

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 535

RECEIVED

MAY 26 2021

DEPARTMENT OF
WATER RESOURCES

This is to certify that:

CSS POTATO FARMS LLC
76944 TOWER RD
BOARDMAN, OR 97818

SUPPORT DATA
IN FILE # 17-2052

filed an application to rent water from the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board"), being authorized to operate a Bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director, Department") for rental of water from the Bank, agrees to rent water as follows:

Summary of Water Rights or Portions Rented from the Bank

Water Right No.	Priority Date	Source	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate Per Acre (CFS/AC)	Volume Per Acre (AF/AC)
17-2052	4/15/1966	GROUND WATER	0.19	82.3	57.4	0.003	1.4
17-7063	9/12/1975	GROUND WATER	0.64	175	125	0.005	1.4
Combined Rental Totals			0.83	258	182.4	0.005	1.4

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2021. Use of rental water shall be authorized as of either the date this rental agreement takes effect or the first day of the rental season of use, in 2021, whichever occurs last.

Annual Rental Fee:

2021: \$515.44

The full fee for the rental of the above-described right(s) is \$515.44 for 2021. The rental fee includes an administrative fee of \$515.44 for 2021. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 17-2052, 17-7063.

An annual payment shall be received by the Department on or before December 31 each year preceding the use of the rented water rights. The agreement will be void if payment is not received by the due date in a given year. Rental fees are non-refundable. To voluntarily terminate the agreement early, notify the Department in writing prior to the rental fee due date.

Total Water Use Authorized Under Rental Agreement

Beneficial Use	Diversion Rate (CFS)	Diversion Volume (AF)	Acres (AC)	Rate/Acre (CFS/AC)	Volume/Acre (AF/AC)
IRRIGATION	0.83	258	125	0.007	2.06
Combined Total	0.83	258	125	0.007	2.06

*** The authorized water usage reflects a reduction from the water right elements rented, to account for combined limits**

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 535

The undersigned renter agrees to use the water rented under this agreement in accordance with the Water Supply Bank rules and in compliance with the limitations and conditions of use described in this agreement:

 05/19/2021
Signature of Renter Date

Cody Seamon Farm Manager
Printed Name Title

*Title required if signing on behalf of a company or organization or with power of attorney

Having determined that this agreement satisfied the provisions of Idaho Code § 42-1763 and IDAPA 37.02.03.030 (Water Supply Bank Rule 30), for the rental and use of water under the terms and condition herein provided, and none other, I hereby execute this Rental Agreement on behalf of the Idaho Water Resource Board.

By  Date 5/26/21
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR  Date 5/26/21

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 535

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

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

BENEFICIAL USE
IRRIGATION

DIVERSION RATE
0.83 CFS

VOLUME
258 AF

SEASON OF USE

Water Right No.	From	To
17-2052	4/1	10/31
17-7063	5/1	9/15

RENTERS PLACE OF USE: 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	35	31	31	32	31													125

Total Acres: 125

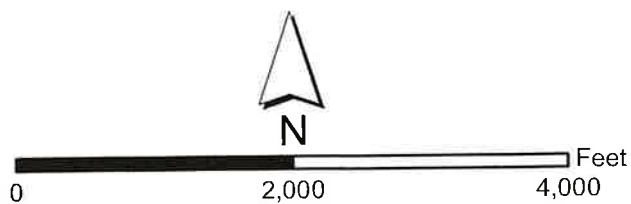
RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

1. The use of water under this agreement shall be subject to the provisions of Idaho Code § 42-1766.
2. Rental of the specified right from 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.
3. Use of water under this agreement does not constitute a dedication of the water to renter's place of use, and upon expiration of this agreement, the points of diversion and place of use of the water shall revert to those authorized under the water right and/or again be available to rent from the bank.
4. Use of water under this agreement shall not prejudice any action of the Department in its consideration of an application for transfer or permit filed by the applicant for this same use.
5. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
6. Renter agrees to hold the Board, the Director and the state of Idaho harmless from all liability on account of negligent acts of the renter while using water.
7. Renter acknowledges and agrees that the Director may terminate authorization for the use of a water right based on a water right's priority date.
8. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
9. 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.
10. The period of use for right 17-7063 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.
11. This rental agreement does not authorize the construction of a well.

Effective until December 31, 2021

The image shows a 6x6 grid of land parcels, each labeled with a directional code (e.g., NENE, SENE, SWNE) and some with numerical identifiers (e.g., 26, 25, 35, 36). A green circle highlights the parcel at the intersection of the second row and third column from the top-left. A red line runs vertically along the right edge of the grid.

-  Authorized Rental Point of Diversion
 Authorized Rental Place of Use
 Township/Range
 Sections
 QQ



STATE OF IDAHO
WATER RESOURCE BOARD

**APPLICATION TO RENT WATER
FROM THE BOARD'S WATER SUPPLY BANK**

RECEIVED

MAR 03 2021

DEPARTMENT OF
WATER RESOURCESApplicant Name: CSS Potato Farms, LLC

Is this application being submitted with a lease application as a lease/rental package?

Yes ☒ No ☐

If yes, specify companion water rights in Section 4

This application must be completed according to the minimum requirement checklist below. This checklist is part of the rental application and must be included with the rental application. **Applications that do not meet the minimum requirements will not be placed in the processing queue and may be returned until all minimum requirements have been met.**

Rental applications should be submitted well in advance of the desired start date for the use of rental water. Rental applications may be processed as early as November 1 of the year prior to the intended use of rental water. Any rental application received on or before November 1 for use in the next year will be assigned a received date of November 1. Rental applications submitted more than one year in advance of the proposed start date for the use of rental water will not be accepted and will be returned to applicants. Rental applications may be returned to applicants if the desired start date for the use of rental water cannot be accommodated by the Water Supply Bank. Rental requests will not be accepted once the rental season of use period has concluded.

One rental application per beneficial use of water. For multiple beneficial uses of water, separate rental requests should be submitted for each unique beneficial use of water. One rental application can be submitted if you propose to rent water from multiple sources.

For additional instructions on completing a rental application, visit the Bank's website at http://idwr.idaho.gov/water_supply_bank.

MINIMUM REQUIREMENT CHECKLIST

Check All Items as Either Attached (Yes) or Not Applicable (N/A)

Yes

- ☒ Completed *Application to Rent Water from the Board's Water Supply Bank*
- ☒ Confirmation that this form has been printed single sided, per requirement of the Water Supply Bank

Attachment N/A Yes

- | | | |
|----|-------------------------------------|--|
| 2 | ☒ | A map showing the proposed point(s) of diversion, place(s) of use, and water diversion and distribution systems proposed to be used with your rental request |
| 3A | ☐ | ☒ Detailed information on a proposed use of rental water |
| 3F | ☒ | ☐ Authorization from the owner/operator of the rental point(s) of diversion |
| 3H | ☒ | ☐ Water modeling to account for the impacts of the rental request |
| 3J | ☒ | ☐ Documents justifying a rate of flow greater than 0.02 cfs/acre |
| 3K | ☐ | ☒ Authorization from the owner/operator of the property at the proposed rental place(s) of use |
| 4B | ☐ | ☒ Explanation of how the rental water will sufficiently accomplish your rental purposes |
| 4C | ☒ | ☐ Explanation of consumptive use amounts for water rights experiencing a change in nature of use |

Department Use Only – Proposed Water Right(s)

17-2052

17-2063

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant CSS Potato Farms, LLC

Mailing Address 76944 Tower Road Boardman, OR 97818

Street

City

State

Zip Code

Email Address _____

Phone Number _____

B. Is this application being completed by an authorized representative on behalf of the applicant? Yes ☒ No ☐

If yes, representatives (includes company employees if the applicant is a corporation, as well as legal counsel or consultants) should provide their information below if they desire to be included on correspondence with the rental applicant.

Representative Greg Sullivan

Professional Title Engineer

Organization Brockway Engineering

Relationship to Applicant Consultant

Mailing Address 2016 N. Washington St Ste. 4 Twin Falls, Idaho 83301

Email Address greg.sullivan@brockwayeng.com

Phone Number 208-736-8543

2. MAP

Create a map of the proposed point(s) of diversion, place(s) of use and water diversion, delivery and distribution systems. Make sure the rental 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 irrigate. Attach the map to this application and label it **Attachment 2**.

3. DESCRIPTION OF PROPOSED USE FOR RENTAL WATER

A. Describe why you desire to rent water and provide a detailed description of your proposed use. If the proposed use is not for irrigation, describe in detail how you determined the amount of rental water required. If the space below is insufficient, attach additional sheets as required and label them **Attachment 3A**:

This rental will provide the necessary water to irrigate a new pivot.

B. Enter the desired and/or minimum rates of flow, volume, or irrigable acres requested for your rental purposes:

Desired Rate (Cubic Feet/Second)	Desired Volume (Acre-Foot)	Minimum Rate* (Cubic Feet/Second)	Minimum Volume* (Acre-Foot)	Desired Acres (if applicable)
0.83 CFS	257.7 AF	0.83 CFS	257.7 AF	125 AC

* Sometimes water rights provide an exceptionally low rate per acre and/or low volume per acre. This section is meant to establish an acceptable range of water sufficient for your proposed water use. Please see question 4B and complete if necessary.

C. This section must be completed in full. Enter the proposed start date and latest possible start date for using rental water as well as the number of years you would like to rent water. The latest possible start is the latest possible date by which you would be willing to pay for a rental and be able to benefit from utilizing rental water.

Desired Start Date (month/day/year)	Latest Possible Start Date (month/day/year)	*Mark Desired Rental Duration (Calendar Years)					**Applicant's preference if rental application cannot be processed prior to the latest possible start?	
5/1/2021	7/1/2021	☒	☐	☐	☐	☐	☐ Process application as soon as possible	☒ Return application to applicant
		1	2	3	4	5		

* The number of years permissible for a rental is subject to the lease contract duration for the water right(s) being rented.

** Per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right. Water Supply Bank rental applicants are not authorized to utilize rental water prior to the execution of an approved rental agreement. Rental requests may be returned to applicants if no water is available from the Bank to fulfill a rental request.

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

- D. Describe your water distribution system and how rental water will be delivered from the point(s) of diversion (POD) to the proposed place of use (POU):

Existing wells, pumps and motors. New main line and pivot system will be installed.

- E. Describe the physical type (pump, headgate, etc.) and location of the POD from which rental water is proposed to be diverted:

POD Description	Water Source	Other Water Rights Diverted from this POD
14S32ESec 25 SENW	Ground Water	17-2052, 17-7063

If the POD(s) above are located where water is turned into a canal, lateral or ditch, or if they are located on your property but are serviced by water that is delivered via a canal, lateral or ditch, your rental request must include documented authorization from all relevant canal companies, irrigation districts and/or water delivery entities, confirming that they consent to your diversion of water from their system.

- F. Has documented consent from all relevant water delivery entities been obtained? Yes ☐ N/A ☒
If yes, include documented consent as Attachment 3F.

- G. Do any POD(s) identified in Question 3E divert from a water source that may require water modeling? Yes ☐ No ☒
Refer to the Water Modeling Requirements Information Sheet to determine if a rental POD may require water modeling.

- H. Has water modeling been provided with your rental request? Yes ☐ N/A ☒
If yes, label modeling Attachment 3 H.
Rental applications that require modeling will be returned if modeling is not provided.

- I. Specify the desired beneficial use of water and the requested season of use or number of acres required:

- ☒ Irrigation 125.0 (number of acres) Duration: Subject to IDWR standard seasons of use
- ☐ Commercial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Stockwater from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Industrial from: _____ (mm/dd) to: _____ (mm/dd)
- ☐ Other: _____ from: _____ (mm/dd) to: _____ (mm/dd)

- J. For irrigation uses, do you propose to divert water at a rate greater than 0.02 cfs/acre? N/A ☐ Yes ☐ No ☒
If yes, justify the rate of flow and attach any supporting documents as Attachment 3J. Justification may include information on soil composition, conveyance losses, crop type, irrigation systems, public access areas, etc. A rate of 0.03 cfs/acre is permissible for irrigation of 5 acres or less.

- K. Do you own the land at the proposed rental place of use (POU)? Yes ☐ No ☒
If no, attach documentation from the POU owner/operator confirming your authorization to use the POU and label it Attachment 3K.

- L. List all other water rights and sources of water at the rental place of use for the same purpose, including privately owned water rights and water received from a municipal supplier, an irrigation district, a canal company or any other water delivery entity. Explain why additional water is required:

None

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

4. RENTAL REQUESTS FOR SPECIFIC WATER RIGHTS

A. Are you requesting to rent specific water rights?

Yes ☒ No ☐

If yes, specify below the elements of the water rights you are requesting to rent. If no, continue to Question 4B.

Important Information: Diversion rates and volumes sought for rent must be proportionate to the per acre diversion rates and per acre volume limits of the water right under lease contract to the Water Supply Bank. Prior to completing this section, applicants should review all water right lease contracts and any active rental agreements to determine which elements of a water right are available to satisfy a rental request. Lease and rental documents are searchable via [IDWR's website](#).

Water rights identified below must either already be leased to the Bank or a lease proposal should accompany this rental request. **Rental requests for water rights not yet leased to the Bank will be returned if companion lease applications are not provided with the rental request.** For leased rights featuring combined limits, rentals must be consistent with combined diversion rate, volume or acre limits. Combined limits should be listed on a row below water right numbers.

Water Right Elements Leased to Water Supply Bank					Leased totals, minus water right elements involved in active rental agreements, equals water right elements available for rent	Water Supply Bank Rental Request		
Water Right Number (leave blank if sub-total of combined limits)	Nature of Use	Diversion Rate (CFS)	Volume (AF)	Acres (AC)		Diversion Rate (CFS)	Volume (AF)	Acres (AC)
17-2052	Irrigation	0.25	107.8	75.1		0.19	82.3	57.4
17-2063	Irrigation	0.84	229.7	88.6		0.64	175.4	67.6
Applicants must ensure the requested rate per acre and volume per acre do not exceed the rate per acre and volume per acre limits of water rights leased to the Water Supply Bank					TOTAL	0.83	257.7	125.0
						CFS	AF	AC

**Attach multiple copies of this page if space above is insufficient to list all water rights requested to be rented on this application.*

B. If water right conditions, combined limits, or the sum of all water right elements being requested provide an unconventional duty of water (e.g., an unusually low rate per acre or volume per acre for irrigation use), explain how your proposed rental will sufficiently accomplish your intended purposes. Attach a separate page if space is insufficient and label it **Attachment 4B**:

N/A

C. Does your rental request propose to change the nature of use for any water right(s) being rented?

Yes ☐ No ☒

If yes, explain how the water right(s) will be converted to new uses. Include the historic, consumptive use amounts for the water right being rented if you have it, as well as the new consumptive use amount for your proposed beneficial use. If space below is insufficient, attach a separate page and label it **Attachment 4C**:

**STATE OF IDAHO
WATER RESOURCE BOARD**

Application to Rent Water (Continued)

5. ADDITIONAL INFORMATION

- A. Is this the first time that rental water is being requested for this purpose at the rental place of use? Yes ☒ No ☐
If no, list previous rental requests/agreements and explain why you have not secured a permanent water right for your needs:

- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒
If yes, describe:

- C. Was this rental application submitted in response to a Notice of Violation (NOV) or a pending NOV? Yes ☐ No ☒
If yes, describe the date and location of the NOV.

- D. Additional Information
N/A

DECLARATION

I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is approved, it will be subject to the provisions of Section 42-1766, Idaho Code and all applicable state and federal laws. I understand that the submission of a rental application provides no guarantee for approval of a rental agreement. I also understand that, per Idaho Code 42-201, it is unlawful to divert or use water without a valid water right and that I am not authorized to utilize water as proposed in this application prior to the execution of an approved rental agreement.

Signature of Applicant

Printed Name of Applicant

Date

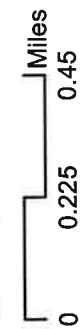
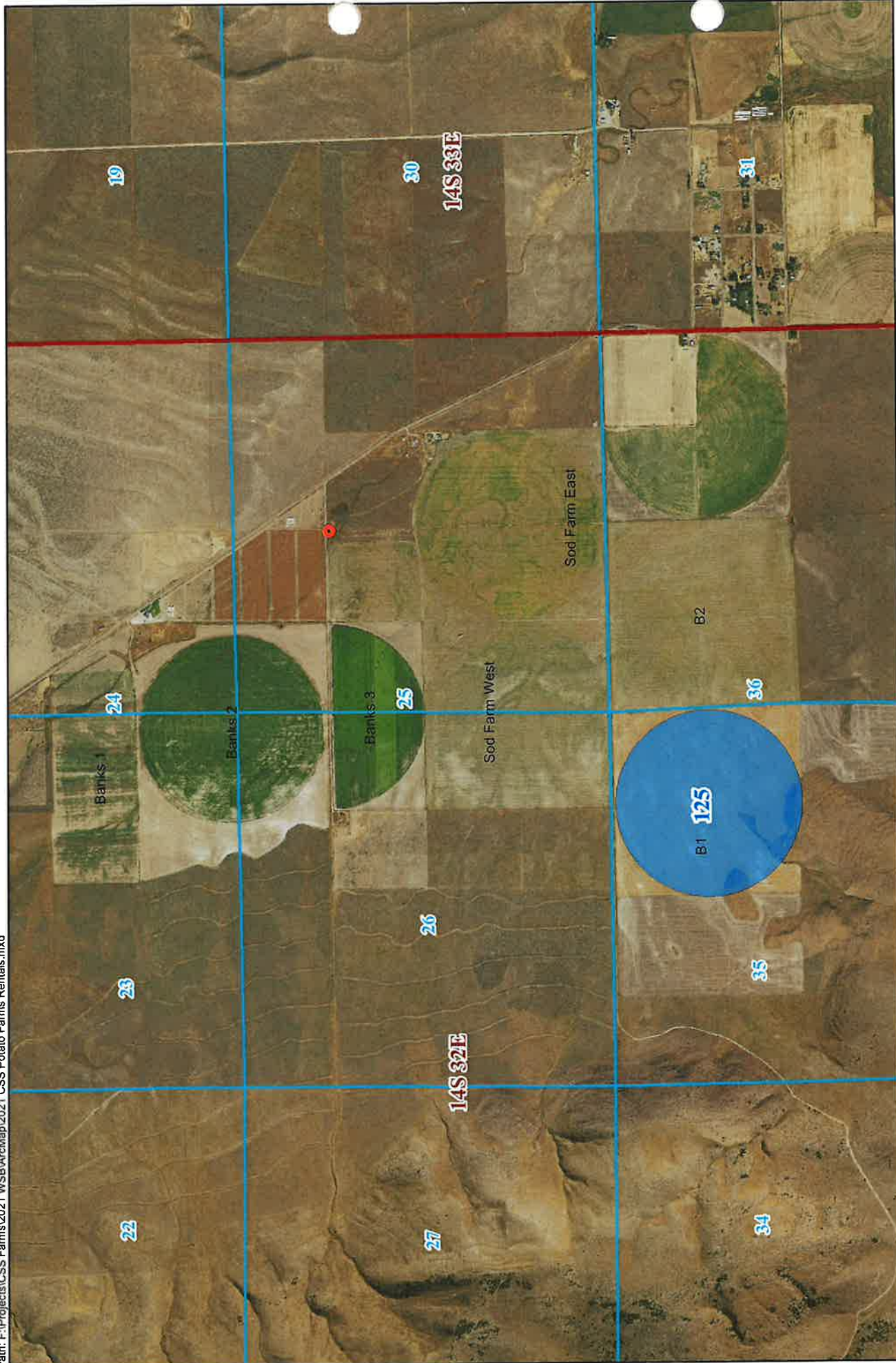

Signature of Representative

Cody Scamias
Printed Name of Representative

01/25/2021
Date

Mail to:

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



CSS POTATO FARMS, LLC

WATER BANK 2021
NAIP 2019 AERIAL

Legend

- Rental_PODs
- 2021_Rental

FARM LEASE (B1 Pivot)

1. **PARTIES:** The parties of this lease are:

Landlord: Brad Woolstenhulme
Address: 101 Valleyview Drive
Montpelier, Idaho 83254

Social Security or Federal I.D. Number: 

Tenant: CSS Potato Farms, LLC
1200 33rd St. SE
Watertown, SD 57201

2. **PROPERTY:** The Landlord leases to the Tenant the following described real property located in Oneida County, Idaho:

Approx'y 120 acres in the NE ¼ of section 35 T-14S, R-32 E (B1 Pivot)

3. **TERM:** The term of this Lease shall be for one (1) year, commencing January 1, 2021 and ending on December 31, 2021.

4. **RENTAL AMOUNT:** The total rental amount will be \$ – to be paid by April 15, 2021.

Tenant plans to install a center pivot irrigation system and ancillary equipment on this property in 2020. All removable personal property that Tenant places on the property shall remain the property of the Tenant, both during and after the expiration of this lease.

5. **INSURANCE:** The Tenant shall provide liability insurance for injuries or damages occurring on the premises due to its negligence, acts or failure to act, and those of its employees, agents, and invitees.

The Tenant shall obtain and pay for insurance covering the irrigation system, and the Landlord will have no financial obligations relative to the center pivot irrigation system and ancillary equipment.

6. **IRRIGATION SYSTEM:** Tenant will be responsible for the day-to-day operation of the irrigation system that Tenant places on the property. Tenant will

be responsible for all repairs as well as all recommended preventative maintenance to the center pivot, irrigation well, pump, motor, pipeline, and associated electrical equipment.

Tenant will provide the water and will pay all power costs incurred in operating the irrigator on the land rented by the Tenant during the term of this lease.

Landlord will not be liable for any damages to the crop due to lack of water.

Tenant will provide all the water needed by the Landlord in the fall (at no cost to the Landlord) to establish a wheat (or other cover crop) on the acres planted to potatoes each year.

7. FARMING PRACTICE: Tenant agrees to farm the land according to the farming practices that are proper, standard, and accepted in the locality.

Tenant agrees to use only such seeds, fertilizers, herbicides, and other chemicals in such quantities and qualities as are proper, standard, federally labeled according to FIFRA, and accepted in the locality.

8. REAL ESTATE TAXES: Landlord shall be responsible for payment of all real estate and personal property taxes and special assessments due on the property for the full term of this agreement and any extensions thereof.

9. HERBICIDE DISCLOSURES: Landlord represents and warrants that all herbicides used on the Leased Premises during the prior three production seasons are set forth on attached Schedule A, and further represents and warrants that the rates, methods of application, and other information provided on Schedule A are truthful and accurate in all respects.

10. ENTIRE CONTRACT and AMENDMENT: This agreement shall constitute the entire contract between the parties, and this agreement shall not be changed, nor any provision waived unless in writing signed by both parties. All of the agreements contained in this lease shall extend to and be obligatory upon the heirs, executors, administrators and assigns of the respective parties.

Dated this 15 day of Dec, 2020.

LANDLORD

By: Be White

Title: owner

Witness: _____

TENANT

GSS Farms

By: Cody S. S. S.

Title: Farm Manager

Witness: _____

Herbicide Disclosure

<u>CHEMICAL NAME</u> <u>DATE</u>	<u>RATE*</u>	<u>APPLICATION METHOD & APPROX.</u>
-------------------------------------	--------------	---

2020 CROP YEAR

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2019 CROP YEAR

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2018 CROP YEAR

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Signature_____

Date_____



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, 2021

CSS POTATO FARMS LLC
76944 TOWER RD
BOARDMAN, OR 97818

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 17-2052, 17-7063, 17-2028, 17-2030, 17-2045 & 7007,
AGREEMENTS 535 & 536**

Dear Renter:

Please find enclosed a receipt in the amount of **\$2,671.56** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 258 & 1077 acre-feet of water for irrigation of 125 & 308 acres during 2021. Upon receipt of this fully executed agreement, you are authorized to divert water in compliance with the conditions of water use described in the agreement.

Pursuant to the Water Supply Bank Rules, the rental fee will be retained by the Department to offset administrative costs since you have a private agreement with the lessor of the right(s).

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosures: Receipt No. C110440
Rental Agreement (copy)

c: Sascha Marston – Fiscal
IDWR Eastern Regional Office
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 18, 2021

CSS POTATO FARMS LLC
76944 TOWER RD
BOARDMAN, OR 97818

RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 17-2052, 17-7063, 17-2028, 17-2030, 17-2045 & 7007,
AGREEMENTS 535 & 536

TIME SENSITIVE RESPONSE REQUIRED

Dear Applicant:

The Department of Water Resources acknowledges receipt of your application to rent water from the Water Supply Bank. **I have enclosed a Water Supply Bank Rental Agreement for your review and signature.** Upon signature and return of the original agreement, together with the rental fee described below, the Department will also sign the original agreement and return an executed copy to you. Execution of the agreement and compliance with the conditions of approval authorize diversion and use of water as provided in the agreement.

A rental fee of **\$515.44 & \$2,156.12** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 258 & 1077 acre-feet. Since you have a private agreement with the lessor, **you are only obligated to pay the 10% administrative fee or \$515.44 & \$2,156.12.** An annual payment shall be received by the Department prior to the execution of this agreement and prior to January 1 in all subsequent years for the duration of the rental period. The agreement will be void if payment is not received prior to the due date in a given year. If you would like to terminate the agreement prior to the end of the rental period, you must submit written notice of your intent to the Department at least 30 days prior to the rental fee due date.

Please send a check for \$2,671.56 made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

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

Sincerely,

Amanda Johnson-Veibell

for
Water Supply Bank

Enclosure(s)

c: IDWR Front Desk

Memorandum

To: Water Supply Bank Application
From: Justin Ferguson
Date: May 3, 2021
Re: Water Supply Bank Rental Application 1999 & 2001

Purpose/Narrative: Two applications were received by the Department on March 3, 2021 from Brockway Engineering on behalf of CSS Potato Farms as part of a lease/rental package requesting the use of water rights held by Holbrook Farms. The applications are for a single year such that CSS can irrigate an entire pivot on acres adjacent to the acreage being idled by Holbrook.

The two rentals are effectively a renewal of prior authorizations, allowing CSS Potato the use of water rights held by Holbrook on acreage held by Mr. Brad Woolstenhulme. The water rights have been offered again for a single year as they have been in the past and the rental will be limited to that same duration. It is of note that the incorrect amounts were requested in application number 1999.

Comparing the prior application, it appears the same numbers were used from the 2020 application and were found during that review to be incorrect. Based on the combined limits shared between water rights 17-2058 & 17-7063, the full 125 acres has to be rented from 17-7063 and a proportional amount from 2058 such that enlargement is avoided. The approval documents will be adjusted to the correct amounts in line with prior rental agreements to continue the established irrigation practices.

Authority to File: The applications were prepared at Brockway Engineering and signed by Mr. Cody Seamons. Provided in the application package is a Farm Lease between Mr. Woolstenhulme and CSS Potato Farms signed by Mr. Seamons as the Farm Manager. No concerns at this time.

Water Right Validity/Forfeiture Evaluation: The water rights being used have been leased to the Bank for a single year and are available to rent. No concerns at this time.

Injury Evaluation: No injury is apparent through these rentals as both the historic lease place of use and the proposed rental place of use both fall within the Curlew Valley Critical Ground Water Area. Additionally, as the acreage being irrigated is somewhat adjacent to the decreed place of use for the water rights requested, there does not appear to be an immediate concern for injury to either local water users or the underlying aquifer. No concerns at this time.

Enlargement of Use: As was previously stated, the incorrect amounts were given on the rental applications. Based on a spatial review of both this proposal and prior agreements, it appears that CSS intends to continue with the established practices rather than breaking out new acreage. As such, this proposal has been adjusted in line with previous applications so that 125 acres can be irrigated without causing enlargement.

Local Public Interest: Staff are unaware of any local public interests that are averse to the rental.

Beneficial Use/Conservation of Water Resources: Irrigation is a beneficial use and it is expected that irrigation use will be consistent with water conservation practices.

Department/Watermaster Comments: Comments were requested from IDWR's Easter Regional Office on May 3, 2021. Both the lease and rental places of use do not fall within a district regulated by a Watermaster. No concerns were received.

Water Supply Bank Evaluation: Bank staff recommend the approval of this application for CSS Potato Farms for a single year, in line with the lease duration under Holbrook Farms.



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

MAR 03 2021

DEPARTMENT OF
WATER RESOURCES

March 1, 2021

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

Re: CSS Potato Farms, LLC Rental

Dear Mr. Buyer:

Holbrook Farm, LLC has applied to lease 125.0 acres of ground water rights 17-2052 and 17-7063 into the Idaho Water Supply Bank for the 2021 irrigation season.

CSS Potato Farms, LLC has entered into a farm lease contract for the property. CSS Potato Farms, LLC desires to rent 125.0 from water rights 17-2052 and 17-7063 for the 2021 irrigation season.

Holbrook Farm, LLC and CSS Potato Farms, LLC have entered into an agreement that states that Holbrook Farm, LLC has already been paid by CSS Potato Farms, LLC for the rental of the 125.0 acres. 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 2021.

Please copy our office on all correspondence regarding this application.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Toby McKay

Enc: Aerial Maps, Rental Application, Contract of Agreement, Designation of Agent, CSS Farms Letter, Action of Managers and of Directors

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

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

2016 NORTH
WASHINGTON
STREET • SUITE 4

TWIN FALLS,
IDAHO 83301

208•736•8543

FAX: 736•8506