



**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](http://www.idwr.idaho.gov)

---

C.L. "BUTCH" OTTER, Governor  
DAVID R. TUTHILL, JR., Director

August 31, 2007

BOISE HIGHLAND DEVELOPMENT CO  
C/O TERRY SCANLAN  
SPF WATER ENGINEERING  
600 E RIVER PARK LN STE 105  
BOISE ID 83706

Re: Additional Information for Application 61-12090

Dear Terry:

The applicant informed the Idaho Department of Water Resources (IDWR) that your firm has been retained in this matter again. I am addressing this letter to you since the applicant did not identify a particular contact person at SPF.

Enclosed is a copy of my May 17, 2007 letter seeking additional information for this application. I also enclosed a copy of the applicant's June 21, 2007 reply. The applicant adequately addressed the issues of business entity, possessory interest in the place of use, and the transfer application (withdrawn a couple weeks ago).

The applicant provided a partial answer regarding project financing. The applicant stated that the consultant would provide the remaining information requested by IDWR.

A partial response to the May request has been made within the ninety day deadline. The applicant did not seek additional time to complete the response. Although IDWR would be justified in voiding the application at this time based on this record, a different approach is warranted as follows.

Please provide the response to Water Appropriation Rule 40 noted in my previous letter. Of course, one critical topic involves water availability and injury within the Mountain Home Ground Water Management Area (GWMA). Given the extent of the ground water deficit experienced in the GWMA in recent years, it is difficult to imagine approval of the application without a suitable mitigation plan.

Additionally, the applicant's June response about financial matters is weak. I understand the "chicken and egg" argument being made. However, Rule 40 requires more information than was provided by the applicant. The applicant provided no evidence of having about "\$4M of its own" or that "obtaining

Application 61-12090  
August 31, 2007  
Page 2

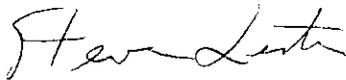
institutional (bank) financing for the balance of the project ... will not be a problem in the least." Additionally, the applicant did not provide any meaningful information to allow IDWR to determine the project impacts and implications under item f of Rule 40. The applicant needs to provide enough information to avoid a conclusion that the proposal is speculative.

The applicant suggested the application might be amended for less water. The additional information requested by IDWR would also apply to a reduced application.

**Please provide the required information within the next sixty (60) days. Alternately, a request for up to six months of additional time may be requested. The application will be voided without a timely written response.**

Please contact me at your convenience if you need more information. Thank you for your attention to this matter.

Sincerely,



Steve Lester  
Water Rights Supervisor

Enclosure: Copy of IDWR May 17, 2007 Request for Additional Information  
Copy of Applicant June 21, 2007 Additional Information