rented.
10. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
11. The renter must diligently pursue a permanent water right to provide for the uses authorized under this rental agreement.
12. In the event that continued water use is not authorized, the renter agrees to hold the Board, the Director and the state of Idaho harmless from any claim for reimbursement or expenses associated with the development of new and supplemental water uses.
13. Prior to diversion of water under this agreement, the renter shall install and maintain a measuring device and lockable controlling works of a type acceptable to the Department as part of the diverting works.
14. Prior to diversion of water and during the term of this agreement, the renter shall comply with the conditions of approval set forth in the final order in the matter of applications to appropriate water nos. 63-32089 and 63-32090 in the name of the City of Eagle, issued by the Director of the Department of Water Resources on February 26, 2008.

