STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1892

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

LESSOR: RICHARD F SMITH
PO BOX 8
REXBURG, ID 83440-0008

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 March 28, 2024.

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)
22-7032	3/13/1970	GROUND WATER	0.78	142.5	40.7
Lease Totals			**0.78**	**142.5**	**40.7**

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, 2024 to December 31, 2028. 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.

WATER SUPPLY BANK LEASE CONTRACT No. 1892

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1892

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

LESSOR: RICHARD F SMITH
PO BOX 8
REXBURG, ID 83440-0008

By _____
Title _____
Date _____

RECEIVED
MAR 03 2025
DEPT. OF WATER RESOURCES

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

By _____ Date 3/4/25
Brian Patton, Executive Manager
Idaho Water Resource Board

Lease approved by IDWR _____ Date 3/4/25

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1892

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): 22-7032

GROUND WATER L4SWNW Sec. 1 Twp 05N Rge 39E MADISON County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
22-7032	IRRIGATION	05/01	to	10/01	0.78 cfs	142.5 AF
				Totals:	0.78 cfs	142.5 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	
05N	39E	1							4.0 L4										4.0
05N	39E	2				5.7 L1													5.7
06N	39E	35															31.0		31.0

Total Acres: 40.7

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.

WATER SUPPLY BANK LEASE CONTRACT No. 1892

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.
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. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
13. Use of water under this right may be regulated by a watermaster with responsibility for the distribution of water among appropriators within a water district. At the time of this approval, this water right is within State Water District No. 100.
14. The unleased portion of right 22-7032 shall not exceed a total diversion rate of 0.80 cfs, a total annual maximum diversion volume of 145.5 af, and the irrigation of 41.4 acres.

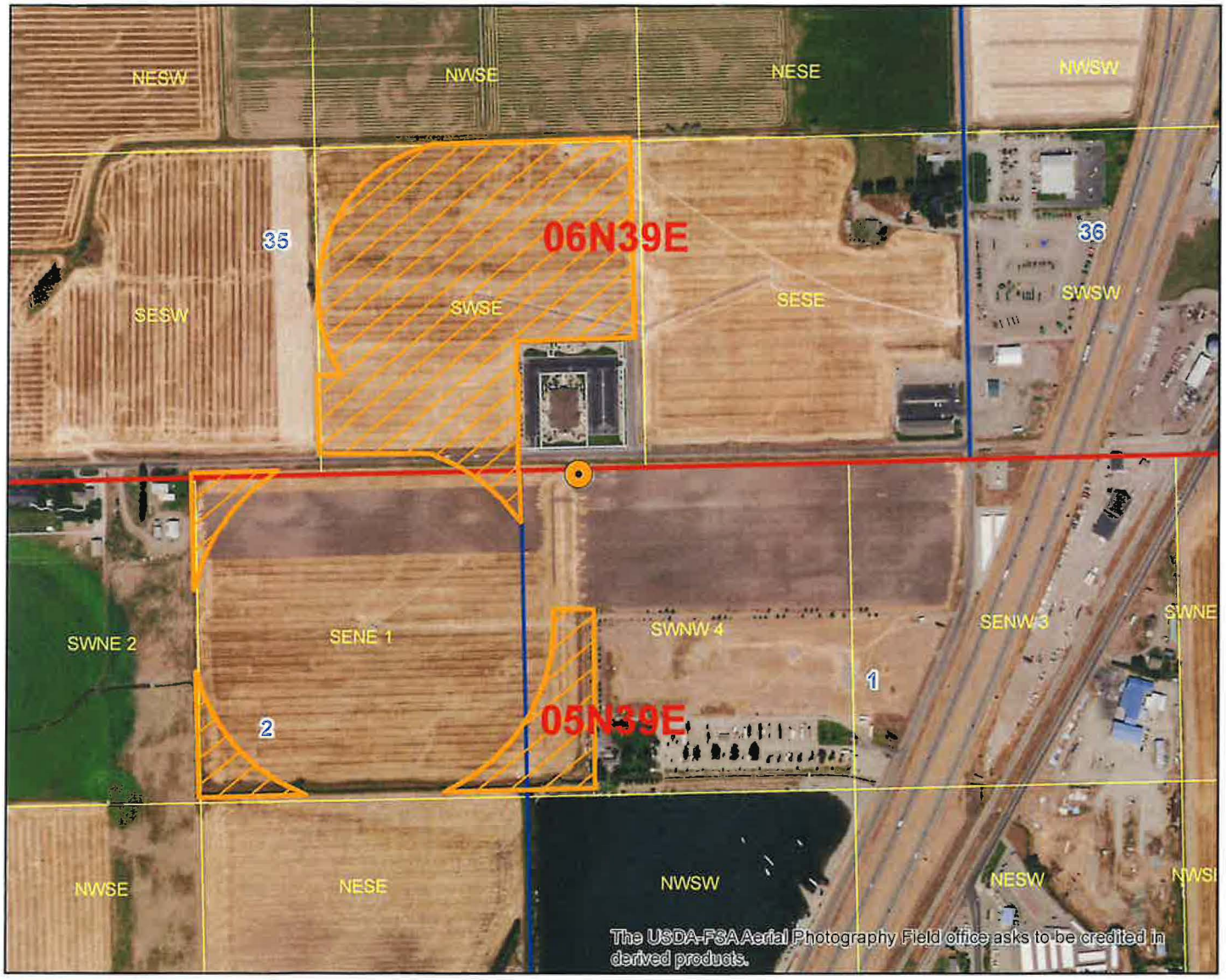
Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1892

22-7032

Effective until December 31, 2028

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 POD

Approved Lease POU

Township/Range

Sections

QQ

N

0 330 660 1,320 Feet

Form 42-1761-1 10/15

RECEIVED
MAR 28 2024
DEPT. OF WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD

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

Designated Applicant Richard F Smith
(Select one owner – see item 1A on the application)

Water Right No. 22-7032
(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)

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.

Attachment	N/A	Yes	
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 $ 250.00	Received By: KM	Date Received: 3.28.24	Receipt # C118047
W-9 received? Yes ☑ No ☐	(Route W-9 to Fiscal)	Name on W-9: Richard F. Smith	

2969

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 Richard F Smith

Mailing Address PO Box 8 (Street) Rexburg (City) ID (State) 83440 (Zip Code)

Email Address rfsmith727@gmail.com Phone Number 208-390-7000

☐ 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 Kristin Moore Organization Rocky Mountain Environmental Assoc. Inc.

Professional Title Sen. Water Rights Analyst Email Address kristin.rmea@gmail.com

Mailing Address 482 Constitution Way Ste 303, Idaho Falls, ID 83402 Phone Number 208-524-2353

☐ 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**.

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.
Wells deliver water into a mainline and pivots distribute water onto the ground.

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. None.

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. Acres in Sections 1 & 2 will be dried up. The acres in Section 31 will be irrigated by relocating canal shares from the property in the SESE of Sec 35, which is under development.

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 water right has been diverted.

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.

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

If yes, describe.

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: 2024 (Year) to 2028 (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. Applicant will rent this water back to himself for use on another piece of leased ground.

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	Richard F. Smith Printed Name	2/1/24 Date
Signature of Authorized Representative	Printed Name	Date

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

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

ATTACHMENT 1A

Additional Water Right Holders Party to the Lease Application

For the water right on this application, list all owners (individuals or business entities) of the right or the property to which it is appurtenant. All water right holders must sign a Water Supply Bank Lease Application. However, only the Designated Applicant needs to provide a completed IRS Form W-9 (Attachment 1B). **All correspondence and any financial payment associated with the rental of this water right will be directed to the Designated Applicant**. If additional space is needed to list any other water right holders, attach a second copy of Attachment 1A.

If submitting multiple applications, it is only necessary to complete one Attachment 1A for the group of applications. List each water right below.

Water Right No(s). 22-7032

	Designated Applicant	Applicant #2	Applicant #3
Name	Richard F. Smith	Jill D. Smith	
Mailing Address	PO Box 8 Rexburg, ID 83440	PO Box 8 Rexburg, ID 83440	
Phone Number	208-390-7000	208 385 6542	
Email Address	rfsmith727@gmail.com		
Applicant Declaration	As Designated Applicant, I submit this lease application on behalf of all other water right holders.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

	Applicant #4	Applicant #5	Applicant #6
Name			
Mailing Address			
Phone Number			
Email Address			
Applicant Declaration	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.	I authorize the Designated Applicant to submit this application on my behalf.
Signature			

Attachment # 1.D

TO: IDAHO DEPARTMENT OF WATER RESOURCES

FROM: RICHARD F. SMITH

RE: Authorized Representatives

Rocky Mountain Environmental Associates, Inc.
482 Constitution Way 303
Idaho Falls, ID 83402
(208) 524-2353 / (208) 524-1795 Fax

Rocky Mountain Environmental Associates, Inc. (RMEA) is hereby authorized to act on behalf of Richard F. Smith regarding Water Supply Bank Application(s) for water right(s).

Signature	Printed Name	Date
	RICHARD SMITH	5/27/21

Rocky Mountain ENVIRONMENTAL ASSOCIATES, INC

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

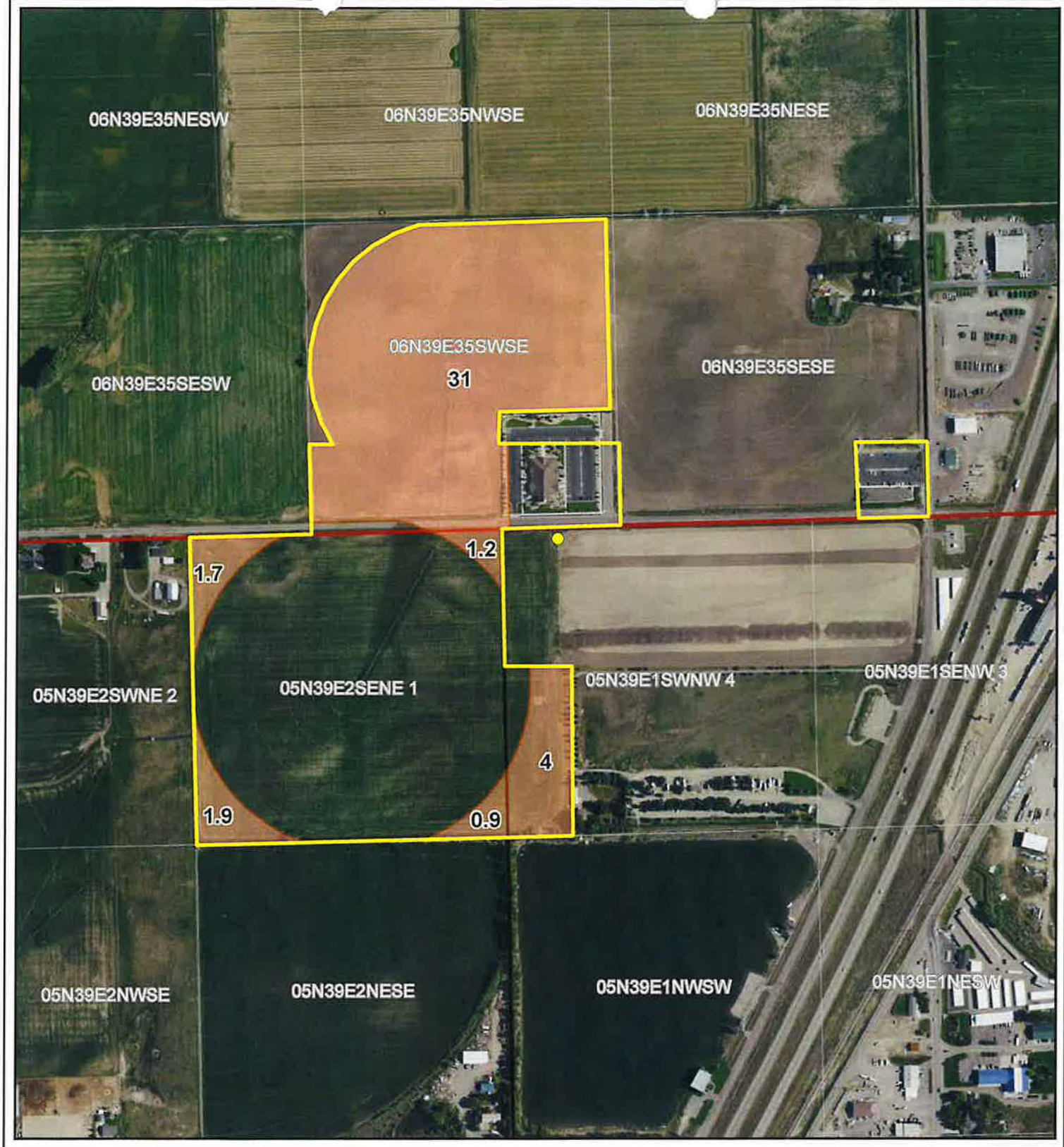
1.

Water Right Number	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
22-7032	Irrigation	0.78	142.5	40.7
	Total Amounts:	0.78	142.5	40.7

2. Source of water Ground water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
5N	39E	1	4		SW	NW	MADISON



0 485 970 1,940 Feet

2021 NAIP

Legend

- WR POD 22-7032
- QQ
- WR POU 22-7032
- WSB Lease Acres
- Twp & Rng
- Section

N W E S

Attachment #3. WSB Lease Map

Richard F. Smith

RMEA #15-0014

by: KM

Date: 10/25/2023

Rocky Mountain ENVIRONMENTAL ASSOCIATES, INC.

0005540718

STATE OF IDAHO
Office of the secretary of state, Phil McGrane
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 #: 0005540718

Date Filed: 1/4/2024 9:15:12 AM

Entity Name and Mailing Address:

Entity Name:	BENCH FARMS LLLP
The file number of this entity on the records of the Idaho Secretary of State is:	0000036034
Address	PO BOX 8 REXBURG, ID 83440-0008

Entity Details:

Entity Status	Active-Current
This entity is organized under the laws of:	IDAHO
If applicable, the old file number of this entity on the records of the Idaho Secretary of State was:	L6843

The registered agent on record is:

Registered Agent	RICHARD SMITH Registered Agent Physical Address 950 S MILLHOLLOW RD REXBURG, ID 83440 Mailing Address

Limited Partnership General Partners

Name	Business Address
Richard Smith	950 S MILLHOLLOW RD REXBURG, ID 83440

The annual report must be signed by an authorized signer of the entity.

Job Title: Manager

Richard Smith
Sign Here

01/04/2024
Date

B0869-9535 01/04/2024 9:15 AM Received by Office of the Idaho Secretary of State

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**

March 10, 2025

RICHARD F SMITH
PO BOX 8
REXBURG ID 83440-0008

RE: WATER SUPPLY BANK LEASE CONTRACTS 1892 & 1934
FOR WATER RIGHTS 22-2184, 22-2230, 22-7032, 22-7075, 22-11147 & 22-11149

Dear Lessor:

Water rights **22-2184, 22-2230, 22-7032, 22-7075, 22-11147 & 22-11149 are** leased into the Water Supply Bank (Bank) as of January **2024** in accordance with the enclosed executed lease contracts. **Your water rights, as described in the lease contracts, 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 right(s) will automatically be released from the Bank on **December 31, 2028,** unless the rights are released earlier by the Water Resource Board (Board). 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 are rented.**

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

Sincerely,

Debra Mansfield
Technical Records Specialist I

Enclosure: Executed Lease Contract

c: IDWR Eastern Region Office
Representative
Water District No. 100

Mansfield, Debra

From:	Mansfield, Debra
Sent:	Friday, March 7, 2025 3:47 PM
To:	Cefalo, James; Jordan, Blake; IdwrPayable; aaron.fmid@myidahomail.com; Kristin Moore
Cc:	Bank
Subject:	Executed WSB Lease Contracts 1892 & 1932
Attachments:	Executed WSB Lease Contracts 1892 & 1932, Richard F Smith.pdf

Hello,

Please see the attached copies of executed WSB Lease Contracts 1892 and 1932, in the name of Richard F Smith, for your records.

Thank you,

Debra Mansfield | Technical Records Specialist 1
IDWR – State Office
322 E Front St, Boise ID 83702-7371
(208) 287-4921 | Debra.Mansfield@idwr.idaho.gov

Bradford, Tiffany

From:	Bradford, Tiffany
Sent:	Tuesday, January 21, 2025 2:40 PM
To:	'kristin.rmea@gmail.com'
Subject:	WSB Application to Rent Agreement 884 / WSB Application to Lease Contract 1892 / WSB Application to Lease Contract 1934
Attachments:	WSB Application to Rent Agreement 884.pdf; WSB Application to Lease Contract 1892.pdf; WSB Application to Lease Contract 1934.pdf

Please see the attached Water Supply Bank Proposed Lease Contract for 1892 & 1934 John F. Smith along with Water Supply Bank Proposed Rent Agreement for 884 John F. Smith

If you have questions regarding the lease itself, please contact me or the bank at bank@idwr.idaho.gov

Tiffany Bradford
Technical Records Specialist I
Idaho Dept Water Resources
(208) 287-4847

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**

JANUARY 21, 2025

RICHARD F SMITH
PO BOX 8
REXBURG, ID 83440-0008

RE: APPLICATION TO LEASE WATER RIGHTS 22-7032 TO THE WATER SUPPLY BANK CONTRACT 1892

******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, 2028** 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,

Tiffany Bradford
Technical Records Specialist I
for
Water Supply Bank

Enclosures: Proposed Lease Contracts

SCANNED
JAN 21 2025

From:	Condon, Mary
To:	Cefalo, James; Jordan, Blake
Cc:	Bank
Subject:	Lease Review WR 22-7032 - R. Smith - WD 100
Date:	Thursday, August 22, 2024 1:26:00 PM
Attachments:	Lease Review Memo - App 2969.docx image001.png Lease Map - 1892.pdf

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Good afternoon, James, and Blake,

Please see the attached lease review memo and lease map for a 40.7 acres portion of groundwater irrigation right 22-7032 for a five-year term from 2024-2028, and kindly reply with comments or concerns within 10 days.

This lease review is part of a companion lease rental package received for Richard Smith for rental years 2024-2025 within the same area. I will send the rental review to you for comments once complete.

Thank you,
Mary

Mary Condon
Water Supply Bank Program Coordinator
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MEMORANDUM FOR APPLICATION # 2969 / CONTRACT # 1892

To: Water Right(s) 22-7032

From: Mary Condon

Date: August 21, 2024

Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

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PURPOSE/NARRATIVE: Lease application, as part of a companion package with rental application 2970, was received on March 28, 2024. The lease application requested a 5-year lease term to begin in 2024 through 2028 for 40.7 acres of the 82.1 acre water right. The offered water right has not been leased into the bank before. This review covers the lease, only.

AUTHORITY TO FILE: Application to lease water right 22-7032 was signed by the owner, Richard Smith, and was submitted by his representative, Kristin Moore with Rocky Mountain Environmental. A designated lessor form 1A was included and signed by both of the owners, Jill and Richard Smith. County tax lot data shows Mr. Smith has a primary interest as owner of the parcel under the water right place of use in Section 1. Bench Farms LLLP is listed as the owner of the parcel under the water right POU and under the point of diversion in Sections 2 and 35. The most recent filing with the Idaho Secretary of States shows Bench Farms LLLP is owned and managed solely by Richard Smith. No concerns with authority to file.

WATER RIGHT VALIDITY: The water right was decreed in 2012, and a review of 2023 NAIP satellite imagery shows full irrigation & cultivation of acres, less ~6.5 acre portion not offered to the bank that was commercially developed prior to 2017. No concerns with validity of the water right and portion offered to the bank.

INJURY TO OTHER WATER RIGHTS: Lease of 40.7 acres of this water right is not expected cause injury to other water rights.

ENLARGEMENT OF USE: The lease application states that the offered ground water right is not combined with or used with any other irrigation rights. The water right authorized place of use is within both the Rexburg Irrigation Company and the Fremont Madison Irrigation District boundaries. Documentation from the applicant in the backfile for the original application for permit in 1970 states that 10 shares of Rexburg Irrigation Company and 20 ac-ft of Fremont Madison storage were available on 38 acres of 144 acres requested for irrigation under the ground water rights, but the canal shares were not sufficient due to the highly draining soil and location of the diversion at the end of the canal. The intent of the applicant, per their correspondence to the Department in 1970, was to use the available surface water shares on 38 acres and the well water on 106 acres, as well as supplement the 38 acres with groundwater when canal shares were insufficient for a total of 144 acres. The number of acres authorized for irrigation by groundwater in 1976 was reduced down to 89.87 acres with no overlap of other water rights, apparently excluding acres irrigated by surface water shares.

Transfer application 85241, approved in 2021, was to swap 24.1 acres for use by ground water only from the SWNW of Section 1 (05N 39E) with acres irrigated using canal shares from Rexburg Irrigation Company to the SWSE of Section 35 (06N 39E). No comingling or expansion of acres was discovered during the transfer review.

This lease seeks to dry up 9.7 acres in Sections 1 & 2, as well as move canal shares to the 31-acre POU offered in the SWSE of Section 35 from the adjacent property in the SESE of Section 35 since the neighboring property is "under development" per the lease application. The 40.7 acres offered for lease plus the remaining acres irrigated is not intended to be enlarged or expanded. The water right appears to have been developed and remained irrigated solely by groundwater and can be rented outside of the Rexburg Irrigation Company boundary as a primary groundwater right with no supplemental conditions.

LOCAL PUBLIC INTEREST: 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 location for the lease PD is within the IDWR Eastern Region, is subject to Water District # 100, and is within the Henrys Fork Ground Water District. An email soliciting comments or concerns was sent to the watermaster and regional manager on August 22, 2024.