



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

February 29, 2008

C. L. "BUICH" OTIER
Governor

DAVID R. TUTHILL, JR.
Director

CITY OF EAGLE
660 E CIVIC LN
PO BOX 1520
EAGLE ID 83616

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-32960

Dear Renter:

The Department of Water Resources (Department) acknowledges receipt of your application to rent water from the Water Supply Bank (Bank). Please find enclosed a Water Supply Bank Rental Agreement for your review and signature. Upon signature and return of the original agreement, together with the rental fee described below, 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.

On the application you requested a rental diversion rate of 2.00 cfs and a diversion volume of 320.0 acre-feet. The diversion volume applied to this rental agreement is the amount proportional to the requested diversion rate based on the amount authorized under the water right(s) rented.

The total rental fee of \$4800.60 was calculated based on the current rental rate of \$14.00 per acre-foot times a diversion volume of 342.9 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 37.02.03.01. The remaining ninety percent (90%) is issued back to the lessor of the above referenced water right(s) in the form of a warrant. Since the lessor of the right is requesting that you only pay the administrative fee under this agreement, the Department requires that you submit only that portion of the total payment. Therefore, a rental fee of **\$480.06** must be paid in accordance with the rental agreement. Please send a check made payable to the Idaho Department of Water Resources together with the signed rental agreement. Return the signed agreement and fee to my attention within ten (10) days of receipt of this letter so I can complete the processing. An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if the payment is not received for a given year.

Please note that applications for rental of water must be reviewed in accordance with Section 42-1763, Idaho Code, and the Department's 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.

Please review the conditions of water use described in the agreement and contact me if you have any questions at (208) 287-4943.

Sincerely,

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

Aaron Marshall
Water Allocation Bureau

Enc: 1

c: John Westra – IDWR Western Regional Office
Bruce M Smith – Moore Smith Buxton & Turke

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

COPY

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 _____ 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 37.02.03030 (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 ____ day of _____, 20____.

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

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

COPY

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:			*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**

COPY

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