

RECEIVED

SEP 20 2024

DEPARTMENT OF
WATER RESOURCES

This is to certify that:

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 843

EDWARDS FAMILY LLC
4106 SAND CREEK
BOISE, ID 83703

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 No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
63-14	11/22/1926	GROUND WATER	0.74	220.0	2.3	N/A	N/A
Rental Totals			0.74	220.0	2.3	N/A	N/A

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2028. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2024, whichever occurs last.

Annual Rental Fee:

2024 - 2028: \$506.00 annually

The full fee for the rental of the above-described right(s) is \$506.00 per year for years 2024 - 2028. The rental fee is an administrative fee of \$506.00 per year for years 2024 - 2028. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 63-14.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
COMMERCIAL	0.74	220.0	N/A	N/A	N/A
HEATING	0.74	220.0	N/A	N/A	N/A
IRRIGATION	0.09	10.4	2.3	0.04	4.5
Combined Total	0.74	220.0	2.3	N/A	N/A

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 843

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:

Garnette Edwards
Signature of Renter

9/20/2024
Date

Garnette Edwards
Printed Name

owner
Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By Brian Patton
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Date 9/25/24

Rental approved by IDWR

HP

Date 9/25/24

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 843

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER SWNE Sec. 29, Twp 04N, Rge 02E, ADA County

<u>BENEFICIAL USE</u>	<u>DIVERSION RATE</u>	<u>VOLUME</u>
COMMERCIAL	0.74 CFS	220 AF
HEATING	0.74 CFS	220 AF
IRRIGATION	0.09 CFS	10.4 AF

SEASON OF USE

Water Right No.	From	To	Beneficial Use
63-14	1/1	12/31	COMMERCIAL
63-14	1/1	12/31	HEATING
63-14	3/1	11/15	IRRIGATION

RENTERS PLACE OF USE: COMMERCIAL & HEATING

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
04N	02E	29			X														X

RENTERS PLACE OF USE: 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	
04N	02E	29			2.3														2.3

Total Acres: 2.3

RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. 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 while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.

STATE OF IDAHO
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WATER SUPPLY BANK RENTAL AGREEMENT No. 843

8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. The well that is the point of diversion is known locally as the Edwards well.
10. This water right is subject to the terms of a private Agreement dated January 24, 2002, recorded at the Ada County Recorder's Office on August 27, 2002 as Instrument No. 102097169.
11. This right may be limited to a total of 108.3 af during the period from October 1 through April 1 and/or 145.2 af during the period April 1 to October 1 for the purpose of protecting the artesian flow of water from the two wells used under water rights 63-12 and 63-13 and located in T04N, R02E, Sec. 29 NENESE.
12. Heating use is for heating the facilities and does not include watering of plants within greenhouses. Irrigation use is for areas outside of the greenhouses.
13. Commercial use is for all uses within the greenhouses, shop, retail shops and watering of plants, except heating. Irrigation use is for areas outside of the greenhouses.
14. Use of water under this water right may be regulated by the watermaster of State Water District No. 63-S, Stewart Gulch. Water District 63-S regulates the water rights from wells within its boundary that produce from the low temperature geothermal aquifer known locally as the Stewart Gulch Geothermal Aquifer.
15. Diversion of low temperature geothermal water under this rental for outside irrigation and watering of plants shall, to the extent possible, occur only when the cold water under Water Right No. 63-5067 is insufficient or cannot be used.
16. The SRBA Court declined to address the administrative issues of artesian pressure and reasonable pumping levels related to diversions from the low temperature geothermal aquifer locally known as the Stewart Gulch Geothermal Aquifer. Water users may raise these administrative matters directly with IDWR.
17. This rental agreement does not authorize the construction of a well.
18. The use of this rental and right 63-5067 is limited to a combined diversion rate of 0.33 cfs and 8.3 acres for outside irrigation.
19. The remaining rentable portion under leased right 63-14 is limited to a maximum diversion rate of 0.10 cfs and annual volume of 29.8 acre-feet for Heating and Commercial uses, with 0.0 acres available for outside irrigation due to enlargement concerns with unleased stacked water right 63-5067 for irrigation on the same 8.3 acres.

STATE OF IDAHO
WATER RESOURCE BOARDRECEIVED
DEC 27 2023
DEPARTMENT OF
WATER RESOURCESAPPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANKApplicant Name: Edwards Family LLC

Is this application being submitted with a lease application as a lease/rental package?

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- | | | |
|----|-------------------------------------|--|
| 2 | ☒ | A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request |
| 3A | ☐ | ☒ Detailed information on a proposed use of rental water |
| 3F | ☒ | ☐ Authorization from the owner/operator of the rental point(s) of diversion |
| 3H | ☒ | ☐ Water modeling to account for the impacts of the rental request |
| 3J | ☒ | ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre |
| 3K | ☒ | ☐ Authorization from the owner/operator of the property at the proposed rental place(s) of use |
| 4B | ☐ | ☒ Explanation of how the rental water will sufficiently accomplish your rental purposes |
| 4C | ☒ | ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use |

Department Use Only – Proposed Water Right(s)

63-00014

2867

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant Edwards Family LLC

Mailing Address 4106 Sand Creek Road Boise Idaho 83703
Street City State Zip Code
 Email Address garnette@edwardsgreenhouse.com Phone Number 208-342-7548

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐
 If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Dylan Lawrence Professional Title Attorney
 Organization Varin Thomas LLC Relationship to Applicant Attorney
 Mailing Address 242 N. 8th Street, Ste. 220, Boise, Idaho 83702
 Email Address dylan@varinthomas.com Phone Number 208-345-6021

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

Applicant proposes to use LTG water for heating of its facility using the heating portion of its existing water right 63-00014. Amount of rental water requested is based on maximum amount used in prior years based on diversion and use records.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.74 CFS	220 AF	0.70 CFS	207 AF	N/A AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
1/1/24	N/A (see 5.D)	☐ 1	☐ 2	☐ 3	☐ 4	☒ 5	☒ Process application as soon as possible	☐ Return application to applicant

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Existing system consisting of well and pump to pipelines that are already used to convey heating water to the place of use.

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
Well	Ground water	

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒

If yes, include documented consent as **Attachment 3F**.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒

Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒

If yes, label modeling Attachment 3 H.

Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☐ Irrigation _____ (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☒ Other: **Heating** from: 1/1 (mm/dd) to: 12/31 (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☒ Yes ☐ No ☐

If yes, justify the rate of flow and attach any supporting documents as **Attachment 3J**. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☒ No ☐

If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it **Attachment 3K**.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

None. This is Applicant's only heating water right.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
63-00014	Heating	0.84	250.0	N/A		0.74	220.0	N/A
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.74	220.0	N/A
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

N/A

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☒ No ☐
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒
If yes, describe:

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

D. Additional Information

In prior years, Applicant annually leased the anticipated unused portion of 63-00014 to the Bank. The goal of this year's application packet is to secure an arrangement for the next five years by leasing the entire heating water right to the Bank and renting out the highest expected amount of heating water needed over the next five years.

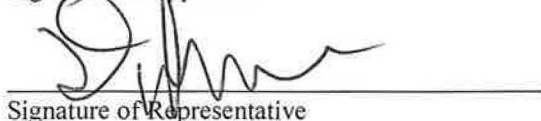
DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.


Signature of Applicant

Garnette Edwards, Manager
Printed Name of Applicant

12/27/23
Date


Signature of Representative

Dylan Lawrence
Printed Name of Representative

12/27/23
Date

Mail to:

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

Attachment 2

Proposed rental of 63-14

(HEATING)

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



Legend

- Quarter Quarters
- PLS Sections
- Townships
- Place of Use Boundary
- Point of Diversion



Date created: 12/7/2023





IDAHO DEPARTMENT
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

September 27, 2024

EDWARDS FAMILY LLC
4106 SAND CREEK
BOISE, ID 83703

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-14, AGREEMENT 843**

Dear Renter:

Please find enclosed a receipt in the amount of **\$506.00** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 220.0 acre-feet of water for commercial, heating and irrigation of 2.3 acres during 2024. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

The rental fee will be retained by the Department to offset administrative costs since you are the owner of the right.

The annual rental fee for 2025 is due by December 31, 2024. If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

for
Water Supply Bank

Enclosures: Receipt No. C118913
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Western Regional Office
Representative
Water District 63S

RECEIVED

SEP 20 2024

DEPARTMENT OF
WATER RESOURCES



ATTORNEYS AT LAW

DYLAN B. LAWRENCE
DYLAN@VARINTHOMAS.COM

242 N. 8TH STREET, SUITE 220
P.O. BOX 1676
BOISE, IDAHO 83701
P: 208.345.6021
F: 1.866.717.1758
VARINTHOMAS.COM

September 20, 2024

VIA HAND DELIVERY

Mary Condon
Water Supply Bank Program Coordinator
Idaho Department of Water Resources
322 E. Front Street, Suite 648
Boise, ID 83702

Re: Signed Water Supply Bank Agreements
Edwards Family LLC

Dear Mary:

Thank you for extending the deadline to return the signed Water Supply Bank agreements for Edwards Family LLC. I have enclosed with this letter two signed, original copies of the lease agreement; one signed, original copy of the rental agreement; and a check in the amount of \$506.00 for the processing fee.

If you need anything else from me or Edwards, please let me know. Otherwise, thank you for your attention to this matter.

Sincerely,

VARIN THOMAS

Dylan B. Lawrence

Enclosures (4)



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

September 04, 2024

EDWARDS FAMILY LLC
4106 SAND CREEK
BOISE ID 83703

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 63-14, AGREEMENT 843**

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

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have 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.

A rental fee of **\$506.00 per year** was calculated based on the current rental rate of \$23.00 per acre-foot times a diversion volume of 221 acre-feet. Since you are both the lessor and the renter of the right, **you are only obligated to pay the 10% administrative fee or \$50.60.** The annual rental fee for 2025 is due by December 31, 2024. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check in the amount of \$50.60 for 2024 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, \$50.60 will be retained by the Department to offset administrative costs for **2024.**

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,

Debra Mansfield

for
Water Supply Bank

Enclosure(s)

c: IDWR Front Desk
Representative, Dylan Lawrence (via email)

MEMORANDUM FOR RENTAL APPLICATION 2867

To: Water Right 63-14
From: Bob Howe
Date: 03/19/2024
Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

PURPOSE/NARRATIVE:

The complete companion application for lease to/rental from the water supply bank (WSB) with applicable fees for water rights 63-14 & 63-5067 were received on December 27th, 2023. The applicant proposes to lease portions of each of the rights, including the entire heating portion of right 63-14, and 5.97 acres of irrigation, renting back a rate of 0.74cfs and 220 AF for heating use within the right place of use (POU). Right 63-14 has been leased into the WSB previously in various portions. The lease review for right 63-5067 raised forfeiture concerns resulting in a request for additional information. In response the representative requested to withdraw the 2024 application for lease for right 63-5067. Additionally, the heating portion of right 63-14 is for same rate of 0.84cfs and a volume of 250 AF annually as the decreed combined rate and volume for right. To make the lease proportionate the entire irrigation provided by right 63-14 will be leased into the WSB, and the rental will include a rate of 0.09cfs for the irrigation of the remaining 2.3 acres.

AUTHORITY TO FILE:

The application was signed by registered agent, Garnette Edwards and named representative, Dylan B. Lawrence. The most recent Annual Report on the Idaho Secretary of State (IDSOS) website verify Garnette Edwards is the registered agent on record for the water right (WR) 63-14 owner Edwards Family LLC and WR 63-5067 is listed on IDWR records as currently owned by Edwards Family LLC and Dylan Lawrence. Based on the parcel data, Edwards Family LLC is the owner of the parcels the place of use (POU) and the point of diversion (POD) for WR 63-14 are located within. The applicant included a copy of the original 2011 decree for WR 63-14, naming Edwards Family LLC as the owner.

WATER RIGHT VALIDITY:

This application proposes the lease of 0.84cfs and 250 AF, idling 6 acres of the combined rights. The proposed partial lease for portions of the heating, commercial and irrigation of WR 63-14 is similar to previous leases into the water bank beginning in 2016. However, the entire heating portion is being offered in the current lease. I was able to confirm via GIS aerial imagery that the idled acres are covered in buildings, pavement, or trees. There are no concerns about the validity of the water right and the portion offered to the bank.

INJURY TO OTHER WATER RIGHTS:

As noted on previous lease rentals, there is a remark on the 2011 decree for WR 63-14 stating that seasonal diversions of water might be regulated under this right, to ensure sufficient artesian pressure is maintained in the aquifer to avoid injuring water rights 63-12 and 63-13. Right 63-5067 was decreed in 2011 and is intended to be used as the primary source for irrigation and commercial use within the nursery/greenhouses. Previous lease contracts have been conditioned, as on right 63-14, such that diversion of low temperature geothermal water under right 63-14 for outside irrigation and watering of plants shall, to the extent possible, occur only when the cold water under Water Right No. 63-5067 is insufficient or cannot be used. There has been previous correspondence with the named representative, Dana Hofstetter (former representative) regarding the implication of the specific remarks on the decree. If seasonal diversions do not need to be regulated under WR 63-14 to protect WR 63-12 and WR 63-13, then annual diversions of up to 250 AF would be permitted under the combined leased portions of WR 63-14. Further review of the lease may be necessary to ensure no injury is permitted before any rental outside of the companion agreement occurs.

ENLARGEMENT OF USE:

The applicants are withholding the domestic portion of the water right decree (updated to the standard 13,000 Gal/Day). The POU for WR 63-14 is overlapped by municipal water rights and WR 63-5067 (also owned by Edwards Family LLC). Rights 63-14 & 63-5067 have a combined limit for the irrigation of the same 8.3 acres. As rights 63-14 and 63-5067 are from different sources (geothermal and cold water respectively), right 63-14

can be leased and rented independently. The irrigation portion of the rights (decreed at 0.33cfs) is supplemental to the senior right (WR 63-14), therefore any renter would need to affirm they are able to draw from Stewart Gulch Geothermal Aquifer.

LOCAL PUBLIC INTEREST:

The review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES:

The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS:

The POD for the purposed lease is within Water District #63S. A copy of the purposed lease contract, the lease map and lease application were attached to a comment request emailed to the Watermaster- Mike McVay and Western Regional Manager-Nick Miller, prior to mailing the contract for signing by the applicant.

WATER SUPPLY BANK COMMENTS:

The applicant's representative requested modifications on September 14, 2024 for the proposed rental for 0.74 cfs, and 220.2 AF for Heating and Commercial use, combined limited with the Domestic and partial Irrigation for 2.3 acres, to remove the domestic from the rental. Remaining available to rent is a combined limit of 0.1 cfs, and 29.8 AF for Heating and Commercial, along with Domestic and the Irrigation of 6 acres (@0.04 cfs/acre). A modified Rental Agreement was drafted and sent for signature and payment on September 20, 2024, via email, with a return no later than by October 4th.