

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

## WATER SUPPLY BANK LEASE CONTRACT No. 1836

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

**LESSOR:** HOLBROOK PROPERTIES LLC  
1318 DALE ST  
RALEIGH, NC 27605-1350

**SUPPORT DATA**  
**IN FILE # 17-2028**

**RECEIVED**

Apr 01, 2024

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 January 08, 2024.
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)   |
|------------------------------|---------------|--------------|----------------------|-----------------------|--------------|
| 17-2028                      | 7/30/1953     | GROUND WATER | 0.82                 | 299                   | 109.2        |
| 17-2030                      | 3/4/1954      | GROUND WATER | 0.58                 | 112                   | 31.9         |
| 17-2045                      | 7/24/1959     | GROUND WATER | 1.12                 | 174                   | 106.7        |
| 17-7007                      | 8/24/1970     | GROUND WATER | 2.22                 | 609                   | 229.8        |
| <b>Combined Limit Totals</b> |               |              | <b>4.59</b>          | <b>1,194</b>          | <b>340.9</b> |
| <b>Combined Lease Totals</b> |               |              | <b>4.59</b>          | <b>1,194</b>          | <b>340.9</b> |

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, 2024 to December 31, 2024. 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.

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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.

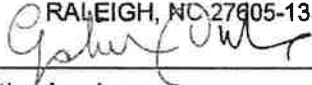
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IN WITNESS WHEREOF, the parties have executed this Contract on the date following their respective signatures.

**LESSOR:** HOLBROOK PROPERTIES LLC  
1318 DALE ST

RALEIGH, NC 27605-1350

By 

Title Authorized person

Date 3/27/2024

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

By   
Brian Patton, Acting Administrator  
Idaho Water Resource Board

Date 4/2/24

Lease approved by IDWR 

Date 4/2/24

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DEPARTMENT OF WATER RESOURCES

## WATER SUPPLY BANK LEASE CONTRACT No. 1836

### 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): 17-2028, 17-2045, 17-2030, 17-7007**

|              |      |         |         |         |               |
|--------------|------|---------|---------|---------|---------------|
| GROUND WATER | NWNE | Sec. 8  | Twp 15S | Rge 33E | ONEIDA County |
| GROUND WATER | NENE | Sec. 8  | Twp 15S | Rge 33E | ONEIDA County |
| GROUND WATER | NWNW | Sec. 18 | Twp 15S | Rge 33E | ONEIDA County |
| GROUND WATER | SWSE | Sec. 7  | Twp 15S | Rge 33E | ONEIDA County |
| GROUND WATER | SESW | Sec. 8  | Twp 15S | Rge 33E | ONEIDA County |
| GROUND WATER | NWNE | Sec. 8  | Twp 15S | Rge 33E | ONEIDA County |

| Water Right    | Beneficial Use | Season of Use |    |       | Diversion Rate (CFS) | Volume (AF)     |
|----------------|----------------|---------------|----|-------|----------------------|-----------------|
|                |                | From          |    | To    |                      |                 |
| 17-2028        | IRRIGATION     | 4/15          | to | 10/15 | 0.82 cfs             | 299 AF          |
| 17-2045        | IRRIGATION     | 4/15          | to | 10/15 | 1.12 cfs             | 174 AF          |
| 17-2030        | IRRIGATION     | 4/15          | to | 10/15 | 0.58 cfs             | 111 AF          |
| 17-7007        | IRRIGATION     | 4/15          | to | 10/15 | 2.22 cfs             | 609 AF          |
| <b>Totals:</b> |                |               |    |       | <b>4.59 cfs</b>      | <b>1,194 AF</b> |

**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  |        |
| 15S | 33E | 7   | 1.6 | 2.7 | 6.2 | 4.7 | 3.6 | 2.9 | 7.0 | 5.2 | 2.8  | 3.1 | 34  | 21.5 | 2.6 | 5.7 | 6.5 | 3.1 | 113.2  |
|     |     |     |     |     |     |     |     | L1  | L2  |     |      | L3  | L4  |      |     |     |     |     |        |
| 15S | 33E | 8   |     |     |     |     | 25  | 30  | 28  | 21  | 24.5 | 30  | 2.2 | 2.2  |     |     |     |     | 162.9  |
| 15S | 33E | 17  |     |     |     |     | 1.2 | 1.2 |     |     |      |     |     |      |     |     |     |     | 2.4    |
| 15S | 33E | 18  | 0.4 | 3.0 |     |     | 23  | 36  |     |     |      |     |     |      |     |     |     |     | 62.4   |
|     |     |     |     |     |     |     |     | L1  |     |     |      |     |     |      |     |     |     |     |        |

Total Acres: 340.9

#### ADDITIONAL CONDITIONS OF ACCEPTANCE

- The water rights referenced above will be rented from the bank at the current rental rate.
- 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.
- 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.
- 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.

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**WATER SUPPLY BANK LEASE CONTRACT No. 1836**

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.
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. 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.
13. 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.
14. The unleased portion of water right 17-2028 shall not exceed a total diversion rate of 2.15 cfs, a total annual diversion volume of 779 af at the field headgate, and the irrigation of 284.8 acres.
15. The unleased portion of water right 17-2030 shall not exceed a total diversion rate of 1.50 cfs, a total annual diversion volume of 291 af at the field headgate, and the irrigation of 83.1 acres.
16. The unleased portion of water right 17-2045 shall not exceed a total diversion rate of 2.91 cfs, a total annual diversion volume of 451 af at the field headgate, and the irrigation of 278.3 acres.
17. The unleased portion of water right 17-7007 shall not exceed a total diversion rate of 5.78 cfs, a total annual diversion volume of 1589 af at the field headgate, and the irrigation of 599.2 acres.
18. The unleased portion of water rights 17-2028 and 17-2045 when combined shall not exceed the irrigation of 352 acres.
19. The unleased portion of water rights 17-2028 and 17-7007 when combined shall not exceed the irrigation of 738.7 acres.
20. The unleased portion of water rights 17-2028, 17-2045, and 17-7007 when combined shall not exceed the irrigation of 805.9 acres.
21. The unleased portion of water rights 17-2028 and 17-2045 when combined shall not exceed a total diversion rate of 8.29 cfs.

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22. The unleased portion of water rights 17-2028, 17-2030, 17-2045 and 17-7007 when combined shall not exceed a total diversion rate of 11.94 cfs and the irrigation of 889.1 acres.

17-2028, 17-2030, 17-2045, 17-7007  
Effective until December 31, 2024

[illegible]

-  Water Supply Bank Lease Point of Diversion  
 Water Supply Bank Lease Place of Use  
 Township/Range  
 Sections  
 QQ



STATE OF IDAHO  
WATER RESOURCE BOARD

RECEIVED

JAN 08 2024

DEPARTMENT OF  
WATER RESOURCES

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

Designated Applicant Holbrook Properties LLC

(Select one owner – see item 1A on the application)

Water Right No. 17-2030

(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.**

### MINIMUM 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](http://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](http://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 \$ <u>500</u>                                                                                | Received By: <u>KM</u> | Date Received: <u>1.8.24</u> | Receipt # <u>C1176W</u> |
| W-9 received? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Route W-9 to Fiscal) |                        | Name on W-9:                 |                         |

2909

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 Properties LLC

Mailing Address 1318 Dale Street, Raleigh, NC 27605

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.**

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**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. 17-7007, 17-2028, 17-2045, 17-2030  
\_\_\_\_\_  
\_\_\_\_\_
- 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. Portions of this water right have been leased into the Idaho Water Supply Bank annually for the past several years. Portions of this water right not leased into the Water Supply Bank have been used for irrigation annually.  
\_\_\_\_\_  
\_\_\_\_\_
- 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: 2024 to 2024 (maximum lease period 5 calendar years).  
(Year) (Year)

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

Gabriele Onorato  
Printed Name

1/3/2024  
Date

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

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

**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. <u>Water Right Number</u> | <u>Nature of Use</u> | <u>Leased Rate</u><br>(cfs) | <u>Leased Volume</u><br>(af) | <u>Leased Acres</u><br>(ac) |
|------------------------------|----------------------|-----------------------------|------------------------------|-----------------------------|
| <u>17-2045</u>               | <u>Irrigation</u>    | <u>1.12</u>                 | <u>173.7</u>                 | <u>106.7</u>                |
|                              |                      |                             |                              |                             |
|                              |                      |                             |                              |                             |
|                              |                      |                             |                              |                             |
|                              | Total Amounts:       | <u>1.12</u>                 | <u>173.7</u>                 | <u>106.7</u>                |

2. Source of water Ground Water tributary to \_\_\_\_\_

3. Point(s) of diversion:

| Twp | Rge | Sec | Lot | ¼ | ¼  | ¼  | County |
|-----|-----|-----|-----|---|----|----|--------|
| 15S | 33E | 7   |     |   | SW | SE | Oneida |
| 15S | 33E | 8   |     |   | NE | NE | Oneida |
| 15S | 33E | 8   |     |   | NW | NE | Oneida |
| 15S | 33E | 8   |     |   | NW | NE | Oneida |
| 15S | 33E | 8   |     |   | SE | SW | Oneida |
| 15S | 33E | 18  |     |   | NW | NW | Oneida |
|     |     |     |     |   |    |    |        |



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098

Phone: 208-287-4800 • Fax: 208-287-6700 • Email: [idwrinfo@idwr.idaho.gov](mailto:idwrinfo@idwr.idaho.gov) • Website: [idwr.idaho.gov](http://idwr.idaho.gov)

**Governor Brad Little**

**Director Mathew Weaver**

April 3, 2024

HOLBROOK PROPERTIES LLC  
1318 DALE ST.  
RALEIGH, NC 27605

**RE: WATER SUPPLY BANK LEASE CONTRACT 1836  
FOR WATER RIGHT 17-2028, 17-2030, 17-2045, AND 17-7007**

Dear Lessor:

Water right 17-2028, 17-2030, 17-2045, AND 17-7007 is leased into the Water Supply Bank (Bank) as of January 2024 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 right(s) will automatically be released from the Bank on **December 31, 2024** unless the rights are released earlier by the Water Resource Board (Board). 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](http://www.idwr.idaho.gov). **Please note your water rights may not be available for immediate release if they are rented.**

If you have questions regarding this matter, please contact this office at [bank@idwr.idaho.gov](mailto:bank@idwr.idaho.gov) or 208-287-4800.

Sincerely,  
Signature

*Catalina Beck*

Enclosure: Executed Lease Contract

c: IDWR- Eastern Region Office



IDAHO DEPARTMENT OF  
**WATER RESOURCES**

322 E Front Street, Suite 648, Boise ID 83702 • PO Box 83720, Boise ID 83720-0098  
Phone: 208-287-4800 • Fax: 208-287-6700 • Email: [idwrinfo@idwr.idaho.gov](mailto:idwrinfo@idwr.idaho.gov) • Website: [idwr.idaho.gov](http://idwr.idaho.gov)

Governor Brad Little

Director Mathew Weaver

March 26, 2024

HOLBROOK PROPERTIES LLC  
1318 DALE ST.  
RALEIGH, NC 27605

**RE: APPLICATION TO LEASE WATER RIGHTS 17-2028, 17-2030, 17-2045, AND 17-7007 TO THE  
WATER SUPPLY BANK CONTRACT 1836**

**\*\*\*\*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 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, 2024**, 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](mailto:bank@idwr.idaho.gov) or 208-287-4800.

Sincerely,

Skyler Cheever  
Water Resource Agent

Enclosures: Lease Contracts

CC: Representative (via email)

## Cheever, Skyler

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**From:** Cheever, Skyler  
**Sent:** Friday, March 22, 2024 1:43 PM  
**To:** Cefalo, James  
**Subject:** Water Supply Bank Lease Rental Package 2909/2910 Holbrook Properties and CSS Farms LLC  
**Attachments:** Lease Review Memo 2909.pdf; Lease 1836 Map.pdf; Rental Agreement 844.pdf; Rental Review Memo 844.pdf; Rental 844 Map.pdf

Hello James ,

I have completed my review of a Water Supply Bank Lease/Rental Application package. The Lease Application, 2909 has points of diversion within basin 29 . The applicant is Holbrook Properties LLC. The applicant proposes to lease portions of water rights 17-2028, 17-2030, 17-2045, and 17-7007 into the water supply bank for 2024. The rental application diverts from the same point of diversion as the water rights leased to the bank. The applicant is CSS Farms LLC. The applicant proposes to rent 305 acres from lease contract 1836 from the water supply bank for 2024. Attached is a copy of the review memos and maps of the place of use, and copy of the rental agreement. If you have any comments on the applicant's proposal or my review, please let me know within 7 days. If you have any questions or concerns, please let me know.

Best,

Skyler

*Skyler Cheever*

**Water Resource Agent, State Office**

Email: [skyler.cheever@idwr.idaho.gov](mailto:skyler.cheever@idwr.idaho.gov)

Phone: 208-287-4913

## MEMORANDUM FOR WSB LEASE APPLICATION # 2909

To: Water Right No(s). 17-2028, 17-2030, 17-2045, 17-7007

From: Skyler Cheever, Water Resource Agent

Date: 3/12/2024

Re: Review & Analysis of Application to Lease Water to the State Water Supply Bank

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### PURPOSE/NARRATIVE:

Application 2909 was sent in by Holbrook Properties LLC and received on January 8<sup>th</sup>, 2024, with the correct fee payment received on the same date. This application is part of a lease rental package with application 2910. The portions of water rights 17-2028, 17-2030, 17-2045, and 17-7007 proposed by the applicants are listed in the table below.

Table 1. List of the proposed portions of water rights proposed to be leased into the WSB.

| Water Right | Proposed Rate Portion (CFS) | Proposed Volume Portion (AF) | Proposed Acre Portion |
|-------------|-----------------------------|------------------------------|-----------------------|
| 17-2028     | 0.82                        | 298.9                        | 109.2                 |
| 17-2030     | 0.58                        | 111.6                        | 31.9                  |
| 17-2045     | 1.12                        | 173.7                        | 106.7                 |
| 17-7007     | 2.22                        | 609.4                        | 229.8                 |

The applicant proposes portions of the four proposed water rights be leased into the water supply bank for 2024. During the review of the applicants 2023 lease application WSB staff requested comment from James Cefalo, the Eastern Regional Office Manager. He suggested WSB staff review 2023 Aerial or Satellite imagery to determine if the applicant complied with contract 1686 and did not irrigate more acres than authorized under their contract. Under contract 1686 irrigation when all rights are combined was limited to 631.3 acres. According to 2023 Aerial Imagery and GIS acre measurement tool the applicant likely complied with contract 1686 (Figure 1). The points of diversion are within the Curlew Valley Critical Groundwater Management Area. However, there isn't currently any Water Districts, Management Plan or Advisory Committee to regulate or administer diversion from groundwater. This application is intended as a renewal of contract 1686 which expired on December 31<sup>st</sup>, 2023.

### AUTHORITY TO FILE:

Gabriele Onorato signed the application. Ms. Onorato has the authority to file this agreement because she is an executive officer with US Farming Reality Trust II, LP which is a registered agent for Holbrook Farm LLC according to the Idaho Secretary of States Office Database. Holbrook Farm LLC is the current owner of water rights 17-2028, 17-2030, 17-2045, and 17-7007 according to Department records.

### WATER RIGHT VALIDITY:

Water rights 17-2028, and 17-2030 were licensed in 1979, 17-2045 in 1982, and 17-7007 in 1983. A transfer was approved in 2013 shuffling the place of use creating a 1230-acre PPU addressing a pending NOV from the Department at the time. It also added a point of diversion in the NENE Q/Q. Different portions of all four water rights have been leased and rented from the water supply bank from 2016-December 31<sup>st</sup>, 2023. Any water rights leased into or rented from the water supply bank are likely within a valid defense to forfeiture according to Idaho Code §42-223(5). Therefore, enough evidence is available to the bank to conclude water rights 17-

2028, 17-2030, 17-2045, and 17-7007 are likely not lost to forfeiture and can be leased into the bank.

**INJURY TO OTHER WATER RIGHTS:**

There are no injury concerns with idling these water rights. Any injury concerns will be addressed during the review of rental application 2910.

**ENLARGEMENT OF USE:**

Water rights 17-2028, 17-2030, 17-2045, and 17-7007 when combined are limited to 16.53 cfs and the irrigation of 1230 acres. If these rights were leased and rented separately there would likely be more diversion rate and acres irrigated than was historically leading to enlargement. Therefore, these rights should be leased and rented together preventing enlargement. A condition should be added to the contract limiting the unleased portion of 17-2028, 17-2030, 17-2045, and 17-7007 when combined to 11.94 cfs and the irrigation of 889 acres within a single irrigation season to prevent enlargement. There are no other enlargement concerns.

**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 point of diversion is within basin 17. The Eastern Regional Manager was contacted for comment on March 21<sup>st</sup>, 2024. No response was received, it is assumed there are no concerns with the applicant's proposal.



Figure 1. 2023 Aerial Imagery and the place of use for Lease Application 2909.

## Cheever, Skyler

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**From:** Cefalo, James  
**Sent:** Friday, March 24, 2023 1:52 PM  
**To:** Howe, Bob  
**Subject:** RE: Comment Request-Holbrook Farms LLC-Main Farm Lease-Rental

Bob,

I am not opposed to the proposed WSB Lease and Rental. There is no water district for ground water rights in Basin 17. I think it is important for the Water Supply Bank to follow up on the lease agreement, using aerial or satellite imagery, to make sure the leased acres were dried up in 2023.

 IDAHO DEPARTMENT OF  
**WATER RESOURCES**  
James Cefalo | Regional Manager  
900 N Skyline Drive, Idaho Falls, ID 83402  
(208) 525-7161 | [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

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**From:** Howe, Bob <[Bob.Howe@idwr.idaho.gov](mailto:Bob.Howe@idwr.idaho.gov)>  
**Sent:** Friday, March 24, 2023 1:28 PM  
**To:** Cefalo, James <[James.Cefalo@idwr.idaho.gov](mailto:James.Cefalo@idwr.idaho.gov)>  
**Subject:** Comment Request-Holbrook Farms LLC-Main Farm Lease-Rental

Good Afternoon James,

I am reaching out to you regarding a proposed partial lease of WRs 17-7007, 17-2028, 17-2030, & 17-2024 submitted by Holbrook Farm LLC and the purposed rental requested by CSS Farms LLC. Please review the attached purposed lease contract and rental agreement, map(s), memo and applications and respond to this email within the next 14 days with any comments or concerns. If you don't respond within the next 14 days, no response will be considered the same as a statement of no comments or concerns. Please feel free to reach out to me with any questions or concerns.

Thank you for your time and consideration in this matter

Sincerely,

**Bob Howe**  
Water Resource Agent  
Phone: 208-287-4847  
[Bob.howe@idwr.idaho.gov](mailto:Bob.howe@idwr.idaho.gov)

 IDAHO DEPARTMENT OF  
**WATER RESOURCES**



**BROCKWAY**  
ENGINEERING  
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

JAN 08 2024

DEPARTMENT OF  
WATER RESOURCES

January 5, 2024

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

Re: Holbrook Properties Lease Application and CSS Farms Rental

Dear Ms. Condon:

Holbrook Properties LLC desires to lease 341 acres of 17-7007, 17-2028, 17-2030 and 17-2045 in 2024 into the Idaho Water Supply Bank. The 341 acres to be leased are comprised of acres that were previously irrigated by end guns and a pivot systems. The lease applications propose to lease the water for only the 2024 irrigation season.

CSS Farms, LLC has entered into a farm lease contract for the property. CSS Farms LLC desires to rent 305 acres from water rights 17-7007, 17-2028, 17-2030 and 17-2045 for the 2024 irrigation season.

Holbrook Properties LLC and CSS Farms, LLC have entered into an agreement that states that Holbrook Properties LLC has already been paid by CSS Farms, LLC for the 2024 rental. No rental payment will be made to the Idaho Water Supply Bank for the 90% of the rental amount that would normally go to the water right owner. A 10% rental processing fee will be paid to the Idaho Water Supply Bank when the final rental agreement is signed for 2024.

Please copy our office on all correspondence regarding this applications.

Sincerely,

  
Greg Sullivan, M.S., Engineer

Cc: Toby McKay via Email, Cody Seamons via email

Enc: Lease Applications, Rental Application, Aerial Maps, Contract of Agreement, Designation of Agent, CSS Farms Letter, Action of Managers and of Directors, Brockway Engineering Check # 17767 for \$500.00

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

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

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