

WATER SUPPLY BANK LEASE CONTRACT

This Lease Contract ("**Lease**") is effective January 1, 2014, between the Idaho Water Resource Board ("**Board**"), and

Lessor: CHARLES A PRATT
GWENDOLYN WORKMAN
195 PRATT RD
STITES ID 83552
(208) 926-7710

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>
85-15435	0.33 CFS	NA	NA	16.3 AC
Combined Lease Totals:	0.33 CFS	NA	NA	16.3 AC

The water rights described herein shall be available for rental from the Bank as follows:

Authorized Period of Use under Lease: June 20 to October 1

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.

**CHARLES A PRATT
GWENDOLYN WORKMAN**
195 PRATT RD
STITES ID 83552

By Charles A. Pratt

Date 2-11-2014

Printed Name CHARLES A. PRATT

Title CO-OWNER

By Gwendolyn Workman

Date 2-11-2014

Printed Name Gwendolyn Workman

Title Co-owner

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

By 

Date 2/13/2014

Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR Cherie Palmer

Date 2/13/2014

ATTACHMENT A
WATER RIGHT NO. 85-15435
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

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

Lessor: **CHARLES A PRATT**
 GWENDOLYN WORKMAN
 195 PRATT RD
 STITES ID 83552
 (208) 926-7710

Priority Date: 07/10/1964

Source: SOUTH FORK CLEARWATER RIVER **Tributary to:** CLEARWATER RIVER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	06/20	to 10/01	0.33 CFS	NA
	Total:		0.33 CFS	NA

LOCATION OF POINT(S) OF DIVERSION:

SOUTHFORK CLEARWATER RIVER SE¼NW¼SE¼ Sec. 32 Twp 32N Rge 04E IDAHO County
SOUTHFORK CLEARWATER RIVER NE¼NW¼SE¼ Sec. 32 Twp 32N Rge 04E IDAHO 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				
32N	04E	32																	14.0	2.3		16.3

Total Acres: 16.3

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.

DEC 30 2013

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: 85-15435 Telephone No: 208-926-7210

Name(s) of Lessor(s): CHARLES PRATT

Mailing Address: 195 PRATT RD

City: STITES State: ID Zip: 83552

Current Expiration Date: 12-31-2013

Requested Expiration Date: INDEFINITELY
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.

Charles Pratt
Signature of Lessor

CHARLES PRATT (CO-OWNER)
Printed Name and Title*

12-27-2013
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: John

Date: 12-30-13

Receipt No: CO98128

RECEIVED

DEC 30 2013

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: 85-15435 Telephone No: 208-583-0719

Name(s) of Lessor(s): Gwendolyn Workman

Mailing Address: 53 NINE PIPE LN

City: GRANDEVILLE State: ID Zip: 83530

Current Expiration Date: 12-31-13

Requested Expiration Date: INDEFINITELY
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.

Gwendolyn Workman Gwendolyn Workman 12-21-13
Signature of Lessor Printed Name and Title* (CO-OWNER) 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

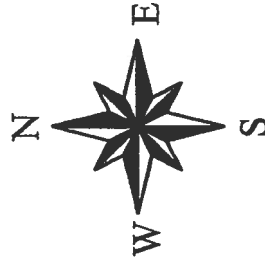
Filing fee received by: JSL Date: 12-30-13 Receipt No: 0098128

85-15435

T32N R04E
Section 32



- Point of Diversion
- Place of Use



Map prepared by: Greg Taylor
Date Prepared: April 16, 2004
Photography: Aerial photo
Idaho Department of Water Resources



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 14, 2014

CHARLES A PRATT
GWENDOLYN WORKMAN
195 PRATT RD
STITIES ID 83552

RE: WATER SUPPLY BANK LEASE CONTRACT FOR RIGHT 85-15435

Dear Lessor:

Water Right 85-15435 was leased into the Water Supply Bank on January 1, 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 they are 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 they have 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,

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

Enclosure: Executed Lease Contract

c: Keith Franklin- IDWR Northern Regional Manager



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 3, 2014

CHARLES A PRATT
GWENDOLYN WORKMAN
195 PRATT RD
STITES ID 83552

RE: APPLICATION(S) TO LEASE WATER RIGHT(S) 85-15435 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.

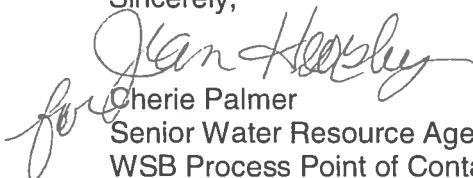
On your application, you requested this right to be leased into the Bank indefinitely. The Board is not approving indefinite leases as this time. This right will automatically be released from the Bank on **December 31, 2018**, unless the right is released earlier by the Board, or upon your request. 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,


Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact

Enclosure: Proposed Lease Contracts

MEMORANDUM

To: Water Right No(s). 85-15434 and 85-15435
From: Jean Hersley
Date: February 3, 2014
Re: Review of Applications to Lease Water Rights to the State Water Supply Bank

PURPOSE/NARRATIVE: The Department received these extension requests on December 30, 2013.

AUTHORITY TO FILE: The water right holders signed the applications.

WATER RIGHT VALIDITY: Water right 85-15434 was decreed in 2004 and has been in the Bank since 2009. Water right 85-15435 was decreed in 2005 and has also been in the Bank since 2009. During the review of these applications, aerial photography indicated some irrigation had taken place. I sent a letter to Mr. Pratt and he responded with pictures of the meters reading Zero and one meter not hooked up to power. The land is located in a high rain area and some of the ground is sub-irrigated.

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 not subject to any Water District.

Charles and Jane Pratt
195 Pratt Rd
Stites, ID 83552
Home Phone 208-926-7710

RECEIVED
FEB 03 2014
DEPARTMENT OF
WATER RESOURCES

Jan 31, 2014

Attn: Cherie Palmer
Idaho Dept of Water Resources

Re: Additional information for processing applications on Water Rights No(S) 85-15434 & 85-15435

Dear Ms Palmer:

Enclosed are the pictures you requested showing we haven't irrigated for many years.

On Water Right **85-15434**, the meter shows all zero's. It has not been used for at least 8 to 10 years.

On Water Right **85-15435**, the pole shows the place where power and the pump were at, at my folk's place. No wires are hooked to the meter pole and the face of the meter is gone. Albert and Cora Pratt, my parents, died in 2003 and the irrigation was not used before that or after that.

We want to keep our water rights but at present don't need to use the water.

I am in control of Water Right **85-15435**, although my sister, Gwendolyn Workman and I both own our parents place.

My wife, Lalla Jane Pratt, (please change your records to show Jane instead of June!) and I control Water Right **85-15434**.

None of the land at the two water rights, 85-15434 and 85-15435, has been irrigated for many years. We are in a high rain fall area and only remove one cutting of hay. Some of the ground is sub-irrigated which may explain why it looks green in your aerial photos. Hay is removed during the month of June.

I hope this explains things to your satisfaction.

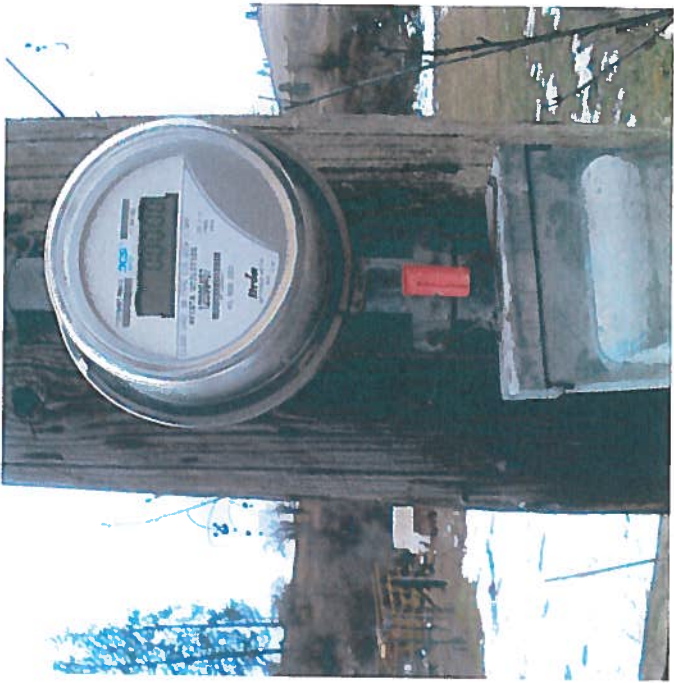
Sincerely,



Charles A Pratt

Two Photos enclosed along with copy of letter sent by the Dept of Water Resources

cc: Gwendolyn Workman



Water Right # 85-15434



Water Right # 85-15435



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 27, 2014

CHARLES PRATT
LALLA JUNE PRATT
195 PRATT RD
STITES ID 83552

GWENDOLYN WORKMAN
53 NINE PIPE LN
GRANGEVILLE ID 83530

RE: ADDITIONAL INFORMATION REQUEST FOR PROCESSING APPLICATION(S) TO LEASE WATER RIGHT NO(S). 85-15434 and 85-15435 TO THE WATER SUPPLY BANK

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

Dear Applicant:

The Idaho Department of Water Resources (Department) acknowledges receipt of the application(s) to extend your lease term for the above referenced water right(s) to the Idaho Water Resource Board's Water Supply Bank (Bank). The Department will review your application as resources allow.

If the right(s) is determined to be eligible for acceptance into the Bank, the right will be entered as of the date of receipt of the application. The acceptance date may be adjusted when additional information is required. A preliminary review of your application(s) has been completed and it has been determined that additional information is required to continue processing.

Aerial photography indicates the land appurtenant to the water rights has been irrigated. These rights have been in the Bank since 2009 and should not have been used. One of the conditions of acceptance of our leases is:

"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."

Please let us know within 14 days if you are going to continue to irrigate or leave these rights in the Bank. If you leave the rights in the Bank, irrigation must cease.

The department will continue processing your application(s) once you have submitted the requested information. If you have any questions, please contact me at (208) 287-4944.

Sincerely,



Cherie Palmer
Senior Water Resource Agent
WSB Process Point of Contact