STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1598

This Lease Contract ("**Lease**") is between the Idaho Water Resource Board ("**Board**"), and

LESSOR: FRANK TIEGS LLC
6610 W COURT ST STE B
PASCO, WA 99301-2010

RECEIVED
JAN 09 2023
DEPARTMENT OF
WATER RESOURCES

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.

2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources and received by the Department on February 02, 2022.

3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

1. **WATER RIGHTS**: The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
63-31977	3/29/1967	GROUND WATER	0.08	18.5	4.1
Lease Totals			**0.08**	**18.5**	**4.1**

2. **COMPENSATION**: The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

   Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE**: The term of this lease shall be January 1, 2022 to December 31, 2026. This Lease shall bind the parties and take effect when both parties have signed it.

4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE**: The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.

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WATER SUPPLY BANK LEASE CONTRACT No. 1598

5. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.

6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.

7. **DUPLICATE ORIGINAL**: This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1598

IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

LESSOR: FRANK TIEGS LLC
6610 W COURT ST STE B
PASCO, WA 99301-2010

By _____
Title Managing Member
Date 12-29-22

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By _____ Date 1/24/23
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____ Date 1/24/23

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JAN 24 2023

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1598

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 63-31977
GROUND WATER NWNW Sec. 31 Twp 02N Rge 02W CANYON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
63-31977	IRRIGATION	03/15	to	11/15	0.08 cfs	18.5 AF
				Totals:	0.08 cfs	18.5 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
02N	03W	36	0.1		1.2	1.4									1.4				4.1

Total Acres: 4.1

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, or the lease term expires. A right may be released from the bank upon request, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed pursuant to Idaho Code § 42-223(5).
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into 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 any other Department application process.

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WATER SUPPLY BANK LEASE CONTRACT No. 1598

9. In accordance with Idaho Code § 42-248 and § 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
    a. Rental payments will go to the lessor(s) of record at the beginning of the rental season, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
    b. New lessor(s) of record will receive payment for any subsequent rental seasons.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. Pursuant to Section 42-1412(6), Idaho Code, this water right is subject to such general provisions necessary for the definition of the rights or for the efficient administration of water rights as determined by the Snake River Basin Adjudication court in the final unified decree entered 08/26/2014.
13. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 4.5 afa per acre at the field headgate for irrigation of the place of use.
14. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
15. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
16. The unleased portion of this right is limited to the irrigation of 155.9 acres within the authorized place of use in a single irrigation season.
17. The period of use for the irrigation described in this approval may be extended to a beginning date of 3/1 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 3/15 is subordinate to all water rights having no subordinated early irrigation use and a priority date earlier than 4/29/2009.

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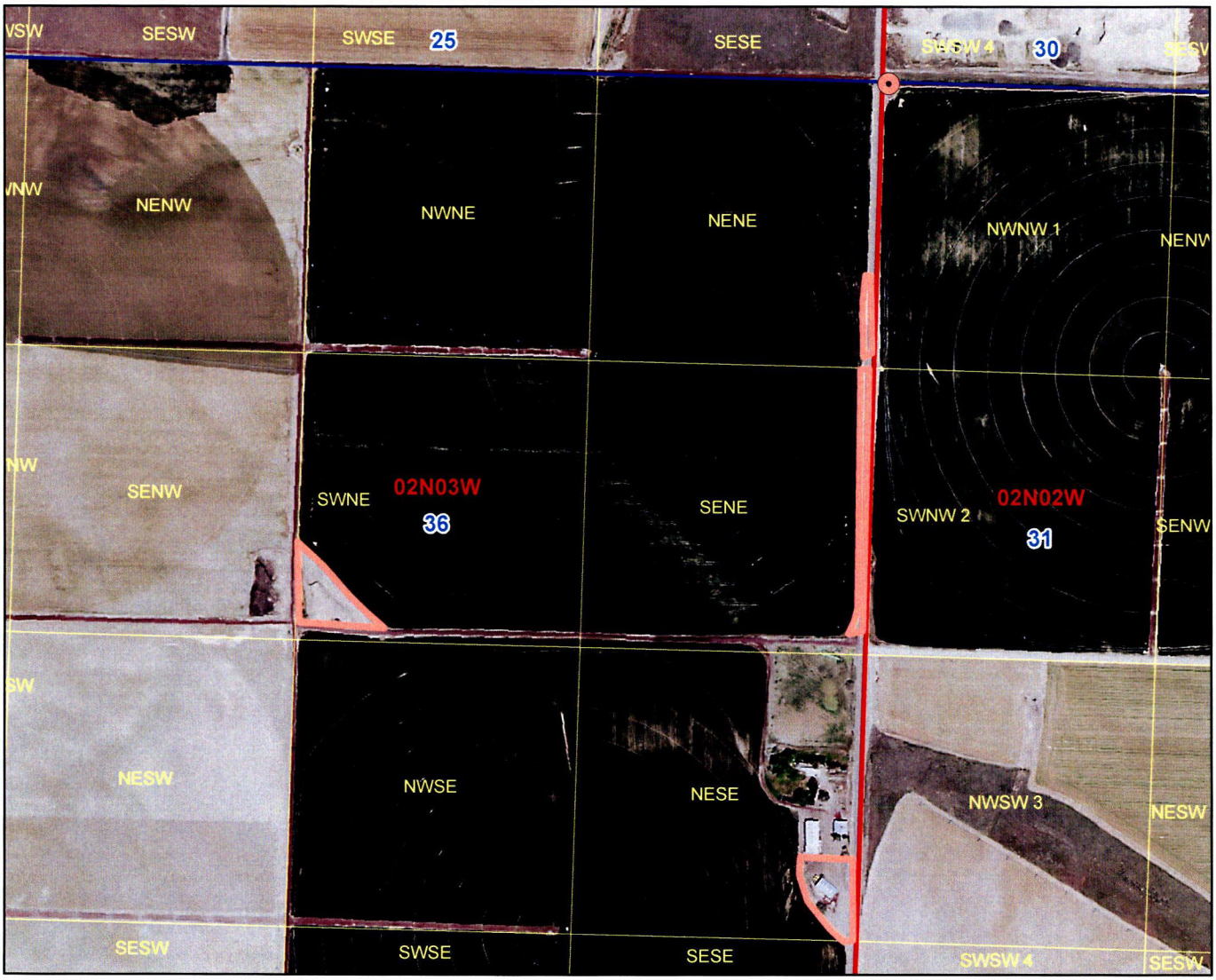
Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1598

63-31977

Effective until December 31, 2026

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



- Approved Lease Point of Diversion
- Approved Lease Place of Use
- Township/Range
- Sections
- QQ

N

0 500 1,000 Feet

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MAY 24 2023

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
FEB 02 2022
DEPARTMENT OF WATER RESOURCES

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

Designated Applicant Frank Tiegs LLC
(Select one owner – see item 1A on the application)

Water Right No. 63-31977
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package? Yes ☐ No ☑

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MIMUMUM REQUIREMENT CHECKLIST
All items must be checked as either *Attached* (Yes) or *Not Applicable* (N/A)

Attachment	N/A	Yes	
		☑	Completed *Application to Sell or Lease a Water Right to the Water Supply Bank.*
		☐	Application filing fee of $250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is $500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
		☑	Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.
1A	☐	☐	Signatures and contact information for ***all owners*** of the water right to be leased or sold on this application.
1B	☑	☐	An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
1C	☑	☐	*Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
1D	☑	☐	Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
2	☐	☑	Description of a water right portion offered to the Water Supply Bank.
3	☐	☑	A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
4A	☐	☐	Written consent from irrigation district or water delivery company.
4G	☐	☑	Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount $ 500	Received By: VM	Date Received: 2.2.22.	Receipt # C111849
W-9 received? Yes ☑ No ☐ (Route W-9 to Fiscal)		Name on W-9: Frank Tiegs.	

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MAY 24 2023

2304

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Frank Tiegs LLC

Mailing Address PO Box 3350 Pasco, WA 99302
Street City State Zip Code

Email Address _____ Phone Number 509-545-4545

☑ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☑ No ☐
If no, complete the form and attach to this application (Attachment 1B).

C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☑ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☑ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Greg Sullivan Organization Brockway Engineering

Professional Title Engineer Email Address greg.sullivan@brockwayeng.com

Mailing Address 2016 N Washington St Ste 4 Twin Falls, Idaho Phone Number 208-736-8543

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☑ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☑ A part of the water right is being offered to the Bank.
If a portion of the water right is being offered, **complete Attachment 2**.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

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STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☑ No ☐
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.

B. Please provide a description of the current water diversion and delivery system.
The Hat Butte Canal delivers Snake River water to the farm and ground water is pumped from an existing well.

C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. 2-2280, 2-2368, 2-2422 and 63-31977

D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☑ No ☐
Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of $500.

E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☑
If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. The full allotted diversion rate and volume have been historically used to utilize these water rights.

G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☑
If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed. These portions of water rights were leased into the Water Supply Bank for 2015 and 2016.

H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☐ No ☑

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STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☑?

If lease, specify the years when the use of water will be suspended: 2022 (Year) to 2026 (Year) (maximum lease period 5 calendar years).

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

Current rental rate

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

Signature of Designated Applicant	Printed Name	Date
Frank Tiegs	Frank Tiegs LLC	1-25-22
Signature of Authorized Representative	Printed Name	Date

Mail to:
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

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MAY 24 2023

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

1. Water Right Number	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
63-31977	Irrigation	0.09	18.5	4.1
	Total Amounts:	0.09	18.5	4.1

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
02N	02W	31			NW	NW	Canyon

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Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

1.

Water Right Number	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
63-31977	Irrigation	0.02	4.2	0.9
	Total Amounts:	0.02	4.2	0.9

2. Source of water Snake River tributary to Columbia

3. Point(s) of diversion:

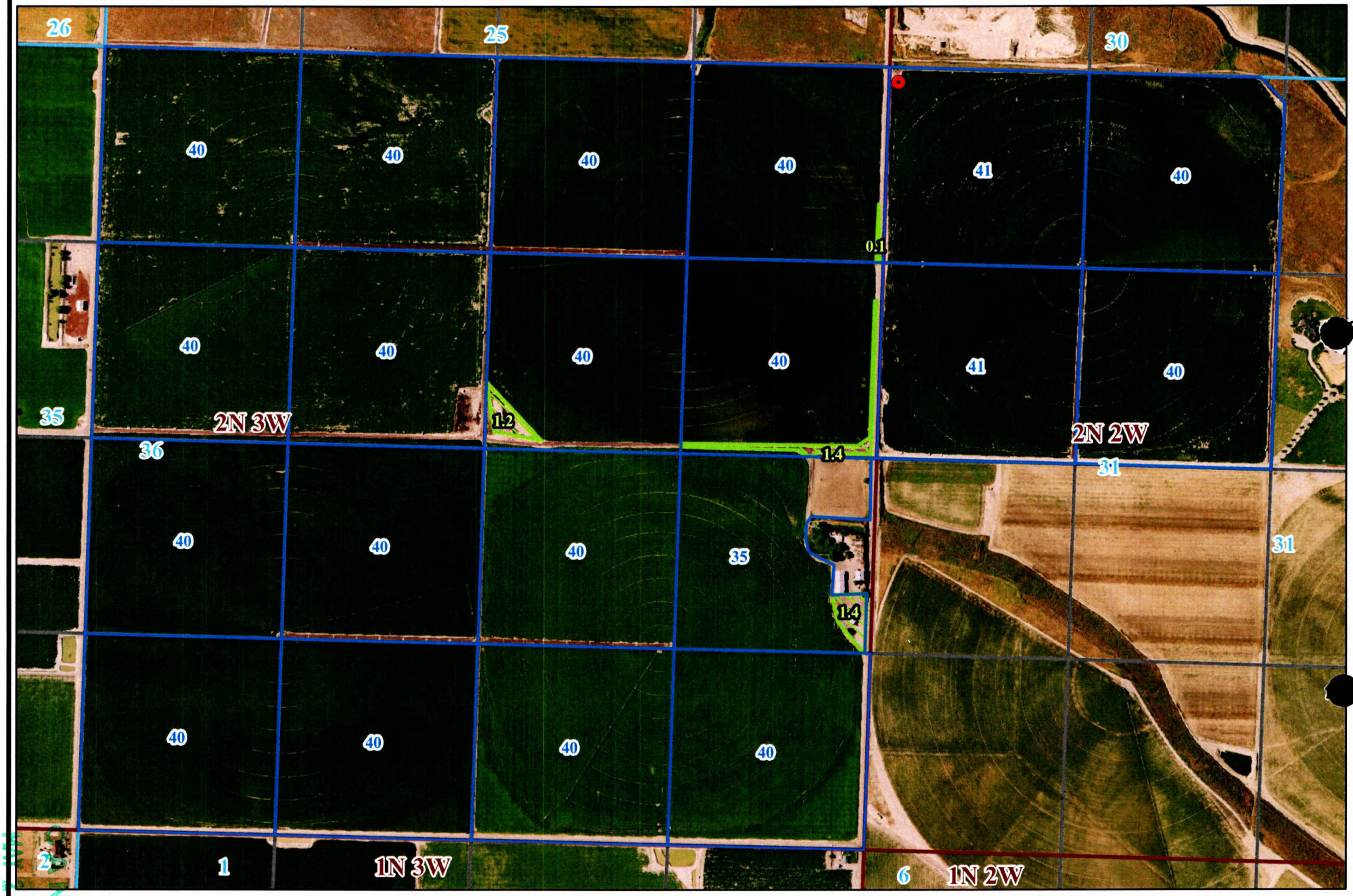
Twp	Rge	Sec	Lot	¼	¼	¼	County
02N	02W	31			NW	NW	Canyon

SUPERCEDED

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MAY 24 2023

Attachment 2

Path: F:\Projects\Frank Tiegs LLC\Harvest Farm\Arcview Maps\Harvest Farm 2 Analysis.mxd



0 750 1,500 Feet

BROCKWAY ENGINEERING, PLLC.
GWS - Date: 1/11/2022

HARVEST FARM 2

4.1 ACRES WATER SUPPLY BANK LEASE
NAIP 2019 AERIAL

Legend
- 63-31977 POD
- Harvest Farm 2 Irr PPU
- WSB Lease Acres

N

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MAY 04 2023
OSE

0004204749

STATE OF IDAHO
Office of the secretary of state, Lawerence Denney
ANNUAL REPORT
Idaho Secretary of State
PO Box 83720
Boise, ID 83720-0080
(208) 334-2301
Filing Fee: $0.00

For Office Use Only
-FILED-
File #: 0004204749
Date Filed: 3/10/2021 6:12:14 PM

Entity Name and Mailing Address:

Entity Name:	FRANK TIEGS, L.L.C.
Foreign Name (name in home jurisdiction):	FRANK TIEGS, L.L.C.
The file number of this entity on the records of the Idaho Secretary of State is:	0000374360
Address	PO BOX 3110 PASCO, WA 99302-3110

Entity Details:

Entity Status	Active-Existing
This entity is organized under the laws of:	WASHINGTON
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:	W122003

The registered agent on record is:

Registered Agent	STEVEN SCHOSSBERGER Registered Agent Physical Address 1205 IRON EAGLE DR STE B EAGLE, ID 83616 Mailing Address

Limited Liability Company Managers and Members

Name	TItle	Business Address
+ Frank Tiegs	Manager	6610 W COURT ST PASCO, WA 99301

The annual report must be signed by an authorized signer of the entity.
Job Title: AUTHORIZED AGENT

JIM MCCLELLAND — Sign Here
03/10/2021 — Date

B0591-2991 03/10/2021 6:12 PM Received by ID Secretary of State Lawerence Denney

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MAY 24 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little Director Mathew Weaver

December 1, 2023

FRANK TIEGS LLC
6610 W COURT ST STE B
PASCO WA 99301-2010

RE: RENTAL OF WATER RIGHT(S) LEASED TO THE WATER SUPPLY BANK. WATER RIGHT NO(S). 63-31977.

The Department of Water Resources is enclosing a state warrant in the amount of **$382.95** as payment to you for the rental of the above referenced water right(s) from the Water Supply Bank during 2023. Your payment is 90% of the total rental fee for the following transactions:

Lease Contract	Water Right(s)	Rental Agreement	Rental Volume (AF)	Rental Rate ($/AF)	Total Rental Fee	Owner Share
1598	63-31977	770	18.5	$23/AF	$425.50	**$382.95**

If you have questions regarding this matter, please contact me at (208) 287-4936.

Sincerely,

Mary Condon
Water Supply Bank Coordinator

Warrant Number: 150154611

Enclosures: Check

WSB Mailing Checklist for Leases

Instructions: Staple to outside of lowest numbered water right file during processing.

Key: Who Completes What?
CLERICAL STAFF: MK
REVIEWER: Jan

Received Date 2/2/2022

Desired Lease Duration 2022-2026

Lease / Rental Package Y (N)

If yes, Renter Name: _____

Application # 2304 Contract # 1598

WR#s	
# ~~2-23608~~	# ~~2-24222~~
# 63-31977	#
#	#
#	#
#	#
#	#
#	#

Applicant Authorized?	(Y) / N
Multiple owners, Attach 1A included?	Y / N (NA)
If portion is offered, Attach 2 included?	(Y) / N NA
Map of POU and POD?	(Y) / N NA
POD Consent (if required)?	Y / N (NA)
Application Complete?	(Y) / N
Minimum checklist in data base?	☑
Request for additional information letter sent:	Y (NA)
WSB Action Request for deficiencies	☐

Stacked Water Rights Need to be Leased? ☐ _____

If checked, list water rights: _____

If the WR owner provided a different address on the application than what's in our database, update address in workflow.

Mailings (per lease application)	CC	Original	
Designated Applicant: Frank Tiegs LLC	☐	☐	EMAIL:
Attorney:	☐	☐	EMAIL:
Consultants Name: Greg Sullivan	☐		Comments:
Watermaster:	☐		HG 41.5
Delivery Entity:	☐		
Water District: NA	☐		
Ground Water District:	☐		
Region: Western	☐		
Other:	☐	☐	
Address:			

pd 2011

Bank 15-16

17-21

Call up Date: 12-16

DO NOT SCAN

IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

January 25, 2023

FRANK TIEGS LLC
6610 W COURT ST STE B
PASCO WA 99301-2010

RE: WATER SUPPLY BANK LEASE CONTRACT 1598
FOR WATER RIGHTS 63-31977

Dear Lessor:

Water right **63-31977** was leased into the Water Supply Bank (Bank) as of January 1, 2022, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank**. More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2126,** unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at bank @idwr.idaho.gov or 208-287-4800.

Sincerely,

Jean Hersley

for
Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- Western Office
Brockway Engineering PLLC

SCANNED
MAY 24 2023

Hersley, Jean

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Monday, January 23, 2023 10:56 AM
To: Hummer, Phill
Cc: Hersley, Jean
Subject: RE: Frank Tiegs LLC Lease Application 63-31977
Attachments: Harvest Farm Irrigation 2021 Analysis.jpg

CAUTION: This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.

Phil,

See the attached aerial map.

Water rights 2-280, 2-2368, 2-2422 and 63-31977 are authorized to irrigate 780.0 acres of ground within a 797.0 acre permissible place of use. There are 797.0-780.0 = 17.0 acres within the PPU that will never be irrigated. Of the allowed 780.0 acres, there are currently 775.9 acres being irrigated based on the 2021 aerial map that is attached to this email. The 4.1 acres in which the lease application is applicable to is included within the 780.0 acre irrigation place of use and is not part of the 17.0 acres that should never be irrigated. I feel that the 4.1 acres have remained idle since 2017 through 2021 when the 4.1 acres of 63-31977 where under lease contract 671. I concur with your statement that the 4.1 acres appear to be idle based on the landsat image that you provided. I feel that the location of the 4.1 acres have been adjusted within the authorized 780.0 acres POU and the 797.0 acres PPU adequately and that the 4.1 acres lease application should be approved by the Idaho Water Supply Bank.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

All information, calculations, maps, drawings, or other documents transmitted via e-mail are preliminary unless explicitly stated in the e-mail text or in the documents themselves.

From: Hummer, Phill [mailto:Phill.Hummer@idwr.idaho.gov]
Sent: Wednesday, January 18, 2023 2:19 PM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Cc: Hersley, Jean <Jean.Hersley@idwr.idaho.gov>
Subject: Frank Tiegs LLC Lease Application 63-31977

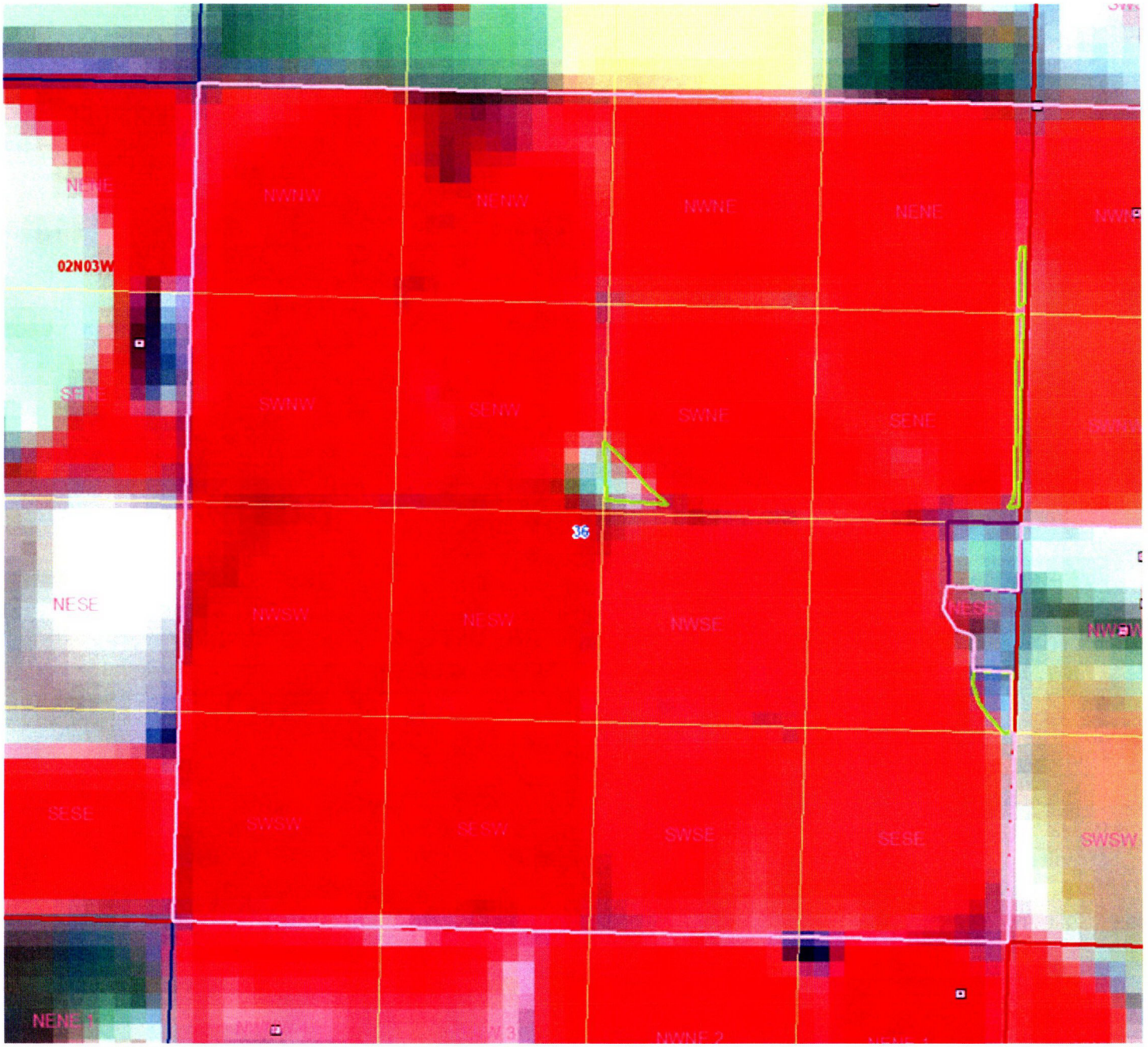
Hi Greg,

I am reviewing Lease Contract 1598 before final approval and I am a little bit confused by the water use at the place of use and the lease proposal. There are three surface water rights at the place of use, 2-2280 (40 acres), 2-2368 (493), and 2-2422 (87). When considered together they would authorize 40+493+87=620 acres within the 797 acre place of use. Ground water right 63-31977 authorizes 160 acres for a total (if they are not stacked) of 780 acres within the 797 acre

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PPU. However, it appears from the imagery that most of the entire place of use is irrigated. Looking at the landsat image and aerial image (see below) it appears there are some places within the pink place of use that are not irrigated. Those acres that appear idle (including the 4.1 acres leased into the bank) total about 7.9. Which would mean that 797-780-7.9 = 9.1 acres irrigated without a water right. It feels weird to approve a lease and idling of acres within a place of use when it appears irrigation in excess of the authorized amounts is occurring. Please provide additional information regarding the irrigation at the place of use and the relationship between surface and ground water use. Based on imagery and landsat available it does not appear that any acres are idle that can be accepted into the bank.

-Phill



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Path: F:\Projects\Frank Tiegs LLC\Harvest Farm\Arcview Maps\Harvest Farm 2 Analysis.mxd



0 750 1,500 Feet

BROCKWAY ENGINEERING, PLLC.
GWS - Date: 1/19/2023

HARVEST FARM 2

4.1 ACRES WATER SUPPLY BANK LEASE
775.9 ACRES IRRIGATED 2021
NAIP 2021 AERIAL

Legend
WSB Lease Acres
Irrigation

N

CANCELED
MAY 24 2023

IDAHO DEPARTMENT OF
WATER RESOURCES

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: idwrinfo@idwr.idaho.gov • Website: idwr.idaho.gov

Governor Brad Little

Director Gary Spackman

November 30, 2022

FRANK TIEGS LLC
6610 W COURT ST STE B
PASCO WA 99301-2010

RE: APPLICATION TO LEASE WATER RIGHTS 63-31977 TO THE WATER SUPPLY BANK CONTRACT 1598

******TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature**. **Please sign and return ALL Lease Contracts within 14 days**. Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

The right will automatically be released from the Bank on **December 31, 2026,** unless the right is released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at http://www.idwr.idaho.gov. Please note your right may not be available for immediate release if it has been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

> "While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Jean Hersley
for
Water Supply Bank

Enclosures: Proposed Lease Contracts

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C: Brockway Engineering PLLC

WATER SUPPLY BANK

Lease Review Checklist

Applicant(s) Name: Frank Tiegs LLC

Memo Date: November 30, 2022

Water Right Number(s): 63-31977

Reviewers Name: Jean

Quick Tools

Decreed Year	No Forfeiture Concerns Thru:
2011	2017
2012	2018
2013	2019
2014	2020
2015	2021

		Check box		COMMENTS/CONCERNS:
1	**Fill out WSB Data Entry Checklist for Leases (Front of File)**	x		
2	**Reason for lease of water rights (Brief description of lease proposal in narrative)**			
	Portion of right	x		
	All of right			
3	Check GWMA/CGWA/ADC and basin 63 areas of concern (note area in comments)			
		Yes	**No**	
4	Rentable? (If no explain in comments or narrative)	x		
5	**Authority to file**			
	Current owner or designated applicant	x		
	SOS Web site checked for business entity	x		
	Other (explain in comments)			
6	**Water Right validity**			
	Decreed/Licensed/Statutory claim date (write in comments section)			2011
	Past irrigation to ensure forfeiture is not an issue if decreed or licensed over 7 years ago (consider transfers that changed the POU, rentals to the POU etc.)			
	Has this right previously been leased to the bank or in CREP?	x		2015-2021
7	**Injury to other water rights**			
	If the POD is through a delivery entity, was consent provided?		na	
	If the POD is through a delivery entity, was holdback required? (percentage in comments)			%
	Any other concerns			
8	**Enlargement concerns**	Check box		
	Complete a POU comparison overlap analysis	x		
	Complete a combined limits review	x		
	Complete POD overlap analysis (if there is an overlap add condition to lease)	x		
		Yes	**No**	
	Are there overlapping rights that need to be placed in the bank also?		x	
	Will the place of use continue to receive water? (if yes explain in comments)		x	
9	**Local Public Interest**			
	Does the processor know of any problems this action will cause for the local public?		x	
10	**Have you contacted regional office and watermaster for comment/concerns?**		x	
	Send the watermaster comment request form or e-mail request		x	
11	Area Headgate requirement (write in Comments)			#FIELD!
12	**Is water right involved in any other department action? Pull file and check database** ( ) Ownership Change ( ) Transfer ( ) Mitigation ( ) Other - Explain in comments		x	

13 **Narrative:** The Department received this application on February 2, 2022 along with applications for 2-2368 & 2-2422. The applicant wanted to place 4.1 acres in the Bank. Water Rights2-2368, 2-2422, 2-2280 and this right have a combined acre limit of 797 acres. The total number of acres is 780 so only one right needs to be leased to the Bank. The applicant chose the right with the most junior priority date, which is the ground water right. This right was decreed in 2011. The portion of the right offered to the Bank has been in the Bank since 2015. there are no issues with forfeiture. This is a ground water right and is not currently within a WD.

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Idaho Department of Water Resources Receipt

Receipt ID: C111849

Payment Amount	$1,750.00	Date Received	2/2/2022	Region	STATE
Payment Type	Check	Check Number	16798		

Payer BROCKWAY ENGINEERING, PLLC

Comments
WATER SUPPLY BANK LEASE APPLICATION FEE
FOR: FRANK TIEGS LLC (1)
FOR WR# 63-3490A
FOR: FRANK TIEGS LLC (3)
FOR WR# 2-2368, 2-2422, 63-31977
FOR: MURPHY LAND COMPANY (2)
FOR WR# 2-10398, 2-10395
FOR: MURPHY FLATS LAND COMPANY (9)
FOR WR#2-2361, 2-2370, 2-7001, 2-10020,
57-179, 57-180B, 57-181, 57-7152, 57-7385
FOR 2022- 2026 SEASONS
DOCUMENT NUMBER: D220581

Fee Details

Amount	Description	PCA	Fund	Fund Detail	Subsidiary	Object
$250.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205
$500.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205
$500.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205
$500.00	WATER BANK LEASE APPLICATIONS	55111	0229	21		1205

Signature Line (Department Representative)

Refund $250

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MAY 24 2023

Hersley, Jean

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Monday, October 24, 2022 11:40 AM
To: Hersley, Jean
Subject: RE: WSB Lease for Frank Tiegs LLC
Attachments: Attachment 2 for 63-31977.pdf

CAUTION: This email originated outside the State of Idaho network. Verify links and attachments BEFORE you click or open, even if you recognize and/or trust the sender. Contact your agency service desk with any concerns.

Jean,

We would like to lease the entire 4.1 acres from water right 63-31977. I have attached an updated "Attachment 2" for 63-31977 for the entire 4.1 acres. The remaining water right lease applications are not needed at this time to satisfy the proposed lease.

Thank you,

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

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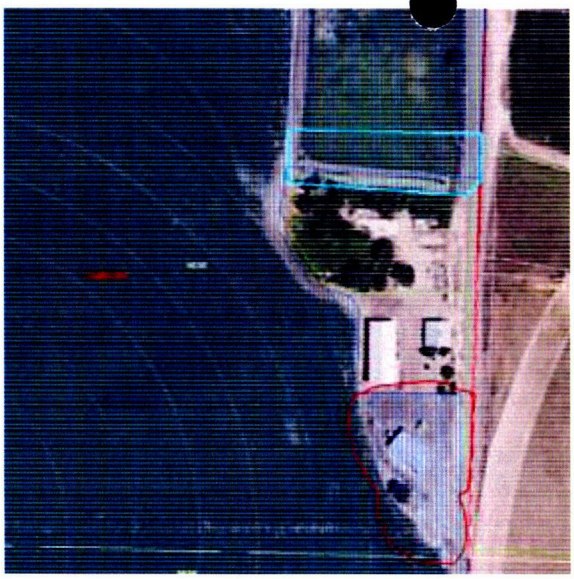
From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Thursday, October 06, 2022 2:10 PM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Subject: WSB Lease for Frank Tiegs LLC

I have been reviewing the applications to lease a portion of water rights 2-2368, 2-2422 and 63-31977 to the Bank. Water right 2-2280 overlaps these rights. These four rights have the same 797-acre PPU with limiting acres. The acre limit on the 4 rights adds up to 780 acres. The Department did not receive a WSB Lease Application for 2-2280.

Was there a reason for submitting only three applications? The total number of acres from the three applications we did receive is 4.1 acres. You could put all the acres under one water right if you would like to. Let me know.

Also, the attached maps show the acres offered to the Bank from 2017-2021. The piece on the ground water right located in the NESE appears to have been irrigated in 2017. See below. However, the piece circled in red is approximately the same acres and hasn't been irrigated and this piece is being offered to the Bank this year. The Department is assuming there was an error in the idled acres when offered to the Bank in 2017.

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MAY 24 2023



Please let me know if you would like me to proceed with the three applications as soon as possible. If you have any questions, please contact me. Thank You.

Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942

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MAY 24 2023

Hersley, Jean

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Thursday, October 20, 2022 4:56 PM
To: Hersley, Jean
Subject: RE: WSB Lease for Frank Tiegs LLC
Attachments: Harvest Farm 4.1 Acres WSB.jpg

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Jean,

I am fine with changing the location of the acres in the NESE. I have attached the lease map which identifies the area south of the house and shop to be leased into the Water Bank.

I should have included 2-2280 in the lease package but I only emailed the other three for signature.

It would be best if we can put all 4.1 acres under one water right. It would make this process simpler for everyone. Let's touch base on Monday with a phone call and get this one moving and wrapped up.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

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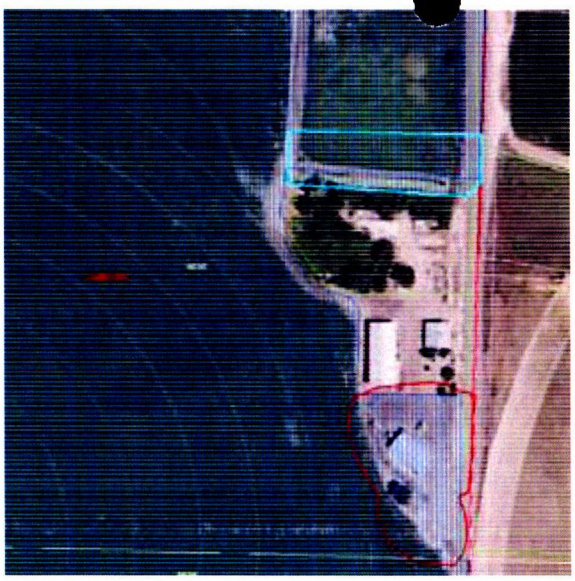
From: Hersley, Jean [mailto:Jean.Hersley@idwr.idaho.gov]
Sent: Thursday, October 06, 2022 2:10 PM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Subject: WSB Lease for Frank Tiegs LLC

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MAY 24 2023



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Jean Hersley
Technical Records Specialist II
Idaho Dept Water Resources
(208) 287-4942

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MAY 24 2023