State of Indiana
Department of Natural Resources
Division of Water

Department Memorandum **Date: February 24, 2011**

To: Natural Resources Commission

From: Natural Resources Advisory Council

Subject: Summary of Public Meetings held for contract application BL 11-001 between Brookville Enhancement Partners and the State of Indiana for withdrawal of water from Brookville Lake for the purpose of golf course irrigation.

The State of Indiana is authorized under Indiana Code 14-25-2 to sell water on a unit pricing basis for water supply purposes or low-flow augmentation from the water supply storage in reservoir impoundments, or portions of the impoundments that are financed by the State. The Department of Natural Resources, Division of Water, acts as administrator for these contracts. The provisions of IC14-25-2 and Rule 312 IAC 6.3 require that a written application for contract request be submitted to the Division, and that public meetings be held to gather testimony on the request. The Division director shall appoint a Department employee to serve as hearing officer for the meetings. No longer than thirty (30) days after a public meeting is held, the Advisory Council shall submit to the Commission a report summarizing the public meeting.

Contract Request Summary

This contract request is to extend an existing water supply contract BL 02-1, which is due to expire on July 13, 2013 between the State of Indiana and Buck Point Golf Club for withdrawal of irrigation water form Brookville Reservoir. Buck Point Golf Club was the subtenant of the landlord, Brookville Enhancement Partners, until August 1, 2010, when this sublease was terminated and Brookville Enhancement Partners (BEP) succeeded Buck Point by taking full ownership of all golf course improvements on the premises, thus necessitating the need for a new contract. The golf course premises is a portion of a larger master lease agreement between the State of Indiana and BEP, an Indiana General Partnership, which was entered into in 1988 and will expire in 2038 with additional options to renew.

In 2003, Buck Point Golf Club, BEP's tenant, entered into a contract with the State of Indiana for water withdrawal from Brookville Lake for the purpose of

irrigating the golf course. With the termination of the sublease between Buck Point Golf Club and BEP, along with the succession of ownership and operation of the golf course, BEP is required to enter into a new water supply contract agreement with the State of Indiana, as contracts with the State of Indiana for water supply are non-transferrable pursuant to the State Boiler Plate Contract Clauses which are within the current contract #BL 02-1.

Therefore, a change in the contracting entity from 'Buck Point Golf Club' to Brookville Enhancement Partners requires that a new contract application be submitted and that it go through the approval process set forth under IC 14-25-2 and 312 IAC 6.3. By going through the contract process now instead of at expiration in 2013, Brookville Enhancement Partners will be able to maintain uninterrupted irrigation of the golf course grounds and this contract would not need to be considered again until renewal in 2021; should BEP wish to renew at that time.

Brookville Enhancement Partners (BEP) is requesting an annual limit of 35 Million Gallons (MG), which is unchanged from the current contract. This volume is equal to an average withdrawal of approximately .194 Million Gallons per Day (MGD) (or approximately 194,000 gallons a day) based on a 180 day irrigation season. BEP is requesting the contract for a (10) year term, also unchanged from the current contract. The current contract with Buck Point Golf Club has generated between $500 and $900 per year in revenue for the last eight years. The rate of compensation for water sold under contract on a unit pricing basis is thirty-three dollars ($33) per one million (1,000,000) gallons of water, a price that is legislatively set in IC 14-25-2-7. The maximum revenue to be expected from this contract would be $1,150 annually or $11,500 over the ten year term.

In accordance with Rule 312 IAC 6.3-3-1, a written request is to be submitted to the Division of Water, and must include the following information:

1) **Contract Applicant**: Brookville Enhancement Partners

2) **Proposed Use**: Golf Course Irrigation

3) **Location of Withdrawal**: Brookville Lake is in Union and Franklin Counties; the golf course is in Union County, Harmony Township, Whitewater Basin, at the eastern end of Kent's Harbor Marina Cove. (Township 10N Range 2W Section 16) See attached Map.

4) **Proposed Term**: Ten (10) years

5) **Requested Withdrawal**: 35 Million Gallons (MG) per Year; Average Daily Limit of 0.194 Million Gallons per Day (MGD), based on 180 day irrigation season.

6) **Measurement**: Flow Meter (existing)

7) **Summary of Alternatives and Justification**: See attached application.

8) **Contingency Plan**: See attached application.

9) **Conservation Plan**: See attached application.

Brookville Lake Available Water Supply Storage:

Total water supply storage in Brookville Lake is between elevations 713 and 740 feet, National Geodetic Vertical Datum, 1929 adjustment, measured at the dam. The State of Indiana has the right to 100% of this water supply storage, an amount estimated to be 89,300 acre feet, for the purposes of water supply and low-flow regulation (provided the designated space is physically available). Firm yield from this volume of water supply storage is estimated to be 82 million gallons per day (MGD). The sum of annual limits of all current water supply contracts (Of which there are two—both golf courses.) for withdrawal from Brookville Lake is currently 60 million gallons per year, which is less than 1% of the estimated available water supply volume.

Public Meetings Summary and Public Comment

Public meetings were conducted by the Division of Water's Monique Riggs, to gather testimony on the application for Contract Number **BL 11-001** between Brookville Enhancement Partners and the State of Indiana. The meetings took place in the following two (2) counties, as required by IC 14-25-2-2.5 (h) and 312 IAC 6.3-3-3:

- January 24, 2011 – Union County, Liberty, IN; and
- January 24, 2011 – Franklin County, Brookville, IN.

A brief presentation was made outlining the provisions of IC 14-25-2 and Rule 312 IAC 6.3 which govern the Department's authority to enter into water supply contracts. (See attached.) Available water supply data was provided for Brookville Lake as well as established water supply priorities, the nature of the pending request and the application specifics, factors the Natural Resources Commission may consider during review and acting upon a request, and the process by which the Commission makes a determination to deny, condition, or approve a contract. Kent Reineking, a representative of Brookville Enhancement Partners, was present at both meetings to be available to answer questions.

Two members of the public attended the two meetings; no public comment or testimony was received.

Conclusions and Recommendations:

The ten (10) year contract term and annual withdrawal limit of 35 MG will allow Brookville Enhancement Partners to continue to irrigate the golf course grounds. Division of Water staff believe that the volume of water available from Brookville Lake is adequate to satisfy the annual withdrawal limit of 35 MG for the ten (10) year term of the contract as this volume represents only a small fraction of the 82 MGD yield available in Brookville Lake. The total volume of water committed by contractual agreements would be less than 1% of the designed water supply capability of Brookville Lake. Potential impact to the recreational facilities of the reservoir is expected to be negligible. Therefore, the Advisory Council recommends that this contract request be approved.

THE Sagamore RESORT ON BROOKVILLE LAKE
15179 Old State Road 101, Liberty, IN 47353
(765) 458-7431 FAX (765) 458-7435
www.kentsharbor.com

December 6, 2010

Division of Water
Indiana Department of Natural Resources
402 W. Washington St., Room: W264
Indianapolis, IN 46204-2641

Contract Application for Renewal

Re: Request to withdraw surface water under the provisions of Indiana Code 14-25-2 for the purpose of irrigating a golf course.

This request is pursuant to an existing water withdrawal contract #BL 02-1 due to expire on July 3, 2013 between the State of Indiana and Buck Point Golf Club. Said Buck Point Golf Club was the subtenant of Landlord, Brookville Enhancement Partners until August 1, 2010, at which time this sublease was terminated and Brookville Enhancement Partners (BEP) has succeeded Buck Point by taking full ownership of all golf course improvements on the premises.

The golf course premises is a portion of a larger master lease agreement between the State of Indiana and Brookville Enhancement Partners, an Indiana General Partnership, which was entered into in 1988 and will expire in 2038 with additional options to renew.

On or about July 3, 2003 Buck Point Golf Club, Landlord's tenant, entered into a contract with the State of Indiana for surface water withdrawal for the purpose of irrigating a golf course. With the termination of the sublease between Buck Point Golf Club and BEP along with the succession of ownership and operation of the golf course, BEP wishes to enter into a new contract agreement for water withdrawal with the State of Indiana.

A. Contact information:

Brookville Enhancement Partners
15179 Old State Road 101
Liberty, Indiana 47353
Contact person: Kent Reineking, Partner
KReineking@kentsharbor.com
765-458-7431

B. Map(s) of location of pump station (Attached)

C. Purpose of withdrawal: Irrigation of golf course.

D. Map(s) of golf course location in Union and Franklin Counties. (Attached)

E. Two existing pumps. Each pump has a capacity to pump 300 gallons per minute @ 130 PSI. Combined pumps capacity 600 gallons per minute. This would infer a 24 hour daily limit .864 million gallons per day based capacity. However, historically this system, when active, has averaged .130 million gallons/day during its season of operation.

F. Proposed term 10 years.

G. Method of measuring withdrawal. Flow meter.

H. Alternative water sources:

1) Ponds: due to the fact that much of the golf course is literally adjacent to Brookville Lake, ponds on site do not reliably hold water; rather the ponds typically leach out to the lake.
2) The golf course is prohibited from digging wells on site as a condition of the Prime Lease between the State of Indiana and Brookville Enhancement Partners.
3) The availability of city water is not available in adequate gallons per minute, nor is city water cost effective for irrigating a golf course.

I. The Reservoir is the most feasible source of irrigation by virtue of the golf course's immediate proximity to the Reservoir, specifically the protected marina cove where the existing pump station is located on a floating dock platform. Secondly, due to the great volume of the Reservoir, the impact on water surface levels due to irrigation have proven to be insignificant, if not immeasurable.

J. Conservation Plan:

The existing irrigation complex is broken down into individually operated systems. Therefore, if need be, irrigation could be held to the bare necessity of watering tees and greens only, or even particular tees or greens as the system can be controlled to the point that as few as only one individual sprinkler head on the entire golf course might be operated at a time.

The golf course irrigation system can be run manually or automatically, with individual heads opening for minutes, or seconds, or programmed not to come on at all.

The roughs grass areas are not covered by the irrigation system.

Individual irrigation heads that leak can be valved off until repairs can be made.

In the case of an underground pipe leak, the pumps will in all probability run if switched on even when irrigation is not being called for. In such an instance, if the leak cannot be immediately located, sections of pipe can be valved off until the leaking section can be isolated and repaired.

K. To our knowledge, having operated a recreational business on the lake since 1974, even during extreme draught, the Reservoir surface level has been minimally compromised. Generally, in extreme conditions, the Corps. of Engineers will restrict the lake's discharge as it did in the late summer of 2010.

Without irrigation, the golf course turf condition would be seriously compromised. However, in the case of grass going into dormancy or dying, the course would simply be replanted at the end of the drought condition and might perhaps be closed temporarily for those repairs during the interim. A contingency that might be attempted in certain circumstances would be to manually haul tanks of city water to the golf course greens, as the greens are considered to be the most important features on a golf course.

This concludes BEP's request application.

Sincerely,

Kent Reineking

Kent Reineking, Partner
Brookville Enhancement Partners

Attachments

Location Descriptions and Maps

B. Water Withdrawal Location

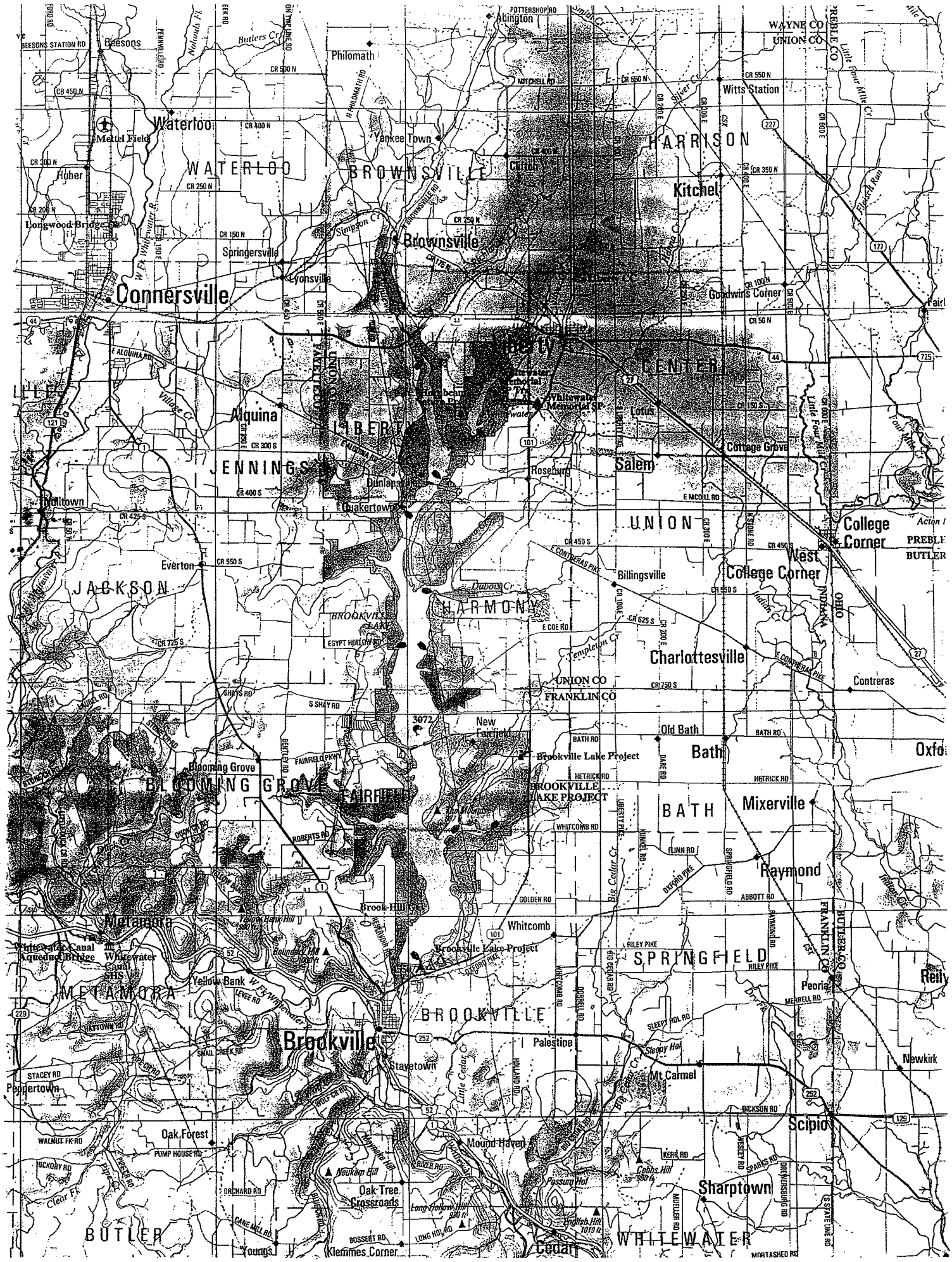
Pump Station is Located:
Union County
Harmony Township
Whitewater Basin
Township: 10 N
Range: 2 W
Section: 16

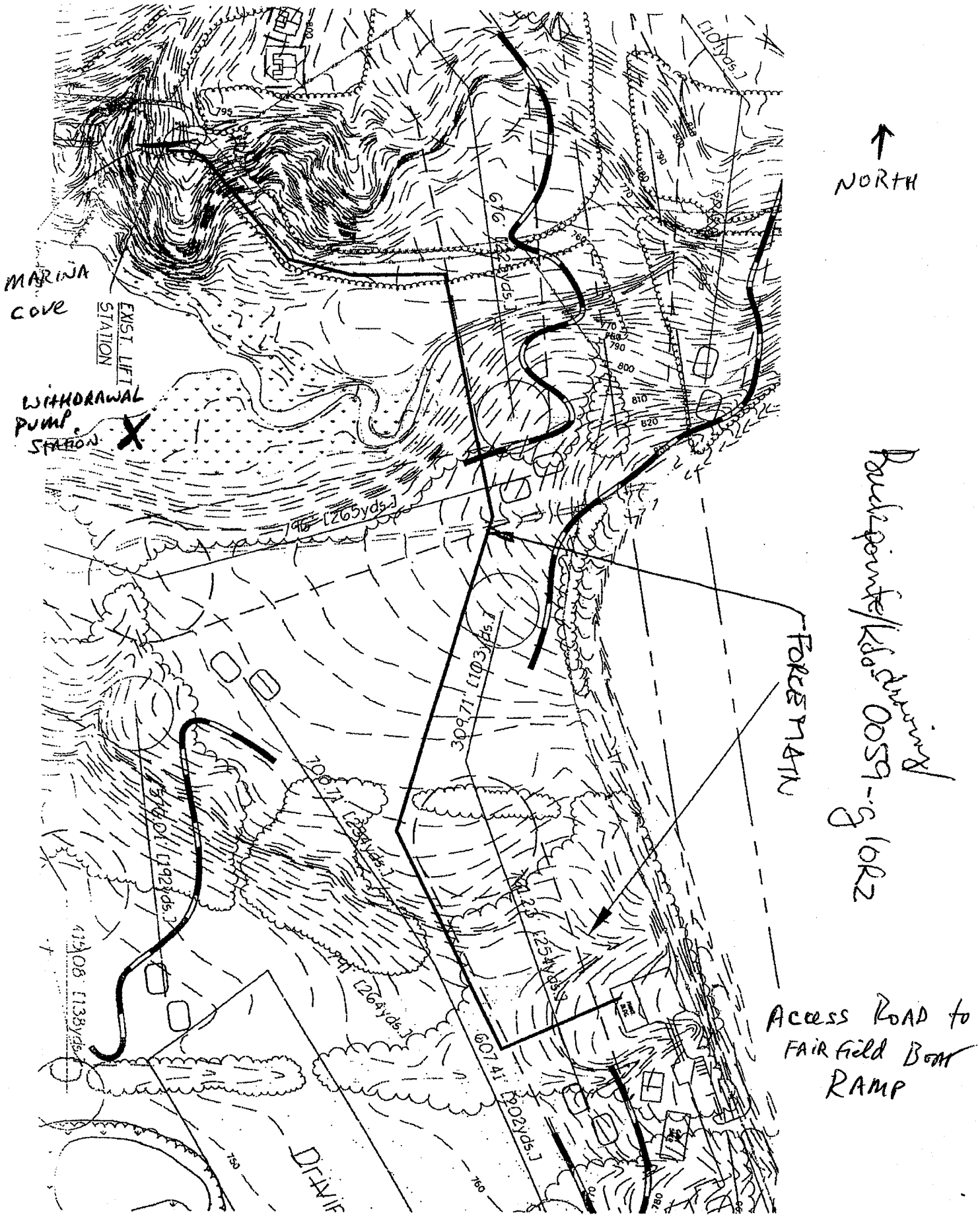
At the eastern end of Kent's Harbor Marina cove.

D. Irrigated Area

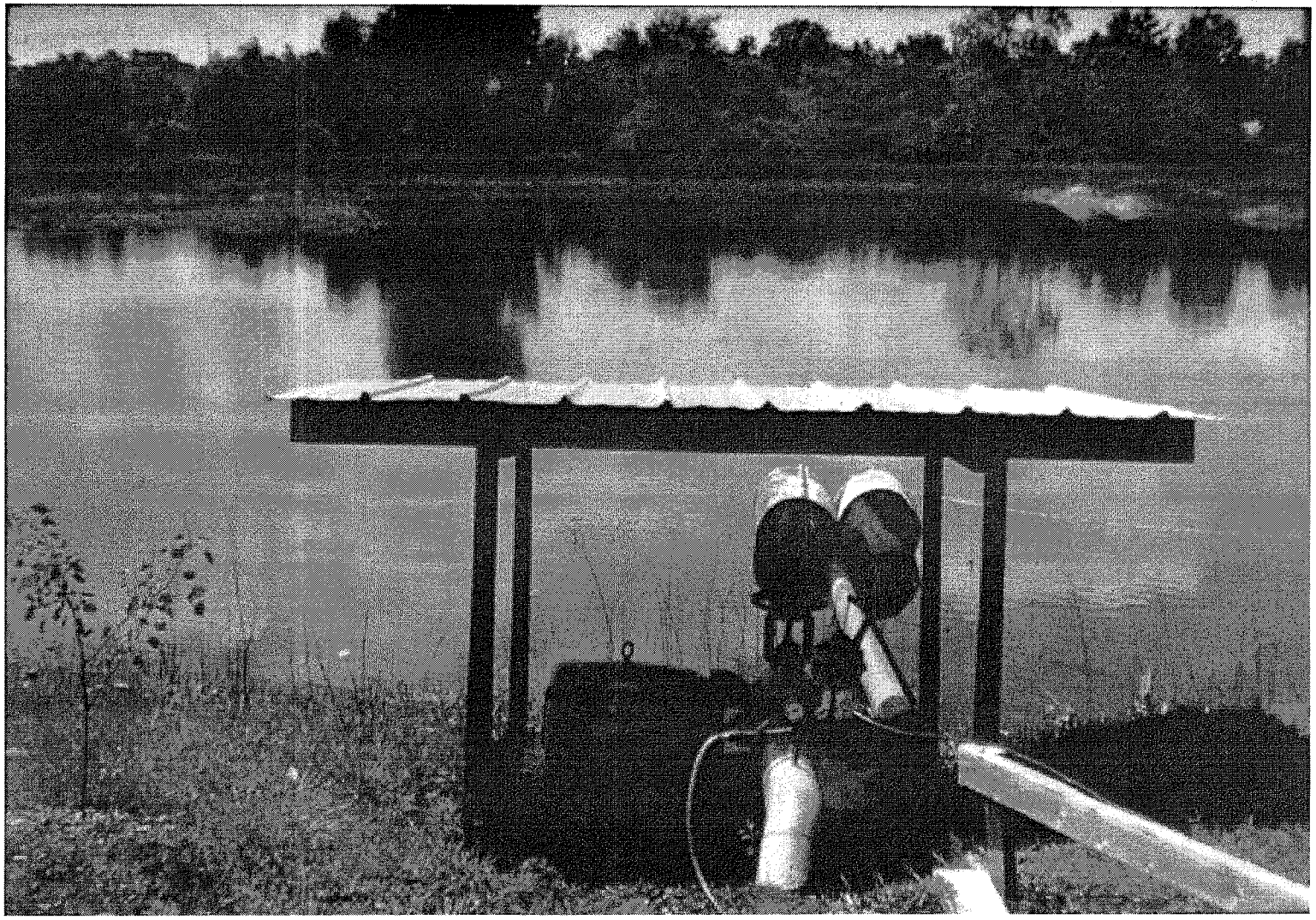
A part of Sections 15 and 16 of Township 10 North, Range 2 West of the First Principal Meridian in Harmony Township, Union County and parts of Sections 21 and 22 of Township 10 North, Range 2 West of the First Principal Meridian of New Fairfield Township, Franklin County.

Irrigating portions (golf holes) within a 230 acre boundary.


Beesons
Waterloo
Mettel Field
Huber
Longwood Bridge
Connersville
Springersville
Lyonsville
Philomath
Abington
Yankee Town
Carlton
Brownsville
Witts Station
Kitchel
Goodwins Corner
Liberty
Whitewater Memorial SP
Lotus
Cottage Grove
Salem
Rosebud
Alquina
Dunlapsville
Quakertown
Everton
Billingsville
College Corner
West College Corner
Charlottesville
Contreras
New Fairfield
Old Bath
Bath
Brookville Lake Project
Bloomington Grove
Mixerville
Raymond
Metamora
Whitewater Canal Aqueduct Bridge
Whitewater Canal SHS
Whitcomb
Yellow Bank
Brookville
Palestine
Stavetown
Mt Carmel
Peoria
Newkirk
Peppertown
Oak Forest
Mound Haven
Scipio
Oak Tree Crossroads
Sharptown
Youngs
Klemmes Corner
Cedar
WATERLOO
BROWNSVILLE
HARRISON
CENTER
LIBERTY
JENNINGS
UNION
JACKSON
HARMONY
BLOOMING GROVE
FAIRFIELD
BATH
SPRINGFIELD
METAMORA
BROOKVILLE
BUTLER
WHITEWATER
WAYNE CO
UNION CO
PREBLE CO
UNION CO
FRANKLIN CO
BUTLER CO
OHIO
INDIANA

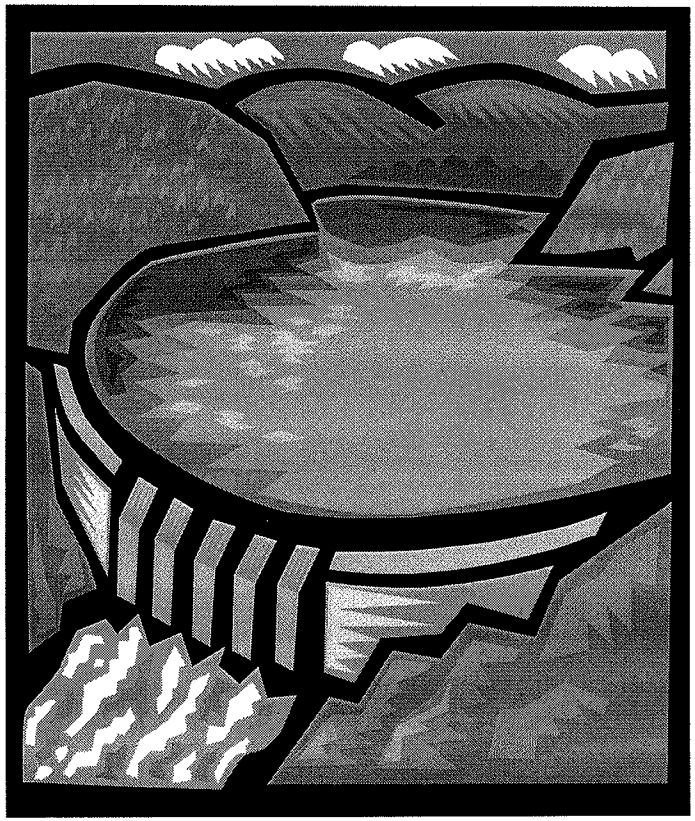

NORTH
MARINA COVE
EXIST. LIFT STATION
WITHDRAWAL PUMP STATION
FORCE MAIN
Access Road to Fairfield Boat RAMP
Rockpointe/Kdo drawing 0059-g 10R2
[265yds.]
[103yds.]
[254yds.]
[264yds.]
[138yds.]
[192yds.]
[102yds.]
[101yds.]
676'
309.71'
607.41'
415.08'
795
790
800
810
820
750
760
780

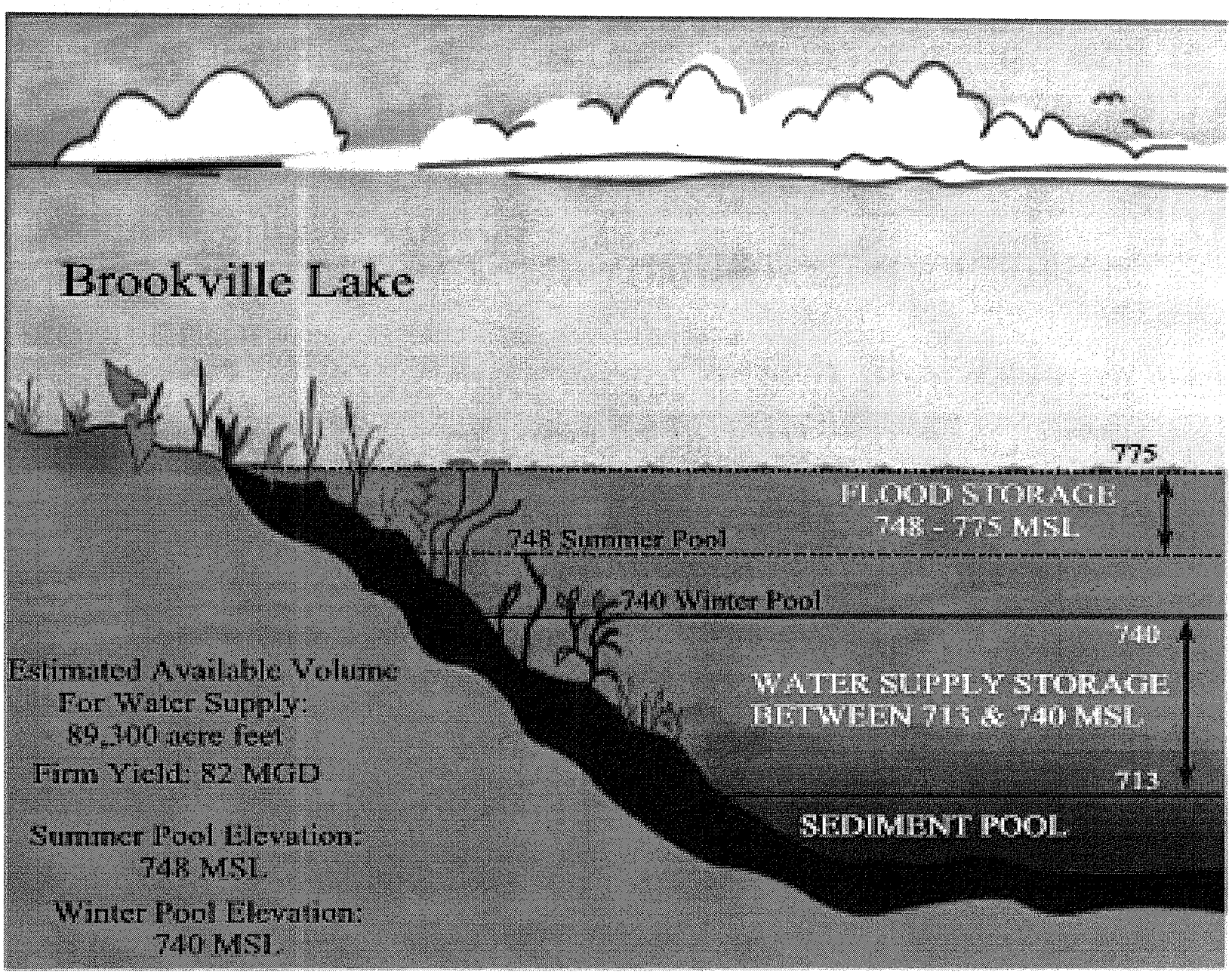
Sale of Water from State-Owned Reservoirs



Water Supply Contracts

- The State of Indiana owns water supply storage capacity in reservoirs financed wholly or in part by the State.
- IC 14-25-2 allows the State to provide certain minimum quantities of stream flow or sell water on a unit-pricing basis for water supply purposes from this capacity at $33/million gallons.
- The Division of Water currently administers such contracts on Brookville, Hardy, Monroe, and Patoka Lakes




Brookville Lake
775
FLOOD STORAGE
748 - 775 MSL
748 Summer Pool
740 Winter Pool
740
WATER SUPPLY STORAGE
BETWEEN 713 & 740 MSL
713
SEDIMENT POOL
Estimated Available Volume
For Water Supply:
89,300 acre feet
Firm Yield: 82 MGD
Summer Pool Elevation:
748 MSL
Winter Pool Elevation:
740 MSL

The Written Request for Withdrawal 312 IAC 6.3-3-1

- Complete contact information for person entering the contract or for the person serving as point of contact
- Location of Withdrawal or Release
- Proposed Use or Uses
- Proposed Daily Limit for Withdrawal or Release
- Proposed Term in Years & Justification
- Proposed Method of Measurement
- Summary of alternative water supply sources that were considered
- Justification of why Reservoir is most economic or feasible supply source
- A Conservation Plan
- A Contingency Plan describing the alternatives the person will use if water from the reservoir is restricted due to drought alerts (described in 312 IAC 6.3-5-2)

The Natural Resources Commission will determine to approve, condition, or deny a request for a water withdrawal contract; subject to approval by the Attorney General, Governor, and the Applicant.

Deliberation shall include consideration of:

- The standards provided in IC 14-25-2 and 312 IAC 6.3
- The report of the Advisory Council submitted under section 4(e) of 312 IAC 6.3
- Statements and documents the Commission elects to receive before or during the meeting.

Factors the Natural Resources Commission may consider in reviewing and acting upon the request for provision of minimum quantities of stream flow or for the sale of water on a unit pricing basis are:

- Terms, conditions, and purposes of authorizing legislation
- The likelihood of adverse effects to public safety, the environment, navigation, or recreation.
- Availability of another source of water to the person making the request.
- Proximity of the reservoir to any person that would receive water from the person making the request.
- Water allocation priorities for the use of the water.

Water Allocation Priorities

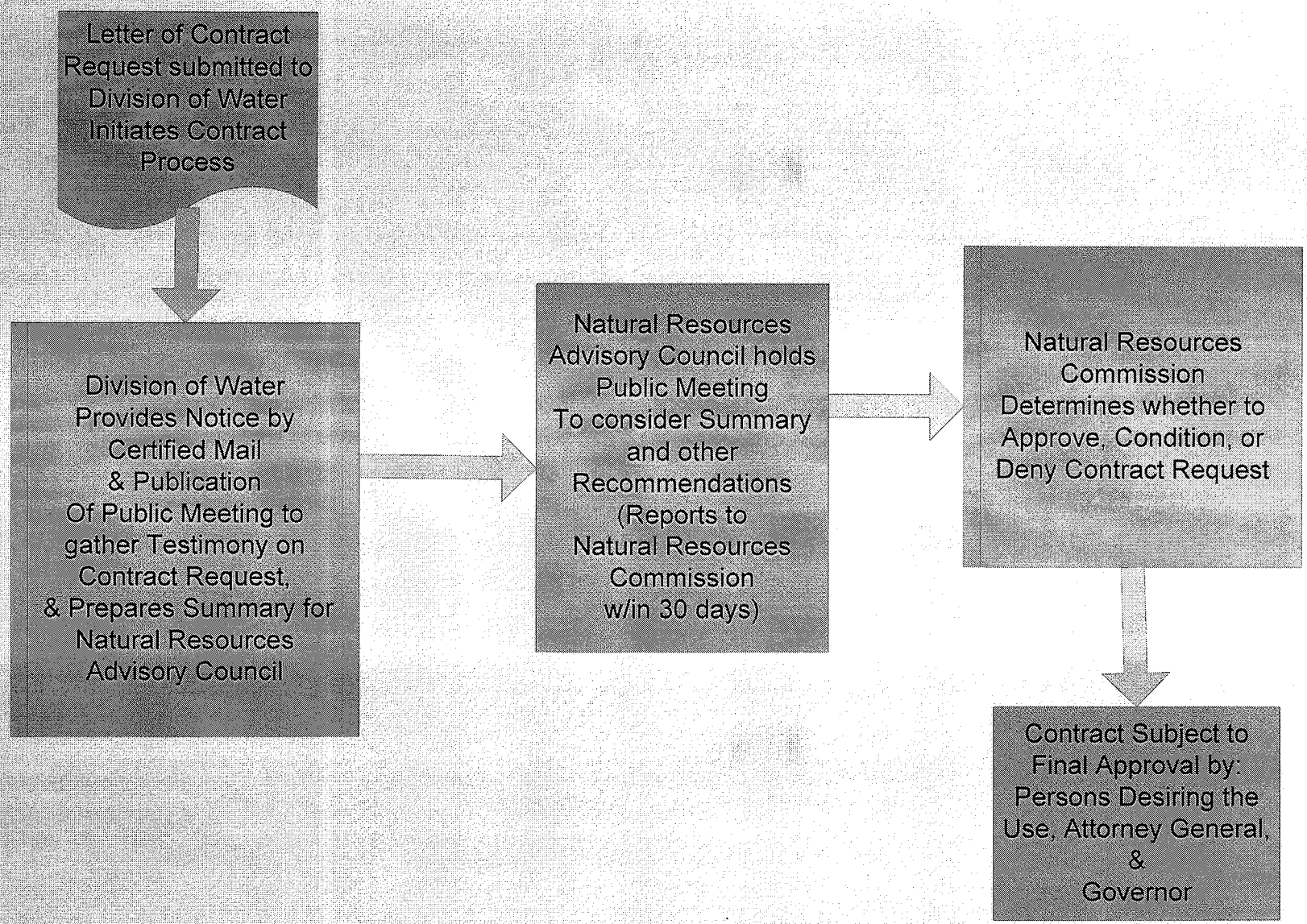
- First Priority: Domestic Purposes described in IC 14-25-1-3
- Second Priority: Health & Safety
- Third Priority: Power Production that meets contingency planning requirements
- Fourth Priority: Industry & Agriculture
- Fifth Priority: Purpose for Third or Fourth priority that does not meet contingency planning requirements
- Sixth Priority: Any Other purpose

Brookville Enhancement Partners Contract Request

- Proposed Use:
- Withdrawal for use as irrigation water for golf course.
- Proposed Limits:

  Annual Withdrawal Limit of 35 Million Gallons
- Proposed Term:

  10 Years
- Conservation and Contingency Plan In Place

Division of Water--Water Supply Contract Process: IC14-25-2 & 312 IAC 6.3

December 5, 2008