

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 233

This is to certify that:

CSS POTATO FARMS LLC
3747 S 21000 W
HOLBROOK, ID 83243

RECEIVED

MAR 29 2018

DEPARTMENT OF
WATER RESOURCES

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	0.18	77.7	54.2	0.003	1.43
17-7063	9/12/1975	GROUND WATER	0.61	165.7	63.9	0.010	2.59
Combined Rental Totals			0.79	243.4	118.1	0.007	2.06

Term of Rental: This rental shall take effect when all parties have signed it and shall continue in effect until December 31, 2018

Annual Rental Fee:

2018: \$486.80

The full fee for the rental of the above-described right(s) is \$486.80 for 2018. The rental fee includes an administrative fee of \$486.80 for 2018. 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	0.79	243.4	118.1	0.007	2.06
Total	0.79	243.4	118.1	0.007	2.06

Detailed water right conditions are attached.

SUPPORT DATA

IN FILE # 17-2052

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT NO. 233

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:

Matthew Maughan
Signature of Renter

3/17/18
Date

Matthew Maughan
Printed Name

Farm Manager, CSS Farms
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 Brian Patton
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

3/29/2018
Date

Rental approved by IDWR Cheryl Wicks

3-29-2018
Date

WATER SUPPLY BANK RENTAL AGREEMENT No. 233

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
0.79 CFS

Volume
243.40 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	28.8	30.3	29.5	29.5													118.1

Total Acres: 118.1

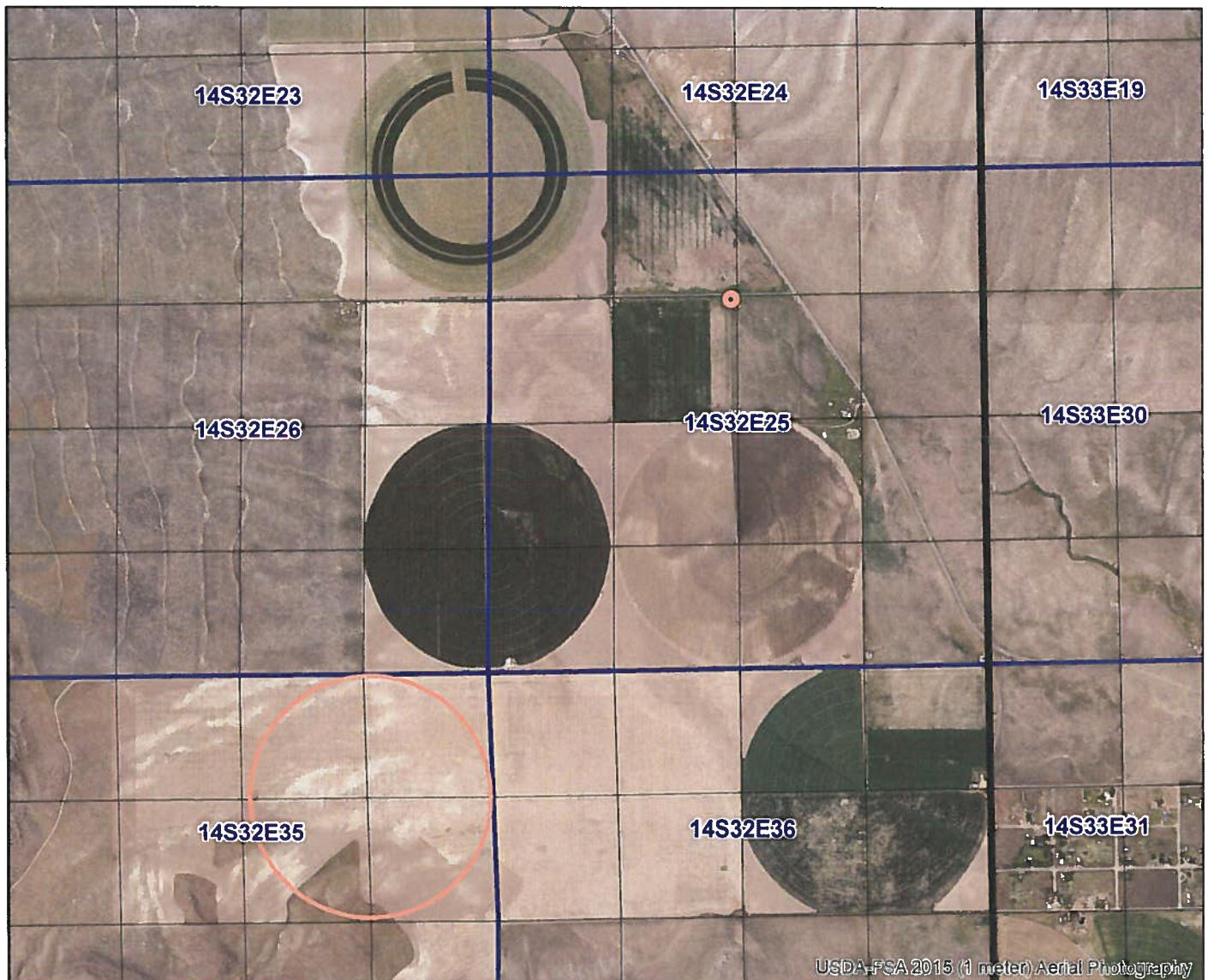
RENTAL AGREEMENT CONDITIONS OF ACCEPTANCE

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 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.
4. Renter agrees to comply with all applicable state and federal laws while using water under this agreement.
5. 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.
6. 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.
7. Failure of the renter to comply with the conditions of this agreement is cause for the Director to rescind approval of the rental agreement.
8. The period of use for the irrigation described in this approval for water right 17-7063 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.
9. This rental agreement does not authorize the construction of a well.
10. The following rights are diverted through point(s) of diversion described above: 17-2052 & 17-7063.

Idaho Water Resource Board
Attachment to Water Supply Bank Rental Agreement No. 233

Effective until December 31, 2018

This map depicts the **rental place of use** pursuant to the rental agreement and is attached to the agreement solely for illustrative purposes.



-  Authorized Rental Point of Diversion
-  Authorized Rental Place of Use
-  Townships
-  PLS Sections
-  Quarter Quarters



0 0.25 0.5 0.75 Miles

STATE OF IDAHO
WATER RESOURCE BOARD

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

RECEIVED
FEB 13 2018
DEPARTMENT OF
WATER RESOURCES

Applicant 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 <i>Application to Rent Water from the Board's Water Supply Bank</i> ☒ 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)
17-7063 17-2052

1023

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

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MAR 05 2018

DEPT OF WATER RESOURCES

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)
0.79 CFS	243.5 AF	0.79 CFS	243.5 AF	118.1 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?	
5/1/2018	7/1/2018	☒ 1	☐ 2	☐ 3	☐ 4	☐ 5	☐ Process application as soon as possible	☒ Return application to applicant

* 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)

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MAR 05 2013

DEPT OF WATER RESOURCES

- 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 118.1 (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)

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MAR 05 2018

DEPT OF WATER RESOURCES

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	0.18	77.7	54.2		0.18	77.7	54.2
17-7063	Irrigation	0.61	165.7	63.9		0.61	165.7	63.9
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	0.79	243.5	118.1
						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:

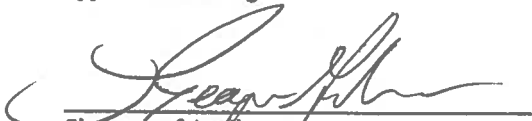
- B. Have you or do you intend to submit an application for permit or transfer proposing a similar use as this rental? Yes ☐ No ☒
If yes, describe:

- 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

PEAGAN GRABNER
Printed Name of Applicant

12/18/17
Date

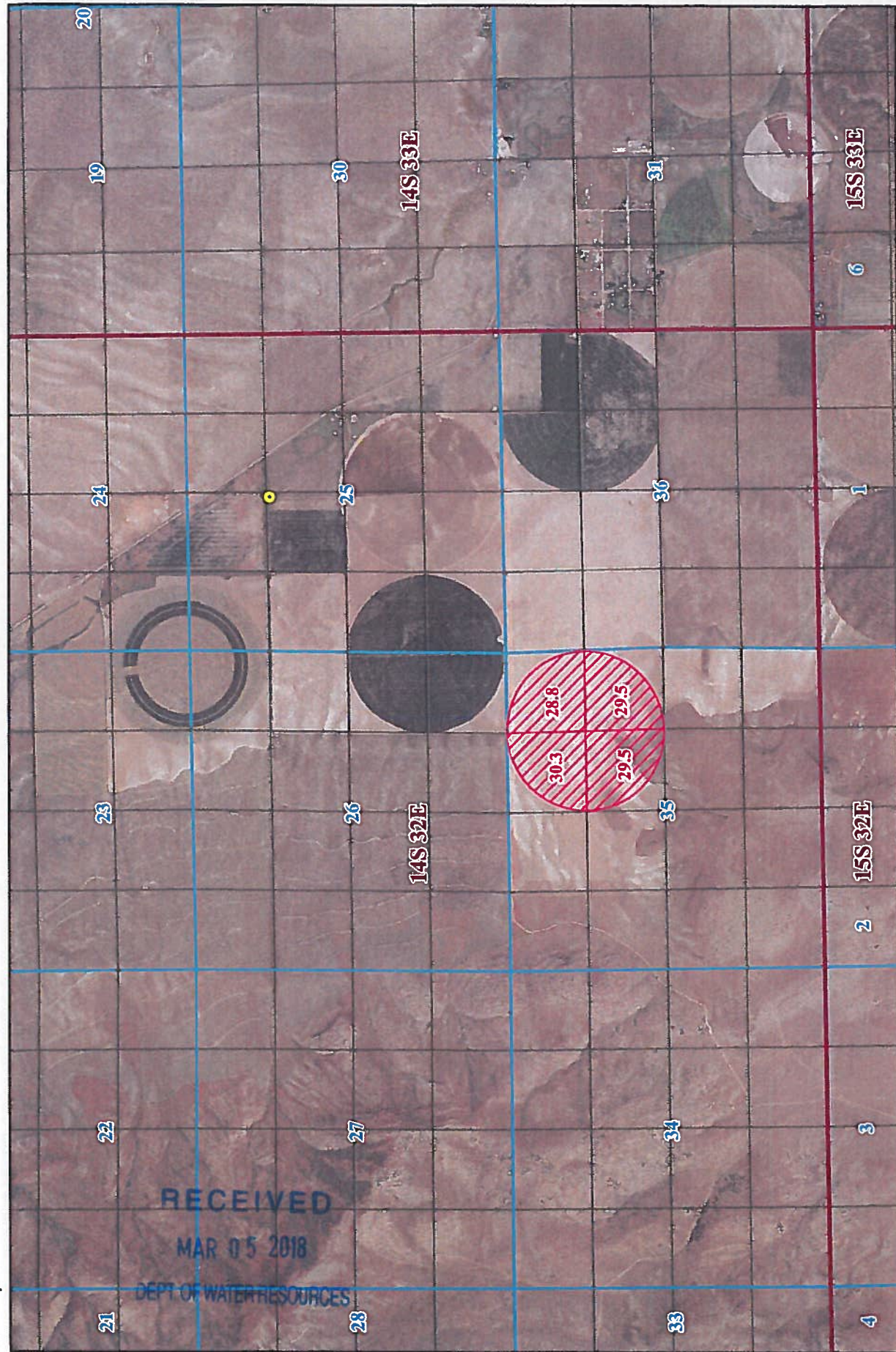
Signature of Representative

Printed Name of Representative

Date

Mail to:

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



CSS POTATO FARMS, LLC

WATER BANK 2018
NAIP 2015 AERIAL

Legend

Brad_1

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

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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	125.0 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?	
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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	0.19	82.3	57.4		0.19	82.3	57.4
17-7063	Irrigation	0.64	175.4	67.6		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
						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**:



Legend
Brad_1

CSS POTATO FARMS, LLC
WATER BANK 2018
NAIP 2015 AERIAL

0 0.25 0.5 1 Miles

No. W 148512		Due no later than Feb 28, 2017		2. Registered Agent and Address (NO PO BOX)			
Return to: SECRETARY OF STATE 700 WEST JEFFERSON PO BOX 83720 BOISE, ID 83720-0080 NO FILING FEE IF RECEIVED BY DUE DATE		Annual Report Form		C T CORPORATION SYSTEM 921 S ORCHARD ST STE G BOISE ID 83705			
		1. Mailing Address: Correct in this box if needed. CSS POTATO FARMS, L.L.C. 76944 TOWER RD BOARDMAN OR 97818 USA		3. <u>New</u> Registered Agent Signature:*			
4. Limited Liability Companies: Enter Names and Addresses of at least one Member or Manager.							
Office Held	Name	Street or PO Address	City	State	Country	Postal Code	
MANAGER	ROBIN STAMP	76944 TOWER RD	BOARDMAN	OR	USA	97818	
MANAGER	REAGAN GRABNER	76944 TOWER RD	BOARDMAN	OR	USA	97818	
MANAGER	STEVEN GANGWISH	76944 TOWER RD	BOARDMAN	OR	USA	97818	
MANAGER	MILTON CARTER	76944 TOWER RD	BOARDMAN	OR	USA	97818	
5. Organized Under the Laws of: SD W 148512		6. Annual Report must be signed.* Signature: Ryan Nelsonpo Name (type or print): Ryan Nelsonpo Date: 01/10/2017 Title: POA					
Processed 01/10/2017		* Electronically provided signatures are accepted as original signatures.					

CONTRACT OF AGREEMENT

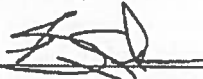
To Whom It May Concern,

Holbrook Farm LLC, and CSS Potato Farms, LLC have in place a long term farm lease agreement or contract for property owned by Holbrook Farm LLC. The contract includes the property, water rights and water distribution systems pertaining to water rights 17-7007, 17-2028, 17-2045, 17-2030, 17-2052 and 17-7063.

CSS Potato Farms, LLC has agreed to pay the annual farm contract payment for 2018. No additional fees are required by Holbrook Farm, LLC of CSS Potato Farms, LLC for 2018 from the Idaho Water Supply Bank.

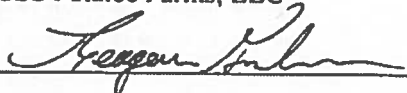
Therefore, the rental payment of the 90% of the rental fees for water rights 17-7007, 17-2028, 17-2045, 17-2030, 17-2052 and 17-7063 for the year 2018 have been paid in full.

Holbrook Farm, LLC:



Date: 1/2/18

CSS Potatoe Farms, LLC



Date: Dec. 28, 2017



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

March 30, 2018

CSS POTATO FARMS LLC
3747 S 21000 W
HOLBROOK ID 83243

**RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 17-2052 and 17-7063**

Dear Renter:

Please find enclosed a receipt in the amount of **\$486.80** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 243.4 acre-feet of water for irrigation of 118.1 acres during 2018. 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 rights.

If you have any questions, please contact this office at (208) 287-4800.

Sincerely,


Water Supply Bank

Enclosures: Receipt No. C104875
Rental Agreement (copy)

c: Sascha Marston – Fiscal
James Cefalo – IDWR Eastern Regional Office
Greg Sullivan – Brockway Engineering



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

C.L. "BUTCH" OTTER
Governor

GARY SPACKMAN
Director

March 13, 2018

CSS POTATO FARMS LLC
3747 S 21000 W
HOLBROOK ID 83243

RE: **APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NOS. 17-2052 and 17-7063**

*****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 **\$4,868.00** was calculated based on the current rental rate of \$20.00 per acre-foot times a diversion volume of 243.4 acre-feet. Since you have a private agreement with the lessor, **you are only obligated to pay the 10% administrative fee or \$486.80.** 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 \$486.80 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 (208) 287-4800.

Sincerely,

Water Supply Bank

Enclosure

c: IDWR Front Desk
Greg Sullivan – Brockway Engineering

Smith, Rachael

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Thursday, March 08, 2018 8:53 AM
To: Smith, Rachael
Cc: 'Matt Maughan'
Subject: RE: Holbrook Farm lease

Rachael,

Use the 3747 S 21000 W Holbrook, ID address for the rental please.

Thank you,

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

From: Smith, Rachael [mailto:Rachael.Smith@idwr.idaho.gov]
Sent: Tuesday, March 06, 2018 10:25 AM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Cc: 'Matt Maughan' <matt.maughan@cssfarms.com>
Subject: RE: Holbrook Farm lease

Hi Greg,

As I was reviewing the CSS Farm rental, I noticed that the applicant mailing address is different than the one we have in our records. Our address on record is 3747 S 21000 W, Holbrook. The rental application lists 76944 Tower Road Boardman as the address.

Should we update the address for CSS Farms or leave Tower Road as the address for this rental only?

Thank you,
Rachael

From: Greg Sullivan [mailto:greg.sullivan@brockwayeng.com]
Sent: Monday, March 05, 2018 2:01 PM
To: Smith, Rachael <Rachael.Smith@idwr.idaho.gov>
Cc: 'Matt Maughan' <matt.maughan@cssfarms.com>
Subject: RE: Holbrook Farm lease

Rachael,

See the attached documents for the lease and rental applications.

MEMORANDUM FOR APPLICATION # 1023

To: Water Rights 17-7063 & 17-2052
From: Rachael Smith
Date: March 6, 2018
Re: Review & Analysis of Application to Rent Water from the State Water Supply Bank

PURPOSE/NARRATIVE: The department received this application from Brockway Engineering on behalf of CSS Potato Farms LLC to rent 0.79 cfs and 243.5 af of groundwater to irrigate a 118.1 acre pivot located in the NW quarter of T14S R 32E S36.

The applicant provided a contract of agreement between the leased water right owners and the renters that the renters will only have to pay the 10% administration fee for this rental.

AUTHORITY TO FILE: The application was signed by Reagan Grabner who is listed as a manager of CSS Potato Farms LLC on the Idaho Secretary of State web site. Oneida County assessor data shows the POU as belonging to Brad R Woolstenhulme. The applicant provided a farm lease agreement from Mr. Woolstenhulme authorizing use of his land at the rental POU.

WATER RIGHT VALIDITY: 17-2052 was licensed in 1973 and 17-7063 was licensed in 1982. A portion of these rights was leased into the bank for 2018 as a lease rental package with this application. There are no concerns of forfeiture.

INJURY TO OTHER WATER RIGHTS: The rental POU is located southwest of the POU for water rights 17-2052 and 17-7063. The point of diversion will remain the same. There are no overlapping rights with the POD or POU for water rights 17-7063 and 17-2052.

ENLARGEMENT OF USE: Idled use for the 2017 season was verified with Landsat satellite imagery. There are no overlapping rights at the rental POU. During review, it was found that there were only 118.1 acres available for rent in the QQs offered by the lease. The rental was adjusted to only rent those acres. There are no 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 rental appears consistent with the conservation of water resources in Idaho.

DEPARTMENT STAFF OR WATERMASTER COMMENTS: The location for the lease and rental are not subject to a Water District. There were no comments or concerns from IDWR Eastern Regional Office.

Smith, Rachael

From: Cefalo, James
Sent: Tuesday, March 06, 2018 12:23 PM
To: Smith, Rachael
Subject: RE: WSB rental of water rights 17-2052 and 17-7063

Rachael,

I don't have any specific concerns with the Basin 17 WSB rental.

James

From: Smith, Rachael
Sent: Tuesday, March 06, 2018 10:42 AM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: WSB rental of water rights 17-2052 and 17-7063

Hi James,

Attached are a rental application review memo and map that were submitted with the lease referenced below.

Please let me know if you have any comments or concerns.

Thank you,
Rachael

From: Smith, Rachael
Sent: Friday, March 02, 2018 10:21 AM
To: Cefalo, James <James.Cefalo@idwr.idaho.gov>
Subject: WSB lease 17-2052 & 17-7063

Good morning,

Attached are a lease application review memo and map for the water supply bank. This portion of the two water rights was also leased to the bank last year.

Please let me know if you have any comments or concerns.

Thank you,

Rachael Smith, Sr. Water Resource Agent
Idaho Dept of Water Resources
322 E. Front Street PO Box 83720
Boise, ID 83720-0098
Rachael.Smith@idwr.idaho.gov

Smith, Rachael

From: Greg Sullivan <greg.sullivan@brockwayeng.com>
Sent: Monday, March 05, 2018 2:01 PM
To: Smith, Rachael
Cc: 'Matt Maughan'
Subject: RE: Holbrook Farm lease
Attachments: Rental Documents.pdf; Lease Documents.pdf

Rachael,

See the attached documents for the lease and rental applications.

Please let me know if there is any additional information that we need to provide to you.

Greg Sullivan
Brockway Engineering
2016 North Washington Street, Suite 4
Twin Falls, Idaho 83301
208-736-8543

From: Smith, Rachael [mailto:Rachael.Smith@idwr.idaho.gov]
Sent: Friday, March 02, 2018 10:10 AM
To: Greg Sullivan <greg.sullivan@brockwayeng.com>
Subject: Holbrook Farm lease

Good morning Greg,

I am currently reviewing Holbrook Farm's lease/rental package. The lease application offers to lease 125 acres; however, the actual licensed amount for the QQs shown in your map is 118.1 acres as shown in the table below.

Twp	Rng	Sec	SW				SE				Totals
			NE	NW	SW	SE	NE	NW	SW	SE	
14S	32E	25		28.8	29.5						58.3
14S	32E	26					30.3			29.5	59.8
											118.1

We will need a new Attachment 2 for each lease application to correctly match the available acres. The rental application will also need to be changed to reflect that same 118.1 acres.

If you have any questions about this, it does appear that Jean noticed the discrepancies in acreage last year also. ([\\dwrboifs01\DocsData\\$\WATERRIGHTS\17\CFIELD\zdrg01 .PDF](#) page 20)

Please provide the additional information within 30 days. Once we receive the information we can continue processing these application. If the information is not received within 30 days, the Department will return the application unprocessed.

Thank you,

Rachael Smith, Sr. Water Resource Agent
Idaho Dept of Water Resources
322 E. Front Street PO Box 83720
Boise, ID 83720-0098
Rachael.Smith@idwr.idaho.gov
208.287.4912



Virus-free. www.avg.com

FARM LEASE (B1 Pivot)

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

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

Social Security or Federal I.D. Number: _____

Tenant: ~~CSS Potato Farms, LLC~~ CSS 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 125 acres in the NE ¼ of Section 35 T-14S, R-32E. (B1 Pivot)

3. **TERM:** The term of this Lease shall be for one (1) year, commencing January 1, 2018 and ending on December 31, 2018.

4. **RENTAL AMOUNT:** The total rental amount will be _____ – to be paid by April 15, 2018.

Tenant plans to install a center pivot irrigation system and ancillary equipment on this property in 2018. 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 20 day of December 2017,
2018.

LANDLORD

Brian Woolstenhulme OWNER

By: [Signature]

Title: OWNER

Witness: [Signature]

TENANT

Matt Mangham Farm Manager

By: [Signature]

Title: FARM MANAGER

Witness: [Signature]

FARM LEASE (B4 Pivot)

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

Landlord: Brad Wolstenhulme
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

CSS farms, LLC

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

Approx'y 125 acres in the SW ¼ of Section 32 T-14S, R-33E. (B4 Pivot)

3. **TERM:** The term of this Lease shall be for one (1) year, commencing January 1, 2018 and ending on December 31, 2018.

4. **RENTAL AMOUNT:** The total rental amount will be _____ – to be paid by April 15, 2018.

Tenant plans to install a center pivot irrigation system and ancillary equipment on this property in 2018. 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 20 day of DECEMBER 2017, ~~2018~~.

LANDLORD

Brian Woodstenuik OWNER

By: [Signature]

Title: OWNER

Witness: [Signature]

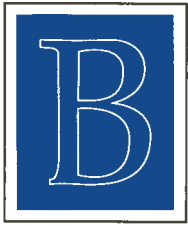
TENANT

Matt Manghan, Fun Manager

By: Matt Manghan

Title: Fun Manager

Witness: [Signature]



BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics

Hydrology

Water Resources

RECEIVED

FEB 13 2018

DEPARTMENT OF
WATER RESOURCES

January 2, 2018

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

Re: CSS Potato Farms, LLC

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 2018 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 2018 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 2018 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 of \$875.00 ($10\% \times \$20.00/\text{acre-foot} \times 437.5 \text{ acre-foot}$) will be paid to the Idaho Water Supply Bank when the final rental agreement is signed for 2018.

Please copy our office on all correspondence regarding this application.

Sincerely,

Greg Sullivan, M.S., Engineer

Cc: Reagan Grabner
Enc: Aerial Maps, Rental Application, Payment Agreement

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