

COPY

BEFORE THE IDAHO WATER RESOURCE BOARD

A RESOLUTION TO APPROVE THE LEASE OF WATER RIGHT PERMIT 37-07842 TO THE WATER SUPPLY BANK

WHEREAS, the IDAHO WATER RESOURCE BOARD (IWRB) is the owner of water right permit 37-07842 which allows the diversion of water from the Big and Little Wood Rivers, subject to prior water rights, for aquifer recharge purposes; and

WHEREAS, the North Snake Ground Water District (NSGWD) has requested that the IWRB place a portion of water right permit 37-07842 into the Water Supply Bank so that a portion of the water right can be rented and used for aquifer recharge purposes; and

WHEREAS, the IWRB has authorized the Lower Snake River Aquifer Recharge District (LSRARD) to exercise full operational and fiscal responsibility for existing recharge projects utilizing water right permit 37-07842 and to continue the existing use of the right for recharge purposes; and

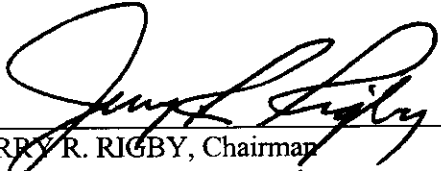
WHEREAS, American Falls Reservoir District No. 2 has agreed to rent a portion of water right permit 37-07842 water from the Water Supply Bank and deliver the rented water to the Shoshone recharge site for the NSGWD.

NOW THEREFORE BE IT RESOLVED that the IWRB approves lease of 400 cfs of water right permit 37-07842 to the Water Supply Bank to be available for rental for aquifer recharge purposes.

BE IT FURTHER RESOLVED that this resolution and approval is subject to the following conditions:

1. The minimum compensation to the IWRB, as the owner of the water right, shall be not less than \$1.00 per acre-foot diverted, not including the 10% administration fee due to the Department of Water Resources.
2. The duration of the lease shall not extend beyond December 31, 2004.
3. The NSGWD shall enter into all agreements necessary to undertake the proposed use of water, and shall comply with all applicable rules that apply to the proposed use of water.
4. The LSRARD shall agree in writing not to exercise that portion of water right permit 37-07842 assigned to the Water Supply Bank by the IWRB.

DATED this 10th day of March, 2004.


JERRY R. RIGBY, Chairman
Idaho Water Resource Board

ATTEST


D. RICHARD WYATT, Secretary

RECEIVED

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Department of Water Resources

**AGREEMENT CONVEYING LEGAL TITLE TO WATER RIGHTS
FROM THE LOWER SNAKE RIVER AQUIFER RECHARGE DISTRICT
TO THE IDAHO WATER RESOURCE BOARD**

THIS AGREEMENT is made and entered into this 13th day of May, 1999,
by and between the IDAHO WATER RESOURCE BOARD ("BOARD") and the LOWER SNAKE
RIVER AQUIFER RECHARGE DISTRICT ("LSRARD").

WITNESSETH:

WHEREAS, the BOARD, pursuant to Section 42-1734, Idaho Code, has authority to acquire, purchase lease, or exchange land, rights, water rights, easements, franchises, and other property deemed necessary or proper for the construction, operation and maintenance of water projects; and

WHEREAS, the LSRARD is the holder of Water Right Permit No. 01-07054 from the Snake River upstream from Milner Dam and Water Right Permit No. 37-07842 from the Little and Big Wood Rivers for aquifer recharge purposes on the Lower Snake River Plain, both permits having a priority date of August 25, 1980; and

WHEREAS, the LSRARD desires to convey and assign all its legal interests in Water Right Permit Nos. 01-07054 and 37-07842 to the BOARD, at no cost, so that the rights may be developed and utilized to the full extent feasible under the law for managed recharge purposes consistent with the State Water Plan; and

WHEREAS, the LSRARD by a majority vote of its Board of Directors taken at a special meeting convened in accordance with the provisions of Section 42-4211, Idaho Code, on the 5th day of April, 1999, has authorized its Chairman to execute the present Agreement Conveying Legal Title to Water Rights on its behalf; and

WHEREAS, the Board by resolution passed and approved on the 19th day of March, 1999, agreed to accept the assignment of Water Right Permit Nos. 01-07054 and 37-07842 as conveyed under this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The LSRARD shall convey legal title and all ownership rights and interests in Water Right Permit Nos. 01-07054 and 37-07842 to the BOARD. Simultaneously with the execution of this Agreement, the LSRARD shall execute an Assignment of Permit form to be filed with the Idaho Department of Water Resources.

AGREEMENT CONVEYING WATER RIGHTS
IDAHO COUNTY RECORDER
J. DAVID NAVARRO
BOISE, IDAHO

State of IDAHO
RECORDED - REQUEST OF
FEE 92 DEPUTY [Signature]

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2. The BOARD shall accept the assignment of Water Right Permit Nos. 01-07054 and 37-07842 from the LSRARD and shall hold legal title to the water rights. The Board shall not assign or convey the water rights represented by Water Right Permit Nos. 01-07054 and 37-07842, or any portion thereof, to any third party or entity without first providing to the LSRARD written notice and opportunity to reacquire title to the water rights, or any portion thereof, from the Board within six (6) months from the date of the written notice.
3. The LSRARD shall exercise full operational and fiscal responsibility for existing recharge projects utilizing Water Right Permit Nos. 01-07054 and 37-07842 and is hereby authorized by the Board to continue the existing use of water under these two rights for recharge purposes.
4. LSRARD shall indemnify and hold harmless the BOARD from all liability and expense on account of claims, suits and costs growing out of or connected with willful or negligent acts, errors, or omissions by its employees or agents with respect to existing or future recharge projects owned or operated by LSRARD that utilize Water Right Permit 01-07054 or 37-07842, provided, however, that the BOARD shall not be relieved hereby from liability for its own willful or negligent acts, errors, or omissions, and those of its employees or agents. This indemnification and hold harmless provision shall not apply to projects utilizing Water Right Permit 01-07054 or 37-07842 that are not owned or operated by LSRARD.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

IDAHO WATER RESOURCE BOARD

Clarence Parr
Clarence Parr, Chairman

LOWER SNAKE RIVER AQUIFER
RECHARGE DISTRICT

Don McFadden
Chairman

ATTEST:

J. David Erickson
J. David Erickson, Secretary

ATTEST:

Delores Jones
Secretary

Approved as to Legal Form and Sufficiency:

Phillip J. Rasser
Deputy Attorney General