

WATER SUPPLY BANK LEASE CONTRACT

RECEIVED
FEB 11 2014
DEPARTMENT OF
WATER RESOURCES

This Lease Contract ("**Lease**") is effective January 2, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: ILENE M SERR
28 S 1050 W
PAUL ID 83347
(208) 431-2302

RECITALS

1. The Board is authorized under chapter 17, title 42, Idaho Code to operate a water supply bank and to contract with lessors to act as an intermediary in facilitating the rental of water.
2. The Lessor has filed a completed application to lease water rights described below into the Water Supply Bank on forms supplied by the Idaho Department of Water Resources.
3. The Director of the Idaho Department of Water Resources has reviewed the application for compliance with the Water Supply Bank rules and has approved the Lease subject to conditions listed below.

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

1. **WATER RIGHTS:** The Lessor shall lease and the Board shall accept into the Bank the Applicant's water rights described as follows:

Summary of Water Rights or Portions Leased to the Bank

<u>Water Right</u>	<u>Lease Rate</u>	<u>Lease Volume</u>	<u>Acre Limit</u>	<u>Total Leased Acres</u>
36-7026	0.41 CFS	96.4 AF	NA	24.1 AC
Combined Lease Totals:	0.41 CFS	96.4 AF	NA	24.1 AC

The water rights described herein shall be available for rental from the Bank as follows:
Authorized Period of Use under Lease: April 1 to October 21


2. **COMPENSATION:** The Lessor shall accept and the Board shall pay compensation determined by the amount of water rented under the following rental rate during such times as the water is rented from the Bank over the term of this Lease.

Minimum Payment Acceptable: Current Rental Rate

3. **TERM OF LEASE:** This Lease shall take effect when both parties have signed it and shall continue in effect until December 31, 2018.
4. **WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE:** The Lessor shall abide by all terms and conditions contained in the Water Supply Bank Conditions of Acceptance, attached hereto as "Attachment A" and incorporated herein by this reference.
5. **DUPLICATE ORIGINAL:** This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

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

ILENE M SERR
28 S 1050 W
PAUL ID 83347

By 
Printed Name Ilene

Date 2-8-14
Title land owner

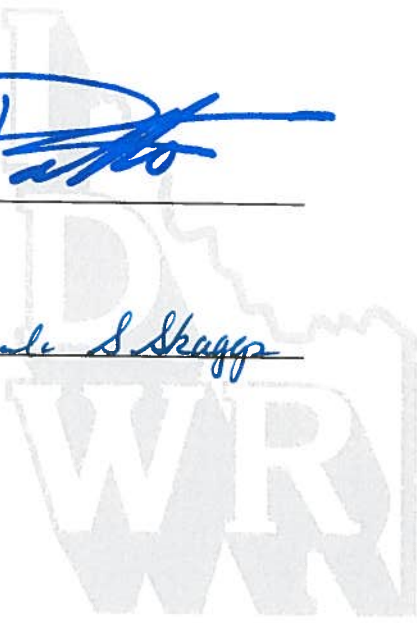
IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-9098

By 
Brian Patton, Acting Administrator
Idaho Water Resource Board

Date 02-20-2014

Lease approved by IDWR 

Date 02-20-2014



ATTACHMENT A
WATER RIGHT NO. 36-7026
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water right or portion thereof leased to the bank is described as follows:

Lessor: ILENE M SERR
 28 S 1050 W
 PAUL ID 83347
 (208) 431-2302

Priority Date: 06/05/1968

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	04/01 to	10/21	0.41 CFS	96.4 AF
	Total:		0.41 CFS	96.4 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER NW¼NE¼ Sec. 15 Twp 07S Rge 21E LINCOLN County

PLACE OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

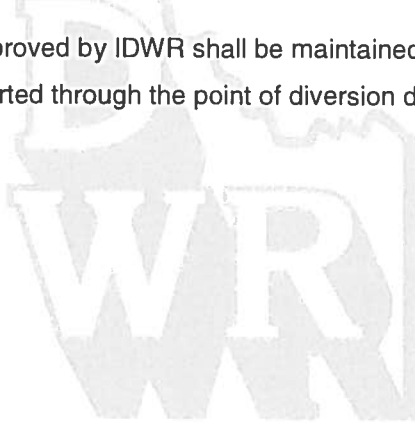
Twp	Rge	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
07S	21E	15	4.5	5.8	1.0	3.5	4.5		4.8	1.0									24.1

Total Acres: 24.1

ADDITIONAL CONDITIONS OF ACCEPTANCE

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the Department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease, provided the Board approves the release. Unless approved by the Department, leased rights may not be immediately available for release.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.

8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in any other Department application process.
9. In accordance with Idaho Code §§ 42-248 and 42-1409(6), all owners of water rights are required to notify the Department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. If a water right leased into the Water Supply Bank is sold or conveyed during the lease term, and if the leased right was rented, the rental proceeds will be disbursed in the following manner regardless of any arrangements between the buyer(s) and seller(s) to the contrary:
 - a. Rental payments will go to the lessor(s) of record at the beginning of the rental season.
 - b. If a change in ownership is processed by the Department during a rental season, rental payment will be made to the person or entity who is the lessor of record at the beginning of that rental season.
 - c. New lessor(s) of record will receive payment after the following rental season.
11. The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.
12. The use of water for irrigation under this right may begin as early as March 15 and may continue to as late as November 15, provided other elements of the right are not exceeded. The use of water before April 1 and after October 21 under this remark is subordinate to all water rights having not subordinated early or late irrigation use and a priority date earlier than the date a partial decree is entered for this right.
13. A measuring device of a type approved by IDWR shall be maintained as a part of the diverting works.
14. Water right 36-15236 is also diverted through the point of diversion described above.



RECEIVED
JAN 02 2014
DEPARTMENT OF
WATER RESOURCES

STATE OF IDAHO
WATER RESOURCE BOARD
WATER SUPPLY BANK
REQUEST TO EXTEND LEASE TERM

ONE FORM PER WATER RIGHT

This form is a statement that the lessor requests an extension of a Water Supply Bank ("Bank") lease for the water right identified below. A water right remains in the Bank for the accepted lease period unless released earlier by the Water Resource Board or until the lessor submits a request in writing to the Department of Water Resources to release the right from the Bank. However, if a water right is currently rented, the portion of the right being rented must remain in the Bank for the duration of the rental agreement.

If requesting a change in lease amounts (reducing or increasing acreage, etc.), you must file an Application to Sell or Lease a Water Right to the Water Supply Bank. This form can be found on IDWR's website at: www.idwr.idaho.gov.

Water Right No: 36-7026 Telephone No: 208-431-2302
Name(s) of Lessor(s): ^(dec) Daryl Serr & Ilene Serr
Mailing Address: 285. 1050 W
City: Paul State: ID Zip: 83347
Current Expiration Date: 12-31-2013
Requested Expiration Date: 12-31-2018
Lease term not to exceed 5 years.

All lease extension request forms must be signed and submitted with the following REQUIRED items:

1. Plat map, survey map or aerial photograph clearly showing the specific acres proposed to be idled for the duration of this lease.
2. Filing fee of \$250.00. If you are submitting more than one lease application and the rights have a common place of use or common diversion rate or common diversion volume, the combined maximum fee is \$500.00.
3. A completed Internal Revenue Service (IRS) Form W-9 (attached). If your water right is rented, we will be unable to issue payment to you without a current W-9 form.

The lessor requests that the above water right remain in the Bank through the date referenced above.

Ilene Serr Ilene Serr 12-30-13
Signature of Lessor Printed Name and Title* Date

Signature of Lessor Printed Name and Title* Date

*Please provide title of signatory if signing on behalf of a company or organization or with power of attorney

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

FOR OFFICE USE ONLY

Filing fee received by: JAN Date: 1-2-14 Receipt No: C098135



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

February 20, 2014

ILENE M SERR
28 S 1050 W
PAUL ID 83347

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHTS 37-7026

Dear Lessor:

Water Right 37-7026 was leased into the Water Supply Bank on January 2, 2014, in accordance with the executed original Lease Contract enclosed. **Your water right as described on the Lease Contract is considered leased into the Bank and should remain unused until it is formally released from the Bank.**

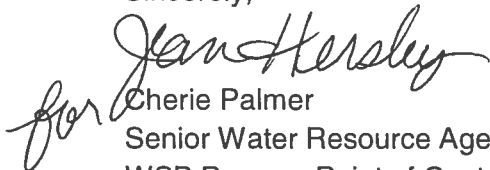
The right will automatically be released from the Bank on **December 31, 2018**, unless the right is released earlier by the Board, or upon your request. **Please note your right may not be available for immediate release if it has been rented.** To release the right from the Bank prior to the release date, submit a written request on the *Request to Release a Water Right from the Bank* form. This form is available from our public website at www.idwr.idaho.gov.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact me at 287-4944.

Sincerely,



Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure: Executed Lease Contract

c: Allen Merritt- IDWR Southern Regional Manager
Cindy Yenter- Water District # 130



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

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GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

February 11, 2014

ILENE M SERR
28 S 1050 W
PAUL ID 83347

RE: REQUEST FOR RETURN OF SIGNED WATER SUPPLY BANK LEASE CONTRACTS FOR WATER RIGHT(S) 36-7026

*****TIME SENSITIVE RESPONSE REQUIRED*****

Dear Applicant,

The Department of Water Resources (Department) mailed **two original Water Supply Bank Lease Contracts for your review and signature** on January 21, 2014. The signed contracts have not been returned to the Department.

Please sign both original Lease Contracts and return them to the Department within ten (10) days of this letter to complete processing. The Lease Contract is not considered final until both you and the Department have signed.


If the signed lease contracts are not received by the Department within the 10-day period, the lease application(s) will be returned, and the application fee will not be refunded. You can reapply to lease the water right(s) in the future by submitting new application form(s) along with applicable fees.

Please note the forfeiture period is not tolled unless a right is accepted into the Bank, or unless an exception or defense to forfeiture applies as described under Idaho Code § 42-223. This and other water right forms are available from the Department's web site at www.idwr.idaho.gov.

We also sent you a Notice of Change of Water Right Ownership form to remove your husband, Daryl Serr as an owner. I have enclosed another form. Please sign and return to the Department with a copy of Mr. Serr's death certificate so we can update the ownership of the water right.

If you have questions regarding this matter, please contact me at 287-4944.

Sincerely,


for Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700 • Website: www.idwr.idaho.gov

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

January 24, 2014

ILENE M SERR
28 S 1050 W
PAUL, ID 83347

**RE: RENTAL OF WATER RIGHT(S) LEASED TO THE WATER SUPPLY BANK.
WATER RIGHT 36-7026**

Dear Lessor:

The Department of Water Resources is enclosing a state warrant in the amount of \$664.02 as payment to you for your half of the rental of 86.8 acre-feet of the above referenced water right from the Water Supply Bank managed by the Idaho Water Resource Board.

In accordance with Water Supply Bank rule 35.01, *IDAPA 37.02.03*, this payment is for your half of the ninety percent (90%) of the gross amount received at a rental rate of \$17 per acre-foot for 86.8 af of water, or otherwise on a negotiated rental agreement. Please note, we are still awaiting a completed IRS-W9 form (enclosed) for Daryl Serr. We will be able to authorize the remaining portion of the payment upon receipt of this form in our office.

If you have questions regarding this matter, please contact me at (208) 287-4918.

Sincerely,

A handwritten signature in black ink, appearing to be 'RB', written over a horizontal line.

Remington Buyer
Water Supply Bank Coordinator

Receipt Number: C096667
Warrant Number: 126429932

SCANNED

JAN 29 2014



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

GARY SPACKMAN
Director

C.L. "BUTCH" OTTER
Governor

January 21, 2014

ILENE M SERR
28 S 1050 W
PAUL ID 83347

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 36-7026 TO THE WATER SUPPLY BANK

****TIME SENSITIVE RESPONSE REQUIRED***

Dear Applicant:

The Department of Water Resources has completed its review of your application to lease the above-mentioned water right to the Water Supply Bank. **I have enclosed two original Water Supply Bank Lease Contracts for your review and signature. Please sign and return BOTH Lease Contracts within 14 days.** Upon signature and return of the contracts, the Department will also sign the original contracts and return an executed copy to you. The Lease Contract is not considered final until you and the Department have both signed.

Please note that the lease contract is in your name only. As per the conversation with Pam, I am enclosing a Notice of Change in Water Right Ownership form for you to sign and return with a copy of the death certificate of Daryl Serr.


The rights will automatically be released from the Bank on **December 31, 2018**, unless the rights are released earlier by the Board, or upon your request. To release the right from the Bank prior to the release date, submit a written request on the Request to Release a Water Right from the Bank form. To propose a new lease period, submit a new Application to Sell or Lease a Water Right to the Water Supply Bank form along with applicable fees to the Department. These forms are available from any IDWR office or from our public website at <http://www.idwr.idaho.gov>. Please note your rights may not be available for immediate release if they have been rented.

Please review the conditions of acceptance listed on the Lease Contract, including #3 which says:

"While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

If you have questions regarding this matter, please contact me at 287-4944.

Sincerely,

for 
Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

MEMORANDUM

To: Water Right No(s). 36-7026
From: Jean Hersley
Date: January 21, 2014
Re: Review of Application to Lease Water Right to the State Water Supply Bank

PURPOSE/NARRATIVE: This extension request was received on January 2, 2014.

AUTHORITY TO FILE: Application was signed by Ilene Serr, who is the water right holder.

WATER RIGHT VALIDITY: This water right was decreed in 2001 and has been in the Bank since 2008. The 24 acres are pivot corners and aerial photography indicates they have not been irrigated since being leased to the Bank.

INJURY TO OTHER WATER RIGHTS: No injury is apparent.

ENLARGEMENT OF USE: No enlargement is evident through the lease alone. Proper rental review should protect against enlargement.

LOCAL PUBLIC INTEREST: Review staff has no information to suggest this application is inconsistent with the local public interest.

BENEFICIAL USE/CONSERVATION OF WATER RESOURCES: The lease appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The leased right(s) are subject to Water District # 130. Watermaster has been contacted, see email for comments.

Hersley, Jean

From: Yenter, Cindy
Sent: Tuesday, January 21, 2014 1:34 PM
To: Hersley, Jean
Subject: RE: 36-7026 Serr Request to Extend Lease Term

Jean, I have no objections with the extension. The remaining irrigated acres have not changed (about 267).

Just to be clear, however, the 24.1 leased acres are not part of a mitigation plan at this time and have not been since 2006. The significance of their prior participation in that plan would have been to protect them from forfeiture accrual for those years. I think the acres were inadvertently also placed in the WSB during some of those years, which should not have happened but it's a moot point now.

Cindy Yenter
Watermaster, Water District 130
Twin Falls, ID
cindy.yenter@idwr.idaho.gov
208-736-3033

From: Hersley, Jean
Sent: Friday, January 17, 2014 12:47 PM
To: Yenter, Cindy
Subject: 36-7026 Serr Request to Extend Lease Term

Cindy,
The Serr's have requested to extend their lease until 2018.

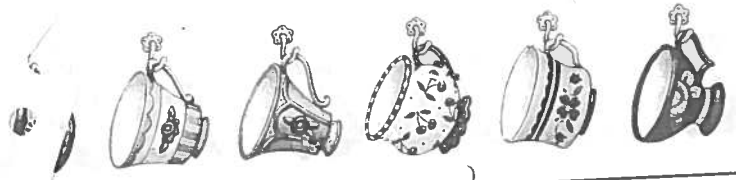
In 2008, the Serr's requested to lease 38 acres into the Bank, but only 24.1 acres were accepted due to a mitigation plan under the Magic Valley Groundwater District's mitigation plan. Watermaster records indicated 267 of the 291 acres authorized have been irrigated, leaving 24 acres to be leased. That is why 24.1 acres were leased to the Bank.

Has anything changed with this water right?

<< File: DOC001.pdf >>
Attached is the Extension request. All other documents are scanned and available in PCDocs.

Thanks.

Jean Hersley
Idaho Dept Water Resources
Technical Records Specialist II
208-287-4942



Attention

RECEIVED

JAN 02 2011

DEPARTMENT OF
WATER RESOURCES

Sandy Hennessey

You said you
would attach
maps

Thanks

Jene Jess

