

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1725

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

LESSOR: CHARLES M JOHNSON
751 Eastridge Dr
Hailey, ID 83333-8777

RECEIVED

OCT 13 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 April 07, 2023.
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)
37-22118	3/24/1883	BIG WOOD RIVER, tributary to MALAD RIVER	0.20	Not Stated	3.5
Lease Totals			0.20	Not Stated	3.5

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
37-22118	0.05	6.0	1.7	0.03	3.5
Combined Limit Totals	0.05	6.0	1.7	0.03	3.5

** The water right elements rentable have been reduced and changed from the water right elements leased to account for conveyance losses of 53.63%, enlargement concerns, and the inclusion of a diversion volume*

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

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1725

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.
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. 1725

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

LESSOR: CHARLES M JOHNSON
751 Eastridge Dr
Hailey, ID 83333-8777

By Charles M Johnson
Title Owner
Date 10-9-23

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

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

Date 10/18/23

Lease approved by IDWR Patton

Date 10/18/23

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1725

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): 37-22118

BIG WOOD RIVER SWNW Sec. 20 Twp 03N Rge 18E BLAINE County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
37-22118	IRRIGATION	04/15	to	10/31	0.05 cfs	Not Stated
	STOCKWATER	04/15	to	10/31	0.02 cfs	Not Stated
Totals:					0.05 cfs	Not Stated

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	18E	10					1.8		0.1	1.6									3.5

PLACES OF USE TO BE IDLED UNDER THIS LEASE: STOCKWATER

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	18E	10					X			X									X

Total Acres: 3.5

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.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1725

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.
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. The quantity of water under this right for stockwater use shall not exceed 13,000 gallons per day.
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. 37.

Idaho Water Resource Board
Water Supply Bank Lease Contract No. 1725

37-22118
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.



0 5,000 10,000 15,000 Feet

-  Water Supply Bank Lease Point of Diversion
-  Water Supply Bank Lease Place of Use
-  Township/Range
-  Sections



STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED
APR 07 2023
DEPARTMENT OF
WATER RESOURCES

Designated Applicant Charles M. Johnson

(Select one owner – see item 1A on the application)

Water Right No. 37-22118

(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.**

MINIMUM 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-Received By: KMDate Received: 4.7.23Receipt # C115815W-9 received? Yes ☒ No ☐

(Route W-9 to Fiscal)

Name on W-9:

Charles M. Johnson

2641

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 Charles M. Johnson

Mailing Address 751 Eastridge Dr., Hailey, Idaho 83333

Street

City

State

Zip Code

Email Address _____

Phone Number _____

☐ 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 Fritz X. Haemmerle

Organization Haemmerle Law, P.L.L.C

Professional Title Attorney

Email Address fxh@haemmerlelaw.com

Mailing Address P.O. Box 1800, Hailey, Idaho 83333

Phone Number (208) 578-0520

☐ 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.

Water is diverted out of the Big Wood River into the Hiawatha Canal, and then into the Hiawatha High Ditch
Lateral for delivery to the place of use (POU).

- 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. The POU is served with a domestic well.

- 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. There are two POU's, each POU has a domestic well.

- 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 right has been in the water bank for the last five (5) years.

- 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. The water right has been in the water bank for the last five (5) years.

- 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 ☒

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 ☒.

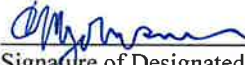
If lease, specify the years when the use of water will be suspended: 2024 to 2028 (maximum lease period 5 calendar years).
(Year) (Year)

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 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.



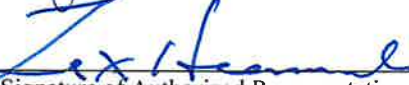
Signature of Designated Applicant

Charles M. Johnson

Printed Name

3-30-23

Date



Signature of Authorized Representative

Fritz X. Haemmerle

Printed Name

3/28/23

Date

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

**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) 37-22118

	Designated Applicant	Applicant #2	Applicant #3
Name	Charles M. Johnson	Connie Johnson	
Mailing Address	751 Eastridge Dr. Hailey, ID 83333	751 Eastridge Dr. Hailey, ID 83333	
Phone Number			
Email Address			
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			

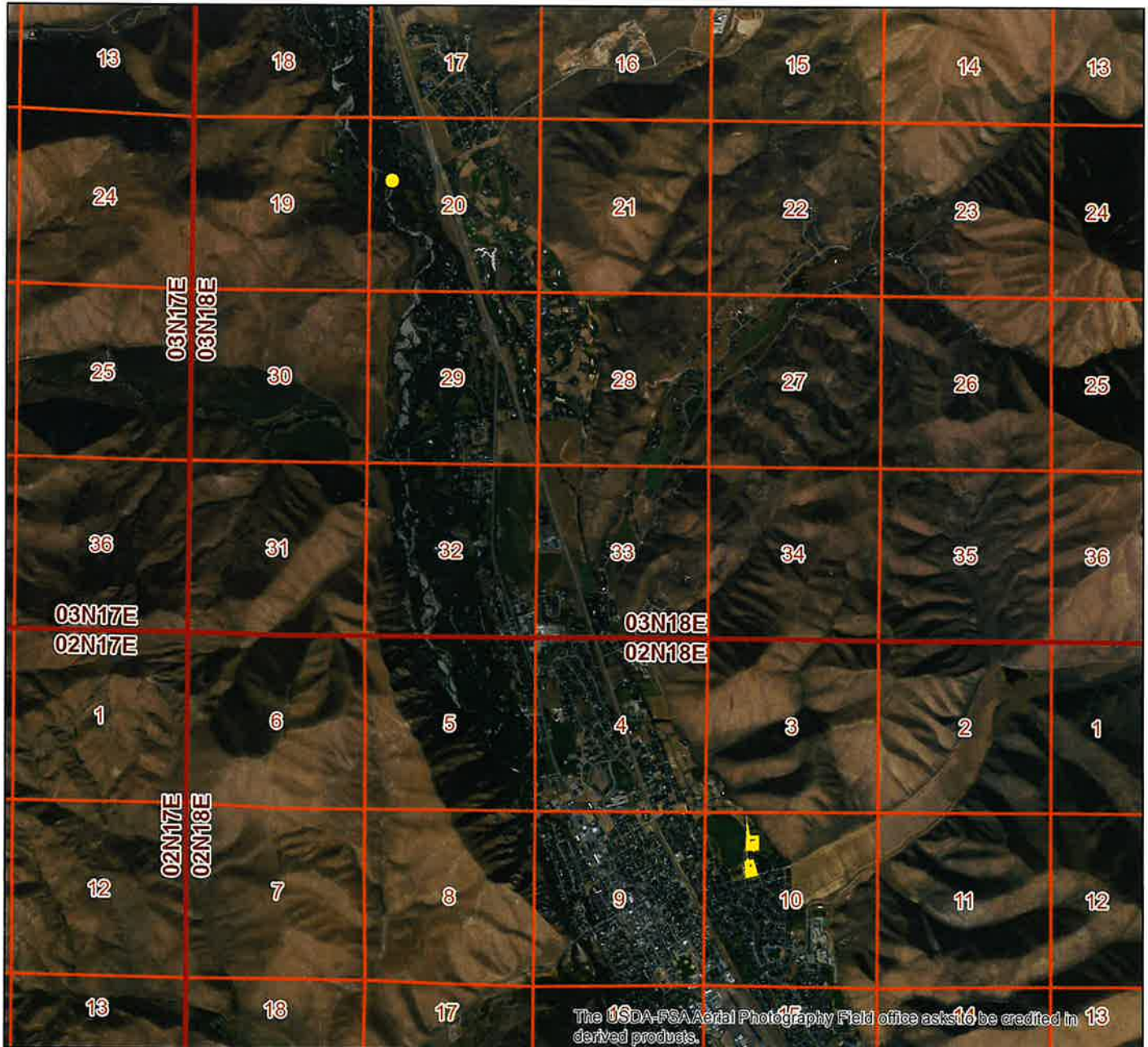
State of Idaho
Department of Water Resources

Water Right

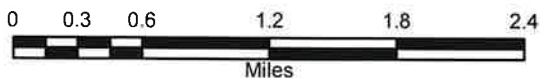
37-22118

IRRIGATION

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.



Date created: 4/4/2023



Legend

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



State of Idaho
Department of Water Resources

Water Right

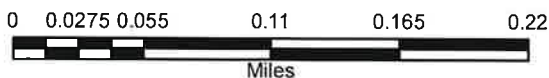
37-22118

IRRIGATION

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.



Date created: 4/4/2023



Legend

- Place of Use Boundary
- Townships
- PLG Sections
- Quarter Quarters



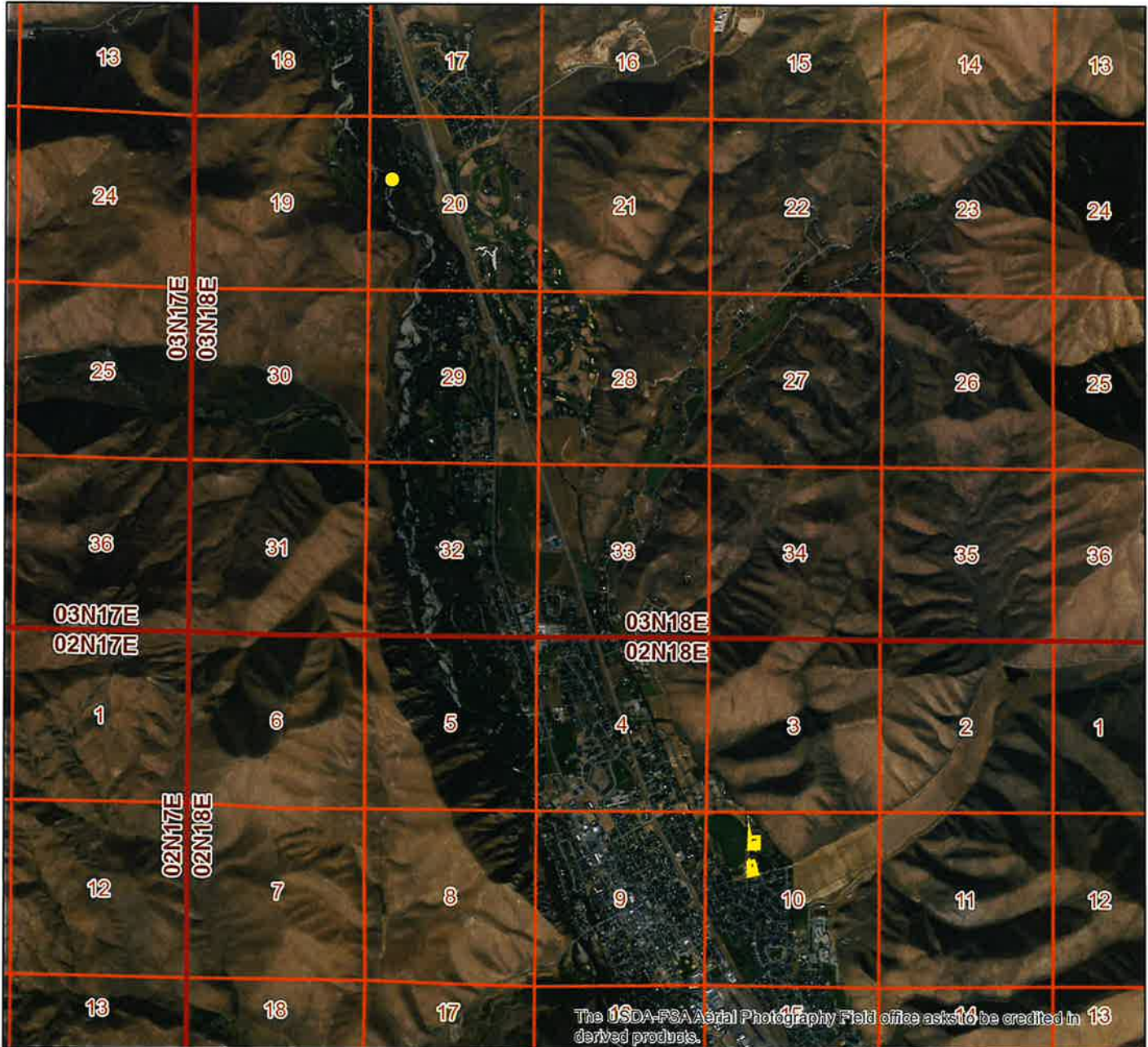
State of Idaho
Department of Water Resources

Water Right

37-22118

STOCKWATER

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.



Date created: 4/4/2023



Legend

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



State of Idaho
Department of Water Resources

Water Right

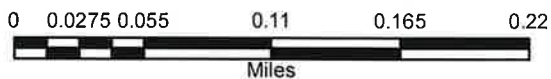
37-22118

STOCKWATER

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.



Date created: 4/4/2023



Legend

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



EXHIBIT 1

RECEIVED

MAY 10 1999

Department of Water Resources
Boise, Idaho



AFFIDAVIT

STATE OF IDAHO)
) ss.
County of Blaine)

I, REID J. NEWBY, P.O.Box N, Shoshone, Idaho, 83353, being duly sworn, under oath, depose and state as follows:

1. I am a resident of Lincoln County, Idaho, and I previously held the position of Water Master of Water District 37 and 37M. In my capacity as Water Master and on a private basis I have measured water flows regularly over the past twenty-five (25) years using a variety of methods, including a Pygmy Current Meter.

2. On June 25, 1992, I was retained to make water measurements of water diverted from the Hiawatha Canal into the "High Ditch" through three properties: (1) Lot 1, Block 1, Marvin Gardens Subdivision, owned by Charles and Connie Johnson; (2) Lot 2, Block 1, Marvin Gardens Subdivision, owned by Thomas and Louise Hickey; and (3) Lot 3, Block 1, Marvin Gardens Subdivision, owned by James and Evelyn Phillips. The purpose of the measurements was to determine ditch loss from the point of diversion from the Hiawatha Canal to each of the properties.

3. I used pygmy current meter for all measurements with a spin test of two (2) minutes thirty-five (35) seconds, the meter came to a very gradual stop indicating it was performing correctly on all occasions of measurement.

4. I found a good measuring section about 35 to 40 feet

below the diversion point from the Hiawatha Canal. The Hiawatha appeared to remain steady during these measurements. With the stem of the diversion gate up $5 \frac{3}{8}$ inches above the wheel nut. I found there was 79.4 inches of water at the measuring section. A second measurement was taken with the diversion gate opened to where the nut stem showed $5 \frac{3}{8}$ inches above the wheel nut, another measurement was made at the same section and there was 87.95 inches of water. Each of these measurements was rated as good or better.

5. I then went to the High Ditch about ten (10) feet below the Johnson diversion, and established a section. I closed off the Johnson diversion and a measurement was made, the results gave a flow of 55.5 inches of water at this point. This point was about one and one-half miles ($1\frac{1}{2}$) below the diversion point from the Hiawatha Canal. I then open the John diversion and diverted as much water as I could at this stage, and another measurement was taken, the result of the measurement was 39.4 inches in the High Ditch and 16.1 inches being diverted into the Johnson diversion.

6. Then I went approximately .3 mile down the High Ditch to the Phillips and Hickey diversion. A measuring section was established about 10 feet above this diversion and a measurement was made, the results were found to be 30.2 inches of water at this point.

7. Each time a change was made for the diversions either from the Hiawatha or the High Ditch, time was allowed for the water to settle before each measurement was made.

8. Based on the above measurements, the average

measuring at Section No. 1 was 83.7 inches; measuring at Section No. 5 was 55.5 inches providing for a ditch loss of 28.2 inches or 33.65% in 1.5 miles of canal. With the measurement No. 5 at the Johnson diversion and measurement No. 6 at the Phillips/Hickey diversion provided for a ditch loss of 44.68% in 1.8 miles of the canal.

DATED this 14 day of April, 1993.

Reid J. Newby
REID J. NEWBY

SUBSCRIBED AND SWORN to before me this 14 day of April, 1993.

Robert A. Quinn
NOTARY PUBLIC FOR IDAHO

Residing at: Shoshone, Idaho

Commission Expires 9-1-94

JIM\NEWBY.AFD

Johnson Water Right 37-22118 Conveyance Loss Calculations

	<u>CFS</u>
Main Hiawatha Canal Diversion at Big Wool River headgate .	.20
20% Conveyance Loss Hiawatha Canal	-.04
Diversion at Hiawatha High Ditch Lateral headgate	.16
33.65 % High Ditch Conveyance Loss to Johnson diversion	<u>-.054</u>
Water Available for Use	.106

HIAWATHA CANAL

P.O. Box 1604 • Hailey, ID 83333

March 29, 2023

RECEIVED

APR 07 2023

DEPARTMENT OF
WATER RESOURCES

Idaho Water Bank
322 E. Front St.
P.O. Box 83720
Boise, ID 83720-0098

Re: Water Right 37-22118

Dear Sir or Madam:

The purpose of this letter is to address the aforementioned water bank lease application, which water right is conveyed by the Hiawatha Canal Water Users Association of Lateral or Laterals ("Canal Company"). For the reasons outlined below and on the conditions requested, the Canal has no objection to the water right(s) being placed into the Water Bank.

The Hiawatha Canal Company is concerned about the amount of water being removed from the Canal and its laterals and placed in the Water Bank by various water right holders. Generally, at this time, the Canal Company does not object to water rights conveyed in the Hiawatha Canal being placed in the Water Bank provided that the Water Bank should require twenty percent (20%) of the right be left in the Canal as conveyance loss. On this water right, there is an additional percentage representing the conveyance loss for the water right delivered through the High Ditch to the place of use (POU).

Providing you some historical perspective, the Canal Company filed for mitigation (conveyance loss) rights in the adjudication for rights that had been forfeited or abandoned out of the Canal. The Department agreed that the conveyance loss in the Canal was twenty percent (20%). and therefore, entered recommendations accordingly. See e.g., water rights 37-22630, 37-22631, 37-22632 and 37-22633. This conveyance has been recognized by the Idaho Department of Water Resources in similar transfers and leases to the Water Bank. Leaving twenty percent (20%) of the leased rights in the Canal will ensure that all rights in the Canal continue to be delivered without injury to water right holders in the Canal.

Additionally and in this situation, water right 37-22118 is conveyed from the Hiawatha Canal at its headgate of the Big Wood River to the headgate of the lateral ditch commonly refereed to as the "Hiawatha High Ditch Lateral." The distance from the Hiawatha High Ditch Lateral headgate to the place of use (POU)

for water right 37-22118 is approximately 1.5 miles with a 33.65% conveyance loss. This conveyance loss is verified in the Newby Affidavit and High Ditch Lateral Conveyance Loss Calculations, attached hereto as Exhibit 1.

As a condition of being leased, the Canal Company requests:

1. The Canal Company does not presently object to the aforementioned water rights being placed in the Water Bank, provided that 20% of the right is left in the main Hiawatha Main Canal as conveyance loss and 33.65% is left in the Hiawatha High Ditch Lateral for the conveyance loss in the High Ditch lateral: and
2. The Canal Company would like to be notified if the water rights are eventually released from the Water Bank. or if the Water Rights are being leased again to the Water Bank after the expiration of the lease period.

Thank you in advance for responding to this letter and addressing our concerns. If you have any questions. please do not hesitate to call me.

Sincerely,

HIAWATHA CANAL COMPANY



James W. Phillips, Chairman

JWP: hmj
Encl.
cc: client

HAEMMERLE LAW, P.L.L.C.

Attorney & Counselor at Law

Fritz X. Haemmerle
fxh@haemlaw.com

P.O. Box 1800
Hailey, ID 83333

400 South Main Street, Suite 102
Tel: (208) 578-0520
Fax: (208) 578-0564

RECEIVED

MAR 28 2023

DEPARTMENT OF
WATER RESOURCES

March 28, 2023

Idaho Dept. of Water Resources
c/o Water Bank
P.O. Box 83720
Boise, ID 83720-0098

Re: *Request to Water Bank 37-22118*
Applicant: *Charles and Connie Johnson*

To Whom It May Concern:

Please find enclosed my clients' Application to Lease Water to Water Bank for the aforementioned water right. This letter includes: (1) Application, with maps and W-9; (2) Letter from Hiawatha Canal; and (3) check for \$250.00.

If you require any further information, please advise.

Sincerely,

HAEMMERLE LAW, P.L.L.C.



Fritz X. Haemmerle

FXH: fxh
Encl.
cc: client

2641



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

October 18, 2023

CHARELS M. JOHNSON
752 EASTRIDGE DR.
HAILEY ID, 83333

RE: WATER SUPPLY BANK LEASE CONTRACT 1725 FOR WATER RIGHT 37-22118

Dear Lessor:

Water right 37-22118 is leased into the Water Supply Bank (Bank) as of January 1, 2024, 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 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,

Water Supply Bank

Enclosure: Executed Lease Contract



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

September 22, 2023

CHARELS M. JOHNSON
752 EASTRIDGE DR.
HAILEY ID, 83333

**RE: APPLICATION TO LEASE WATER RIGHT 37-22118 TO THE WATER SUPPLY BANK
CONTRACT 1725**

******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.

Regards,

Skyler Cheever



IDAHO DEPARTMENT OF
WATER RESOURCES
Skyler Cheever | Water Resource Agent
322 E Front St, PO Box 83720, Boise, ID 83720
(208) 287-4800 | www.idwr.idaho.gov

MEMORANDUM FOR WSB LEASE APPLICATION # 2641

To: Water Right No. 37-22118

From: Skyler Cheever, Water Resource Agent

Date: 9/12/2023

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

PURPOSE/NARRATIVE:

Application 2641 was submitted by Charels Johnson and received on April 7th, 2023, with the correct fee payment received on the same date. The applicant proposes to lease the entirety of water right 37-22118 in the water supply bank from 2024-2028. The point of diversion is within the Snake River Moratorium, Big Wood River Moratorium, Big Wood River GWMA, Galena Groundwater District, and Trust Water Area. This application is a renewal of contract 1034, set to expire on December 31st, 2023.

AUTHORITY TO FILE:

Charels Johnson signed the application. Mr. Johnson has the authority to file this agreement because he is one of the current owners of the water right 37-22118 according to Department Records. Attachment 1A submitted with the application appointed Mr. Johnson as the designated applicant.

WATER RIGHT VALIDITY:

Water Right 37-22118 was decreed in 2010. An ownership change, approved in 2022, reduced the irrigated acres authorized from 7.6 to 3.5 acres. The water right was considered valid before it was leased into the water supply bank in 2019 by Department staff in review of the previous lease proposal. It was leased into the water supply bank from 2019 through December 31st, 2023. Any water rights leased or rented from the water supply bank would be within a valid defense to forfeiture during the contracted period according to Idaho Code §42-223(5). Therefore, enough evidence is available to the bank to indicate 37-22118 is likely not lost to forfeiture and can be leased into the water supply bank.

INJURY TO OTHER WATER RIGHTS:

Water under 37-22118 is diverted from a lateral from Hiawatha Canal. To account for seepage losses from the canal a conveyance of 20% is recommended to remain in the main canal according to a letter from Hiawatha Canal Co. An additional conveyance of 33.65% is recommended to be left in the lateral. The Department does not have jurisdiction to regulate water once it enters the Hiawatha Canal. However, if the 33.65% conveyance is ignored and made rentable it would be like 33.65% would not be left idle in the lateral. Therefore, the diversion rate that will be available for rental will be reduced by 53.65% for conveyance.

ENLARGEMENT OF USE:

The authorized place of use is split up into two different parcels, Lot 9 and 7 Block 1. Both lots have associated domestic wells. However, use in Lot 7 falls under the domestic exemption and does not have a recorded water right. Lot 9 includes a groundwater irrigation and domestic water right, 37-8428 that overlaps 37-22118.

According to the previous lease application review irrigation on Lot 9 had been almost exclusively achieved with groundwater. A rental of associated surface water would likely lead to an enlargement of 37-8428 because 1.8 acres of 37-22118 are stacked with 37-8428. Therefore 1.8 acres, including rate and volume, will be made unrentable to prevent enlargement. There are no other enlargement concerns.

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 point of diversion is within Basin 37 and Water District 37. The Water Master and Southern Regional Manager were contacted for comment on September 13th, 2023. No response was received, it is assumed there is no concern with this proposal.

Cheever, Skyler

From: Cheever, Skyler
Sent: Wednesday, September 13, 2023 12:18 PM
To: Skinner, Corey; 'watermanager@wd37.org'
Subject: Water Supply Bank Lease Application 2641
Attachments: Lease Review Memo 2641.docx; Lease 1725 Map.pdf

Hello Corey and Ms. Healey ,

I have finished my review of a water supply bank lease application within Basin 37 and Water District 37. The applicant is Charels Johnson . The applicant proposes to lease the entirety of water right 37-22118 into the water supply bank from 2024-2028. Attached is a review memo, and map of the place of use. If there are any comments that need to be made, please do so within 7 days. If you have any questions, please let me know.

Best,

Skyler

Skyler Cheever

Water Resource Agent, State Office

Email: skyler.cheever@idwr.idaho.gov

Phone: 208-287-4913