

State Board of Land Commissioners Open Meeting Checklist

Meeting Date: September 15, 2020

Regular Meetings

9/2/2020	Notice of Meeting posted in prominent place in IDL's Boise Headquarters office five (5) or more calendar days before meeting.
9/8/2020	Revised Notice
9/10/2020	2nd Revised Notice
9/11/2020	3rd Revised Notice
9/2/2020	Notice of Meeting posted in prominent place in IDL's Coeur d'Alene Headquarters office five (5) or more calendar days before meeting.
9/8/2020	Revised Notice
9/10/2020	2nd Revised Notice
9/11/2020	3rd Revised Notice
9/2/2020	Notice of Meeting posted in prominent place at meeting location five (5) or more calendar days before meeting.
9/8/2020	Revised Notice
9/10/2020	2nd Revised Notice
9/11/2020	3rd Revised Notice
9/2/2020	Notice of Meeting emailed/faxed to list of media and interested citizens who have requested such notice five (5) or more calendar days before meeting.
9/8/2020	Revised Notice
9/10/2020	2nd Revised Notice
9/11/2020	3rd Revised Notice
9/2/2020	Notice of Meeting posted electronically on IDL's public website www.idl.idaho.gov five (5) or more calendar days before meeting.
9/8/2020	Revised Notice
9/10/2020	2nd Revised Notice
9/11/2020	3rd Revised Notice
9/10/2020	Agenda posted in prominent place in IDL's Boise Headquarters office forty-eight (48) hours before meeting.
9/11/2020	Revised Final Agenda
9/10/2020	Agenda posted in prominent place in IDL's Coeur d'Alene Headquarters office forty-eight (48) hours before meeting.
9/11/2020	Revised Final Agenda
9/10/2020	Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
9/11/2020	Revised Final Agenda
9/10/2020	Agenda emailed/faxed to list of media and interested citizens who have requested such notice forty-eight (48) hours before meeting.
9/11/2020	Revised Final Agenda
9/10/2020	Agenda posted electronically on IDL's public website www.idl.idaho.gov forty-eight (48) hours before meeting.
9/11/2020	Revised Final Agenda
12/9/2019	Land Board annual meeting schedule posted – Boise Director's office, Coeur d'Alene staff office, and IDL's public website www.idl.idaho.gov

Renée Jacobsen

Recording Secretary

September 11, 2020

Date

Special Meetings

	Notice of Meeting and Agenda posted in a prominent place in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted in a prominent place in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted electronically on IDL's public website www.idl.idaho.gov twenty-four (24) hours before meeting.
	Emergency situation exists – no advance Notice of Meeting or Agenda needed. "Emergency" defined in Idaho Code § 74-204(2).

Executive Sessions *(If only an Executive Session will be held)*

	Notice of Meeting and Agenda posted in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted electronically on IDL's public website www.idl.idaho.gov twenty-four (24) hours before meeting.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.

IDAHO DEPARTMENT OF LANDS



Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Lawrence E. Denney, Secretary of State

Lawrence G. Wasden, Attorney General

Brandon D Woolf, State Controller

Sherri Ybarra, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

REVISED NOTICE OF PUBLIC MEETING SEPTEMBER 2020

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, September 15, 2020 in the State Capitol, House Hearing Room EW42, Lower Level, East Wing, 700 W Jefferson St., Boise. The meeting is scheduled to begin at 9:00 AM (Mountain).

This meeting is open to the public.

Meeting will be streamed live at <https://www.idahoptv.org/shows/idahoinsession/ew42/>

All in-person attendees must comply with current COVID-19 safety protocols for public gatherings in the City of Boise, including but not limited to wearing face coverings and observing physical distancing. Physical distancing measures significantly reduce the meeting room's normal capacity.¹

Please consider viewing the meeting via live streaming or joining via teleconference.

Members of the public may listen to the meeting via teleconference, using the following:

Dial toll-free: 1-877-820-7831

Enter passcode: 1611820, followed by (#) key

No public comment will be accepted at this meeting

The Owyhee Land Exchange regular agenda item was removed from the agenda.

¹ www.cityofboise.org/departments/mayor/coronavirus-covid-19-information/ AND www.cdhd.idaho.gov/dac-coronavirus

Fourth Notice Posted: 9/11/2020-IDL Boise; 9/11/2020-IDL CDA

Third Notice Posted: 9/10/2020-IDL Boise; 9/10/2020-IDL CDA

Second Notice Posted: 9/8/2020-IDL Boise; 9/8/2020-IDL CDA

First Notice Posted: 9/2/2020-IDL Boise; 9/2/2020-IDL CDA

This notice is published pursuant to § 74-204 Idaho Code. For additional information regarding Idaho's Open Meeting law, please see Idaho Code §§ 74-201 through 74-208.

Idaho Department of Lands, 300 N 6th Street, Suite 103, Boise ID 83702, 208.334.0242



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State Board of Land Commissioners Regular Meeting

September 15, 2020 – 9:00 AM (MT)

Revised Final Agenda

Capitol, House Hearing Room (EW42), Lower Level, East Wing, 700 W. Jefferson St., Boise, Idaho

This meeting is open to the public.

Meeting will be streamed live via <https://www.idahoptv.org/shows/idahoinsession/ew42/>

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Please consider viewing the meeting via live streaming or joining via teleconference.

Members of the public may attend the meeting via teleconference, using the following:

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Enter passcode: 1611820, followed by (#) key

No public comment will be accepted at this meeting.

1. Department Report – Presented by Dustin Miller, Director

Trust Land Revenue

A. Timber Sales – August 2020

B. Leases and Permits – August 2020

Status Updates

C. Fire Season Report

D. Cottage Sites Auction – Priest Lake Results

2. Endowment Fund Investment Board Report – Presented by Chris Anton, EFIB Manager of Investments

A. Manager's Report

B. Investment Report

¹ www.cityofboise.org/departments/mayor/coronavirus-covid-19-information/ AND www.cdhd.idaho.gov/dac-coronavirus

Consent—Action Item(s)

3. **Idaho State Historical Society/Botanical Garden Lease** – *Presented by Janet Gallimore, Executive Director, Idaho State Historical Society*
4. **Approval of Draft Minutes** – August 18, 2020 Regular Meeting (Boise)

Regular—Action Item(s)

5. **FY2022 Department of Lands Budget** – *Presented by Debbie Buck, Financial Officer*
6. **Proposed Legislation** – *Presented by Scott Phillips, Policy and Communications Chief*

Information

7. **Bond Assurance Fund Update** – *Presented by Mick Thomas, Division Administrator-Minerals, Public Trust, Oil & Gas*

Executive Session

None



IDAHO DEPARTMENT OF LANDS



Idaho Statutes

TITLE 74
TRANSPARENT AND ETHICAL GOVERNMENT
CHAPTER 2

OPEN MEETINGS LAW

74-206. EXECUTIVE SESSIONS – WHEN AUTHORIZED. (1) An executive session at which members of the public are excluded may be held, but only for the purposes and only in the manner set forth in this section. The motion to go into executive session shall identify the specific subsections of this section that authorize the executive session. There shall be a roll call vote on the motion and the vote shall be recorded in the minutes. An executive session shall be authorized by a two-thirds (2/3) vote of the governing body. An executive session may be held:

(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;

(b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student;

(c) To acquire an interest in real property not owned by a public agency;

(d) To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code;

(e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;

(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement;

(g) By the commission of pardons and parole, as provided by law;

(h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;

(i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or

(j) To consider labor contract matters authorized under section 74-206A (1)(a) and (b), Idaho Code.

(2) The exceptions to the general policy in favor of open meetings stated in this section shall be narrowly construed. It shall be a violation of this chapter to change the subject within the executive session to one not identified within the motion to enter the executive session or to any topic for which an executive session is not provided.

(3) No executive session may be held for the purpose of taking any final action or making any final decision.

(4) If the governing board of a public school district, charter district, or public charter school has vacancies such that fewer than two-thirds (2/3) of board members have been seated, then the board may enter into executive session on a simple roll call majority vote.

History:

[74-206, added 2015, ch. 140, sec. 5, p. 371; am. 2015, ch. 271, sec. 1, p. 1125; am. 2018, ch. 169, sec. 25, p. 377; am. 2019, ch. 114, sec. 1, p. 439.]

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Trust Land Revenue

Timber Sales

During August 2020, the Department of Lands sold two endowment timber sales at auction. The endowment net sale value represents a 61% up bid over the advertised value. The Department of Lands also sold one Good Neighbor Authority timber sale (Thin Lamb GNA) at the appraised value.

TIMBER SALE AUCTIONS								
Sale Name	Area	Sawlogs MBF	Cedar Prod MBF	Pulp MBF	Appraised Net Value	Sale Net Value	Net \$/MBF	Purchaser
Eagle Salvage	PAY	985			\$ 118,293.50	\$ 120,367.50	\$122.20	Woodgrain Inc
Jacksons Ally	PON	8,200			\$ 1,326,146.50	\$ 2,204,991.40	\$268.90	PotlatchDeltic
Endowment		9,185	0	0	\$ 1,444,440.00	\$ 2,325,358.90	\$253.17	
Thin Lamb GNA*	IPNF	7,220			\$ 396,849.50	\$ 396,849.50	\$54.97	IFG Timber LLC

PROPOSED TIMBER SALES FOR AUCTION				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
North Operations				
Knobby Bear	3,700	\$ 464,550	PL	9/15/2020
Middle Man	3,700	\$ 708,644	POND	9/8/2020
3 Bear Cedar	9,115	\$ 2,368,714	POND	9/8/2020
Caribou Conks Pulp	3,650	\$ 99,639	PL	9/29/2020 2nd Auction
Curtis Blowdown Salvage	405	\$ 83,961	POL	9/9/2020
Devils Fork	3,000	\$ 283,654.50	PL	9/29/2020 2nd Auction
	23,570	\$ 3,725,507		
South Operations				
Glenwood 120 Cedar	2,955	\$ 665,659	MC	9/3/2020
Lost Heywood	12,820	\$ 3,048,928	MC	9/3/2020
Packer Salvage	9,545	\$ 457,612	SWI	9/10/2020
Faerbers Cedar	495	\$ 220,831	CLW	9/22/2020
True North Cedar	6,040	\$ 2,466,921	CLW	9/22/2020
	31,855	\$ 6,859,950		

VOLUME UNDER CONTRACT as of August 31, 2020				
	Public School	Pooled	Total	3 Year Avg.
Active Contracts			173	181
Total Residual MBF Equivalent	341,504	210,535	552,039	525,809
Estimated residual value	\$84,742,522	\$51,126,370	\$135,868,892	\$152,086,703
Residual Value (\$/MBF)	\$248.15	\$242.84	\$246.12	\$288.94

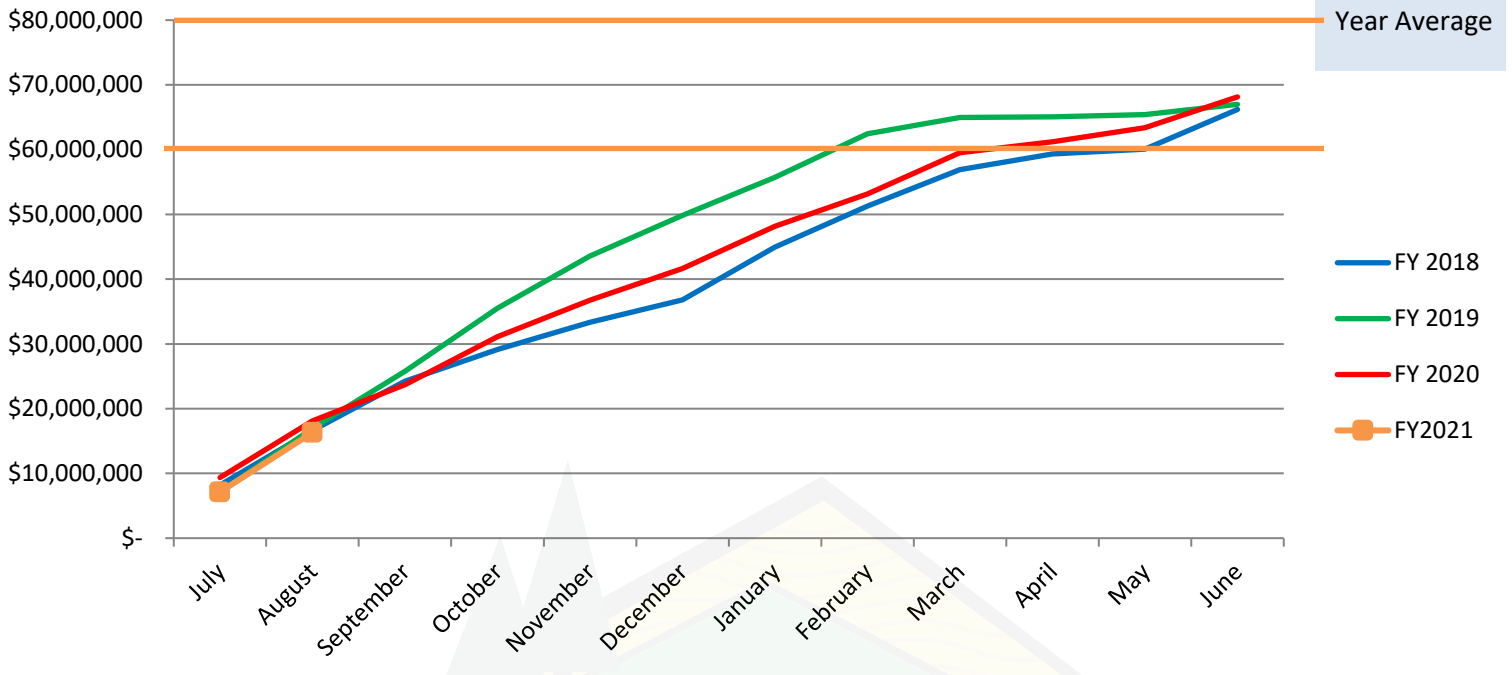
	TIMBER HARVEST RECEIPTS									
	August					FY to date		September Projected		
	Stumpage		Interest		Harvest Receipts		Stumpage		Interest	
Public School	\$	6,359,405.61	\$	738,302.69	\$	10,972,498.23	\$	5,835,899.90	\$	767,182.64
Pooled	\$	1,863,621.32	\$	221,003.87	\$	5,345,250.70	\$	1,986,738.55	\$	238,743.20
General Fund	\$	1,563.21	\$	179.84	\$	3,112.60	\$	499.52	\$	59.94
TOTALS	\$	8,224,590.14	\$	959,486.40	\$	16,320,861.53	\$	7,823,137.97	\$	1,005,985.78

	Status of FY 2020 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of August 31, 2020	170,557	80,927	251,483	10,303	5,650	15,953
Currently Advertised	6,825	8,405	15,230	0	0	0
In Review	7,650	0	7,650	0	0	0
Did Not Sell ¹	0	0	0	0	0	0
TOTALS	185,032	89,331	274,363	10,303	5,650	15,953
FY-2020 Sales Plan			267,395			17,953
Percent to Date			103%			89%

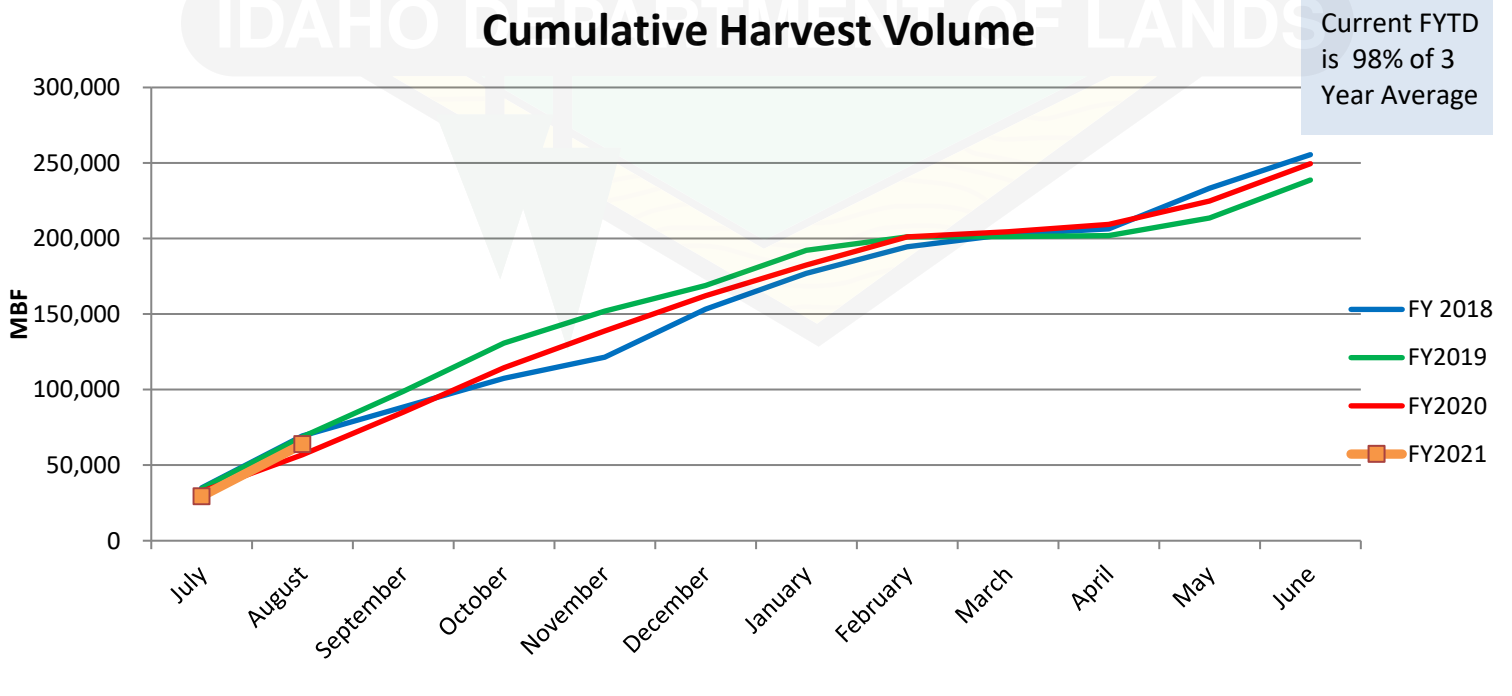
	Status of FY 2021 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of August 31, 2020	7,873	1,544	9,417	0	0	0
Currently Advertised	19,093	28,512	47,605	2,462	8,386	10,848
In Review	2,120	9,730	11,850	0	0	0
Did Not Sell ¹	0	0	0	0	0	0
TOTALS	29,085	39,787	68,872	2,462	8,386	10,848
FY-2021 Sales Plan			284,238			28,810
Percent to Date			24%			38%

¹ After three attempts at auction.

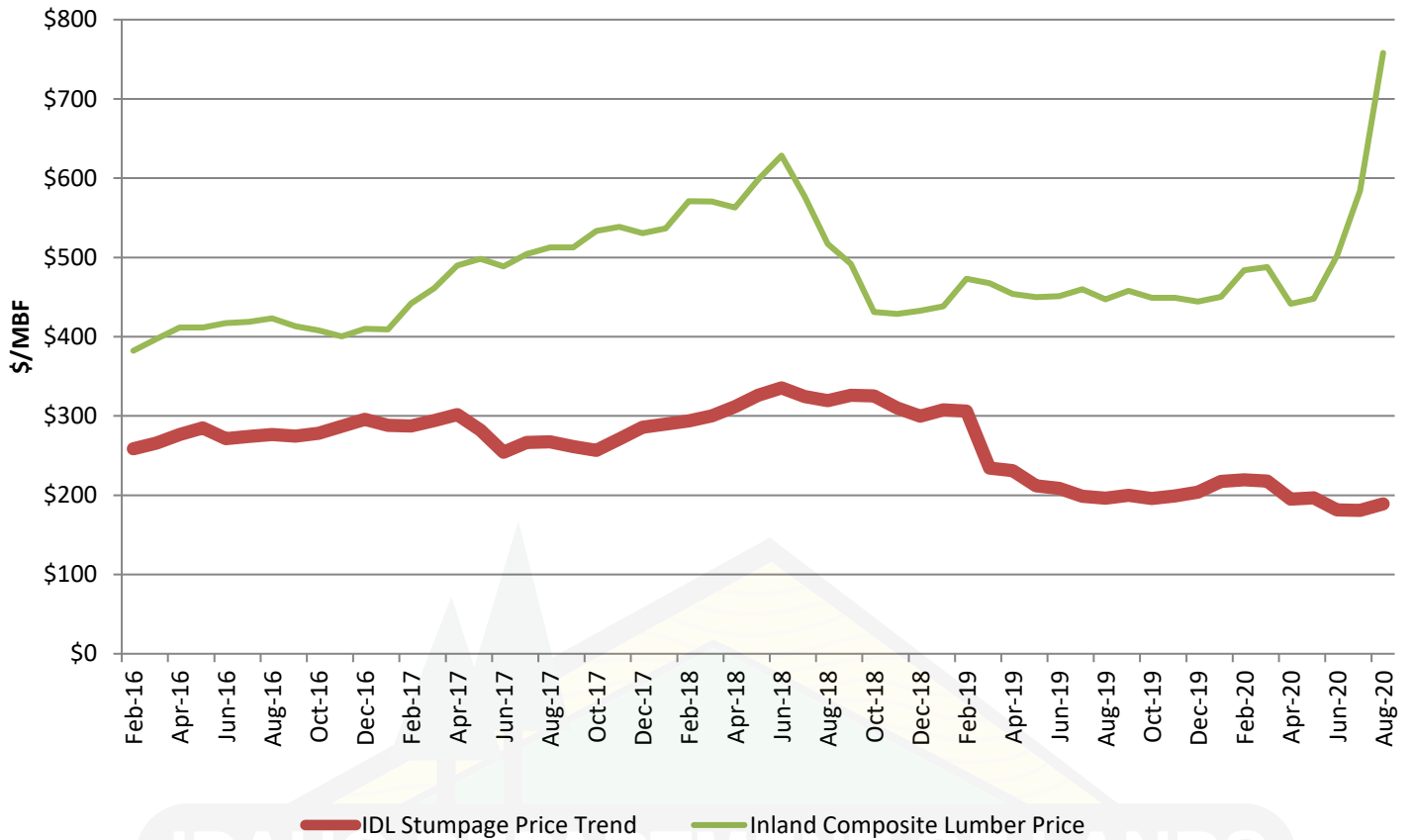
Cumulative Harvest Receipts



Cumulative Harvest Volume



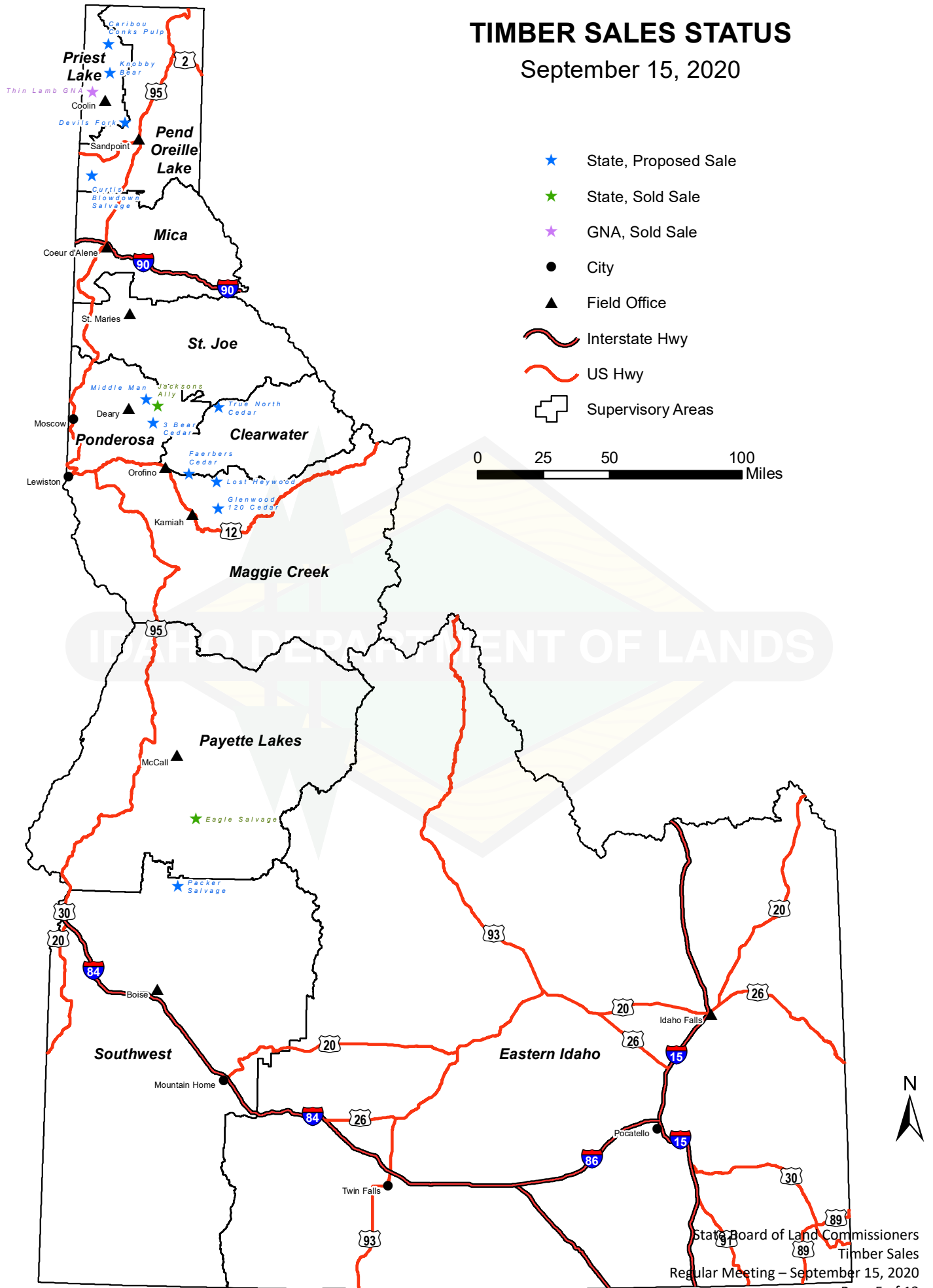
Monthly Lumber and Stumpage Price



IDL Stumpage Price Line is a 6-month rolling average of the net sale price.

TIMBER SALES STATUS

September 15, 2020



Land Board DFTM Update

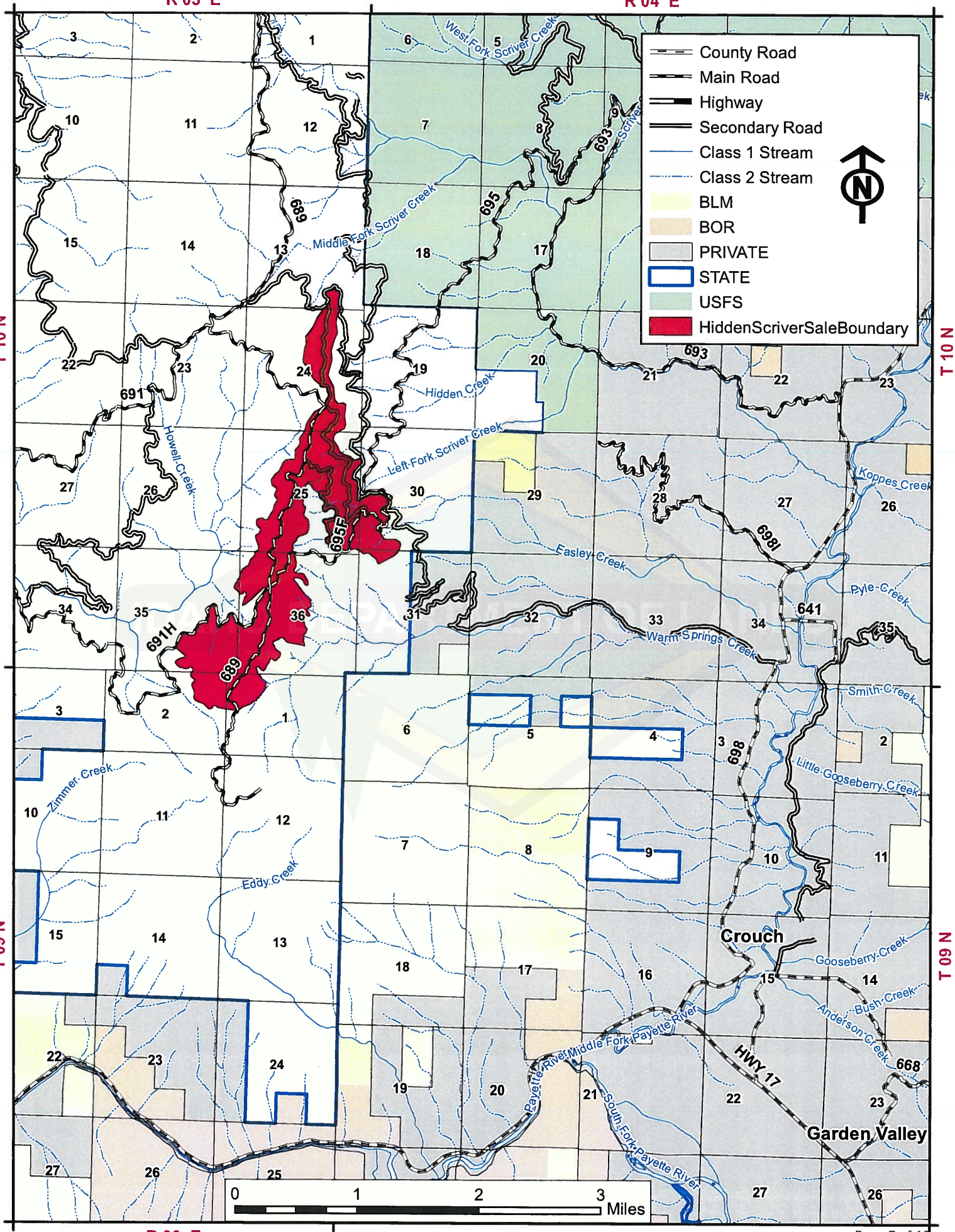
Endowment Land Douglas-fir Tussock Moth (DFTM) salvage update through July 31, 2020:

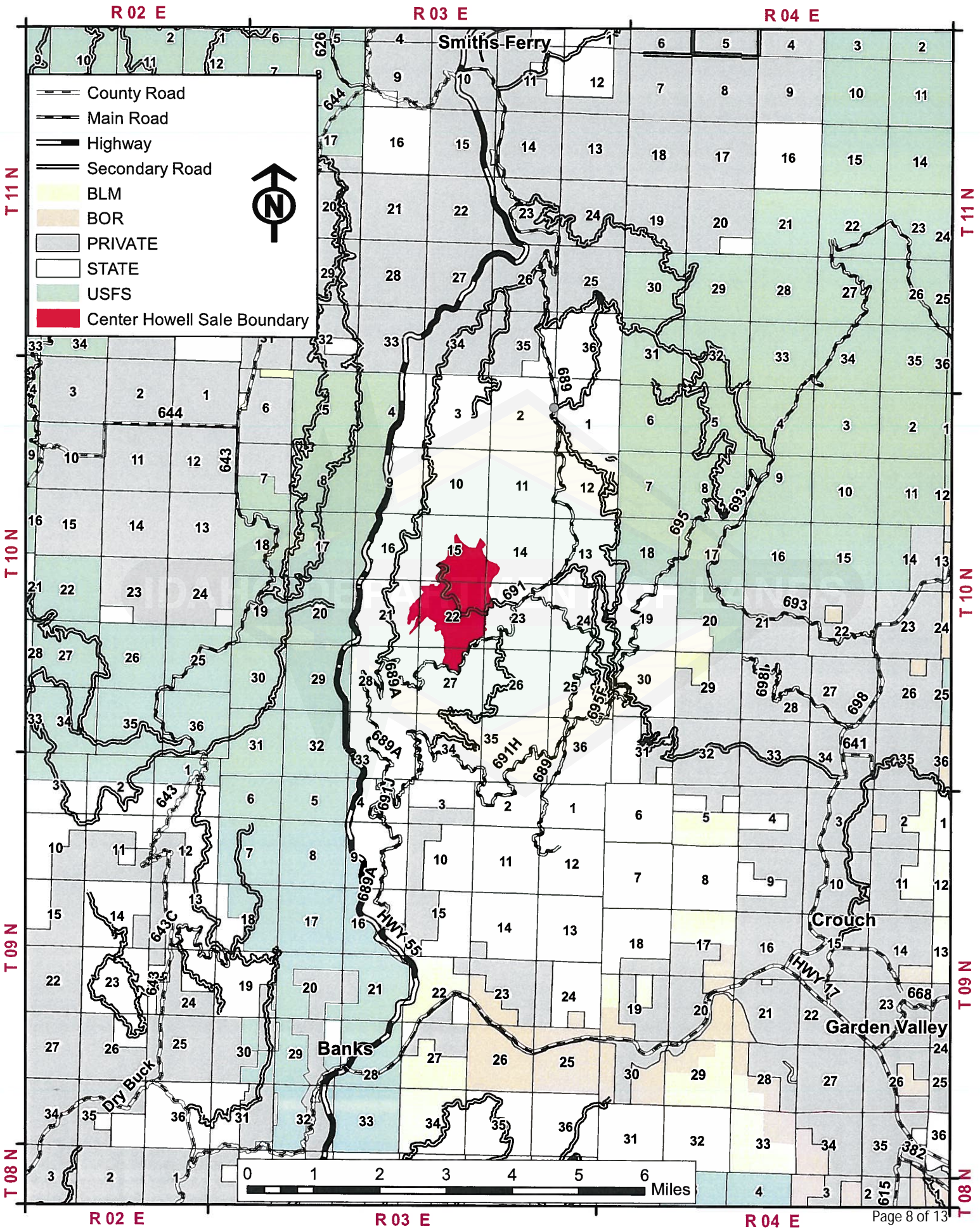
Endowment Land DFTM						
Sale Name	Sold Volume (MBF)	Est. Net Value	Harvested Volume	Harvest Value	Status	Supervisory Area
Hidden Scriver Salvage	11,019	\$884,418.00	8,366	\$667,199.92	Active	Southwest
Center Howell Salvage	15,090	\$1,566,331.80	8,884	\$972,014.35	Active	Southwest
Bacon Salvage	8,135	\$846,012.00	5,818	\$643,792.75	Cancelled	Payette
Eagle Salvage	985	\$120,367.50			Sold	Payette
Packer Salvage	9,545	\$457,612.00			Scheduled for Auction	Southwest
Packer Summit	10,330	\$620,000.00			Field Work Ongoing	Southwest
TOTALS	55,104	\$4,494,741.30		\$2,283,007.02		

Hidden Scriver and Center Howell were the initial two salvage sales discussed at the Land Board last year. Bacon Salvage followed as insect effects began spreading northward. Eagle Salvage, Packer Salvage, and Packer Summit were determined necessary after observing limited vegetative recovery from the previous year's damage. All salvage volume listed for these sales is on Public School Endowment. DFTM is now showing up in northern Idaho at high elevation and is being monitored.

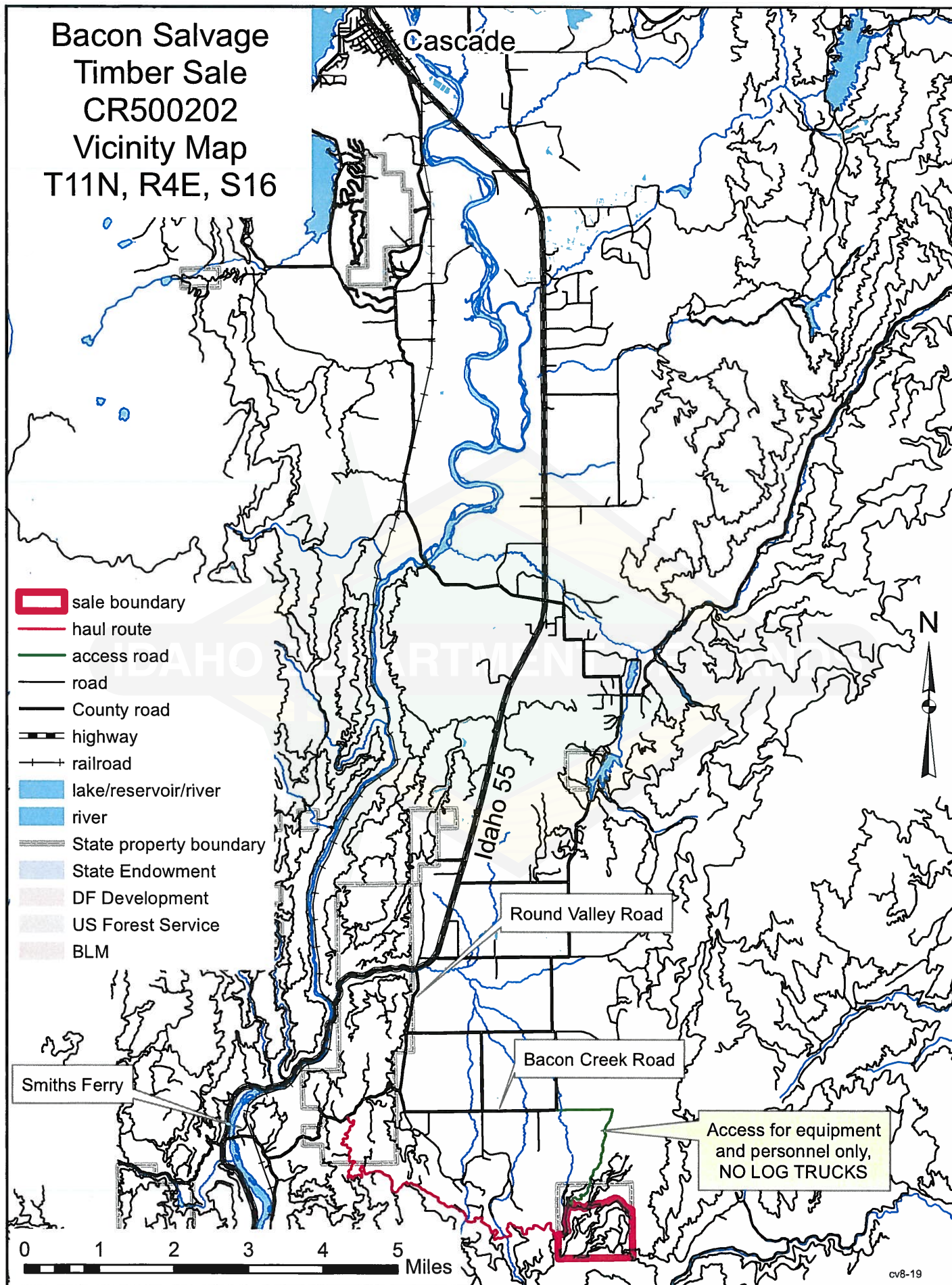
The High Forks GNA sale has removed 4,840 MBF of timber that includes most species affected by DFTM. The USFS has harvested approximately 8 MMBF across both the Payette and Boise National Forests, has approximately 16.4 MMBF left under contract, and has 18.3 MMBF planned for the remainder of 2020 and into 2021.

This totals 94.7 MMBF identified for salvage across ownerships.

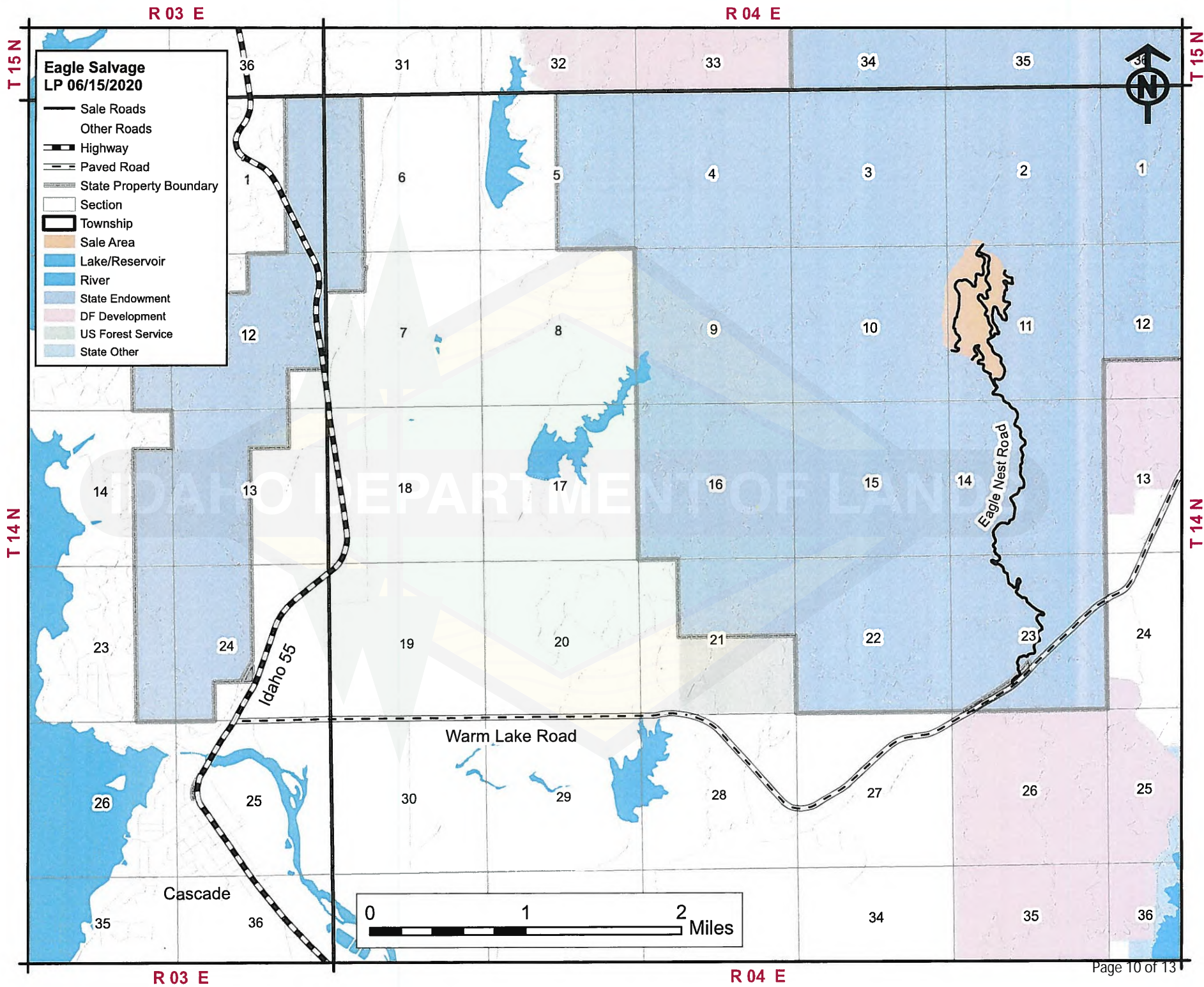




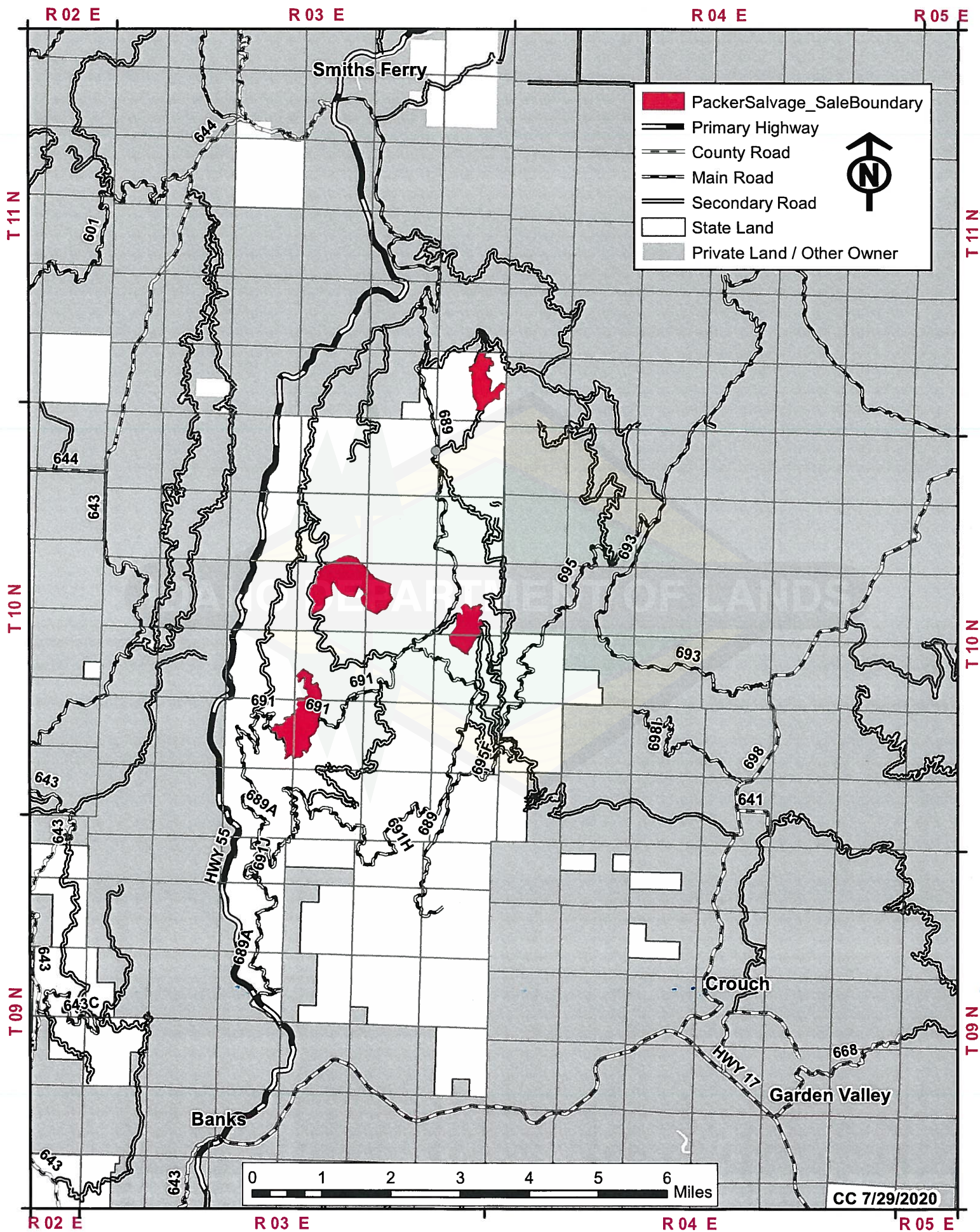
Bacon Salvage Timber Sale CR500202 Vicinity Map T11N, R4E, S16



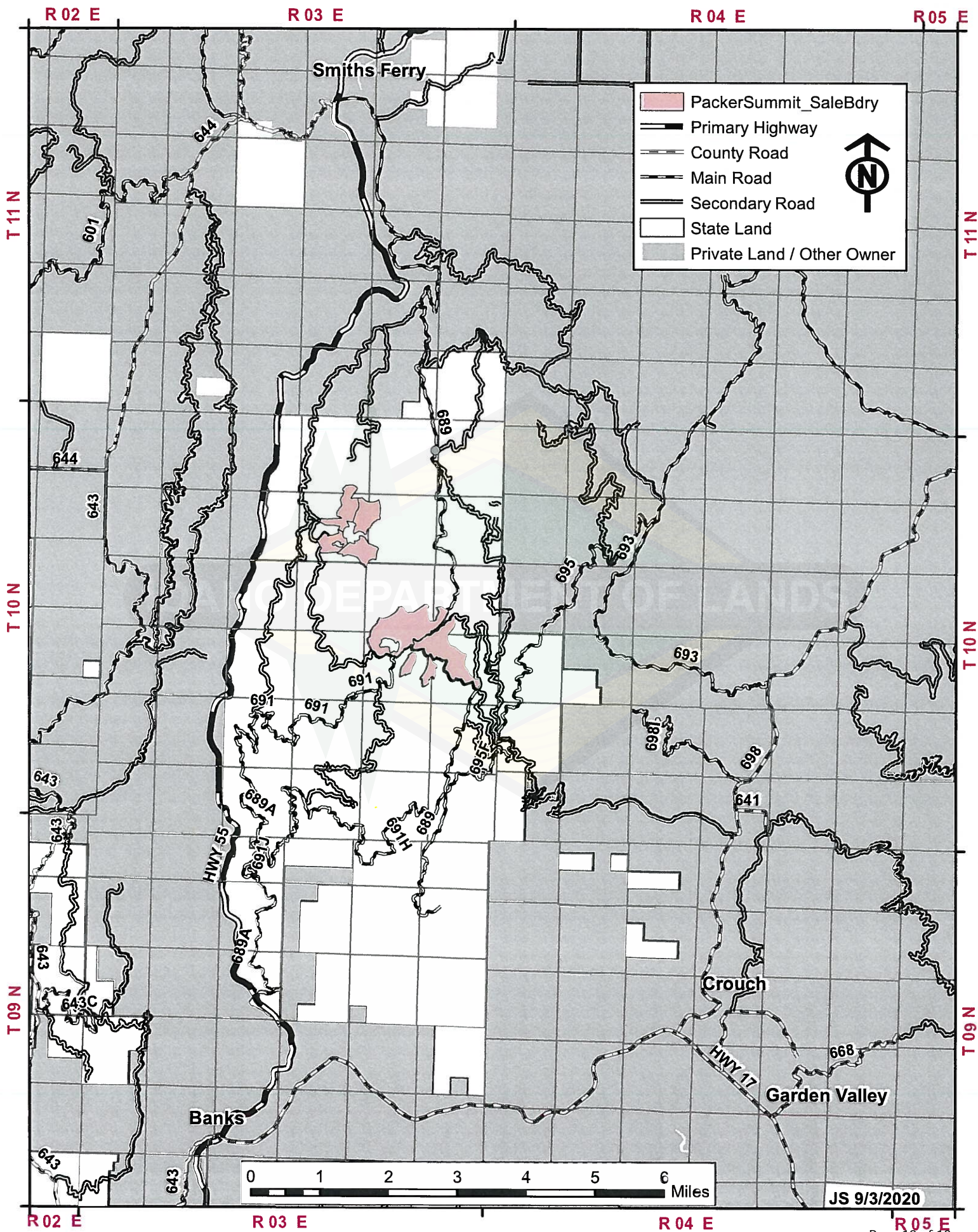
cv8-19

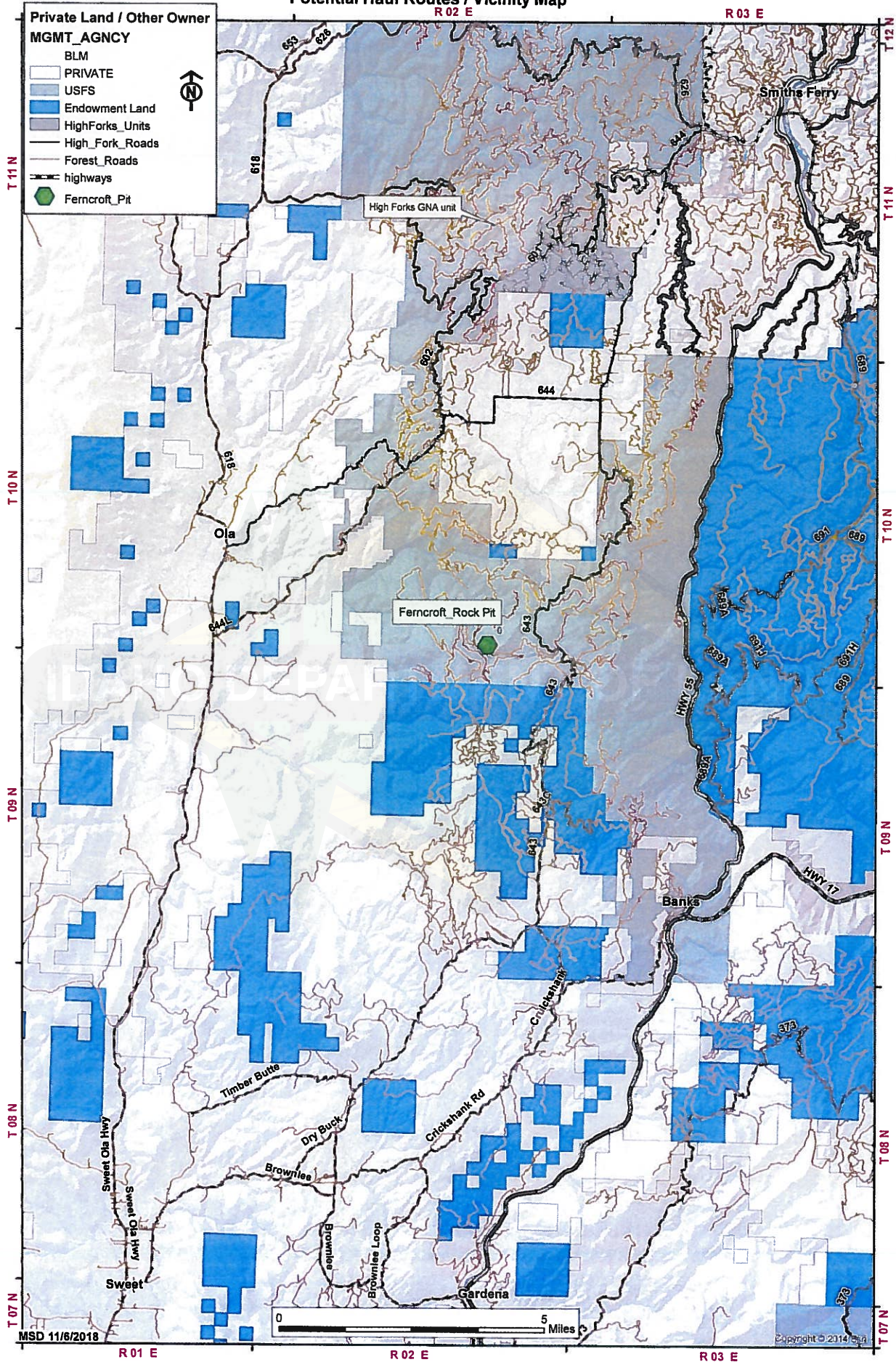


VICINITY MAP



VICINITY MAP



High Forks GNA Ton
Potential Haul Routes / Vicinity Map

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020
Endowment Transactions

Leases and Permits

FISCAL YEAR 2021 – LEASING & PERMITTING TRANSACTIONS BY MONTH – through August 31, 2020														
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	EST	FYTD
SURFACE														
Agriculture	-	-											1	0
<i>Assignments</i>	-	-											1	0
Communication Sites	-	-											-	0
Grazing	7	2											14	9
<i>Assignments</i>	-	3											32	3
Residential	-	2											18	2
<i>Assignments</i>	-	1											18	1
COMMERCIAL														
Alternative Energy	-	-											1	0
Industrial	-	-											-	0
Military	-	-											-	0
Office/Retail	-	-											-	0
Recreation	-	-											-	0
<i>Assignments</i>	-	-											-	0
OTHER														
Conservation	-	-											-	0
<i>Assignments</i>	-	-											-	0
Geothermal	-	-											4	0
Minerals	13	-											57	13
<i>Assignments</i>	-	-											-	0
Non-Comm Recreation	-	-											-	0
Oil & Gas	-	-											-	0
PERMITS														
Land Use Permits	10	5											NA	15
TOTAL INSTRUMENTS	30	13											NA	43

Real Estate

FISCAL YEAR 2021 – REAL ESTATE TRANSACTIONS BY MONTH – through August 31, 2020													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	-											0
Deeds Granted	-	-											0
Deeds Granted - Surplus	-	-											0
Easements Acquired	-	-											0
Easements Granted	-	-											0
<i>Assignments</i>	-	1											1

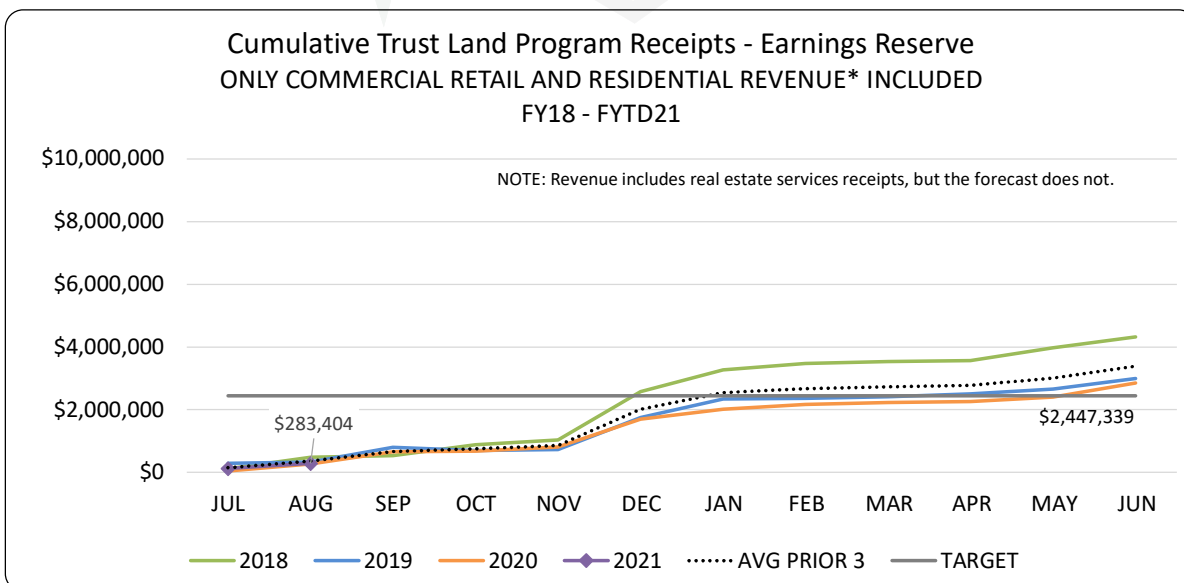
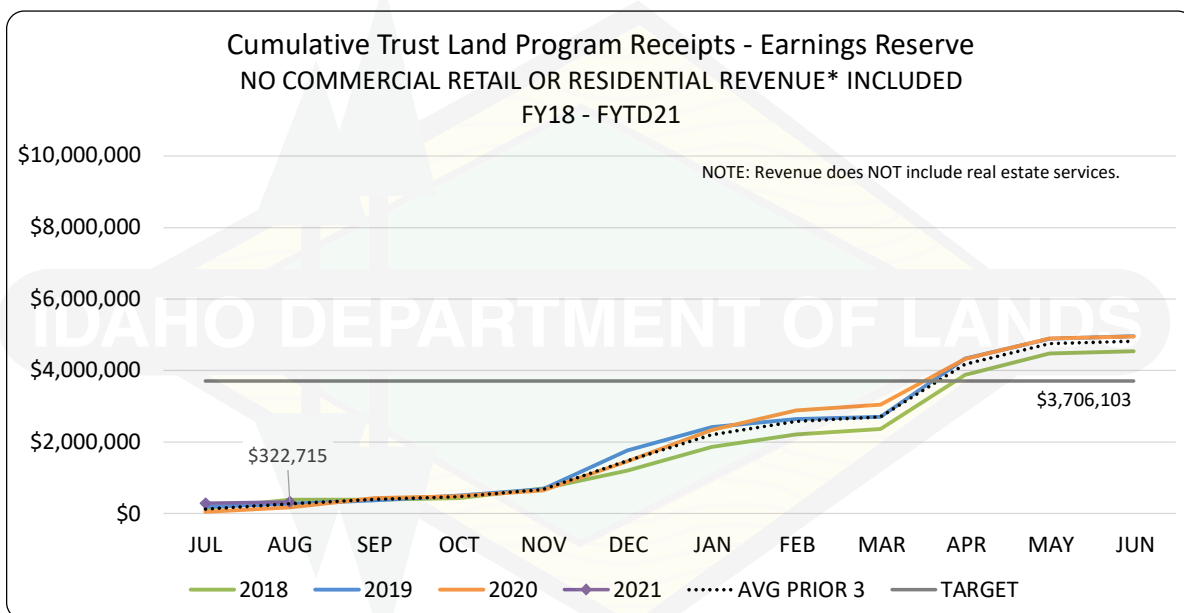
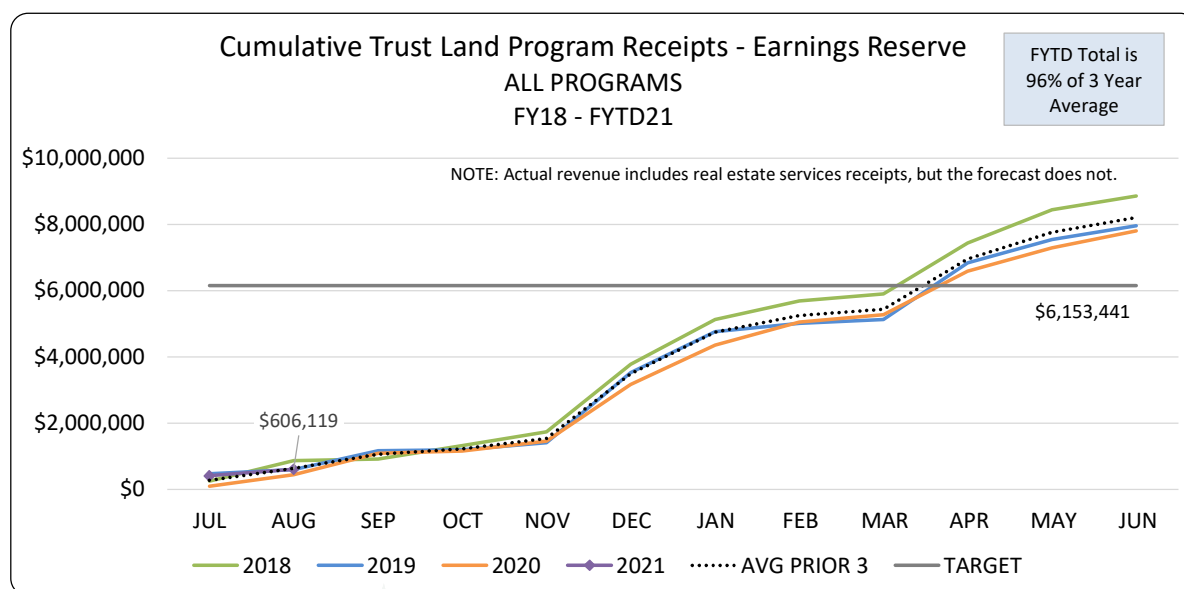
TRUST LAND MANAGEMENT DIVISION
2021FYTD GROSS REVENUE - ACTUAL AND FORECASTED
through August 31, 2020

	ACTUAL RECEIPTS AS OF 08.31.2020	REVENUE EXPECTED BY 08.31.2020**	REVENUE EXPECTED BY 06.30.2021
SURFACE			
AGRICULTURE	\$ 2,162	\$ -	\$ 471,741
COMMUNICATION SITES	\$ 40,647	\$ 53,856	\$ 548,358
GRAZING	\$ 7,706	\$ 6,452	\$ 1,822,510
RESIDENTIAL	\$ 56,200	\$ 47,474	\$ 1,450,328
COMMERCIAL			
COMMERCIAL ENERGY RESOURCES	\$ 4,364	\$ -	\$ 12,715
COMMERCIAL INDUSTRIAL	\$ 10,856	\$ 19,800	\$ 73,313
COMMERCIAL MILITARY	\$ -	\$ -	\$ 62,438
COMMERCIAL OFFICE/RETAIL	\$ 142,397	\$ 128,469	\$ 997,011
COMMERCIAL RECREATION	\$ 232,297	\$ 231,615	\$ 470,323
OTHER			
CONSERVATION LEASES	\$ 100	\$ -	\$ 103,951
GEOTHERMAL	\$ -	\$ -	\$ 5,000
MINERAL	\$ 17,223	\$ 9,844	\$ 70,492
NON-COMMERCIAL RECREATION	\$ 600	\$ 1,300	\$ 52,129
OIL AND GAS LEASES	\$ 6,759	\$ 1,026	\$ 13,133
Sub Total	\$ 521,312	\$ 499,835	\$ 6,153,441
*LAND SALES/RECORDS	\$ 84,807		
*REAL ESTATE SERVICES	\$ -		
Grand Total	\$ 606,119		

* These categories are not included in the annual forecast.

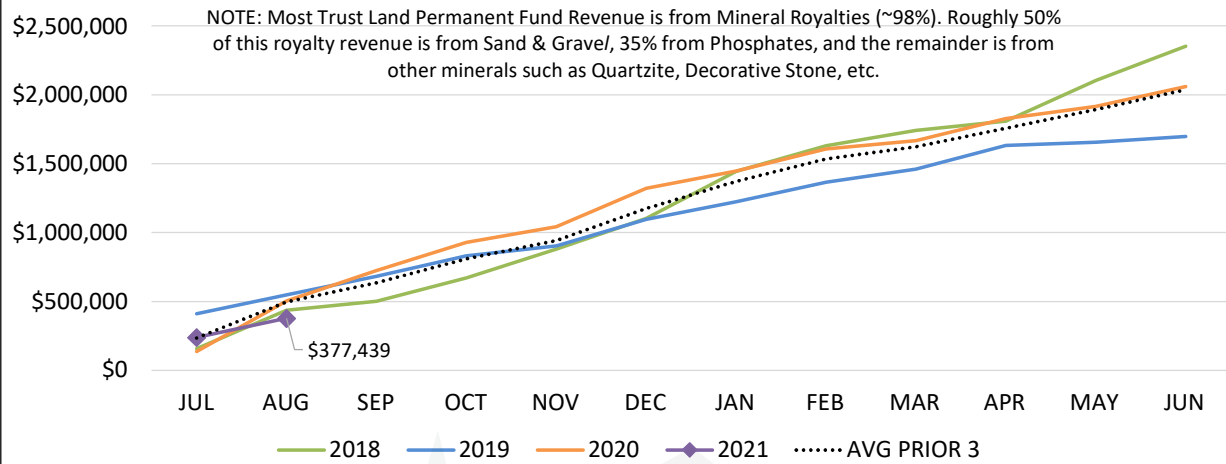
** These figures are based on "normal" timing of revenue/billing throughout the year.

NOTE: The Department prepares the annual endowment revenue forecast by ASSET CLASS (not by Program). For this table, we have attempted to further breakdown the forecast by program by applying trend data.



Cumulative Trust Land Permanent Fund Revenue/Royalties (Does NOT include Land Bank Revenue)

FY18 - FYTD21



IDAHO DEPARTMENT OF LANDS

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Department Report

Subject

Fire Season Update

Background

As of September 10, 2020, Emergency Fire Suppression expenditures are estimated to be \$20,300,000. The Suppression Account will recover an estimated \$1,500,000 of reimbursable costs, for a net obligation of \$18,800,000. The total obligation above includes the 2020 contracted aircraft costs, a prepositioned hand crew, and 11 prepositioned engines to assist with reduced resource availability due to COVID-19. These engines are assigned across the state to boost initial attack resources.

Discussion

On September 7, the Sunnyside Complex started in the Orofino area. The Complex consists of the Clover Fire and MM49 Fire. Both fires are being managed by a Type 2 Incident Management Team and are approximately 2,500 acres total.

On September 7, the St. Joe Power Complex started near St. Maries. The Complex consists of the Cliff Fire (22 acres) and the Dusty Fire (41 acres). This fire is being managed by an IDL Type 3 Incident Management Team.

On September 7, the Hunter 2 Fire started near Blanchard. The fire is approximately 740 acres and is being managed by a Type 3 Incident Management Team.

As shown by the table below, fire occurrence to date for 2020 is 82 percent of the 20-year average, while the acres burned is 18 percent of the 20-year average.

Fire Season Comparison to Date

Number of Fires				
Year	Lightning	Human	Total	Acres
2017	55	124	179	51,409
2018	53	177	230	7,581
2019	83	124	207	1,259
2020	48	169	217	3,982
20 Yr. Average			250	22,190

Numbers in table are YTD for prior years and YTD for the current year.

September fire potential is predicted to be near normal for northern Idaho but above normal for southern Idaho. Currently Stage 1 Fire Restrictions are in place in portions of central and eastern Idaho.

Significant Fires Outside of IDL Protection

Bernard Fire

The Bernard Fire is burning near the town of Bayview and is currently 205 acres. Area, road, and trail closures are in effect.

Woodhead Fire

The Woodhead Fire is 20 miles west of Council and is 27,000 acres. The fire is being managed by a Type 2 Incident Management Team, and area and road closures are in effect.

Total Acres Burned by Ownership	
9/10/2020	
Surface Owner	Acres
Idaho Department of Lands	5,678
Other State Lands	2,036
Private	23,609
Bureau of Land Management	32,444
Other Federal	9,344
U.S. Forest Service	26,403
Total Acres	99,514

Only fires with perimeters in the Fire Enterprise Geospatial Portal and the IDL Lands Resource Manager system have been included in the analysis.

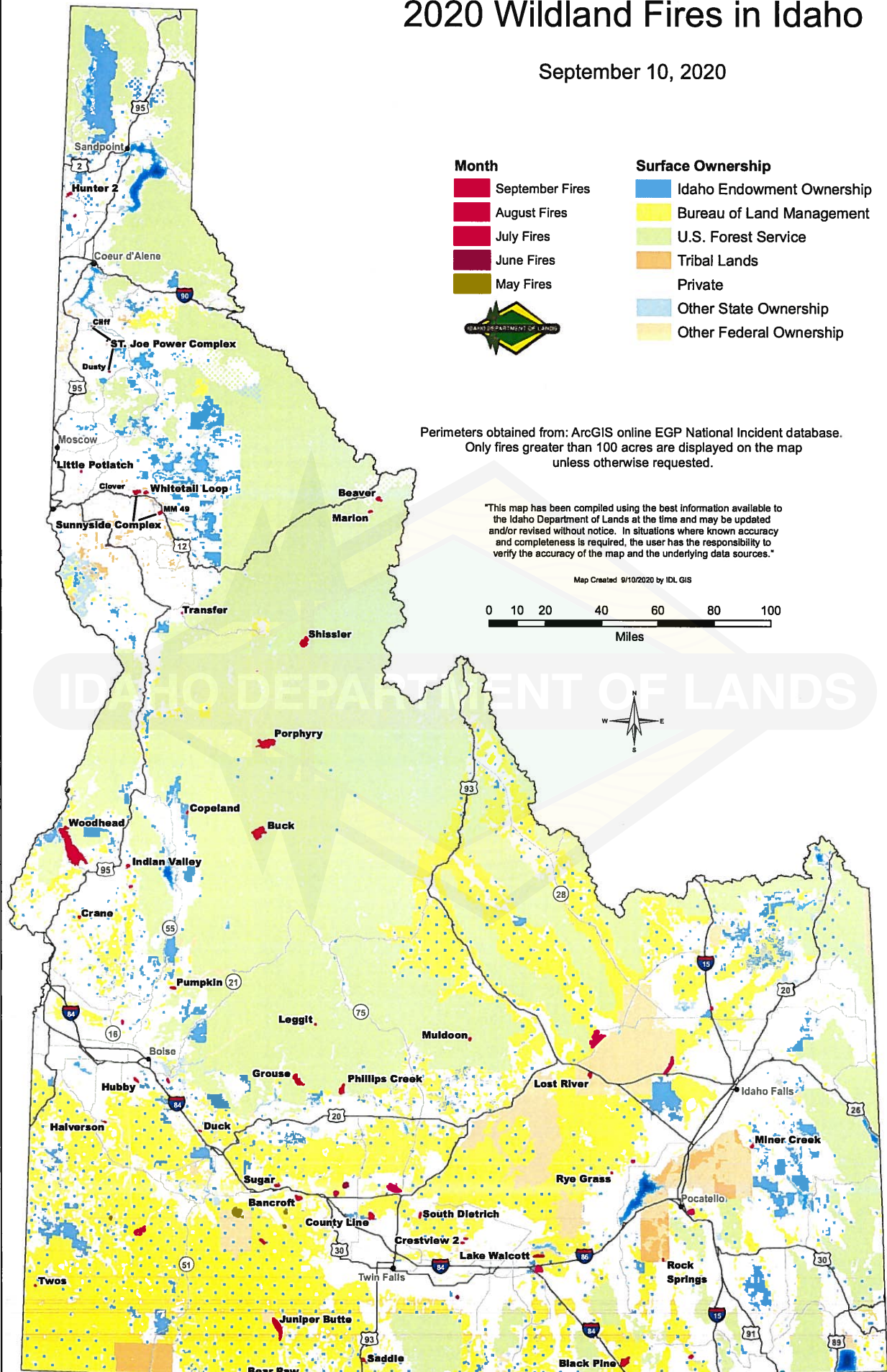
Fire Deficiency Warrant Spending - 2020 Fire Season YTD		
Category	Estimated Costs	Notes
Aviation Resources	\$2,000,000	4 SEATS, 1 Fire Boss, 2 Type 2 Helicopters
Preposition Engines	\$750,000	11 contract engines to boost IA statewide
Preposition Hand Crew	\$200,000	20-person Hand Crew to boost IA
IDL Team Fires	\$11,400,000	Type 2 and Type 3 Fires
IDL Non-Team Fires	\$2,990,000	IDL/Assn fires including pre-positioning
Other Suppression	\$2,960,000	Reimbursable (IDL and Fire Department resources supporting non-IDL fires), Coeur d'Alene Cache, Dispatch
Total Estimate YTD	\$20,300,000	

Attachments

1. Significant Fires Throughout Idaho
2. Current Fire Restrictions Map

2020 Wildland Fires in Idaho

September 10, 2020



Idaho Fire Restrictions

Map Date: 9/10/2020

Restriction Area	Restriction Zone	Restriction	Date Enacted
Eastern Idaho	Big Desert, Caribou Highlands, Centennial	Stage 1	Friday, August 28
South Central	Sawtooth North	Stage 1	Friday, August 21
Central Idaho	Central Idaho	Stage 1	Friday, August 21

Restriction Stage

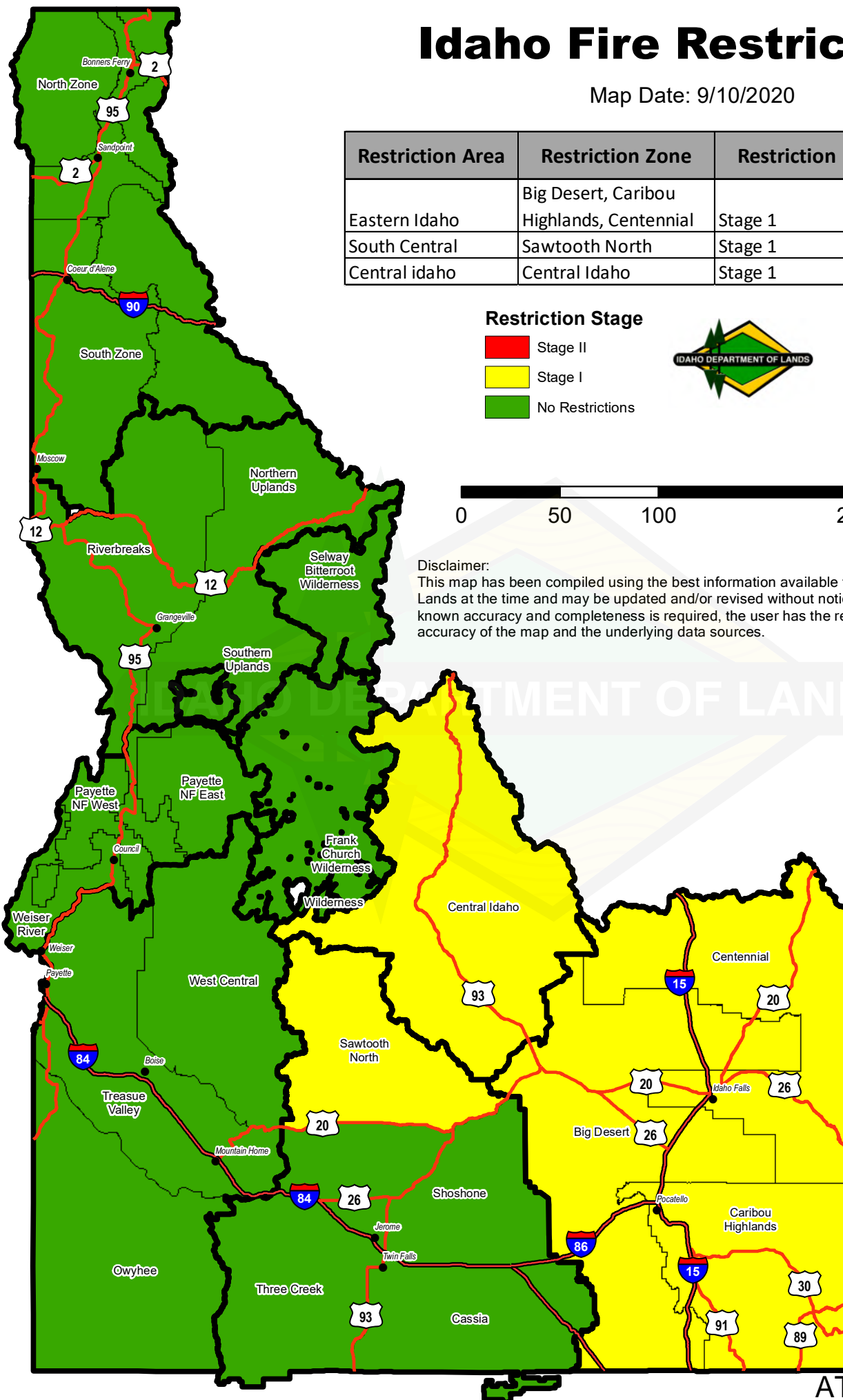
- Stage II
- Stage I
- No Restrictions



0 50 100 200 Miles

Disclaimer:

This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



2020 Priest Lake Cottage Site Auction

Saturday August 15, 2020

CS Address	Subdivision	Lot	Block	Appraised Personal Property Value	Acres	Appraised Land Value	Winning Bidder	Winning Bid	Up-Bid Amount	% Up-Bid
374 Upper Bear Creek	Bear Creek	10	1	\$160,000	0.60	\$397,000	Non-lessee	\$625,000	\$228,000	57.4%
134 E Cavanaugh Bay	Cougar Creek	14	1	\$12,000	2.01	\$457,000	Non-lessee	\$680,000	\$223,000	48.8%
974 Sherwood Beach	Kokanee Point	3	1	\$153,000	0.31	\$341,000	Lessee	\$472,000	\$131,000	38.4%
106 Powerline	Woody's Point	12	1	\$82,000	1.27	\$517,000	Lessee	\$517,000	\$0	0.0%
3407 Cape Horn	Powerline	4	3	\$1,045,000	1.00	\$465,000	Lessee	\$465,000	\$0	0.0%
74 Lake Trout	Woody's Point	41	1	\$146,000	0.61	\$308,000	Lessee	\$531,000	\$223,000	72.4%
195 N Diamond Park	Desmet Park	2	1	\$150,000	0.97	\$465,000	Non-lessee	\$593,000	\$128,000	27.5%
500 E Cavanaugh Bay	Cougar Creek	2	1	\$98,000	1.31	\$708,000	Non-lessee	\$883,000	\$175,000	24.7%
332 E Cavanaugh Bay	Cougar Creek	8	1	\$116,000	1.11	\$524,000	Lessee	\$591,000	\$67,000	12.8%
70 Char Lane	Woody's Point	24	1	\$67,000	1.14	\$520,000	Non-lessee	\$730,000	\$210,000	40.4%
2939 Cape Horn	Powerline	5	2	\$33,000	1.69	\$250,000	Lessee	\$810,000	\$560,000	224.0%
245 Eight Mile	Horton Creek	34	1	\$20,000	1.07	\$588,000	Lessee	\$1,700,000	\$1,112,000	189.1%
93 S Clambake	Clambake Point	12	1	\$1,740,000	2.91	\$685,000	Lessee	\$685,000	\$0	0.0%
388 Eight Mile	Horton Creek	40	1	\$805,000	0.71	\$690,000	Lessee	\$690,000	\$0	0.0%
140 W Horton Creek	Horton Creek	20	1	\$422,000	1.82	\$478,000	Lessee	\$478,000	\$0	0.0%
188 Two Creeks	Horton Creek	9	1	\$352,000	1.19	\$467,000	Lessee	\$467,000	\$0	0.0%
12 N Mackinaw	Hunt Creek	32	1	\$244,000	1.10	\$426,000	Lessee	\$426,000	\$0	0.0%
465 Pinto Point	Pinto Point	23	1	\$176,000	0.33	\$411,720	Lessee	\$411,720	\$0	0.0%
					21.15	\$8,697,720		\$11,754,720	\$3,057,000	35.1%

Cottage Sites Sold at Auction									Total by CY		
2011 - 8/15/2020									Yr	#	Bid Amount
Auction	Lake	Type	#Lots Offered	#Lots Sold	Reserve Lots Sold	Bid Amount	Up Bid	Up Bid Lots			
2011 Aug. 10	Payette	ULA	2	1	\$ 40,500	\$ 44,550	\$ 4,050	1	2011	2	\$ 528,850
2011 Nov. 11	Payette	ULA	1	1	\$ 484,300	\$ 484,300	\$ -	0			
2013 Oct. 18	Payette	VAFO	10	10	\$ 3,149,000	\$ 3,160,000	\$ 11,000	1	2013	13	\$ 5,880,000
2013 Oct. 18	Payette	ULA	3	3	\$ 2,313,450	\$ 2,720,000	\$ 406,550	3			
2014 Apr. 5	Payette	VAFO	21	21	\$ 6,034,415	\$ 6,067,615	\$ 33,200	3	2014	80	\$ 32,971,427
2014 Aug. 28	Priest	VAFO	60	59	\$ 26,771,416	\$ 26,903,812	\$ 132,396	2			
2015 Jan. 31	Payette	VAFO	30	28	\$ 10,481,000	\$ 10,489,000	\$ 8,000	1			
2015 Jan. 31	Payette	ULA	6	3	\$ 2,028,000	\$ 2,101,000	\$ 73,000	3			
2015 Aug. 28	Priest	VAFO	38	35	\$ 15,652,500	\$ 15,652,500	\$ -	0	2015	94	\$ 39,464,000
2015 Sep. 26	Priest	ULA	9	8	\$ 3,950,000	\$ 4,239,000	\$ 289,000	2			
2015 Nov. 13	Payette	VAFO	18	17	\$ 3,845,000	\$ 3,887,000	\$ 42,000	2			
2015 Nov. 13	Payette	ULA	4	3	\$ 2,314,000	\$ 3,095,500	\$ 781,500	3			
2016 June 25	Priest	VAFO	41	39	\$ 18,551,228	\$ 18,918,228	\$ 367,000	1			
2016 Aug. 19	Payette	VAFO	25	25	\$ 7,260,000	\$ 7,301,500	\$ 41,500	2	2016	73	\$ 33,443,332
2016 Aug. 19	Payette	ULA	5	5	\$ 4,384,000	\$ 5,304,000	\$ 920,000	3			
2016 Sep. 23	Priest	ULA	4	4	\$ 1,919,604	\$ 1,919,604	\$ -	0			
2017 June 23	Payette	VAFO	14	14	\$ 7,841,000	\$ 7,895,500	\$ 54,500	2			
2017 Aug. 18-19	Priest	VAFO	57	56	\$ 27,331,228	\$ 27,331,228	\$ -	0	2017	71	\$ 35,765,332
2017 Aug. 18-19	Priest	ULA	4	1	\$ 538,604	\$ 538,604	\$ -	0			
2018 June 15	Payette	VAFO	9	9	\$ 3,487,500	\$ 3,870,000	\$ 382,500	4			
2018 Aug 24-25	Priest	VAFO	50	49	\$ 24,168,624	\$ 24,794,124	\$ 625,500	5	2018	59	\$ 29,006,124
2018 Aug 24-25	Priest	ULA	1	1	\$ 342,000	\$ 342,000	\$ -	0			
2019 June 14	Payette	VAFO	3	3	\$ 1,409,000	\$ 1,670,000	\$ 261,000	2			
2019 June 14	Payette	ULA	5	5	\$ 405,000	\$ 1,022,000	\$ 617,000	5	2019	37	\$ 16,351,400
2019 Aug 17	Priest	VAFO	27	27	\$ 12,670,400	\$ 12,670,400	\$ -	0			
2019 Aug 17	Priest	ULA	3	2	\$ 989,000	\$ 989,000	\$ -	0			
2020 Aug 15*	Priest	VAFO	18	18	\$ 8,697,720	\$ 11,754,720	\$ 3,057,000	10	2020	18	\$ 11,754,720
*Pending Close		Totals		447	\$ 197,058,489	\$ 205,165,185	\$ 8,106,696	55	\$	205,165,185	

Cottage Sites Sold by Lake					
Payette Lake			Priest Lake		
Total	VAFO	ULA	Total	VAFO	ULA
148	127	21	299	283	16
\$ 44,340,615		\$14,771,350		\$ 138,025,012	\$ 8,028,208
\$59,111,965				\$146,053,220	
			Total		
			Total	VAFO	ULA
			447	410	37
				\$ 182,365,627	\$ 22,799,558
				\$205,165,185	

IDAHO DEPARTMENT OF LANDS



M. Dean Buffington :: Chairman
Jerry F. Aldape Gary L. Mahn
Warren R. Bakes Richelle A. Sugiyama
Steven C. Harris Thomas J. Wilford
Irving Littman Chuck Winder

Chris J. Anton :: Manager of Investments

Monthly Report to the Board of Land Commissioners

Investment performance through August 31, 2020

Month: 3.3% Fiscal year: 7.4%

Equity markets continued to exhibit strong positive momentum and reached all-time highs during August. At the recent Jackson Hole Economic Policy Symposium, Chairman Jerome Powell indicated that the Fed would aim for inflation that averages 2% over time, which implies keeping interest rates low for a considerable period of time in order to spur higher levels of employment and inflation. This low interest rate environment has resulted in a flow of funds out of bonds and into equities and other alternatives to seek greater returns. Investors continue to be enamored with large cap stocks, particularly those related to technology. There are signs the U.S. economy is improving and many companies reported better than expected earnings during the last quarter. The financial markets seem to have declared victory over the COVID-19 pandemic, but without a vaccine the path to recovery seems unclear. The next two months will be interesting as schools re-open and the election process moves into full gear. Don't be surprised to see some volatility along the way.

Status of endowment fund reserves

Distributions for FY2021 and FY2022 are well secured.

Significant actions of the Endowment Fund Investment Board

The Endowment Fund Investment Board scheduled an educational Board meeting on September 24, 2020 to learn about investment opportunities related to infrastructure.

Compliance/legal issues, areas of concern

Material deviations from Investment Policy: None.

Material legal issues: None.

Changes in board membership or agency staffing: None.

Upcoming issues/events

EFIB Board Meeting – September 24, 2020

Preliminary Report (Land Grant Fund, excluding accruals)

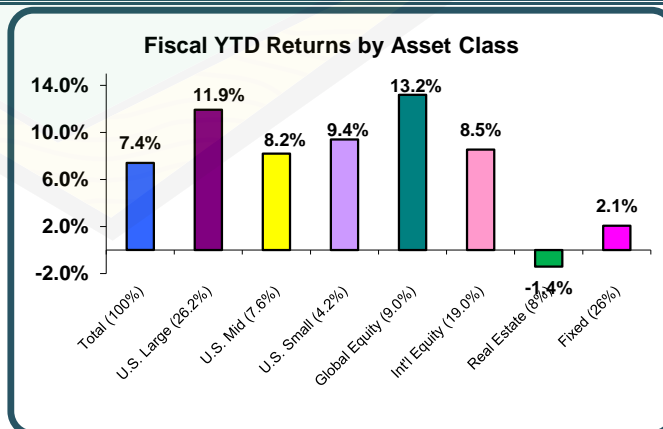
August 31, 2020

	Month	FYTD
Beginning Value of Fund	\$ 2,489,499,505	\$ 2,395,398,968
Distributions to Beneficiaries	(7,043,400)	(14,086,800)
Land Revenue net of IDL Expenses	9,743,029	9,072,202
Change in Market Value net of Investment Mgt. Expenses	75,856,410	177,671,174
Current Value of Fund	\$ 2,568,055,544	\$ 2,568,055,544

Gross Returns	Current Month	Calendar Y-T-D	Fiscal Y-T-D	One Year	Three Year	Five Year	Ten Year
Total Fund	3.3%	5.7%	7.4%	13.6%	9.3%	9.4%	9.9%
Total Fund Benchmark*	3.9%	5.9%	7.9%	13.7%	8.8%	9.2%	9.5%
Total Fixed	0.1%	5.9%	2.1%	6.0%	5.0%	4.3%	3.6%
85% BB Agg, 15% TIPS	-0.5%	7.3%	1.1%	6.9%	5.2%	4.4%	3.6%
Total Equity	4.8%	6.0%	10.5%	17.7%	11.2%	11.6%	12.3%
38% R3 19% Ax 9% AC	6.2%	5.1%	11.8%	16.9%	10.0%	11.1%	11.9%
Domestic Equity	5.4%	6.8%	10.9%	18.5%	12.9%	12.9%	14.9%
Russell 3000 (R3)	7.2%	9.4%	13.3%	21.4%	13.9%	13.9%	14.9%
Global Equity	5.3%	11.0%	13.2%	22.1%	11.8%	11.2%	9.5%
MSCI ACWI (AC)	6.1%	4.7%	11.7%	16.5%	9.0%	10.2%	9.9%
Int'l. Equity	3.6%	2.0%	8.5%	14.1%	7.2%	8.5%	6.6%
MSCI ACWI ex-US (Ax)	4.3%	-3.1%	8.9%	8.3%	2.6%	5.8%	5.3%
Real Estate			-1.4%	3.0%	5.5%		
				3.0%	5.9%		

* Benchmark: 38% Russell 3000 19% ACWI ex-US 9% AC 26% BB Agg. 8% ODCE

	Mkt Value (\$M)	Allocation
Domestic Equity	\$ 1,001.6	39.0%
Large Cap	701.9	27.3%
Mid Cap	191.9	7.5%
Small Cap	107.8	4.2%
Global Equity	244.1	9.5%
Int'l Equity	513.2	20.0%
Fixed Income	603.4	23.5%
Real Estate	190.7	7.4%
Cash	15.1	0.6%
Total Fund	\$ 2,568.1	100.0%



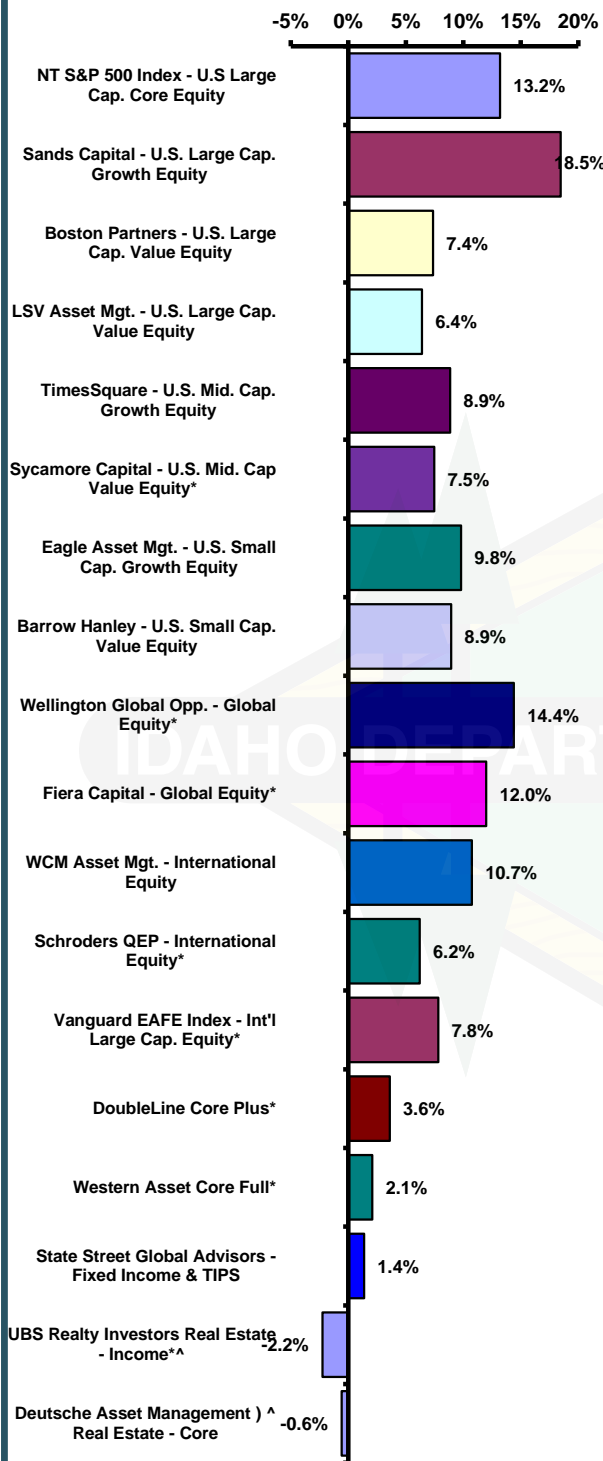
Endowment Fund Staff Comments:

Equity markets continued to exhibit strong positive momentum and reached all-time highs during August. At the recent Jackson Hole Economic Policy Symposium, Chairman Jerome Powell indicated that the Fed would aim for inflation that averages 2% over time, which implies keeping interest rates low for a considerable period of time in order to spur higher levels of employment and inflation. This low interest rate environment has resulted in a flow of funds out of bonds and into equities and other alternatives to seek greater returns. Investors continue to be enamored with large cap stocks, particularly those related to technology. There are signs the U.S. economy is improving and many companies reported better than expected earnings during the last quarter. The financial markets seem to have declared victory over the COVID-19 pandemic, but without a vaccine the path to recovery seems unclear. The next two months will be interesting as schools re-open and the election process moves into full gear. Don't be surprised to see some volatility along the way.

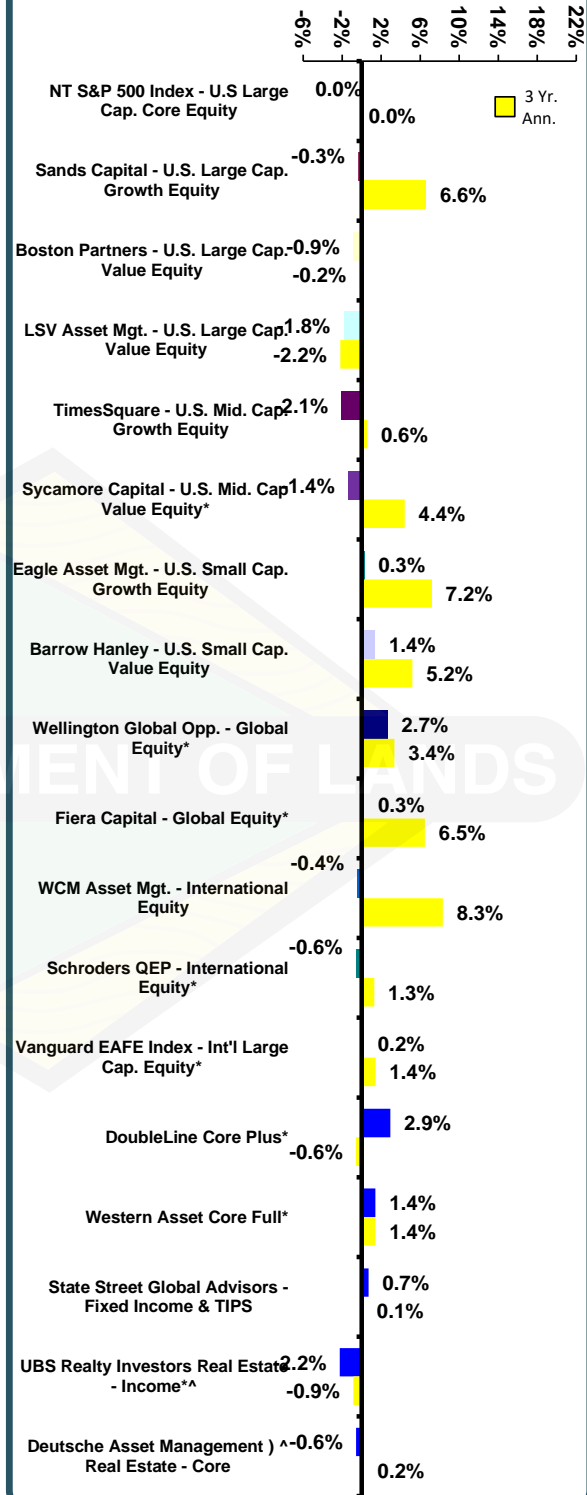
August 31, 2020

INVESTMENT REPORT

FYTD Manager Returns



Manager Relative Returns Fiscal YTD and 3-Yr Ave*



*ITD return used when manager has less than 3 years. ^ Most recent valuation.

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Consent Agenda

Subject

Idaho State Historical Society land lease with the Idaho Botanical Garden

Question Presented

Shall the Land Board approve the restated lease between the Idaho State Historical Society (ISHS) and the Idaho Botanical Garden (IBG)?

Background

The ISHS manages the Old Idaho Penitentiary Historic District (Old Pen Historic District) under a memorandum of understanding (MOU) with the Department. The MOU comprises penitentiary reserve and acquired lands as described in Idaho Code § 58-337; no endowment lands are included. Under the current MOU any lease with a term of 5 years or longer must be approved by the State Board of Land Commissioners.

The ISHS and IBG have had an ongoing relationship since 1984, whereby the IBG became part of the Old Pen Historic District via a lease agreement dated May 3. The original 50-year lease was general in nature; it left much to individual interpretation and ultimately to misunderstanding. The IBG and ISHS staff have worked to clarify roles and enhance site operations through subsequent partnership efforts and memorandums of understanding (MOUs). Both parties have a strong collaborative relationship.

Discussion

The restated lease establishes a new 50-year term to enhance the long-term sustainability for the IBG (Attachment 1). The restated lease annual rent is based on 2019 Valbridge Property Advisors estimate of market rent.

The discounted lease rate recognizes the public educational value the IBG brings to the Old Pen Historic District. The lease revenues support the operations of the Old Pen Historic District, which is funded primarily through site leases and non-general fund support under the administrative direction of the Idaho State Historical Society.

The restated lease was authored by Deputy Attorney General Jenifer Marcus and was approved by the Idaho State Historical Society Board of Trustees on August 20, 2020 and by the Board of the Idaho Botanical Garden on August 27, 2020.

Both organizations agree to collaborate to build and promote the Old Pen Historic District as a historic, cultural, environmental and educational destination of regional and national importance.

Recommendation

Approve the restated lease between the Idaho State Historical Society and the Idaho Botanical Garden.

Board Action

Attachments

1. Idaho Botanical Garden Lease



IDAHO BOTANICAL GARDEN LEASE

Between

THE IDAHO STATE HISTORICAL SOCIETY

And

IDAHO BOTANICAL GARDENS, INC.

This Idaho Botanical Garden Lease (“**Lease**”) between the State of Idaho, acting by and through the Board of Trustees of The Idaho State Historical Society (“**ISHS**” and “**Lessor**”), and Idaho Botanical Gardens, Inc., an Idaho non-profit corporation, doing business as Idaho Botanical Garden (“**IBG**” and “**Lessee**”), is effective _____, 2020 (“**Effective Date**”). ISHS and IBG are sometimes referred to individually as a “**Party**” or collectively as the “**Parties**.”

PREAMBLE:

ISHS and IBG have a unique relationship based on mutual respect and consultation. To the extent feasible, conflicts and disagreements shall be managed to obtain a consensus or to an agreed upon mutually acceptable outcome.

RECITALS:

1. ISHS and IBG are Parties to a lease executed March 22, 1984, a copy of which is attached as **Exhibit A** (“**1984 Lease**”). The 1984 Lease allowed for the creation and operation by IGB of a botanical garden and arboretum on the Leased Premises (defined below).
2. The 1984 Lease was amended by a Lease Addendum dated September 17, 1991 (“**Addendum**”), a copy of which is included in **Exhibit A**. The Addendum amended the 1984 Lease by adding additional acreage to the leased premises. The Addendum and 1984 Lease are collectively referred to as the “**Prior Lease**.”
3. The street address for the real property which is the subject of the 1984 Lease and this Lease is 2355 Old Penitentiary Road; Boise, Idaho 83712.
4. The real property which is the subject of this Lease is referred to as the “**Leased Premises**.”
5. The Leased Premises is a portion of a parcel of land commonly referred to as the “**Old Penitentiary Historic Site**,” and is primarily situated within the NWNE Section 13, Township 3 North, Range 2 East of the Boise Meridian, Ada County, Idaho.
6. The legal description for the Leased Premises is attached as

ATTACHMENT 1

Exhibit B.

7. The site plan depicting the Leased Premises is attached as **Exhibit C.**

8. The Parties executed a Memorandum of Understanding, dated February 16, 2010 ("**MOU**"), to document various aspects of the Parties' working relationship. The MOU is attached as **Exhibit D.** The MOU was intended to be an interim working document, the concepts of which were to be included in this Lease.

9. The Parties desire to terminate the MOU and Prior Lease and replace the terms of those documents with this Lease, subject to the approval of the State Board of Land Commissioners.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Lease by this reference, and the mutual covenants and terms set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. BACKGROUND REGARDING THE PARTIES AND THE OLD PENITENTIARY HISTORIC SITE:

1. Pursuant to article 9, section 8 of the Idaho Constitution, the State Board of Land Commissioners ("**Land Board**") has a duty "to provide for the location, protection, sale or rental of all the lands heretofore, or which may be granted to the state by the general government."

2. The Old Penitentiary Historic Site, of which the Leased Premises is a part, is state land granted to or acquired by the state from the United States as penitentiary reserve and acquired lands.

3. Idaho Code §58-337 provides that for purposes of preserving and enhancing the cultural, educational, recreational, and scenic values of the Old Idaho Penitentiary Historic Site, the Land Board or any other state agency having jurisdiction over the site may lease any part of the site to private persons, firms or corporations for a term not to exceed fifty (50) years.

4. The provisions regarding the leasing of state land contained in Idaho Code title 58, chapter 3 apply to the Lease.

5. The Land Board has delegated the administrative responsibility for the Old Penitentiary Historic Site to the Idaho State Historical Society as authorized by Idaho Code §58-337.

6. The Idaho Botanical Garden was formed in March, 1984 as a private

non-profit corporation, established to create and maintain a botanical garden and arboretum within the Old Penitentiary Historic Site as a hands-on museum and to assemble a collection and culture of plants, flowers, shrubs, trees and hardscape in order to advance botanical science and knowledge through education and natural experience. The Idaho Botanical Garden is a living museum, dedicated to the advancement and appreciation of gardening, horticulture and conservation, with special gardens dedicated to Idaho's native plants and focused on the selection of plants collected during the Lewis and Clark expedition.

7. The Parties to this Lease recognize that Idaho has a rich heritage that deserves to be preserved and protected while remaining available to its citizens and that the Idaho Historical Society is charged with fulfilling those responsibilities, primarily under Title 67, Chapter 41 of the Idaho Code.

8. These statutes mandate that the Idaho Historical Society advocate for and oversee protection of the State's historic, archaeological, architectural and cultural resources, particularly on properties for which the Idaho Historical Society has administrative responsibility, as is the case with the Old Penitentiary Historic Site.

9. This Lease is one example of the Idaho Historical Society's work to protect the state's valuable historic resources while promoting reasonable, appropriate use.

10. This Lease recognizes and acknowledges the historic importance of the Old Penitentiary Historic Site, of which the Leased Premises is a part, its inclusion on The National Register of Historic Places, and efforts to utilize the grounds and buildings in a manner closely related to the site's historic past.

11. Lessee desires to continue operating and further developing the botanical garden and arboretum, which both Parties agree is of significant value to the citizens of the State of Idaho, and provides for an added benefit to the Old Penitentiary Historic Site.

II. TERMINATION OF PRIOR LEASE AND MOU.

As of the Effective Date, the Prior Lease and MOU shall be terminated and replaced with the terms of this Lease.

III. TERM AND RENT.

1. The term of this Lease will be fifty (50) years, commencing on the Effective Date ("**Term**"). Lessee agrees to pay for the first year of the Term the sum of Ten Thousand Dollars (\$10,000.00) ("**Rent**"), due on the Effective Date. Rent payments shall be made on a pre-paid basis each annual anniversary date following the Effective Date, for the subsequent one-year period commencing on the Effective Date, payable to Idaho State Historical Society, 2205 Old Penitentiary

Road, Boise, Idaho 83712 unless another address is designated in writing by Lessor. The Rent shall be absolutely net to the Lessor with the Lessee paying all expenses.

2. On the first anniversary of the Effective Date, and annually every year thereafter, except for the tenth, twentieth, thirtieth, and fortieth anniversaries of the Effective Date as set forth in the subsequent paragraph, the existing Rent shall be increased by the annual consumer price increase, not to exceed three and one-half percent (3.5%). All CPI Calculations shall be based on the CPI Consumer Price Index, West Region rates reported by the U.S. Bureau of Labor Statistics (U.S. Department of Labor).

3. On the tenth, twentieth, thirtieth, and fortieth anniversaries of the Effective Date, the parties shall cause the Leased Premises to be appraised and a new rental rate shall be set. The new rental rate shall be that amount which is the greater of (a) twenty-five percent (25%) of the market value rent as established by the appraisal and (b) the amount of increase which would have occurred under the preceding Paragraph 2. The appraisal shall be performed using the same method and assumptions as the appraisal conducted to fix the amount due as of the Effective Date, which is currently known as an education and/or agriculture appraisal method.

IV. LESSEE'S USE OF LEASED PREMISES

1. The Leased Premises shall be used by Lessee solely for the purposes of: establishing and maintaining botanical gardens for the collection and culture of plants, flowers, shrubs and trees; advancing botanical science and knowledge; engaging in botanical research and related subjects; providing instruction and educational programs regarding botanical science and horticulture as well as related topics; and exhibiting ornamental and decorative horticulture and gardening.

2. Notwithstanding the prior paragraph, Lessee may also use the Leased Premises for fundraising activities to support the operation of the botanical gardens. Fundraising shall include: retail sales of botanically related items; short-term rental of portions of the Leased Premises for special events such as weddings and receptions; concerts; and other similar types of events at the Leased Premises (collectively, "**Short-Term Rentals**"). Lessee may also hold an annual garden sale of plants and other similar items appropriate for the purpose and nature of the IBG.

3. Lessee shall not represent that such fundraising activities are conducted for the benefit of Lessor without prior written permission from Lessor. And Lessor shall not represent that its fundraising activities are conducted for the benefit of Lessee without prior written permission from Lessee.

4. No other uses shall be permitted without the prior written approval of

the Lessor.

5. Lessee shall not allow inappropriate or unacceptable levels of noise, large gatherings, obtrusive lighting or other activities or behaviors at the Leased Premises that would negatively impact the occupation, use or enjoyment of neighboring properties. If events at the Leased Premises are determined by Lessor to negatively impact other areas within the Old Penitentiary Historic Site, Lessor shall notify Lessee. If Lessor and Lessee are not able to reach a reasonable resolution regarding the noise, Lessor reserves the right to impose additional limitations, in its sole discretion, regarding the size and character of events held at the Leased Premises.

6. Lessee shall be considerate of and make reasonable accommodations for the continued public viewing and private use of the Old Penitentiary and the Bishop's House for events such as weddings, meetings, renaissance fairs, celebrations and other festivals.

7. Lessee's use of the Leased Premises, and any events held at the Leased Premises shall be in compliance with any facility standards established by the ISHS for the Old Penitentiary Historic Site.

8. If Lessee allows Short-Term Rentals or other special private events at the Leased Premises, Lessee shall require an agreement between Lessee and the party renting the Leased Premises, or any portion thereof, with terms consistent with those of the Lease, including all insurance provisions. Upon request, Lessee shall provide a copy of any such agreements to Lessor.

9. Lessee shall ensure that any alcohol served at the Leased Premises is served only by properly licensed caterers or bartenders.

V. USE OF OUTLAW FIELD, GARDEN PLAZA AND HISTORIC STRUCTURES AND BUILDINGS

1. Outlaw Field and Garden Plaza. Outlaw Field and the Garden Plaza are part of the Leased Premises, as shown on **Exhibit C**, but are subject to the following additional provisions. Lessee agrees the Lessor shall also have the right to use and access to Outlaw Field and the Garden Plaza for its fundraising and other activities, without charge. Each Party shall be responsible for any costs incurred for its event and for any damage and repair resulting from the event. Lessor shall identify each desired use of Outlaw Field or the Garden Plaza in its annual operating plan, or by written request to Lessee no less than thirty (30) days prior to the event or desired use. Lessee's approval of Lessor's requested use shall not be unreasonably withheld, conditioned or delayed. Lessor's uses of Outlaw Field will be limited to two (2) days per year, unless otherwise agreed by the Parties, on dates mutually agreed upon by the Lessor and Lessee. Lessor's uses of the Garden Plaza will be limited to three (3) days per year, unless otherwise agreed by the Parties, on dates mutually agreed upon by the Lessor and Lessee.

2. Administration and Steam Plant Buildings. The 1950 Administration Building and the 1951 Steam Plant are part of the Leased Premises, as shown on **Exhibit C**. Lessee shall be solely responsible for the routine maintenance and upkeep of both buildings. All required maintenance shall conform to the Secretary's Standards, as defined in Article XI below.

3. Exclusions from Leased Premises. The Two Yard Towers, the 1907 Steam Plant, and the Root Cellar, as indicated on **Exhibit C**, are physically located within the legal description for the Leased Premises, but as depicted on **Exhibit C**, are excluded from the Leased Premises and may not be used by the Lessee ("**Excluded Buildings**"), except by Lessor's permission. Lessor's control of the Excluded Buildings shall extend fifty (50) feet outside of the structures ("**Control Area**"), unless less space is available due to roadways or property boundaries. A twenty (20) foot control area will be maintained surrounding the wall encompassing the prison yard ("**Prison Yard Control Area**"). The Penitentiary Cemetery is also excluded from the Leased Premises.

4. Landscaping Services within Excluded Areas. Lessee shall be responsible for maintaining all landscaping within the Control Area, Prison Yard Control Area, and Old Pen Road landscape and sprinkler timer notwithstanding the fact that the Control Area, Prison Yard Control Area, and Old Pen Road landscape are not part of the Leased Premises.

5. Cooperative Use of Old Penitentiary Historic Site. In permitting public or private use of the Old Penitentiary Historic Site and surrounding areas, and the Leased Premises, both Parties will be considerate of and make reasonable accommodations for the other Party's needs, as well as those of other occupants of the Old Penitentiary Historic Site.

6. Annual Meeting to Review Operating Plans and Promote Visitation to the Old Penitentiary Historic District. Representatives of Lessor and Lessee, as appointed by their respective governing boards, will meet to present their respective annual operating plans for that calendar year to each other. The annual operating plans will serve as a planning document identifying the specific actions and relationships to be coordinated between the Parties relative to the Leased Premises and the Old Penitentiary Historic District. It is understood that the annual operating plans are declarations of intent and may only be implemented to the extent funds and other resources are available and may be modified due to funding and other resources made available throughout the year. The Parties will also discuss their joint plans to promote visitation to the Old Penitentiary Historic District.

7. Master Plan. Lessee prepared a site master plan dated _____ ("**2014 Master Plan**"). Lessee will submit any proposed amendments to the 2014 Master Plan to Lessor for written comment, review and approval. Lessor shall submit a written response to the proposed amendments to Lessee within forty five (45) days of receipt. Failure of ISHS to submit a written response on or before such date shall be deemed an approval.

VI. ACCESS AND PARKING

1. Lessee shall continue to access the Leased Premises according to the existing access route(s) as shown on **Exhibit E**.

2. Lessee respects the historic value of the historic sites and structures located on the Leased Premises and will provide Lessor with reasonable access to such historic sites and structures. Lessee will not restrict Lessor's, or the public's, access to the Penitentiary Cemetery or to the Excluded Buildings. Lessee shall maintain all current public accesses to the Penitentiary Cemetery and the Excluded Buildings.

3. Visitors and Lessor shall be allowed access to the Penitentiary Cemetery over the Leased Premises, and such access shall be provided free of charge during normal operating hours or by special arrangement. Visitors should be referred to Lessee's offices for Penitentiary Cemetery access.

4. Lessee and Lessor shall endeavor to coordinate the scheduling of activities at the Old Penitentiary Historic Site in order to avoid conflicting uses and to accommodate the parking and access needs of each Party.

5. Parking at the Old Penitentiary Historic Site is used by numerous different entities, and their visitors and guests. Lessor makes no representations or warranties as to the availability of parking for the Leased Premises. Lessee and Lessor acknowledge that it is in both of their interests to be flexible regarding parking and to assist and cooperate with each other in addressing parking concerns. Lessee shall provide shared access to any parking areas located on the Leased Premises for Lessor events or parking overflow on an as needed basis.

VII. UTILITIES AND SERVICES

1. Lessee assumes full responsibility for all payment for all utilities and services to the Leased Premises, including but not limited to water, sewage, garbage, power, heat and trash disposal.

2. Lessee shall at all times keep the Leased Premises in a clean and sanitary condition, free of trash, noxious weeds, garbage, and litter, so that the Leased Premises are maintained in the most attractive condition as possible. Lessee shall dispose of sewage, trash and garbage in conformity with applicable federal, state, and local law, rules and regulations.

VIII. SUBLEASING

Lessee may not assign, transfer, let or sublet all or any part of the Leased Premises other than Short-Term Rentals without the prior written consent of

Lessor. Written consent, if granted, to sublet, transfer or assign any portion of the property shall not relieve Lessee of any responsibility under this Lease.

IX. ENVIRONMENTAL, SAFETY, AND SANITARY REQUIREMENTS

1. Lessee shall comply with all applicable laws and regulations for fire protection and prevention. Lessee shall not create fire hazards. Lessee is prohibited from the burning of any garbage or refuse on the Leased Premises. The burning of wood or other debris shall comply with all applicable laws and regulations.

2. Lessee shall neither commit nor permit the use, placement, transport or disposal of any hazardous waste, including, but not limited to, petroleum products, such as oil, gasoline or any other substance that is or is suspected to be a hazardous substance, or material, including but not limited to pesticides, herbicides and other agricultural chemicals, except in compliance with all applicable laws and regulations. Lessee shall be responsible, and shall pay all costs for the removal or taking of other appropriate remedial action regarding any hazardous waste, substances or materials introduced on the Leased Premises after commencement of Lessee's operations on the Leased Premises. Any such remediation or removal or storage must be conducted in accordance with all applicable laws and regulations. Lessee shall hold Lessor harmless and indemnify Lessor from all costs, damages or fines relating to pollution and hazardous materials.

X. ARCHEOLOGICAL CONSIDERATIONS

The likelihood of historic and/or prehistoric archaeological sites being present on the Leased Premises is high. Any project that may result in the disturbance of the ground surface shall not commence without the prior consultation with and permission of the State Archaeologist and the State Historic Preservation Office ("SHPO"). This shall apply with regard to any ground disturbance including, but not limited to, utilities placement, foundation work, or the planting of previously unplanted horticultural plots.

If Lessee, its agents or invitees discover or uncover or otherwise become aware of the existence or likely existence of any historic items, artifacts, materials, documents, or pieces of same on the Leased Premises, Lessee shall immediately contact Lessor and shall immediately curtail or cause to be curtailed any further activity in the area. Additionally, Lessee shall take immediate steps to secure that portion of the Leased Premises.

XI. ALTERATIONS AND IMPROVEMENTS

1. No construction, renovation, alterations, changes, either exterior or interior, of any existing, new, or other building or site covered in this Lease may be made without the prior written consent of the Lessor. Such approval shall not be

unreasonably withheld, conditioned or delayed. If a request is not granted or denied by Lessor within forty-five (45) days of receipt, then the request shall be deemed approved.

2. Lessee shall also consult with the SHPO during the planning and design phase of any proposed alterations, new construction, or changes to any existing improvements on the Leased Premises to ensure compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties ("**Secretary's Standards**").

3. Proposed alterations requiring consultation with SHPO may include, but are not limited to: window replacements or repairs; window treatments; roofing; exterior surface cleaning; new additions; new door/window openings; interior partition changes; interior alterations; and modifications that could adversely affect the structural integrity of the building. Prior to commencing any alterations, Lessee shall obtain SHPO's written consent.

4. Any such improvements or alterations shall be made at the sole expense of the Lessee.

5. Any construction that occurs on the Leased Premises shall be compatible with the Old Penitentiary Historic Site in terms of design, materials, color, size, scale, and location. The purpose of this clause is to ensure that all construction shall be such that it will blend in with, and not distract from, the overall historic site.

6. Lessee will not erect signs, billboards, advertising, or other informational structures without the prior written consent of Lessor. Lessor will have the sole discretion to approve and permit all aspects of such signage, including but not limited to design, content, materials, color, shape, and placement. Notwithstanding the preceding, Lessee shall not be required to obtain Lessor's consent for signage related to identification of plants.

7. Lessee may make minor changes to Outlaw Field, but no changes will be made which would diminish the open space appearance of Outlaw Field without the prior written consent of Lessor.

8. Lessee shall contribute, on a pro-rata basis based on total developed acreage within the Old Penitentiary Historic District, for its proportionate share of the cost of repairs and improvements made to benefit all occupants of the Old Penitentiary Historic District including costs for roads, signage, irrigation, lighting, etc. Lessor will discuss any required repairs and improvements with Lessee in advance so that Lessee is aware of estimated costs.

XII. NO WARRANTY OF SUITABILITY, SAFETY OR SECURITY

Lessee acknowledges that neither the Lessor, nor any agent of the Lessor,

has made any representation or warranty with respect to the Leased Premises concerning the suitability, safety or security of the Leased Premises for the uses intended by the Lessee.

XIII. WATER

Lessee acknowledges that neither the Lessor, nor any agent of the Lessor, has made any representation or warranty with respect to the availability of water for Lessee's operations. For informational purposes, a 2009 Water Use Summary is attached as **Exhibit F**.

XIV. RELATIONS OF THE PARTIES

Lessee is not an officer, employee or agent of the Lessor.

XV. INSPECTION AND AUDIT RIGHTS

1. Lessee shall permit Lessor, or Lessor's authorized agent, to inspect and enter the Leased Premises and any improvements at any reasonable time. Lessee will provide Lessor with a set of keys to all buildings and gated accesses on the Leased Premises.

2. The Lessor shall have the right to audit, in such a manner as it deems appropriate, and at all reasonable times, all activities of the Lessee at the Leased Premises.

XVI. INDEMNIFICATION

1. In this and the following Article, a generic reference to the Lessor (the Idaho State Historical Society) will be deemed to include a reference to the Lessor and Lessor's officers, trustees, agents, designees, contractors, invitees, assigns and employees as well as the Idaho State Board of Land Commissioners, its officers, agents, designees, contractors, invitees, assigns and employees, and the State of Idaho. A generic reference to the Lessee will be deemed to include reference to Lessee's officers, directors, trustees, agents, designees, contractors, employees, faculty, staff and students, assigns and invitees.

2. Lessee agrees to indemnify and save Lessor harmless from and against any and all third-party claims and demands (except for Lessor's proportionate share of any such claim which arises out of the negligence or intentional acts of Lessor) for, or in connection with, any accident, injury, or damage whatsoever caused to any person or property arising, directly or indirectly, out of the activities conducted in or the use and/or occupancy of the Leased Premises or occurring in, on or about the Leased Premises or any part thereof that arises directly or indirectly from any negligent or intentional act of Lessee, and from and against any and all cost, including reasonable attorney's fees, expenses and liabilities incurred in connection with any such claims and/or proceedings brought

thereon. Nothing in this Article shall be deemed to expand the liability of any state entity beyond the applicable limits of the Idaho Tort Claims Act.

3. Lessee covenants that it will satisfy and hold Lessor harmless against any lien, judgment or other encumbrance filed or made against the Leased Premises (except for Lessor's proportionate share of any such lien, judgment or other encumbrance which arises out of the negligence or intentional acts of Lessor) at the Lessee's sole and separate cost or expense.

4. The indemnity granted by Lessee pursuant to this Article shall survive termination of this Lease and shall continue for all such claims arising during the Term of this Lease or during any holdover period during which Lessee remains in possession, whether such claim is brought before or after termination of the Lease.

XVII. INSURANCE

Lessee, throughout the Term of this Lease, at its own expense, shall keep and maintain in full force and effect, all insurance required by this Lease. The insurance coverages set forth below also shall be subject to increase from time to time by such amounts as Lessor may reasonably determine is necessary or desirable. Additionally, if the amounts of liability insurance coverage set forth in Idaho Code § 6-924, or by other statute, or by the Department of Risk Management, State of Idaho, are greater than those set forth below, Lessee shall increase its insurance limits accordingly.

1. Commercial General Liability Insurance. Lessee shall obtain a commercial general liability insurance policy with a minimum combined single limit of one million dollars (\$1,000,000.00) each occurrence. The policy shall include coverage for bodily injury, broad form property damage, personal injury (including employee acts), and contractual liability coverage for the indemnity provided under this Lease. If the Commercial General Liability policy contains an aggregate limit, it shall not be less than one million dollars (\$1,000,000.00).

2. Property Insurance. Lessee shall obtain and maintain property insurance for what is commonly referred to as "All Risk" coverage (excluding earthquake and flood) on the Leased Premises and its structures (except the Excluded Buildings) and on Lessee's improvements and personal property.

3. Automobile Liability. Lessee shall obtain and maintain automobile liability insurance covering owned and non-owned vehicles. This coverage may be written in combination with the commercial general liability insurance. The combined single limit per occurrence shall not be less than five hundred thousand dollars (\$500,000.00).

4. Workers' Compensation and Employer Liability. Lessee shall maintain all workers compensation coverage statutorily required of Lessee in

accordance with the laws of Idaho. Lessee also shall maintain employer liability coverage with limits of not less than \$100,000/\$500,000/\$100,000.

5. Liquor Liability Insurance. If alcohol is to be served or consumed on the Leased Premises, Lessee shall obtain liquor liability insurance in the same coverage amount as for commercial general liability insurance, or ensure that any bartenders or caterers hired to serve have liquor liability insurance coverage in the required amount.

6. Additional Insured. The insurance required by this Lease shall be endorsed to include Lessor, its trustees, agents, officials, employees, and the State of Idaho as additional insureds (“**State Parties**”) and shall stipulate that the insurance afforded the Lessor shall be the only insurance coverage available.

7. Insurance Policy Requirements. All insurance required under this Lease shall be with companies reasonably approved by Lessor. All insurers shall have a Best's rating of A V or better and be licensed and admitted in Idaho. Lessee shall deliver to Lessor copies of policies of such insurance or certificates evidencing the existence of the minimum required insurance and evidencing Lessor and the State Parties as Additional Insured thereunder. In no event shall the limits of any insurance policy required under this section be considered as limiting the liability of Lessee under this Lease.

8. There shall be no cancellation, material change, potential exhaustion of aggregate limits or intent not to renew insurance coverage's without thirty (30) calendar days' written notice from the Lessee or its insurer to the Lessor. Any failure to comply with the reporting provisions of this insurance, except for the potential exhaustion of aggregate limits, shall not affect coverage's provided to the State of Idaho, the Lessor or their trustees, officers and employees.

9. Should Lessee elect to allow Short-Term Rentals of the Leased Premises, or any portion thereof, as set forth above, Lessee shall ensure that the entities involved in the Short-Term Rentals also obtain all insurance set forth above, name the State Parties as additional insureds on their insurance policies, and provide acceptable evidence of such insurance to Lessor upon request.

XVIII. MAINTENANCE AND REPAIR

Lessee is responsible for all maintenance and repair of the Leased Premises, including all structures on the Leased Premises, with the exception of the Excluded Buildings. Lessee agrees to maintain the Leased Premises in a way that complies with state and federal safety, health, and fire regulations and in a manner that preserves the distinctive historic characteristics of the Leased Premises and conforms with the Secretary's Standards. All maintenance and repairs shall be done in a first class workmanlike manner, using materials of high quality, and shall be commenced and prosecuted with a high degree of diligence

and in a manner which preserves the property's historical, architectural or archaeological integrity and significance.

XIX. RESERVATIONS BY LESSOR

1. The Lessor expressly reserves and excepts the following rights from the Lease:

2. All rights for timber, oil and gas, geothermal rights, mineral rights, easements and rights-of-way, and fee title to the Leased Premises.

3. The right to maintain and use and permit others to utilize existing setbacks, rights of way, and easements on the Leased Premises, including, but not limited to, that easement or right-of-way commonly referred to as the "**Old Pen**" set back.

4. The right to grant easements over the Leased Premises, providing the easements do not conflict with the improvements maintained or operated by the Lessee upon the Leased Premises existing as of the Effective Date.

5. The right to require that any utilities to be installed be placed underground and to approve the location of those utility installations.

6. The right to require that changes be made to sanitation or other facilities for the protection of public health, safety or preservation of property.

7. The right of ingress and egress over and across the Leased Premises for Lessor, its employees, agents, invitees, and assigns on existing roads or on suitable alternative roads provided by Lessee.

8. The right to post signs and other interpretive information regarding the historical sites, features, or other aspects of the Leased Premises; to construct and maintain pathways to facilitate use and access to the interpretive information; to allow public access to the historic sites and features and to conduct tours of the Leased Premises.

XX. SURRENDER OF LEASED PREMISES

Upon termination, expiration, or cancellation of this Lease, Lessee shall quietly and immediately surrender the Leased Premises to Lessor.

1. In the event that improvements are made to the Leased Premises that remain upon expiration or cancellation of this Lease, other than improvements currently on the premises and subsequent improvements approved in advance by the Lessor, Lessee may, at its own expense, elect to remove those improvements. If Lessee does not remove the improvements, if any, Lessor may elect to require Lessee to remove them and charge the reasonable cost of removal and restoration

to Lessee. Lessee shall also be responsible for all collection costs including legal fees and interest incurred by Lessor. If Lessor elects not to remove the improvements, if any, at Lessee's expense, all rights, title and interest of Lessee in the improvements shall be deemed to revert to the State of Idaho.

2. If Lessee abandons or vacates the Leased Premises while in default of payment of Rent, Lessor may consider any property left to be abandoned and may dispose of the same in any manner allowed by law. In the event that Lessor reasonably believes that such abandoned property has no value, it may be discarded. All items on the Leased Premises shall be subject to a lien for the benefit of Lessor securing the payment of all sums due under this Lease. Lessee shall also be responsible for all collection costs, including legal fees and interest.

3. If Lessee remains in possession of all or any part of the Leased Premises after the expiration of Term, with or without the express or implied consent of Lessor, such tenancy shall be from month to month only, and shall be subject to all of the terms of this Lease, provided that Rent shall be 150% of the monthly Rent last payable during the Lease Term. This provision shall not be construed as Lessor's consent to any holding over.

XXI. NOTICES

Any notice or demand given under the terms of this Lease shall be deemed given and delivered on the date when personally delivered or, if mailed, the date same is deposited with an express courier or in the United States Mail, and mailed by registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the appropriate Party. Facsimile or other electronic communications will not be accepted. Until changed by notice in writing, notice demands and communications shall be addressed as follows:

LESSOR: Executive Director
Idaho State Historical Society
2205 Old Penitentiary Road
Boise, Idaho 83712

LESSEE: Executive Director
Idaho Botanical Garden 2355 Old Penitentiary Road
Boise, Idaho 83712

Requests for information or other assistance with respect to obtaining required approvals or resolving inquiries concerning general day-to-day operations and use of the Leased Premises will be referred to the Lessor's Executive Director. The Director may elect to delegate the inquiries to the appropriate staff member within the Society. Inquires need not be in writing unless specifically requested by the Director.

XXII. WAIVER

The waiver by the Lessor of any breach of any term, covenant or condition of this Lease shall not be deemed to be a waiver of any past, present or future breach of the same or any other term, covenant or condition of this Lease. The acceptance of rent payments by the Lessor hereunder shall not be construed to be a waiver of any term of this Lease. No payment by the Lessee of a lesser amount than shall be due according to the terms of this Lease shall be deemed or construed to be other than a part payment on account of the most recent Rent due, nor shall any endorsement or statement of any check or letter accompanying any payment be deemed to create an accord and satisfaction.

XXIII. ATTORNEYS' FEES AND COSTS

In the event that Lessor is required to employ an attorney to enforce the terms and conditions of this Lease, or to recover possession of the Leased Premises, Lessee shall pay to Lessor all costs and expenses incurred therein, whether or not a legal action is filed or a judgment is obtained, including reasonable attorneys' fees, accountants' fees, appraisers' fees, and fees of other experts, and including all such costs and expenses incurred with respect to an appeal, and all such costs and expenses may be included in any judgment entered in any action.

In the event the Lessee is required to employ an attorney to enforce the terms and conditions of this Lease, or to recover possession of the Leased Premises, Lessor shall pay to Lessee all costs and expenses incurred therein, whether or not a legal action is filed or a judgment is obtained, including reasonable attorneys' fees, accountants' fees, appraisers' fees, and fees of other experts, and including all such costs and expenses incurred with respect to an appeal, and all such costs and expenses as may be included in any judgment entered in any action.

XXIV. OFFICIALS, AGENTS, AND EMPLOYEES NOT PERSONALLY LIABLE

In no event shall any official, officer, employee, agent, or trustee of the Parties be, in any way, personally liable or responsible for any covenant or obligation contained in this Lease, express or implied, nor for any statement, representation or warranty made in connection herewith.

XXV. LESSEE'S COMPLIANCE WITH APPLICABLE LAWS AND RULES

1. Full Compliance. Lessee's use of the Leased Premises shall fully comply with all statutes, ordinances, rules, regulations, and laws of applicable federal, state, and local government authorities. All applicable laws of the State of Idaho are incorporated herein by this reference, except as may be lawfully varied by the specific contractual terms of this Lease.

2. No Waste or Nuisance. Lessee shall not use the Leased Premises in any manner that would constitute waste, nor shall the Lessee allow the same to be committed thereon. The Lessee shall not do anything that will create a nuisance or a danger to persons or property.

3. No Liens. Lessee shall not allow a lien or claim of any kind to be filed or claimed against the Lessor's interest in the Leased Premises during the term of this Lease. If such a lien or claim is filed, Lessee shall indemnify Lessor for all resulting damages as set forth under Article XV.

XXVI. CANCELLATION IN EVENT OF DEFAULT

Lessee's breach or default of any of the terms of this Lease including, but not limited to, late payment of Rent, failing to obtain required approvals, deviation from or exceeding authorized use, is a basis for termination of the Lease. Lessor shall provide Lessee written notice of the breach within thirty (30) days of the breach and, if applicable, the corrective action required of Lessee. The notice shall allow sixty (60) days in which to make a correction or cure the breach. If the corrective action or cure is not taken within the specified time or does not occur, then the Lessor or Lessor's designee may, at Lessor's option, cancel the Lease effective on the date specified in a written cancellation notice. If Lessor elects to cancel the Lease, Lessor may recover from Lessee all damages that Lessor may incur by reason of the breach of this Lease, including the cost of re-letting and any attorneys' fees.

Lessor's breach or default of any of the terms of this Lease is a basis for termination of the Lease. Lessee shall provide Lessor written notice of the breach within thirty (30) days of the breach and, if applicable, the corrective action required of the Lessor. The notice shall allow sixty (60) days in which to make a correction or cure the breach. If the corrective action or cure is not taken within the specified time or does not occur, then the Lessee or Lessee's designee may, at Lessee's option, cancel the Lease effective on the date specified in a written cancellation notice. If Lessee elects to cancel the Lease, Lessee may recover from Lessor all damages that Lessor may incur by reason of the breach of this Lease.

In addition to the remedies set forth in this Lease, Lessor and Lessee shall have all other remedies provided by law or statute to the same extent as if fully set forth herein word for word. No remedy herein conferred upon, or reserved to Lessor and Lessee shall exclude any other remedy herein or by law provided, but each shall be cumulative.

XXVII. MISCELLANEOUS

1. Lessee's Non-Discrimination. Lessee shall not discriminate against any person because of race, creed, religion, color, sex, national origin or disability.

2. Taxes. Lessee shall be responsible for payment of any and all

taxes, assessments, excises, levies, impact fees, licenses and permit fees, and other governmental charges, general and special, ordinary and extraordinary, unforeseen and foreseen, of any kind and nature, which at any time during the term of this Lease or any renewal may be assessed, levied, confirmed, imposed upon, or grow or become due or payable out of or in respect of, or become a lien on, the Leased Premises, or any improvements thereon, or any part thereof, or any appurtenances thereto, or otherwise arising out of the rental, use or occupation of the Leased Premises.

3. Consent for Mortgage. Lessee shall not mortgage or otherwise encumber the Leased Premises or any improvements thereon without the prior written consent of the Lessor in each instance.

4. Complete Statement of Terms. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease, shall be deemed to enlarge, limit or otherwise effect the operation of this Lease.

5. Modification. This Lease may not be modified without the prior written consent of Lessor and Lessee. The Parties agree to meet, if requested by either Party, to review the terms of the Lease and discuss any operational issues to ensure that the terms of the Lease continue to benefit both Parties and their constituents.

6. Entire Lease. This Lease, including the attached exhibits, contains the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements.

7. Governing Law and Forum. This Lease shall be construed in accordance with and governed by the laws of the State of Idaho, and the Parties consent to the jurisdiction of Idaho State courts located in Ada County in the event of any dispute with respect to this Lease.

8. Severability. In the event any provision of this Lease shall be held invalid or unenforceable according to law, for any reason whatsoever, then the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.

9. Headings. The paragraph headings, titles, and captions used in this Lease are for convenience only and are not part of the Lease.

10. Approval and Authorization. The approval and authorization of the Idaho State Board of Land Commissioners is required for this Lease. Approval and authorization by this entity will be demonstrated by the affixing the signature and seal, if any, for the Idaho State Board of Land Commissioners.

11. Existing Encumbrances. This Lease is subject to all existing encumbrances against the Leased Premises, including but not limited to liens,

easements, assessments, restrictions, and other exceptions to title.

12. Cooperation. To the extent feasible conflicts and disagreements shall be managed to obtain a consensus or mutually acceptable outcome. In the event that such agreement cannot be reached, the Parties hereby agree that Idaho Department of Lands (IDL) will serve as advisor to the Lease. The Parties acknowledge however, that the responsibility for operations on the Leased Premises is that of ISHS and IBG in their roles as Lessor and Lessee. The expectation is that IDL's involvement will be required only in situations where disputes between ISHS and IBG cannot be resolved after good faith negotiations. In such cases, IDL will provide arbitration to resolve the dispute. Such arbitration may include submitting the dispute to an independent arbitrator for binding arbitration. The decision to engage an independent arbiter will be made at the sole discretion of IDL. The costs of such arbitration will be born equally by ISHS and IBG.

13. Signing Authority. Each individual executing this Lease on behalf of an entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity and has taken all legal action necessary to enter into this Lease.

14. Exhibits. All exhibits referenced in this Lease are attached and incorporated herein.

List of Attached Exhibits:

- A: 1984 Lease and Addendum
- B: Leased Premises Legal Description
- C: Site Plan
- D: 2010 MOU
- E. Access Map
- F. 2009 Water Use Summary

IN WITNESS WHEREOF, The Idaho State Historical Society has executed this Lease on the ____ day of _____, 2020.

LESSOR: The Idaho State Historical Society

By: _____

Janet Gallimore
Executive Director

STATE OF IDAHO)
) ss.
COUNTY _____)

On this ____ day of _____, 2020 before me, the undersigned, A Notary Public in and for said State, personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument on behalf of The Idaho State Historical Society, as Lessor, and acknowledged to me that she executed the same on behalf of the Lessor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL) _____

Commission Expires on: _____

Residing at: _____

IN WITNESS WHEREOF, the State Board of Land Commissioners
has approved this Lease on the _____ day of _____, 2020.

IDAHO STATE BOARD OF LAND COMMISSIONERS:

Brad Little
President of the State Board of Land Commissioners
Governor of the State of Idaho

Lawrence E. Denney
Secretary of State

STATE OF IDAHO)
) ss.
COUNTY _____)

On this _____ day of _____, 2020 before me, the undersigned, a
Notary Public in and for said State, personally appeared
Brad Little, known to me to be the president of the State Board of Land
Commissioners of the State of Idaho and the Governor of the State of Idaho; and
Lawrence E. Denney, known to me to be the Secretary of the State of Idaho, that
executed the within instrument, and acknowledged to me that the State Board of
Land Commissioners of the State of Idaho and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year in this certificate first above written.

(SEAL)

Commission Expires on: _____
Residing at: _____

EXHIBIT A: 1984 LEASE and ADDENDUM

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 22nd day of March, 1984, by and between the STATE OF IDAHO, acting by and through the Idaho State Historical Society as administrative agency of the Old Idaho Penitentiary property for the State Board of Land Commissioners, hereinafter called the "LESSOR"; and the Idaho Botanical Gardens, Inc., a non-profit corporation, hereinafter called the "LESSEE",

WITNESSETH:

THAT the LESSOR, for and in consideration of the agreements hereinafter mentioned to be kept and performed by the LESSEE, has by these presents demised and leased to LESSEE the premises in Ada County, Idaho, described in Exhibit "A" attached hereto and made a part hereof.

SECTION 1. TERM OF LEASE: This lease shall have a term of not more than 50 years, and shall commence on the 1st day of April, 1984, and continue to the 31st day of April, 2034, at which time this agreement shall fully and completely expire without further notice, unless it shall be terminated prior to that date pursuant to other provisions herein.

SECTION 2. PURPOSE OF LEASE: This lease is entered into for the express purpose of allowing LESSEE to establish and maintain botanical gardens and museum and arboretum therein, for the collection and culture of plants, flowers, shrubs and trees, and advancement of botanical science and knowledge,

and the pursuit of original researches therein and in related subjects, to afford instruction in the same, to exhibit ornamental and decorative horticulture and gardening, and to carry on fundraising, including retail sales of botanically related items, on the site hereto, and no other use shall be permitted without the express written approval of the LESSOR. LESSEE shall not represent that any such fundraising activities are conducted for the benefit of the LESSOR without prior written permission. It is intended that the botanical garden shall complement, and not detract from, the historical nature of the site. LESSOR shall review and finally approve LESSEE'S master plan of development. LESSOR shall also review and finally approve any construction, improvement or alterations to property and/or buildings located on the leased premises to insure compatibility with the historical role of the adjacent property and museum. Such approval shall be in writing and shall not be unreasonably withheld. If such approval is not accepted or rejected by LESSOR within forty-five (45) days of receipt of LESSEE'S request, in writing, then the request shall be deemed approved. Any such improvements or alterations shall be made at the sole expense of the LESSEE and shall become the property of the LESSOR and shall remain in and be surrendered with the premises as a part thereof at the termination

of this agreement, without disturbance or injury.

SECTION 3. RENTAL FEE: LESSEE shall pay LESSOR for use of the leased property at the following rate: Year 1, \$1,250; Year 2, \$2,500; and Year 3 through Year 10, \$5,000 per year. After Year 10, the rental rate shall be renegotiated. If LESSOR and LESSEE cannot agree on the rental amount, then the rate shall be adjusted from the base rate of \$5,000 in accordance with the Consumer Price Index-All Categories. LESSEE shall make the first annual payment on or before the ___ day of April, 1984, and shall make each annual payment thereafter on the same date. Failure to make an annual payment prior to the expiration of 30 days from the due date thereof shall constitute a breach of this agreement, and at the option of the LESSOR, the lease may be cancelled. As additional consideration, LESSEE agrees to plant and maintain the median strip on Old Penitentiary Road as designated by LESSOR.

SECTION 4. OCCUPANCY OF PROPERTY: The leased property, including any buildings made a part of this lease, shall be used and occupied only by the LESSEE and shall not be subleased without the express written approval of the LESSOR. The LESSEE agrees not to occupy the leased property for any purpose deemed to be destructive or hazardous, and to not permit anything to be done which will jeopardize or increase the risk of damage to the leased property; LESSEE agrees to

use the property solely for the purposes expressed in Section 2 of this agreement. LESSOR shall be permitted to use, at its option, and throughout the term of this lease, the portion of the leased property not used by LESSEE as specified under the terms of this lease and/or the master plan.

SECTION 5. SUBSTANTIAL PROGRESS: The continuation of this lease shall depend upon LESSEE making "substantial progress" towards the purposes specified in Section 2 above. For purposes of this lease, "substantial progress" for the first five years of the lease shall be defined as follows:

The LESSEE agrees to raise \$50,000 per year in cash, or gifts in kind, including up to \$15,000 in professional services, which will be used toward the establishment of plantings, trails, and improvements in the botanical garden. This will include a minimum of 2,000 plants per year.

Year 1. In addition to the contributions and plantings specified above, LESSEE agrees that in the first year of the lease it will install a watering system, either sprinklers or irrigation, or a combination of both, over a minimum of one acre of a five acre area to be developed intensely during the first five years of this lease. Between 1/4 and 1/2 mile of trails and walks shall be completed. LESSEE shall begin a nature study program on weekends by the end of Year 1. LESSEE shall also begin renovation of the vacant school building, including the repair of the roof, installation of doors and windows, electricity and plumbing. Subject to LESSEE'S approval, LESSOR shall be permitted to use, at its option, and throughout the term of this lease, the portions of said school building not used by the LESSEE. Such use shall be on a month-to-month basis and may include the lease of such property to third parties. Any rental received after April 1, 1984 from such rental shall be split 50-50 between LESSOR and LESSEE.

Year 2. In addition to the contributions and plantings specified above, LESSEE shall extend the watering system to a minimum of two acres. LESSEE will have the formal garden opening, and find a volunteer education coordinator. Trails will be extended as in Year 1.

Year 3. The watering system will be extended to a minimum of three acres. Contributions, plantings and trail extensions will continue as specified above. Greenhouse space may be added to allow for the rooting of cuttings and seedlings to be set out in the garden grounds provided the site and plans for such greenhouse can be mutually agreed upon by the parties. In the event that an existing building other than the vacant school building described above is used for the greenhouse, a rental rate for such building shall be negotiated by the parties.

Year 4. LESSEE shall initiate participation in the National Museum Act traineeship plan, providing such plan is still in existence. The watering system will be extended to a minimum of four acres. Contributions, plantings and trail extensions will continue as specified above.

Year 5. LESSEE shall have completed the watering system for the five acre plot selected as the first area to be intensively planted. LESSEE shall have completed the renovation of the vacant school building. Trails will continue to be extended through the native plant areas to tie the entire site together. Contributions and plantings will continue as specified above.

Development of the leased property after year 5 will proceed in accordance with a Master Plan to be jointly developed by the LESSOR and LESSEE and finally approved prior to the sixth year of the lease. The Master Plan shall be consistent with the purposes expressed in Section 2 of this agreement and may be modified from time to time by mutual approval.

LESSOR shall review progress as specified above within 45 days of the completion of each lease year for the first five years. In the event LESSOR determines that LESSEE has failed to make substantial progress as defined above, it shall give notice in writing to LESSEE of such deficiencies. LESSEE shall have 45 days, weather permitting, after receipt of said notice to correct such deficiencies. Extensions may be granted at the discretion of LESSOR. Failure to correct deficiencies shall constitute cause for termination of the lease.

SECTION 6. EXAMINATION OF PREMISES: LESSEE warrants that they have inspected the premises, know the conditions and parts thereof, and accept the same in the condition that said premises and parts thereof, are in now.

RESERVATIONS: The LESSOR expressly reserves the right to have its representatives enter any portion of the area occupied hereunder to inspect the building and grounds at any time.

The LESSOR reserves the right to re-enter and take possession of the leased area upon breach of any terms and conditions of this lease and thereupon cancel this agreement.

SECTION 7. UTILITIES AND SERVICES: No utilities will be provided by the LESSOR. Any necessary utilities shall be installed solely at the expense of the LESSEE, and LESSEE shall pay as the same becomes due all charges for utilities

or other services that are incurred as a result of LESSEE'S occupancy of the leased property.

LESSEE may use LESSOR'S current groundwater well for irrigation purposes only, between the dates of March 15 and November 15 of each year, consistent with LESSOR'S groundwater permit and on a non-exclusive basis. However, any use of the groundwater well by anyone other than LESSEE shall not be such as to deprive LESSEE of enough water to properly irrigate its vegetation. Should the terms of such permit be altered or revoked, LESSEE shall have no right inconsistent with such alteration or revocation. (Current permit allows 2.20 cubic feet per second flow). Geothermal water is available at the Old Penitentiary site, but LESSEE shall negotiate any use thereof with the owners.

SECTION 8. INSURANCE: The LESSEE shall obtain \$500,000 of comprehensive general liability insurance, combined single limit, listing the STATE OF IDAHO as an additional insured. LESSEE shall furnish LESSOR with a copy of a current certificate of insurance on an annual basis, or such other period of time covered by the policy. The amount of such policy shall be revised from time to time as required by statute or by the Bureau of Risk Management, STATE OF IDAHO.

SECTION 9. CLAIMS AND LIABILITIES: The LESSEE shall indemnify, defend, and hold harmless the LESSOR, the STATE OF IDAHO, the Idaho State Historical Society, and its

representatives from any and all demands, claims, or liabilities of every nature whatsoever arising directly or indirectly from or in any way connected with the use authorized under this agreement. No employees of the LESSOR shall have any personal liability or responsibility hereunder except for acts of gross negligence or as provided under the IDAHO TORT CLAIMS ACT. All rights and responsibilities of the LESSOR under this agreement shall rest in and be vested with the STATE OF IDAHO.

SECTION 10. HEIRS AND ASSIGNS. The terms of this agreement shall apply to the heirs, executors, administrators, successors, and assigns of the LESSOR and LESSEE in like manner as to the original parties.

SECTION 11. NONWAIVER OF BREACH: The failure of the LESSOR to insist upon strict performance of any of the covenants and agreements of this lease or to exercise any option herein conferred shall not be construed to be a waiver of any such covenant or agreement but the same shall be and remain in full force and effect.

SECTION 12. INGRESS AND EGRESS: LESSOR reserves the right of ingress and egress for any of its authorized agents across the leased premises for purposes of administration, for providing access to neighboring lots and for any other purpose of the LESSOR provided such use does not conflict with LESSEE'S Master Plan approved by LESSOR.

SECTION 13. STATE LAND BOARD APPROVAL: This agreement was approved by the State Board of Land Commissioners at the regular meeting on March 13, 1984.

IN WITNESS WHEREOF THE party of the first part, by and through the Idaho State Historical Society as administrative agency of the Old Idaho Penitentiary property for the State Board of Land Commissioners of the STATE OF IDAHO has caused these presents to be executed by its Director, and the party of the second part has caused these presents to be executed in person on this 22 day of March, 1984.

IDAHO DEPARTMENT OF LANDS

LESSEE:

IDAHO BOTANICAL GARDENS, INC.


CHRISTOPHER DAVIDSON, President

LESSOR:

STATE OF IDAHO
IDAHO HISTORICAL SOCIETY


ARTHUR A. HART, Director
Idaho Historical Society

IDAHO BOTANICAL SOCIETY DESCRIPTION

A parcel of land situated in the North 1/2 of Section 13, Township 3 North, Range 2 East, Boise Meridian, Ada County, Idaho, more particularly described as follows:

Commencing at the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 13, a point marked by a Brass Cap; thence along the West line of said Northeast 1/4 Northwest 1/4

North 0° 42' 48" East 125.21 feet to a point; thence leaving said West line North 65° 58' 05" East 705.05 feet to a point, marked by a P.K. Nail, The Point of Beginning; thence continuing

North 65° 58' 05" East 660.66 feet to a point, marked by a P.K. Nail; thence

South 85° 33' 48" East 160.18 feet to a point, marked by a 5/8" Iron Pin; thence

South 4° 26' 12" West 250.00 feet to a point, marked by a 5/8" Iron Pin; thence

South 85° 33' 48" East 1289.06 feet to a point, marked by a 5/8" Iron Pin; thence

North 4° 26' 12" East 320.27 feet to a point, marked by a 5/8" Iron Pin; thence

South 85° 33' 48" East 630.00 feet to a point, marked by a 5/8" Iron Pin; thence

South 4° 26' 12" West 1260.00 feet to a point, marked by a 5/8" Iron Pin; thence

North 85° 33' 48" West 1260.00 feet to a point, marked by a 5/8" Iron Pin; thence

North 4° 26' 12" East 630.00 feet to a point, marked by a 5/8" Iron Pin; thence

North 85° 33' 48" West 425.00 feet to a point, marked by a 5/8" Iron Pin; thence

North 4° 26' 12" East 91.00 feet to a point, marked by a 5/8" Iron Pin; thence

North 88° 53' 00" West 865.07 feet to a point, marked by a 5/8" Iron Pin; thence

North 24° 12' 35" West 232.35 feet to The Point of Beginning.

Said Parcel contains 42.249 acres.

Said Parcel is subject to Easements as shown on the State Department of Lands Land Ownership Status Plat No. 6 for Section 13, Township 3 North, Range 2 East, Boise Meridian.

copy
given to BG
5/12/92

LEASE AGREEMENT ADDENDUM
BETWEEN
IDAHO STATE HISTORICAL SOCIETY
AND
IDAHO BOTANICAL GARDENS, INC.

THIS LEASE AGREEMENT ADDENDUM, made an entered into this 17th day of September, 1991, by and between the IDAHO STATE HISTORICAL SOCIETY as administrative agency of the Old Penitentiary property, hereinafter called the "LESSOR"; and the IDAHO BOTANICAL GARDENS, INC., a non-profit corporation, hereinafter called the "LESSEE",

WITNESSED:

WHEREAS LESSEE desires to expand its botanical garden; and
WHEREAS LESSOR has available property for such expansion; and
WHEREAS the STATE BOARD OF LAND COMMISSIONERS, at its September 17, 1991 meeting, approved the request for eight-plus (8+) additional acres for an expansion of the Botanical Gardens lease at the Old Penitentiary site; and

WHEREAS the parties desire to enter into this LEASE AGREEMENT ADDENDUM to include an additional 8.385 acres into the original Lease Agreement;

NOW THEREFORE, the parties mutually agree as follows:

1. 8.385 acres, as described in Exhibit 1 to this LEASE AGREEMENT ADDENDUM shall be leased to LESSEE;

2. LESSEE shall pay LESSOR one hundred and fifty dollars (\$150) per acre for a total of one thousand two hundred fifty-seven dollars and seventy-five cents (\$1,257.75) per year on or before the first day of April;

3. After year ten of the original Lease Agreement, the rental rate shall be renegotiated;

4. This LEASE AGREEMENT ADDENDUM shall run concurrent with the original Lease Agreement and shall expire in year 2034;

5. All terms set forth in the original Lease Agreement dated March 22, 1984 shall apply to this LEASE AGREEMENT ADDENDUM as if set out fully herein.

IN WITNESS WHEREOF the parties have caused this LEASE AGREEMENT ADDENDUM to be executed the day and year first above written.

LESSEE:

IDAHO BOTANICAL GARDENS, INC.

LESSOR:

IDAHO STATE HISTORICAL SOCIETY

DATE

DATE

**TEALEY'S LAND
SURVEYING**479 Main St., Boise, Idaho 83702
(208) 385-0636Project No. 074
Date: January 25, 1990**8.385 ACRE DESCRIPTION**
FOR
IDaho BOTANICAL SOCIETY

A parcel of land being a portion of the NW 1/4 of and a portion of the NE 1/4 of Section 13, T.3N., R.2E., B.M., Boise, Ada County, Idaho and more particularly described as follows:

Beginning at a brass cap marking the Center 1/4 corner of said Section 13; thence along the Easterly boundary of the said NW 1/4

North 00°18'40" West 1195.65 feet to an iron pin, also said point being the REAL POINT OF BEGINNING; thence along a line 132.00 feet Southerly of and parallel with the Northerly boundary of the SE 1/4 of the said NW 1/4

North 89°29'00" West 446.86 feet to an iron pin; thence

North 24°40'48" West 378.59 feet to an iron pin; thence

South 89°21'08" East 865.07 feet to an iron pin; thence

South 03°58'04" West 91.00 feet to an iron pin; thence

South 86°01'56" East 425.00 feet to an iron pin; thence

South 03°58'04" West 224.57 feet to an iron pin; thence along a line 132.00 feet Southerly of and a parallel with the said Northerly boundary of the SE 1/4 of the NW 1/4

North 89°29'00" West 662.26 feet to the POINT OF BEGINNING.

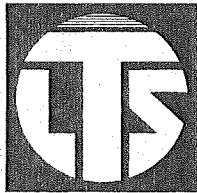
said parcel of land contains 8.385 acres, more or less.

RECEIVED

APR 02 1990

PUBLIC WORKS

EXHIBIT B: LEASED PREMISES LEGAL DESCRIPTION



**TEALEY'S LAND
SURVEYING**

187 E. 50th Street • Garden City, Idaho 83714

(208) 385-0636

Fax (208) 385-0696

Project. No.: 3493

Date: January 13, 2011

Revised: January 26, 2011

DESCRIPTION FOR PARCEL A - IDAHO STATE HISTORICAL SOCIETY

A parcel of land being a portion of the East 1/2 of the NW 1/4 and a portion of the West 1/2 of the NE 1/4 of Section 13, T.3N, R.2E., B.M., as shown on Record of Survey No. 8913, filed for record in the office of the Ada County Recorder, Boise, Idaho under Instrument No. 111008420 and more particularly described as follows:

Commencing at a brass cap marking the West 1/4 corner of said Section 13; thence along the East-West centerline of said Section 13

South 89°42'47" East 2704.84 feet to a brass cap marking the center of Section 13; thence along the North-South centerline of said Section 13

North 00°18'39" West 1195.59 feet to an iron pin, said point marking the **POINT OF BEGINNING**; thence leaving said North-South centerline along a line 132.00 feet South of and parallel the South boundary of the NE 1/4 of said NW 1/4 of Section 13

North 89°29'00" West 446.83 feet to an iron pin the Northeasterly boundary of Record of Survey No. 3149, filed for record in the office of the Ada County Recorder, Boise, Idaho under Instrument No. 95019294; thence along said Northeasterly boundary

North 24°40'48" West 613.41 feet to an iron pin on the centerline of Old Penitentiary Road; thence along said centerline

North 65°29'57" East 656.11 feet, formerly 660.66 feet, to an iron pin; thence leaving said centerline

South 86°01'56" East 165.36 feet, formerly 160.18 feet, to an iron pin; thence at right angles

South 03°58'04" West 250.00 feet to an iron pin; thence at right angles

South 86°01'56" East 1291.31 feet, formerly 1289.06 feet, to an iron pin on the East boundary of said West 1/2 of the NE 1/4 of Section 13; thence along said East boundary

South 00°21'58" East 942.42 feet to an iron pin; thence leaving said East boundary

North 86°01'56" West 703.46 feet to an iron pin; thence at right angles

North 03°58'04" East 405.43 feet to an iron pin; thence

North 89°29'00" West 319.40 feet to an iron pin; thence at right angles

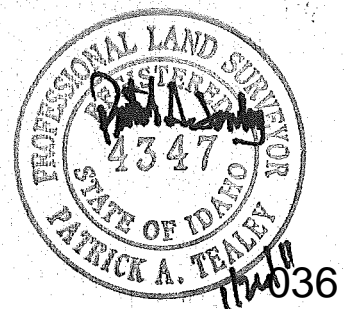
North 00°31'00" East 132.00 feet to an iron pin; thence at right angles

North 89°29'00" West 188.00 feet to an iron pin; thence at right angles

South 00°31'00" West 132.00 feet to an iron pin; thence at right angles

North 89°29'00" West 154.90 feet to the **POINT OF BEGINNING**.

Said parcel of land contains 32.70 acres, more or less.



SURVEY NO 8913

EXHIBIT C: SITE PLAN

RECORD OF SURVEY NO 8907
INSTRUMENT NO. 111007157

REFERENCE SURVEYS

- 1 RECORD OF SURVEY NO 153, BY POTTER AND ASSOC., INC.
- 2 RECORD OF SURVEY NO 283 BY MCCARTER AND TULLER
- 3 RECORD OF SURVEY NO 496 BY ROBERT GRIFFITHS
- 4 RECORD OF SURVEY NO 1970 BY BERGEY LAND SURVEYING
- 5 RECORD OF SURVEY NO 3449 BY TOOTHMAN-ORTON ENGINEERING CO
- 6 RECORD OF SURVEY NO 3431 BY TEALEY'S LAND SURVEYING
- 7 RECORD OF SURVEY NO 4079 BY W & H PACIFIC
- 8 RECORD OF SURVEY NO 6224 BY IDAHO SURVEY GROUP
- 9 FALLINGBROOK SUBDIVISION, BOOK 74 PAGE 7654
- 10 TEALEY'S LAND SURVEYING JOB NO 074



SCALE: 1" = 300'

RECORD OF SURVEY FOR IDAHO STATE HISTORICAL SOCIETY

PORTIONS OF THE EAST 1/2 NW 1/4 AND WEST 1/2 NE 1/4, SECTION 13,
T.3N., R.2E., B.M.,
BOISE, ADA COUNTY, IDAHO

NOTE:

THIS SURVEY WAS AMENDED TO CHANGE THE OWNER'S
NAME IN THE PREAMBLE. THERE ARE NO OTHER CHANGES
TO SURVEY.

LEGEND

- BOUNDARY LINE
- CENTER LINE
- PARCEL LINE T.L.S. NO. 074
- SECTION LINE
- FOUND BRASS CAP
- FOUND ALUMINUM CAP
- FOUND 5/8" IRON PIN
- SET 5/8" X 30" IRON PIN w/CAP
- FOUND 1/2" IRON PIN
- FOUND 1 S.P.R. STONE MONUMENT
- DATA OF RECORD
- CALCULATED POINT

CERTIFICATE OF SURVEYOR

I, PATRICK A. TEALEY, PLS NO 4347, STATE OF IDAHO, DO HEREBY
CERTIFY THAT THE SURVEY REPRESENTED ON THIS PLAT WAS
PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION AND IS IN
CONFORMITY WITH THE STATE OF IDAHO CODES RELATING TO PLATS
AND SURVEYS AND THE CORNER PERPETUATION AND FILING ACT

RECORDER'S CERTIFICATE

STATE OF IDAHO) SS
COUNTY OF ADA) SS
FILED FOR RECORD AT THE REQUEST OF Tealey's Land Surveying
49 MIN PAST 3 O'CLOCK P.M. THIS 20 DAY OF Jan 2011
Christopher D. Rich RECORDER
B. [Signature] DEPUTY
FEE \$15.00 Inst. No 111 008420

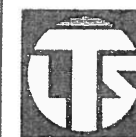
ATTENTION

THE RECORDING OF THIS RECORD OF SURVEY DOES NOT ENABLE THE
OWNERS OF THE PARCELS TO CONVEY OWNERSHIP BASED SOLELY ON
THIS MAP. A WRITTEN CONVEYANCE MUST ACCOMPANY SUCH CHANGE IN
OWNERSHIP. THIS RECORD OF SURVEY DOES NOT SERVE AS A LEGAL
DESCRIPTION FOR THE PROPERTY SHOWN ON THIS MAP.

TEALEY'S LAND SURVEYING, ASSUMES NO LIABILITY FOR PRESENT OR
FUTURE COMPLIANCE OR NON-COMPLIANCE WITH THE PLANNING AND
ZONING ORDINANCE RESTRICTION AS IT PERTAINS TO BUILDING PERMITS
AND THE ISSUANCE THEREOF.

CURVE TABLE					
CURVE	RADIUS	DELTA	LENGTH	BEARING	CHORD
C-1	1197.55	2°40'40"	59.97	N 49°31'59" W	55.97
C-2	1197.55	8°38'32"	180.63	N 43°52'23" W	180.46
C-3	575.38	5°15'44"	52.84	N 36°59'54" W	52.83

LINE TABLE		
LINE	BEARING	LENGTH
L-1	S 66°01'56" E	165.36'
L-2	S 03°58'04" W	250.00'
L-3	S 00°31'00" W	132.00'
L-4	S 89°29'00" E	188.00'
L-5	S 00°31'00" W	132.00'
L-6	N 89°29'00" W	188.00'



TEALEY'S LAND SURVEYING

187 EAST 90th STREET GARDEN CITY, ID 83714
208-385-0636

DATE: JANUARY, 2011

DRAWING NO. 3493

EXHIBIT D: 2010 MOU

MEMORANDUM OF UNDERSTANDING

Idaho State Historical Society

Idaho Department of Lands

Idaho Botanical Garden

February 16, 2010

This MEMORANDUM OF UNDERSTANDING is made and entered into as of the above date by the STATE OF IDAHO, by and through the IDAHO STATE HISTORICAL SOCIETY ("ISHS") and the IDAHO DEPARTMENT OF LANDS ("IDL"), and the IDAHO BOTANICAL GARDENS ("IBG"), a non-profit organization, to clarify the relationship and responsibilities of each entity towards the other.

WHEREAS, ISHS is an agency of the State of Idaho delegated by the State Board of Land Commissioners, acting through IDL, the duty to protect, preserve, and provide educational access to the Old Penitentiary Historic District located at 2445 N. Penitentiary Road, Boise, Idaho in compliance with state statutes for the preservation of historic properties and federal requirements for maintenance of properties listed on the National Register of Historic Sites;

WHEREAS, IBG was formed in March, 1984 as a private non-profit organization established to create, establish and maintain a botanical garden and arboretum (the "Gardens") as a hands-on museum and to assemble a collection and culture of plants, flowers, shrubs, trees and hardscape in order to advance botanical science and knowledge through education and natural experience; and

WHEREAS, the State of Idaho, acting by and through ISHS as administrative agency of the Old Penitentiary Historic District for the State Board of Land Commissioners, and IBG entered into a Lease Agreement dated March 22, 1984 and a Lease Agreement Addendum dated September 17, 1991 (collectively the "Lease") pursuant to which IBG leases approximately thirty-three (33) acres of land (the "Leased Premises") located immediately adjacent to the Old Penitentiary museum site for a term of fifty (50) years (March 1984 -April 2034); and

Whereas ISHS and IDL entered into a Memorandum of Understanding dated December 20, 1994 which was replaced by a Memorandum of Understanding between ISHS, IDL, and IBG dated September 14, 2004; and

WHEREAS, ISHS acknowledges that IBG has acquired certain rights of use as Lessee under the terms of the Lease; and

WHEREAS, IBG acknowledges that ISHS retains all rights and authority as Lessor of the Leased Premises, except for those rights of use specifically granted to IBG under the terms of the Lease; and

WHEREAS, both parties in their joint efforts seek to create a historic, cultural, environmental and educational destination of regional and national importance; and

WHEREAS, it is in the best interests of ISHS and IBG that a well defined working relationship be established in order to promote continuing cooperation between the parties and to better serve the public interest in the facilities of ISHS and of IBG.

NOW THEREFORE, the parties agree as follows:

1. **MUTUAL RECOGNITION AND PLEDGE OF SUPPORT:** Both ISHS and IBG hereby recognize the public service and benefit of the other's legal purposes and objectives. It is the purpose of both parties to use their respective properties and facilities to enhance the quality of life for the citizenry of the State of Idaho through education, entertainment and tourism, and these mutual goals will be facilitated by a relationship built on mutual respect and trust. Each party, their employees, agents and representative, shall act in good faith to understand, support and help build a good neighbor partnership, to honor the rights, property and interests of the other and to respect their respective goals and missions. While the specific interests and responsibilities of ISHS and IBG are distinctly different, both have been created to provide cultural and educational services and each will benefit from a compatible working relationship. Each party shall respect the independence of the other and the separate purposes, interests and rights of the other and their respective reviews and comments relating to the plans and operations of their respective properties. Within the terms of the Lease neither party will seek to govern or control the day-to-day operations of the other or to interfere with the plans, objectives, purposes, or direction in the development and operations of the other's programs or property.

2. **STATE BOARD OF LAND COMMISSIONERS.** The parties hereby agree that IDL will serve as advisor to the Lease. The parties acknowledge however, that the responsibility for operations on the Leased Premises is that of ISHS and IBG in their roles as Lessor and Lessee. The expectation is that IDL's involvement will be required only in situations where disputes between ISHS and IBG cannot be resolved after good faith negotiations. In such cases, IDL will provide arbitration to resolve the dispute. Such arbitration may include submitting the dispute to an independent arbitrator for binding arbitration. The decision to engage an independent arbiter will be made at the sole discretion of IDL. The costs of such arbitration will be born equally by ISHS and IBG.

3. **ANNUAL OPERATING PLAN.** Representatives of the ISHS and IBG, as appointed by their respective governing boards, will meet to present their respective annual operating plans for that calendar year to each other. The annual operating plans will serve as a planning document identifying the specific actions and relationships to be coordinated between the IBG and the ISHS relative to the Leased Premises and the Old Penitentiary Historic District. It is understood that the annual operating plans are declarations of intent and may only be implemented to the extent funds and other resources are available and may be modified due to funding and other resources made available throughout the year.

4. MASTER PLAN.

4.1 Master Plan and Amendments. The IBG has prepared a site master plan dated June 2004 ("2004 Master Plan"). The IBG will submit proposed amendments to the 2004 Master Plan to ISHS for comment. ISHS shall submit a written response to the proposed amendments to IBG within forty five (45) days of receipt. Failure of ISHS to submit a written response on or before such date shall be deemed an approval.

4.2. Development in Accordance with the 2004 Master Plan. IBG shall develop the Leased Premises in accordance with the Lease requirements and this Memorandum of Understanding by mutual approval. Any building restoration and maintenance will comply with all applicable state statutes and federal requirements for preservation of historic sites.

5. ACCESS TO LEASED PREMISES.

5.1 IBG Access. IBG shall continue its ingress to and egress from the Leased Premises according to the existing access route(s) as shown on Exhibit A attached hereto and incorporated herein. Any proposed change in the existing access route(s) shall be negotiated between the two parties as a revision to the 2004 Master Plan as provided in Section 4 of this Memorandum of Understanding.

5.2 ISHS Access. IBG respects the historic value of the historic sites and structures located on the Leased Premises and will provide to ISHS reasonable access to such historic sites and structures for which ISHS is responsible to maintain. In addition to notice requirements as provided in Section 9 of this Memorandum of Understanding, ISHS will take reasonable steps to notify IBG in advance of planned entry upon the Leased Premises for such purposes other than routine matters.

5.3. Joint Use and Access to Outlaw Field. ISHS and IBG agree to joint use and access to Outlaw Field for fund raising and other appropriate functions, without charge. Each party shall be responsible for any costs incurred for their event and for related repair and maintenance of Outlaw Field beyond normal wear and tear. ISHS shall identify each desired use of Outlaw Field in the Annual Operating Plan or by written request 30 days prior to the event to the IBG for approval.

5.4 Penitentiary Cemetery Visitor Access. Access through the IBG for Penitentiary Cemetery visitors is provided free of charge during normal operating hours or by special arrangement. Visitors should be referred to the IBG Administrative Office for Cemetery access.

5.5 Cooperation. In the event the operations of IBG and the planned entry by or activities of ISHS on the Leased Premises are in conflict, IBG and ISHS will cooperate to avoid conflicting uses and to accommodate the needs of each party.

6. MAINTENANCE AND REPAIRS.

6.1 Maintenance and Repairs of the Leased Premises. Subject to the provisions of Subsection 6.2 of this Memorandum of Understanding and to the extent that

funds are available, IBG shall maintain the Leased Premises in a condition of good repair at the sole expense of IBG. Building restoration and maintenance will comply with all applicable state statutes and federal requirements for preservation of historic sites.

6.2 Maintenance and Repairs of Historic Sites and Structures. ISHS will regularly maintain and repair the historic sites and structures located on or adjacent to the Leased Premises for which it is responsible to the extent funds are available therefore. IBG will regularly maintain and repair the historic sites and structures located on the Leased Premises for which it is responsible to the extent funds are available therefore. In performing maintenance and repair of the historical sites and structures, ISHS agrees to take all reasonable efforts to preserve the Gardens and to cooperate with IBG to ensure such maintenance and repairs do not interfere with IBG's uses of the Leased Premises. For the purposes of this subsection, the historic sites and structures located on the Leased Premises are those as identified as such in the 2004 Master Plan of development and signage that interprets the history of the Old Penitentiary Historic District.

7. **SIGNAGE.** In designing, erecting and maintaining signage that interprets the history of, provides wayfinding throughout, or marks entry ways to the Old Penitentiary Historic District, ISHS agrees to take all reasonable efforts to ensure that such signage does not interfere or diminish the aesthetic qualities of the Leased Premises. Such signage that is located within the IBG shall also acknowledge the location within the IBG and fit with IBG's look for signage. ISHS shall include IBG in the review during the design of signage to be located within the IBG.

8. **NOTICE OF EVENTS, PROJECTS AND UNDERTAKINGS.** IBG and ISHS shall maintain a joint online calendar of monthly events. IBG and ISHS shall give at least thirty (30) days prior written notice to each other of major events, projects or special undertakings which may have an effect on the operations of the other party or on the aesthetic or historical qualities or the uses of the other party's properties or facilities. Specifically, IBG and ISHS shall give notice to each other of major garden projects, building or historic site maintenance or construction, and major events with the potential to affect the operations of the other party or on the aesthetic or historical qualities or the uses of the other party's properties or facilities. Such notice will include a description of the events, projects or special undertaking and the date or dates thereof.

9. **NOTICES.** Any notice, request, submission or demand ("Notice") given under the terms of this Memorandum of Understanding shall be in writing and shall be deemed delivered immediately upon personal service or seventy-two (72) hours after depositing the Notice in the United States mail, certified or registered, postage prepaid, addressed to the appropriate parties at the address identified below. Such addresses may be changed by a party by notice to the other parties.

10. **REPLACEMENT OF SEPTEMBER 14, 1994 MEMORANDUM OF UNDERSTANDING.** IDL, IBG, and ISHS agree that execution of this Memorandum of Understanding replaces the Memorandum of Understanding dated September 14, 2004.

IN WITNESS WHEREOF, the undersigned individuals execute this Memorandum of Understanding on behalf of the parties as of the date first set forth above.

IDAHO STATE HISTORICAL SOCIETY

By: 

Name: Janet L. Callimore

Title: Executive Director

Address: 2205 Old Penitentiary Road, Boise ID 83712

IDAHO DEPARTMENT OF LANDS

By: 

Name: GEORGE B. BACON

Title: DIRECTOR DEPT OF LANDS

Address: 300 N 6th ST STE 103 BOISE

IDAHO BOTANIC GARDENS

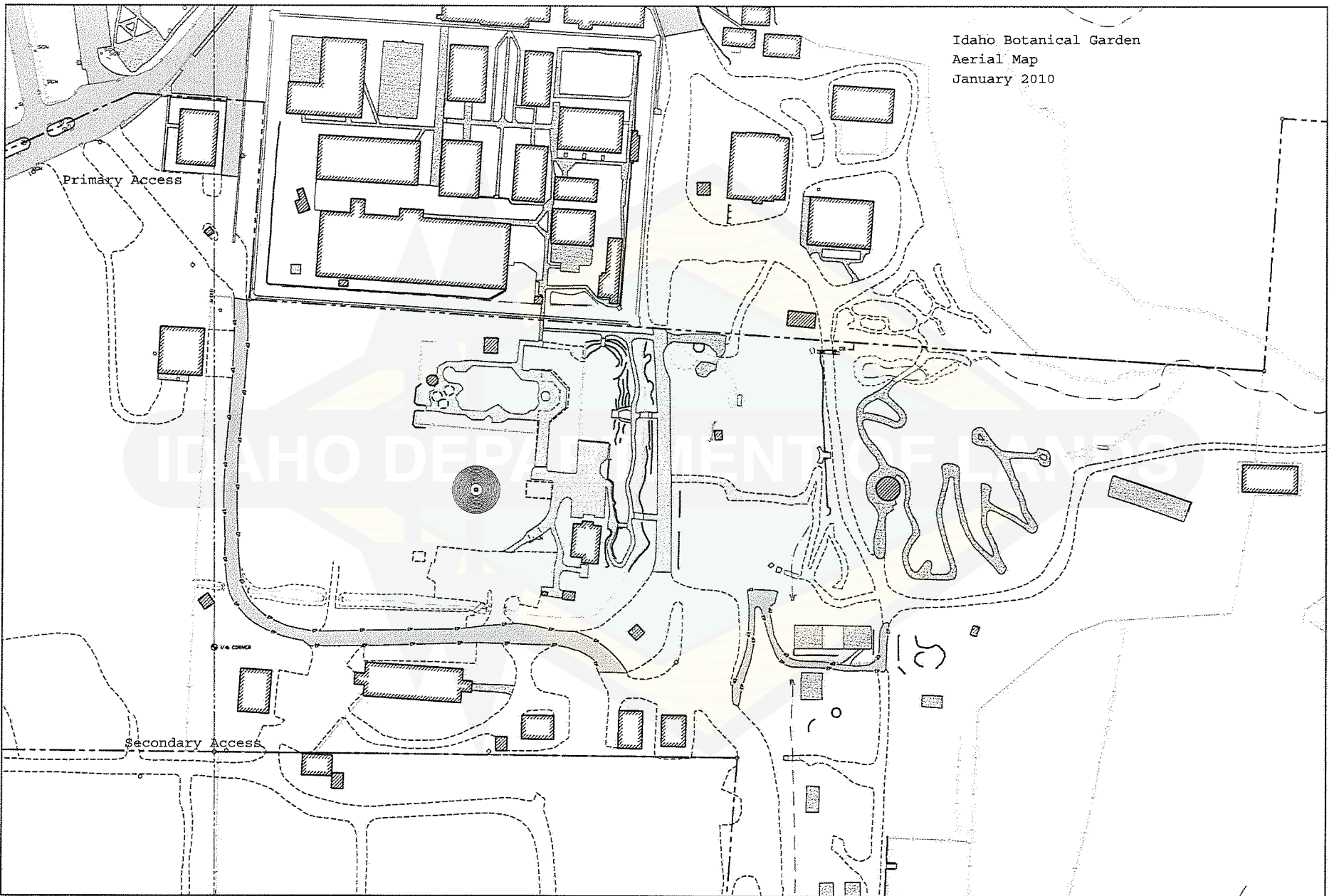
By:  Feb 19, 2010

Name: Julia Rundberg, Director

Title: 2355 North Penitentiary Road, Boise ID 83712

Address: _____

Idaho Botanical Garden
Aerial Map
January 2010





IDAHO STATE HISTORICAL SOCIETY

Kellogg Ln

Old Penitentiary Rd

IBG Parking

IBG Site

IBG Offices

2205 Old Penitentiary Rd

E Warm Springs Ave

EXHIBIT F: 2009 WATER USE SUMMARY

Water Use Summary

Water Right #63-9661 and #63-10241

Water Right # 63-9661

Well Location: NESW, T03N, R02E, Sec. 13

Purpose: Irrigation

Water Right Holder: State of Idaho, Department of Lands

Every five years the Idaho Department of Water Resources (IDWR) does an examination of beneficial use to determine applicable water use under the right. IDWR evaluated the right in 2008 and issued a Water Right License confirming that a water right has been established in accordance with the permit. The diversion and delivery system used under this right also provides water under right # 63-10241 for irrigation of 5.3 acres. Further evaluation of the irrigated area indicated a total of 32.7 acres irrigated under rights # 63-9661 and # 63-10241. IDWR utilized Arcmap to evaluate the acres irrigated under # 63-10241 and drew a shape that avoids overlap of this right, the result is a total of 27.5 acres irrigated under # 63-9661.

The current system is capable of delivering water to a 62.0 acre area. Water has historically been used to irrigate a total of 32.7 acres under rights # 63-9661 and # 63-10241. This right (# 63-9661) is limited to irrigation of a specific 27.5 acres within the 62.0 acre place of use authorized by this right in a single season. This right is shown on a shape file in GIS maintained by IDWR. Before changing the 27.5 acres to be irrigated within the 62.0 acre place of use, the right holder shall submit a new land list and representative electronic shape file or map to IDWR prior to the irrigation season in which the change will occur.

The right authorizes 27.5 acres total within the 62.0 acre place of use described in the right. Specifically up to 24.0 acres in the NWNE, 19.0 acres in the SWNE, 17.0 acres in the NENW and 2.0 acres in the SENW of Section 13, T03N R02E can be irrigated, but the total irrigation cannot exceed 27.5 acres.

Water Right # 63-10241

Well Location: SWNE, T03N, R02E, Sec. 13

Purpose: Irrigation/Domestic

Water Right Holder: State of Idaho, Department of Lands

The right authorizes 5.3 acres total. Specifically up to 2.5 acres in the NWNE and 2.8 acres in the NENW, T03N, R02E, Sec. 13. Incorporated within the 5.3 acres is 0.5 acres allocated for domestic use.

Allocation of Water Use

Listed below is a current list for calendar year 2009 of agencies authorized by the Department of Lands to utilize water under the two described water rights.

Idaho State Historical Society
Idaho Botanical Garden
Idaho Department of Agriculture
Boise State University
Idaho Department of Corrections

Prior to March of each calendar year representatives from the Idaho Department of Lands and the agencies utilizing water under the right meet to define water allocation and update any changes in use to IDWR for that calendar year. It is important to note that use of water under the right is critical to maintaining the right.

Below are tables outlining water usage for calendar year 2009..

GIS Acres by Quarter Quarter

63-10241

2009 Irrigation and Domestic Water Use

	Total Acres
NWNE	2.5
NENW	2.8
Total Acres	5.3

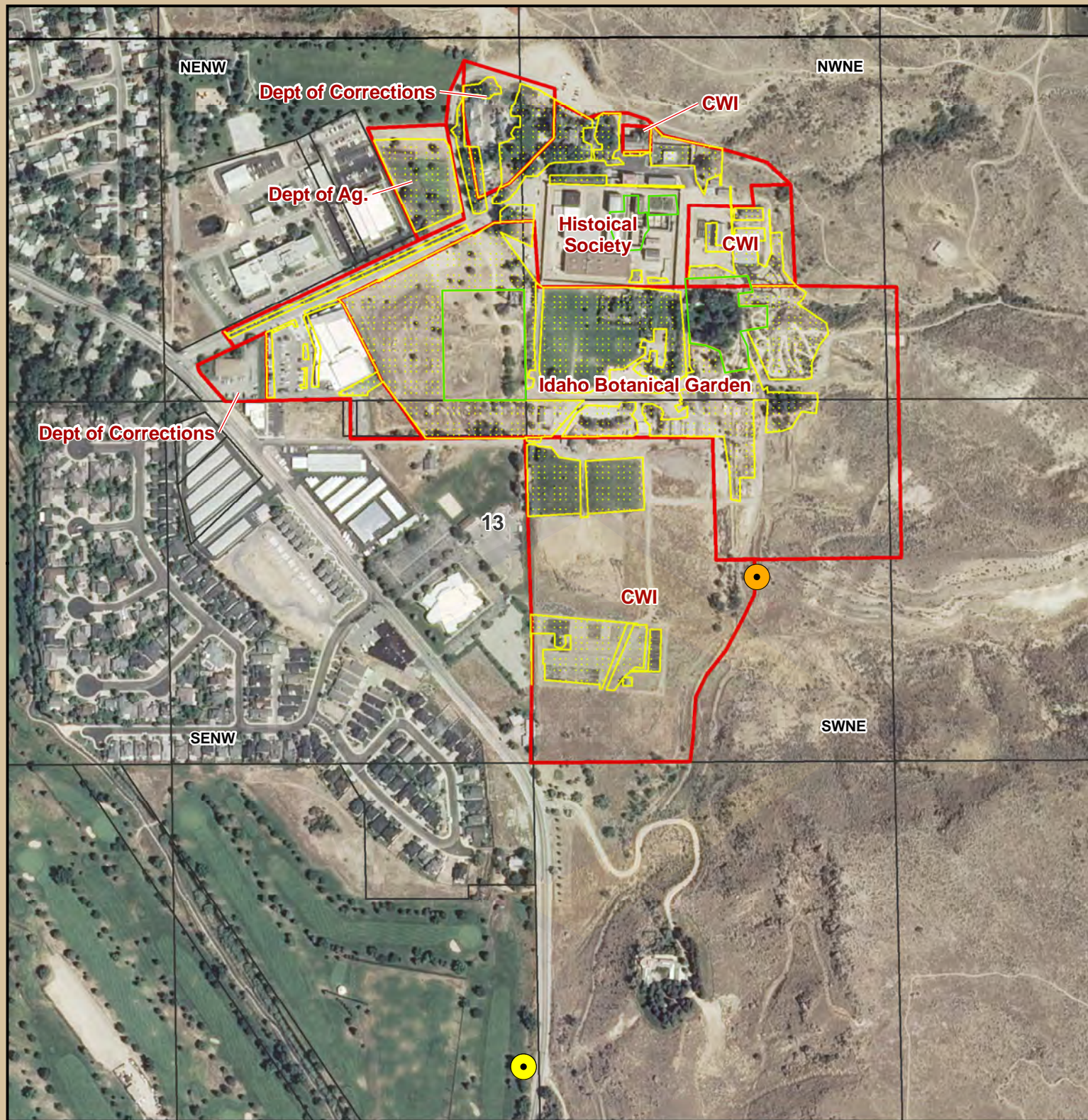
63-9661

2009 Water Use by Quarter Quarter

	BSU	IBG	Hist. Society	Dept of Corr.	Dept of Ag.	Total Acres
NWNE	1	7.2	2.1	0.7	0	11
NENW	0	4.2	1.8	0.6	1.8	8.4
SENE	0	1.3	0	0	0	1.3
SWNE	3.9	2.9	0	0	0	6.8
Total Acres	4.9	15.6	3.9	1.3	1.8	27.5

Attached is a GIS map depicting water use by agency for calendar year 2009.

Expansion of the Botanical Garden or any increase in irrigated acres will require the purchase of water rights from another water right holder. A plan will need to be developed that includes current and future needs for water utilized by the various users on this site.



Legend

- 63-9661 Well
- 63-10241 Well
- 63-10241 Water Rights
- 63-9661 Water Rights
- Ownership Boundaries
- Quarter Quarter Line

Water Rights 63-9661 and 63-10241 Southwestern IDL

05/19/2011

Scale 1:6,000



0 0.1 0.2 Miles

Map Notes

Map Notes and Data Sources
Water Use data was acquired and compiled by the Idaho Department of Lands SW GIS Personnel.

Disclaimer:
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, Superintendent of Public Instruction
Dustin T. Miller, Secretary to the Board

Be it remembered, that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.

Draft Minutes State Board of Land Commissioners Regular Meeting August 18, 2020

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, August 18, 2020 in the State Capitol, Lincoln Auditorium WW02, 700 W Jefferson Street, Boise, Idaho. The meeting began at 9:03 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little
Honorable Secretary of State Lawrence Denney (*via teleconference*)
Honorable Attorney General Lawrence Wasden
Honorable State Controller Brandon Woolf
Honorable Superintendent of Public Instruction Sherri Ybarra

For the record, all Board members were present. Secretary of State Denney joined the meeting via conference call and advised that he would not be available for the entire meeting.

1. **Department Report** – Presented by Dustin Miller, Director

Trust Land Revenue

A. Timber Sales – July 2020

Discussion: Governor Little requested an update at the September Land Board meeting on Douglas-fir tussock moth salvage sales, to include status of Department harvesting as well as harvesting by sister agencies. Governor Little commented that the area looks much better with removal of the dead trees.

B. Leases and Permits – July 2020

Discussion: None.

Status Updates

C. Fire Season Report

Discussion: Controller Woolf thanked Department staff for adding a table into the report that shows fire deficiency warrant spending.

D. Land Revenue Forecast

Discussion: None.

Consent—Action Item(s)

2. Strategic Plan FY2021-FY2024 – *Presented by Dustin Miller, Director*

Discussion: Controller Woolf commended the Department for including employees in the strategic plan by tying strategic tasks with goals and objectives in employees' performance evaluations because it makes the plan measurable. Controller Woolf appreciated the detailed task descriptions. Controller Woolf wondered how the Department fared with its goals and objectives for FY2020. Director Miller noted that many goals and objectives were met in FY2020 and offered to provide an assessment of the Department's achievements following the meeting.

Governor Little noticed that one strategic task in the fire management bureau is 'increase the assessment of forestland throughout the state of Idaho' and asked where that is in the process. Director Miller replied the focus of that is to look at acres that are currently not being assessed that meet the classification of forestland under Idaho code. Director Miller was not certain of acres involved, but there are timberland acres that are receiving free fire protection because they have not been assessed. Director Miller mentioned the assessment is currently 60 cents per acre and 40 dollars per structure on forestland. The Department is discussing whether those additional forestland acres qualify for the 60 cents an acre assessment per statute. Director Miller added that it ties into the Department's offset agreement with the federal government as well. Currently it is an acre for acre analysis with traded acres. The Department provides protection on state, federal and private land, predominately in the northern part of the state; federal partners cover many of the Department's acres in the southern part of the state. The strategic plan task is to make sure that there is an equitable payment structure in place; those forestland owners potentially could be assessed and provided fire protection. Governor Little inquired if all owners of the acres inside of the two forest protective associations are paying their assessments. Mr. Josh Harvey, Fire Management Bureau Chief, answered that the wardens of the timber protective associations perform an audit of their districts each year; they are mandated to do a 20% audit of their entire districts. Mr. Harvey explained in fast growing counties; it is nearly impossible to meet that number, but they work very diligently to do so. The wardens are very conscientious in conducting the audits to make sure they are including all those acres in the assessments. Mr. Harvey said they may not get every single one, but they do get a vast number of them. Governor Little asked if the protective associations will be included in the assessment the Department is conducting. Mr. Harvey replied yes.

Recommendation: Direct the Department to submit its FY2021-FY2024 Strategic Plan to the Division of Financial Management by August 28, 2020.

3. Bennett Surplus Property (Idaho Fish & Game) – *Presented by Josh Purkiss, Program Manager-Real Estate*

Discussion: Prior to his presentation, Mr. Purkiss provided background on the Surplus Property Act and how the Department provides an essential role for state agencies. The majority of state agencies do not have authority to directly dispose of real property. Therefore, when a state agency no longer has use for real property, its only option for disposal is to submit a letter to the

Land Board requesting that the property be deemed surplus and sold through the Surplus Property Act outlined in Idaho Code §§ 58-331–58-335. The property is appraised, presented to the Land Board for approval, and offered to state agencies. If there is no interest from state agencies, it is then offered to tax supported agencies, which include federal, city and county. If there is still no interest, the Department offers the property to the public through a live auction and eventually, if it is not sold at auction, through a negotiated sale. On occasion, the Department uses the services of a real estate broker.

In recent years, the Department has streamlined the process while working within statute. A good example is that the Department used to appear before the Land Board for approval at every step of the process; now staff seeks approval for all of the steps during its initial request to the Land Board. The only exception is if a tax supported agency declares interest; the Department is required to return to the Land Board after a public hearing is held and obtain approval to sell.

During the entire process, the Department tracks all of its time and expenses for the transactions and deducts that from the declaring agency's proceeds as defined in Idaho Code § 58-332. The costs vary depending on the complexity, the involvement of the declaring agency, and at what point in the process the property sells.

Governor Little inquired about the status of the road that runs through the middle of this particular property. Mr. Purkiss stated the road provides access to the property, but there is no easement across that road to the parcel. Governor Little asked if the road is maintained by the county; Mr. Purkiss replied it is not. Governor Little observed that it is a private road, then, and the landowner has control of it. Mr. Purkiss said that is correct. Governor Little asked how much the Department has spent on the process to dispose of this surplus property since 1942. Mr. Purkiss indicated he does not have data to 1942, but since 2008 expenses are in excess of what the property is currently worth. Governor Little exhibited interest in what the auction will bring and commented there seems to be a lot of overhead – paperwork and professional fees – to surplus a piece of property. The Land Board and Department must comply with statute; a review of the law and recommendations may be in order.

Recommendation: Direct the Department to offer the Bennett Patrol Site surplus property, including mineral rights, for disposition pursuant to Idaho Code §§ 58-331–335, and authorize the Department to offer the property at public auction in Elmore or Ada County.

4. Jerome Surplus Property (Idaho Military Division) – *Presented by Josh Purkiss, Program Manager-Real Estate*

Discussion: None.

Recommendation: Execute the acknowledgement of the Corrected Quitclaim Deed for the Property.

Direct the Department to offer the Property adjacent to the Jerome Readiness Center for disposition in accordance with the Surplus Property Act, Idaho Code §§ 58-331–335; and authorize the Department to offer the Property at public auction in Jerome or Ada County.

5. Approval of Draft Minutes – July 21, 2020 Regular Meeting (Boise)

For the record, at 9:37 a.m., Secretary of State Denney left the call for the duration of the meeting.

Consent Agenda Board Action: A motion was made by Attorney General Wasden that the Board adopt and approve the Consent Agenda. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

Regular—Action Item(s)

6. Endowment Fund Investment Board Report – Presented by Chris Anton, EFIB Manager of Investments

- A. Manager's Report
- B. Investment Report
- C. FY2022 Distribution and Transfers

Discussion: Mr. Anton communicated that equity markets continue to exhibit a strong recovery into the new fiscal year despite continued spread of COVID-19 and the understanding that it is going to take a while for the nation's overall economy to recover. The fund was up 4% during the month of July and through August 17 it was up 6.3%. Most of the major U.S. equity indices are near all-time highs. The Nasdaq, which is led by many technology companies, is at its all-time high. The S&P is right at the all-time high. Equity markets have fully recovered while the underlying economy continues to have challenges, but there are signs of health going forward. The U.S. gross domestic product contracted at an annual rate of 32.9% during the second quarter, the worst drop ever recorded. This highlights the devastating impact of COVID-19 and makes the drop of 5% during the first quarter look good. The decline was led primarily by a decrease in consumer expenditures. Congress recognizes that it is important to keep the underlying economy healthy and is in the process of negotiating a second stimulus package to help Americans weather the storm.

Overall, EFIB is happy about the start to the new fiscal year. Distributions for FY21 and FY22 are well secured. The Investment Board met on August 13 and reviewed and approved the audited financial statements; those will be presented to the Land Board in November. The Investment Board also reviewed and supported the recommendation for beneficiary distributions and transfers that the Land Board will consider today. The Investment Board approved EFIB's budget that will be submitted later this month.

Mr. Anton referred to item C of Tab 6 and began with a refresher of the Investment Board's distribution policy. The Land Board has adopted a policy whereby EFIB annually distributes 5% of a 3-year average of each beneficiary's permanent fund balance. The exception is that 7% is used for State Hospital South. EFIB tries to maintain earnings reserves at target levels based on beneficiary distributions. When earnings reserves are in excess of the target, EFIB considers moving that excess into the permanent fund. That recommendation is before the Land Board today. The fund ended the fiscal year in a very solid position. The Endowment Fund generated a return of 5.2% which is 3.6% above inflation (1.6% during the year). This allowed all permanent funds to be above their inflation-adjusted gain benchmark. In addition to the permanent fund being in a robust position, beneficiary distributions and earnings reserves were in a healthy position, in excess of target levels. As reported by Director Miller at July's Land Board meeting, the Department ended the year with \$145.5 million in timber presold, which also put the portfolio in a sound position going into the new year. Page 4 shows all beneficiaries' earnings

reserve balances above the target levels. Page 5 shows a five-year history of beneficiary distributions and EFIB's recommendation for FY2022. EFIB is endorsing an increase of 4.2% from FY21 to FY22. EFIB is also proposing that excess earnings reserves are transferred and made part of the permanent fund; that amount is \$18.7 million and will allow beneficiary distributions to continue to grow as the permanent fund balance increases. Finally, on page 6, there is a more detailed analysis of EFIB's recommendation to increase beneficiary distributions from \$84,520,800 in current fiscal year (FY21) to \$88,076,500 in FY22, which is a 4.2% increase on average. EFIB is also recommending transferring \$18,685,000 from earnings reserves into the permanent fund and making that transfer part of the gain benchmark or the permanent part of the fund.

Controller Woolf congratulated Investment Board members and EFIB staff and thanked everyone for their great work. Controller Woolf remarked the \$88 million proposal for distribution to beneficiaries is incredible. Governor Little agreed and was pleased that EFIB projections regarding the fixed income portion of the portfolio were correct. Governor Little offered appreciation to EFIB staff and Investment Board members for their hard work. Attorney General Wasden recognized the accomplishment of being able to make a transfer to the permanent fund; that is the gift that keeps on giving and will continue to grow in terms of inflation and population increase.

Recommendation: The Endowment Fund Investment Board recommends that the Land Board approve a 4.2% increase in beneficiary distributions, or a total of \$88,076,500 in FY2022; approve a transfer of \$18,685,000 from earnings reserve funds to permanent funds; and, designate the transfers as additions to the gain benchmarks (or permanent corpus).

Board Action: A motion was made by Attorney General Wasden that the Board adopt the Investment Board recommendation, that is approve a 4.2% increase in beneficiary distributions, or a total of \$88,076,500 in FY2022, and approve a transfer of \$18,685,000 from earnings reserve funds to permanent funds, and designate the transfers as additions to the gain benchmarks. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

7. FY2022 Budget Enhancements – Presented by Debbie Buck, Financial Officer

Recommendation: Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2022 budget proposal due on August 28, 2020.

Discussion: Controller Woolf noted the first request is to move 12 temporary fire bosses into permanent positions to help with retention; the decision unit petition is for 10 FTPs and \$281,000. Controller Woolf wondered if the Department already has 2 FTPs to make up that total of 12. Ms. Buck explained that currently these 12 individuals are employed as 8-month seasonals. The Department will convert them into 10-month employees which will not necessitate a full FTE per person. The Department currently does not have any available FTEs for this request.

Attorney General Wasden asked for help understanding, from the Department's perspective, what is gained for the \$281,000. Mr. Craig Foss, State Forester and Division Administrator-Forestry and Fire, responded that the reason the Department wants to convert these 8-month seasonals who are currently not in the agency's FTE allocation, is that the Department is struggling to fill engine boss positions. Mr. Foss recalled at the Land Board meeting in June he provided an update on Department readiness for the fire season at which time he indicated that

the Department has 31 engines located across the state. Each one of those engines needs to be staffed with a qualified engine boss. The Department signs a statewide master agreement with federal agency partners and that master agreement lasts for a five-year period. It was last done in 2016; the Department is working to revise and sign again in 2021. Under that master agreement is a statewide operating plan and an offset agreement. Those documents provide the details for how the Department is going to fight fire as partners. The Department is responsible for making sure that it is protecting assigned acres with qualified resources. The Department needs 31 8-month positions; this year it has 20 of those 31. Mr. Foss remarked that is one of the reasons the Department went with 11 contract engines, in addition to COVID circumstances. The Department has struggled in the past few years to recruit those seasonal positions. It takes three to five years to become a qualified engine boss. For instance, a fellow begins working for the Department in college. Over the course of five years, he graduates, gets married, starts a family. At some point, he needs to think about full-time benefits for his family. He could go to work for one of the federal agencies as an engine boss and move into the federal general schedule (GS) pay scale that has 10 steps for increased pay and offers benefits 12 months per year. By converting these seasonals into 0.83 FTPs, it puts them in the State's pay classification system so when an increase in salary compensation is granted to the Department, they will be eligible for that increase, and it also qualifies them for benefits throughout the year. The intent is for it to be much more attractive both to recruit and retain folks in these engine boss positions.

Governor Little remarked the decision unit language suggests it will reduce the need for federal resources. Governor Little asked if that means savings and where do those savings show up. Mr. Foss replied there is no guarantee of a savings next year as a result of this decision unit. When the Department conducted its fire program review and subsequent spatial analysis of the program and resource needs, one of the consistent recommendations in the review was to convert all of these engine boss positions to FTPs. That was proposed back in the early 2000s with the Teie Report of the fire program review. It was recommended again in 2016-2017 when the second review was done. The Department recognizes the current budget challenges. When this decision unit was initially developed, the request was for conversion of 22 engine boss positions and seeking general fund. This decision unit was significantly scaled back to request conversion of only 12 of the 31 needed. Next year, whether the Department will need to bring on contract engines or not is going to depend on how well it recruits the remainder of those positions, if this decision unit is approved, but also on COVID and availability of federal resources. The Department and all fire service organizations were told this year, go into the year planning to take care of yourselves because it is going to be difficult to acquire additional resources. Mr. Foss stated at this time, today, he cannot be certain of savings to general fund deficiency warrant spending next year.

Board Action: A motion was made by Controller Woolf to direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2022 budget proposal due on August 28, 2020. Attorney General Wasden seconded the motion and counseled that the Department should look at the Governor's question regarding costs associated with getting trained engine bosses. Whether there will be savings or not, the Board needs to know those numbers. Attorney General Wasden acknowledged that the budget enhancement needs to be submitted, but these questions must be answered. For the record, Governor Little recused himself from this vote. The motion carried on a vote of 3-0.

Information

Background information was provided by the presenter indicated below. No Land Board action is required on the Information Agenda

8. Resource Protection and Assistance Bureau Update – *Presented by Mick Thomas, Division Administrator-Minerals, Public Trust, Oil & Gas*

Discussion: Governor Little requested an update of the abandoned mine lands (AML) program at the next regular Land Board meeting. Governor Little referenced the graph on page 7 and noted the downward trend line of the year-end fund total is concerning. Governor Little asked if the Department has a plan to ensure enough funding and wondered if it may need a statutory fix. Mr. Thomas responded that fund is fed by the success in the industry, and his division staff are working to help industry where possible. Department staff are taking steps to increase the number of permits approved while following the law and maintaining the environmental quality standards, and to increase the number of reclamation plans that are approved and move forward. Mr. Thomas said his division cannot increase the industry directly but can make it a little easier and timelier and not be part of the problem. Governor Little noticed on page 2 the division has a goal to conduct 190 inspections under the Lake Protection Act; halfway through the fiscal year staff has completed 40. Governor Little asked if the target will be met. Mr. Thomas replied he is unsure. Historically, staff averaged about 50 inspections a year and that was a problem. His division worked with area managers and developed this goal of 190. Mr. Thomas commented that he was very optimistic about hitting that goal until the COVID pandemic happened. Mr. Thomas noted that 40 inspections halfway through the year is fitting given circumstances; he does not see any reason to drop that 190 goal when things go back to normal.

9. Proposed Rules–Omnibus Fee Rulemaking – *Presented by Scott Phillips, Policy and Communication Chief*

Discussion: On behalf of Department staff, Mr. Phillips expressed appreciation for excellent service provided by Colby Cameron at Division of Financial Management as the agency has navigated this process.

Executive Session

None

There being no further business before the Board, at 10:12 a.m. a motion to adjourn was made by Attorney General Wasden. Controller Woolf seconded the motion. The motion carried on a vote of 4-0.

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Regular Agenda

Subject

Fiscal Year 2022 Idaho Department of Lands (Department) Budget Request

Question Presented

Shall the Board approve the Department's FY2022 budget request as submitted to Division of Financial Management (DFM) and Legislative Services Office (LSO) on Friday, August 28, 2020?

Discussion

The budget was developed in accordance with guidelines provided by the DFM that prescribe 1% change in employee compensation (CEC), 23.5% variable benefit rate, and \$12,930 health benefit per full-time employee for the agency.

On August 18, 2020 the Board approved the Department's FY2022 enhancement decision units (Attachment 1). No changes have been made to those decision units.

The Department's FY2022 total budget request by funding source is as follows:

FUND TYPE	AMOUNT
General Fund	\$6,437,400
Earnings Reserve Fund	\$31,482,000
Federal Funds	\$8,992,900
Other Funds	\$19,091,400
TOTAL REQUEST	\$66,003,700

The FY2022 budget request reflects the following changes above the maintenance level appropriation:

FUND TYPE	\$ CHANGE	% CHANGE
General Fund	(\$130,000)	(2.0%)
Earnings Reserve Fund	\$241,700	0.8%
Federal Funds	\$0	0.0%
Other Funds	\$916,300	5.1%

Recommendation

Approve the Department's FY2022 budget request as submitted to Division of Financial Management and Legislative Services Office on Friday, August 28, 2020.

Board Action

Attachments

1. Approved Board Memo – August 18, 2020



STATE BOARD OF LAND COMMISSIONERS

August 18, 2020

Regular Agenda

Subject

Fiscal Year 2022 Department of Lands Budget Enhancements

Question Presented

Shall the Board Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2022 budget proposal due on August 28, 2020?

Background

The Idaho Department of Lands (Department) is requesting concurrence on the proposed FY22 Enhancement Decision Units. Pursuant to Idaho Code § 67-3502, agencies must submit their budget request to the Division of Financial Management (DFM) and the Legislative Services Office (LSO) by August 28, 2020. The Board briefing and meeting schedules prevent the Department from having the full budget request ready for the August meeting. The complete budget will be presented for Board approval at the September meeting.

Discussion

The Department is asking for consideration of the attached decision units. The proposed decision units align with the strategic goals that are detailed in the Department's strategic plan document. The strategic plan is organized around four major Department-wide goals: (1) Financial Stewardship – Maximize returns through prudent management of resources and funds, (2) Customer Focus – Exemplary professional service to all customers, (3) People – A high performing workforce, and (4) Process – Effective policies, procedures and systems to drive informed decision making.

The Department is developing a budget submission for FY22 that includes enhancements that will further efforts to meet these Department goals. In Attachment 1, the Department's proposed enhancements for the FY22 budget are listed in order of priority.

The enhancements in the Department's budget request reflect the following increases over the FY2021 ongoing appropriation:

Fund Type	Increase from FY21 Base Budget	
	Ongoing & One Time Requests Combined	Ongoing Requests Only
General Fund	\$0 (0%)	\$0 (0%)
Earnings Reserve Fund	\$241,700 (0.8%)	\$105,500 (0.4%)
Lands Dedicated Fund	\$916,300 (5.3%)	\$284,100 (1.6%)
Federal Funds	\$0 (0%)	\$0 (0%)

Throughout the rest of the budgeting submission process, the Department will follow DFM guidelines.

Recommendation

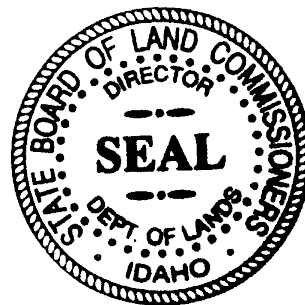
Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2022 budget proposal due on August 28, 2020.

Board Action

A motion was made by Controller Woolf to direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2022 budget proposal due on August 28, 2020. Attorney General Wasden seconded the motion and counseled that the Department should look at the Governor's question regarding costs associated with getting trained engine bosses. Whether there will be savings or not, the Board needs to know those numbers. Attorney General Wasden acknowledged that the budget enhancement needs to be submitted, but these questions must be answered. For the record, Governor Little recused himself from this vote. The motion carried on a vote of 3-0.

Attachments

1. FY2022 Enhancement Decision Unit Requests



IDL Enhancement Decision Units - FY2022 - As of August 18, 2020

Priority	Description	General Fund	Dedicated Fund	Federal Fund	Earnings Reserve Fund	Total	Object	FTP	Ongoing or OneTime
1	<u>LAAD: Fire Program Enhancements</u>								
	<p>This request is to convert 12 temporary 8-month fire employees to 12 permanent 10-month Engine Boss/Incident Commander Type 4 qualified positions. Request requires 10 FTP and \$281,100 in Fire Dedicated PC to cover the difference in funding needed to for two additional months and to bring the employees from their current temporary rate (~\$17.43/hr) to the 80% of policy rate for Grade L (\$25.06/hr). This conversion will help in the retention of qualified fire line leadership and supervision, ensure safe operations on wildland fires, and reduce the need for ordering federal resources to provide fire line supervision. It will also reduce our reliance on contracted resources, though this need will continue until IDL is able to hire qualified engine bosses to staff all 31 engines. COVID is also impacting availability of wildfire suppression resources, and will likely continue into 2021. The request also includes a pickup for the fire bureau and two crew carriers to transport fire crews to incidents within the state. It takes 5 extended cab pickup trucks to transport the same number of people that 2 crew carriers can. The crew carriers offer safer transportation in the event of a rollover, better areas for gear storage, and a communication system in the rig with individual headsets for briefing and information sharing en route to an incident. The Thorn Creek Butte repeater will allow communication between Boise interagency dispatch, the southwest supervisory area and the fire suppression crews and eliminates grave safety concerns. Linking hardware will connect 3 mountaintop repeaters to provide seamless radio coverage across 750,000+ acres.</p>								
	Resource Specialist, Sr. (Salary & Benefits - 8 mo. To 10	\$0	\$281,100	\$0	\$0	\$281,100	PC	10.00	Ongoing
	Pickup - 1/2 ton, 4X4 (WERF)	\$0	\$42,200	\$0	\$0	\$42,200	CO	0.00	One Time
	Fuel & Maintenance - Pickup	\$0	\$1,000	\$0	\$0	\$1,000	OE	0.00	Ongoing
	Two 10-person Crew Carriers (WERF)	\$0	\$540,000	\$0	\$0	\$540,000	CO	0.00	One Time
	Fuel & Maintenance - Crew Carriers	\$0	\$2,000	\$0	\$0	\$2,000	OE	0.00	Ongoing
	Repeater - Thorn Creek Butte (WERF)	\$0	\$20,000	\$0	\$0	\$20,000	CO	0.00	One Time
	Linking Hardware for 3 Radio Repeaters (WERF)	\$0	\$30,000	\$0	\$0	\$30,000	CO	0.00	One Time
		\$0	\$916,300	\$0	\$0	\$916,300		10.00	

Priority	Description	General Fund	Dedicated Fund	Federal Fund	Earnings Reserve Fund	Total	Object	FTP	Ongoing or OneTime
2	<u>LAAC: Lands Program Manager, Rangeland Conservation</u>								
	This position would coordinate IDL rangeland conservation and restoration activities both internally and externally and ensure the productivity of our rangeland assets as to maximize the long-term financial returns to the endowment beneficiaries. The individual in the position would also serve as IDL's "seat at the table" for the multitude of rangeland partnerships and collaboratives currently taking place and would also coordinate with the BLM and other agencies whose activities may impact endowment lands. This individual would work closely with IDL range staff predominantly in the Southwest, Eastern, and Payette Lakes area field offices and would coordinate rangeland conservation efforts including but not limited to: post fire rehabilitation, strategic fuel breaks, juniper removal, prescribed burning, sage grouse plan implementation, and livestock forage improvement projects.								
	Salary & Benefits - 80% of Grade N	\$0	\$0	\$0	\$93,500	\$93,500	PC	0.00	Ongoing
	Office Supplies, Training, Travel, Rent	\$0	\$0	\$0	\$12,000	\$12,000	OE	0.00	Ongoing
	Pickup - 1/2 ton	\$0	\$0	\$0	\$42,200	\$42,200	CO	0.00	One Time
	PC and Office Furniture	\$0	\$0	\$0	\$3,000	\$3,000	CO	0.00	One Time
		\$0	\$0	\$0	\$150,700	\$150,700		0.00	
3	<u>LAAB: Phodar and Drone Support</u>								
	The request is to add a second small drone to the Technical Services UAS program that will allow for timely project completion. This request also adds a LiDAR sensor that will enable the acquisition LiDAR data for our scattered endowment parcels when it is not available via fixed wing contractors. Request is also for the acquisition Phodar data to support endowment timber growth modeling of the LiDAR stand based inventory data. Finally, the laptop and workstation will support the necessary data processing and analysis work needed.								
	PhoDAR Data Acquisition	\$0	\$0	\$0	\$70,000	\$70,000	OE	0.00	One Time
	LiDAR Sensor	\$0	\$0	\$0	\$15,000	\$15,000	CO	0.00	One Time
	Drone, small	\$0	\$0	\$0	\$2,000	\$2,000	CO	0.00	One Time
	Remote Sensing Field Laptop	\$0	\$0	\$0	\$2,000	\$2,000	CO	0.00	One Time
	Remote Sensing Work Station	\$0	\$0	\$0	\$2,000	\$2,000	CO	0.00	One Time
		\$0	\$0	\$0	\$91,000	\$91,000		0.00	
Grand Totals:		\$0	\$ 916,300	\$0	\$241,700	\$1,158,000		10.00	

Additional funds needed to convert 12 Fire Temps to 12 Permanent Fire Employees:

■ Current Cost of 12 Temporary Employees:

Salary: \$ 24,290 (for ~1394 hours)

Benefits: \$ 18,638

Subtotal: \$ 42,928

X 12: \$515,136

■ Cost of 12 Permanent Grade L Employees (.83 FTP each):

Salary: \$ 43,257

Benefits: \$ 23,095

Subtotal: \$ 66,352

X 12: \$796,224

$$\text{\$796,224} - \text{\$515,136} = \text{\$281,088}$$

STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Regular Agenda

Subject

Proposed 2021 Legislation

Question Presented

Shall the Land Board approve the legislative proposals and direct the Department to proceed with the 2021 executive agency legislation process?

Background

The Idaho Department of Lands (Department) submitted legislative proposals through the executive agency legislation process for the 2021 legislature.

Discussion

Eliminating an unnecessary statute

In 2001, Idaho Code § 58-156 was enacted to facilitate a land exchange between the State Board of Land Commissioners (Land Board), Idaho State University, the University of Idaho and the State Board of Education with the goal of transferring title of certain endowment lands that comprised the Center for Higher Education in Idaho Falls to the universities. Idaho Code § 58-156 enabled a one-time land exchange that was completed on July 24, 2002; this statute is no longer needed. Eliminating this statute has no fiscal impact.

Changing compensation for Idaho Board of Scaling Practices members

Idaho Board of Scaling Practices (Scaling Board) members are compensated as directed by Idaho Code § 38-1205. This statute references Idaho Code § 59-509(g), which specifies payment of \$35 per day for attending meetings plus inclusion in PERSI. The Scaling Board wishes to exclude the PERSI component from its members' compensation by using the compensation model authorized under Idaho Code § 59-509(m), which calls for payments of \$35 per day for attending meetings but excludes PERSI (Attachment 1). Changing this statute will have no fiscal impact.

Recommendation

The Department recommends the Land Board approve these legislative proposals and direct the Department to proceed with the 2021 executive agency legislation process.

Board Action

Attachments

1. Compensation for Scaling Board Members

TITLE 38
FORESTRY, FOREST PRODUCTS AND STUMPAGE DISTRICTS
CHAPTER 12
LOG SCALING

38-1205. COMPENSATION. Each member of the board shall be compensated as provided in section 59-509~~(g)~~ (m), Idaho Code.



STATE BOARD OF LAND COMMISSIONERS

September 15, 2020

Information Agenda

Subject

Bond Assurance Fund Update

Background

The Bond Assurance Fund (BAF) was created in 2006 and is designed to offer small operators an additional option to provide bonding as an alternative to traditional methods. The BAF is a dedicated account and acts as a bonding pool that can be drawn on as needed. Participation in the BAF is limited to disturbance equivalent to 40 acres or \$220,000 in liability. Bond Assurance Fund usage on federal land is at the discretion of the corresponding federal agency. Per IDAPA 20.03.020, *"If the disturbance is on federal lands, then the appropriate federal agency has the discretion to accept or reject the BAF as a viable bonding option."*

Discussion

Annual revenue is approximately \$147,000 per year. Billings are mailed in September with a November 1 due date.

Table 1 shows the proportion of reclamation plans to Dredge and Placer Permits for FY2020.

Table 1: BAF Bonding for Sand and Gravel, Light Industrial, and Placer Permits				
	Reclamation Plans (IDAPA 20.03.02.069)		Dredge and Placer Permits (IDAPA 20.03.01)	
	Plans	Permitted Acres	Permits	Affected Acres
Bond Assurance Fund	631	32,392	7	280

Table 2 shows revenue from the FY2020 BAF billing.

Table 2: Bond Assurance Fund Billing (For FY 2020)				
Disturbance (ACRES)	Annual Fee Schedule (\$)	Total Permits Distribution	Total Annual Fees Due (\$)	Annual Fees Collected Through 06/30/2020
Mineral Leases	\$100	0	\$0	\$0
2 acres or less	\$100	155	\$17,600	\$15,300
> 2 acres ≤ 5 acres	\$200	156	\$35,000	\$31,800
> 5 acres ≤ 10 acres	\$250	144	\$32,500	\$33,500
> 10 acres ≤ 15 acres	\$300	60	\$21,300	\$18,600
> 15 acres ≤ 20 acres	\$350	38	\$10,500	\$11,200
> 20 acres ≤ 25 acres	\$400	26	\$10,400	\$8,400
> 25 acres ≤ 30 acres	\$450	21	\$6,750	\$6,750
> 30 acres ≤ 35 acres	\$500	10	\$6,000	\$6,000
> 35 acres ≤ 40 acres	\$550	12	\$4,950	\$5,500
TOTAL		631	\$147,400	\$137,050

Table 3 shows the number of plans with an action status with the Department. Of the 638 plans currently enrolled in the Bond Assurance Fund, 46 have an action status.

Division staff are working to provide the reclamation cost estimates to the Attorney General's office for 12 of the plans. Area and Division staff are working with the operators on 34 other mines to collect or resolve annual fees that are past due. Some plans may be ready to retire or need to be assigned to new operators, so not all of these will require a reclamation cost estimate and assistance from the Attorney General's office.

Table 3: BAF Update by Category		
Description	Plans	Annual Fees (\$)
Referred to DAG pending reclamation estimate	12	\$13,680
Over 12 months late pending referral to DAG	3	\$2,189
Less than 12 months late in discussion with operators	31	\$9,178

In 2018 the Department contracted an actuarial analysis of the Bond Assurance Fund to reevaluate the recommended minimum balance.

The recommended minimum balance for the fund is just over \$1.6 million and was approved by the Board in November of 2018. The current balance is approximately \$2.25 million. When the fund reaches a total of \$2.8 million, the actuarial analysis supports raising the actual allowable cost to \$275,000 and the actual allowable disturbance to 50 acres.

IDAHO DEPARTMENT OF LANDS