



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082 - (208) 334-2190

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October 19, 2004

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

Lloyd Roberts, Chairman
Crane Creek Reservoir Administrative Board
1648 Cove RD
Weiser, ID 83672

RE: Water Storage/leasing

Dear Mr. Roberts:

This letter will serve as a follow-up to further clarify our phone discussion on 10/13 regarding leasing of water. In review of the Crane Creek Reservoir Administrative Board structure, it is my understanding that it consists of several irrigation districts and canal/ditch companies that are represented on the board. Each entity has their own storage water rights from the reservoir

Irrigation Districts are organized under Title 43 of the Idaho Code (IC), and controlled by a board of directors as outlined in the code. An irrigation district has water rights and must operate under the water right parameters. However, a district can transfer/deliver water as it sees fit within the defined district boundaries. A user can not lease their portion of water outside the district boundaries or change the nature of use at will. A water right transfer would need to be filed and approved with the Department to reflect the change. The district may or may not choose to accommodate user requests for changes involving the district's water rights.

Canal/Ditch Companies are registered with the Secretary of State and operate under Idaho law. Companies have bi-laws which dictate their structure and operation. Normally water shares are issued to the member water users. The company's bi-laws outline how water shares shall be sold/exchanged and the amount of water represented per share. A company processes water rights, but water delivery is limited to the parcels specific to their water right. Changes in nature of use or place of use requested by users must be reflected in the company's water rights through the transfer process/approval by the Department. A company board has control over their water rights similar to an irrigation district.

If entities have extra reservoir storage, an option would be to place the storage in the State Water Bank for rental. Several river basins in southwest Idaho have also established their own rental pools. I would be happy to discuss this concept with you if there is interest.

Should you have any questions, please contact me at the Western Regional Office, phone 334-2190.

Sincerely,

John Westra
Western Regional Manager