STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED
APR 30 2024
DEPARTMENT OF
WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 844

This is to certify that:

CSS FARMS LLC
3747 S 21000 W
HOLBROOK, ID 83243-5104

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)
17-2028	7/30/1953	GROUND WATER	0.71	267	97.7	0.007	2.74
17-2030	3/4/1954	GROUND WATER	0.50	100	28.5	0.018	3.50
17-2045	7/24/1959	GROUND WATER	0.97	155	95.5	0.010	1.63
17-7007	8/24/1970	GROUND WATER	1.92	545	205.6	0.009	2.65
Combined Rental Totals			**4.10**	**1,070**	**427.3**	**0.010**	**2.50**
Combined Limit Totals			**3.97**	**1,070**	**305**	**0.013**	**3.50**

Term of Rental: This rental agreement shall take effect when all parties have signed it and shall continue in effect until December 31, 2024. 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 2024, whichever occurs last.

Annual Rental Fee:

2024: $2,455.94

The full fee for the rental of the above-described right(s) is $2,455.94 for 2024. The rental fee includes an administrative fee of $2,455.94 for 2024. Note that the renter is obligated to pay only the administrative fees associated with the water right(s): 17-2028, 17-2030, 17-2045, 17-7007. The administrative fee required for this rental are calculated using more decimals than the rounded amounts recorded on this agreement.

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.

Detailed water right conditions are attached.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 844

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:

Cody Seamons — Signature of Renter

4/19/2024 — Date

Cody Seamons — Printed Name

Farm Manager — 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 05-06-2024
BRIAN PATTON, Acting Administrator
Idaho Water Resource Board

Rental approved by IDWR _____ Date 05-06-2024

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

WATER SUPPLY BANK RENTAL AGREEMENT No. 844

WATER USE DETAILS

LOCATION OF POINT(S) OF DIVERSION

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

BENEFICIAL USE	DIVERSION RATE	VOLUME
IRRIGATION	3.97 CFS	1070 AF

SEASON OF USE

From	To
4/1	10/31

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	33E	32									32	30	30	31					123
15S	33E	5									32	30	30	30					122
15S	33E	9						30	30										60

Total Acres: 305

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.

WATER SUPPLY BANK RENTAL AGREEMENT No. 844

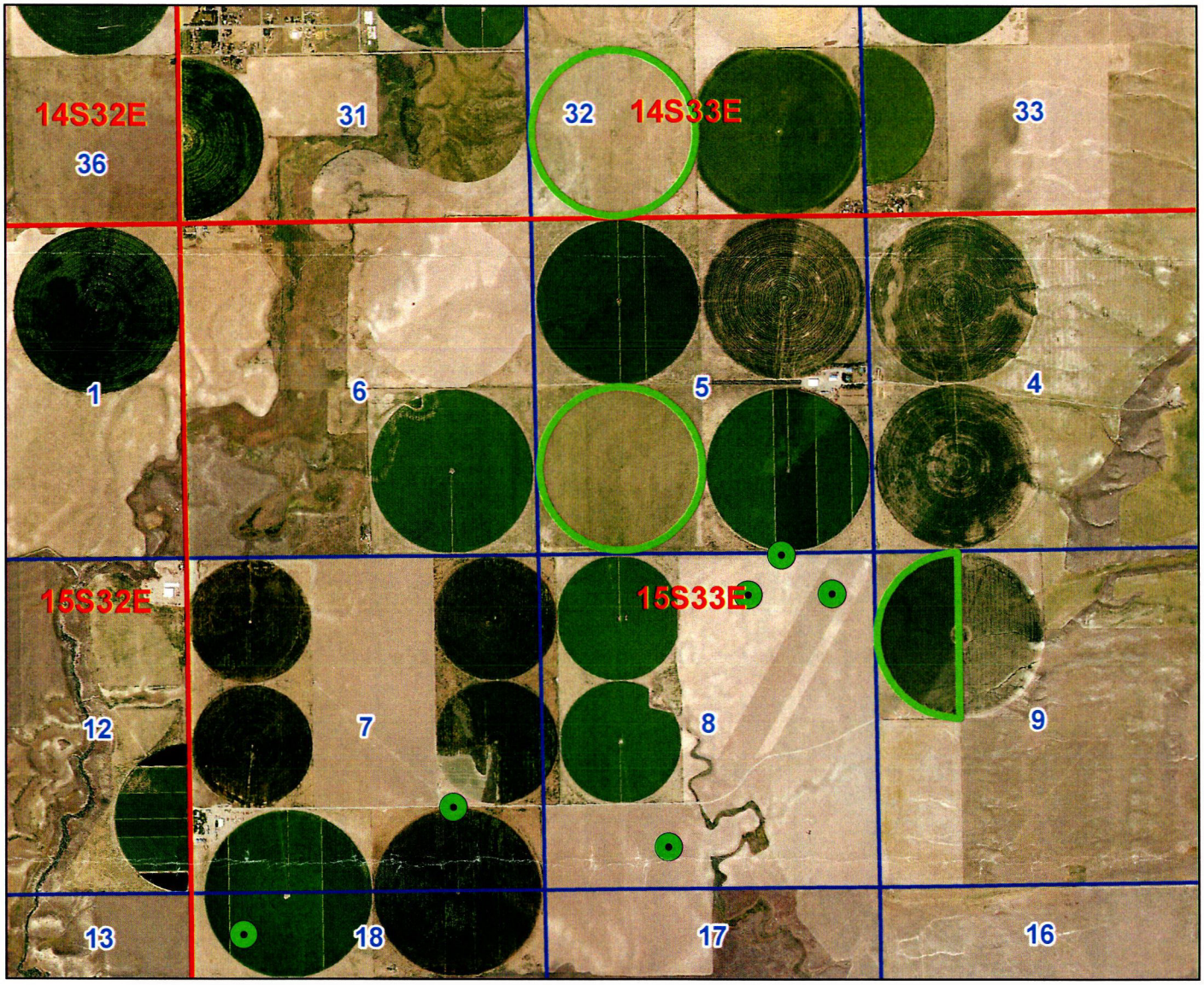
9. This right when combined with all other rights shall provide no more than 0.02 cfs per acre nor more than 3.5 afa per acre at the field headgate for irrigation of the place of use.
10. After specific notification by the Department, the right holder shall install a suitable measuring device or shall 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.
11. This rental agreement does not authorize the construction of a well.
12. This rental does not grant any right-of-way or easement on the property of another party.

Idaho Water Resource Board

Attachment to Water Supply Bank Rental Agreement No. 844

Effective until December 31, 2024

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



Feet
0 2,000 4,000 6,000

Legend

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

N

Form 42-1761-2 10/15

STATE OF IDAHO
WATER RESOURCE BOARD

RECEIVED
JAN 08 2024
DEPARTMENT OF WATER RESOURCES

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

Applicant Name: CSS 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)	
17-7007	17-2045
17-2028	17-2030

2910

STATE OF IDAHO
WATER RESOURCE BOARD

Application to Rent Water (Continued)

1. CONTACT INFORMATION

A. Applicant CSS Farms, LLC

Mailing Address 5911 2nd Ave West Kearney, NE 68847
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)
4.10 CFS	1067.5 AF	4.10 CFS	1067.5 AF	305 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?	
5/1/2024	7/1/2024	☑ 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)

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
See Exhibit A		

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 305 (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)
17-7007	Irrrigation	2.22	609.4	229.8		2.22	609.4	229.8
17-2028	Irrigation	0.82	298.9	109.2		0.74	267.3	97.7
17-2045	Irrigation	1.12	173.7	106.7		1.00	155.3	95.5
17-2030	Irrigation	0.58	111.6	31.9		0.52	99.8	28.5
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**	4.10	1067.5	305.0
						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

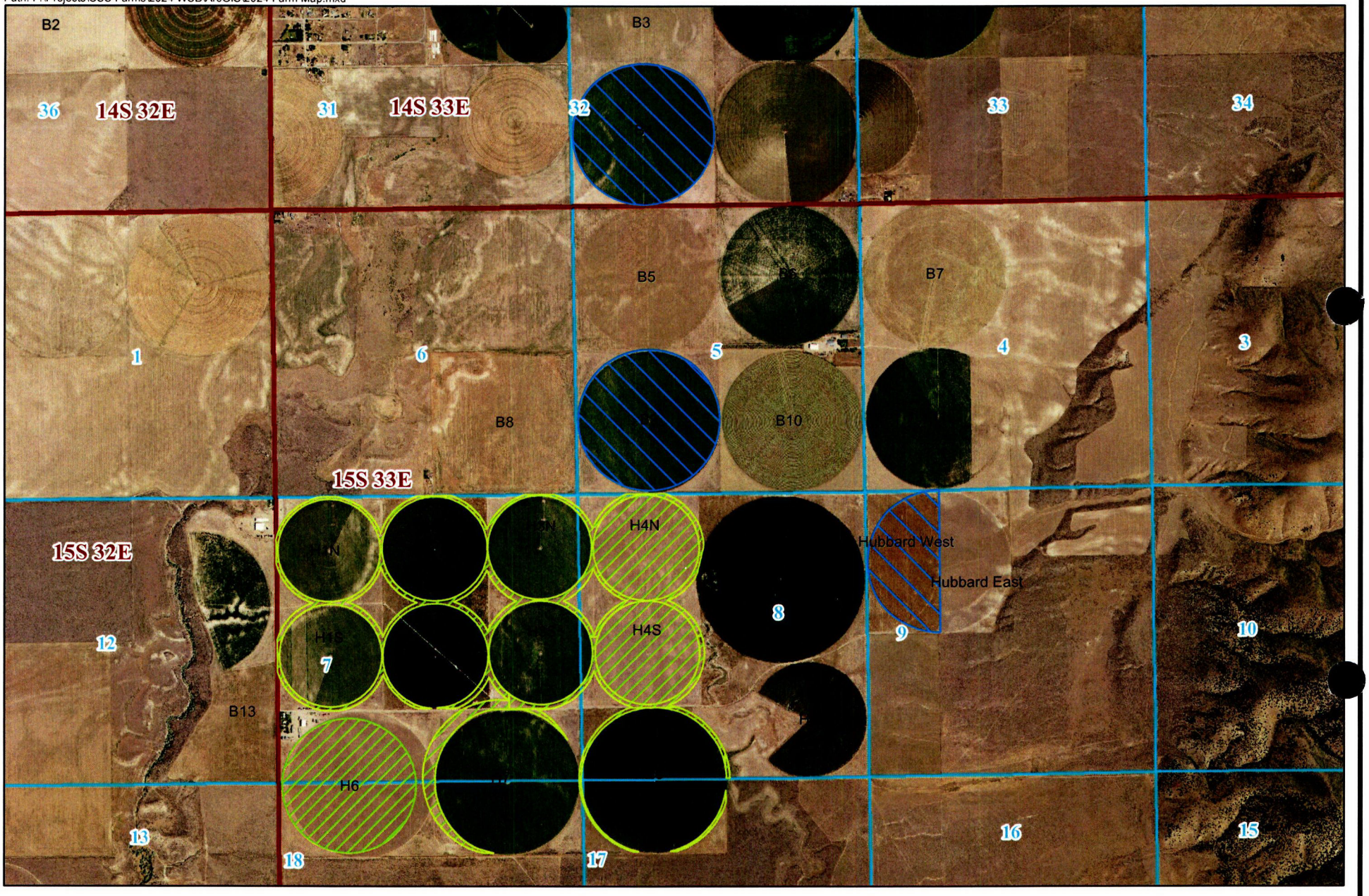
I hereby assert that the information contained in this application is true to the best of my knowledge. I understand that any willful misrepresentations made in this application may result in rejection of the application or cancellation of an approval. I understand that if this rental application is 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 Seamons	12/27/2023
	Printed Name of Representative	Date

Mail to:

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

Path: F:\Projects\CSS Farms\2024 WSB\ArcGIS\2024 Farm Map.mxd



0 0.5 1 Miles

BROCKWAY ENGINEERING, PLLC.
GWS - Date: 12/20/2023

CSS POTATO FARMS, LLC

MAIN FARM
WATER BANK 2024
NAIP 2021 AERIAL

Legend

2024_Lease_Acres
2024_Rental_Acres

N

Exhibit A

Rental PODs

Township	Range	Section	QQ	Source	County
15S	33E	7	SWSE	GROUND WATER	ONEIDA County
15S	33E	8	NENE	GROUND WATER	ONEIDA County
15S	33E	8	NWNE	GROUND WATER	ONEIDA County
15S	33E	8	NWNE	GROUND WATER	ONEIDA County
15S	33E	8	SESW	GROUND WATER	ONEIDA County
15S	33E	18	NWNW	GROUND WATER	ONEIDA County

Other Water Rights Diverted from this POD

17-7007, 17-2028, 17-2045, 17-2030

CSS FARMS

June 16, 2022
Idaho Department of Water Resources
PO Box 83720
Boise, ID 83720-0098

To Whom It May Concern:

CSS Potato Farms, LLC and CSS Farms, LLC authorizes Cody Seamons, Farm Manager, to sign on its behalf all documents relating to water right applications, transactions, and management.

If you have any questions, please contact me at 402.480.4520 or steven.gangwish@cssfarms.com.

Sincerely,

Steven Gangwish
Chief Executive Officer

FARM LEASE (B9 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: [redacted]

Tenant: CSS Farms LLC
5911 2nd Ave W
Kearney NE 68847

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

Approx'ly 120 acres in the SW ¼ of section 5 T-15S, R-33E (B9 Pivot)

3. **TERM:** The term of this Lease shall be for one (1) year, commencing January 1, 2024 and ending on December 31, 2024.

4. **RENTAL AMOUNT:** The total rental amount will be [redacted] – to be paid by April 15, 2024.

Tenant plans to install a center pivot irrigation system and ancillary equipment on this property in 2023. 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 19 day of December, 2023.

LANDLORD

_____

By:_____

Title:_____

Witness:_____

TENANT

LEE Farms

By:_____

Title: Farm Manager

Witness:_____

Herbicide Disclosure

CHEMICAL NAME DATE	**RATE***	**APPLICATION METHOD & APPROX.**
2023 CROP YEAR		
2022 CROP YEAR		
2021 CROP YEAR		

Signature_____ Date_____

FARM LEASE (B4 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: [redacted]

Tenant: CSS Farms LLC
5911 2nd Ave W
Kearney NE 68847

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

Approx'ly 120 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, 2024 and ending on December 31, 2024.

4. **RENTAL AMOUNT:** The total rental amount will be [redacted] to be paid by April 15, 2024.

Tenant plans to install a center pivot irrigation system and ancillary equipment on this property in 2023. 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 19 day of December, 2023.

LANDLORD

_____

By: _____

Title: _____

Witness: _____

TENANT

LCS Farms

By: Cody Graham

Title: Farm Manager

Witness: _____

Herbicide Disclosure

CHEMICAL NAME DATE	**RATE***	**APPLICATION METHOD & APPROX.**
2023 CROP YEAR		
2022 CROP YEAR		
2021 CROP YEAR		

Signature_____ Date_____

WSB Mailing Checklist for Rentals

(For use on all new rental applications)

Key: Who Completes What?
CLERICAL STAFF: MK
REVIEWER: SC

Received Date: 1/8/2024
Latest Start Date: 7/1/2024
Renter: CSS Farms LLC
Rental Expiration Date 2024
Lease/Rental Package (Y) N

Application # 2910
Agreement # 844

Water Right	Lease Contract ID
# 17-7007	
# 17-2028	App 2909
# 17-2030	App 2909
# 17-2045	App 2909
#	
#	
#	
#	
#	
#	
#	
#	
#	
#	

Applicant Authorized? (Y) / N
Map of POU and POD (Y) / N
POD consent? (Y) / N
ESPA Modeling? Y / N (NA)
Application Complete? (Y) / N
Minimum Checklist in database? ☐
Request for additional information letter sent: Y NA
WSB Action Request for deficiencies ☐

Comments:

Mailings (per application)	Original	CC	Email or Address
Renter: CSS Farms LLC	☑	☐	
Attorney: /	☐	☐	
Consultants Name: Greg Sullivan-Brockway Engineering	☐	☑	
Conveyence Entity: / (Ex. Irrigation Dist. of Canal Co.)	(final only)	☐	
(Ground) Water Dist: /	(final only)	☐	
Other: / (WD Snake 01, Boise, Payette, and Bear River)	(final only)	☐	
Region: Eastern	(final only)	☑	
Watermaster: /	(final only)	☐	
Compliance: /	(final only)	☐	

Resolving NOV? Y / (N)
#

Call up Date: 5/1/2024

DO NOT SCAN

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 • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

May 07, 2024

CSS FARMS LLC
3747 S 21000 W
HOLBROOK, ID 83243-5104

RE: RENTAL OF WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 17-2028, 17-2030, 17-2045 & 17-7007, AGREEMENT 844

Dear Renter:

Please find enclosed a receipt in the amount of **$2,455.94** and a copy of a fully executed Water Supply Bank Rental Agreement in connection with the rental of 1070.0 acre-feet of water for irrigation of 305 acres during 2024. 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, 90% or $2,210.34 of the rental fee will be paid to the lessor(s) and 10% or $245.60 will be retained by the Department to offset administrative costs.

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

Sincerely,

Debra Mansfield

for
Water Supply Bank

Enclosures: Receipt No. C118233
Rental Agreement (copy)

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

Mansfield, Debra

From: Mansfield, Debra
Sent: Monday, May 6, 2024 10:34 AM
To: Cefalo, James; greg.sullivan@brockwayeng.com; IdwrPayable
Cc: Bank
Subject: Executed WSB Rental Agreement 844
Attachments: Executed WSB Rental Agreement 844.pdf

Hello,

Please see the attached copy of executed Water Supply Bank Rental Agreement 844, in the name of CSS Farms LLC, for your records.

Thank you,

Debra Mansfield | Technical Records Specialist 1
IDWR – State Office
322 E Front St, Boise ID 83702-7371
(208) 287-4921 | Debra.Mansfield@idwr.idaho.gov

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 • Website: idwr.idaho.gov

Governor Brad Little

Director Mathew Weaver

April 18, 2024

CSS FARMS LLC
5911 2ND AVE. WEST
KEARNEY, NE 68847

**RE: APPLICATION TO RENT WATER FROM THE WATER SUPPLY BANK
WATER RIGHT NO(S). 17-2028, 17-2030, 17-2045, AND 17-7007 AGREEMENT 844**

*****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 **$2,455.94 per year** was calculated based on the current rental rate of $23.00 per acre-foot times a diversion volume of 1070 acre-feet. Since you are both the lessor and the renter of the rights, **you are only obligated to pay the 10% administrative fee or 2,455.94.** 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 in the amount of $2,455.94 for **2024** made payable to the Idaho Department of Water Resources, **together with the signed rental agreement, within 14 days** so I can complete processing.

Pursuant to the Water Supply Bank Rules, $2,455.94 will be retained by the Department to offset administrative costs for **2024.**

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

Sincerely,

Skyler Cheever
Water Resource Agent

Enclosure(s): Rental Agreement

c: IDWR Front Desk
Representative (via email)

Kienholz, Mackenzie

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

From: Howe, Bob <Bob.Howe@idwr.idaho.gov>
Sent: Friday, March 24, 2023 1:28 PM
To: Cefalo, James <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

IDAHO DEPARTMENT OF WATER RESOURCES

Cheever, Skyler

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
Phone: 208-287-4913

MEMORANDUM FOR WSB RENTAL AGREEMENT # 844

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

From: Skyler Cheever-Water Resource Agent

Date: 3/20/2024

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

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PURPOSE/NARRATIVE:
Application 2910 was sent in by CSS Farms LLC and received on January 8th, 2024. This application is part of a lease/rental package with contract 1836. The applicant proposes to rent 305 acres of lease contract 1836 from the water supply bank for 2024. The applicant proposes to use the same points of diversion under water rights 17-2028, 17-2030, 17-2045, and 17-7007 to irrigate acres that don't have any appurtenant water rights. 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 of groundwater. This application is intended as a renewal of agreement 643 which expired on December 31st, 2023.

AUTHORITY TO FILE:
Cody Seamons signed the application. Mr. Seamons has the authority to file this agreement because of a document provided with the application. The document authorized Mr. Seamons' signing authority by Steven Gangwish Chief Executive Officer with the company according to the Idaho Secretary of States Office Database. CSS Farms LLC is the current owner of a half pivot within the proposed place of use according to Tax Parcel Data. Two other pivots within the place of use are owned by Brad and Leann Woolstenhulme according to Tax Parcel Data. A farm lease agreement with Brad Woolstenhulme was provided with the application allowing CSS Farms LLC to utilize the remaining pivots within the proposed place of use.

INJURY TO OTHER WATER RIGHTS:
The points of diversion are the same as water rights 17-2028, 17-2030, 17-2045, and 17-7007 and lease contract 1836. According to section 4d on the application a new pivot and mainline is being installed from the proposed points of diversion. Since the points of diversion are the same as those under lease contract 1836 and the proposal is for less acres than is authorized under contract 1836 it is unlikely there would be impacts to other groundwater users. There are no other injury concerns.

ENLARGEMENT OF USE:
There are no other water rights that overlap the proposed rental place of use. The applicant proposes to lease 305 acres of the 340.9 acres available under lease contract 1836. The duty of water authorized under lease contract 1836 is 0.013 cfs/acre and 3.5 af/acre. Therefore, the rental proposal should stay within the same duty of water. 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 rental appears consistent with the conservation of water resources in Idaho.

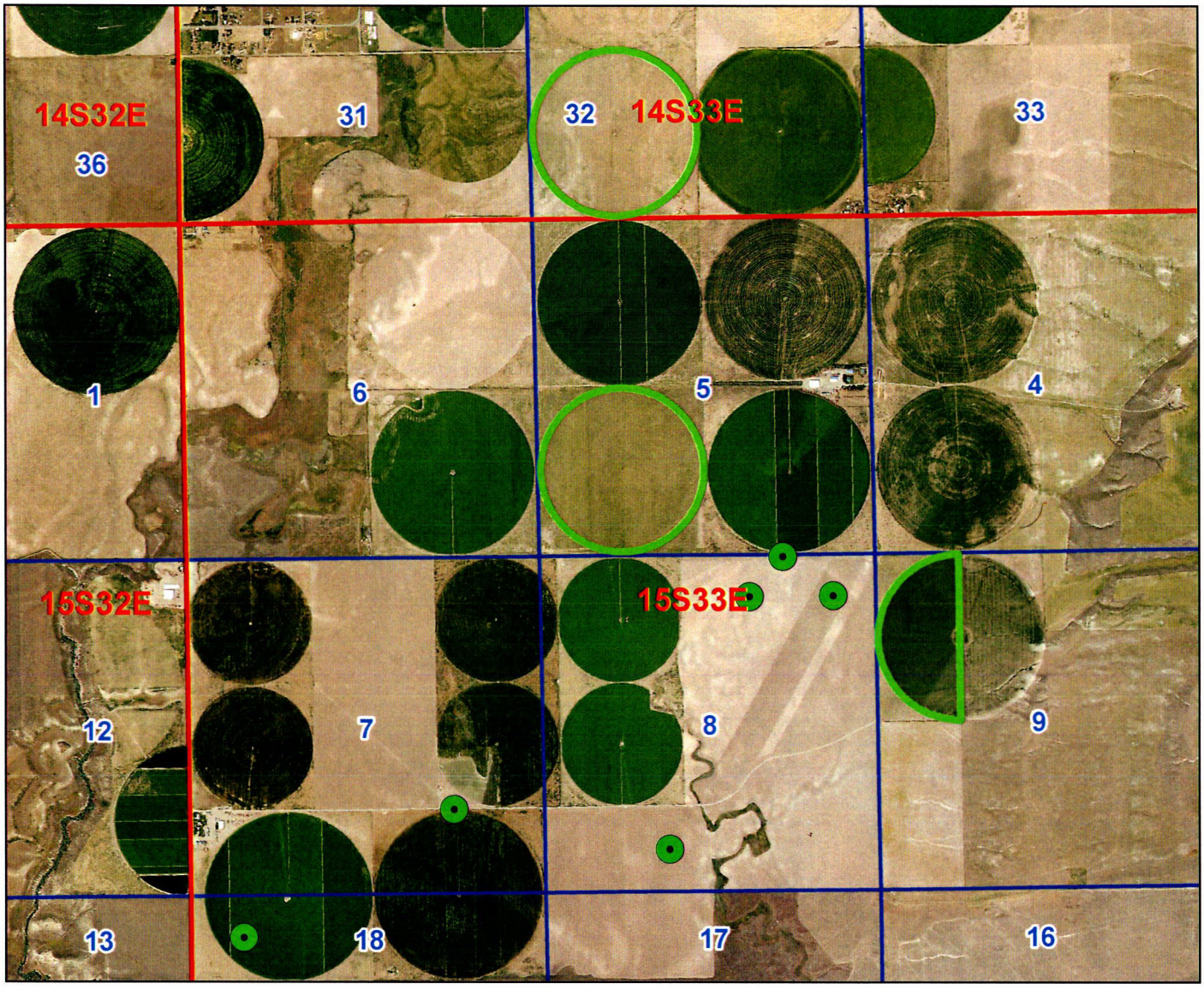
DEPARTMENT STAFF OR WATERMASTER COMMENTS:
The point of diversion is within basin 17. The Eastern Reigonal Manager was contacted for comment on March 21, 2024. No Comment was received, it is assumed there is no concern with the applicant's proposal.

Idaho Water Resource Board

Attachment to Water Supply Bank Rental Agreement No. 844

Effective until December 31, 2024

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



Legend

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

N

RECEIVED
JAN 0 8 2024
DEPARTMENT OF
WATER RESOURCES

BROCKWAY
ENGINEERING
P.L.L.C.

Hydraulics
Hydrology
Water Resources

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

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

R909 + 2910