LAWRENCE G. WASDEN ATTORNEY GENERAL

CLIVE J. STRONG Deputy Attorney General Chief, Natural Resources Division

GARRICK L. BAXTER, ISB #6301 EMMI L. BLADES, ISB #8682

Deputy Attorneys General Idaho Department of Water Resources P.O. Box 83720 Boise, Idaho 83720-0098 Telephone: (208) 287-4800 Facsimile: (208) 287-6700 garrick.baxter@idwr.idaho.gov emmi.blades@idwr.idaho.gov

Attorneys for Respondents

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE

STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

RANGEN, INC.,

Petitioner,

VS.

THE IDAHO DEPARTMENT OF WATER RESOURCES and GARY SPACKMAN, in his capacity as Director of the Idaho Department of Water Resources,

Respondents,

and

IDAHO GROUND WATER APPROPRIATORS, INC.,

Intervenor.

Case No. CV-2014-4633

STIPULATION TO AUGMENT THE RECORD

STIPULATION TO AUGMENT THE RECORD - Page 1

COME NOW, Respondents Gary Spackman and the Idaho Department of Water

Resources; the Petitioner, Rangen, Inc.; and the Intervenor Idaho Ground Water Appropriators,

Inc.; and stipulate to augment the record in this appeal by inclusion of the documents listed

below and attached to this stipulation as Attachments A-1 - A-12.

- 1. Lease between North Snake Ground Water District, Magic Valley Ground Water District, and Southwest irrigation District, and the IWRB Re: Aqualife
- 2. Memorandum of Agreement with SeaPac Re: use of Magic Springs water
- 3. Buried Pipeline Agreement with North Side Canal Company
- 4. Buried Pipeline Agreement with Mitchell
- 5. Letter from Pat Brown confirming permission to install pipe through Candy property
- 6. Pipeline License Agreement with Rangen
- 7. Hagerman Highway District Easement Approval granted October 1, 2014
- 8. 100% Engineering Design
- 9. Insurance commitment form from Evolution Insurance
- 10. IGWA's Notice of Insurance submitted to the Department on February 6, 2015
- 11. The Director's Final Order Approving Application for Transfer dated February 19, 2015
- 12. Email correspondence between counsel for the Department and counsel for Rangen and IGWA dated 3/17/2015, sent at 9:28 a.m., RE: Measurements for Magic Springs Pipeline

The parties request that the Court enter an order augmenting the record in this appeal with the

above-described documents. No oral argument is requested.

DATED this 19th day of March 2015.

IDAHO DEPARTMENT OF WATER RESOURCES GARY SPACKMAN, Director

Gerrick L. Baxter Emmi L. Blades Attorneys for Respondents Idaho Department of Water Resources and Gary Spackman, Director

DATED this J day of March 2015.

RANGER, INC.

J. Justin Robyn Brody

Fritz Haemmerle Attorneys for Rangen, Inc.

DATED this ____ day of March 2015.

IDAHO GROUND WATER APPROPRIATORS, INC.

Randall C. Budge T.J. Budge Attorneys for Idaho Ground Water Appropriators, Inc.

STIPULATION TO AUGMENT THE RECORD - Page 3

DATED this ____ day of March 2015.

RANGEN, INC.

J. Justin May Robyn Brody Fritz Haemmerle Attorneys for Rangen, Inc.

DATED this [7] day of March 2015.

IDAHO GROUND WATER APPROPRIATORS, INC.

Randall C. Budge T.J. Budge Attorneys for Idaho Ground Water Appropriators, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this ______ day of March 2015, I caused a true and correct copy of the foregoing document to be filed with the Court and served on the following parties by the indicated methods:

Original to: SRBA District Court 253 3RD AVENUE NORTH PO BOX 2707 TWIN FALLS ID 83303-2707 Facsimile: (208) 736-2121 () U.S. Mail, Postage Prepaid
() Hand Delivery
(x) Facsimile

() E-mail

J JUSTIN MAY MAY BROWNING 1419 W WASHINGTON BOISE ID 83702 jmay@maybrowning.com

ROBYN BRODY BRODY LAW OFFICE PO BOX 554 RUPERT ID 83350 robynbrody@hotmail.com

FRITZ HAEMMERLE HAEMMERLE & HAEMMERLE PO BOX 1800 HAILEY ID 83333 fxh@haemlaw.com

RANDALL C BUDGE TJ BUDGE RACINE OLSON PO BOX 1391 POCATELLO ID 83204-1391 rcb@racinelaw.net tjb@racinelaw.net (x) U.S. Mail, Postage Prepaid() Hand Delivery

- () Facsimile
- (x) E-mail
- (x) U.S. Mail, Postage Prepaid
- () Hand Delivery
- () Facsimile
- (x) E-mail
- (x) U.S. Mail, Postage Prepaid
- () Hand Delivery
- () Facsimile
- (x) E-mail
- (x) U.S. Mail, Postage Prepaid
- () Hand Delivery
- () Facsimile
- (x) E-mail

Émmi L. Blades Deputy Attorney General

ATTACHMENT A-1

LEASE

BETWEEN

NORTH SNAKE GROUND WATER DISTRICT, MAGIC VALLEY GROUND WATER DISTRICT

AND SOUTHWEST IRRIGATION DISTRICT, COLLECTIVELY, TENANT

AND

STATE OF IDAHO, BY AND THROUGH THE IDAHO WATER RESOURCE BOARD, LANDLORD

うよっ

5

TABLE OF CONTENTS

P	age

ARTICLE 1	BASIC PROVISIONS1
1.1	Tenant1
1.2	Landlord
1.3	Premises
	1.3.1
	1.3.2
	1.3.3
	1.3.4
	1.3.5
1.4	Permitted Use
1.5	Term and Commencement Date2
1.6	Annual Rent2
	1.6.1 Calculation of Average Annual CFS
	1.6.2 Adjustment of Rent Rate
	1.6.3 Rent Payment Date
1.7	Services
1.8	Personal Property
1.9	Confirmation of Terms
ARTICLE 2	GRANT OF PREMISES, DELIVERY OF POSSESSION, TENANT'S RIGHTS3
2.1	Grant of Premises
2.2	Delivery of Possession
2.3	Permits
2.4	Lease Water Rights3
2.5	Tenant's Right to Revenue4
2.6	Condition of Premises4
ARTICLE 3	TERM4
3.1	Term
3.2	Tenant's Termination Right
0.2	3.2.1
	3.2.2
	3.2.3
ARTICLE 4	OPERATION OF PREMISES
	Tenant's Use of Premises4
4.2	Tenant's Maintenance Obligations4
4.3	Landlord's Maintenance and Repair Obligations
4.4	Alterations
4.5	Excluded Improvements
4.6	Utilities
4.7	Real and Personal Property Taxes5
4.8	Covenant Against Liens
4.9	Landlord's Right of Entry

* * * **

4.10	Control of Access	
4.11	Environmental Definitions	6
4.12	Hazardous Materials Use by Tenant	6
4.13	Environmental Condition of Premises	6
ARTICLE 5	CHANGES IN THE PARTIES	7
5.1	Relationship of Parties	7
5.2	Successors and Assigns	7
5.3	Tenant's Assignment and Subletting	7
ARTICLE 6]	LOSS AND DAMAGE TO PREMISES	
6.1	Tenant Insurance Obligations	
6.2	Condemnation	7
	DEFAULT	
7.1	Tenant's Default	
7.2	Landlord's Remedies Upon Tenant's Default	
	7.2.1	
	7.2.2	
	7.2.3	8
	7.2.4	8
	7.2.5	
7.3	Landlord's Default	
7.4	Tenant's Remedies Upon Landlord's Default	
	7.4.1	9
	7.4.2	9
	7.4.3	9
	7.4.4	9
	CLAIMS AND DISPUTES	9
8.1	Rights and Remedies Cumulative	9
8.2	Non-waiver of Remedies	
8.3	Indemnification	
8.4	Remedies Subject to Idaho Tort Claims Act and Appropriations Limits	
8.5	Dispute Resolution	
8.6	Attorneys' Fees and Costs	10
	FERMINATION OF LEASE	
9.1	Events of Termination	
9.2	Surrender of Possession	10
	CENED & C. DDOTTOIONG	10
	GENERAL PROVISIONS	
10.1	Notices	
10.2	Time is of the Essence	
10.3	Quiet Enjoyment	
10.4	First Right of Refusal to Purchase and to Lease	
	10.4.1	
	10.4.2	
	10.4.3	
	10.4.4	
	10.4.5	12

A 118-11 i alerdade

	Interpretation
10.6	Binding Effect12
10.7	Memorandum
10.8	Entire Agreement; Amendment12
10.9	Severability
10.10	Cooperation

LEASE

This Lease ("Lease") is effective this 1st day of January, 2015, between North Snake Ground Water District, Magic Valley Ground Water District and Southwest Irrigation District (collectively, "Tenant"), and the State of Idaho, by and through the Idaho Water Resource Board ("Landlord").

In consideration of the mutual covenants and conditions contained herein, Landlord and Tenant agree as follows:

ARTICLE 1 BASIC PROVISIONS

1.1 Tenant. North Snake Ground Water District, Magic Valley Ground Water District and Southwest Irrigation District are collectively the "Tenant." For purposes of this Lease, all correspondence to Tenant should be addressed in care of the Idaho Ground Water Appropriators, Inc. ("IGWA"), P.O. Box 1391, Pocatello, Idaho 83201. Tenant's primary contact is Randall C. Budge.

1.2 Landlord. The State of Idaho, by and through the Idaho Water Resource Board, is the "Landlord." For purposes of this Lease, Tenant's address is 322 East Front Street P.O. Box 83720, Boise, Idaho 83720-0098. Tenant's primary contact is Brian Patton.

1.3 Premises. The "Premises" are located at 1110E 2700S Hagerman, ID 83332, Gooding County, Idaho 83355, and include the real and personal property more particularly described as follows:

1.3.1 All real property described in Exhibit "A," attached hereto.

1.3.2 All appurtenant rights to the real property, including the water rights, including, but not limited to, the water rights described in Exhibit "A-2" attached hereto (collectively the "Lease Water Rights").

1.3.3 All improvements, structures and permanent fixtures located on the Premises, including fish raceways with quiescent zones, flumes, headworks, diversion structures, effluent settling basins, structures, buildings, equipment and all other improvements.

1.3.4 All personal property that is currently situated upon the Premises and has been customarily used in connection with the rearing of fish ("**Personal Property**").

1.3.5 All easements appurtenant to the Premises and other agreements, licenses or permits necessary for fish-rearing operations, including, but not limited to, easements for access, utilities, and water delivery systems.

1.4 Permitted Use. Tenant shall, provided it complies with all pertinent governmental rules and regulations, be entitled to operate its business upon the Premises (i) under that certain National Pollution Discharge Elimination System General Permit for Aquaculture Facilities and Associated Fish Processing Facilities in Idaho issued by the United States Environmental Protection Agency No. IDG-13-0000 ("NPDES Permit"), and (ii) any other permits or approvals issued by the State of Idaho, Gooding County, Idaho, or other governmental authorities that are applicable to the Premises. The Permitted Uses of the Premises under this Lease shall be for aquaculture and for the purpose of providing replacement water or mitigation for water delivery calls. (collectively the "Permitted Uses").

1.5 Term and Commencement Date. The term of this Lease shall be thirty (30) years ("Term"). The Term shall commence on the effective date shown on page 1 ("Commencement Date") and shall expire on the thirtieth anniversary of the Commencement Date, if not terminated earlier as set forth herein. Landlord and Tenant shall cooperate as is reasonably necessary, to obtain the transfer of the NPDES Permit and the Operating Permits as soon as possible after Landlord has acquired the Premises. The Parties acknowledge that the first year of the Term will be for a partial calendar year. All calculations relevant to any partial calendar year during the Term will be prorated on a per diem basis, based upon a three hundred and sixty (360) day year. All calculations relevant to any partial month during the term will be prorated on a per diem basis, based upon a thirty (30) day month.

1.6 Annual Rent. The rent reserved for each twelve (12) month period of the Lease ("Annual Rent") shall be fifty seven thousand four hundred fifty Dollars (\$57,450), which is calculated by multiplying one thousand six hundred forty four Dollars (\$1,644) per cubic foot per second (the "Rent Rate") by the average annual water flow ("Average Annual CFS") available to the Premises under the Lease Water Rights during the prior calendar year. Annual Rent will be adjusted annually on the anniversary of the Commencement Date based on the Average Annual CFS for the prior calendar year (pursuant to section 1.6.1 below). In addition, Annual Rent will be adjusted every three years on the anniversary of the Commencement Date based on the Adjustment of Rent Rate (pursuant to section 1.6.2 below).

1.6.1 Calculation of Average Annual CFS. Average Annual CFS is calculated by dividing the total acre-feet of water delivered to the Premises in a calendar year by 724. The total acre-feet delivered to the Premises shall be measured based upon the measuring devices installed at the Premises. Landlord and Tenant shall work with the State of Idaho to ensure that accurate measuring devices are installed, maintained and operated, with all data made available to the Parties and the Idaho Department of Water Resources ("IDWR").

1.6.2 Adjustment of Rent Rate. Beginning on the third anniversary of the Commencement Date, and on every third (3rd) anniversary thereafter ("Adjustment Date"), the Rent Rate shall be adjusted to reflect the cumulative adjustment in the cost of living during the immediately preceding three (3) calendar years as determined by the Consumer Price Index, provided, however, that in no event shall the Rent Rate (a) be increased by more than six percent (6%) on any Adjustment Date, or (b) be decreased below \$1,500 per cubic foot per second. The Consumer Price Index is defined as the Consumer Price Index for all Urban Consumers, All Items, published by the United States Department of Labor, Bureau of Labor Statistics ("Bureau"), Consumer price index, U.S. City Average for all Urban Consumers, Seasonally Adjusted, all items (1982-84 = 100) ("Index"). In the event the Bureau of Labor Statistics ("Bureau") shall cease to publish the Index there shall be substituted for the Index a substitute or successor index published by the Bureau or other governmental agency of the United States.

1.6.3 Rent Payment Date. Annual Rent shall be paid in twelve equal monthly installments, due and payable on the tenth (10th) day of each month during the Term of this Lease. The initial monthly installment of Rent shall be due and payable on the tenth (10th) day after the Commencement Date. In the event that the Commencement Date does not fall on the first day of a month, Tenant shall pay Rent for the fractional month, prorated on a per diem basis, based upon a thirty (30) day month, until the first day of the succeeding month, and thereafter monthly installments of Rent shall be paid in advance on the tenth (10th) day of each and every month. Tenant shall be obligated to pay a five (5) percent late penalty on all rent unpaid ten (10) days after the due date.

1.7 Services. Landlord shall provide possession of the Premises to Tenant and shall perform such maintenance and repair as is set forth herein. Tenant shall be responsible for all other obligations relating to the use and enjoyment of the Premises, except as hereinafter expressly provided.

1.8 Personal Property. The risk of loss, damage, destruction, theft or other casualty (including losses occasioned by earthquake, flood, and the failure of diversion structures, levees, flumes, ditches, ponds, raceways, and water supplies) to the Personal Property, including trade fixtures and swimming inventory owned or leased by Tenant, and used or stored upon the Premises, shall be solely on Tenant, unless the same results from the negligent or intentional acts or omissions of Landlord, or Landlord's agents, employees, contractors or invitees.

1.9 Confirmation of Terms. The Parties' primary contacts as set forth in Sections 1.1 and 1.2 shall execute and exchange a memorandum (the "Commencement Memorandum"), in the form attached hereto as Exhibit "B" confirming (a) the Commencement Date pursuant to Section 1.5; (b) the initial Average Annual CFS pursuant to Section 1.6; and (c) any structures, improvements, or personal property excluded from the Lease.

ARTICLE 2

GRANT OF PREMISES, DELIVERY OF POSSESSION, TENANT'S RIGHTS

2.1 Grant of Premises. Landlord leases to Tenant, and Tenant leases from Landlord the Premises subject to the terms and conditions of this Lease.

2.2 Delivery of Possession. Landlord shall deliver possession of the Premises, in its existing condition (including all rights, privileges, benefits, rights of way and easements now or in the future appurtenant to the Premises), to Tenant on the Commencement Date free and clear of all tenancies and occupancies.

2.3 Permits. It is understood and agreed that Landlord's predecessor, pursuant to applicable rules and regulations, previously operated the fish production facilities on the Premises pursuant to a NPDES General Permit for Idaho. The specific permit number for the Aqualife Facility is IDG130001 and other required applicable permits or approvals including those issued by the State of Idaho or Gooding County, and any other applicable governmental agency (collectively the "Operating Permits"), which may be held in the name of Landlord for the benefit of Tenant during the Term of this Lease Idaho including, but not limited to, Gooding County CAFO Permit #G9-017. It shall be the sole responsibility and obligation of Tenant to secure and maintain all Operating Permits for the Term of this Lease, including obtaining the transfer of the Operating Permits to Tenant. To the extent that Landlord's consent, authorization or cooperation is required in securing or transferring of the Operating Permits, such shall not be unreasonably conditioned, withheld, or delayed.

2.4 Lease Water Rights. Notwithstanding the limitations of Section 2.6 below, Landlord warrants and represents that Tenant shall be entitled to use all of the water available pursuant to the Lease Water Rights in connection with Tenant's use and operation of the Premises. Subject to approval by IDWR, Tenant shall be entitled to use all available water for the purpose of providing replacement water or mitigation for water delivery calls. Landlord agrees that during the Term of this Lease, it will take all

reasonable action that is necessary or required to protect the Lease Water Rights and agrees to cooperate with the Tenant should transfers of the Lease Water Rights become necessary to mitigate for water delivery calls.

2.5 Tenant's Right to Revenue. For the Term of this Lease, Tenant shall have the right to all revenue or fees generated from the Premises.

2.6 Condition of Premises. Tenant has inspected the Premises and finds the Premises acceptable for its purposes and accepts the Premises in its "As Is" condition and without any warranty, implied or express, except for those representations and warranties specifically identified in Sections 2.4 and 10.3 herein, provided no material change in the condition of the Premises occurs between the execution of this Lease and the Commencement Date. Landlord warrants and represents that on the Commencement Date the Premises will be in substantially the same condition as exists on the date of execution of this Lease, with the exception of reasonable wear and tear. Except as expressly set forth in this Lease, Tenant hereby waives all warranties, express or implied, regarding the condition and use of the Premises, including, but not limited to, any warranty of merchantability or fitness for a particular purpose.

ARTICLE 3 TERM

3.1 Term. The Term of this Lease is set forth in Section 1.5.

3.2 Tenant's Termination Right. Notwithstanding anything to the contrary herein contained, Tenant, in its sole discretion, may, in addition to the remedies provided in Section 7.4, terminate this Lease upon written notice to Landlord of at least one (1) year, or any other notice period set forth below, upon the occurrence of the following:

3.2.1 If during the Term of this Lease, the Average Annual CFS declines by fifty percent (50%) or more from the Average Annual CFS for the calendar year immediately preceding the commencement of this Lease ("Termination Threshold"), then Tenant shall have the right in its sole and absolute discretion to terminate this Lease ("Termination Right").

3.2.2 If Tenant determines that the Premises or Lease Water rights are not necessary or will not be used by Tenant for the Permitted Use of aquaculture or for providing replacement water or mitigation for water delivery calls, then Tenant shall have the right in its sole and absolute discretion to terminate this Lease ("Termination Right").

3.2.3 Tenant's right to exercise the Termination Right shall exist in any year that the Termination Threshold occurs, regardless of whether or not the Termination Threshold has previously occurred but Tenant has not elected to exercise its Termination Right.

ARTICLE 4 OPERATION OF PREMISES

4.1 Tenant's Use of Premises. The Premises shall be occupied and used by Tenant, its agents, contractors, employees and invitees for the Permitted Use.

4.2 Tenant's Maintenance Obligations. Tenant shall, at Tenant's sole expense, keep and maintain the Premises in good condition and repair. Tenant shall diligently and timely perform all of its maintenance and repair obligations. Tenant shall, at Tenant's sole expense, maintain and repair the levee that impounds water in Fisher Lake. Landlord shall support and assist Tenant in securing all permits necessary to operate, maintain and repair the levee and all diversion and delivery structures and facilities. Tenant shall have no obligation to maintain any portion of the Premises that is abandoned and not in use as of the Commencement Date. Tenant shall have the right to defer certain maintenance of the Premises when such maintenance will result in an expense or benefit that is unreasonable in light of the remaining Term of the Lease, provided, however, that Tenant provides notice to Landlord of Tenant's intent to defer such maintenance, and Landlord and Tenant agree that the deferral of such would not damage the Premises nor create a safety hazard.

4.3 Landlord's Maintenance and Repair Obligations. Landlord shall not be obligated to repair and maintain the Premises except for maintenance and repair obligations arising from the negligent or intentional acts or omissions of Landlord, or Landlord's agents, employees, contractors or invitees.

4.4 Alterations. Tenant shall have the right, with Landlord's prior written consent, which shall not be unreasonably conditioned, withheld, or delayed, to construct additional buildings and other improvements on the Premises or to remodel, repair or remove any buildings or improvements on the Premises. Landlord shall have thirty (30) days after Landlord's receipt of notice of Tenant's request to construct, remodel, repair or remove a building or other improvement on the Premises to approve or disapprove Tenant's request. If Landlord does not respond to Tenant's request within thirty days, Tenant's request is deemed approved by Landlord. All fees and costs incurred in connection with such construction, remodeling, repair or removal shall be paid by Tenant. In the event Tenant does not exercise either its Preferential Right to lease the Premises following the termination or expiration of the Lease for any reason other than for a default by Tenant, then Tenant may remove any buildings or improvements added or placed by Tenant during Tenant's occupancy of the Premises, or the Parties may negotiate purchase by Landlord of the buildings or improvements added or placed by Tenant during Tenant's occupancy of the Premises, based on the then fair market value of such buildings or improvements. In the event of Tenant's removal of buildings or improvements, Tenant shall be responsible for returning the location of the removal to its prior condition, with the exception of reasonable wear and tear. If Tenant does not remove Tenant's buildings or improvements within 180 days of the date of expiration or termination of the Lease, such right to remove will be canceled, and the improvements will be deemed property of Landlord.

4.5 Excluded Improvements. The Parties agree that the structures and improvements on the Premises identified in the Commencement Memorandum are subject to the Lease unless specifically excluded from the Parties' obligations in Sections 4.2 and 4.3.

4.6 Utilities. Tenant shall be solely responsible for and shall promptly pay all charges, when due, for water, power, natural gas, telephone, cable, computer, security, and any other utility or service used for, upon or furnished to the Premises. Tenant shall not be responsible for any cost or expense associated with the future extension of any utility service to the Premises unless such utility extension occurs at the request of Tenant. Additionally, nless caused by the negligent or intentional acts or omissions of Landlord, or Landlord's agents, employees, contractors, or invitees, Landlord shall not be liable in damages or other-wise for any failure or interruption of: (i) any utility service being furnished to the Premises, or (ii) the heating, ventilating and air conditioning system, if any, in any building on the Premises. Unless caused by the negligent or interruption, whether resulting

from a casualty or otherwise, shall entitle Tenant to terminate this Lease or to abate any payment Tenant is required to make under this Lease.

4.7 Real and Personal Property Taxes. Tenant agrees to pay, before they become delinquent, all taxes for real and personal property, assessments, or governmental charges lawfully levied or assessed against the Premises ("Taxes").

4.8 Covenant Against Liens. Tenant will not directly or indirectly create or cause to be created or to remain, and will promptly discharge, at Tenant's sole expense, any mechanic's lien or similar lien recorded against the Premises, which Tenant created or caused to be created by Tenant's work on the Premises. Tenant has no authority or power to cause or permit any mechanic's lien or similar lien created by the act of Tenant, by operation of law, or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. Any lien against Tenant shall attach only to Tenant's leasehold interest in the Premises. Landlord will not directly or indirectly create or cause to be created or to remain, and will promptly discharge, at Landlord's sole expense, any mechanic's lien or similar lien against the Premises, which Landlord created or caused to be created by Landlord's work on the Premises.

4.9 Landlord's Right of Entry. Landlord or Landlord's agents, upon prior reasonable notice to Tenant's agent or employee responsible for the operation of the Premises, may enter upon the Premises at all such times as may be necessary to inspect the general condition and state of repair of the Premises. Landlord's entry shall be supervised by Tenant, and Landlord shall not interfere with, or create a hazard to, Tenant's business operations, except in the event of an emergency arising within the Premises that endangers property or persons.

4.10 Control of Access. Tenant shall not permit the Premises to be generally accessible to the public. Tenant shall control access to the Premises consistent with Tenant's Permitted Use of the Premises.

4.11 Environmental Definitions. As used in this Lease, the term "Hazardous Materials" is defined to include, without limitation: (i) oil hydrocarbons, petroleum, petroleum products, or products containing, or derived from, petroleum; and (ii) any hazardous or toxic waste, substance, material, chemical, gas or particulate matter, as presently defined by, or for purposes of, any Environmental Laws. As used in this Agreement, the term "Environmental Laws" is defined to include, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C.A. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C.A. Section 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C.A. Section 2601, et seq.; the Federal Water Pollution Control Act, 33 U.S.C.A. Section 1251, et seq.; the Safe Drinking Water Act, 42 U.S.C. Section 300f, et seq.; the Clean Air Act, 42 U.S.C. Section 7401, et seq.; the Hazardous Substance Emergency Response Act, Idaho Code Section 39-7101, et seq.; any successor or amendment to those laws (in existence on the date this representation is made or updated); any rules, regulations, ordinances, orders or decrees issued pursuant to those laws; any other applicable federal, state or local environmental, health or safety statute, ordinance, code, rule, regulation, order or decree as may now, or at any later time be in effect, regulating, relating to, or imposing, liability, or standards, concerning, or in connection with, hazardous or toxic wastes, substances, materials, chemicals, gases or particulate matter, or the emission, discharge, dumping, or other release, of any substance to the environment; and any common law theory based on nuisance or strict liability.

4.12 Hazardous Materials Use by Tenant. During the Term, at its sole expense, Tenant shall abide by all Environmental Laws, as defined above. Tenant shall not use, handle, deposit or dispose of any Hazardous Materials, as defined above, except in compliance with all Environmental Laws. Tenant agrees to indemnify Landlord consistent with the provisions of Section 8.3 if Tenant fails to comply with its obligations during the term of the Lease under this Section.

4.13 Environmental Condition of Premises. Landlord has not been in possession of the Premises prior to its acquisition and has not previously been responsible for the operation of the Premises. Landlord has no knowledge of the use of Hazardous Material on the Premises or any violation of the Environmental Laws as those terms are defined above. Landlord agrees to release Tenant from any claims arising from the presence of Hazardous Materials on the Premises or violations of Environmental Laws in the operation of the Premises (as those terms are defined above), occurring prior to the commencement of the Term of the Lease.

ARTICLE 5 CHANGES IN THE PARTIES

5.1 Relationship of Parties. Nothing contained in this Lease shall be construed as creating the relationship of principal or agent, employment, partnership or joint venture or any relationship between the Parties other than landlord and tenant.

5.2 Successors and Assigns. This Lease shall benefit and bind the successors and permitted assigns of Landlord and Tenant.

5.3 Tenant's Assignment and Subletting. Tenant may not assign this Lease or sublet all or a part of the Premises unless Tenant first obtains the prior written consent of Landlord, which consent shall not be unreasonably conditioned, withheld or delayed.

ARTICLE 6 LOSS AND DAMAGE TO PREMISES

6.1 Tenant Insurance Obligations. Tenant agrees to maintain, in full force and effect throughout the Term of the Lease, comprehensive general liability coverage covering the Premises with limits of liability for each occurrence of not less than \$2,000,000, naming Landlord as an additional insured. Tenant shall also purchase, obtain and maintain a policy of fire and extended coverage insurance or coverage in an amount equal to the full insurable value (from time to time) of all Tenant's personal property, fixtures, equipment and tenant improvements. Promptly upon the effective date of such insurance, or any renewal or replacement thereof, Tenant shall provide Landlord with a copy of a Certificate of Insurance evidencing the coverage required by this paragraph and upon change or termination in insurance coverage Landlord shall be provided not less than thirty (30) days advance written notice thereof. Landlord may maintain such additional insurance as it elects to permit it to perform the same. Landlord shall have no right to the proceeds of business damage or other insurance coverage obtained by Tenant and shall not be named as an insured on such policies obtained by Tenant.

6.2 Condemnation. If any material portion of the Premises affecting the Permitted Use is permanently condemned or taken under any governmental law, ordinance or regulation, by right of eminent domain, by inverse condemnation, or by deed in lieu, then Tenant may, at its option and upon written notice to Landlord, cancel this Lease, effective when the physical taking shall occur. For purposes of this

Section, a "material" portion of the Premises means such portion as would render the remaining portion of the Premises insufficient for Tenant's continuing needs and desired operations. Upon receipt of notice of any proposed condemnation, the receiving party shall promptly notify the other party. Tenant shall have the right to any award of just compensation related to Tenant's operation of the Premises, Tenant's profits and Tenant's leasehold interest.

ARTICLE 7 DEFAULT

7.1 Tenant's Default. The occurrence of any of the following by Tenant shall constitute a default under the terms of this Lease: (a) the abandonment or surrender of the Premises by Tenant prior to the expiration of the Term of this Lease, or (b) failure to perform any obligation as required or conditioned by any of the covenants and agreements contained in this Lease within a reasonable time, but in no event later than thirty (30) days after written notice by Landlord to Tenant specifying wherein Tenant has failed to perform such obligations. Each notice of default required by this subsection shall specify the alleged event of default and the intended remedy. After expiration of the applicable time for curing a particular default, Landlord may on behalf of Tenant, at Landlord's election, make any payment required of Tenant under this Lease, or perform or comply with any covenant or condition imposed on Tenant under this Lease. Any amount so paid or the cost of such performance shall be immediately reimbursed by Tenant upon receipt of a demand therefor from Landlord. No such payment or performance by Landlord shall constitute a waiver of default, nor shall it affect Tenant's liability for any loss or damage resulting from the default.

7.2 Landlord's Remedies Upon Tenant's Default. Upon the occurrence of a default by Tenant, Landlord, at its sole option, in addition to any other rights or remedies provided by law or equity, may:

7.2.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord.

7.2.2 Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder.

7.2.3 Landlord shall have the right to recover against Tenant any and all damages that are proximately caused by Tenant's default under this Lease.

7.2.4 Landlord shall have the right to take whatever action is necessary to cure Tenant's default, including the incurring of any reasonable expenses, and if Tenant fails to reimburse Landlord for the costs incurred in connection with the curing of Tenant's default, then Tenant shall pay to Landlord the amount of any such expenses together with interest thereon at the rate of six percent (6%) per annum from the date of Landlord's expenditure of such costs until such costs are paid or reimbursed.

7.2.5 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State of Idaho. The rights, privileges, elections and remedies of Landlord

as set forth in this Lease or allowed by law or equity are cumulative, and the enforcement by Landlord of a specific remedy shall not constitute an election of remedies and/or a waiver of other available remedies.

7.3 Landlord's Default. Landlord shall be in default under this Lease upon Landlord's failure to perform any obligation as required or conditioned by any of the covenants and agreements contained in this Lease within a reasonable time. Each notice of default required by this subsection shall specify the alleged event of default and the intended remedy.

7.4 Tenant's Remedies Upon Landlord's Default. Upon the occurrence of a default by Landlord under this Lease, Tenant shall have the following rights in addition to any other rights and remedies allowed by law or equity, including, but not limited to the following:

7.4.1 Tenant shall have the right to seek a decree or order of specific performance by a court of competent jurisdiction, ordering Landlord to perform its obligations under this Lease.

7.4.2 Subject to restrictions under state law regarding the Landlord's acceptance of liability, Tenant shall have the right to recover against Landlord any and all damages that are proximately caused by Landlord's default under this Lease.

7.4.3 Tenant shall have the right to take whatever action is necessary to cure Landlord's default, including the incurring of any reasonable expenses, and if Landlord fails to reimburse. Tenant for the costs it incurred in connection with the curing of Landlord's default, to offset such costs against the rent then due and owing to Landlord until Tenant is fully reimbursed for such costs plus interest thereon at the rate of six percent (6%) per annum from the date of Tenant's expenditure of such costs until such costs are paid or reimbursed.

7.4.4 Pursue any other remedy now or hereafter available to Tenant under the laws or judicial decisions of the state of Idaho. The rights, privileges, elections and remedies of Tenant as set forth in this Lease or allowed by law or equity are cumulative, and the enforcement by Tenant of a specific remedy shall not constitute an election of remedies and/or a waiver of other available remedies.

ARTICLE 8 CLAIMS AND DISPUTES

8.1 **Rights and Remedies Cumulative.** Except as expressly provided in this Lease, each party's rights and remedies described in this Lease are cumulative and not alternative remedies.

8.2 Non-Waiver of Remedies. A waiver of any condition stated in this Lease shall not be implied by any neglect of a party to enforce any remedy available by reason of the failure to observe or perform the condition. A waiver by a party shall not affect any condition other than the one specified in the waiver, and a waiver shall waive a specified condition only for the time and in the manner specifically stated in the waiver. The acceptance by Landlord of rent or other money from Tenant after termination of the Lease, after termination of Tenant's right of possession, after the occurrence of a default, or after institution of any remedy by Landlord shall not alter, diminish, affect or waive the Lease termination, termination of possession, default or remedy.

8.3 Indemnification. To the extent allowed under Idaho law, Landlord and Tenant agree to indemnify and hold harmless the other party, and the other party's employees, agents, officers, and direc-

tors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of any kind or nature, known or unknown, contingent or otherwise (including reasonable attorneys' fees and costs), arising from any act, omission or negligence of that party, or the officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors of that party, in or about the Premises, or arising from any accident, injury, or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the Premises; provided that the foregoing provision shall not be construed to make one party responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence of the other party, including any officer, contractor, licensee, agent, servant, employee, guest, invitee of that party.

8.4 Remedies Subject to Idaho Tort Claims Act and Appropriation Limits. Tenant acknowledges that Landlord is a state agency and is subject to state law restrictions concerning the actions it may take to accept liability. It is specifically understood that any monetary liability against Landlord pursuant to this provision shall be subject to the provisions of the Idaho Tort Claims Act. Further, nothing in this Lease shall be so construed or interpreted to commit or obligate Landlord to unlawfully expend funds that have not been appropriated or budgeted.

8.5 Dispute Resolution. Notwithstanding anything to the contrary herein, if the Parties disagree regarding the performance of this Lease other than nonpayment of rent, then the Parties agree to engage in direct discussions to settle the dispute. If the disagreement cannot be settled by direct discussions, then the Parties agree to first endeavor to settle the disagreement in an amicable manner by mediation and, if unsuccessful, by arbitration, pursuant the American Arbitration Association's Commercial Mediation Rules, with litigation allowed only for the purpose of enforcing an arbitrator's decision. The forgoing dispute resolution provisions shall not preclude Landlord from bringing legal action to recover nonpayment of rent, unlawful detainer and possession of the Premises by reason of Tenant's default in any payment obligation under this Lease, nor shall it preclude Tenant from bringing legal action in conformance with Section 7.4.1 to enforce the rights and remedies available to it thereunder.

8.6 Attorneys' Fees and Costs. If a party is in default under this Lease, then the defaulting party shall pay to the other party reasonable attorneys' fees and costs: (i) incurred by the other party after default and referral to an attorney, and (ii) incurred by the prevailing party in any litigation.

ARTICLE 9 TERMINATION OF LEASE

9.1 Events of Termination. This Lease shall terminate upon the occurrence of one or more of the following events: (i) by mutual written agreement of Landlord and Tenant; (ii) by Landlord pursuant to the express provisions of this Lease; (iii) by Tenant pursuant to the express provisions of this Lease; (iv) upon expiration of the Term; or (v) by reason of condemnation or damage/destruction of the Premises as set forth in Article 6.

9.2 Surrender of Possession. Except as otherwise provided herein, upon termination of this Lease, Tenant will immediately surrender possession of the Premises to Landlord. If possession is not immediately surrendered, Landlord may, in compliance with the laws of the state of Idaho, re-enter and repossess the Premises and remove all persons and property.

ARTICLE 10 GENERAL PROVISIONS

10.1 Notices. All notices under this Lease shall be in writing and shall be deemed to be delivered on the date of delivery if delivered in person or by fax, or on the date of receipt if delivered by U.S. Mail or express courier. Proof of delivery shall be by affidavit of personal delivery, machine-generated confirmation of fax transmission, or return receipt issued by U.S. Postal Service or express courier. Notices shall be addressed to the address set forth below:

Tenant:

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

North Snake Ground Water District 152 E. Main Street Jerome, Idaho 83338

Southwest Irrigation District 340 S. 400 W. Burley, Idaho 83318

Idaho Ground Water Appropriators, Inc. c/o Randall C. Budge Racine, Olson, Nye, Budge & Bailey P.O. Box 1391 Pocatello, Idaho 83204-1391 Fax: 208-232-6109

Landlord:

Idaho Water Resource Board Brian Patton, Administrator 322 East Front Street P.O. Box 83720 Boise, Idaho 8372-0098 Fax: 208-287-6700

10.2 Time is of the Essence. Time is of the essence with respect to the obligations to be performed under this Lease.

10.3 Quiet Enjoyment. Notwithstanding the limitations of Section 2.6 above, Landlord warrants and represents that on the Commencement Date it shall own fee simple title to the Premises and have the right to enter into this Lease and to let the Premises to Tenant. If Tenant pays the rent and keeps and performs the covenants of this Lease on Tenant's part to be kept and performed according to the provisions and conditions hereof, then Tenant shall peacefully and quietly hold, occupy, and enjoy the Premises during the Term hereof without any hindrance or molestation by Landlord or Landlord's agents, successors or assigns.

10.4 First Right of Refusal to Purchase and to Lease.

10.4.1 Landlord hereby grants Tenant a right of first refusal on the Premises or any portion of the Premises in accordance with the terms below ("Right of First Refusal").

10.4.2 If, at anytime during the term of this Lease, the Seller receives a bona fide written offer from a willing third party to purchase all or part of the Premises which Landlord intends to accept ("Third Party Offer"), Landlord shall give written notice to Tenant at the addresses provided below accompanied by a copy of such Offer at least thirty (30) days before the date of contemplated sale.

10.4.3 If, at anytime for a period of one (1) year following the date of termination of this Lease, the Landlord receives a bonafide written offer from a willing third party to lease all or part of the premises which Landlord intends to accept ("Third Party Offer"), Landlord shall give written notice to Tenant at the addresses provided below accompanied by a copy of such Offer at least thirty (30) days before the date of the contemplated lease.

10.4.4 Within fifteen (15) business days after receipt of the written notice, Tenant shall notify Landlord that it intends to exercise its Right of First Refusal and will purchase the Premises pursuant to a purchase agreement or will lease the Premises pursuant to a lease agreement which matches the terms and conditions of the Third Party Offer.

10.4.5 Notwithstanding the Tenant's Right of First Refusal described herein, the Landlord may enter into an agreement to sell the premises to the Tenant any time after the commencement date of this Lease at such price and terms as the parties may agree.

10.5 Interpretation. This Lease shall be governed by the law of the State of Idaho. The courts in the State of Idaho shall have exclusive jurisdiction.

10.6 Binding Effect. The covenants and conditions contained herein shall apply to and bind the Parties and all heirs, administrators, grantees, successors, sublessees, assigns and successors of the Parties.

10.7 Memorandum. This Lease shall not be recorded. However, a Memorandum of this Lease shall be executed and recorded in the records of Gooding County, Idaho, in the form attached here-to as Exhibit "C".

10.8 Entire Agreement; Amendment. This Lease contains the entire agreement between the Parties hereto and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. This Lease may not be modified in any manner whatsoever except by an instrument in writing signed by each of the Parties hereto.

10.9 Severability. Any provisions of this Lease that may be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable any other provision in any other jurisdiction.

10.10 Cooperation Landlord and Tenant shall and do hereby agree to cooperate with each other and to encourage and participate in efforts made by the State of Idaho and other users of the waters of the State of Idaho to promote the recharging, stabilization and sustaining of the aquifer in area of the Premises.

Landlord:

Dated: Dec. 31st . 2014

STATE OF IDAHO IDAHO WATER RESOURCE BOARD

hand Bv Roger Chase

Chairman Idaho Water Resources Board

Tenant:

Dated: Nov. 5+1 2014

NORTH SNAKE GROUND WATER DISTRICT

By: Name Carlquist Title: 6 hairman

MAGIC VALLEY GROUND WATER DISTRICT

Bν

Name: <u>Dean Stevenson</u> Title: Chairman

SOUTHWEST IRRIGATION DISTRICT

Brown By:

Name: <u>Randy Brown</u> Title: Chairman in any jurisdiction shall not invalidate or render unenforceable any other provision in any other jurisdiction.

10.10 Cooperation Landlord and Tenant shall and do hereby agree to cooperate with each other and to encourage and participate in efforts made by the State of Idaho and other users of the waters of the State of Idaho to promote the recharging, stabilization and sustaining of the aquifer in area of the Premises.

Landlord:

STATE OF IDAHO IDAHO WATER RESOURCE BOARD

Dated:_____, 2014

By___

Roger Chase Chairman Idaho Water Resources Board

Tenant:

Dated: Nov. 5⁺¹, 2014

NORTH SNAKE GROUND WATER DISTRICT

By: Name: Lynn Carlquist Title: Zhairman

MAGIC VALLEY GROUND WATER DISTRICT

By:

Name: <u>Dean Stevenson</u> Title: <u>Chairman</u>

SOUTHWEST IRRIGATION DISTRICT

Barnon By: Name: Randy Brown

Title: Chairman

EXHIBIT "A"

LEGAL DESCRIPTION OF PREMISES

Legal Description is the 51 acre parcel with associated easements depicted in the attached map and legal description. This consists of a 17.05 acre parcel containing the hatchery facility as deeded by IDPR to IWRB. The remaining 33 acre parcel consisting of Fisher Lake and the spring discharge areas is in the process of being acquired by IWRB from IDPR.



EXHIBIT "A-2"

LEASE WATER RIGHTS

WATER SOURCE	WATER RIGHT NO.	PRIORITY DATE
SPRING FLOW TRIBUTARY TO BILLINGSLEY CREEK	36-2338	8/5/1954
UNNAMED STREAM TRIBUTARY TO BILLING- LEY CREEK	36-2414	12/21/1959
BILLINGSLEY CREEK	36-2734	10/5/1965
BILLINGSLEY CREEK	36-4011	12/1/1965

EXHIBIT "B"

COMMENCEMENT MEMORANDUM

COMMENCEMENT MEMORANDUM

Pursuant to Section 1.9 of the Lease ("Lease") effective 1st day of January, 2015, between the State of Idaho, by and through the Idaho Water Resource Board(collectively, "Landlord"), and North Snake Ground Water District, Magic Valley Ground Water District and Southwest Irrigation District ("Tenant"). Landlord and Tenant through their primary contacts do hereby memorialize the following upon the commencement of the Lease:

1. The Commencement Date pursuant to Section 1.5 of the Lease is January 1, 2015.

2. The initial Average Annual CFS for the **Tenant's** use pursuant to Section 1.6 of the Lease is **48.227** cfs.

3. The following structures or improvements on the Premises shall be excluded from the Parties' obligations in Sections 4.2 and 4.3 of the Lease: No Exclusions

IDAHO WATER RESOURCES BOARD

Landlord:

Dated: January 9, 2015

By

TOR Roger Chase Chairman Idaho Water Resources Board **Tenant:**

Dated: Nov. 5 th, 2014

NORTH SNAKE GROUND WATER DISTRICT

By: Name: Lynn Carlquist Title: Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By: Name: Dean Stevenson Title: Chairman

SOUTHWEST IRRIGATION DISTRICT

andy Britism By:

Name: Randy Brown Title: Chairman

EXHIBIT "C"

MEMORANDUM OF LEASE

Recording Requested By and When Recorded Return to:

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE ("Memorandum") is made as of the 1st day of January, 2015, between North Snake Ground Water District, Magic Valley Ground Water District and Southwest Irrigation District (collectively, "Tenant"), and the State of Idaho by and through the Idaho Water Resource Board. ("Landlord").

1. Landlord and Tenant have entered into a lease dated as of January 1,, 2015 (the "Lease") for a term of thirty (30) years regarding certain real property and water rights described in Exhibit A and A-2, attached hereto and incorporated herein.

2. The Lease is made in consideration for rent paid by Tenant and includes options to lease and a right of first refusal in favor of Tenant.

3. This Memorandum summarizes the provisions of the Lease pursuant to Idaho Code § 55-818, and incorporates by reference all of the terms and provisions of the Memorandum.

4. The terms, conditions and provisions of the Lease shall extend to and be binding upon the heirs, executors, administrators, grantees, successors and assigns of the Parties hereto.

5. In the event of any conflict between the Lease and this Memorandum, the Lease shall control.

6. Capitalized terms set forth in this Memorandum shall have the same meanings ascribed for such capitalized terms in the Lease.

SIGNATURES ON FOLLOWING PAGES

IDAHO WATER RESOURCES BOARD

Dated: _____, 2014

By___

Roger Chase Chairman, Idaho Water Resources Board

STATE OF IDAHO)
)ss.
County of Ada)

On this _____day of ______, 2014, before me the undersigned Notary Public in and for said county and state, personally appeared _______known to me to be the person whose name is subscribed to within instrument and acknowledged to me that he/she executed the same.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first written.

Notary Public in and for Idaho Residing at:_____ Commission Expires: _____ Tenant:

NORTH SNAKE GROUND WATER DISTRICT

Dated: 1/04. 5th, 2014

By: Name: Lynn Carlquist Title: Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By: Name: Dean Stevenson Title: Chairman

SOUTHWEST IRRIGATION DISTRICT

S. NEWM anceles By: Name: Randy Brown

Title: Chairman

STATE OF IDAHO) County of Bannet) ss.

On this <u>S</u>⁺⁺ day of <u>Maxim ber</u>, 2014, before me, Randall C. Budge, the undersigned notary public in and for said county and state, personally appeared Lynn Carlquist, known or identified to me to be the Chairman of North Snake Ground Water District, Dean Stevenson, known or identified to me to be the Chairman of Magic Valley Ground Water District and Randy Brown, known or identified to me to be the Chairman of Southwest Irrigation District, that executed the within instrument, and known to me to be the person that executed the within instrument on behalf of said Ground Water Districts and Irrigation District, and acknowledged to me that such Ground Water Districts and Irrigation District executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



inkall (Bully

Notary Public for Idaho Residing at Pocatello, Idaho Commission Expires 10/11/2016.

ATTACHMENT A-2
MEMORANDUM OF AGREEMENT

1, 2015 between North Snake Ground Water District, Magic Valley Ground Water District and Southwest Irrigation District (collectively "Districts"), and SeaPac of Idaho, Inc., an Idaho corporation ("SeaPac").

- The Districts and SeaPac have entered into a Magic Springs Water Use Agreement dated as of January <u>1</u>, 2015 (the "Agreement").
- 2. Pursuant to the Agreement, SeaPac grants the Districts the exclusive right to use up to 10 cfs of first use water from its Magic Springs Hatchery under water right nos. 36-7072 and 36-8386 together with the exclusive right and access to utilize all discharge water from the Magic Springs facility as needed to provided mitigation to Rangen, Inc. and other water right holders in the Hagerman Valley, together with a right of access and easements to design, construct, operate and maintain water intake and collection facilities, pump stations, pipelines and other facilities necessary to deliver water from SeaPac's Magic Springs Hatchery for mitigation purposes.
- 3. The Agreement is made in consideration for a long term lease or ownership of the Aqualife Hatchery provided by the Districts to SeaPac.
- 4. This Memorandum summarizes the provisions of the Agreement.
- 5. The terms, conditions and provisions of the Agreement shall extend to and be binding upon the heirs, executives, administrators, grantees, successors and assigns of the parties hereto.
- 6. In the event of any conflict between the Agreement and this Memorandum, the Agreement shall control.
- 7. This Memorandum may be recorded in the Gooding County, Idaho Recorder's Office and may be filed with the Director of the Idaho Department of Water Resources to provide notice of the Agreement between the parties.

(Signatures on the following page)

SEAPAC OF IDAHO, INC., an Idaho corporation

Dated: _____, 2015

NORTH SNAKE GROUND WATER DISTRICT

Dated: January 7, 2015

By: Name: Den Stern Title: (. liurne. ...

MAGIC VALLEY GROUND WATER DISTRICT

By: Name: . 9 tes Title: Chains in

SOUTHWEST IRRIGATION DISTRICT

Kandy Brown Name: paridy BEANN Ву: 🕺 Title: in

Dated: January 7, 2015

Dated: January 7, 2015

STATE OF IDAHO) : ss. County of)

On this _____ day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared ______, known or identified to me to be the ______, of SEAPAC OF IDAHO, INC., that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

(SEAL)

NOTARY PUBLIC FOR IDAHO Residing at: My Commission Expires:

STATE OF IDAHO) County of Bannock)

On this <u>1</u>th day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT and DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporations, and acknowledged to me that such corporations executed the same.

(SEAL)

RANDALL C. BUDGE NOTARY PUBLIC STATE OF IDAHO

Fand UL C. Burg NOTARY PUBLIC FOR IDAHO

NOTARY PUBLIC FOR IDAHO Residing at: Bannoul, County My Commission Expires: 10/11/14

SEAPAC OF IDAHO, INC., an Idaho corporation By: Name: Title:

Dated Thesasy 12 2015

NORTH SNAKE GROUND WATER DISTRICT

Dated: January 7, 2015

By: Name: 12e~ Title: Clivres

MAGIC VALLEY GROUND WATER DISTRICT

By: Name: () Title: Chaim -

SOUTHWEST IRRIGATION DISTRICT

By: Name Title:

Dated: January 7, 2015

_, 2015

Dated: JANUAMY 7

.....

- ---

STATE OF IDAHO

) : SS.

County of Tivin Falls)

On this <u>12</u> day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared <u>*Hen Cishley*</u>, known or identified to me to be the <u>*President*</u>, of SEAPAC OF IDAHO, INC., that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



STATE OF IDAHO

County of Bannock

Multi Amili NOTARY PUBLIC FOR IDAHO Residing at: Bich / My Commission Expires: 9-26-15

On this 7th day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT and DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporations, and acknowledged to me that such corporations executed the same.

(SEAL)

RANDALL C. BUDGE NOTARY PUBLIC STATE OF IDAHO

) : SS.

)

Handell C. Budge NOTARY PUBLIC FOR IDAHO

Residing at: Bannock, county My Commission Expires: 10/11/10

ATTACHMENT A-3

Instrument # 250222 GOODING, GOODING, IDAHO 12-11-2014 09:29:35 AM No. of Pages: 8 Recorded for : RACINE, OLSON, NYE, BUDGE & BAIL DENISE M. GILL Fee: 31.00 Ex-Officio Recorder Deputy_____

BURIED PIPELINE AGREEMENT

NORTH SIDE CANAL COMPANY Southwest Irrigation District North Snake Ground Water District Magic Valley Ground Water District

AGREEMENT effective this $4^{\prime\prime}$ day of November, 2014, between NORTH SIDE CANAL COMPANY ("NORTH SIDE"), and Southwest Irrigation District, North Snake Ground Water District and Magic Valley Ground Water District (hereinafter "Districts"), collectively referred to as the "parties."

RECITALS

A. WHEREAS, NORTH SIDE, owns certain real property located in Gooding County, Idaho located in Government Lot SE ¼ SE ¼, Section 6 and SW ¼ SW, Section 5, Township 8 South, Range 14 East, B.M., Gooding County, Idaho ("Property") and;

B. WHEREAS, the Districts desire to acquire from NORTH SIDE an easement 20' in width as described in Exhibit "A" attached for the purpose of constructing, owning and operating up to two buried pipelines through the NORTH SIDE Property to convey water from a spring source and the Magic Springs aquaculture facility; and

C. WHEREAS, NORTH SIDE is willing to provide the Districts the requested easement for the buried pipelines pursuant to this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Payment**. The total purchase price for the easement shall be FIVE THOUSAND (\$5,000.00) DOLLARS per acre calculated based upon the width and length of the easement payable from the Districts to NORTH SIDE at the execution of this agreement.

2. Installation of Pipelines. The Districts shall submit to NORTH SIDE construction drawings and specifications stamped by a registered professional engineer in the State of Idaho, that illustrate the design of the project for NORTH SIDE to review and approve prior to beginning construction on the Property. After NORTH SIDE has approved the construction drawings and specifications, the Districts may install, at their own expense, up to two (2) buried pipelines for the conveyance of water from Magic Springs within the easement described in Exhibit "A" attached. The Districts shall install

said pipelines within the easement in accordance with standard specifications for pipe, materials, installation, and backfill, as set forth in the Idaho standards for public works construction or the respective projects' construction drawings, as approved by NORTH SIDE.

3. **Pipeline Ownership and Maintenance.** The Districts shall own the pipelines and be responsible for their installation, maintenance, repair and replacement.

4. **Easement and Access.** NORTH SIDE hereby grants to the Districts an easement on, over, under and through a portion of the Property, approximately 550' in length and 20' in width as described in Exhibit "A" attached hereto, to construct, operate, maintain and replace as necessary up to two (2) buried pipelines to insure the proper delivery of water from Magic Springs. It is understood and agreed that the final description of the easement and location of the pipes are subject to amendment by the Districts based upon the final survey and installed pipe locations.

5. **Indemnification.** The Districts agree to indemnify and hold NORTH SIDE harmless from any and all claims arising out of the construction, operation, maintenance, repair or replacement of the pipeline, or the use of the easement for any purpose.

6. The Districts' Representative. The Districts agree to designate one person to represent the Districts in all dealings with NORTH SIDE and to act as a liaison between the parties. The Districts shall communicate to NORTH SIDE in writing the name, address and telephone number of such person.

7. Additional Documents. The parties will execute such additional deeds, releases and other documents and instruments as may be required to carry out the purpose and intent of the foregoing agreement.

8. **Cooperation.** The parties will cooperate, communicate and act in good faith with each other as may be reasonable and necessary in exercising their rights and performing their responsibilities pursuant to this Agreement.

9. **Default.** In the event any party fails to perform any of the terms, conditions or provisions of this Agreement, and fails to cure such default within thirty (30) days of receipt of written notice of default, the non-defaulting party may elect any one of the following remedies, which are the sole and exclusive remedies available:

- (a) to terminate this Agreement;
- (b) file an action to obtain specific performance of this Agreement; or
- (c) pursue any other remedy to which they may be entitled under the laws of the state of Idaho.

10. Legal Fees. In the event legal action is undertaken to enforce this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney fees and costs, in addition to whatever other relief that party may be entitled to.

11. **Binding Effect.** All of the terms, conditions and covenants of this Agreement shall be binding upon the parties and shall inure to the benefits of all successors and assigns of the parties hereto.

12. Assignment of this Agreement. The Districts may assign their interest in this Agreement to a third party, subject to the prior written consent of NORTH SIDE, which consent shall not be unreasonably withheld.

13. **Modification or Revocation.** This Agreement may be modified or revoked by a writing executed by all parties.

14. **Dispute Resolution.** Any substantial dispute between the parties shall be resolved in accordance with the following provisions:

- (a) Mediation. The parties shall designate a mediator and appear before the mediator and attempt to mediate a settlement of the dispute.
- (b) Arbitration. In the event the dispute between the parties cannot be settled as a result of mediation as above described, the dispute shall be arbitrated in accordance with the Uniform Arbitration Act, Title 7, Chapter 9, Idaho Code. The parties shall elect a mutually agreeable arbitrator and the dispute shall be submitted to that arbitrator for decision. The arbitrator shall be authorized to enter a decision to resolve the dispute that is binding on the parties. The arbitrator's decision shall be non-appealable.
- (c) Litigation. Litigation is allowed between the parties only for the purpose of enforcing a settlement agreement entered into between the parties as a result of mediation, or an arbitrator's decision resulting from arbitration.
- (d) Injunctive Relief. Either party may request a Court to issue such temporary or interim relief (including temporary restraining orders and preliminary injunctions) as may be appropriate, either before or after mediation or arbitration is commenced. The temporary or interim relief shall remain in effect pending the outcome of the mediation or arbitration. No such request shall be a waiver of the right to submit any dispute to mediation or arbitration.
- (e) Arbitration and Mediation Costs. The parties shall share equally in all expenses and costs and fees of the mediator and arbitrator.

Each party shall be responsible for it is own costs, attorney fees and witness fees, if any. However, the arbitrator may award reasonable attorney fees to the prevailing party.

(f) Choice of Law. This Agreement and the validity, interpretation and performance thereof shall be governed by and construed in accordance with the laws of the State of Idaho.

15. Notices. All notices required to be given pursuant to this Agreement shall be served upon the parties by certified mail, return receipt requested, at the following addresses:

North Side Canal Company c/o Alan Hansten, Manager 921 North Lincoln Avenue Jerome, Idaho 83338

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 E. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

NORTH SIDE CANAL COMPANY

HN BUEKERS, President

SOUTHWEST IRRIGATION DISTRICT

RANDY BROWN, Chairman

NORTH SNAKE GROUND WATER DISTRICT

CARLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT By___ DEAN STEVENSON, Chairman

STATE OF IDAHO

) : ss.

)

County of Twin Falls

On this $\underline{\mathcal{U}}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared JOHN BUEKERS, known or identified to me to be the President, of NORTH SIDE CANAL COMPANY, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

RANDALL C. BUDGE NÓTARY PUBLIC FOR IDAHO Residing at: Tuentats E ANOTARY PUBLIC STATE OF IDAHO My Commission Expires: 4/3/18

STATE OF IDAHO) County of <u>Caseta</u>)

On this $\underline{4'}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

RANDALL C. BUDGE NGTARY PUBLIC OF DAHO

NOTARY PUBLIC FOR IDAHO Residing at: Deca fello, J. D. My Commission Expires: 10/11/16

STATE OF IDAHO

County of Cassia

On this $\underline{\mathcal{U}}^{d+1}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

) : ss.

)



NOTARY PUBLIC FOR IDAHO Residing at: 10 cu tello , I. My Commission Expires: 10/n/16

STATE OF IDAHO) : ss. County of <u>lassia</u>)

On this $\underline{4^{\mu}}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



NOTARY PUBLIC FOR IDAHO Residing at: Deca fello, 50. My Commission Expires: 10/4/16

October 24, 2014



EXHIBIT A MAGIC SPRING PROJECT BURIED PIPELINE EASMENT DESCRIPTION NORTHSIDE CANAL COMPANY

A 20 foot wide easement across a portion of a parcel of land described in a deed dated January 17, 1912, and recorded in Book J of Deeds, at Page 331, records of Gooding County, Idaho, said easement being situated in the a portion of Lot 8 of Section 6 and a portion of the NW 1/4, SW 1/4, SW 1/4 of Section 5 all in Township 8 South, Range 14 East, Boise Meridian, Gooding County, Idaho. Said easement being more particularly described as follows:

Commencing at the South 1/16th Comer common to said Sections 5 and 6 being marked by a U.S. Fish and Wildlife brass cap monument dated 1949, said monument also being the **POINT OF BEGINNING**, thence continuing along the section line common to said Sections 5 and 6

South 0° 47' 14" West 41.88 feet, thence leaving said section line into said Section 6 South 70° 10' 11" West 293.61 feet, thence

South 19° 49' 49" East 77.66 feet to a point on the southeasterly line of said parcel of land (Book J, Page 331), thence along said southeasterly line

North 68° 00' 35" East 20.01 feet, thence leaving said

southeasterly line

North 19° 49' 49" West 56.90 feet, thence

North 70° 10' 11" East 266.09 feet to a point on said section line, thence leaving said section line and continuing into said Section 5

North 70° 10' 11" East 21.36 feet to a point, thence

South 0° 47' 14" West 1.60 feet to a point, thence

North 70° 10' 11" East 132.73 feet to a point of curvature, thence

6.93' feet along a curve to the left, said curve having a radius of 110.00', a delta angle of 3°36'33" and a cord bearing and distance North 68° 21' 55" East 6.93 feet, thence

North 66° 33' 38" East 23.20 feet to a point on the north line of said parcel (Book J,

Page 331), also being the north line of said NW 1/4, SW 1/4, SW 1/4 of Section 5, thence along said north line

North 89° 44' 17" West 53.33 feet, thence leaving said north line

South 70° 10' 11" West 105.20 feet, thence

North 0° 47' 14" East 36.09 feet to a point on said north line, thence along said north line

North 89° 35' 23" West 20.00 feet to the POINT OF BEGINNING.

Said easement contains 10,833 square feet or 0.249 acres, more or less.



1904 W. Overland • Boise, ID 83705 • Phone (208) 342-0091 • Fax (208) 342-0092 • www.quadrant.cc Civil Engineering • Surveying

ATTACHMENT A-4

Instrument # 250221 GOODING, GOODING, IDAHO 12-11-2014 09:20:57 AM No. of Pages: 8 Recorded for : RACINE, OLSON, NYE, BUDGE & BAIL DENISE M. GILL Fee: 31.00 Ex-Officio Recorder Deputy_____

BURIED PIPELINE AGREEMENT

LEE R. and MARY E. MITCHELL Southwest Irrigation District North Snake Ground Water District Magic Valley Ground Water District

AGREEMENT effective this $\underline{\mu}^{+}$ day of November, 2014, between LEE R. MITCHELL and MARY E. MITCHELL, husband and wife, ("MITCHELL"), and Southwest Irrigation District, North Snake Ground Water District and Magic Valley Ground Water District (hereinafter "Districts"), collectively referred to as the "parties."

RECITALS

A. WHEREAS, MITCHELL, owns certain real property located in Gooding County, Idaho located in NW ¼ SW ¼, Section 5, Township 8 South, Range 14 East, B.M., Gooding County, Idaho ("Property") and;

B. WHEREAS, the Districts desire to acquire from MITCHELL an easement 20' in width as described in Exhibit "A" and Exhibit "B" attached for the purpose of constructing, owning and operating two (2) buried pipelines through the MITCHELL Property to convey water from the Magic Springs water rights; and

C. WHEREAS, MITCHELL is willing to provide the Districts the requested easement for the buried pipelines pursuant to this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Installation of Pipelines. MITCHELL agrees that the Districts may install, at its own expense, two (2) buried pipelines for the conveyance of water from Magic Springs within the easements described in Exhibit "A" and Exhibit "B" attached. The Districts shall install said pipelines within the easements in accordance with standard specifications for pipe, materials, installation, and backfill, as set forth in the Idaho standards for public works construction or the respective projects' construction drawings.

2. **Pipeline Ownership and Maintenance.** The Districts shall own the pipelines and be responsible for their installation, maintenance, repair and replacement.

3. Easement and Access. MITCHELL hereby grants to the Districts easements on, over, under and through a portion of the MITCHELL Property, approximately 850' in length, 20' in width as described in Exhibit "A" and approximately 730' in length, 20' in width as described in Exhibit "B" attached hereto, to construct,

operate, maintain and replace as necessary two (2) buried pipelines to insure the proper delivery of water from Magic Springs. It is understood and agreed that the final description of the easements and location of the pipes are subject to amendment by the Districts based upon the final survey and installed pipe locations.

4. Indemnification. The Districts agree to indemnify and hold MITCHELL harmless from any and all claims arising out of the construction, operation, maintenance, repair or replacement of the pipelines, or the use of the easement for any purpose.

5. The Districts' Representative. The Districts agree to designate one person to represent the Districts in all dealings with MITCHELL and to act as a liaison between the parties. The Districts shall communicate to MITCHELL in writing the name, address and telephone number of such person.

6. Additional Documents. The parties will execute such additional deeds, releases and other documents and instruments as may be required to carry out the purpose and intent of the foregoing agreement.

7. **Cooperation.** The parties will cooperate, communicate and act in good faith with each other as may be reasonable and necessary in exercising their rights and performing their responsibilities pursuant to this Agreement.

8. **Default.** In the event any party fails to perform any of the terms, conditions or provisions of this Agreement, and fails to cure such default within thirty (30) days of receipt of written notice of default, the non-defaulting party may elect any one of the following remedies, which are the sole and exclusive remedies available:

- (a) to terminate this Agreement;
- (b) file an action to obtain specific performance of this Agreement; or
- (c) pursue any other remedy to which they may be entitled under the laws of the state of Idaho.

9. Legal Fees. In the event legal action is undertaken to enforce this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney fees and costs, in addition to whatever other relief that party may be entitled to.

10. Binding Effect. All of the terms, conditions and covenants of this Agreement shall be binding upon the parties and shall inure to the benefits of all successors and assigns of the parties hereto.

11. Assignment of this Agreement. The Districts may assign their interest in this Agreement to a third party, subject to the prior written consent of MITCHELL, which consent shall not be unreasonably withheld. Provided, that the Districts may

assign their interest in this Agreement to one or more of their member groundwater districts without the consent of MITCHELL.

12. Modification or Revocation. This Agreement may be modified or revoked by a writing executed by all parties.

13. **Dispute Resolution.** Any substantial dispute between the parties shall be resolved in accordance with the following provisions:

- (a) Mediation. The parties shall designate a mediator and appear before the mediator and attempt to mediate a settlement of the dispute.
- (b) Arbitration. In the event the dispute between the parties cannot be settled as a result of mediation as above described, the dispute shall be arbitrated in accordance with the Uniform Arbitration Act, Title 7, Chapter 9, Idaho Code. The parties shall elect a mutually agreeable arbitrator and the dispute shall be submitted to that arbitrator for decision. The arbitrator shall be authorized to enter a decision to resolve the dispute that is binding on the parties. The arbitrator's decision shall be non-appealable.
- (c) Litigation. Litigation is allowed between the parties only for the purpose of enforcing a settlement agreement entered into between the parties as a result of mediation, or an arbitrator's decision resulting from arbitration.
- (d) Injunctive Relief. Either party may request a Court to issue such temporary or interim relief (including temporary restraining orders and preliminary injunctions) as may be appropriate, either before or after mediation or arbitration is commenced. The temporary or interim relief shall remain in effect pending the outcome of the mediation or arbitration. No such request shall be a waiver of the right to submit any dispute to mediation or arbitration.
- (e) Arbitration and Mediation Costs. The parties shall share equally in all expenses and costs and fees of the mediator and arbitrator. Each party shall be responsible for it is own costs, attorney fees and witness fees, if any. However, the arbitrator may award reasonable attorney fees to the prevailing party.
- (f) Choice of Law. This Agreement and the validity, interpretation and performance thereof shall be governed by and construed in accordance with the laws of the State of Idaho.

14. Notices. All notices required to be given pursuant to this Agreement shall be served upon the parties by certified mail, return receipt requested, at the following addresses:

> Mr. & Mrs. Lee R. Mitchell 1400 Nova Lane Meridian. 10 83642

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 E. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

By

SOUTHWEST IRRIGATION DISTRICT By

NDY BROWN, Chairman

NORTH SNAKE IRRIGATION DISTRICT

By RLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By

DEAN STEVENSON, Chairman

STATE OF IDAHO) : SS. County of)

_ day of November, 2014, before me, a Notary Public for the State of On this Idaho, personally appeared LEE R. MITCHELL and MARY E. MITCHELL, husband and wife, known or identified to me to be the persons whose names subscribed to the within instrument, and acknowledged to me that they executed the same.



) : ss.

)

NOTARY PUBLIC FOR IDAHO

n 1200 Nay 30,2020 Residing at: Menclian My Commission Expires:

On this $\underline{44}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

RANDALL C. BUDGE ATARY PUBLIC OF IDAHO

STATE OF IDAHO

County of Cassia

NOTARY PUBLIC FOR IDAHO Residing at: Porakllo, IV. My Commission Expires: 10/11/16

STATE OF IDAHO) : ss. County of <u>(acsin</u>)

On this $\underline{44}^{+}$ day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



NOTARY PUBLIC FOR IDAHO Residing at: Pocatellu, Id -My Commission Expires: /0/11/14

STATE OF IDAHO) : SS. County of Cassia)

On this 4^{+1} day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

RANDALL C. BUDGE SEMADIARY PUBLIC STATE OF IDAHO

NOTARY PUBLIC FOR IDAHO Residing at: Dea Hill , II. My Commission Expires: 10/11/16

October 28, 2014



EXHIBIT A MAGIC SPRING PROJECT BURIED PIPELINE EASMENT DESCRIPTION MITCHELL EASEMENT

A 20 foot wide easement across a portion of a parcel of land described in a deed recorded on October 5, 1999 as Instrument Number 182760, records of Gooding County, Idaho, said easement being situated in a portion of the NW ¼ of the SW ¼ of Section 5 in Township 8 South, Range 14 East, Boise Meridian, Gooding County, Idaho. Said easement being more particularly described as follows:

Commencing at the South 1/16th Corner common to said Section 5 and Section 6, Township 8 South, Range 14 East being marked by a U.S. Fish and Wildlife brass cap monument dated 1949, said monument being the southwest corner of said parcel of land (Instrument Number 182760) and the **POINT OF BEGINNING**, thence continuing along the section line common to said Sections 5 and 6

North 0°53'45" East 857.05 feet to the southerly right-of-way of a county road, thence along said southerly right-of-way

South 49°24'52" East 25.99 feet, thence leaving said southerly right-of-way

South 0°53'45" West 840.24 feet to the south line of said parcel, being the south line of said NW1/4 of the SW1/4 of Section 5, thence along said south line

North 89° 44' 17" West 20.00 feet to the POINT OF BEGINNING.

Said easement contains 16,972 square feet or 0.390 acres, more or less.



October 28, 2014



EXHIBIT B MAGIC SPRING PROJECT BURIED PIPELINE EASMENT DESCRIPTION MITCHELL EASEMENT

A 20 foot wide easement across a portion of a parcel of land described in a deed recorded on October 5, 1999, as Instrument Number 182760, records of Gooding County, Idaho, said easement being situated in a portion of the NW ¼ of the SW ¼ of Section 5 in Township 8 South, Range 14 East, Boise Meridian, Gooding County, Idaho. Said easement being more particularly described as follows:

Commencing at the southwest corner of said NW ¼ of the SW ¼ of said Section 5, being marked by a U.S. Fish and Wildlife brass cap monument dated 1949, said monument also being the southwest corner of said parcel of land (Instrument Number 182760), thence along the south line of said parcel South 89° 44' 17" East 118.47 feet to the **POINT OF BEGINNING**, thence leaving said south line,

North 70° 10' 11" East 20.01 feet, to a point of curvature, thence

5.67 feet along a curve to the left, said curve having a radius of 90.00 feet, a delta angle of 3° 36' 33" and a chord bearing and distance North 68° 21' 55" East 5.67 feet, thence

North 66° 33' 38" East 186.98 feet, thence North 75° 03' 05" East 169.11 feet, thence North 90° 00' 00" East 309.73 feet to a point of curvature, thence

60.59 feet along a curve to the left, said curve having a radius of 90.00 feet, a delta angle of 38° 34' 17" and a chord bearing and distance of North 70° 42' 51" East 59.45 feet to a point on the southerly right-of-way of a county road, thence along said southerly right-of-way

South 49° 24' 52" East 20.30 feet, thence leaving said southerly right-of-way

77.87 feet along a non-tangent curve to the right, said curve having a radius of 110.00 feet, a delta angle of 40°33'38" and a chord bearing and distance of South 69° 43' 11" West 76.25 feet, thence

South 90° 00' 00" West 307.11 feet, thence South 75° 03' 05" West 165.00 feet, thence South 66° 33' 38" West 162.29 feet to a point on the south line of said parcel (Instrument Number 182760), thence along said south line North 89° 44' 17" West 53.33 feet to the **POINT OF BEGINNING**.

SS. ALCONNELLAND STREET

Said easement contains 14,625 square feet or 0.336 acres, more or less.

1904 W. Overland • Boise, ID 83705 • Phone (208) 342-0091 • Fax (208) 342-0092 • www.quadrant.cc Civil Engineering • Surveying

ATTACHMENT A-5

PATRICK D. BROWN, P.C.

516 Hansen Street East P.O. Box 125 Twin Falls, ID 83303 208-733-5004

Pat Brown pat@pblaw.co

January 16, 2015

Thomas J. Budge Racine, Olson, Nye, Budge & Bailey 201 E. Center, Ste. A2 P.O. Box 1391 Pocatello, ID 83204-1301

Re: Permission to IGWA for a pipeline to Rangen, Inc. across the property of Walter and Margaret Candy (located in the NWSW and SWNW of Section 32, Township 7 South, Range 14 East, Boise Meridian)

Dear Mr. Budge:

As you and I have discussed by phone, Walter and Margaret Candy have authorized me to continue to extend their permission for IGWA to have and use a pipeline across their property in order to convey water to Rangen, Inc. from Magic Springs. The permission Candys are granting is in the form of a license and is revocable at any time.

They will not revoke the permission as long as, in their sole discretion, they believe we are progressing towards the execution of a comprehensive agreement which not only grants IGWA a license for the pipeline but assures that IGWA and its members will supply water to the senior water rights. Of course this comprehensive agreement will also have to be formally approved by the State of Idaho.

The permission Candys continue to extend is not intended and shall not in any way be construed to be an easement. We remain convinced that an easement is not necessary, as access and use will be fully and continuously licensed under conditions to be set forth in the anticipated agreement.

Please let me know if there is anything else I can do to assist you in providing documentation to IDWR about this matter.

Singere Patrick D. Brown

ATTACHMENT A-6

PIPELINE LICENSE AGREEMENT

RANGEN, INC. Southwest Irrigation District North Snake Ground Water District Magic Valley Ground Water District

LICENSE AGREEMENT ("Agreement") effective this _____ day of January, 2015, between RANGEN, INC., ("Rangen"), and Southwest Irrigation District, North Snake Ground Water District and Magic Valley Ground Water District (hereinafter "Districts"), collectively referred to as the "parties."

RECITALS

A. WHEREAS, Rangen, owns certain real property located in Gooding County, Idaho located in SW ¼ NW ¼, Section 32, Township 7S, Range 14E, B.M., Gooding County, Idaho ("Rangen Property");

B. WHEREAS, the Idaho Department of Water Resources (IDWR) recently approved IGWA's Fourth Mitigation Plan in IDWR Docket No. CM-MP-2014-006 ("Order"), authorizing IGWA to deliver mitigation water to Rangen from Magic Springs;

C. WHEREAS, over Rangen's objection to the Districts Fourth Mitigation Plan, the Director Ordered Rangen to accept the water and allow construction on its land related to placements of the delivery pipe, and if not accepted, the Districts mitigation obligation would be suspended;

D. WHEREAS, on November 6, 2014, pursuant to the Order, Rangen conditionally accepted delivery of the water;

E. WHEREAS, pursuant to Rangen's conditional acceptance of delivery of water under the Order, the Districts desire to obtain from Rangen a license for a rightof-way 20' in width as described in Exhibit "A" attached for the purpose of constructing, owning and operating buried and above grade pipelines through the Rangen Property with necessary equipment and facilities to convey water from Magic Springs to Rangen; and

F. WHEREAS, pursuant to the Order, Rangen hereby provides the Districts with a license for a right-of-way as set forth in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Access License for Pipelines and Appurtenances. Rangen grants the Districts a license to install, operate, maintain, and replace as needed, at their expense, buried pipelines for the conveyance of water from Magic Springs to Rangen's hatchery as described in Exhibit "A" attached. The license includes the right to deliver water to Rangen's existing facility and gives the districts authority to convey water to Rangen's existing diversions and pipes. Other than as necessary to attach to Rangen's existing facility, Rangen does not grant any license to the districts to use any of Rangen's pipes. diversions or existing structures owned or otherwise used by Rangen. The Districts shall install said pipelines and appurtenances within the licensed area in accordance with standard specifications for pipe, materials, installation, and backfill, as set forth in the Idaho standards for public works construction or the respective projects' construction drawings. The final description of the license and location of the pipelines are subject to amendment by the Districts based upon the final survey and installed pipe locations. This license covers the delivery of water only under the Fourth Mitigation Plan, and water delivered under transfer 79560 (water right 36-7072). This license does not cover the delivery of water under any other mitigation plan, right, license or permit.

2. **Pipeline Ownership and Maintenance.** The Districts shall own the pipelines and be responsible for their installation, maintenance, repair and replacement.

3. **Indemnification.** The Districts agree to indemnify and hold Rangen harmless from any and all claims arising out of the construction, operation, maintenance, repair or replacement of the pipeline, or the use of the easement for any purpose.

4. The Districts' Representative. The Districts agree to designate one person to represent the Districts in all dealings with Rangen and to act as a liaison between the parties. The Districts shall communicate to Rangen in writing the name, address and telephone number of such person.

5. Additional Documents. The parties will execute such additional documents and instruments as may be required to carry out the purpose and intent of this Agreement.

6. **Revocation.** Rangen may elect to terminate this Agreement upon not less than thirty (30) days written notice.

7. **Default.** This Agreement may be revoked by Rangen as set forth in paragraph 6, or in the event any party fails to perform any of the terms, conditions or provisions of this Agreement, and fails to cure such default within thirty (30) days of receipt of written notice of default, the non-defaulting party may elect any one of the following remedies, which are the sole and exclusive remedies available:

- (a) to terminate this Agreement;
- (b) file an action to obtain specific performance of this Agreement; or

(c) pursue any other remedy to which they may be entitled under the laws of the state of Idaho.

8. Attorney's Fees. In the event that either party hereto retains an attorney to enforce any right or duty arising out of this Agreement, the prevailing party in such dispute shall be entitled to be paid reasonable attorney's fees by the non-prevailing party, whether or not litigation is actually instituted.

9. Assignment of this Agreement. The Districts may assign their interest in this Agreement to a third party, subject to the prior written consent of Rangen, which consent shall not be unreasonably withheld. Provided, that the Districts may assign their interest in this Agreement to one or more of their member groundwater districts without the consent of Rangen.

10. Non-waiver: By entering into this Agreement, Rangen does not waive any right to seek judicial review of the Order; Rangen does not waive any cause of action it may have against IGWA, its member Districts, its Directors, the Department, or the State of Idaho including, but not limited to, compensation for the condemnation of its real property, damages resulting from the implementation of the Fourth Mitigation Plan such as the loss of fish or the introduction of disease, pathogens, parasites, or other organisms harmful to Rangen's operation, or damages resulting from the failure to deliver water for any reason whatsoever; and Rangen also reserves the right to reject the water in the event it determines the delivery of water is causing harm to Rangen's operation. Furthermore, Rangen does not waive its right to avail itself of any and all administrative and legal remedies with respect to challenging or appealing transfer 79560 (water right 36-7072), or any other administrative or legal proceeding currently pending before the Parties, or any or any other administrative or legal proceeding which may arise between or involve the Parties.

11. **Dispute Resolution.** Any dispute between the parties shall be resolved in any court, or otherwise agreed by the parties.

12. Choice of Law. This Agreement and the validity, interpretation and performance thereof shall be governed by and construed in accordance with the laws of the State of Idaho.

13. Merger. Except for the terms of this Agreement, the Parties agree that the terms, covenants and conditions of this Agreement shall supersede all such prior negotiations and agreements, and that there are no other agreements not contained in this Agreement, and that this Agreement shall be and is the final expression of the agreement of the Parties and shall control. No modification of this Agreement shall be valid unless in writing and executed by the Parties to the Agreement.

14. Notices. All notices required to be given pursuant to this Agreement shall be served upon the parties by certified mail, return receipt requested, at the following addresses:

Rangen, Inc. o'o Christopher T. Rangen, President P.O. Box 706 Buhl, Idaho 83316

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 B. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

RANGEN, INC. 01/14/2015

SOUTHWEST IRRIGATION DISTRICT

NORTH SNAKE GROUND WATER DISTRICT

By______LYNN CARLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By. DEAN STEVENSON, Chairman

By_____ RANDY BROWN, Chairman

Rangen, Inc. c/o Christopher T. Rangen, President P.O. Box 706 Buhl, Idaho 83316

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 B. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

RANGEN, INC.

SOUTHWEST IRRIGATION DISTRICT

By____

By___

RANDY BROWN, Chairman

By

NORTH SNAKE GROUND WATER DISTRICT

By CARLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By_____ DEAN STEVENSON, Chairman

Rangen, Inc. c/o Christopher T. Rangen, President P.O. Box 706 Buhl, Idaho 83316

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 E. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

RANGEN, INC.

By

By

SOUTHWEST IRRIGATION DISTRICT

onig By Craig E Searl Chairman

NORTH SNAKE GROUND WATER DISTRICT

By______ LYNN CARLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT

By_

DEAN STEVENSON, Chairman

Rangen, Inc. c/o Christopher T. Rangen, President P.O. Box 706 Buhl, Idaho 83316

Southwest Irrigation District P.O. Box 910 Burley, Idaho 83318

North Snake Ground Water District 152 E. Main St. Jerome, Idaho 83338

Magic Valley Ground Water District P.O. Box 430 Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

RANGEN, INC.

SOUTHWEST IRRIGATION DISTRICT

By_____

RANDY BROWN, Chairman

By____

NORTH SNAKE GROUND WATER DISTRICT

By___

By

LYNN CARLQUIST, Chairman

MAGIC VALLEY GROUND WATER DISTRICT

Jaughan - Braulmerilen By Certo A. DEAN STEVENSON, Chairman

STATE OF IDAHO) County of Twin Falls)

On this 14th day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared <u>Christopher T. Rangel</u> mown or identified to me to be the <u>President</u>, of RANGEN, INC., that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

CIND	VKC	EDDI	INI	t
			AN	ł
			C	Į
STAT	FE OF	DAH	0	ŝ
	NOT	CINDY KC NOTARY	NOTARY PUBLI	CINDY KOEPPLIN NOTARY PUBLIC STATE OF IDAHO

(SEAL)

NOTARY FUBLIC FOR IDAHO Residing at: Filer Idaho My Commission Expires: 19-05-15

STATE OF IDAHO) :ss. County of

On this ______ day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

(SEAL)

NOTARY PUBLIC FOR IDAHO Residing at: My Commission Expires:

STATE OF IDAHO) : ss. County of _____)

On this ______ day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared _______, known or identified to me to be the _______, of RANGEN, INC., that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

(SEAL)

4

NOTARY PUBLIC FOR IDAHO Residing at: My Commission Expires:

STATE OF IDAHO) County of Cassia)

On this <u>14t</u> May of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared Craig E. Searknown or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

(SEGHELLY WARD Residing at. NOTARY PUBLIC My Commission Expires: STATE OF IDAHO

STATE OF IDAHO) : ss. County of <u>JEROME</u>)

On this $\underline{14^{T^{H}}}$ day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



NOTARY PUBLIC FOR IDAHO Besiding at: JEROME COUNTY My Commission Expires: 3/4/16

STATE OF IDAHO) : SS. County of)

On this _____ day of January, 2015, before me, a Notary Public for the State of Idaho, personally appeared DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

(SEAL)

NOTARY PUBLIC FOR IDAHO Residing at: My Commission Expires:
EXHIBIT A Attached to Pipeline Agreement

SW ¼ NW ¼, Section 32, Township 7S, Range 14E, B.M., Gooding County, Idaho:

A licensed right-of-way approximately 510' feet in length and 20' in width running from south boundary line of described Rangen Property in a northerly direction to a point between the small raceway and hatch house as depicted in Exhibit A-1 attached, with 4", 12" and 16" lines running from there to small raceway and hatch house per attached engineering drawings Exhibit A-2. Final description of the right-of-way and location of the pipelines to be provided by amendment to this Exhibit A upon final survey and installed pipe locations.

ATTACHMENT A-7

 From:
 bhaghwydist@northrim.net

 To:
 BHardgrove@spfwater.com

 Cc:
 JThompson@spfwater.com

 Subject:
 Approval for pipeline alignment

 Date:
 Wednesday, October 01, 2014 2:27:01 PM

HAGERMAN HIGHWAY DISTRICT

PO BOX 411

HAGERMAN, ID 83332

PHONE/FAX 208-837-9110

Oct. 1, 2014

Mr. Bob Hardgrove,

The Hagerman Highway Commissioners met at an Emergency Meeting 9/26/2014 at 5:00 PM at the S1200 Road, site of the proposed pipeline.

Bud Huntley moved to approve the proposed main pipeline alignment within the S1200E right of way. The requirements to be met are;

The road be returned to like or better condition.

- 1. The top depth of pipe is to be at a minimum 3 feet below the road surface.
- 2. The reconstructed road meets all Gooding County Transportation plan and Hagerman Highway District specifications.
- 3. Compaction and composition of the fill is approved by Foreman Rich Regnier. The compaction is to be 95%.
- 4. Maintain one lane of traffic with Flaggers and be appropriately signed at all times during construction.
- 5. The entire width of the road disturbed is to have an over lay of 4 inch compacted hot mix which meets Idaho Transportation Department specifications.

Fred Mavencamp seconded and the motion carried.

Butch Morris recued himself due to personal involvement with the project. If a hard copy is required please E-mail address.

Commissioners, Fred Mavencamp Bud Huntley Butch Morris

Cc/ Jason Thompson

ATTACHMENT A-8



MAGIC SPRINGS DESIGN CRITERIA AND	ASSUMPTION	STATION A								t Matland Drive, Su olas, Idaho 83706 3-4140 Fax (208)
	2. MINIMUM REDU 0.1ST YEAR: b.2ND YEAR: c.3RD YEAR: d.4TH YEAR:	R: IAU RACEWAY MANFOL URED DIRECT FLOW TO RAJ 3.4 CFS (1,525 GPM) 5.2 CFS (2,335 GPM) 6.0 CFS (2,695 GPM) 6.6 CFS (2,670 GPM) 9.1 CFS (4,085 GPM)	d, magic spring Ngen:	igs facility						300 East Matland D Bobe, Idah Tel (208) 383-4140 F
	3. CONTINUOUS 4. ASSARDD D A.ASSARDD D A.SSSARDD D A.SSSARDD D 4. DESENT TOTAL A.SECO TO T b.SSSARDD D 5. ACTUAL HORSE 8. NOAROAL HORSE 8. NOAROAL HORSE 9. THE FAMP STATOM 1. STATOMOTION D EXEMPT 1. 24-MON SOCI 8. ALL TE-FAMP ST 1. THE FAMP ST 1. 24-MON SOCI 8. ALL TE-FAMP ST 1. 24-MON SOCI 8. ALL TE-FAMP ST 1. 24-MON SOCI 8. ANTCH HOU B. BANDIA TE-ST 1. 24-MON SOCI 2. JOINT OF DDL ANTCH HOU B. BANDIA TE-ST 1. ANTCH HOU B. BANDIA TE-ST 1. ADDIT OF DDL ANTCH HOU 1. ADDIT OF DDL ADDIT	DESIGN FLOW TO SMALL RA DESIGN FLOW TO SMALL RA SEGNIF FLOW TO SMALL RA SEGNIF FLOW TO SMALL RA SMALL RA SMALL RA SMALL RA SMALL RE ST POR SMALL REST TO DEL SEGNIFIC REST TO DEL SEGNIFIC REST REST SMALL DE CONTROL SMALL DE CONT	DENVI: 4 OTS VURSION: 6 OT T: 181 FLET T:	((LBO GRM))FS (2,700 GRM))LD: 2983 FEET 7 20 FEET TH 7 20 FEET TH 20 FEET FEET TH 7 20 FEET TH 20	235 HP 235 HP 42 205 HP 400 HP 1400 HP 1400 HP 140 HP 141 HP 1	ED OFF OF FLOW MAGIC SPRINGS PF NEY CAN PROVIDE 1 CATED BUILDING FOR PSI) PE4710 WITH 1	OPERTY. (POLE MOUNTED / HE ELECTRICAL SERVICE TO YEAR-ROUND OPERATION	Δ	MAGIC SPRINGS PROJECT PUMP STATION AND PIPELINE	DESIGN CRITERIA
	PUMP SC	HEDULE:						4	10000	
	Pump Hame	Туре			ign TCH (\$) Pump Model, C Approved Equ		Putap HP		STALL	Des l
	Duty Pump 1 Duty Pump 2	Cerned Unscholt Turbine	VFD		220 Goudes 14RUH		200		HIHIN	
	Duty Pump 3	Canned Lineshell Turbine	WFD		220 Geudes 148.04		200		A CONTRACT	
									SHOLEN STATES	SCALE BEF-BICH DNBBE 5335.0130 PZC

G-002

CAD User: PCoe

2014-03: 04: 23pm

Plot date: Nov O6.

5350150

Poth: Y: \PROJECTS \\$35.0150\SHE Flemomer Xref Flemomer | \$350150 or th |

REVISION

9/24/14 10/21/14 10/31/14 10/31/14 11/7/14

12

 Inclusion
 Description

 A
 #005
 DESIGN
 SUBMITIAL

 0
 ISSUED
 FOR
 BIDDING

 1
 ADDENDUM
 1

 2
 ADDENDUM
 4

PROJECT: SUSJEIT

DESIGNED:

PZC

G-003



STEEL PIPE COATING, LINING AND INSULATION NOTES

NO LINING REQUIRED ON INSIDE OF STEEL PIPE.

THE CANSON STEE, TANGGOED FITTINGS MOD PRY SALL BE SAMP CANTED WITH A ZHE FRANZER ALL ACCUMED WITTING MOD PRY SALL BE AT DOUBLE WATTER ALL AND A DOUBLE DUE TO A POLYMADIANE FROM COMME STEED, FRANC DUE DE ATTENDE DUE SAMPLE AND CANTED WITH A ZHE FRANZER ALL ADDRESS SALL BE DETENDED OF THE DECELLARY COMME AND CANSES RETURNED AND S RESIDENT TO SERVER WATTERNO. THE DRY FLAT INCOMESS SALL BE DETENDED OF THE MANAFARARY RECOMMENDATIONS. COURS SALL BE A CONSENT IN FRANCE.

SPF WATER

300 East Mailard Drive, Suits 350 Bolas, Idaho 83706 Tel (208) 383-4140 Fax (208) 383-415

- CONTING SHULL BE HELD BACK AT END OF FITTINGS AND PIPE WHERE FIELD WELDING IS REQUIRED
- THE 24-INCH STEEL PIPE SHALL BE INSULATED WHERE IT IS ABOVE GROUND AND NOT ENCASED IN CONCRETE. THE SAME CONTING SYSTEM SHULL BE APPLIED IN THE FIELD FOR TOUCH-UP AND AT WELDED JOINTS
- insulation smil be a over-pede mouded glass fiber material. Provide allarnan juccet and vapor barrer. Coverding to ASTA CSA7. Insulation smill have a theoriess of 2 indexs. THE INSULATION SHULL
- numenu ukosi shul compy wini ksin bodi ko shul je, a nomenu, indoness of at lost 0.200 mch, with a corsulation gross-chared) prest. The lancet should be shared with a protein factor faced badd on config control should be xeed in prace wini strukles stidl schared under unformative shared badd on config control stored. Config shull be mind balance.
- PIPE INSULATION AND UNCRETING OF THE SAME IMATERIAL TYPE SHALL BE APPLIED TO ASSOCIATED FITTINGS, FLANDES, AND VALVES,
- INSULATION SHALL BE COORDINATED WITH PIPE HANGERS AND SUPPORTS. INSULATION PROTECTION SHELDS SHULL BE USED.

.

MAGIC SPRINGS PROJECT PUMP STATION AND PIPELINE

GENERAL NOTES





bolt: Y. VROJETTSYJASKO180Vjare: Ramemer 3350180 0-003 Peri dote Nov 03, 2014-05118.55pm CAO User: PCooper. Yari Panemer | 3350180 ar bi | 3350190-378-8055 | 3350150-378-330 ADUAL 5" BIG BOUNDARY |































 A characterization of the service in the Annual Principle and a first principle		 ethers Jiller ern, eth al. Silver ern al.	PUMP STATION NOTES:
KIT (KA KABIK) 1.4 OPPORTA 1.5 Fox OWER: 1.6 OWER:	IN SCHWART IN MARK LAW KARANA	 A constraint of the standard of the	 PUMP STATION NOTES (CONT.): PARADAL RESULT OF CONTROL AND OFFICE TO WHITE A CONTROL FOR ALL PLANTS IN A CONTROL FOR ALL PLANTS IN A CONTROL OF ALL PLANTS IN A CONTRO
		MAGIC SPRINGS PROJECT PUMP STATION AND PIPELINE PUMP STATION NOTES	SOF ENGINEERING 300 East Matterd Orive, Suite 350 Boles, Idaho 63708 Tel (206) 383-4140 Pax (206) 383-4156

M-001














































- ----















ATTACHMENT A-9



8722 South Harrison St., Sandy, UT 84070 P.O. Box 4439, Sandy, UT 84091 Phone: 877-678-7342 - Fax: 877-452-6910 Website: www.eibdirect.com E-mail: quotes@eibdirect.com

1/13/2015

Baker Insurance Agency, Inc. 538 Main St Gooding, ID 83330

Re: North Snake Ground Water District

Below please find an Indication Quote. In order to accommodate the Insurer's underwriting parameters and/or the Insured's premium preference, the Quote may contain coverage options or be based upon factors such as lower Limits of Liability or a higher Self-Insured Retention or Deductible than what was stated as preferred on the Application. Accordingly, please read the Quote carefully.

INDICATION QUOTE

This is an Indication Quote only. The prices listed below are subject to review and change after receipt of any requested additional information. Be aware that the Insurer is not obligated to bind any risk based on the following information. Policy forms are manuscript policies and differ substantially from ISO forms. This Indication Quote expires after 30 days

 Quote Number: MM1501329-1
 Customer Number: E15-101329

 Underwriter: Maria Martin
 Direct Phone No.: (801) 304-5570
 E-Mail: mariam@primeis.com

Note: Please review the following coverage(s) as presented. Coverage may differ from the coverage requested on the application/ submission. Any changes must be submitted to the underwriter in writing for approval and pricing. *Please note that the new quoted* coverage is not an extension of the previous Coverage Contract as the quoted coverage is for a new contract with a new coverage period. However, we are offering you the option to purchase retroactive coverage, for an additional premium, and subject to potential additional underwriting. Retroactive coverage provides continuous uninterrupted coverage for claims made against you during the new coverage period but which result from an accident that happened before the new coverage period. If you have questions regarding retroactive coverage, please contact us or your broker.

Description of Risk(s): Not Otherwise Classified Description of Coverage: Contractual Legal Liability

Premium:	\$13,475.00	Agent Commission Percentage: 10%
Policy/inspection Fee:	\$350.00	Agent Commission Amount: \$1,347.50
State Taxes:	\$207.38	Total Due: \$12,719.44
SLSC:	\$34.56	Minimum Earned: 40%

Totai: \$14,066.94

To Bind Coverage: Payment must be received before coverage can be bound. Review and comply with all the conditions below and complete and return all requirements on the coverage request form.

Conditions:

Policy is to cover losses from Rangen Inc due to failure of the pump system and supply of spring water resulting in loss of fish stock. Quote is based on the following information: operating expenses of \$250,000

Only scheduled operations and locations are covered on the policy

Higher Limits - If Higher Liability Limits are required by the insured, please contact underwriting for a formal quote.

RMD - Subject to completion of a Risk Management Direct discussion by the insured within thirty-days of binding coverage. Toll Free 877-585-2851.

Named Insured must be provided an Additional Insured on the Contractor and Engineering subcontractors policies.



8722 South Harrison St., Sandy, UT 84070 P.O. Box 4439, Sandy, UT 84091 Phone: 877-678-7342 - Fax: 877-452-6910 Website: www.elbdirect.com E-mail: quotes@elbdirect.com

The second	the second		
Commercial Liability			
	\$2,500 SIR_BI \$2,500 SIR PD		
	Products:	include	Exclude
\$1,000,000 Contractual Legal Liability	Completed Ops:		
	Form Type:	Claims Ma	
\$2,000,000 Aggregate			
Limitations: The Policy provides coverage for only those ac below and for which a specific coverage charge has been pa		s otherwise cov	ered under the Policy as listed
Classification and Description of activities and operations		Code No.	Basis of Coverage Charge
Contract Serivces - Water Pump station to supply Spring Water		91609	Annual Gross Receipts
Loc No. Address			
1 152 E Main St Jerome, ID 83338			
Other Coverages Available: (Additional underwriting required Limited Terrorism Coverage - see Claims Warranty form. Retroactive Coverage - see Claims Warranty form.	and an increase in p	remium, if acce _l	pted)
PERSON	AL GUARANTEE		Please Sign and
P/	AP-99-35		Return this Form
Coverage provided under the Policy is contingent on the follow	wing;		
I hereby agree that I will be personally responsible for any unpaid p Policy. I acknowledge and agree that my obligation to pay such an ownership or management of the insured entity, or by bankruptcy, All such amounts shall be paid within fifteen (15) calendar days of are not paid within that time, I acknowledge and agree that I will be	nounts will not be dimin dissolution, insolvency written notice provided	ished or otherwis or any other char to me by the Inst	se altered by a change in nge with respect to the Company. urer. In the event such amounts
PRINT NAME:,			
SIGNATURE:, DA	TED		
1.07			

JOB TITLE/CAPACITY OF SIGNOR:

Greenlight Premium Financing Options

(Monthly Payments as low as: \$1,011.92)

Quote Date:1/13/2015Company Name:North Snake Ground Water DistrictCustomer Number:E15-101329Total Pro-

Total Premium Due (includes taxes and fees): \$14,066.94

If you want to finance, INITIAL the option containing the finance terms of your choice.

Choose ONLY ONE option otherwise 100% of the Total Premium is due.

	25% Down * *Auto Draft Monthly Payments are Required	<u>30% Down</u>	<u>40% Down</u>
3 Monthly Payments	Initial Here	Initial Here	Initial Here
Monthly Payments	3 @ \$3,616.93	3 @ \$3,376.69	3 @ \$2,896.21
Down Payment	25% or \$3,516.74	30% or \$4,220.08	40% or \$5,626.78
Interest Rate	14.75%	14.75%	14.75%
Finance Charge	\$300.59	\$283.22	\$248.47
Final APR**	17.02 %	17.18 %	17.58 %
Amount Financed	\$10,550.21	\$9,846.86	\$8,440.16
Total of Payments	\$10,850.80	\$10,130.08	\$8,688.64
5 Monthly Payments	initial Here	Initial Here	Initial Here
Monthly Payments	5@\$2,205.82	5@\$2,059.30	5@\$1,766.25
Down Payment	25% or \$3,516.74	30% or \$4,220.08	40% or \$5,626.78
Interest Rate	16.50%	16.50%	16.50%
Finance Charge	\$478.89	\$449.63	\$391.11
Final APR**	17.98 %	18.09 %	18.35 %
Amount Financed	\$10,550.21	\$9,846.86	\$8,440.16
Total of Payments	\$11,029.09	\$10,296.49	\$8,831.27
7 Monthly Payments	Initial Here	initial Here	Initial Here
Monthly Payments	7 @ \$1,600.75	7 @ \$1,494.42	7 @ \$1,281.75
Down Payment	25% or \$3,516.74	30% or \$4,220.08	40% or \$5,626.78
Interest Rate	17.25%	17.25%	17.25%
Finance Charge	\$655.08	\$614.07	\$532.06
Final APR**	18.35 %	18.43 %	18.63 %
Amount Financed	\$10,550.21	\$9,846.86	\$8,440.16
Total of Payments	\$11,205.28	\$10,460.93	\$8,972.23
9 Monthly Payments	Initial Here	Initial Here	Initial Here
Monthly Payments	9 @ \$1,263.79	9@\$1,179.83	9 @ \$1,011.92
Down Payment	25% or \$3,516.74	30% or \$4,220.08	40% or \$5,626.78
Interest Rate	17.50%	17.50%	17.50%
Finance Charge	\$823.88	\$771.62	\$667.10
Final APR**	18.37 %	18.43 %	18.59 %
Amount Financed	\$10,550.21	\$9,846.86	\$8,440.16
Total of Payments	\$11,374.09	\$10,618.48	\$9,107.27

Check this box if you would like to setup your Monthly Payments to be Auto Drafted (This option is for 30 & 40% down, all 25% down payments will automatically be setup up for auto drafts).

After initialing an option listed above, sign the agreement on the next page and attach a check for the Down Payment Amount shown in your selected option above.

*Note: All 25% Down Payment options require an automatic draft from your bank account monthly.

**Note: Final APR is based on the Annual Percentage Rate plus Fees for the duration of the number of monthly payments selected. This is not a loan document and is not binding on any premium finance company to accept any loan for the undersigned. The first payment is due in 30 days after the coverage effective date.

Greenlight Premium Financing Request (Continued)

Yes, I want to finance according to the option selected on the previous page (Please sign and see down payment methods below)

(Note: All 25% Down Payment options require an automatic draft from your bank account monthly.)

The undersigned insured/member requests that, EIB International, LLC. (EIB) a Utah corporation, arrange the financing for its premium in monthly installments and hereby irrevocably appoints (EIB) a limited power of attorney to complete and execute a premium financing agreement on its behalf.

The undersigned shall have the right to, without charge, rescind by paying to (EIB) the net amount financed on the financing agreement executed on its behalf by (EIB) within 10 days after (EIB) or the actual premium finance company mails to the undersigned a true copy of the actual premium financing agreement being executed by (EIB) as attorney-in fact for the undersigned. Failure to rescind shall be deemed a ratification and affirmation of the actions of the attorney-in-fact in the execution of a premium financing.

Security Interest: Borrower gives the PFC a security interest in and assigns to the PFC as security for any amount due under this Agreement, including interest, late or cancellation charges, any and all unearned premiums and dividends which may be payable under the insurance policies listed in the Schedule of Policies, loss payments which reduce the unearned premiums, and any interest arising under a state guarantee fund relating to these items.

No, I do not want to finance. I am paying 100% of the Total Premium listed on my quote. (See payment methods below)

Authorization to Set Up Financing

I, the Insured , have read and authorize (EIB) to set up financing according to my selection on the previous page.

Signature

Print Name and Title

Date

PAY BY WIRE, PHONE, FAX, OR MAIL

Payment Method

	BANK WIRE	CHECK VIA OVERNIGHT OR EXPRESS MAIL	227 20-07-07-07-07-07-07-07-07-07-07-07-07-07	CHECK BY FAX NT CARD BY PHONE
Account Name: Evolution Insurance Brokers, LC		EIB FAX: 1-877		1-877 452 6910
Bank Name: Telephone:	Bank of American Fork 801-428-0532	8722 South Harrison St,	E-MAIL:	ar@primeis.com
Routing No.:	124301025	Sandy, UT 84070	DUONE	4 977 957 5500
Account No.:	07110224		PHONE:	1-877-257-5590

CHECK DISCLOSURE:

Checks received may be processed electronically. (EIB), through its bank, has the ability to provide EFT (Electronic Fund Transfer) checks for processing rather than submitting a paper copy of the check to the bank. Funds transfer in the same manner if transacted electronically or by submitting a paper copy of the check to the bank, except funds transfer the day the information is received with electronic processing rather than within a few business days as with a paper check. Electronically processed transactions appear on your bank statement in the same manner as paper checks.

CHECK BY FAX METHOD:

To use this method, please complete the requested information below and fax to the Association. PLEASE PRINT CLEARLY- OR - You may attach a voided check to this form or fax a voided check instead. EITHER WAY, WE WILL ELECTRONICALLY DRAFT YOUR ACCOUNT. IF YOU CHOOSE THIS METHOD OF PAYMENT PLEASE DO NOT MAIL THE ORIGINAL CHECK TO US.

Attach Check here or Enter Check Information:	
Bank Name and Address:	
Bank Routing No.(usually 9 digits);	Account No.:
Amount of Check: \$	Check No.:
Authorized By:	
Signature of authorization;	Date

IF FINANCING Attach an additional check if you would like to use a different account for your Auto Draft Monthly Payments.

SERVICE FEE: (EIB) reserves the right to collect directly from your account a processing fee of \$25 for any incomplete transaction due to insufficient funds in your account (i.e. a "bounced check")."

This is not a loan document and is not binding on any premium finance company to accept any loan for the undersigned. The first payment is due in 30 days after the coverage effective date.



RISK MANAGEMENT DIRECT

The assessment, management, and loss cost containment of insured risks are long-standing objectives at Prime. Prime's risk management department fosters a mutually beneficial relationship with Prime's insured by taking a partnership approach to the management of each insured's account.

RMD begins this partnership with an initial contact with the insured to:

- Welcome the insured to the company.
- Review policy terms, limits, and conditions
- Establish a direct point of contact for risk management related concerns.

One of the applicant's contact requirements in the policy is to complete a Risk Management Call with Risk Management Direct to review certain important aspects of our partnership approach within 30 days of the policy being bound. The applicants contact should be the one that handles the day to day operations, insurance, hiring, safety, and maintenance for the company. The call must be completed with the applicant's contact person.

Please fill out the information below.

*Reauired *Applicant/Office Contact Name(s); *Contact Phone Number(s): Contact Fax Number(s):_____ Contact Email address(s): *Best Time to Contact *Time of Day: Anytime Morning Afternoon Evening Tues Mon Wed Thurs Eri Day of Week: Any Day *By signing below, I understand that one of the requirements of binding the policy is to have the applicant's contact complete a Risk Management Call with Risk Management Direct within 30 days of policy being bound to keep policy coverage in effect. If you don't receive a phone call within 14 days of the policy being bound, please contact one of our team members at 1-877-585-2851. We are available Monday through Friday, 7:00 AM - 5:00 PM Mountain Standard Time. *Applicant's Signature/Date Signature of Broker/Agent of Applicant/Date

Print Applicant's Name

Print Broker/Agent Name

RMD-001 06DEC2013



COVERAGE REQUEST FORM

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL FACT THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

Applicar	Applicant: North Snake Ground Water District		Producer: Evolution Insurance Brokers, LC.		
Quote #	: MM1501329-1	Amount Due:	\$14,066.94	Requested Bind Date:	
Covera	ge will not be bound until the foi	iowing documents a	re received:		
	A valid Indication Quote with all req	uirements reviewed a	nd complied with.		
	A completed and signed Coverage Request Form.				
	A completed and signed Claims W	arranty.			
	Amount due to bind policy, in full, u Finance agreement must be compl		•	ce, in which case attach the payment terms.	
	All abaak by fay or alastropia abaak	a proported to hind a	add aguaraga will be proce	need via electropic funds trapsfor ("EET") and	

- All check by fax or electronic checks presented to bind or add coverage will be processed via electronic funds transfer ("EFT") and must be on an account which authorizes this type of transaction.
- If attached, a fully completed and signed affidavit.
- A completed and signed Claims History and Incident Disclosure History form.

Special Conditions to Bind:

By signing below the Applicant acknowledges that municipal, state, federal or other law may require higher or otherwise different limits of liability coverage than have been offered. The Applicant further accepts responsibility for obtaining additional insurance or self-insuring to fulfill the requirements of the law.

This surplus line contract is issued pursuant to the Idaho Insurance Laws by an insurer not licensed by the Idaho Department of Insurance. There is no coverage provided for surplus line insurance by either the Idaho Insurance Guaranty Association or by the Idaho Life and Health Insurance Guaranty Association.

Print Applicant's Name UDA-F-004-22MAR2012		Print Broker/Agent Name	
Print Applicant's Name		Print Broker/Agent Name	
		Print Broker/Agent Name	
Applicant's Signature/Date		Signature of Broker/Agent of Applicant/Date	
Thank you,			
underwriter or the customer		t at the number or email addresses provided above.	
We appreciate your busines		ble to answer any questions. If we can be of any help, please contact your	
	E-mail:	policyservices@eibdirect.com	
	Fax:	Fax: 877-452-6910	
	Phone:	Phone: 877-678-7342	
TO BIND SEND ABOVE D	OCUMENTS TO:	: 8722 S. Harrison St Sandy, UT 84070	
	Yes	No If yes, complete filing section on indication quote.	
Do vou require filinas?			
Do you require certificates o Do you require filings?	or proot of insurar		
(YOU MUST MAKE A SELI Do you require certificates o Do you require filings?			

PAP-99-07

Coverage provided under the Policy/Certificate is contingent on the following warranty, requirements, and acknowledgements as evidenced by the Applicant's signature.

WARRANTY STATEMENT

The "Applicant" is the party to be named as the "Insured"/"Assured" in any insuring contract if issued. By signing this statement, the Applicant for insurance hereby represents and warrants that the information provided in the Application, together with all supplemental information and documents provided in conjunction with the Application, is true, correct, inclusive of all relevant and material information necessary for the Insurer/Underwriter to accurately and completely assess the Application, and is not misleading in any way. The Applicant further represents that the Applicant understands and agrees as follows: (i) the Insurer/Underwriter can and will rely upon the Application and supplemental information provided by the Applicant, and any other relevant information, to assess the Applicant's request for insurance coverage and to quote and potentially bind, price, and provide coverage; (ii) all supplemental information and documents provided in conjunction with the Application are warranties that may become a part of any coverage contract that may be issued; (iii) the submission of an Application or the payment of any premium does not obligate the Insurer/Underwriter to quote, bind, or provide insurance coverage; and (iv) in the event the Applicant has or does provide any false, misleading, or incomplete information in conjunction with the Application, any coverage provided will be deemed void from initial issuance. The Applicant hereby authorizes the Insurer/Underwriter and its agents to gather any additional information the Insurer/Underwriter deems necessary to process the Application for quoting, binding, pricing, and providing insurance coverage including, but not limited to, gathering information from federal, state, and industry regulatory authorities, insurers, creditors, customers, financial institutions, and credit reporting agencies.

FUTURE CLAIM INCIDENT/REPORTING REQUIREMENT

As an express condition precedent to coverage under this Policy, you must give us immediate written notice no later than 72 hours after any incident, event, occurrence, loss, or Accident which might give rise to a Claim covered by this Policy. Written notice must be given to: Claims Direct Access, P.O. Box 4439, Sandy, Utah 84091-4439, U.S.A. Phone: (877) 585-2849 or (801) 304-5530; Fax: (877) 452-6909 or (801) 304-5536.

ACKNOWLEDGEMENT OF RESTRICTIVE SURPLUS LINES COVERAGES

The Policy/Certificate to be issued differs significantly from policies offered by other insurance companies. It is a manuscript policy with very strict reporting requirements. The "warranty-prior claims" forms are a part of the Policy/Certificate and constitute warranties. Coverage is provided only for otherwise covered Claims: (1) Which are first made by or against an Insured/Assured during the Policy Period; (2) Which result from an Accident occurring during the Policy Period; and (3) For which written notice is given to the Insurer/Underwriter during the Policy Period.

NOTE: If this Quote is being provided by Evolution Insurance Brokers ("EIB") for insurance placed with Prime Insurance Company ("Prime"), you are hereby informed that EIB is acting as a surplus lines broker for and on behalf of Prime. Certain agreements are in place between EIB and Prime that affect the types and nature of insurance offered through EIB. These agreements include Rick J. Lindsey serving as an officer of both EIB and Prime. You are further informed that nothing herein is meant to indicate that EIB is acting as an agent or broker on your behalf. All insurance decisions must be made independently by you and you are free to seek professional advice regarding such decisions..

In addition, coverage is strictly limited to those activities and operations and at those locations listed, described, and defined in the Policy/Certificate. Unless otherwise specifically stated in the Policy, the Policy is subject to Utah law and any coverage disputes shall be determined only by a court in the State of Utah. Various other provisions of this Policy/Certificate restrict and limit the coverage provided. Please read the Policy/Certificate and all Endorsements carefully to determine your rights and duties and what is and is not covered.

Claim Expenses reduce the available Limits of Liability stated on the Declarations. In the event of any Claim, the total amount of any premium charged shall be 100% earned and not subject to short-rate or pro rata adjustment.

The Applicant expressly understands, acknowledges, and agrees that (i) any and all policy fees are fully earned at inception; accordingly, no refund of any policy fees will be made regardless of whether the Policy is cancelled by the covered party or the Insurer/Underwriter for any reason, (ii) the Applicant agrees to pay a service fee for any Endorsements made to the Policy after initial binding unless additional premium is associated with such Endorsement. An additional fee may be assessed if a notice of cancellation is processed, (iii) The Insurer/Underwriter may process checks electronically, and a \$25 charge may be assessed for any check or electronic transaction returned for insufficient funds, (iv) the Applicant agrees to pay additional premium equal to 25% of the total premium due for the Policy if the Applicant fails to comply with any premium audit request made by the Insurer/Underwriter may add, at any time, any additional premium, audit premium, endorsement fees, cancellation or other fees related to prior or current coverage to the amount financed by the Applicant.

Please check the corresponding box to accept or reject the following coverages, if accepted additional premium will apply.

Accepted Rejected (YOU MUST MAKE A SELECTION)

Limited Terrorism Coverage (ADDITIONAL PREMIUM required if accepted).

Retroactive Coverage for renewal coverage only (SEE QUOTE - ADDITIONAL PREMIUM required if accepted).

All other terms and conditions of this Pollcy/Certificate remain unchanged.

Applicant's Signature/Date

Signature of Broker/Agent of Applicant/Date

Print Broker/Agent Name

Print Applicant's Name

PAP-99-07 15MAY2014



8722 South Harrison St., Sandy, UT 84070 P.O. Box 4439, Sandy, UT 84091 Phone: 8776787342 - Fax: 877-452-6910 Website: www.primeis.com E-mail: quotes@primeis.com

AFFIDAVIT OF ORIGINATING AGENT OR BROKER DUE DILIGENCE EFFORT

City And County Of:		
Producing Agent:		
Agency License #:		(or Producers)
this state, and that being unable to p		ance coverage in three specific admitted licensed insurers in surance market, the required insurance coverage(s) was lus Lines Broker in this state.
Name of Insured:		
The following authorized licensed In	surer(s) were contacted by this Producer:	
1. Insurer:		Person Contacted:
Telephone #:	Date Contacted:	NAIC #
The reason(s) for declination by	the insurer:	
2. Insurer:		Person Contacted:
Telephone #:	Date Contacted:	NAIC #
The reason(s) for declination by	the insurer:	
3. Insurer:		Person Contacted:
Telephone #:	Date Contacted:	NAIC #
-	the insurer:	
The reason(s) for declination by		
The information that the Insurance v insured prior to procuring the insurat	vas being quoted, and would be placed w	ith a Surplus Lines Insurer, was (or will be) made known to
The information that the Insurance v insured prior to procuring the insural	vas being quoted, and would be placed w	ith a Surplus Lines Insurer, was (or will be) made known to
The information that the Insurance v insured prior to procuring the insural	vas being quoted, and would be placed w nce with a non-admitted insurer and that t	ith a Surplus Lines Insurer, was (or will be) made known to
The information that the Insurance v insured prior to procuring the insural	vas being quoted, and would be placed w nce with a non-admitted insurer and that t	ith a Surplus Lines Insurer, was (or will be) made known to t he insured(s) signature thereon was (or will be) obtained as
The information that the Insurance v insured prior to procuring the insural	vas being quoted, and would be placed w nce with a non-admitted insurer and that t Signed:	ith a Surplus Lines Insurer, was (or will be) made known to the insured(s) signature thereon was (or will be) obtained as
The information that the Insurance v	vas being quoted, and would be placed w nce with a non-admitted insurer and that t Signed: Agency:	ith a Surplus Lines Insurer, was (or will be) made known to t he insured(s) signature thereon was (or will be) obtained as



CLAIMS HISTORY AND

INCIDENT DISCLOSURE HISTORY

Coverage provided under any Policy/Certificate is contingent on the following warranty, requirements, and acknowledgements as evidenced by the Named Insured's or Agent for the Named Insured's signature.

Have you had any prior incident, event, occurrence, claim, lawsuit, notice of loss, loss, or any incident, event, or occurrence that you are currently aware of that might reasonably be expected to lead to a claim, lawsuit, notice of loss, or loss?

(YOU MUST MAKE A SELECTION) Ves No

If you fail to disclose all prior claims you may be subject to a penalty of up to three times the premium, the Self-Insured Retention and Deductible.

If you answered yes above, please complete the following information (**PLEASE COMPLETE PAGE TWO FOR EACH AND EVERY CLAIM AND INCIDENT):

Policy Year	Date of Loss/Claim/Incident	Description of Loss/Claim/Incident	Amount Paid (if any)
			-

By signing this document, the undersigned Applicant or Applicant's Agent hereby warrants to the Insurer that to the best of the Applicant's knowledge all of the information provided herein is complete, truthful, and accurate. The Applicant further understands and agrees that any insurance policy or certificate issued by the Insurer may, at the Insurer's discretion, be rescinded and voided [null and void from the beginning] in the event that the Applicant provides any incomplete, false, or misleading information of any kind on this document or on any other document relating to this insurance.

Applicant's/Insured's Name:	
Applicant's/Insured's Signature:	Date:
Signature of Applicant's Broker or Agent:	Date:
Printed Name of Applicant's Broker or Agent:	

Information:

Applicant Name:		Quote Number:
Claimants Name:	Age:	Sex:
Date Claim was made or Suit Brought:	·····	Date Claim was made or Suit brought:
Insurance Carrier to Whom Claim/Circumstance Reported:		

Claim/Incident Status: For all Paid and Reserve amounts, include both Indemnity and Expense dollars

Dismissed:	Defense	e Verdict:
Plaintiff Verdict:	Total Paid: \$	Paid on Your Behalf: \$
Settlement:	Total Paid: \$	Paid on Your Behalf: \$
Open:		
Settlement Demand:	Settlement Offer: \$	Loss Reserve: \$

Detailed description of Claim/Incident:

 	 · · · · ·
1	

What steps have you taken to reduce the chance of this type of claim/incident in the future?

By signing this document, the undersigned Applicant or Applicant's Agent hereby warrants to the Insurer that to the best of the Applicant's knowledge all of the information provided herein is complete, truthful, and accurate. The Applicant further understands and agrees that any insurance policy or certificate issued by the Insurer may, at the Insurer's discretion, be rescinded and voided (null and void from the beginning) in the event that the Applicant provides any incomplete, false, or misleading information of any kind on this document or on any other document relating to this insurance.

Applicant's/Insured's Name:	
Applicant's/Insured's Signature:	Date:
Signature of Applicant's Broker or Agent:	Date:
Printed Name of Applicant's Broker or Agent:	
UDA-F-004-22MAR2012	

ATTACHMENT A-10

Randall C. Budge (ISB# 1949) Thomas J. Budge (ISB# 7465) Racine Olson Nye Budge & Bailey, chartered 201 E. Center St. / P.O. Box 1391 Pocatello, Idaho 83204 (208) 232-6101 – phone (208) 232-6109 – fax rcb@racinelaw.net tjb@racinelaw.net

Attorneys for Idaho Ground Water Appropriators, Inc. (IGWA)

BEFORE THE IDAHO DEPARTMENT OF WATER RESOURCES

In the matter of the fourth mitigation plan filed by Idaho ground water appropriators for the distribution of water to water right nos. 36-02551 & 35-07694 in the name of Rangen, Inc. Docket No. CM-MP-2014-006

Notice of Insurance

Idaho Ground Water Appropriators, Inc. (IGWA) hereby provides notice of its insurance policy for the Magic Springs Project, evidenced by the Certificate of Insurance attached hereto as Exhibit A.

RESPECTFULLY SUBMITTED this 6th day of February, 2015.

RACINE OLSON NYE BUDGE & BAILEY, CHARTERED

Bul By:_

T.J. Budge Attorneys for IGWA

Notice of Insurance -1

CERTIFICATE OF MAILING

I certify that on this 6th day of February, 2015, the foregoing document was served on the following persons in the manner indicated.

Signature of person mailing form

Director, Gary Spackman Idaho Department of Water Resources PO Box 83720 Boise, ID 83720-0098 Deborah.Gibson@idwr.idaho.gov	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-mail
Garrick Baxter Idaho Department of Water Resources P.O. Box 83720 Boise, Idaho 83720-0098 garrick.baxter@idwr.idaho.gov	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-mail
Robyn M. Brody Brody Law Office, PLLC PO Box 554 Rupert, ID 83350 robynbrody@hotmail.com	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-mail
Fritz X. Haemmerle Haemmerle & Haemmerle, PLLC PO Box 1800 Hailey, ID 83333 fxh@haemlaw.com	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-mail
J. Justin May May, Browning & May, PLLC 1419 West Washington Boise, ID 83702 jmay@maybrowning.com	 □ U.S. Mail/Postage Prepaid □ Facsimile □ Overnight Mail □ Hand Delivery ⊠ E-mail

Sarah Klahn Mitra Pemberton WHITE JANKOWSKI, LLP 511 16 th St., Suite 500 Denver, Colorado 80202 <u>sarahk@white-jankowski.com</u> <u>mitrap@white-jankowski.com</u>	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-Mail
Dean Tranmer City of Pocatello PO Box 4169 Pocatello, ID 83201 <u>dtranmer@pocatello.us</u>	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-Mail
C. Thomas Arkoosh Arkoosh Law Offices PO Box 2900 Boise, ID 83702 tom.arkoosh@arkoosh.com	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-Mail
John K. Simpson Travis L. Thompson Paul L. Arrington Barker Rosholt & Simpson 195 River Vista Place, Suite 204 Twin Falls, ID 83301-3029 <u>tlt@idahowaters.com</u> <u>pla@idahowaters.com</u>	 U.S. Mail/Postage Prepaid Facsimile Overnight Mail Hand Delivery E-Mail
W. Kent Fletcher Fletcher Law Office PO Box 248 Burley, ID 83318 wkf@pmt.org	 □ U.S. Mail/Postage Prepaid □ Facsimile □ Overnight Mail □ Hand Delivery ☑ E-Mail

Exhibit A

Certificate of Insurance

Notice of Insurance - 4

CERTIFICATE OF INSURANCE									
PRODUCER AND THE NAMED INSURED Evolution Insurance Brokers, LLC. 8722 S. Harrison St. Sandy, UT 84070					THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE OF INSURANCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE INSURANCE POLICIES BELOW.				
(801) 304-5500		and the second descent second s		RS AFFORDING COVE	RAGE				
INSURED				INSURER	A:	Prim	e Insurance Company		
North Snake Ground Water District				INSURER	B:		ie maurance company		
				INSURER	C:				
152 E Main St				INSURER D:					
Jerome, ID 83338									
					ARE THOSE IN LICY INCEPTION"				
COVERAGES	4					0			
The policies of insurance listed below have been other document with respect to which this certific conditions of such policies. Aggregate limits sho	cate may be is	sued or may pert	ain, the in paid clain	isurance afi ns.	forded by the p	olicies			
TYPE OF INSURANCE	POLICY NU	MBER	POLICY E DATE (N	FFECTIVE POLICY EXPIRATION IM/DD/YY) DATE (MM/DD/YY)		ATION D/YY)	LIMITS		
Commercial Liability	SC1	502202	2/5	/2015	2/5/2016	i			
Claims Made							\$2 000 000 Dollar Asses	ata	
✓ Exclude Products			10.00		0		\$2,000,000 Policy Aggreg	ale	
 Exclude Completed Operations 	F						\$1,000,000 Contractual Le	gal Liability	
					a.,				
Commercial Auto Liabliity	+		<u> </u>						
Any Auto									
All Owned Autos Scheduled Autos									
Hired Autos			1						
Non-Owned Autos									
Drive Away						- 0			
Drive Away			1. I.I.I.			2.			
						4			
Commercial Garage Liability	<u>i</u>								
G.K.L.L.	5 C				<u></u>				
O.T.R.P.D.			- E		10 m m	-			
D.O.C.	-		1.1.1.1.1			-	201 12.1		
Cargo	-					- 12			
On Hook					- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		G		
Employee Dishonesty					1518				
Wrongful Repossession	0.000		ñ 1.		B. 3-1		3. J. Con., A	3-1 B	
Claims Made						_	a set faith a		
Exclude Products Exclude Completed Operations						=			
			-						
Claims Made			с - е						
OTHER									
DESCRIPTION OF OPERATION/LOCATIONS/VEHICL	ES/EYCI USIO		OPSEME	TRECIAL	PROVISIONS				
Coverage is limited to only insured activities	or operations	identified in the	Policy. C	Contract Se	rivces - Water	Pump	station to supply Spring Water.	Policy is to cover losses	
from Rangen Inc due to failure of the pump sy	stem and sup	ply of spring wa	ter result	ing in loss	of fish stock.				
CERTIFICATE HOLDER									
TJ Budge									
				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10					
Racine Olson Nye Budge Bailey					DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND				
PO Box 1391 Pocatello ID 83204							MPOSE NO OBLIGATION OR LIA SENTS OR REPRESENTATIVES.	SILH Y OF ANY KIND	
Pocatello, ID 83204									
			F	AUTHORIZI	D REPRESENT	ATUVE	1 3 4		
						1.	the Durchan		
					U	114	White March		

CERTIFICATE OF INSURANCE									
PRODUCER AND THE NAMED INSURED Evolution Insurance Brokers, LLC. 8722 S. Harrison St.				THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE OF INSURANCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE INSURANCE POLICIES BELOW.					
Sandy, UT 84070							RS AFFORDING COVE	RAGE	
(801) 304-5500			-	INSURER		Contraction of the	Contract of the second s		
North Snake Ground Water District				INSURER	B:	Prim	e Insurance Company		
				INSURER	C:				
152 E Main St				INSURER D.					
Jerome, ID 83338	9.1		CHOWN						
				ARE THOSE IN LICY INCEPTION"					
COVERAGES The policies of insurance listed below have been	issued to the					ithetee	dies and secularment tors of one		
other document with respect to which this certific conditions of such policies. Aggregate limits sho	ate may be is	sued or may per	tain, the in / paid clain	surance af	forded by the p	olicies			
TYPE OF INSURANCE	POLICY NU	MBER	DATE (N	EFFECTIVE POLICY EXPIRATION M/DD/YY) DATE (MM/DD/YY)		ATION D/YY)	LIMITS	——	
Commercial Liability	SC1	502202	2/5	/2015	2/5/2016				
✓ Claims Made							\$2,000,000 Policy Aggreg	late	
Exclude Products			201			- 6			
 Exclude Completed Operations 							\$1,000,000 Contractual Lo	egal Liability	
					0.0	<u> </u>			
Commercial Auto Liability					1				
Any Auto									
All Owned Autos									
Scheduled Autos Hired Autos									
Non-Owned Autos									
Drive Away									
Diversity			1						
Commercial Garage Liability					1	0			
G.K.L.L.									
O.T.R.P.D.								(a)	
D.O.C.									
Cargo									
On Hook									
Employee Dishonesty Wrongful Repossession									
Claims Made									
Exclude Products Exclude Completed Operations						-			
Claims Made					_ =	-			
OTHER							te materia		
OTHER									
DESCRIPTION OF OPERATION/LOCATIONS/VEHICL	ES/EXCLUSION	S ADDED BY EN	DORSEMEN	T/SPECIAL	PROVISIONS				
Coverage is limited to only insured activities of from Rangen Inc due to failure of the pump sy						Pump	station to supply Spring Water.	Policy is to cover losses	
		AL INSURE			S PAYEE				
Magic Valley Ground Water District		LINOORE							
Magic Valley Ground Water District							E DESCRIBED POLICIES BE CA F, THE ISSUING INSURER WILL		
PO P _ (10				DAYS W	RITTEN NOTIC	ETO	THE CERTIFICATE HOLDER NA	MED TO THE LEFT, BUT	
PO Box 430							MPOSE NO OBLIGATION OR LIA ENTS OR REPRESENTATIVES.		
Paul, ID 83347									
					ED REPRESENT	АЩУЕ	17. 17		

CERTIFICATE OF INSURANCE DATE (MW/DD/YY) 02/05/2015									
PRODUCER AND THE NAMED INSURED Evolution Insurance Brokers, LLC. 8722 S. Harrison St.					THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONL AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THI CERTIFICATE OF INSURANCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND, OR ALTER THE COVERAGE AFFOR BY THE INSURANCE POLICIES BELOW.				
Sandy, UT 84070 (801) 304-5500							RS AFFORDING COVE	RAGE	
INSURED North Snake Ground Water District				INSURER A: Prime Insurance Company INSURER B: INSURER C:					
				INSURER					
152 E Main St				INSURER E					
Jerome, ID 83338				ARE THOSE IN LICY INCEPTION"					
COVERAGES						_			
The policies of insurance listed below have been other document with respect to which this certifi- conditions of such policies. Aggregate limits sho	cate may be is	sued or may perta	ain, the in paid clain	surance aff ns.	forded by the p	olicies			
TYPE OF INSURANCE	POLICY NU	MBER	POLICY E DATE (N	FFECTIVE POLICY EXPIRATION M/DD/YY) DATE (MM/DD/YY) L			LIMITS		
Commercial Liability	SC1	502202	2/5	/2015	2/5/2016				
✓ Claims Made							\$2,000,000 Policy Aggreg	ate	
Exclude Products									
Exclude Completed Operations							\$1,000,000 Contractual Lo	egai Liability	
Commercial Auto Liability	<u> </u>				<u> </u>				
Any Auto									
All Owned Autos									
Scheduled Autos									
Hired Autos									
Non-Owned Autos									
Drive Away									
Commercial Garage Liability	<u> </u>				<u> </u>				
G.K.L.L									
O.T.R.P.D.									
D.O.C.									
Cargo									
On Hook									
Employee Dishonesty									
Wrongful Repossession									
Claims Made Exclude Products									
Exclude Completed Operations		-							
Excess Liability Claims Made					1				
OTHER									
DESCRIPTION OF OPERATION/LOCATIONS/VEHICL	ES/EXCLUSION	S ADDED BY END	ORSEME	T/SPECIAL	PROVISIONS			1.5.93 (1.5.12)	
Coverage is limited to only insured activities from Rangen Inc due to failure of the pump sy	or operations	identified in the	Policy. C	Contract Se	rivces - Water		o station to supply Spring Water.	Policy is to cover losses	
South West Irrigation District 137 W. 13th. St. Burley, ID 83318			SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.						
				AUTHORIZED REPRESENTATIVE					

ATTACHMENT A-11
BEFORE THE DEPARTMENT OF WATER RESOURCES

OF THE STATE OF IDAHO

IN THE MATTER OF APPLICATION) FOR TRANSFER NO. 79560 IN THE NAME) OF NORTH SNAKE GROUND WATER DIST.,) MAGIC VALLEY GROUND WATER DIST.,) AND SOUTHWEST IRRIGATION DIST.)

FINAL ORDER APPROVING APPLICATION FOR TRANSFER

BACKGROUND

On January 29, 2014, the Director ("Director") of the Idaho Department of Water Resources ("Department") issued the *Final Order Regarding Rangen, Inc.'s Petition for Delivery Call; Curtailing Ground Water Rights Junior to July 13, 1962* ("Curtailment Order").¹ The Curtailment Order recognizes that holders of junior-priority ground water rights may avoid curtailment if they participate in a mitigation plan which provides "simulated steady state benefits of 9.1 cfs to Curren Tunnel [sometimes referred to as the "Martin-Curren Tunnel"] or direct flow of 9.1 cfs to Rangen." Ex. 1018 at 42.² The Curtailment Order explains that mitigation provided by direct flow to Rangen, Inc. ("Rangen") "may be phased-in over not more than a five-year period pursuant to Rule 40 of the CM Rules as follows: 3.4 cfs the first year, 5.2 cfs the second year, 6.0 cfs the third year, 6.6 cfs the fourth year, and 9.1 cfs the fifth year." *Id.*³

On August 27, 2014, the Idaho Ground Water Appropriators, Inc. ("IGWA") filed *IGWA's* Fourth Mitigation Plan and Request for Expedited Hearing ("Fourth Mitigation Plan") "to provide additional ways of satisfying the mitigation obligation imposed by the [Curtailment Order] and

¹ The Curtailment Order was appealed in *Rangen, Inc., v. IDWR*, Twin Falls County Case No. CV-2014-1338. Judge Wildman issued his *Memorandum Decision and Order on Petitions for Judicial Review* ("Decision") on October 24, 2014, which affirmed the Director on a number of issues, but held the Director erred by applying a trim line to reduce the zone of curtailment. *Decision* at 28. The Decision has been appealed to the Idaho Supreme Court, Docket No. 42772-2015.

² Exhibits in the 1000s referenced in this order are from the administrative record in CM-MP-2014-006. At the commencement of the hearing in this matter, the parties stipulated to admission of the entire record in CM-MP-2014-006. All other exhibits referenced herein were admitted at the hearing.

³ The term "CM Rules" refers to Idaho's *Rules for Conjunctive Management of Surface and Ground Water Resources*, IDAPA 37.03.11.

thereby prevent curtailment of junior-priority groundwater use."⁴ Ex. 1000 at 2. The Fourth Mitigation Plan proposed the "Magic Springs Project." Ex. 1000 at 3. The Magic Springs Project is comprised of multiple components including approval of a transfer application to change the place of use of a portion of water right no. 36-7072 from the SeaPac fish hatchery at Magic Springs to the Rangen fish hatchery on Billingsley Creek. *Id.* at 3-4. The Director held a hearing for the Fourth Mitigation Plan on October 8, 2014, at the Department's State office in Boise, Idaho. The Director issued the *Order Approving IGWA's Fourth Mitigation Plan* ("Fourth Mitigation Plan Order") on October 29, 2014.⁵

On September 12, 2014, North Snake Ground Water District, Magic Valley Ground Water District, and Southwest Irrigation District filed with the Department, through counsel for IGWA, Application for Transfer No. 79560 ("Application"). Ex. 4000. Notice of the Application was published beginning October 2, 2014. Rangen filed a *Notice of Protest by Rangen, Inc. to Water Right Transfer Application No. 79560* ("Protest").⁶ The Director held a hearing on December 18, 2014, at the Idaho Department of Environmental Quality office in Twin Falls, Idaho. The parties offered testimony, expert reports, and other documents into the administrative record.

On January 27, 2015, the Director issued a *Notice of Taking Official Notice of Staff Memorandum* ("Notice"). The Notice explained that, after the hearing, the Director asked Department staff to review and analyze technical information contained in expert reports submitted in this matter, expert testimony offered at the hearing, and data and information in possession of the Department. The Director also asked staff to prepare a memorandum regarding the Application. *Notice* at 1-2. In response to the request, Department staff prepared and submitted a memorandum, a copy of which was attached to the Notice.⁷ The Director informed the parties that official notice would be taken of facts and material contained in the staff memorandum and granted the parties two weeks to contest and rebut the facts or material officially noticed. *Id.* at 2. On February 10,

⁴ To date, IGWA has submitted five mitigation plans to address mitigation obligations imposed by the Curtailment Order. On May 16, 2014, the Director approved some mitigation credit for certain components of IGWA's first mitigation plan. See Amended Order Approving in Part and Rejecting in Part IGWA's Mitigation Plan; Order Lifting Stay Issued February 21, 2014; Amended Curtailment Order (CM-MP-2014-001). While the Director approved IGWA's second mitigation plan on June 20, 2014, in the Order Approving IGWA's Second Mitigation Plan; Order Lifting Stay Issued April 28, 2014; Second Amended Curtailment Order (CM-MP-2014-003), IGWA subsequently withdrew the plan. On December 18, 2014, IGWA filed IGWA's Fifth Mitigation Plan and Request for Hearing (CM-MP-2014-008). A status conference is scheduled for IGWA's third mitigation plan (CM-MP-2014-005) on March 17, 2015, at the Department's state office in Boise, Idaho.

⁵ The Fourth Mitigation Plan Order was not admitted as an exhibit at the transfer hearing. However, that order is part of the Department's administrative record and will be referenced herein.

⁶ The Protest was not admitted as an exhibit at the transfer hearing. However, the Protest is part of the Department's administrative record and will be referenced herein.

⁷ By mistake, the staff memorandum attached to the Notice did not contain Table 1 and Table 2. Counsel for the Department emailed Table 1 and Table 2 to the parties on February 9, 2015, explaining the tables were intended to be incorporated into the staff memorandum. The staff memorandum attached to this order as Attachment A contains Table 1 and Table 2.

2015, Rangen submitted Rangen, Inc.'s Expert Report in Response to Staff Memorandum ("Expert Response") and Rangen, Inc.'s Response to Staff Memorandum.

After carefully considering all of the evidence in the administrative record, the Director finds, concludes, and orders as follows:

FINDINGS OF FACT

1. Water right no. 36-7072 bears a priority date of September 5, 1969, and authorizes the diversion of 148.2 cfs of water from Thousand Springs for fish propagation purposes. Ex. 1001 at 21-22.⁸ "[A]ll water diverted under water right no. 36-7072 flows from the SeaPac fish hatchery to the Snake River over a distance of less than one mile." Ex. 4002 at 5.

2. The Application proposes to change the place of use of 10 cfs of water right no. 36-7072 from the SeaPac fish hatchery at Magic Springs to the Rangen fish hatchery located in the SWNE and SENE of Section 31, T07S, R14E and the SWNW of Section 32, T07S, R14E and to reflect "Fish Propagation/Mitig" as a nature of use. Ex. 4000 at 2-5. The Application does not propose any change in the point of diversion for water right no. 36-7072.

3. IGWA proposes that, if the Application is approved, up to 10 cfs of water right no. 36-7072 "will be delivered from Magic Springs to the Rangen hatchery per engineering details submitted in the Fourth Mitigation Plan, CM-MP-2014-006." Ex. 4002 at 4. These engineering details were admitted as Exhibit 1009 in CM-MP-2014-006 and were described in detail, along with conditions of approval, in the Fourth Mitigation Plan Order. In short, "spring water discharged from the [Eastern Snake Plain Aquifer] at Magic Springs [will] be pumped via buried pipeline approximately 2.5 miles to Rangen's place of use near the head of Billingsley Creek." Ex. 4000 at 14.

4. Water delivered to Rangen pursuant to the proposed transfer will be discharged into Billingsley Creek after leaving the Rangen fish hatchery. *Protest* at 2; Ex. 4002 at 5; Tr. at p. 11.

5. Expert witness reports and testimony presented at the hearing discuss potential impacts resulting from evaporation of water conveyed through Billingsley Creek pursuant to the proposed transfer, and from consumptive use by irrigators who divert from Billingsley Creek.

6. IGWA's expert reports estimate that, if 10 cfs of water from Magic Springs is conveyed to the Snake River via Billingsley Creek, approximately 0.039 cfs will be lost to evaporation prior to reaching the Snake River. Ex. 4002 at 11; Ex. 4003 at 15. Rangen's expert report criticizes the assumptions used by IGWA's expert in calculating evaporation from Billingsley Creek, but acknowledges "[t]he magnitude of additional evaporation is small and will be small, however it is calculated." Ex. 5019 at 7.

⁸ SeaPac also owns water right no. 36-8356 for fish propagation at Magic Springs which authorizes the diversion of 45 cfs from springs with a priority date of May 9, 1988. Rights 36-7072 and 36-8356 combined shall not exceed a total diversion rate of 148.2 cfs.

Final Order Approving Application for Transfer, Page 3

7. Neither IGWA nor Rangen attempted to quantify the percentage of the 10 cfs lost to consumptive use by water users once water leaves the Rangen facility. Frank Erwin, Watermaster for Water District 36A, testified regarding the complexity of water distribution in Water District 36A and explained that, given the complexity along with insufficient measuring devices and gauging stations and the possibility of diversions by downstream irrigators, it would "be a very difficult task to actually track that water." Tr. p. 21-35.

8. IGWA's expert acknowledged that "[w]ater delivered to the Rangen facility pursuant to the Application could, after leaving the Rangen facility, be consumptively used by other Billingsley Creek water users or evaporate from Billingsley Creek." Ex. 4002 at 5. IGWA's expert explained that, "[i]f this occurred at a time when minimum stream flows at the Murphy Gage are violated, it could contribute to enforcement of the Swan Falls Agreement, which may include curtailment of other water rights." Ex. 4002 at 5. However, IGWA's expert concluded that "the transfer does not present risk to the minimum flows called for in the Swan Falls agreement" because "ongoing IGWA mitigation activities substantially exceed the potential consumption of water added to Billingsley Creek from the Magic Springs transfer." Ex. 4003 at 14. IGWA's expert also concluded "it would be reasonable to include in the approval of the Application a condition that requires mitigation be provided sufficient to offset depletion of water right 36-7072 in the event of a violation of the Swan Falls minimums." *Id.* at 5.

9. IGWA's expert compiled results from ESPAM2.1 model runs performed by the Department in support of the order approving IGWA's first mitigation plan. Ex. 4003 at 13-17. Those model runs simulated aquifer enhancement activities (conversions, voluntary "dry-ups" through the Conservation Reserve Enhanced Program ("CREP"), voluntary curtailment, and recharge) performed by IGWA and Southwest Irrigation District between 2005 and 2013, with the assumption that 2013 conversions, CREP, and voluntary curtailment were continued in future years. Ex. 1020 at 8. IGWA's expert presented the total model-predicted benefit of the mitigation accruing to springs tributary to the Snake River between Kimberly and King Hill. Ex. 4003 at 17. IGWA's expert reported an average benefit of 48.6 cfs between April 2014 and March 2015, and an average benefit of 58.1 cfs between April 2018 and March 2019. *Id*.

10. The Department also compiled results of the ESPAM2.1 model runs of IGWA and Southwest Irrigation District's aquifer enhancement activities. See Attachment A at 2. The Department's results are slightly different from those reported by IGWA's expert in Ex. 4003 at 17. See Attachment A at 2. The Department's analysis concludes the average model-predicted benefit to springs tributary to the Snake River between Kimberly and King Hill is 48.5 cfs between April 2014 and March 2015, and 67.5 cfs at steady state. *Id.* at 3. These values are projections based on continuation of 2013 aquifer enhancement activities by IGWA and Southwest Irrigation District. *Id.*

11. On December 3, 2014, the Fifth Judicial District Court, in and for the County of Twin Falls, issued its *Memorandum Decision and Order on Petition for Judicial Review* ("Memorandum Decision") in CV-2014-2446. The court held the Department cannot recognize mitigation credit for future aquifer enhancement activities without sufficient contingency provisions to protect the senior water user in the event the assumed future aquifer enhancement activities do

not occur. *Memorandum Decision* at 6-10. Because of this decision, the memorandum prepared by staff also evaluated the aquifer enhancement activities of IGWA and Southwest Irrigation District without assuming a continuation of 2013 aquifer enhancement activities into 2014. ⁹ Specifically, the Department performed "an ESPAM2.1 simulation of 2005 through 2013 aquifer enhancement activities . . . to determine the minimum benefit provided by documented past activities" assuming no such activities occurred in 2014 and future years. *Attachment A* at 4. The simulation determined "[t]he model-predicted benefit to springs tributary to the Snake River between Kimberly and King Hill is 40.6 cfs between April 2014 and March 2015." *Id.*

12. Neither IGWA's nor Rangen's experts attempted to quantify the portion of the model-predicted benefit from IGWA and Southwest Irrigation District's aquifer enhancement activities that would actually reach the Snake River. In contrast, the Department analyzed data and information in possession of the Department to evaluate whether at least 10 cfs of the model-predicted benefits from IGWA and Southwest Irrigation District's past aquifer enhancement activities would reach the Snake River.

13. Baseflow represented by general head boundaries in ESPAM2.1 is subsurface discharge to the Snake River and can be assumed to be unavailable to surface water users. *Attachment A* at 3. The Department's modeled simulation of documented past aquifer enhancement activities through 2013 predicts an increase in baseflow between April 2014 and March 2015 of 2.4 cfs. *Id.* at Table 2.

14. "Increases in spring discharge have the potential to be intercepted by surface water users before discharging to the Snake River. If the increase in spring discharge is diverted for a consumptive use, such as irrigation, only a portion of the increase in discharge will reach the Snake River." *Attachment A* at 3. Many of the fifty spring reaches represented in ESPAM2.1 include springs diverted for irrigation use. *Id.* Some spring cells without irrigation District's past aquifer enhancement activities. For example, "[t]he Box Canyon reach consists of two model cells without spring diversions for irrigation use." *Id.* "The Devil's Washbowl and Devil's Corral spring cells also do not contain springs diverted for irrigation use." *Id.*

15. "The average model-predicted benefit [of documented past aquifer enhancement activities] to the Box Canyon reach, the Devil's Washbowl and Devil's Corral spring cells, and the baseflow represented by general head boundaries is 11.1 cfs between April 2014 and March 2015." *Attachment A* at 4.¹⁰ "Additional water is also expected to accrue to the Snake River from increases in spring discharge at spring cells with irrigation use, but cannot be quantified without a detailed analysis of irrigation demand and water availability at each spring source." *Id.* at 3. The portion of the average model-predicted benefit of documented past aquifer enhancement activities that can be

⁹ Documentation of 2014 IGWA and Southwest Irrigation District aquifer enhancement activities is not available as of the date of this order. *Attachment A* at 4.

¹⁰ The Department also performed a steady-state analysis assuming the continuation of 2013 aquifer enhancement activities. This results in a model-predicted increase of 18.3 cfs at steady state. Attachment A at 3. **Final Order Approving Application for Transfer, Page 5**

expected to reach the Snake River between April 2014 and March 2015 is between 11.1 cfs and 40.6 cfs. *Id.* at 4.

16. Even without including estimated benefits from 2014 and future activities, the benefits of IGWA and Southwest Irrigation District's past aquifer enhancement activities to the Snake River between Kimberly and King Hill are predicted to exceed the potential impact of the proposed transfer on flow in the Snake River between April 2014 and March 2015. *Id.* at 4-5.

CONCLUSIONS OF LAW

1. Idaho Code § 42-222 sets forth the criteria used to evaluate transfer applications:

The director of the department of water resources shall examine all the evidence and available information and shall approve the change in whole, or in part, or upon conditions, provided no other water rights are injured thereby, the change does not constitute an enlargement in use of the original right, the change is consistent with the conservation of water resources within the state of Idaho and is in the local public interest as defined in section 42-202B, Idaho Code, the change will not adversely affect the local economy of the watershed or local area within which the source of water for the proposed use originates, in the case where the place of use is outside of the watershed or local area where the source of water originates, and the new use is a beneficial use, which in the case of a municipal provider shall be satisfied if the water right is necessary to serve reasonably anticipated future needs as provided in this chapter.

2. The applicant bears the burden of proof for all of the factors listed in Section 42-222.

Injury to Other Water Rights

3. Rangen argues that "[o]ther water rights will be injured by the transfer." *Protest* at 2. Rangen's expert asserts that, "[i]f a decrease in Snake River flow results in a violation of the 3900 or 5600 cfs minimum flow at Murphy as outlined in the Swan Falls Trust Water agreement, then other irrigation water right holders in the Magic Springs/Murphy gauge reach could be negatively impacted." Ex. 5015 at 4.

4. While the only evidence regarding injury is speculative suggesting a potential for injury to water users that may be curtailed in the event of a violation of the Swan Falls minimums, as noted above, IGWA's expert concluded "it would be reasonable to include in the approval of the Application a condition that requires mitigation be provided sufficient to offset depletion of water right 36-7072 in the event of a violation of the Swan Falls minimums." Ex. 4003 at 5.

5. The Department's analysis demonstrates that benefits of IGWA and Southwest Irrigation District's past aquifer enhancement activities to the Snake River between Kimberly and King Hill are predicted to exceed 10 cfs between April 2014 and March 2015. Attachment A at 4-5.¹¹

6. As a condition of approval, IGWA and Southwest Irrigation District will be required to continue into the future aquifer enhancement activities sufficient to offset 10 cfs of depletion of flow in the Snake River between Kimberly and King Hill. Prior to each irrigation season, IGWA must submit documentation of aquifer enhancement activities from the previous year to establish that sufficient mitigation will be provided in the upcoming season.

Enlargement in Use of the Original Right

7. Rangen argues the proposed transfer "constitutes" an enlargement in use of the original right, in violation of the criteria of Idaho Code § 42-222. *Protest* at 2. Rangen's expert asserts the proposed transfer results in an enlargement of water right no. 36-7072 because the application included mitigation in addition to fish propagation as a nature of use. Ex. 5015 at 5. Rangen's expert also notes that water right no. 36-7072 authorizes the non-consumptive use of fish propagation and asserts that, because downstream irrigators will divert any additional flow added to Billingsley Creek from Magic Springs, the transfer "will result in expansion of historical consumptive use from water right no. 36-7072." Ex. 5015 at 5. IGWA's expert asserts the proposed transfer will not result in an enlargement because "[e]nlargement is determined by the use made by the appropriator and not what becomes of discharged water after beneficial use is complete." Ex. 4003 at 5.

8. The Director concludes IGWA has sufficiently demonstrated that approval of the proposed transfer will not result in enlargement of water right no. 36-7072. Water right no. 36-7072 authorizes the diversion of water for fish propagation purposes. Ex. 1001 at 21-22. The application proposes to change the nature of use of water right no. 36-7072 to "Fish Propagation/Mitig." Ex. 4000 at 3. Because the reason for the proposed transfer is to mitigate material injury to Rangen, the nature of use will be described in the transfer documents as "Mitigation." This proposed change in nature of use does not alter that water right no. 36-7072 will be used for non-consumptive fish propagation purposes, but only reflects that water delivered to Rangen pursuant to the transfer will help satisfy mitigation obligations imposed by the Curtailment Order. The proposal to change the nature of use of water right no. 36-7072 from "Fish Propagation" to "Mitigation" does not constitute an "enlargement in use of the original right" as prohibited by Idaho Code § 42-222. Rangen's argument regarding expansion of historical consumptive use is mooted by the condition of approval requiring IGWA and Southwest Irrigation

¹¹ Rangen argues that, as part of this transfer proceeding, IGWA must mitigate for all the impacts of ground water pumping junior to July 13, 1962, on flow in the Snake River. *See Expert Response* at 6-8. The impact at issue in this transfer proceeding is the impact on flow in the Snake River resulting from the transfer of 10 cfs of water from Magic Springs to Rangen, not the impacts of all ground water pumping junior to July 13, 1962, on flow in the Snake River. Rangen also appears to assert the proposed transfer will have some negative impact on non-consumptive water rights at Box Canyon and Devil's Corral. *See id.* at 9. But the proposed transfer will have no depletive impact on flow available for those water rights. Instead, the Box Canyon reach and Devil's Corral spring cell benefit significantly from the aquifer enhancement activities of IGWA and Southwest Irrigation District.

District to provide ongoing mitigation through aquifer enhancement activities sufficient to offset 10 cfs of depletion of flow in the Snake River between Kimberly and King Hill.¹²

Conservation of Water Resources

9. Rangen asserts "[t]he transfer is not consistent with the conservation of water resources within the state, in violation of the criteria of I.C. § 42-222." *Protest* at 2. Rangen provided no evidence to support this blanket assertion.

10. IGWA's expert report and testimony assert the proposed transfer is consistent with the conservation of water resources within Idaho because water right no. 36-7072 is currently used for the beneficial use of fish propagation in the state and will continue to be used for fish propagation within Idaho and not wasted if the transfer is approved. Ex. 4002 at 6; Tr. p. 79-80. The Director agrees. The proposed transfer is consistent with the conservation of water resources within the state of Idaho.

Local Public Interest

11. Local public interest is defined as "the interests that the people in the area directly affected by a proposed water use have in the effects of such use on the public water resource." Idaho Code § 42-202B(3).

12. Rangen asserts "[t]he transfer is not in the local public interest as defined in section 42-202B, Idaho Code, in violation of the criteria of I.C. § 42-222." *Protest* at 2. Rangen also asserts "[t]he transfer will be detrimental to fish and wildlife, fish rearing and spawning habitat, fish passage, waterfowl habitat, and aesthetic beauty and therefore is not in the best interest of the general public of the state of Idaho." *Protest* at 2. Rangen offered no evidence to support these assertions.

13. IGWA's expert argued the proposed transfer is in the local public interest because "Rangen will benefit from a significant increase in water available for fish production . . . and . . . [a]dditional flow in Billingsley Creek is expected to improve conditions for fish and wildlife." Ex. 4002 at 6. IGWA's expert also argued the proposed transfer is in the local public interest because "[improved] economic conditions at Rangen and increased flows in Billingsley Creek will benefit the people in the Hagerman area." *Id.* IGWA's expert testified that "the mitigation aspect of this to

¹² Rangen's expert also argues "[t]he proposed use of water right 37-7072 in the manner proposed in Transfer 79560 will result in additional consumptive use under this water right and is therefore in violation of the [Eastern Snake River Plain] moratorium." Ex. 5019 at 6. 29. However, the referenced moratorium clearly states that it does not apply to the transfer of existing water rights. Ex. 5007 at 5. Even if the moratorium did apply to the Application, the moratorium provides that the Director may approve relevant applications proposing consumptive use of water if "[t]he Director determines that the development and use of the water pursuant to an application will have no effect on prior surface and ground water rights because of . . . mitigation provided by the applicant to offset injury to other rights." *Id.* at 4-5. Because as a condition of approval IGWA and Southwest Irrigation District must provide ongoing mitigation sufficient to offset 10 cfs of depletion of Snake River flow between Kimberly and King Hill, the referenced moratorium would not be violated.

allow the groundwater pumpers to continue their beneficial uses of water is very much in the local public interest to keep the economy of the area more intact." Tr. p. 80.

14. The proposed transfer will help provide mitigation water to Rangen as required by the Curtailment Order and will contribute additional flow to Billingsley Creek. IGWA and Southwest Irrigation District will be required to provide mitigation sufficient to offset depletion of Snake River flows due to the Application. There is no evidence in the record to support Rangen's contention that the proposed transfer will be detrimental to fish and wildlife, fish rearing and spawning habitat, fish passage, waterfowl habitat, and aesthetic beauty. There is no evidence establishing that people in the area directly affected by the proposed transfer will suffer any negative impacts. The proposed transfer is in the local public interest.

Local Economy

15. Rangen does not argue that the proposed transfer "will adversely affect the local economy" in violation of Idaho Code § 42-222 or assert that fish propagation and mitigation are not beneficial uses.

16. IGWA's expert argues the proposed transfer will not adversely affect the local economy because instead "[t]he transfer will have significant benefits to the local economy. Additional water provided to Rangen allows the facility to improve its economic output. In addition, the proposed transfer provides mitigation needed to prevent the curtailment of ground water rights." Ex. 4002 at 7. The Director agrees. The proposed transfer will not adversely affect the local economy and fish propagation and mitigation are established beneficial uses of water in Idaho in accordance with the criteria set forth in Idaho Code § 42-222.

Summary

17. IGWA satisfied its burden of proof for the review of criteria set forth in Idaho Code § 42-222. The proposed transfer will not result in injury to other water rights or an enlargement in use of the original right, is consistent with the conservation of water resources within the state of Idaho, is in the local public interest as defined in Idaho Code § 42-202B, and will not adversely affect the local economy.

ORDER

IT IS HEREBY ORDERED that Application for Transfer No. 79560 in the name of North Snake Ground Water District, Magic Valley Ground Water District, and Southwest Irrigation District is APPROVED.

IT IS FURTHER ORDRED that, as a condition of approval, IGWA and Southwest Irrigation District will continue into the future, aquifer enhancement activities sufficient to offset 10 cfs of depletion of flow in the Snake River between Kimberly and King Hill. Prior to the start of each irrigation season, IGWA must provide documentation of aquifer enhancement activities from the previous year to establish that sufficient mitigation will be provided in the upcoming season. If sufficient mitigation is not provided, the transfer will be void.

Dated this <u>19</u>th day of February 2015.

Spackman Spackman

Gary Spackme Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this $\cancel{19 + \cancel{1}}{4}$ day of February 2015, true and correct copies of the document described below was served on the parties by placing a copy of the same with the United States Postal Service, postage prepaid and properly addressed to the following:

Document Served: Final Order Approving Application for Transfer and Explanatory Information to Accompany a Final Order

Randall C. Budge T.J. Budge Racine Olson Nye Budge & Bailey PO Box 1391 Pocatello ID 83204-1391 rcb@racinelaw.net tjb@racinelaw.net

Fritz Haemmerle Haemmerle & Haemmerle PO Box 1800 Hailey ID 83333 <u>fxh@haemlaw.com</u>

J. Justin May May Browning & May 1418 W. Washington Boise ID 83702 jmay@maybrowning.com

Robyn Brody Brody Law Office P.O. Box 554 Rupert, ID 83350 robynbrody@hotmail.com

eleorah J. Gileron

Deborah Gibson Admin. Assistant for the Director

ATTACHMENT A

MEMO

State of Idaho Department of Water Resources 322 E Front Street, P.O. Box 83720, Boise, Idaho 83720-0098 Phone: (208) 287-4800 Fax: (208) 287-6700

Date:	January 27, 2015
To:	Gary Spackman, P.E., Director
From:	Jennifer Sukow, P.E., P.G., Hydrology Section
Subject:	Technical review of expert witness reports and testimony in the matter of
	application for transfer no. 79560 (proposed Magic Springs to Rangen pipeline)

This memorandum was prepared in response to your request for a technical review of expert witness reports and testimony from Sophia Sigstedt and Charles E. Brockway in the matter of application for transfer no. 79560 in the name of North Snake Groundwater District, Magic Valley Groundwater District, and Southwest Irrigation District. Ms. Sigstedt testified on behalf of the applicants. Dr. Brockway testified on behalf of protestant, Rangen, Inc. My review focused specifically on potential impacts to flow in the Snake River resulting from changing the place of use for fish propagation from the Magic Springs Hatchery to the Rangen Hatchery, and proposed mitigation of such impacts. The Magic Springs Hatchery discharges directly into the Snake River, while the Rangen Hatchery discharges into Billingsley Creek, a tributary to the Snake River. Expert witness reports and testimony discuss potential impacts resulting from evaporation of water conveyed through Billingsley Creek, and from consumptive use by irrigators who divert from Billingsley Creek.

Ms. Sigstedt estimated if 10 cfs of water from Magic Springs is conveyed to the Snake River via Billingsley Creek, approximately 0.039 cfs would be lost to evaporation prior to reaching the Snake River. Ms. Sigstedt also compiled results from ESPAM2.1 model runs performed by the Idaho Department of Water Resources (IDWR) in support of the order approving the groundwater user's first mitigation plan. The model runs simulated aquifer enhancement activities (conversions, CREP, voluntary curtailment, and recharge) performed by the Idaho Groundwater Water Appropriators, Inc. (IGWA) and Southwest Irrigation District (SWID) between 2005 and 2013, with the assumption that 2013 conversions, CREP, and voluntary curtailment were continued in future years. Ms. Sigstedt presented the total model-predicted benefit of the mitigation accruing to springs tributary to the Snake River between Kimberly and King Hill. Ms. Sigstedt reported an average benefit of 48.6 cfs between April 2014 and March 2015, and an average benefit of 58.1 cfs between April 2018 and March 2019, and noted that these values greatly exceed her estimate of evaporation in Billingsley Creek.

Dr. Brockway criticizes the assumptions used by Ms. Sigstedt in calculating evaporation from Billingsley Creek, but acknowledges the magnitude of additional evaporation in Billingsley Creek will be small however it is calculated. Dr. Brockway argues that if an additional 10 cfs is discharged from the Rangen Hatchery into Billingsley Creek, the water will be diverted by downstream users in Water District 36A for both consumptive and non-consumptive uses, further reducing the portion of the 10 cfs which will reach the Snake River.

It does not appear that either expert witness attempted to quantify the percentage of the 10 cfs that would be lost to consumptive use by downstream water users. Because of the complexity of water distribution in Water District 36A, it is difficult to determine what percentage of the 10 cfs will reach the Snake River during the irrigation season if diversion and consumptive use by downstream water users are not prevented. Some water will discharge to the Snake River as either surface or subsurface flow, and the impact to the Snake River will be less than 10 cfs. A very conservative approach would be to assume a maximum impact of 10 cfs. A less conservative approach would be to estimate an impact.

I compiled the results of the ESPAM2.1 model runs of the IGWA and SWID aquifer enhancement activities in Table 1. My results are similar, but slightly different from Ms. Sigstedt's Table 3 from her December 12, 2014 report. The differences appear to be in her compilation of the results for general head boundaries and Class C springs. Ms. Sigstedt's Table 3 reports a constant value of 3.49 cfs for the general head boundaries for all five years. This value should vary with time. My analysis indicates this value varies from 2.91 cfs in Year 1 to 3.43 cfs in Year 5. It appears Ms. Sigstedt calculated the model-predicted average value for the time period between April 2019 and March 2020 and applied this value to the previous five years in her Table 3. I was not able to determine how Ms. Sigstedt arrived at the values reported in Table 3 for the benefit to Class C springs. Given that the values are higher in Year 3 than in Years 4 and 5, it appears she may have used model results from the 2005-2013 timeframe rather than results from the 2014-2019 timeframe, possibly in combination with summing an incorrect group of spring cells. Dr. Brockway criticized Ms. Sigstedt for including the impacts of SWID aquifer enhancement activities in her analysis. Because SWID is one of the transfer applicants, the inclusion of their mitigation activities seems appropriate. My analysis includes the SWID mitigation activities and indicates the average model-predicted benefit to springs tributary to the Snake River between Kimberly and King Hill is 48.5 cfs between April 2014 and March 2015, and 67.5 cfs at steady state (Table 1). These values are projections based on continuation of 2013 aquifer enhancement activities by IGWA and SWID, and are expected to change after each annual post-audit of IGWA and SWID mitigation activities.

Baseflow represented by general head boundaries is subsurface discharge to the Snake River and can be assumed to be unavailable to surface water users. Baseflow comprises only 2.9 cfs of the model-predicted increase in discharge between April 2014 and March 2015, and only 3.9 cfs at steady state (Table 1). Increases in spring discharge have the potential to be intercepted by surface water users before discharging to the Snake River. If the increase in spring discharge is diverted for a consumptive use, such as irrigation, only a portion of the increase in discharge will reach the Snake River. Based on IDWR water right shapefiles, many of the 50 spring reaches represented in ESPAM2.1 include springs diverted for irrigation use (Figure 1), but there are several spring cells that do not contain springs diverted for irrigation use.

A few of the spring cells without irrigation use are predicted by ESPAM2.1 to benefit significantly from the IGWA and SWID aquifer enhancement activities. The Box Canyon reach consists of two model cells without spring diversions for irrigation use. The Devil's Washbowl and Devil's Corral spring cells also do not contain springs diverted for irrigation use. The sum of model-predicted benefits to the Box Canyon reach, the Devil's Washbowl and Devil's Corral spring cells, and the baseflow represented by general head boundaries is 13.5 between April 2014 and March 2015, and 18.3 cfs at steady state (Table 1), and exceeds the maximum potential impact of 10 cfs resulting from the proposed transfer. Additional water is also expected to accrue to the Snake River from increases in discharge at spring cells with irrigation use, but cannot be quantified without a detailed analysis of irrigation demand and water availability at each spring source. If continued at locations and volumes similar to 2013 activities, the benefits of the IGWA and SWID aquifer enhancement activities to the Snake River between Kimberly and King Hill are predicted to exceed the potential impact of the proposed transfer on flow in the Snake River.



Figure 1. ESPAM2.1 spring cells and irrigation points of diversion.

Because documentation of 2014 IGWA and SWID aquifer enhancement activities was not available as of the date of this memorandum, an ESPAM2.1 simulation of 2005 through 2013 aquifer enhancement activities was performed to determine the minimum benefit provided by documented past activities. The model simulation assumes no aquifer enhancement activities occurred in 2014 and future years¹. The average model-predicted benefit to springs tributary to the Snake River between Kimberly and King Hill is 40.6 cfs between April 2014 and March 2015 (Table 2). The average modelpredicted benefit to the Box Canyon reach, the Devil's Washbowl and Devil's Corral spring cells, and the baseflow represented by general head boundaries is 11.1 cfs between April 2014 and March 2015 (Table 2). Even without including estimated benefits from 2014 activities that have not yet been fully documented, the benefits of past IGWA and

¹ Model files for the simulation of 2005-2013 aquifer enhancement activities with no future activities are contained on the CD accompanying this memorandum.

SWID aquifer enhancement activities to the Snake River between Kimberly and King Hill are predicted to exceed the potential impact of the proposed transfer on flow in the Snake River in the short term. Because the benefits of past aquifer enhancement activities decrease with time, long term mitigation of the potential impact of the proposed transfer will be dependent on future aquifer enhancement activities.

	Year 1	Year 2	Year 3	Year 4	Year 5	
ESPAM2.1 reach	(4/2014-	(4/2015-	(4/2016-	(4/2017-	(4/2018-	Steady state
	3/2015)	3/2016)	3/2017)	3/2018)	3/2019)	
ASH_REX	0.1	0.1	0.2	0.2	0.3	1
HEISE_SHEL	1.0	1.2	1.5	1.7	1.9	3.
SHELNRBLKF	4.8	5.6	6.4	7.1	7.6	11.
NR8LKFMIN	16.6	19.6	22.1	24.3	26.1	39.
0070030	0.0	0.0	0.0	0.0	0.0	0.
D069029	0.0	0.0	0.0	0.0	0.0	0
D068029	0.0	0.0	0.0	0.0	0.0	0.
DEVILW	1.3	1.4	1.4	1.5	1.5	1
DEVILC	1.7	1.8	1.8	1.9	1.9	2
D065027	0.1	0.1	0.1	0.1	0.1	0
D064026	0.1	0.1	0.1	0.1	0.1	0
BLUELK	3.7	4.0	4.1	4.3	4,4	4
D062023	0.0	0.0	0.0	0.0	0.0	0
D061023	0.0	0.0	0.0	0.0	0.0	0
D059022	0.0	0.0	0.0	0.0	0.0	0
D059021	0.0	0.0	0.0	0.0	0.0	0
ELISON D058020	0.0	0.0	0.0	0.0	0.0	0
D058020 D057020	0.0	0.0	0.0	0.0	0.0	0
CRYSTAL	5.2	5.7	6.0	6.2	6.4	7
NIAGARA	3.6	3.8	4.0	4.2	4.3	5
D051014	0.0	0.0	0.0	0.0	0.0	0
D050014	0.0	0.0	0.0	0.0	0.0	0
CLEARLK	4.6	5.0	5.2	5.4	5.6	6
8RIGG5	0.1	0.1	0.1	0.1	0.2	0
BANBURY	0.4	0.4	0.4	0.4	0.4	0
D047011	0.0	0.0	0.0	0.0	0.0	0
BOX	7.6	8.2	8.6	9.0	9.3	10
SAND	2.0	2.2	2.3	2.4	2.5	2
D045011	0.0	0.0	0.0	0.0	0.0	0
D045012	0.0	0.0	0.0	0.0	0.0	0
THOUSAND	5.4	5.8	6.1	6.3	6.5 1.5	7
NTLFSHH TUCKER	0.1	1.3	1.4	0.1	0.1	1
RANGEN	1.9	2.1	2.2	2.3	2.3	2
THREESP	1.4	1.5	1.6	1.6	1.7	2
D040013	0.0	0.0	0.0	0.0	0.0	. 0
D040014	0.1	0.1	0.1	0.1	0.1	C
BIGSP	0.7	0.8	0.9	0.9	0.9	1
D038014	0.1	0.1	0.1	0.1	0.1	0
D037014	0.0	0.0	0.0	0.0	0.0	0
BIRCH	0.0	0.0	0.0	0.0	0.0	
D036014	0.0	0.0	0.0	0.0	0.0	0
MALAD	3.9	4.2	4.5	4.7	4.8	9
D035014	0.0	0.0	0.0	0.0	0.0	
D034014	0.1	0.1	0.1		0.2	And an average of the second sec
D033013	0.0	0.0	0.0	and the second se	0.0	and the second s
D033014 D032013	0.0	0.0	0.1	the second s	· · · · · · · · · · · · · · · · · · ·	
D032013	0.0	0.0	0.0			Contraction of the local division of the loc
D032014 D031013	0.0	0.0	0.0	and the second design of the s		
0031014	0.0	0.0	0.0			
D030013	0.0	Contraction of the local division of the loc	and a bid or your constraints of the local distance of the local d	Contraction of the local division of the loc		The survey of the physical sector is a first of the
BANCROFT	0.0		0.0		0.0	and the second se
Kimberly to Buhi springs	15.8	16.9	17.7	18.4	18.9	2
Buhl to Lower Salmon Falls springs	25.6	and the second se	And a state of the	30.4	31.3	and the second se
Lower Salmon Falis to King Hill springs	4.2	4.5		A CONTRACTOR OF THE OWNER OWNER OF THE OWNER OWNE		
Kimberly to Buhl baseflow	1.9	2.0		Caracteristic and the second s	2.2	
Buhl to Lower Salmon Falls baseflow	0.7	0.7	State of the local division of the local div		0.8	
	0.3	0.3	0.3	0.4	0.4	
Lower Salmon Fails to King Hill baseflow						
	29	21	33	33	3.4	1
Lower Salmon Falls to King Hill baseflow Total baseflow Total Kimberly to King Hill	2.9 48.5	3.1	3.2 54.9		3.4	Contraction of the local division of the

	Year 1	Year 2	Year 3	Year 4	Year S
ESPAM2.1 reach	(4/2014-	(4/2015-	(4/2016-	(4/2017-	(4/2018-
-	3/2015)	3/2016)	3/2017)	3/2018)	3/2019)
SH_REX	0.1	0.1	0.2	0.2	0.3
IEISE_SHEL	1.0	1.2	1.3	1.3	1.3
HELNRBLKF	4.7	5.1	4.9	4.5	4.
RBLKFMIN	16.3	17.3	15.6	15.1	13.
			r		
0070030	0.0	0.0	0.0	0.0	0.
069029	0.0	0.0	0.0	0.0	0.
0068029	0.0	0.0	0.0	0.0	0.
DEVILW	1.0	0.7	0.5	0.4	0.
DEVILC	1.4	1.0	0.7	0.5	0.
0065027	0.1	0.1	0.1	0.0	0.
BLUELK	3.2	2.3	1.8	1.3	1
0062023	0.0	0.0	0.0	0.0	0.
0061023	0.0	0.0	0.0	0.0	0.
0059022	0.0	0.0	0.0	0.0	0.
0059021	0.0	0.0	0.0	0.0	0.
LISON	0.0	0.0	0.0	0.0	0.
0058020	0.0	0.0	0.0	0.0	0
0057020	0.0	0.0	0.0	0.0	0
CRYSTAL	4.5	3.5	2.8	2.2	1
NAGARA	3.0	2.4	1.9	1.5	1
0051014	0.0	0.0	0.0	0.0	0
0050014	0.0	0.0	0.0	0.0	0
CLEARLK	3.8	3.1	2.4	1.9	1
BRIGGS	0.1	0.1	0.1	0.1	0
BANBURY	0.3	0.2	0.2	0.1	0
0047011	0.0	0.0	0.0	0.0	0
3OX	6.3	5.0	4.0	3.1	2
AND	1.7	1.3	1.1	0.8	0
0045011	0.0	0.0	0.0	0.0	0
D045012	0.0	0.0	0.0	0.0	0
THOUSAND	4.4	3.5	2.8	2.2	1
NTLFSHH	1.0	0.8	0.6	0.5	0
TUCKER	0.1	0.1	0.1	0.0	0
RANGEN	1.6	1.2	1.0	0.8	0
THREESP	1.1	0.9	0.7	0.6	0
0040013	0.0	0.0	0.0	0.0	0
0040014	0.1	0.1	0.0	0.0	0
BIG5P D038014	0.6	0.5	0.4	0.3	0
0037014	0.0	0.0	0.1	0.0	0
BIRCH	0.0	0.0	0.0	0.0	0
0036014	0.0	0.0	0.0	0.0	0
MALAD	3.3	2.6	2.1	1.7	1
0035014	0.0		0.0	0.0	0
0034014	0.0		0.0	0.0	0
0033013	0.0	And and a second s	and the second sec	0.0	0
0033014	0.0	and the second se	and a second sec	and the second se	0
0032013	0.0		And and a second s	Ó.0	0
0032014	0.0	the second se		0.0	0
0031013	0.0	The subscription in the local division in the subscription in the subscriptin in the subscription in the s	second	And the second sec	0
2031014	0.0	and the second se	and the second se	0.0	C
0030013	0.0	and the second se			0
BANCROFT	0.0	0.0	0.0	0.0	C
Cimberly to Buhl springs	13.3	10.3	7.9	6.1	4
Buhl to Lower Salmon Falls springs	21.4	and an owner of the local division of the lo	Contraction of the local division of the loc	Concernment of the owner	8
ower Salmon Falls to King Hill springs	3.5	Contraction of the Contraction Device		Concernant of the local division of the loca	and the second s
Cimberly to Buhl baseflow	1.6			the second s	
Buhl to Lower Salmon Falls baseflow	0.6	and the second s			and the second se
ower Salmon Falls to King Hill baseflow	0.3	and the second se	and the second s	the second s	0
fotal baseflow	2.4	1.8	1.4	1.1	0
Fotal Kimberly to King Hill	40.6		25.2	And a state of the	and the second s
oum of Box Canyon, Devil's Washbowi,		1			
Devil's Corral, and baseflow	11.1	8.6	6.6	5.1	

EXPLANATORY INFORMATION TO ACCOMPANY A FINAL ORDER

(Required by Rule of Procedure 740.02)

The accompanying order is a "Final Order" issued by the department pursuant to section 67-5246 or 67-5247, Idaho Code.

Section 67-5246 provides as follows:

(1) If the presiding officer is the agency head, the presiding officer shall issue a final order.

(2) If the presiding officer issued a recommended order, the agency head shall issue a final order following review of that recommended order.

(3) If the presiding officer issued a preliminary order, that order becomes a final order unless it is reviewed as required in section 67-5245, Idaho Code. If the preliminary order is reviewed, the agency head shall issue a final order.

(4) Unless otherwise provided by statute or rule, any party may file a petition for reconsideration of any order issued by the agency head within fourteen (14) days of the service date of that order. The agency head shall issue a written order disposing of the petition. The petition is deemed denied if the agency head does not dispose of it within twenty-one (21) days after the filing of the petition.

(5) Unless a different date is stated in a final order, the order is effective fourteen (14) days after its service date if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) The petition for reconsideration is disposed of; or
- (b) The petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

(6) A party may not be required to comply with a final order unless the party has been served with or has actual knowledge of the order. If the order is mailed to the last known address of a party, the service is deemed to be sufficient.

(7) A non-party shall not be required to comply with a final order unless the agency has made the order available for public inspection or the nonparty has actual knowledge of the order.

(8) The provisions of this section do not preclude an agency from taking immediate

Page 1 Revised July 1, 2010 action to protect the public interest in accordance with the provisions of section 67-5247, Idaho Code.

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a final order within fourteen (14) days of the service date of this order as shown on the certificate of service. Note: the petition **must be** <u>received</u> by the Department within this fourteen (14) day period. The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See section 67-5246(4) Idaho Code.

APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by a final order or orders previously issued in a matter before the department may appeal the final order and all previously issued orders in the matter to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days: a) of the service date of the final order, b) the service date of an order denying petition for reconsideration, or c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. See section 67-5273, Idaho Code. The filing of an appeal to district court does not in itself stay the effectiveness or enforcement of the order under appeal.

ATTACHMENT A-12

White, Kimi

Subject:

FW: Measurements for Magic Springs Pipeline

From: Baxter, Garrick
Sent: Tuesday, March 17, 2015 9:28 PM
To: Robyn Brody
Cc: Tessa Sparrow; Justin May; Randy Budge; <u>fxh@haemlaw.com</u>; Blades, Emmi; TJ Budge
Subject: RE: Measurements for Magic Springs Pipeline

Robyn,

Tim Luke provided me the following chart with updated measurement information:

Date	Time	Instantaneous Flow Rate (gpm)	Instantaneous Flow Rate (cfs)	Totalized Volume (gallons)	Entity Reporting Measurement	Comments
2/6/2015	16:58	3511.3	7.82	12,545,173	SPF/IGWA	Start of flow being delivered to
2/9/2015	11:25	3515	7.83	26,464,663	WD130/IDWR	WD130/IDWR calibration mea cfs
2/19/2015	14:00	3518.8	7.84	77,581,028	SPF/IGWA	
2/27/2015	13:05	3530	7.86	117,103,182	WD130/IDWR	
3/4/2015	10:20	3507.5	7.81	141,807,034	SPF/IGWA	
3/11/2015	11:43	3507.2	7.81	177,275,120	SPF/IGWA	SPF meas 7.78 cfs on 16" pipe discharge at Bridge diversion

Tim also provided the following email regarding flow measurements:

From: Peter Cooper [mailto:PCooper@spfwater.com]
Sent: Thursday, March 12, 2015 12:38 PM
To: Luke, Tim
Cc: Yenter, Cindy; charles.e.brockway@brockwayeng.com; Bob Hardgrove
Subject: Rangen Flow Measurement

Tim-

Bob and I were down at Magic Springs yesterday. At our IDWR meeting last week, Chuck requested that we measure lengths of the 16" pipe that discharges to Rangen's bridge diversion box. We took some measurements yesterday and I've attached a pdf showing what we found out. Like we discussed at the meeting, this portion was field fit and so it is difficult to tell the exact length of the pipe coming up at a 45 degree angle because most of it is underground, but it is roughly 5' in length, with approximately 2' sticking out of the ground. I was focused on the angled pipe in the field, and did not think about getting a length on the horizontal pipe until this morning. Looking at our survey data, the horizontal portion is approximately 12' long from the elbow to the beginning of the discharge opening.

While we were there, we took a flow measurement on the 16" pipe with our GE Panametrics ultrasonic flow meter. We found that we were able to take a decent measurement on the horizontal pipe. We stayed on the upstream portion of the straight pipe (approx. 2.5' downstream of the elbow) to help ensure the pipe was full and did not try measuring further downstream. Here is a screenshot of the flow meter screen showing a flow rate of 3,492 gpm. The flow rate at the Magic Springs flow meter was 3,515 gpm an hour or so before taking the

reading at Rangen. As Chuck stated in our call, the piping configuration is not ideal for obtaining a 100% accurate measurement, i.e. the upstream bend, pipe potentially not 100% full, etc. Even with these potential inaccuracies, this should help validate the water that is being pumped from Magic Springs is making it to Rangen. Note to Cindy: They promise to get the flow meter parameters changed this Friday.



Please let me know if you have any further questions.

Thanks-

Peter Cooper, P.E. | Project Engineer

SPF Water Engineering, LLC 300 E Mallard Drive, Suite 350 | Boise, ID 83706 p. 208.383.4140 | f. 208.383.4156 | c. 208.921.7799 e. pcooper@spfwater.com | w. www.spfwater.com

Let me know if you have questions. Thanks, Garrick

From: Baxter, Garrick Sent: Wednesday, March 04, 2015 9:00 AM

To: 'TJ Budge'; Robyn Brody **Cc:** Tessa Sparrow; Justin May; Randy Budge; <u>fxh@haemlaw.com</u> **Subject:** RE: Measurements for Magic Springs Pipeline

Robyn,

I forwarded your request to Cindy. Here is what she said:

I have checked the flow twice. Both times it was 7.8 cfs.

Is this sufficient or would you like me to ask Cindy if there is written documentation related to her visit? Garrick

From: TJ Budge [mailto:tjb@racinelaw.net]
Sent: Tuesday, March 03, 2015 5:10 PM
To: Robyn Brody
Cc: Baxter, Garrick; Tessa Sparrow; Justin May; Randy Budge; fxh@haemlaw.com
Subject: Re: Measurements for Magic Springs Pipeline

Robyn,

It's set at 7.81 cfs per Judge Wildman order granting stay. Garrick can confirm.

TJ

On Mar 3, 2015 4:41 PM, Robyn Brody <<u>robynbrody@hotmail.com</u>> wrote: Dear Garrick,

Can you please provide us with the water measurements for the water going in to the Magic Springs pipeline as soon as possible?

Thank you.

Robyn

Robyn M. Brody Brody Law Office, PLLC PO Box 554 614 Fremont Rupert, ID 83350 Telephone: (208) 434-2778 Facsimile: (208) 434-2780

THIS IS A CONFIDENTIAL COMMUNICATION: This e-mail message and the information contained in this e-mail message may be privileged, confidential and protected from disclosure. If you are not the named recipient, any dissemination, distribution or copying is strictly prohibited. If you received or think you received this e-mail message in error, please reply to robynbrody@hotmail.com or call 208-434-2778.