Transfer No. 71864

Form 1-222
12-92

Should questions arise during the processing of this application please contact:
Ron Howerton -Idaho Department of Parks and Recreation 334-4180 x 294

RECEIVED
JAN 2 6 2005
WATER RESOURCES
WESTERN REGION

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 1

Name of applicant Idaho Department of Parks & Recreation Phone (208) 334-4199

Post Office address P.O. Box 83720, Boise, Idaho 83720-0065

A. Purpose of Transfer

1. ☒ Change point of diversion ☐ Add diversion point(s) ☒ Change place of use
   ☐ Change nature of use ☐ Change period of use ☐ Other _____

2. Describe the reason for the proposed changes: The recent SRBA Adjudication recommended a legal description error that the Payette River Adjudication decreed in error. This transfer is being filed to correct point of diversion and place of use descriptions within Lakeview Village and new ownership from Department of Lands to Idaho Department of Parks and Recreation.

B. DESCRIPTION OF RIGHT(S) OR PORTION THEREOF, AFTER THE REQUESTED CHANGE

1. Right Number / Priority / Amount (cfs/ac-ft) / Nature of Use / Period of Use

Right Number	Priority	Amount (cfs/ac-ft)	Nature of Use	Period of Use
65-797	10/15/1947	0.02 cfs /	Irrigation	4/15 to 10/15

1-26-05 RH

2. Total amount of water being transferred 0.02 cubic feet per second and/or ___ acre-feet per annum.

3. Source of water Payette Lake tributary to North Fork Payette River

4. Point(s) of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
2		NW	SE	04	18N	3E	Valley	

5. Lands irrigated or place of use: **Place of use for irrigation:**

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
18N	3E	04														**11.5** Lot 2			**11.5 PPOU**

Total acres **11.5**

Within the 11.5-acre indicated PPOU for a portion of IDPR's property there are 1.0 irrigated acres in a permissible place of use. This is to allow adjustments in landscaping.

Transfer No. _____

PART 1

6. General Information:

   a. Description of diversion system Electric 3.5 HP portable pump with pipelines & sprinklers.

   b. Are the lands from which you propose to transfer the water right subject to any liens, deeds of trust, mortgages or contracts? _____ Yes N/A No. If yes, provide a notarized statement from the holder of the lien, deed of trust, mortgage or contract agreeing to the proposed changes.

   c. Describe the affect on the land now irrigated if the place of use is changed pursuant to this transfer: N/A

   d. Remarks: See attachments

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Transfer of Water Rights No. _____

And said application is hereby _____, subject to the following limitations and conditions:

_____

_____

_____

_____

_____

_____

_____

_____

Witness my hand this _____ day of _____, 20 _____.

_____

Transfer No. _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT

PART 2

(Attach one copy for each right)

A. DESCRIPTION OF RIGHT AS RECORDED

1. Right evidenced by:

   a. Decree No. 65-797 Decreed to Idaho Department of Lands

   in case of Civil case No. 39576

   dated 10/31/2000 in SRBA county of Twin Falls, Fifth Judicial District

   b. License No. _____ issued by the Idaho Department of Water Resources.

   c. Claim No. ___ on file with the Idaho Department of Water Resources.

   d. Transfer No. _____ which produced this right.

2. Attach a copy of last year's tax notice for the property to which the water right is appurtenant or other documents which show ownership. Label document as attachment A. Check appropriate box below:

   ☐ Tax Notice ☐ Warranty Deed ☒ Other OWNER OF RECORD

3. Source of water Payette Lake tributary to North Fork Payette River

4. Date of priority Oct 15, 1947

5. Water is used for the following purpose:

   Amount 0.02 cfs / afa____ for Irrigation purposes from 4/15 to 10/15
   (cfs/ac-ft)

6. Total amount of water under right 0.02 cubic feet per second and/or ____ acre-feet per annum.

7. Point(s) of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion
		SE	SE	04	18N	3E	Valley	

8. Lands irrigated or place of use: **Place of use for irrigation:**

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	
18N	3E	04																1	1.0

Total acres 1.0

9. Describe any other water rights used for the same purpose as described above None

 Transfer No. _____

PART 2

10. To your knowledge, has any portion of this water right undergone a period of five or more consecutive years of non-use?
No If yes, describe.

B. DESCRIPTION OF PORTION OF RIGHT BEING TRANSFERRED

(If the entire right is to be changed by the applicant, omit part B and C.)

1. Amount ____ for _____ purposes from _____ to ____
(cfs/ac-ft)

2. Points of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion

3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	

Total acres ___

C. DESCRIPTION OF UNCHANGED PORTION OF RIGHT *(omit if there is no change)*

1. Amount ____ for ____ purposes from _____ to _____
(cfs/ac-ft)

2. Points of Diversion:

Lot	¼	¼	¼	Sec.	Twp.	Rge.	County	Local name for diversion

3. Lands irrigated or place of use:

Twp.	Rge.	Sec.	NE ¼				NW ¼				SW ¼				SE ¼				Totals
			NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	NE ¼	NW ¼	SW ¼	SE ¼	

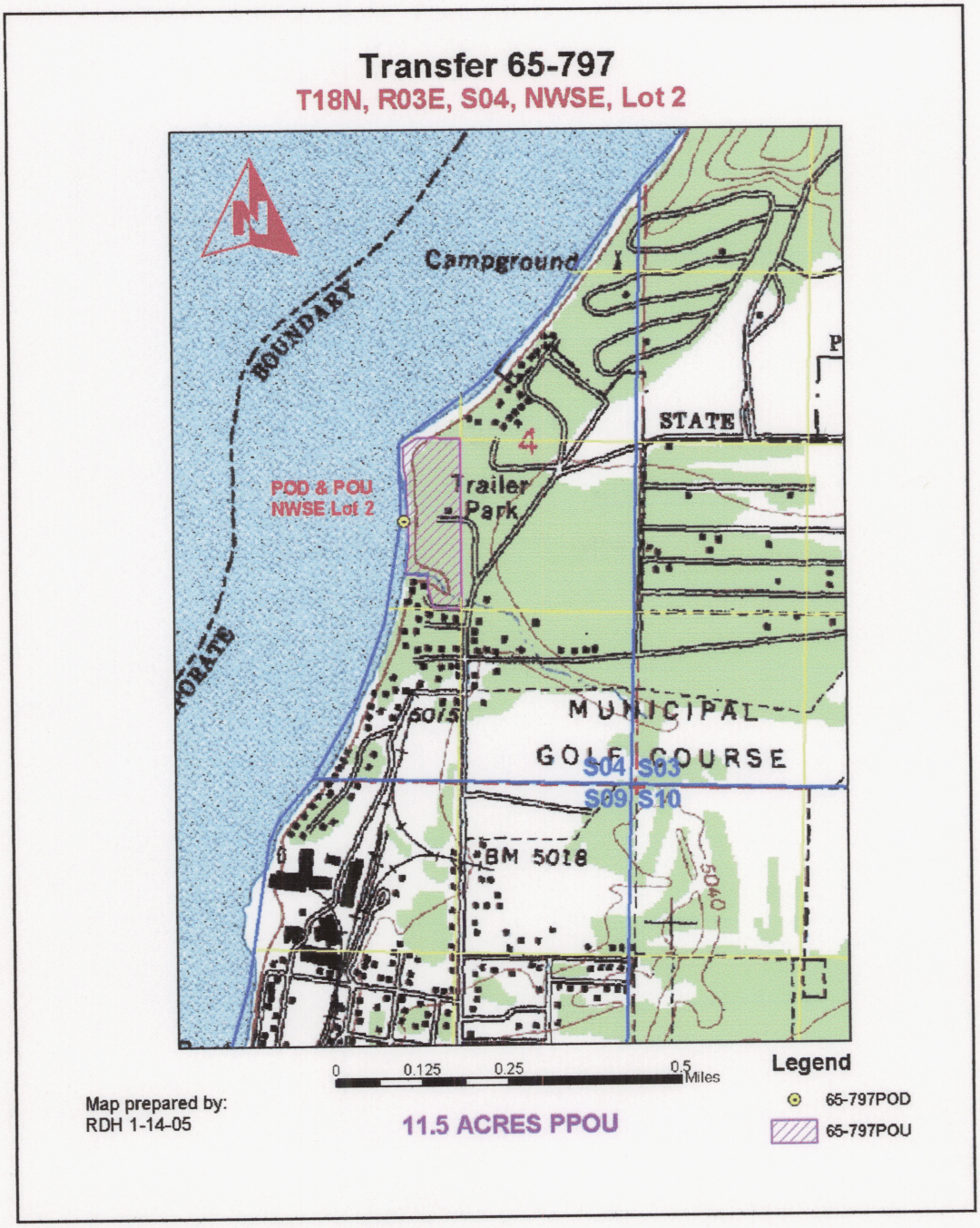
Total acres ___

Transfer No. _____

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

APPLICATION FOR TRANSFER OF WATER RIGHT
PART 3

Draw a map or attach a USGS map indicating the new point(s) of diversion and/or the new place of use for rights described in part 1. Clearly depict the land by section, township and range number.



Transfer No. _____

PART 3

B. CHANGES IN NATURE OF USE

1. New Nature of Use	Amount (cfs/ac-ft)	Hours/days/year	Period of Use

2. Quantity and quality of return flows and location of discharge:

3. Describe effects on other water uses resulting from the proposed change:

_____

I hereby assert that no one will be injured by such change and that the change does not constitute an enlargement in use of the original right. 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 voiding its approval.

RON HOWERTON NOTARY PUBLIC STATE OF IDAHO

Harold V Baxter 1/25/05

(Signature of Applicant)

Subscribed and sworn before me this 25th day of JANUARY, 20 05.

Ron Howerton

(Notary Public)

My commission expires Ron Howerton Residing at Boise, Idaho My Commission Expires December 8, 2006

FOR DEPARTMENT USE ONLY

Transfer contains 6 pages, _____ acre-feet

Received by D.N. Date 1/26/05 Protest filed by _____

Prelim. check by _____ Fee $100 _____

Receipted by D.N. Date 1/26/05 W032555

Published in _____ Copies of protest forwarded by _____

Pub. Dates _____ Hearing held by _____ Date _____

Watermaster recommendation requested on _____ Recommended for ☐ approval ☐ denial

_____ rec'd. _____ by _____

Copy of transfer sent to lien holder _____

APPLICATION FOR TRANSFER OF IDAHO DEPARTMENT OF PARKS AND RECREATION WATER RIGHT NO. 65-797 UPDATED Tuesday, January 18, 2005

ATTACHMENT "A"
REMARKS:

The recent SRBA Adjudication recommended a legal description error that the Payette River Adjudication decreed in error. Figure 1.

This transfer is being filed to correct the point of diversion and place of use descriptions within Lakeview Village and to recognize new ownership to Idaho Department of Parks and Recreation as shown on Figure 2.

LEGAL DESCRIPTIONS PER PAYETTE RIVER ADJUDICATION & SRBA FOR 65-797

OWNER OF RECORD: IDAHO DEPARTMENT OF LANDS:

Payette River Adjudication
Point of Diversion: T18N, R03E, S04, SESE (Legal Error)
Irrigation Place of Use: T18N, R03E, S04, SESE (Legal Error)

SRBA
Point of Diversion: T18N, R03E, S04, SESE (Legal Error)
Irrigation Place of Use: T18N, R03E, S04, SESE (Legal Error)

Figure 1

BLUELINE MAP: Payette River Adjudication

See attached map labeled "Payette River Adjudication BLUELINE MAP A & B Sheet 6, T18N, R3E".

- The Payette River Adjudication's recommendations for decree for this type of right generally was hand drawn on a Blueline map for the location of point and place of use legal descriptions. From the hand written numbers on the map, for water right "797" was marked in two locations. The marked location in T18N, R03E, S04, SESE, matches the recommended Payette River Adjudication decreed point of diversion and the place of use.

- The other marked "797" from the Blueline map does not match the recommended Payette decreed recommendation and is questionable. The marked location however, appears to be a small tract of land within the Lakeview Village that lies in Government Lot 1. See enclosed map from book 6, page 691, and records of survey, instrument 244454. "LAKE VIEW LAND SURVEY," Valley County, Idaho, dated November 1999

Ron Howerton Notes:

I have used a copy of IDWR's Western Region's records "Blueline map" and have scanned the image. Then through the use of Arc view GIS, I have spatially aligned it with a digitized topographical map of the area, thus, illustrating the actual legal locations of Lakeview Village, the Payette Lake source and Payette River and SRBA decreed locations.

ATTACHMENT A

PAYETTE RIVER ADJUDICATION CLAIM:

- In remarks of the Payette River Adjudication claim, it indicated Lakeview Village. Thus showed intent to recommend it within Lakeview Village. (See copy of microfilmed "Notice of Claim to a water right" 65-797.

- Idaho Department of Parks and Recreation submits this claim copy as evidence of the Payette River Adjudication's intent to recommend the place of use within Lakeview Village.

PAYETTE RIVER ADJUDICATION LEGAL ERROR:

- IDPR believes that the Payette Adjudication was in error by recommending the point of diversion in T18N, R03E, S04, SESE.

Why? The source "Payette Lake" is more than a ¼ mile from the marked water right "797" legal description location and cannot geographically be a point of diversion from the decreed source. (See BLUELINE map) Thus, making the decreed location(s) questionable.

- Idaho Department of Parks and Recreation submits this digitized map as physical evidence of the legal description error. (See attached map labeled; "Payette River Adjudication BLUELINE MAP A & B Sheet 6, T18N, R3E").

SNAKE RIVER BASIN ADJUDICATION REVIEW:

- The SRBA recommended the same legal descriptions as decreed in the Payette River Adjudication and listed a comment: LAKEVIEW VILLAGE.

- The legal description error was not found until IDPR was reviewing the right for notifying the "Idaho Department of Water Resources" to change the ownership from Idaho Department of Lands to Idaho Department of Parks and Recreation.

OTHER REQUIREMENTS OF SECTION 42-222, IDAHO CODE

The requested change will not injure other water rights because the actual point of diversion and place of use has not physically changed.

This Application for Transfer is needed to correct the legal description errors decreed in the Payette River Adjudication and left unchanged in the recent SRBA decree.

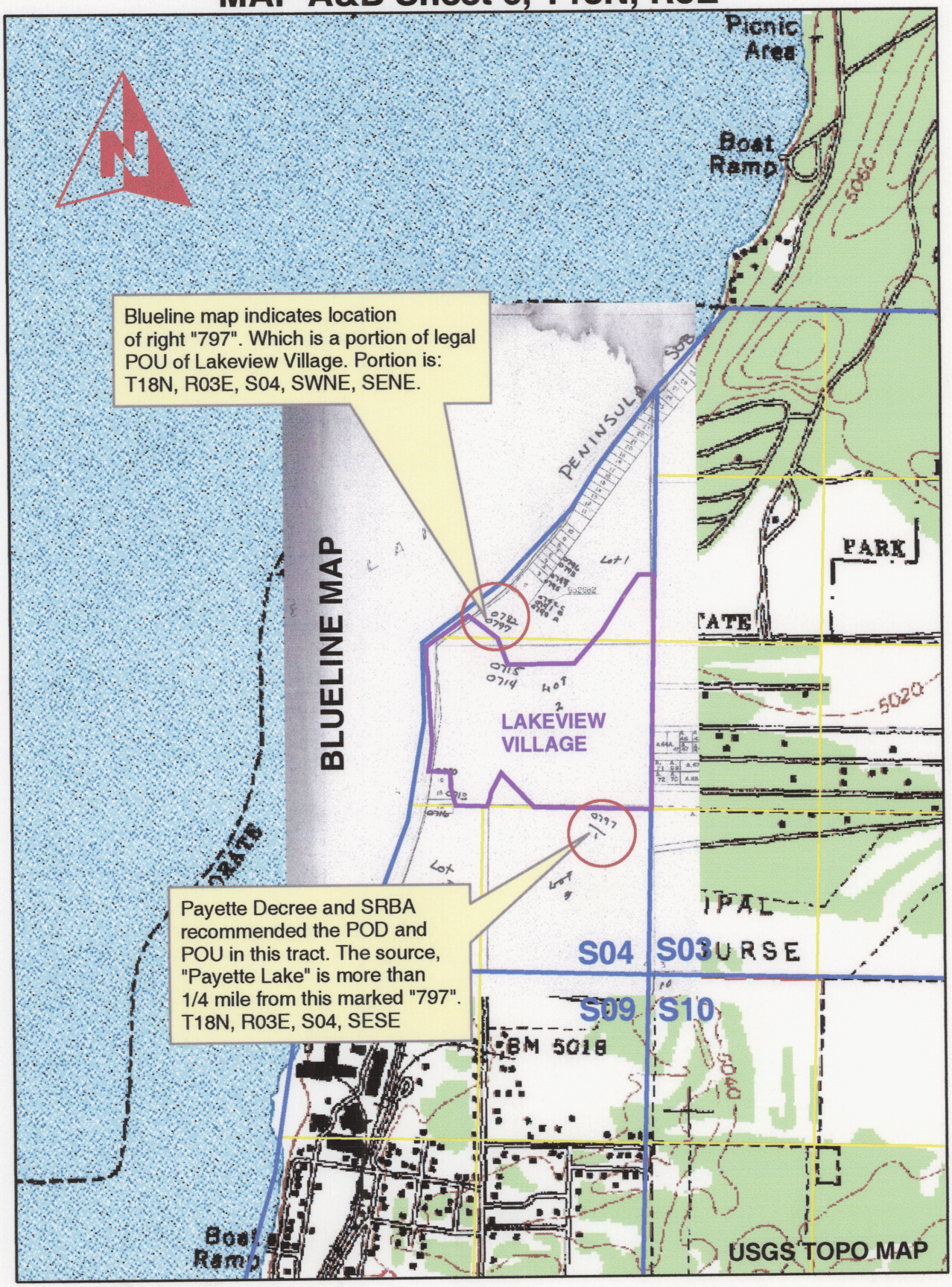
CORRECTED LEGAL DESCRIPTIONS PER APPLICATION FOR TRANSFER OF 65-797

NEW OWNER OF RECORD:
IDAHO DEPARTMENT OF PARKS AND RECREATION:

Point of Diversion: T18N, R03E, S04, NWSE, Lot 2
Irrigation Place of Use: T18N, R03E, S04, NWSE, Lot 2

Figure 2

Payette River Adjudication BLUELINE
MAP A&B Sheet 6, T18N, R3E



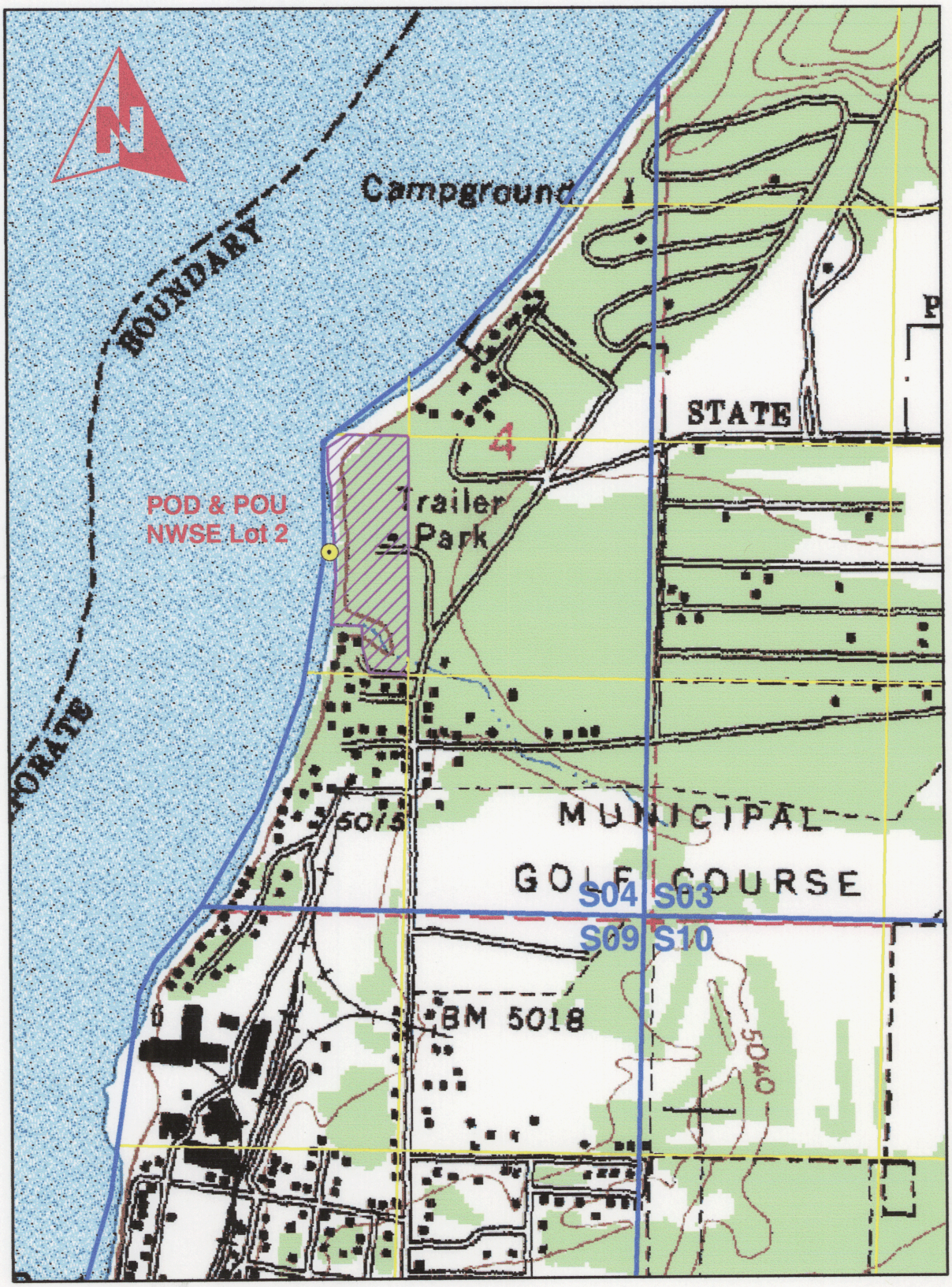
Map prepared by:
RDH 1-14-05

0 0.125 0.25 0.5 0.75 1 Miles

LAKEVIEW VILLAGE WATER RIGHT 65-797

Transfer 65-797

T18N, R03E, S04, NWSE, Lot 2



0 0.125 0.25 0.5 Miles

Legend

- 65-797POD
- 65-797POU

Map prepared by:
RDH 1-14-05

11.5 ACRES PPOU

IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF GEM

IN THE MATTER OF THE GENERAL DETERMINATION OF THE RIGHT TO THE USE OF THE SURFACE AND GROUND WATERS OF THE PAYETTE RIVER DRAINAGE BASIN

NOTICE OF CLAIM TO A WATER RIGHT

IDENT. NO. 65-0797

MAP NO. 110

STAN HARRAH, LESSEE

Notice is hereby given that STATE OF IDAHO (Name of Claimant) Eddie Ringhar, Lessee

Boise, Idaho 83707 State House (Mailing Address), claims a right to the diversion and beneficial use of the surface or groundwater, of or tributary to the Payette River;

The extent and nature of said claim is as follows:

(1) Date of priority: (When was the water first applied to a beneficial use, or date that permit was issued) 10-15-47

(2) Describe source of water: (Name of stream, lake, spring, etc., or subterranean) ~~Deep well~~ Big Payette Lake

(3) Describe the purpose for which the water has been used and the time during the year when you have used the right claimed: (Both Dates Inclusive)

3 DAFA

Use ~~domestic~~ IRRIGATION (Domestic, irrigation, stock, etc.) Period of Use From ~~1-1~~ 4-15 (Mo., Day) To ~~12-31~~ 10-15 (Mo., Day)

Use _____ (Domestic, irrigation, stock, etc.) Period of Use From _____ (Mo., Day) To _____ (Mo., Day)

Use _____ (Domestic, irrigation, stock, etc.) Period of Use From _____ (Mo., Day) To _____ (Mo., Day)

(4) Quantity of water claimed: .02 cfs Cubic Feet Per Second, or _____ Acre Feet Per Annum, and/or ~~20 miner inches~~ Gals. Per Minute. 20 acres lying in Sec 4, Twp. 18N, Rge. 3 E.B.M.

(5) A) Point of Diversion: Give location of point where water is diverted from its source ~~SE¼ SE~~ ¼, Sec. 4, Twp. 18N, Rge. 3E, B.M.; additional points: _____

B) Describe means of diversion of water: (Pump and pipeline, well, diversion dam, reservoir, length of ditch and field, etc.) Give sizes and capacities; be as specific as possible _____

~~lake & well~~

(6) Describe location of use by listing number of irrigated acres within each 40-acre tract in appropriate box. If use is not for irrigation, place an "X" in appropriate box to show location.

T	R	SEC.	NE¼				NW¼				SW¼				SE¼				TOTAL
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
18N	3E	4																1	20 1

Total No. of acres 20 1

B) If water is used for other than irrigation, fully describe that use, being as specific as possible: _____

~~agriculture~~, trailers and general public

(7) Effluent, sewage waste, or return water from this use is discharged into sewer

(8) If you are claiming water as a member of an organization, list name of organization _____

(9) Remarks 20 Acre Development (Lakeview Village) City water for domestic use.

(10) Basis of claim (Check one) ☑ A) Right based on diversion and beneficial use.

☐ B) Right decreed by court, cite title of case _____

☐ C) Right based on application, license, or claim filed with State Reclamation Engineer, Office No.:

Be it known that the undersigned, after being duly sworn on oath, depose(s) and say(s) that all statements included herein are true and accurate to the best of (his, her, their) knowledge.

8-10-70 (Date)

Individual

KP 5/8/78 (Signature of Claimant) REYPHAIGHED

(Signature of Spouse)

Organization Department of Public Lands

EDM (Signature of Authorized Agent)

State of Idaho }
County of Ada } ss.

Organization Seal

On this 10 day of August, in the year 1970, before me, a notary public, personally appeared G. C. Trombley known to me to be the person(s) whose name(s) are subscribed to the above instrument, and acknowledged to me that (he, she, they, corporation, partnership or Land Commissioner) executed the same.

Notary Public residing at Boise, Idaho

My commission expires 8-25-1970

DRS 2-17-78

EXCHANGE AGREEMENT

THIS AGREEMENT entered into this 13th day of July, 2000 by and between the IDAHO DEPARTMENT OF LANDS (hereinafter referred to as "IDL"), and the IDAHO DEPARTMENT OF PARKS AND RECREATION (hereinafter referred to as "IDPR").

WHEREAS, IDPR has received direction and funding from the Idaho Legislature, pursuant to Idaho Code §58-507 to expand the boundaries of Ponderosa State Park near McCall, Idaho (Ponderosa Park) through acquisition of three (3) parcels of state endowment land, which are adjacent to Ponderosa State Park comprising 56.396 acres, more or less, (hereinafter referred to as the "ENDOWMENT LAND") administered by IDL, and more accurately described in Attachment A; and

WHEREAS, IDL has identified certain private timber lands, which IDL wishes to acquire and which IDL believes will result in greater long term financial returns to the endowment beneficiaries than are currently generated from the ENDOWMENT LAND; and

WHEREAS IDL and IDPR anticipate that the private lands currently identified by IDL will not be of sufficient value to accomplish an exchange of the entire ENDOWMENT LAND described in Attachment A. IDL and IDPR intend that the terms of this Agreement govern the exchange of additional private lands to be acquired by IDPR (hereinafter, the private lands, both those currently identified by IDL, and those to be identified later, are referred to generically as "PRIVATE LAND") until such time as the entire ENDOWMENT LAND has been exchanged for lands of equivalent value, or this Agreement is terminated or modified by the parties; and

WHEREAS, IDL desires to acquire the PRIVATE LAND, and desires to dispose of the ENDOWMENT LAND, subject to approval by the State Board of Land Commissioners, through a land exchange so as to further the state's management and use of state lands for the benefit of endowed institutions in accordance with ID Const. Art. 9, § 8, the Idaho Admissions Bill, § 5 (b) and Idaho Code § 58 - 138; and

WHEREAS, IDL and IDPR have entered into a Memorandum of Understanding between Idaho Department of Lands and Idaho Department of Parks and Recreation dated December 17, 1998 and incorporated herein as Attachment B; and

WHEREAS, IDPR intends to purchase the PRIVATE LAND and exchange it with IDL for the ENDOWMENT LAND, or in lieu of a direct acquisition of the private land, IDPR may enter into an agreement with the Idaho State Building Authority (Building Authority), for the Building Authority to provide some or all of the ENDOWMENT LAND for IDPR pursuant to the Building Authority's statutory purpose of providing facilities for State Government, and in such event,

IDPR will assign some or all of its rights to exchange hereunder to the Building Authority such as to allow the Building Authority to acquire some or all of the PRIVATE LAND and exchange the PRIVATE LAND for ENDOWMENT LAND under the terms of this Agreement (references herein to IDPR and the rights of IDPR hereunder shall include the Building Authority as the potential assignee of IDPR).

NOW THEREFORE, in full and complete consideration of the promises contained herein, the parties hereto agree, subject to final approval by the State Board of Land Commissioners (Land Board), as follows:

A. IDPR and IDL will verify that the PRIVATE LANDS are acceptable for exchange through valuation of the land, timber and any improvements, as well as structural and environmental inspection of the lands and any improvements. IDPR, with assistance from IDL, will attempt to negotiate purchase terms for each parcel of acceptable private lands based upon the valuation thereof. After acquisition, IDPR and IDL shall exchange those portions of the ENDOWMENT LAND and the PRIVATE LAND which IDPR is able to acquire, of equivalent value as determined by valuation of the land, timber and any improvements, and negotiation of the parties as described in this Exchange Agreement.

B. It is understood and agreed that, with the approval of the Land Board, the exchange contemplated hereunder may be accomplished in stages such that when IDPR acquires title to one or more parcels of the PRIVATE LAND, IDPR AND IDL, may effect an exchange of such parcel or parcels for a portion of the ENDOWMENT LAND of equivalent value, with the remainder of the ENDOWMENT LAND remaining in the ownership of IDL pending further exchange or exchanges. Title to the ENDOWMENT LAND may be conveyed as fee title to a specifically identified parcel of the ENDOWMENT LAND of equivalent value to the exchanged PRIVATE LAND, or at the option of IDL, such title may be in the form of an undivided joint interest in the ENDOWMENT LAND, or a specifically identifiable portion thereof, where such undivided joint interest is of equivalent value to the exchanged PRIVATE LAND.

C. Exchange of any parcels of PRIVATE LAND for portions of the ENDOWMENT LAND shall be subject to prior approval of the Land Board. To the extent each such additional parcel is primarily timber ground, the exchange terms set forth in this agreement for the identified PRIVATE LAND shall apply. To the extent any such additional parcel is other than primarily

timber ground, additional exchange terms as necessary shall be negotiated between the parties, such as the following terms for improved commercial real property:

The State of Idaho may take title to improved property subject to any existing Tenant Leases specifically agreed to in writing by IDL. IDPR shall provide the State with executed Estoppel Agreements and executed Subordination, Nondisturbance and Attornment Agreements signed by each such Tenant in forms acceptable to IDL.

A building inspection of any improvements shall be completed, and a report setting forth the results of such inspection (the "Building Inspection Report") shall be presented to the parties prior to any exchange. The cost of such inspection shall be born by IDPR. The inspection shall be conducted by an independent third party specializing in commercial building inspections and under contract with IDL. The inspection shall include, but is not limited to, inspections of the roofs, plumbing, HVAC, electrical, structural, elevators, site drainage, Americans With Disabilities Act (ADA) compliance, building code compliance, and testing for environmental conditions, such as, asbestos, lead, radon and water. A written report of all findings of any inspection(s) shall be delivered to IDL and IDPR, and provided to the appraiser for adjustment of the appraisal. Any legally mandated repairs, remediation, construction or alterations identified in any inspection, shall be completed at no cost to IDL, prior to closing, unless otherwise agreed in writing by the parties. Action to be taken on any other repairs, remediation, construction or alterations identified in the inspection shall be subject to negotiation between IDPR and IDL. IDL shall have the option, subject to the foregoing requirement of a writing, to agree to forego any such repair, remediation, alteration or construction, and in such event IDL shall have the right to instruct the appraiser to adjust the fair market value of the properties accordingly. In the event IDL does not agree to forego a particular repair, remediation, alteration or construction identified by an inspection, including any legally mandated repairs, remediation, construction or alterations, IDPR's sole remedy, if IDPR is unable or unwilling to effect such repair, remediation, alteration or construction, shall be to terminate the exchange, in which event IDPR shall remain responsible for its share of the costs incurred under this Agreement, including costs which otherwise would have been paid by IDPR out of closing proceeds.

D. IDL will prepare the timber cruise plan and cruise instructions for a cruise for PRIVATE LAND to be acquired as timber ground.

E. IDL will administer the timber cruise and conduct the check cruise to ensure cruising accuracy.

F. IDPR will pay any timber cruise contractor, where one is used, when the cruise has been determined to be satisfactory.

G. IDL shall contract for appraisal of the PRIVATE LAND in accordance with IDL standard procedures and state law in the event an IDL staff appraisal is unacceptable to the owner of PRIVATE LAND. Contract appraiser(s) shall be state certified general appraisers and

acceptable to IDL and IDPR. The appraiser(s) shall have experience appraising commercial timberland. Unless otherwise agreed in writing by the parties, IDPR shall pay the full cost of appraisals for all lands included in the land exchange. The appraisal(s) shall be self-contained appraisal report(s) reflecting the fair market value of the lands to be appraised based on the highest and best use of the lands. IDL shall prepare the appraisal instructions to be reviewed by IDPR. The completed appraisals for all land involved in the exchange shall be reviewed by IDL and IDPR and must be approved and accepted by IDL.

H. IDL shall contract with Knipe and Knipe, Inc. to update the April 17, 1998 appraisals for the ENDOWMENT LAND.

I. IDPR shall provide IDL with a preliminary title report showing the condition of the title to the PRIVATE LAND.

J. IDL shall, at closing, convey good and marketable title by a State of Idaho Deed together with a Certificate of Title to IDPR which shows the historical ownership record and any known encumbrances on the ENDOWMENT LAND included in this exchange.

K. IDPR shall convey PRIVATE LAND to IDL by Warranty Deed together with a policy of title insurance insuring title in the PRIVATE LAND in IDL subject only to those exceptions and encumbrances as are acceptable to IDL.

L. IDL shall complete, at IDL's sole cost, an environment site assessment for each parcel of the PRIVATE LAND. IDPR shall complete, at IDPR sole cost, environmental site assessments of the ENDOWMENT LAND. Any "hazardous substance", as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, 42 U.S.C. Section 6901, et seq., including "hazardous waste", as defined in 42 U.S.C. Section 6903, "petroleum", as defined in 42 U.S.C. Section 6991, and "underground storage tanks", as defined in 42 U.S.C. Section 6991, which are discovered on the PRIVATE LAND or ENDOWMENT LANDS shall be removed and all contamination remedied by owner of record prior to closing of the transaction contemplated by this Agreement, except as may be otherwise agreed upon by the parties. Any removal and remedial action shall be conducted and completed in accordance with all applicable federal, state, and local laws and regulations. In the event a party is unable or unwilling to remove such substance and

remedy any corresponding contamination, the sole remedy to either party shall be to terminate the exchange of the corresponding parcels, in which event each party shall remain responsible for its share of the costs incurred under this Agreement.

M. Prior to closing of an exchange, all risk of loss shall remain with the party holding title to the property as of the time of occurrence of any such loss. In addition, should the properties be materially damaged by fire or other cause prior to closing, this agreement shall be voidable at the option of IDL.

N. The parties agree to execute any and all documents necessary to meet the intent of this Agreement as may be required by the closing agent, escrow agent or otherwise. The covenants, promises, or warranties provided by either party to the other herein shall survive the closing.

O. IDL and IDPR shall jointly prepare escrow instructions. The agreed upon instructions shall be incorporated by reference herein as if fully set forth in this Agreement. Pursuant to Idaho Code §58-507, IDPR will pay the costs of closing.

P. Neither party shall record this Agreement or any copy hereof without the express written consent of the other parties.

Q. The parties hereto do not intend that any persons or entities other than the parties hereto, and their successors and assigns, shall have any rights or remedies hereunder, other than to the extent specifically assigned in writing. The parties hereto specifically disclaim any intent to bestow any enforceable benefit upon any third parties as against the parties hereto. Any benefit accruing to any such third party as the result of the execution of this Agreement is merely coincidental and no such third party may rely on receiving such benefit.

R. This Agreement may be modified in writing by mutual agreement of the parties prior to closing and any such modifications shall be attached hereto as attachments and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first written above.

STANLEY F. HAMILTON, Director
Idaho Department of Lands

YVONNE S. FERRELL, Director
Idaho Department of Parks and Recreation

****

STATE OF IDAHO)
(ss.
County of Ada)

On this 11th day of July, 2000, before me, a Notary Public in and for the State of Idaho, personally appeared **STANLEY F. HAMILTON**, known to me to be the Director of the State of Idaho, Department of Lands, and acknowledged to me that he executed the within instrument.

SUSAN TERRY NOTARY PUBLIC STATE OF IDAHO

Notary Public
Residing at: Nampa Idaho
My Commission expires: 8.30.05

****

STATE OF IDAHO)
(ss.
County of Ada)

On this 13th day of July, 2000, before me, a Notary Public in and for the State of Idaho, personally appeared **YVONNE S. FERRELL,** known to me to be the Director of Idaho Department of Parks and Recreation, and acknowledged to me that she executed the within instrument.

Notary Public
Residing at: Boise Idaho
My Commission expires: 9/19/2000

ATTACHMENT A
ENDOWMENT LAND OFFERED FOR EXCHANGE

LEGAL DESCRIPTIONS

1. **NAZARENE CHURCH CAMP**

Township 19 North, Range 3 East, B.M. — **Acres**

Section 34: Parts of Government Lot 7 more specifically Lots 39, 40, 41, 42, 43, 44 and a Reserved Lot, west Peninsula Lots. Larger parcel boundaries are Identified specifically per Record of Survey 151135, August 1986 — **2.827**

2. **WHITESEL PARCEL**

Township 19 North, Range 3 East, B.M.

Section 34: Parts of Government Lot 7 — **0.354**

3. **LAKEVIEW VILLAGE**

Township 18 North, Range 3 East, B.M.

Section 4: A parcel of land situate in Government Lots 1 and 2, more particularly described as follows: Commencing at a brass cap marking the ¼ corner common to Sections 3 and 4, T18N, R3E, B.M., City of McCall, Valley County, Idaho, the REAL POINT OF BEGINNING: Thence S00°08'35"W, 1,325.17 feet to an aluminum cap marking the South 1/16 corner common to said Sections 3 and 4; thence N89°54'56"W, 969.71 feet along the south boundary of said Government Lot 2 to an aluminum cap marking the southeast corner of Parcel A as shown on that particular Record of Survey, Inst. No. 156310 on file in the office of the Recorder of Valley County, Idaho; thence N47°26'15"W, 320.83 feet along the north boundary of said Parcel A to a aluminum cap on the east right-of-way of Davis Avenue; thence 201.47 feet along a non-tangent curve to the left whose long chord bears S17°52'15"W, 199.93 feet, whose radius is 470.00 feet and delta angle is 24°33'36" along said right-of-way to an aluminum cap; thence S16°01'20"W, 27.34 feet to an aluminum cap marking the southwest corner of said Parcel A; thence N89°54'56"W, 49.57 feet to a 5/8" rebar marking the southeast 1/16 corner of said Section 4; thence N89°47'34"W, 185.34 feet to an aluminum cap marking the southeast corner of Parcel B as shown on said Record of Survey; thence N27°14'12"W, 108.36 feet along the boundary of said Parcel B to an aluminum cap; thence N64°37'01"W, 32.93 feet along the boundary of said Parcel B to an aluminum cap; thence S59°10'08"W, 52.65 feet along the boundary of said Parcel B to an

aluminum cap; thence N05°52'51"E, 165.03 feet along the east boundary of Parcels D and E, said Record of Survey to an aluminum cap; thence N68°45'54"W, 28.12 feet along the boundary of said Parcel E to an aluminum cap; thence S69°05'22" W, 57.43 feet along the boundary of said Parcel E to an aluminum cap; thence N60°58'28"W, 53.28 feet along the boundary of said Parcel E to a point; thence S80°51'04"W, 13.01 feet along the boundary of said Parcel E to an aluminum cap; thence N06°57'20"W, 55.52 feet along the high water mark of Payette Lake; thence N06°32'25"E, 40.84 feet along said high water mark; thence N02°58'44"E, 218.38 feet along said high water mark; thence N15°34'43"W, 56.42 feet along said high water mark; thence N01°08'25"E, 165.40 feet along said high water mark; thence N06°16'08"W, 260.10 feet along said high water mark ; thence N01°22'05"W, 157.97 feet along said high water mark; thence N18°33'55"E, 51.13 feet along said high water mark; thence N50°14'32"E, 161.52 feet along said high water mark; thence N34°21'00"E, 86.87 feet along said high water mark; thence N62°57'30"E, 120.14 feet along said high water mark; thence S42°01'22"E, 2.00 feet to an aluminum cap; thence continuing S42°01'22"E, 42.12 feet to an aluminum cap; thence S57°26'22"E, 239.84 feet to an aluminum cap; thence S33°24'53"E, 279.21 feet to an aluminum cap; thence N88°58'05"E, 482.63 feet to an aluminum cap on the center line of Davis Avenue; thence N34°25'25"E, 601.53 feet along said center line to an aluminum cap; thence N44°12'05"W, 28.48 feet to an aluminum cap; thence N35°58'02"E, 250.90 feet to an aluminum cap; thence S89°57'58"E, 163.10 feet to an aluminum cap; thence S00°02'02"W, 499.98 feet to the Point of Beginning. Bearings based on Record of Survey Inst. No. 156312. **53.215**

TOTAL ENDOWMENT ACRES: 56.396

ATTACHMENT B

MEMORANDUM OF UNDERSTANDING

between

IDAHO DEPARTMENT OF LANDS

and

IDAHO DEPARTMENT OF PARKS AND RECREATION

ORIGINAL

MEMORANDUM OF UNDERSTANDING BETWEEN IDAHO DEPARTMENT OF LANDS AND IDAHO DEPARTMENT OF PARKS AND RECREATION

WHEREAS, the Idaho Department of Lands ("IDL") administers certain state endowment lands located in and around Ponderosa State Park in Valley County, Idaho, more accurately described on Exhibit A, and generally referred to as the Haasch-Whitesel Parcel, the Nazarene Church Camp Parcel, and the Lakeview Village Parcel ("Parcels"); and

WHEREAS, the Idaho Department of Parks and Recreation ("IDPR") currently leases the Lakeview Village Parcel from the Idaho Department of Lands; and

WHEREAS, the IDPR is interested in obtaining ownership of the Parcels through a land exchange or other permissible means of acquisition; and

WHEREAS, the IDL is interested in exchanging the Parcels for other lands in an effort to further the state's management and use of state lands for the benefit of endowed institutions in accordance with Idaho Constitution article 9, section 8, the Idaho Admissions Bill, § 5(b), and Idaho Code § 58-138; and

WHEREAS, the 1998 Idaho Legislature enacted Idaho Code § 58-507, which contemplates an exchange of lands between IDPR and IDL and forms the basis for this Memorandum of Understanding ("MOU"); and

WHEREAS, the IDL and the IDPR desire to enter into this MOU to set forth policies and guidance for the coordination and cooperation of the agencies in accomplishing the acquisition of the above referenced lands by IDPR;

NOW THEREFORE, the IDL and IDPR agree as follows, subject to the final approval of the State Board of Land Commissioners ("Land Board") of any and all land exchanges contemplated herein:

1. IDPR will endeavor to obtain funds sufficient to purchase property of equal value to exchange for the state endowment land. To determine the approximate amount of funding needed, IDPR will use the 1998 appraisal of the state endowment land performed by Knipe & Knipe, Inc.

a. At present IDPR is pursuing financing by the Idaho Building Authority ("IBA") whereby a legislative resolution will be sought and obtained to authorize the issuance of a bond or other similar financial instrument.

b. IBA will use the proceeds of the bond to purchase lands identified by IDL to exchange for the Parcels.

c. IDPR shall enter into an agreement with IBA to lease and manage the Parcels and to pay IBA from IDPR's legislative appropriation to retire the bond, the proceeds of which were used to purchase land to exchange with IDL.

d. IDPR shall receive fee title to the Parcels at such time as the value of the bond has been paid to IBA.

2. IDPR reserves the right to pursue other means of obtaining funds to purchase property to be exchanged with IDL.

3. IDL, in consultation with IDPR, retains the option to exchange the Parcels in a series of land exchanges.

4. IDL shall identify possible lands for IDPR or IBA to purchase and exchange with IDL for the state endowment lands identified herein as soon as practicable.

5. Once land has been identified by IDL to exchange for the Parcels, an appraisal of those lands will be performed. If necessary, an update of the appraisal of the Parcels shall also be performed.

6. Pursuant to Idaho Code § 58-507, IDPR shall pay all costs of any land exchange between IDL and IDPR including, but not limited to surveys, appraisals, advertising costs associated with public hearings, and environmental site assessments. The parties shall work cooperatively to minimize these costs.

7. In the event the IDL does not identify land for IDPR or IBA to purchase for this exchange by January 1, 2000, IDL and IDPR may recommend a reduction in IDPR's lease payment for Lakeview Village to the Land Board. This reduction may be necessary to maintain and protect the endowment asset value until the exchange can be completed.

8. Subject to paragraph 7 of this agreement, the existing state endowment land lease between IDL and IDPR for the Lakeview Village Parcel shall not be affected by this MOU. The lease shall continue under the terms and conditions set out in the lease. If the lease expires during the term of this MOU, IDPR may seek to renew the lease in accordance with state law and administrative rules governing state endowment land leases. Said lease shall automatically terminate upon closing of any exchange to IDPR or IBA involving the Lakeview Village Parcel.

9. State endowment land leases existing upon the effective date of this MOU between IDL and third parties on the other Parcels identified herein shall not be affected by this MOU. The

leases shall continue under the terms and conditions set out in the leases. If any of the leases expire during the term of this MOU, IDL may renew the leases in the ordinary course of its business, and IDL reserves the right to issue other leases on the state endowment land during the term of this MOU. The state endowment land exchanged to IDPR pursuant to this MOU shall be transferred subject to all such leases existing at the time of closing.

10. This MOU may be amended by mutual written consent of IDL and IDPR.

11. This MOU shall terminate upon any of the following events:

a. If IDPR fails to accumulate enough money to effectuate the land exchange(s) herein contemplated within 10 years of the date of this MOU; Provided, however, that IDL and IDPR may renegotiate and renew this MOU prior to its termination.

b. Upon closing of the land exchange(s) contemplated herein.

12. The parties agree that this MOU is not intended to create any third party beneficiary. Nothing in this MOU is construed as creating any rights of enforcement by any person or entity.

APPROVED:

IDAHO DEPARTMENT OF LANDS

Stanley F. Hamilton
Director

12-16-98
Date

IDAHO DEPARTMENT OF PARKS AND RECREATION

Yvonne S. Ferrell
Director

12-17-98
Date

EXHIBIT A
LEGAL DESCRIPTIONS

The following legal descriptions are taken from the site descriptions included in the 1998 Knipe & Knipe appraisal. The parcels to be exchanged are as described in said appraisal.

A. HAASCH-WHITESEL PARCEL

Parts of Government Lot 7 in Section 34, Township 19 North, Range 3 East, B.M., Valley County, Idaho, comprising 0.354 acres more or less.

B. NAZARENE CHURCH CAMP PARCEL

Specifically Lots 39-44 and a Reserved Lot, West Side Peninsula Lots, Parts of Government Lot 7 in Section 34, Township 19 North, Range 3 East, B.M., Valley County, Idaho, comprising 2.827 acres more or less.

C. LAKEVIEW VILLAGE PARCEL

Parts of Government Lots 1 and 2 in Section 4, Township 18 North, Range 3 East, B.M., Valley County, Idaho, comprising 52.9 acres more or less.