STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1184

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

LESSOR: HOLBROOK FARM LLC
1291 US HIGHWAY 258 NORTH
KINSTON, NC 28504

RECEIVED
JUN 15 2020
DEPARTMENT OF WATER RESOURCES

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 and received by the Department on March 10, 2020.

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

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)
17-2052	4/15/1966	GROUND WATER	0.18	77.8	54.2
17-7063	9/12/1975	GROUND WATER	0.61	165.7	118
Combined Limit Totals			**0.79**	**244**	**118**
Combined Lease Totals			**0.79**	**244**	**118**

Summary of Water Rights Elements Rentable From the Bank

Water Right	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (Limited) (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
17-2052	0.18	77.8	54.2	0.003	1.44
17-7063	0.61	166	118.1	0.005	1.40
Combined Limit Totals	**0.79**	**244**	**118.1**	**0.007**	**2.06**

**** The water right elements rentable have been reduced from the water right elements leased to account for combined limits.***

SUPPORT DATA
IN FILE # 17-2052

WATER SUPPLY BANK LEASE CONTRACT No. 1184

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**: The term of this lease shall be January 1, 2020 to December 31, 2020. This Lease shall bind the parties and take effect when both parties have signed it.

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. **CHANGE OF WATER RIGHT:** This lease specifies water right elements including but not limited to: diversion rates; diversion volumes; number of acres authorized to be irrigated; places of use; points of diversion; beneficial uses; and seasons of use. During the term of this lease, if a water right is administratively changed due to a water right split and renumbering, this lease may be reduced by an equal amount to reflect the water right elements as legally defined under the water right. If a lease contract cannot be reduced sufficient to reflect the legal definition of a water right as amended through a water right split and/or water right transfer, the Board may release the water right from the Water Supply Bank.

6. **ASSIGNMENT OF CONTRACT:** This lease is between the Board and the Lessor, who is the recognized owner or designated representative of the recognized owners of water rights described herein. Should ownership of any part of a water right herein described change during the term of this lease, either through a water right split, a water right transfer, sale of property to which the water right is appurtenant, or through any other recognized water right reassignment, the lease benefits and obligations to the conditions of acceptance for any such water rights will be assigned to the new owners.

7. **DUPLICATE ORIGINAL**: This Lease is executed in duplicate. Each of the documents with an original signature of each party shall be an original.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1184

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

LESSOR: HOLBROOK FARM LLC
1291 US HIGHWAY 258 NORTH
KINSTON, NC 28504

By _____ (Gabriele Onorato)
Title Partner
Date 6/10/2020

IDAHO WATER RESOURCE BOARD
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

By _____ Date 07/13/20
Brian Patton, Acting Administrator
Idaho Water Resource Board

Lease approved by IDWR _____ Date 07/13/20

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK LEASE CONTRACT No. 1184

ATTACHMENT A
WATER SUPPLY BANK CONDITIONS OF ACCEPTANCE

The water rights or portions thereof leased to the bank are described as follows:

Source and Location of Point(s) of Diversion for Water Right No(s): 17-2052, 17-7063

GROUND WATER SENW Sec. 25 Twp 14S Rge 32E ONEIDA County

Water Right	Beneficial Use	Season of Use			Diversion Rate (CFS)	Volume (AF)
		From		To		
17-2052	IRRIGATION	04/01	to	10/31	0.18 cfs	77.8 AF
17-7063	IRRIGATION	05/01	to	09/15	0.61 cfs	166 AF
				Totals:	0.79 cfs	244 AF

PLACES OF USE TO BE IDLED UNDER THIS LEASE: IRRIGATION

Twp	Rng	Sec	NE				NW				SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
14S	32E	25										29	30						59
14S	32E	26													30			29	59

Total Acres: 118

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, or the lease term expires. A right may be released from the bank upon request, 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 pursuant to Idaho Code § 42-223(5).
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.

WATER SUPPLY BANK LEASE CONTRACT No. 1184

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, even if the Department processes a Notice of Change in Water Right Ownership during the rental season.
    b. New lessor(s) of record will receive payment for any subsequent rental seasons.
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. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
13. The unleased portion of right 17-2052 is limited to 0.31 cfs, 130 af, and the irrigation of 90.8 acres.
14. The unleased portion of right 17-7063 is limited to 1.01 cfs, 277 afa, and the irrigation of 198 acres.
15. The unleased portions of rights 17-2052 and 17-7063 when combined shall not exceed the irrigation of 198 acres.
16. The period of use for the irrigation described in this approval may be extended to a beginning date of 4/1 and an ending date of 10/31 provided that beneficial use of the water can be shown and other elements of the right are not exceeded. The use of water before 5/1 and after 9/15 is subordinate to all water rights having no subordinated early or late irrigation use and a priority date earlier than December 7, 2012.
17. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.

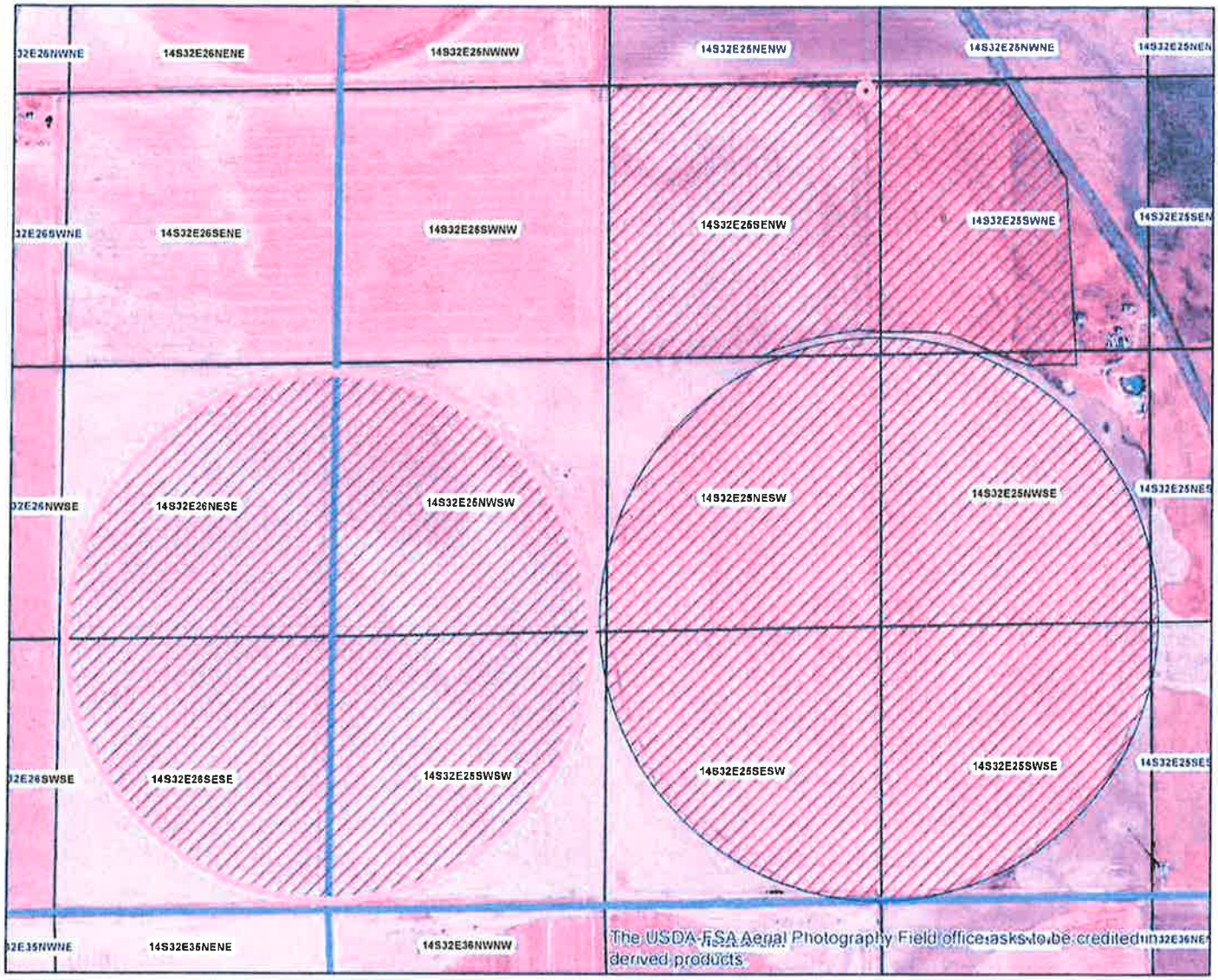
Idaho Water Resource Board

Water Supply Bank Lease Contract No. 1184

17-7063 & 17-2052

Effective until December 31, 2020

This map depicts the **place of use to be idled** pursuant to the lease contract and is attached to the contract solely for illustrative purposes.



- Approved Lease Point of Diversion
- Approved Lease Place of Use
- WR 17-7063 & 17-2052 POU
- Township/Range
- Sections
- QQ

N

Feet

0 500 1,000

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
MAR 10 2020
DEPARTMENT OF WATER RESOURCES

APPLICATION TO SELL OR LEASE A WATER RIGHT TO THE WATER SUPPLY BANK

Designated Applicant Holbrook Farm, LLC
(Select one owner – see item 1A on the application)

Water Right No. 17-2052
(One water right per application)

Is this application being submitted with a rental application as a lease/rental package? **Yes** ☑ **No** ☐

This application must be prepared in accordance with the minimum requirement checklist below. Use this checklist to ensure all necessary documentation has been provided. This checklist is part of the lease application and must be included with the lease application. **Applications that do not meet the minimum requirements will not be processed and may be returned or denied.**

MIMUMUM REQUIREMENT CHECKLIST

All items must be checked as either *Attached* (Yes) or *Not Applicable* (N/A)

Yes	
☑	Completed *Application to Sell or Lease a Water Right to the Water Supply Bank.*
☐	Application filing fee of $250.00 per water right. If you are submitting more than one lease application and the water rights have an overlapping, common place of use, or a common diversion rate or volume, the total fee for all water rights is $500.00. For places of use, multiple water rights must be used to irrigate the same lands in order to qualify for the joint filing fee. Individual filing fees are required for water rights that share a common permissible place of use but which cover separate acres within the permissible place of use.
☑	Confirmation this form has been printed **single sided**, per requirement of the Water Supply Bank.

Attachment	N/A	Yes	
1A	☐	☐	Signatures and contact information for ***all owners*** of the water right to be leased or sold on this application.
1B	☑	☐	An Internal Revenue Service (IRS) Form W-9 for the Designated Applicant.
1C	☑	☐	*Notice of Change in Water Right Ownership* form (accessible from www.idwr.idaho.gov).
1D	☐	☑	Contact information for an authorized representative and documentary proof they are authorized to represent the Designated Applicant on this application. If the Designated Applicant is a business, partnership, municipality, organization or association, include documents identifying officers authorized to sign or act on behalf of the entity.
2	☐	☑	Description of a water right portion offered to the Water Supply Bank.
3	☐	☑	A map that clearly outlines the specific location where irrigated acres will be dried up, or where a beneficial use of water will be suspended. You have the option of printing a map using the map tool on IDWR's website at: www.idwr.idaho.gov.
4A	☑	☐	Written consent from irrigation district or water delivery company.
4G	☐	☑	Evidence demonstrating the water right has not been forfeited pursuant to Section 42-222(2), Idaho Code.

Department Use Only

Fee Amount $ 500	Received By: KU	Date Received: 3-10-2020	Receipt # C108432
W-9 received? Yes ☐ No ☑	(Route W-9 to Fiscal)	Name on W-9:	

1663

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

1. CONTACT INFORMATION

A. This application must be completed by a Designated Applicant who is a current owner of the water right being sold or leased to the Water Supply Bank. If there are additional current owners, those individuals must authorize the Designated Applicant to represent them on this application by completing and signing Attachment 1A of this application package.

Designated Applicant Holbrook Farm, LLC

Mailing Address 1291 US Highway 258 North Kinston, NC 28504
Street City State Zip Code

Email Address _____ Phone Number _____

☑ The Designated Applicant is the sole owner of the water right being sold or leased to the Water Supply Bank.

OR

☐ The Designated Applicant is representing additional water right holders who have completed Attachment 1A.

B. Has the Designated Applicant submitted an IRS Form W-9 to this Department within the last 2 years? Yes ☐ No ☑
If no, complete the form and attach to this application (Attachment 1B).

C. Are all applicants on this form listed in IDWR's records as the current owners of the water right? Yes ☑ No ☐
If no, attach a *Notice of Change in Water Right Ownership* form along with the required documentation and fee (Attachment 1C).

D. Is this application being completed by an authorized representative of the Designated Applicant? Yes ☑ No ☐
If yes, representatives (includes employees of Designated Applicant companies) must complete this section and submit documentary proof of their authority to represent the Designated Applicant (Attachment 1D).

Name of Representative Greg Sullivan Organization Brockway Engineering

Professional Title Engineer Email Address greg.sullivan@brockwayeng.com

Mailing Address 2016 N. Washington St. Ste 4 Twin Falls, Idaho 83301 Phone Number 208-736-8543

☐ Send all correspondence for this application to the representative and not to the Designated Applicant.

OR

☑ Send original correspondence to the Designated Applicant and copies to the representative.

2. DESCRIPTION OF WATER RIGHT OFFERED TO THE BANK

☐ The full water right is being offered to the Bank.

OR

☑ A part of the water right is being offered to the Bank.
If a portion of the water right is being offered, **complete Attachment 2**.

3. MAP

Attach a map of the point(s) of diversion and place(s) of use proposed to be idled by this lease application. Make sure the idled place of use is outlined and annotated with legal land descriptions (Township, Range, Section and Quarter-Quarters) or with GPS coordinates. For irrigation purposes, mark the number of acres you desire to idle. If the water right proposed for lease is located within a permissible place of use (PPU) and portions of the PPU will continue to receive water from non-leased water rights, clearly outline on a map the acres within the PPU that will continue to be irrigated, as well as acres that will be idled during the lease term. Label the map **Attachment 3**.

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

4. GENERAL INFORMATION

A. Is the diversion works or system owned or managed by an irrigation district or water delivery company? Yes ☐ No ☑
If yes, provide written consent from the company, corporation or irrigation district authorizing the proposed sale or lease (Attachment 4A).

If your water right is delivered through a canal, lateral or ditch operated by a canal company, irrigation district, or similar delivery entity, your lease request must include written consent from the company, district, or similar entity for your removal of water from its system pursuant to Section 42-108, Idaho Code and IDAPA WSB Rule 37.02.03.25.02e.

B. Please provide a description of the current water diversion and delivery system.
Existing well, motor, pump and delivery system.

C. Describe any other water rights used for the same purpose at the same place of use as the water right being offered to the Bank. 17-2052 and 17-7063

D. Are any of the water rights identified in Section 4C stacked with the water right proposed for lease? Yes ☑ No ☐

Stacked water rights are used together to achieve a common beneficial use, such as irrigation of the same lands. Stacked water rights cannot be separated and must be jointly leased to the Water Supply Bank. Stacked water rights qualify for the multiple fee payment of $500.

E. Will the present place of use continue to receive water from any other source? Yes ☐ No ☑

If yes, explain the relationship between the different water sources and how enlargement of the authorized use will not occur if this water right is leased.

F. Identify annual volumes and/or rates of water diverted in the last 5 years to accomplish the beneficial use authorized by this water right. No annual volumes or rates are available at this time. This water right has been leased into the Water Supply Bank for the last several years.

G. Has any portion of this water right undergone a period of five or more consecutive years of non-use? Yes ☐ No ☑

If yes, describe the circumstances and attach evidence to demonstrate how the water right has not been lost through forfeiture (Attachment 4G). See Section 42-223, Idaho Code for exceptions to forfeiture. Your application may be denied if forfeiture concerns are not addressed.

H. Is this water right involved in any other IDWR process, such as an application for transfer or a mitigation plan?
If yes, describe. Yes ☐ No ☑

STATE OF IDAHO
WATER RESOURCE BOARD

APPLICATION TO SELL OR LEASE A WATER RIGHT
(Continued)

5. SALE/LEASE AGREEMENT

A. Is the water right, or portion thereof, offered to the Idaho Water Resource Board (IWRB) for sale ☐ or lease ☑?

If lease, specify the years when the use of water will be suspended: 2020 (Year) to 2020 (Year) (maximum lease period 5 calendar years).

B. Show the minimum payment acceptable to the seller/lessor. The minimum payment may be shown as the "current rental rate" as established by the IWRB. Include the method of determining the minimum payment if other than the current rental rate.

Current rental rate.

I hereby assert that the information contained in this application is true to the best of my knowledge, and that I have the authorities necessary to offer this water right for sale or lease to the Idaho Water Resource Board.

The Designated Applicant acknowledges the following:

1. Payment to the Designated Applicant is contingent upon the sale or rental of the water right from the Bank.
2. While a water right is in the Bank, the seller/lessor of the water right may not use the water right, even if the water right is not rented from the Bank.
3. A water right accepted into the Bank stays in the Bank until the Designated Applicant receives written confirmation from the Board or Water Supply Bank that the water right has been released from the Bank.
4. While a water right is in the Bank, forfeiture is stayed.
5. Acceptance of a water right into the Bank does not, in itself, confirm the validity of the water right or any element of the water right.

Signature of Designated Applicant	Printed Name	Date
Signature of Authorized Representative	Printed Name	Date
	Trent Mulder	1-30-2020

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

Form 42-1761-1 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

Complete Attachment 2 if only a portion of the water right is offered to the Bank.

ATTACHMENT 2

DESCRIPTION OF A WATER RIGHT PORTION OFFERED TO THE WATER SUPPLY BANK

1.

Water Right Number	Nature of Use	Leased Rate (cfs)	Leased Volume (af)	Leased Acres (ac)
17-7052	Irrigation	0.19	82.3	57.4
	Total Amounts:	0.19	82.3	57.4

2. Source of water Ground Water tributary to _____

3. Point(s) of diversion:

Twp	Rge	Sec	Lot	¼	¼	¼	County
14S	32E	25			SE	NW	Oneida

State of Idaho
DEPARTMENT OF WATER RESOURCES
322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700
Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

July 13, 2020

HOLBROOK FARM LLC
1291 US HIGHWAY 258 NORTH
KINSTON, NC 28504

RE: WATER SUPPLY BANK LEASE CONTRACT 1184
FOR WATER RIGHTS 17-2052, 17-7063

Dear Lessor:

Water rights **17-2052, 17-7063** was leased into the Water Supply Bank (Bank) as of January 1, 2020, in accordance with the enclosed executed lease contract. **Your water rights, as described on the lease contract, are considered leased into the Bank and should remain unused until they are formally released from the Bank**. More information and further restrictions placed on your water rights while leased can be found in conditions of acceptance of the lease contract. Read the conditions of acceptance carefully.

The rights will automatically be released from the Bank on **December 31, 2020,** unless the rights are released earlier by the Water Resource Board (Board). On behalf of the Board, the Department of Water Resources (Department) can evaluate an early release of the lease contract upon your request. To release the water rights 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 on our public website at www.idwr.idaho.gov. **Please note your water rights may not be available for immediate release if they have been rented or are being considered for a future rental. Furthermore, it is at the discretion of the Department whether or not a water right can be released early from a lease contract.**

If you have questions regarding this matter, please contact this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Amanda Solomon-Verbell

for Water Supply Bank

Enclosure: Executed Lease Contract

c: IDWR- EASTERN REGION
GREG SULLIVAN – BROCKWAY ENGINEERING

State of Idaho
DEPARTMENT OF WATER RESOURCES
322 E Front Street, Suite 648 • PO Box 83720 • Boise ID 83720-0098
Phone: (208) 287-4800 • Fax: (208) 287-6700
Website: idwr.idaho.gov • Email: idwrinfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

May 28, 2020

HOLBROOK FARM LLC
1291 US HIGHWAY 258 NORTH
KINSTON, NC 28504

RE: APPLICATION TO LEASE WATER RIGHT 17-2052, 17-7063, CONTRACT 1184 and WATER RIGHT 17-2028, 17-2030, 17-2045, 17-7007, CONTRACT 1202 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 of each original Water Supply Bank Lease Contracts for your review and signature**. **Please sign and return ALL 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.

The right will automatically be released from the Bank on **December 31, 2020,** 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 right may not be available for immediate release if it has 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 this office at bank@idwr.idaho.gov or 208-287-4800.

Sincerely,

Jean Hersley
for Water Supply Bank

Enclosures: Proposed Lease Contracts
Receipt # C108432

c. Greg Sullivan – Brockway Engineering

Memorandum

To: Water Rights 17-2052, 17-7063

From: Scott Storms

Date: April 10, 2020

Re: Water Supply Bank Lease Application 1663 for Contract 1184

Purpose/Narrative: Application to lease portions of water rights (WR) 17-2052 and 17-7063 to the Water Supply Bank (Bank) was received from Greg Sullivan of Brockway Engineering on March 10, 2020 on behalf of Holbrook Farm, LLC. The cover letter to the application states that Holbrook Farm, LLC wishes to lease a total of 125 acres between these two rights. The applications propose to lease 67.6 acres of WR 17-7063 and 57.4 acres of WR 17-7052. The map displayed the acres to be leased located with the NWSW and SWSW of Sec. 25 and the NESE and SESE of Sec. 26, T14S, R32E. These rights only authorize a total of 118.1 acres in these quarter quarters (QQs). This was recognized in all prior leases since 2017, and that is how the current lease will also be processed. The purpose of this lease is to facilitate rental 1679, which proposes to move the 118.1 acres of irrigation from the above described QQs, to the NW quarter of Sec. 36. The acres will be the same, and in order to accommodate the full flow rate availability and to accommodate the proper proportional amounts of the two rights, the full 118.1 acres of WR 17-7063 and associated rate and volume will be leased to the Bank, along with the proportional amount of 54.2 acres of 17-2052, along with associated rate and volume.

Authority to File: The application was signed by Trent Munden. Rental application 1679 included a declaration signed by Reagan Grabner, managing partner for CSS Potato Farms, which provided signing authority to Trent Munden for all documents relating to water right applications. A review of CSS Farms annual report with the Idaho Secretary of State shows Reagan Gabner listed as a manager.

Additionally, the rental application included a contract of agreement between CSS Potato Farms and Holbrook Farms, in which Holbrook Farms granted authority to CSS Potato for use of the land, water distribution system, and all associated water rights. The water rights were specifically listed in the agreement, and included the two rights involved with this lease. The contract was signed by representatives from both entities. Since Holbrook Farms has granted CSS Potato authority over these water rights, and CSS Potato has granted Trent Munden authority to sign water right applications on the company's behalf, this chain of documents should suffice to show that Trent Munden has authority to sign the lease application.

According to tax lot records available to the Department, the land at the POU and the POD is owned by Holbrook Farm, who is also listed as the designated applicant. There are no further concerns of authority to file.

Water Right Validity/Forfeiture Evaluation: Right 17-2052 was licensed in 1973 and 17-7063 in 1983. These rights were consolidated in 2012 through transfer 78181 in order to increase the overall diversion rate and volume. This transfer limited the two rights combined to the irrigation of 316 acres, and authorized a diversion rate equal to 0.007 cfs per acre and volume of 2.1 acre feet per acre when combined. A portion of these rights have been leased to the Bank since 2017, and review of Climate Engine MAX NDVI data for 2015 and 2016 show clear signs of irrigation across the 316 acre POU in those years. No further concerns of water right validity.

Injury Evaluation/Rentability: Investigations into the idling of leased lands conducted during the 2019 lease application review raised questions of whether or not the leased portions were idled in 2017 and 2018. Response from farm manager Trent Munden stated that the pivot was moved off the field in spring of 2017, and that those acres were planted with dryland wheat in 2018, and sufficient rainfall kept the field heavily vegetated well into the growing season.

The associated rental POU is located in the QQs directly adjacent and to the southeast of the lease POU and uses the same POD. There are no concerns of injury to other rights.

Enlargement of Use/Rentability: The application originally proposed to lease 125 acres within the NWSW and SWSW QQ of Sec. 25 and the NESE and SESE QQ of Sec. 26, T14S, R32E. These rights only authorize a total of 118.1 acres of irrigation within those QQs. This was recognized in all prior lease reviews, and the acres were adjusted accordingly. The application proposed to lease proportional split of 67.6 acres at a rate of 0.64 cfs and 175.4 af from WR 17-7063, and 57.4 acres at a rate of 0.19 cfs and 82.3 af of WR 17-2052, in order to achieve the originally proposed 125 acres. This proposal resulted in a rate of 0.003 cfs per acres for WR 17-2052, which is the same rate/acre as the face of the right. However, the proposed rate/acre for WR 17-7063 equaled 0.009 cfs/acre, while the face of the right only authorizes 0.005 cfs/acre.

The purpose of this lease is to satisfy a rental for a field that is the same size as the field idled under the lease. In order to maximize rate per acre, the lease will be adjusted to include the full 118.1 from WR 17-7063 at a total rate of 0.605 cfs and 165.7 af. The leased acres from 17-2052 will be adjusted proportionally to 54.2 at a total rate of 0.183 cfs and 77.8 af. The result will be a total rate of 0.777, or 0.007 cfs/acre, and a total volume of 243.4 af. This is also the same way the lease was adjusted in 2017 and 2019. The lease contract will be conditioned so that the leased portions only allow irrigation of a combined total of 118.1 acres when rented. It will also include a condition stating that the remaining, unleased portions only allow irrigation of a combined total of 197.9 acres.

Local Public Interest: There are no local public interest concerns

Beneficial Use/Conservation of Water Resources: There are no concerns about beneficial use or conservation of water resources.

Department/Watermaster Comments:

Hersley, Jean

From: Cefalo, James
Sent: Friday, April 10, 2020 3:31 PM
To: Storms, Scott
Subject: RE: Lease/Rental Package

Scott,

I don't have any concerns with the proposed WSB lease/rental package.

James

From: Storms, Scott
Sent: Friday, April 10, 2020 3:29 PM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: Lease/Rental Package

Hello James,

Please see the attached lease and rental review memos and maps. If you have any concerns, please let me know within the next 14 days.

Thanks,

Scott

Scott Storms
Senior Water Resource Agent
Idaho Department of Water Resources
208-287-4915
Scott.Storms@idwr.idaho.gov

BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics
Hydrology
Water Resources

RECEIVED
MAR 10 2020
DEPARTMENT OF
WATER RESOURCES

March 4, 2020

Remington Buyer
Idaho Water Supply Bank
Idaho Department of Water Resources
P.O. Box 83720
Boise, ID 83720-0098

Re: Holbrook Farm, LLC Lease Applications

Dear Mr. Buyer:

Holbrook Farm, LLC desires to lease 125.0 acres of 17-2052 and 17-7063 into the Idaho Water Supply Bank.

The 125.0 acres to be leased are comprised of acres that were previously irrigated by a pivot that will not be irrigated in 2020. The 125.0 acres were leased into the Idaho Water Supply Bank for the 2019 irrigation season.

The lease applications propose to lease the water for only the 2020 irrigation season.

Please copy our office on all correspondence regarding this applications.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Trent Munden, Mark Grassel
Enc: Aerial Maps, Lease Application, Grant of Authority, Annual Report, Brockway Engineering Check # 15795 for $500.00

CHARLES E. BROCKWAY, PH.D., P.E.

CHARLES G. BROCKWAY, PH.D., P.E.

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