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SETTLEMENT AGREEMENT

This agreement entered into as of this 11th day of September, 1996, between the STATE OF IDAHO, STATE BOARD OF LAND COMMISSIONERS, its members and the Director of the IDAHO DEPARTMENT OF LANDS, by and through the Idaho Attorney General, hereinafter referred to as "State," IDAHO FOREST INDUSTRIES, INC., an Idaho Corporation ("IFI"), EVANS BROTHERS CONSTRUCTION INC., an Idaho Corporation ("EBCI"), and the City of Garden City, Idaho ("Garden City").


WITNESSETH

WHEREAS, on November 10, 1980, Plaintiffs and THE RIVERSIDE GROUP, an Idaho General Partnership and JACK HOKE, entered into an "Agreement" concerning development of a greenbelt on certain riparian lands located generally in the East 1/2 of Section 23, Township 4 North, Range 1 East, Boise Meridian adjacent to the subdivision development known as "Riverside Village Subdivisions." A copy of said "Agreement" is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, certain portions of said greenbelt have been constructed and paved with asphalt and most portions thereof have deteriorated by tree roots which have severely buckled the pavement. The greenbelt is depicted in Exhibit B to the "Agreement", which is incorporated herein by reference. A metes and bounds description of the pathway is set forth on the attached Exhibit B, which is incorporated herein by reference;

WHEREAS, on May 26, 1994, the Plaintiffs filed a lawsuit
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against Defendants in the Fourth Judicial District Court, in and for the County of Ada, Case No. 97796, seeking specific performance of certain aspects of the 1980 Agreement;

WHEREAS the State alleges that Idaho Forest Industries, Inc. is a partial successor to the developer of the Riverside Village Subdivisions, which IFI denies, but IFI admits owning certain lands adjacent to the Boise River; 

WHEREAS the parties seek to resolve the dispute concerning implementation of the 1980 Agreement without further litigation;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties hereto agree as follows:

1. IFI will remove the deteriorated asphalt on the greenbelt, except for that portion delineated on Exhibit B that remains in good condition and is not in need of removal. The removed portions of the asphalt greenbelt will be replaced with 3/4" angular bedding chips to a width of six (6) feet, the current width of the pathway, and the width called for in the 1980 Agreement. In conjunction with the greenbelt reconstruction, the City of Garden City will cut and remove the tree roots that have buckled the present greenbelt. Replacement of the greenbelt shall be completed no later than June 1, 1997.

2. Two bridges that have been constructed on the greenbelt shall be reconstructed as follows: Bridge #1 as identified on Exhibit B shall be replaced or modified to be six (6) feet in width, with handrails for safety. Safety rails shall be constructed on bridge #2. These improvements shall be completed no

later than June 1, 1997.

3. The parties hereby acknowledge that the State has received a description of the most southerly boundary line owned by IFI.

4. As set forth in Exhibit C, the City of Garden City is interested in obtaining control of the subject greenbelt pathway system in order to preserve and maintain it as a public amenity. The conveyance of State land, and land owned by IFI, to Garden City, as contemplated by the 1980 Agreement, will be effected upon completion of construction. Said conveyances shall contain a condition that the lands conveyed shall be used only for public purposes related to a public greenbelt pathway, and that if such public use shall be terminated, or if Garden City shall attempt to convey the former State lands to another entity without State authorization, title to said lands shall automatically revert to the State and IFI according to the respective portions conveyed by them.

5. Each party shall bear its own costs, expenses and attorney's fees with respect to this Agreement.

6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors in interest, and permittees and assigns.

DATED this ____ day of ^{December}~~September~~, 1996.

Philip E. Batt

PHILIP E. BATT
Governor and President of the State
Board of Land Commissioners

DATED this 17th day of ^{DECEMBER (P.T.C.)}~~September~~, 1996.

Pete T. Cenarrusa

PETE T. CENARRUSA
Secretary of State and Secretary of
the State Board of Land Commissioners

DATED this ____ day of September, 1996.

J. Pa. President

IDAHO FOREST INDUSTRIES, INC.

DATED this ____ day of September, 1996.

Wm. Paul Evans
EVANS BROTHERS CONSTRUCTION

William L. Evans
EVANS BROTHERS CONSTRUCTION

DATED this ____ day of September, 1996.

Ted E. Ellis

TED ELLIS
Mayor, City of Garden City