



State of Idaho

DEPARTMENT OF WATER RESOURCES

Western Region, 2735 Airport Way, Boise, Idaho 83705-5082

PHONE: (208) 334-2190 FAX: (208) 334-2348 www.idwr.idaho.gov

C.L. "BUTCH" OTTER, Governor
GARY SPACKMAN, Interim Director

March 19, 2010

INTERMOUNTAIN SEWER & WATER CORP
C/O LORI GRAVES
SPF WATER ENGINEERING LLC
300 E MALLARD DR STE 350
BOISE ID 83706

Re: Application for Permit No. 61-12256 (previously numbered 63-32973)

Dear Lori:

The above referenced application proposes significant ground water development along the I84 corridor between Mountain Home and Boise. The application is one of many filed by various parties in this regard. A table summarizing the I84 applications is enclosed for your convenience. The application was re-numbered to correct the basin identification.

The Idaho Department of Water Resources (IDWR) needs more information to process application 61-12256. Please consider the following points.

Withdraw Application – If the applicant does not want to proceed with the proposed development, the application can be withdrawn using the enclosed form, and the applicant can seek a refund of the \$770 filing fee. A refund should be requested in writing.

The rest of this letter applies if the applicant wants to continue with the application.

General Information for Application 61-12256

The applicant owns permit 63-32225 for a significant municipal development in Ada County. That permit is proposed for amendment to increase the service into adjacent land in Elmore County. The permit and this new application for permit will have separate wells in separate counties for a common service area in both counties. Each filing apparently covers a different amount of development with the total proposed project.

Permit 63-32225 was approved in early 2007 and included a condition of approval requiring that construction begin within one year from that date unless it can be determined this was not possible due to circumstances beyond the permit owner's control. Your November 19, 2009 letter to IDWR regarding the permit stated that "construction of wells and the project water system is scheduled to start in fall, 2010." Please provide information showing why application 61-12256 for an expansion of the project should be considered when it appears the applicant has not complied with the project construction requirement of the original phase of the project under 63-32225.

Additionally, provide credible information that the additional water development proposed in 61-12256 can be completed and beneficially used within a five period, particularly since 10.0 cfs under 63-32225 should be

developed and used prior to any development period under 61-12256.

Any rate of flow intended only for fire protection in 61-12256 should be deducted from the proposed municipal rate and listed as a separate use in this application. Please confirm that none of the proposed rate of flow in 61-12256 will be dedicated only to fire protection. Alternately, the application should be amended for separate municipal and fire protection uses if necessary.

Technical Information for Application 61-12256

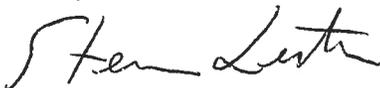
Water Appropriation Rule 40 information is needed for this application. Please see the enclosed copy of Rules 40.05.c-g for this situation. Your responses to those items should also address the following concerns.

- 1) Demonstrate an adequate, sustainable ground water supply is available.
- 2) The proposed wells are within the Mtn. Home Ground Water Management Area (GWMA) and not far from the Cinder Cone Butte Critical Ground Water Area (CGWA). Demonstrate the proposed use of ground water will not result in further ground water level declines in the GWMA or the CGWA.
- 3) Discuss plans to monitor and report data about ground water supply, ground water levels, and ground water quality in and around the project area if 61-12256 is approved and development proceeds.
- 4) Individual and Cumulative Effects: Provide Rule 40.05.cii-ciii information and above items 1 through 3 information with respect to the following: effects from 61-12256, effects from 61-12256 combined with 63-32225, and cumulative effects from this application plus all the projects senior in priority to 61-12256 as summarized in the enclosed table, "Ground Water Projects, I84 Area, March 18, 2010."
- 5) For Rule 40.05.g information regarding local public interest, describe how the applicant intends to become a municipal provider for the expanded service area under I. C. § 42-202B, specifically with respect to the Idaho Department of Environmental Quality and/or the Idaho Public Utilities Commission. Also, describe the applicant's progress with any required local government approvals. It is not necessary to send comment letters noted under this section of the rule.

Please provide your response within the next sixty (60) days. Alternately, you can request up to six months additional time in this regard. Without a timely written reply, the application will be voided and a refund will not be issued.

Please contact me if you have any questions. Thank you for your attention to this matter.

Sincerely,



Steve Lester
Water Rights Supervisor

Enclosures

Active Applications, Ground Water Projects, I84 Area, March 18, 2010.

See notes, next page

NAME	NUMBER	PRIORITY	USE	CFS	WELL LOCATIONS	STATUS
ID Water Company	73811	1963-1980	Irrigation	05.56	1S 4E S. 14, 23, 24	Protested
Mayfield Townsite	74414	1971	Irrigation	01.91	1N 4E S. 25, 26	Protested
Elk Creek Canyon (Nevid?)	73789	1974-1977	Irrigation	17.92	1N 5E S. 21, 31-33; 1S 4E S. 1, 11; 1S 5E S. 5-8	Not processed
Orchard Ranch	73834	1976	Municipal	11.36	1S 4E S. 19	Not processed
Intmtn. Sewer & Water	63-32225	9/16/2005	Municipal	10.00	1N 4E S. 28, 33	Permit issued
Intmtn. Sewer & Water	63-32225	9/16/2005	Municipal	10.00	1N 4E S. 28, 33	Appl. To Amend Permit, Protested
Mayfield Townsite	63-32499	7/28/2006	Municipal	10.00	1N 4E S. 23, 24, 27; 1N 5E S. 18, 19	Protested
Nevid	61-12090	9/28/2006	Municipal & Fire Protection	04.02 *	1S 4E S. 2, 11	Permit issued
Nevid	61-12095	4/3/2007	Municipal	05.00	1S 4E S. 1, 12	Protested
Orchard Ranch	63-32703	6/21/2007	Municipal	09.60	1S 3E S. 9, 10, 13-15, 24	Not processed
Cloverleaf	61-12162	12/28/2007	Domestic	02.00	1S 4E S. 2	Not processed
Cloverleaf	61-12168	1/2/2008	Domestic	04.50	1N 5E S. 33, 34; 1S 5E S. 4	Not processed
Intmtn. Sewer & Water	61-12256 **	1/17/2008	Municipal	13.76	1N 4E S. 34, 35	Not processed
Rider	61-12173	3/21/2008	Domestic	04.50	1N 5E S. 20, 21, 30	Not processed
Rider	61-12174	3/21/2008	Domestic	04.50	1N 5E S. 26, 28	Not processed
Pacific West Land	61-12257 ***	4/15/2008	Municipal	18.20	1S 3E S. 12; 1S 4E S. 7, 8, 16-18	Not processed

NOTES

- Listed in existing/proposed date of priority order.
- Includes approved & pending permits or transfers & 1 pending amendment of permit.
- Does not include void, withdrawn & otherwise terminated applications.
- 5-digit number = transfer; 7-digit number = application for permit, application for amendment of permit, or approved permit.
- Status of "not processed" indicates no legal notice yet.
- * 1.82 cfs municipal + 2.20 cfs fire protection
- ** previously mis-numbered 63-32973
- *** previously mis-numbered 63-33036

FEE SCHEDULE

Application fees (CFS = cubic feet per second – AF = acre-feet)

CFS	AF	Fee	CFS	AF	Fee
0.00 – 0.20	0 – 20	\$100.00	11.01 – 12.00	1101 – 1200	\$690.00
0.21 – 1.00	21 – 100	\$250.00	12.01 – 13.00	1201 – 1300	\$730.00
1.01 – 2.00	101 – 200	\$290.00	13.01 – 14.00	1301 – 1400	\$770.00
2.01 – 3.00	201 – 300	\$330.00	14.01 – 15.00	1401 – 1500	\$810.00
3.01 – 4.00	301 – 400	\$370.00	15.01 – 16.00	1501 – 1600	\$850.00
4.01 – 5.00	401 – 500	\$410.00	16.01 – 17.00	1601 – 1700	\$890.00
5.01 – 6.00	501 – 600	\$450.00	17.01 – 18.00	1701 – 1800	\$930.00
6.01 – 7.00	601 – 700	\$490.00	18.01 – 19.00	1801 – 1900	\$970.00
7.01 – 8.00	701 – 800	\$530.00	19.01 – 20.00	1901 – 2000	\$1,010.00
8.01 – 9.00	801 – 900	\$570.00	20.01 – 100.00	2001 – 10000	*
9.01 – 10.00	901 – 1000	\$610.00	101.01 – 500.00	10001 – 50000	**
10.01 – 11.00	1001 – 1100	\$650.00	500.01 & over	50001 & over	***

* \$1,010.00 plus \$20.00 for each additional 1.0 cfs or part thereof or 100 acre-feet or part thereof over the first 20 cfs or 2,000 acre-feet.

** \$2,610.00 plus \$10.00 for each additional 1.0 cfs or part thereof or 100 acre-feet or part thereof over the first 100 cfs or 10,000 acre-feet.

*** \$6,610.00 plus \$2.00 for each additional 1.0 cfs or part thereof or 100 acre-feet or part thereof over the first 500.0 cfs or 50,000 acre-feet.

Your application and fee may be submitted to one of the following offices:

Northern Region

Idaho Dept. of Water Resources
 7600 N Mineral Dr., Suite 100
 Coeur d'Alene, ID 83815
 Tel. – 762-2800
 FAX – 762-2819

Eastern Region

Idaho Dept. of Water Resources
 900 N. Skyline Dr., Suite A
 Idaho Falls, ID 83402
 Tel. – 525-7161
 FAX – 525-7177

Southern Region

Idaho Dept. of Water Resources
 1341 Fillmore St., Suite 200
 Twin Falls, ID 83301
 Tel. – 736-3033
 FAX – 736-3037

Western Region

Idaho Dept. of Water Resources
 2735 Airport Way
 Boise, ID 83705
 Tel. – 334-2190
 FAX – 334-2348

Water Appropriation Rules 40.05.c through 40.05.g

c. Information relative to the effect on existing water rights, Section 42-203A(5)(a), Idaho Code, shall be submitted as follows:

i. For applications appropriating springs or surface streams with five (5) or fewer existing users, either the identification number, or the name and address of the user, and the location of the point of diversion and nature of use for each existing water right shall be submitted.

ii. For applications appropriating groundwater, a plat shall be submitted locating the proposed well relative to all existing wells and springs and permitted wells within ~~a one-half mile~~ radius of the proposed well.

iii. Information shall be submitted concerning any design, construction, or operation techniques which will be employed to eliminate or reduce the impact on other water rights.

d. Information relative to sufficiency of water supply, Section 42-203A(5)(b), Idaho Code, shall be submitted as follows:

i. Information shall be submitted on the water requirements of the proposed project, including, but not limited to, the required diversion rate during the peak use period and the average use period, the volume to be diverted per year, the period of year that water is required, and the volume of water that will be consumptively used per year.

ii. Information shall be submitted on the quantity of water available from the source applied for, including, but not limited to, information concerning flow rates for surface water sources available during periods of peak and average project water demand, information concerning the properties of the aquifers that water is to be taken from for groundwater sources, and information on other sources of supply that may be used to supplement the applied for water source.

e. Information relative to good faith, delay, or speculative purposes of the applicant, Section 42-203A(5)(c), Idaho Code, shall be submitted as follows:

i. The applicant shall submit copies of deeds, leases, easements or applications for rights-of-way from federal or state agencies documenting a possessory interest in the lands necessary for all project facilities and the place of use or if such interest can be obtained by eminent domain proceedings the applicant must show that appropriate actions are being taken to obtain the interest. Applicants for hydropower uses shall also submit information required to demonstrate compliance with Sections 42-205 and 42-206, Idaho Code.

ii. The applicant shall submit copies of applications for other needed permits, licenses and approvals, and must keep the department apprised of the status of the applications and any subsequent approvals or denials.

f. Information Relative to Financial Resources, Section 42-203A(5)(d), Idaho Code, shall be submitted as follows:

i. The applicant shall submit a current financial statement certified to show the accuracy of the information contained therein, or a financial commitment letter along with the financial statement of the lender or other evidence to show that it is reasonably probable that financing will be available to appropriate the water and apply it to the beneficial use proposed.

ii. The applicant shall submit plans and specifications along with estimated construction costs for the project works. The plans shall be definite enough to allow for determination of project impacts and implications.

g. Information Relative to Conflict with the Local Public Interest, Section 42-203A(5)(e), Idaho Code, shall be submitted as follows:

The applicant shall seek comment and shall submit all letters of comment on the effects of the construction and operation of the proposed project from the governing body of the city and/or county and tribal reservation within which the point of diversion and place of use are located, the Idaho Department of Fish and Game, the Idaho Department of Environmental Quality, and any irrigation district or canal company within which the proposed project is located and from other entities as determined by the director.

— within an area of impact based on credible technical justification from a qualified expert in these matters

*
Cii
Ciii