



Mayor Robert E. Simison

City Council Members:

Treg Bernt
Joe Borton
Luke Cavener

Brad Hoaglund
Jessica Perreault
Liz Strader

TO: Mayor Robert E. Simison
Members of the City Council

FROM: David Briggs
Staff Engineer II

DATE: 08/23/2022

SUBJECT: GROUND LEASE AGREEMENT FOR THE PROPOSED CAN ADA LIFT STATION PROPERTY.

I. RECOMMENDED ACTION

A. Move to:

1. Approve the attached Lease Agreement for the future Can Ada Lift Station located on the southeast corner of the intersection of Can Ada Road and W McMillan Road.
2. Authorize the Mayor to sign the agreement

II. DEPARTMENT CONTACT PERSONS

David Briggs, Staff Engineer II	489-0338
Clint Dolsby, Assistant City Engineer	489-0341
Warren Stewart, City Engineer	489-0350
Laurelei McVey, Director of Public Works	985-1259

III. DESCRIPTION

A. Background

The City's 2017 Collection System Master Plan (CSMP) identified the Can Ada Lift Station (LS) as a future regional LS required to serve northwest portion of the City west of McDermott Rd. The lease agreement is for 1.5-acres located near the intersection of N Can Ada Rd and W McMillan Rd on the northwest corner of parcel S0431223100. Flow will be conveyed to the LS via gravity line to be designed as part of the project. The CSMP identifies a peak design flow of 2,125 gpm. The LS will discharge flow through force mains approximately 11,000 LF to the Oaks LS located on N McDermott Rd, south of the intersection of W McMillan Rd.

B. Reason for Ground Lease

The property currently is not annexed into the City and therefore a 1.5-acre lot cannot be platted as a standalone lot (max lot size allowed in the county is 5 acres). The lease will provide the City use of the land until the property can be annexed into the city and

the property is developed and subdivided. At that time the lot containing the LS will be deeded to the City. Language representing this is located in the attached lease agreement.

IV. **IMPACT**

A. Strategic Impact:

This project meets our mission requirements to identify and prioritize work to anticipate, plan, and provide public services and facilities that support the needs of our growing community and ensure modern reliable facilities while maintaining financial stewardship. This LS is also required to develop the northwest priority growth area designed by the City.

B. Fiscal Impact

The Lessor and the City of Meridian waive monetary rent and agree that the mutual benefits provided with this Ground Lease support the agreement.

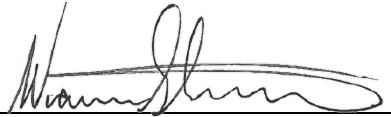
V. **ALTERNATIVES**

The City could choose not to approve the agreement; however, this may result in the City having to locate and procure an alternate parcel for a future LS. This would delay the project months.

VI. **TIME CONSTRAINTS**

This project is nearing the completion of the concept design stage and is transitioning into the design stages at this time. Choosing not to approve this request will result in delay of the project.

Approved for Council Agenda: _____

A handwritten signature in black ink, appearing to be "M. J. ...", written over a horizontal line.

GROUND LEASE AGREEMENT

by and between

Owyhee Holdings, LLC and the City of Meridian, Idaho

THIS GROUND LEASE AGREEMENT ("Lease") is made and entered into this _____ day of September, 2022, by and between OWYHEE HOLDINGS, LLC, an Idaho limited liability company and its successors and assigns, hereinafter referred to as the "**Lessor**," and THE CITY OF MERIDIAN, IDAHO, hereinafter referred to as "**Lessee**" or "**City**." Lessee or Lessor may each individually be referred to as a "**Party**" or collectively, as the "**Parties**".

RECITALS

WHEREAS, Lessor owns certain real property in Ada County Idaho, generally located south of McMillan Road and east of N. Can Ada Road, Ada County Parcel Number S0431223100, legally described on Exhibit A, attached hereto and incorporated herein ("**Lessor Property**"); and

WHEREAS, Lessor intends to develop Lessor Property and eventually seek annexation of Lessor Property into the City of Meridian; and

WHEREAS, the City intends to provide sewer service to Lessor's Property and other properties within the City's municipal service area and, to that end, City desires to construct a sanitary sewer lift station ("**Lift Station**") which Lift Station will be owned and operated by the City as part of its municipal sanitary sewer collection system, and which will be located on a portion of the Lessor Property (the "**Leased Premises**" or "**Premises**"), as legally described on Exhibit B and graphically depicted on Exhibit C, both of which are attached hereto and incorporated herein; and

WHEREAS, Lessor and the City wish to enter into this Lease for the Leased Premises subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the above recitals, and the benefits, covenants and agreements hereinafter mentioned on the part and behalf of the parties, the parties agree as follows:

1. **LEASE:** Lessor shall lease to Lessee and Lessee shall lease from Lessor the Leased Premises subject to the following terms and conditions.

2. **RENT:** Lessor and Lessee hereby waive monetary rent and agree that the mutual benefits provided herein constitute adequate consideration for this Lease. The mutual benefits include but are not limited to Lessee's ability to construct and operate the Lift Station in advance of platting and Lessor having the benefit of sewer service sooner than would otherwise be available.

3. **TERM:** This Lease shall be for the term of four (4) years (the "**Primary Term**"), unless extended or earlier terminated as provided herein, commencing on September 1, 2022 (the "**Lease Commencement Date**").

4. **LEASE EXTENSION:** Provided that Lessee commences construction of the Lift Station prior to the expiration of the Primary Term then, this Lease shall automatically be renewed for successive ten-year terms, not to

exceed 100 additional years, unless otherwise agreed to in writing by the parties (each such 10-year renewal period a “**Renewal Term**”). “Commences construction” means the first placement of permanent construction of a structure on the Leased Premises, such as the pouring of slab or footings, the installation of pile, the construction of columns, or any work beyond the stage of excavation, clearing, grading and grading. In the event that Lessee fails to use best efforts to operate the Lift Station after the first or subsequent Renewal Term, then this Lease shall terminate at the end of that first or subsequent Renewal Term upon written notice by Lessor to Lessee, so long as such notice is provided to Lessee a minimum of six (6) months prior to the end of said Renewal Term.

5. PREMISES/LESSEE IMPROVEMENTS: On the Lease Commencement Date, Lessor shall deliver the Premises, and Lessee agrees to accept the Premises, in its “as-is” condition, as of the date thereof. Lessor shall not be obligated to perform any work or furnish any other materials in, to or about the Premises in order to prepare the Premises for use or occupancy by Lessee or otherwise. Lessee agrees that in executing this Lease, it has not relied upon any statements, representations, covenants or warranties made by Lessor or any person acting on behalf of Lessor other than those, if any, expressly set forth in this Lease and on such investigations, examinations and inspections as Lessee has chosen to make or has made. Lessee has retained a consultant to conduct a Phase 1 Environmental Site Assessment (“ESA”) of the Premises, but the Parties acknowledge the results of the ESA may not be available prior to the Lease Commencement Date. Therefore, the Parties agree that, notwithstanding Sections 3 or any other provision of this Lease, Lessee shall be permitted to terminate this Lease within thirty (30) days of receiving the final ESA if Lessee is not satisfied with the condition of the Premises. Lessee shall provide copies of any environmental site assessments to Lessor.

6. USE OF LEASED PREMISES: Lessee covenants and agrees that the Leased Premises shall be used for a sanitary sewer lift station, and the construction, operation, and maintenance thereof (the “**Permitted Use**”), and shall not be used for any other purpose or purposes without the prior written consent of Lessor.

7. LESSEE WORK: Lessee, at its sole cost, will perform all of Lessee’s work, which shall include all improvements, furniture and fixtures necessary to construct and operate a fully-functional sanitary sewer lift station (collectively, “**Lessee Work**”). Lessee will use reasonable efforts and due diligence to obtain all permits required for Lessee’s Work. Lessee Work will be done in a good and workmanlike manner, and in compliance with all governmental requirements. Prior to the commencement of any Lessee Work, Lessee will submit evidence of the insurance required pursuant to this Lease, including evidence of worker’s compensation insurance. Lessee Work must commence prior to the expiration of the Primary Term or Lessee will be deemed in default of this Lease. Lessee Work will also include any and all work necessary to work around, relocate or reconstruct the settling pool and related facilities currently located on the Leased Premises adjacent to N. Can Ada Road.

8. LEASED PREMISES: Within three months of completion of Lessee Work, Lessee shall cause Lessor’s Property surrounding the Lift Station to be re-surveyed and the boundaries of the Leased Premises shall be reduced as much as is reasonably practical. The parties agree to amend this Lease to formally document the reduction

of the Leased Premises by replacing Exhibit B and Exhibit C with a final Record of Survey and an updated graphical depiction, respectively.

9. EARLY TERMINATION: The parties agree that upon completion of the Lift Station, notwithstanding the Lease Term provided above, this Lease shall terminate upon (i) annexation of the Leased Premises into the City and (ii) City's acceptance of Gift Deed for the Leased Premises, as more particularly described in Section 11, herein, and in a form substantially similar to that Gift Deed attached hereto as Exhibit D.

10. LEASE TERMINATION: Unless earlier terminated as forth in Section 9, if this Lease is terminated in good faith in accordance with the terms of this Lease, Lessee shall remove any improvements on the Leased Premises and restore the Leased Premises to the condition that they were in upon commencement of this Lease, unless otherwise agreed by Lessor and Lessee by separate written agreement.

11. GIFT DEED: Upon completion of the Lift Station and annexation of the Lessor Property into the City, Lessor shall deed the Leased Premises to the City. In so deeding the Leased Premises, the parties will utilize the services of an escrow agent to allocate property and other taxes between the Parties and to carry out instructions related to the recording of the Gift Deed. The parties agree to share (50/50) the expenses related to the services of the escrow agent and any related recording fees. The Parties will each submit escrow instructions to escrow agent before City's acceptance of the Gift Deed. City reserves the right to perform a Level I Environmental Site Assessment prior to accepting the Gift Deed, and City reserves the right to purchase an Owner's Title Policy at City's expense. City will acknowledge receipt of the Gift Deed, and Lessor shall be responsible for establishing value and other related matters. Concurrently with recordation of the Gift Deed in the land records of Ada County, the parties will execute and record a notice of Termination of Lease.

12. ALTERATIONS AND IMPROVEMENTS: Lessee shall have the right to make alterations and improvements to the Leased Premises that are consistent with the ongoing construction, operation and maintenance of the Lift Station. Lessee shall maintain all such alterations and improvements made by Lessee in a neat and orderly condition. Lessee's subsequent operation, maintenance, repair, replacement, removal or abandonment of the Lift Station and other improvements shall comply with all design guidelines applicable to the Leased Premises and all requirements and standards for construction, operation and/or abandonment of Lift Stations.

13. COMPLIANCE WITH LAW: Lessee agrees to comply with all municipal, state and federal laws, rules, regulations and ordinances governing its use of the Leased Premises and Lift Station and to do all things necessary to stay in compliance with the same.

14. UTILITIES: It is expressly agreed that during the term of this Lease, Lessee shall furnish and promptly pay for any utilities required for the Leased Premises and improvements at Lessee's own cost and expense.

15. TAXES AND ASSESSMENTS: Lessor shall pay all real estate taxes and other assessments of any kind levied against the Leased Premises during the term of this Lease as the same become due.

16. ASSIGNMENT OR SUBLEASING: Lessee shall not assign this Lease nor sublet to any other lessee the Leased Premises or any portion thereof, without Lessor's prior written consent; provided, however, such consent shall not be unreasonably withheld by Lessor.

17. LABOR CONTRACTS AND EMPLOYEES: The parties expressly covenant and agree that all labor contracts and employment agreements with employees or contractors providing services or materials to or construction upon the Leased Premises shall be made directly with Lessee and that all such employees and contractors shall be deemed solely the employees or contractors of Lessee and in no way employees or contractors of Lessor. Lessee covenants and agrees to keep the Leased Premises free and clear of any claims, including but not limited to mechanics or materialmen's liens, and to the extent permitted by Idaho law indemnify and hold harmless Lessor of and from any liability for any acts of employees of Lessee or any acts of persons working for Lessee under a labor contract.

18. WASTE PROHIBITED: Lessee shall not commit any waste or damage to the Leased Premises nor permit any waste or damage to be done thereto.

19. LIABILITY: Lessor shall not be liable for any injury or damage which may be sustained by any person or property of the Lessee or any other person or persons resulting from the condition of the Leased Premises or any part thereof, or from the subsurface, or from any other source or cause whatsoever, nor shall the Lessor be liable for any defect, latent or otherwise, in the Leased Premises, Lift Station or structures erected on the Leased Premises.

20. LESSEE INSURANCE: Lessee, at its cost, will maintain the following insurance on the Premises at all times from and after the Commencement Date or any earlier date as Lessee may enter the Premises:

20.1. Commercial general liability insurance policy ("**Lessee's CGL**") (in a form substantially similar to the sample set forth in Exhibit E), providing coverage against any and all claims for bodily harm and property damage occurring in or on the Premises and/or arising out of or in any way related to the use and occupancy of the Premises by Lessee and, and including broad form blanket contractual coverage covering Lessee's obligations under this Lease. The insurance will have a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate limit per location umbrella coverage. Lessor (and upon request, Lessor's mortgagees) will be named as a Certificate Holder on Lessee's CGL policy. Lessee's CGL will be primary with regard to the Premises (not contributory with any insurance carried by Lessor) and include broad form contractual coverage arising out of this Lease. In no event will the limits of Lessee's CGL be considered as limiting Lessee's liability under this Lease.

20.2. Property insurance insuring against loss or damage resulting from perils covered by the causes of loss – special form ("**Lessee's Property Insurance**") (in a form substantially similar to the sample set forth in Exhibit E). Lessee's Property Insurance will be written for the Insurable Value of Lessee's F&E and other improvements located on the Premises, together with the business interruption coverage as Lessee desires and does not wish to assume the risk for. Lessor (and upon request, Lessor's mortgagees) will be named as a Certificate Holder on Lessee's Property Insurance, as their interests may appear.

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20.3. All insurance required to be maintained by Lessee will (a) be on an occurrence basis; (b) provide primary coverage and not contributory with Lessor's insurance coverage; (c) require thirty (30) days prior written notice to the Certificate Holder of any cancellation or reduction in coverage; (d) be written by insurance companies licensed to do business in the State of Idaho. The insurance may be provided by a blanket policy covering additional locations. Lessee will provide Lessor with evidence of the required insurance on or before the Commencement Date.

21. CONDEMNATION: If the entire Leased Premises, or a substantial part thereof, are condemned or taken by purchase in lieu thereof by any party other than Lessee, then this Lease shall terminate as of the time possession is taken.

22. DEFAULT AND FORFEITURE: Time and the strict and faithful performance of each and every one of the conditions of this Lease are expressly made the essence of this Lease. If Lessee defaults in the keeping, performing or observing of any of the covenants and agreements herein contained and such default shall remain uncured for a period of thirty (30) days after written notice shall have been sent by certified or registered mail to Lessee as hereinafter provided, then in such event the Lessor may, at Lessor's election, either in law or equity, seek specific performance of this Lease or may declare said Lease forfeited and terminated and may re-enter the Leased Premises to repossess and enjoy the same as in their first estate, and the effect of such default shall in itself, at the election of Lessor, without further notice or demand constitute a forfeiture and termination of this Lease, and if thereafter the Lessee shall fail to surrender possession of the Leased Premises to Lessor, the Lessee shall be deemed guilty of an unlawful and forcible detention of the Leased Premises. If Lessee shall abandon or vacate the Leased Premises, or if this Lease be terminated for default of any of the covenants and agreements herein contained, Lessee hereby agrees to pay all reasonable expenses incurred by Lessor in obtaining possession of the Leased Premises from Lessee and in removing the improvements thereon, including reasonable legal expenses and attorney's fees, and to pay such other expenses as the Lessor may incur in putting the Leased Premises in good order and condition as herein provided. In the event of notification of default by Lessor to Lessee and Lessee does in fact cure such default, then and in that event Lessee shall pay, in addition to all arrearages as existing under the notice of default, the reasonable attorney fees incurred by Lessor in determination of the default and the notification to the defaulting Lessee.

23. QUIET ENJOYMENT: From and after the Commencement Date and provided that Lessee performs all of its obligations under this Lease, Lessee's quiet enjoyment and possession of the Premises will not be disturbed by Lessor, its successors or assigns, except as otherwise provided in this Lease.

24. ATTORNEY'S FEES: In the event an action is brought to enforce any of the terms or provisions of this Lease, or enforce forfeiture thereof for default thereof by either of the parties hereto, the prevailing party in such action or collection shall be entitled to recover from the other party its reasonable attorney's fee and costs, together with such other costs as may be authorized by law

25. ENVIRONMENTAL: During the term of this Lease, Lessee will not deposit, store, dispose of or place upon, about or under the Premises any Hazardous Substances in violation of any Environmental Law, as those terms

are defined below. In the event Lessee will deposit, store, dispose of or place upon, about or under the Premises any Hazardous Substance in violation of an Environmental Law, Lessee will, at its sole cost and expense, to the extent permitted by Idaho law, indemnify, defend by counsel satisfactory to Lessor and hold Lessor harmless from any claim, loss, liability, cost expense or damage resulting therefrom. If the violation requires the removal, remediation or disposal of any Hazardous Substance, Lessee will promptly commence and complete the removal, remediation or disposal of the Hazardous Substance ("Remediate" or "Remediation") in accordance with Environmental Law. If Lessee fails to promptly commence and complete Remediation within thirty (30) days after written notice from Lessor, Lessor may undertake the Remediation at Lessee's expense and all costs incurred by Lessor in connection with the Remediation will be due and payable from Lessee to Lessor within ten (10) days after written demand. "Hazardous Substances" will mean any hazardous, toxic, dangerous materials or substances in violation of Environmental Laws. "Environmental Laws" will mean Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq. ("CERCLA"); The Resource Conservation and Recovery Act, 42 U.S.C. §6501 et seq. ("RCRA"); The Superfund Amendments and Preauthorization Act, 42 U.S.C. §9601 et seq. ("SARA") or any other federal or state statute, law, ordinance or regulation related to environmental matters or liability.

26. NOTICES: All notices required to be given to each of the parties hereto under the terms of this Lease shall be given by depositing a copy of such notice in the United States mail, postage prepaid and registered or certified, return receipt requested, to the respective parties hereto at the following address:

Lessor: Owyhee Holdings LLC
839 S. Bridgeway Place
Eagle, ID 83616

Lessee: City of Meridian
33 E. Idaho
Meridian, ID 83642

or to such other address as may be designated by writing delivered to the other party. All notices given by certified mail shall be deemed completed as of the date of mailing except as otherwise expressly provided herein.

27. REPRESENTATIONS: It is understood and agreed by and between the parties hereto that there are no verbal promises, implied promises, agreements, stipulations, representations or warranties of any character excepting those set forth in this Lease.

28. BINDING EFFECT: The provisions and stipulations hereof shall inure to the benefit of and bind the heirs, executors, administrators, assigns and successors in interest of the respective parties hereto.

29. SITUS: This Lease is established and accepted by the Lessee under the laws of the State of Idaho, and all questions concerning its validity, construction and administration shall be determined under such laws.

30. RECORDING: This Lease will not be recorded; however, Lessor or Lessee may record a Memorandum of Lease.

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31. ESTOPPEL CERTIFICATES: Within seven (7) days of receipt of written request, Lessee will certify in writing to all persons designated by the requesting party, in the form as reasonably required by Lessor or its prospective buyer or lenders, the following matters: (i) Lessee has performed all of its obligations and is not in default under this Lease, or if a default exists, specifying the default; (ii) that this Lease is in full force and effect; (iii) the date to which Rent is paid and the amount of any prepaid Rent, IF ANY; (iv) that each person receiving the certification may rely thereon for all purposes, (v) that Lessee does not claim any default by Lessor under the Lease (beyond the applicable notice and cure periods), and (vi) other certifications as the requesting party may reasonably request.

32. GOVERNING LAW. The laws of the State of Idaho will govern the validity, performance and enforcement of this Lease and venue for any action arising out of the Lease will be in Ada County, Idaho. Lessor and Lessee hereby waive trial by jury in any action, proceeding or counterclaim brought by either against the other, upon any matters whatsoever arising out of or in any way connected with this Lease, Lessee's use or occupancy of the Premises and/or any claim of injury or damage.

33. HEADINGS: The bolded paragraph headings are for convenience only and are not a part of this Lease and shall not be used in interpreting or construing this Lease agreement.


34. SEVERABILITY: If any portion or portions of this Lease shall be, for any reason, invalid or unenforceable, the remaining portion or portions shall nevertheless be valid, enforceable and carried into effect, unless to do so would clearly violate the present legal and valid intentions of the parties hereto.

IN WITNESS WHEREOF, Lessor and Lessee do execute this Lease effective the day and year first above written.

"Lessor"

OWYHEE HOLDINGS, LLC, an Idaho limited liability company

By: Idaho Holdings, LLC
Its Manager


By: 
Mark Bottles.
Manager

STATE OF IDAHO)
) ss.
County of Ada)

This record was acknowledged before me on the 23 day of August, 2022 by Mark Bottles, Manager of Idaho Holdings, LLC.

(SEAL)




NOTARY PUBLIC FOR IDAHO
RESIDING AT: Eagle ID
MY COMMISSION EXPIRES: 3-28-2024

"Lessee"

CITY OF MERIDIAN, IDAHO

By: _____
Robert E. Simison, Mayor

Attest: _____
Chris Johnson, City Clerk

STATE OF IDAHO)
) ss.
County of Ada)

On this _____ day of _____, 2022, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert E. Simison and Chris Johnson, known to me to be the Mayor and City Clerk of the CITY of Meridian, Idaho, and who executed the within instrument, and acknowledged to me that the City of Meridian executed the same.

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

(SEAL)

NOTARY PUBLIC FOR IDAHO
RESIDING AT: _____
MY COMMISSION EXPIRES: _____

EXHIBIT A

Legal Description of Lessor's Property

A PORTION OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST, BOISE MERIDIAN, ADA COUNTY, STATE OF IDAHO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST OF THE BOISE MERIDIAN, ADA COUNTY, IDAHO; RUNNING THENCE EAST 1017 FEET ALONG THE SECTION LINE TO A POINT 50 FEET WEST FROM THE CENTER LINE OF THE PHYLLIS CANAL; RUNNING THENCE SOUTH AND WEST ALONG SAID PHYLLIS CANAL AND 50 FEET DISTANT FROM THE CENTER LINE THEREOF TO THE INTERSECTION WITH THE WEST LINE OF SAID QUARTER SECTION, THENCE NORTH ALONG THE QUARTER SECTION LINE 2373 FEET TO THE PLACE OF BEGINNING.

EXCEPT THAT PORTION CONTAINED IN RIGHT-OF-WAY DEED DATED MARCH 18, 1916, EXECUTED BY JOHN W. SMITH, AN UNMARRIED MAN, TO THE UNITED STATES OF AMERICA, ACTING UNDER THE PROVISIONS OF THE ACT OF CONGRESS OF JUNE 17, 1902 (32 STAT. 388) KNOWN AS THE RECLAMATION ACT, RECORDED MARCH 23, 1916, IN BOOK 119 OF DEEDS AT PAGE 296, RECORDS OF ADA COUNTY, IDAHO

ALSO INCLUDING, LOTS 1 AND 2 AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST OF THE BOISE MERIDIAN, ADA COUNTY, IDAHO.

EXCEPT THAT PORTION CONTAINED IN RIGHT-OF-WAY DEED DATED MAY 8, 1916, EXECUTED BY SARAH ANN SMITH, A WIDOW, TO THE UNITED STATES OF AMERICA, ACTING UNDER THE PROVISIONS OF THE ACT OF CONGRESS OF JUNE 17, 1902 (32 STAT. 388)

KNOWN AS THE RECLAMATION ACT, RECORDED MAY 15, 1916, IN BOOK 120 OF DEEDS AT PAGE 113, RECORDS OF ADA COUNTY, IDAHO.

ALSO EXCEPT A PARCEL OF LAND SITUATED IN THE NORTH HALF OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST, BOISE MERIDIAN, ADA COUNTY, STATE OF IDAHO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE WEST QUARTER CORNER OF SECTION 31; THENCE ALONG THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 31, SOUTH 89°58'07" EAST 33.00 FEET TO A POINT IN THE EAST RIGHT-OF-WAY LINE OF CANADA AVENUE, BEING THE TRUE POINT OF BEGINNING OF THE PARCEL HEREIN TO BE DESCRIBED; THENCE ALONG SAID RIGHT-OF-WAY LINE NORTH 0°07'58" EAST 1168.35 FEET; THENCE SOUTH 85°38'37" EAST 2234.00 FEET; THENCE SOUTH 9°34'55" WEST 240.00 FEET; THENCE SOUTH 49°43'11" EAST 584.13 FEET; THENCE SOUTH 0°01'54" EAST 102.00 FEET TO A POINT IN THE NORTHERLY RIGHT-OF-WAY LINE OF THE PHYLLIS CANAL ROAD; THENCE ALONG SAID RIGHT-OF-WAY LINE SOUTH 82°00'00" WEST 113.00 FEET TO A POINT IN THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 31; THENCE ALONG SAID EAST LINE SOUTH 0°01'54" EAST 268.00 FEET TO THE CENTER OF SAID SECTION 31; THENCE ALONG THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 31, NORTH 89°58'07" WEST 2524.25 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING A PORTION OF GOVERNMENT LOT 1 AND A PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST, BOISE MERIDIAN, ADA COUNTY, IDAHO, AND ALSO BEING THE LEWIS MCKELLIP SURVEY IN RECORD OF SURVEY 827, ACCORDING TO THE SURVEY THEREOF, FILED IN BOOK F OF SURVEYS AT PAGE 839, RECORDED AS INSTRUMENT NO. 8567169, RECORDS OF ADA COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

NORTHERLY BOUNDARY OF SAID FIVE MILE DRAIN, 85.63 FEET TO A POINT BEING THE REAL POINT OF BEGINNING.

ALSO EXCEPTING:

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 1 WEST, BOISE MERIDIAN, ADA COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 31 FROM WHICH THE NORTHEAST CORNER OF SAID SECTION 31 BEARS NORTH 00°37'26" EAST, 2629.80 FEET; THENCE ALONG THE SOUTH BOUNDARY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 31

NORTH 89°24'51" WEST, 1684.34 FEET; THENCE LEAVING SAID SOUTH BOUNDARY LINE NORTH 00°35'08" EAST, 689.23 FEET TO A 1/2" IRON PIN ON THE EASTERLY BOUNDARY LINE OF THAT PARCEL OF LAND AS DESCRIBED IN THAT WARRANTY DEED RECORDED AS INSTRUMENT NO. 9172555, RECORDS OF ADA COUNTY, IDAHO, SAID POINT ALSO BEING THE REAL POINT OF BEGINNING; THENCE

NORTH 37°40'22" WEST, 102.36 FEET TO A 1/2" IRON PIN; THENCE

NORTH 00°05'43" EAST, 365.72 FEET TO A 1/2" IRON PIN; THENCE

SOUTH 46°41'21" EAST, 64.20 FEET TO A 1/2" IRON PIN; THENCE

SOUTH 46°34'38" EAST, 68.82 FEET TO A 1/2" IRON PIN; THENCE

SOUTH 02°20'47" WEST, 38.66 FEET TO A 1/2" IRON PIN; THENCE

SOUTH 36°09'06" EAST, 14.22 FEET TO A 1/2" IRON PIN; THENCE

NORTH 89°41'08" EAST, 32.06 FEET TO A 1/2" IRON PIN ON THE EASTERLY BOUNDARY LINE OF THAT PARCEL OF LAND AS DESCRIBED IN THAT WARRANTY DEED RECORDED AS INSTRUMENT NO. 9172555, RECORDS OF ADA COUNTY, IDAHO, SAID POINT ALSO BEING

ON A CURVE TO THE RIGHT; THENCE ALONG SAID WESTERLY BOUNDARY LINE AND SAID CURVE BEING 50.00 FEET WESTERLY OF THE CENTERLINE OF THE PHYLLIS CANAL 317.29 FEET, SAID CURVE HAVING A RADIUS OF 655.59 FEET, A CENTRAL ANGLE OF 27°43'49" AND A LONG CHORD OF 314.21 FEET WHICH BEARS

SOUTH 13°33'02" WEST TO THE REAL POINT OF BEGINNING.

EXHIBIT B

Legal Description of the Leased Premises

DESCRIPTION FOR
CITY OF MERIDIAN
A 1.59 ACRE PARCEL OF LAND
SITUATED IN THE NW 1/4 OF THE NW 1/4 OF SECTION 31
T. 4 N., R. 1 W., B.M.
ADA COUNTY, IDAHO

A parcel of land situated in the Northwest ¼ of the Northwest ¼ of Section 31, Township 4 North, Range 1 West, Boise Meridian, Ada County, Idaho, and more particularly described as follows:

Commencing at the northwest corner of said Section 31, from which the southwest corner of said Northwest ¼ of Section 31 bears South 0°41'22" West 2648.18 feet;

thence along the westerly boundary of said Northwest ¼ of Section 31, being also the centerline of Can-Ada Road, South 0°41'22" West 113.73 feet to the POINT OF BEGINNING;

thence leaving said westerly boundary and centerline South 81°01'13" East 172.28 feet;

thence South 65°03'44" East 114.63 feet;

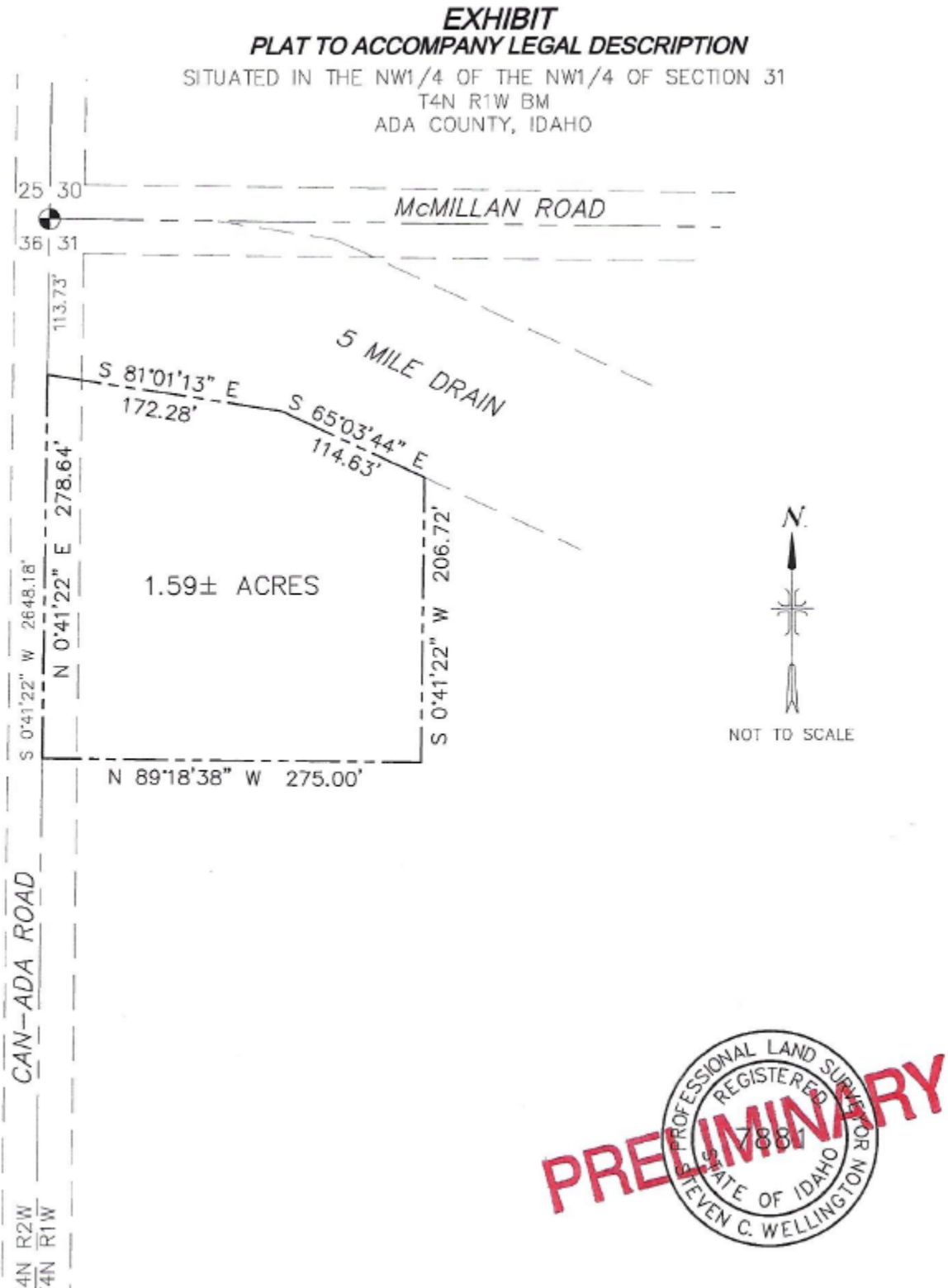
thence South 0°41'22" West 206.72 feet;

thence North 89°18'38" West 275.00 feet to said westerly boundary of the Northwest ¼ of Section 31 and centerline of Can-Ada Road,

thence along said westerly boundary and centerline North 0°41'22" East 278.64 feet to the POINT OF BEGINNING, comprising 1.59 acres, more or less.

EXHIBIT C

Graphic depiction of Leased Premises



Lift Station Lease Agreement - 14

16117771_10_ground lease for owyhee holdings property for can ada lift station / 007476-81

My commission expires: _____

EXHIBIT E
Sample Certificate of Insurance Form
(City will update this with a current form prior to execution of Lease)

CERTIFICATE OF INSURANCE		Issue Date: Wednesday, May 30, 2018 10:42:08 AM			
Agent for Public Entity: James Fullinwider All American Insurance Inc. PO Box 650 Meridian ID 83680-		This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policy below. This certificate of insurance does not constitute a contract between the issuing insurer, agent and the certificate holder.			
Insuring Pool Participant: City of Meridian 33 East Broadway, Ste. 308 Meridian ID 83642-		PROGRAM AFFORDING COVERAGE: Idaho Counties Risk Management Program, Underwriters P. O. Box 15249 Boise, ID 83715			
This certifies coverages listed below are issued to the above insuring pool participant for the time period indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.					
Section Number	Type of Insurance -Coverage Form	Policy Number	Effective Date	Expiration Date	Property Deductible (except flood/quake):
		37A02114100117	5/30/2018	09/30/2018	\$2,500
Limits					
V	PROPERTY INSURANCE -OCCURRENCE	1. Buildings, Structures and Property 2. Automobile/Mobile Equipment Physical Damage General Aggregate	Amount Reported in Schedule of Values up to \$100,000,000 per occurrence. \$200,000,000		
VI	MACHINERY BREAKDOWN -OCCURRENCE	1. Property Damage 2. Expediting Expenses 3. Business Income and Extra Expense 4. Spoilage Damage 5. Service Interruption 6. Newly Acquired Premises 7. Ordinance or Law 8. Errors and Omissions	Each Occurrence Each Occurrence Each Occurrence Each Occurrence Each Occurrence Each Occurrence Each Occurrence General Aggregate	Varies Per Item \$2,500,000 \$1,000,000 \$1,000,000 \$2,500,000 \$5,000,000 \$5,000,000 \$10,000,000 \$100,000,000	
VII	CRIME INSURANCE (INCLUDES PUBLIC OFFICIALS' SURETY-IN-LIEU)	1. Employee Dishonesty 2. Loss Inside Premises 3. Loss Outside Premises	Each Occurrence	\$500,000	
				For Claims Pursuant to Title ,Ch.9, Idaho	All Other Covered Liability Claims
VIII	AUTOMOBILE LIABILITY -OCCURRENCE	1. Automobile Liability 2. Automobile Medical Payments 3. Uninsured Motorist	Each Accident Each Person Each Accident Each Person Each Accident	\$500,000 \$5,000 \$100,000 \$100,000 \$300,000	\$3,000,000 \$5,000 \$100,000 \$100,000 \$300,000
IX	GENERAL LIABILITY -OCCURRENCE	1. General Liability	Each Occurrence	\$500,000	\$3,000,000
X	LAW ENFORCEMENT LIABILITY -OCCURRENCE	1. Law Enforcement Liability	Each Occurrence	\$500,000	\$3,000,000
XI	ERRORS/OMISSIONS LIABILITY -CLAIMS MADE	1. Errors Omission Liability	Each Claim	\$500,000	\$3,000,000
XII	EMPLOYEE BENEFITS LIABILITY -CLAIMS MADE	1. Employee Benefits Liability	Each Claim	\$500,000	\$3,000,000
XIII	EMPLOYMENT PRACTICES LIABILITY -CLAIMS MADE	1. Employment Practices Liability	Each Claim	\$500,000	\$3,000,000
XIV	SEXUAL MOLESTATION LIABILITY -CLAIMS MADE	1. Sexual Molestation Liability	Each Claim	\$500,000	\$3,000,000
Description of Operations/Locations/Vehicles/Restrictions/Special Items: Sample Certificate Value:					
For above described item, coverage both for property damage & liability arising from Insured. If Certificate holder is named as party to lawsuit solely due to relationship with Insured & not as result of its own conduct, we will accept tender of defense, until liability determination. Certificate holder as Loss Payee as their interest may appear.					
Certificate Holder: None none none none		Cancellation Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. Authorized Representative <i>Sandy Moser</i> ICRMP 16/17			

Lift Station Lease Agreement - 16

1611771_10_ground lease for owyhee holdings property for can ada lift station / 007476-81

CERTIFICATE OF INSURANCE		Issue Date: 8/17/2022
Agent for Public Entity: James Fullinwider All American Insurance Inc. 929 N Main Street Meridian, ID 83680		This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policy below. This certificate of insurance does not constitute a contract between the issuing insurer, agent and the certificate holder. PROGRAM AFFORDING COVERAGE: Idaho Counties Risk Management Program, Underwriters P. O. Box 15249 Boise, ID 83715
ICRMP Member: City of Meridian 33 East Broadway, Ste. 308 Meridian, ID 83642		

This certifies coverages listed below are issued to the above member for the time period indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

Section Number	Type of Insurance - Coverage Form	Policy Number	Date Added	Expiration Date	Property Deductible (except flood/quake):	Limits
		42A02114100122	8/17/2022	10/1/2022	\$2,500	
V	PROPERTY INSURANCE -OCCURRENCE	1. Buildings, Structures and Property 2. Mobile Equipment and Vehicle Physical Damage		Per valuation clause within policy		
VI	CRIME INSURANCE -OCCURRENCE	1. Employee Dishonesty 2. Loss Inside Premises 3. Loss Outside Premises 4. Policy in Lieu of Public Officials Surety Bond Notary Bond	Each Occurrence Each Occurrence Each Occurrence Each Occurrence Each Occurrence	\$500,000 \$500,000 \$500,000 \$50,000 \$25,000		

				For Claims Pursuant to Title ,Ch.9, Idaho	All Other Covered Liability Claims
VII	AUTOMOBILE LIABILITY -OCCURRENCE	1. Automobile Liability 2. Automobile Medical Payments 3. Uninsured Motorist	Each Accident Each Person Each Accident Each Person Each Accident	\$500,000 \$5,000 \$100,000 \$100,000 \$300,000	\$3,000,000 \$5,000 \$100,000 \$100,000 \$300,000
VIII	GENERAL LIABILITY -OCCURRENCE	1. General Liability	Each Occurrence	\$500,000	\$3,000,000
IX	LAW ENFORCEMENT LIABILITY -OCCURRENCE	1. Law Enforcement Liability	Each Occurrence	\$500,000	\$3,000,000
X	ERRORS/OMISSIONS LIABILITY -CLAIMS MADE	1. Errors Omission Liability	Each Claim	\$500,000	\$3,000,000
XI	EMPLOYEE BENEFITS LIABILITY -CLAIMS MADE	1. Employee Benefits Liability	Each Claim	\$500,000	\$3,000,000
XII	EMPLOYMENT PRACTICES LIABILITY -CLAIMS MADE	1. Employment Practices Liability	Each Claim	\$500,000	\$3,000,000
XIV	SEXUAL MOLESTATION/ABUSE LIABILITY -CLAIMS MADE	1. Sexual Molestation/Sexual Abuse Liability	Each Claim	\$500,000	\$3,000,000
XV	CYBER PRIVACY or SECURITY ENDORSEMENT -CLAIMS MADE	1. Cyber Privacy or Security Event Endorsement	Each Claim	\$1,000,000	\$1,000,000

Description of Operations/Locations/Vehicles/Restrictions/Special Items:
Sewer Lift Station on Leased Property from Owyhee Holdings, LLC

For above described item, coverage both for property damage & liability arising from Insured. If Certholder is named as party to lawsuit solely due to relationship with Insured & not as result of its own conduct, we will accept tender of defense, until liability determination. Certholder as Loss Payee as their interest may appear.

Certificate Holder: Owyhee Holdings, LLC 839 S. Bridgeway Place Eagle, ID 83616	Cancellation Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions-30 days minimum
	Authorized Representative <i>Sandy Moser</i> ICRMP 21/22