

BURIED PIPELINE AGREEMENT

NORTH SIDE CANAL COMPANY
Southwest Irrigation District
North Snake Ground Water District
Magic Valley Ground Water District

AGREEMENT effective this 4th day of November, 2014, between NORTH SIDE CANAL COMPANY ("NORTH SIDE"), and Southwest Irrigation District, North Snake Ground Water District and Magic Valley Ground Water District (hereinafter "Districts"), collectively referred to as the "parties."

RECITALS

A. WHEREAS, NORTH SIDE, owns certain real property located in Gooding County, Idaho located in Government Lot SE ¼ SE ¼, Section 6 and SW ¼ SW, Section 5, Township 8 South, Range 14 East, B.M., Gooding County, Idaho ("Property") and;

B. WHEREAS, the Districts desire to acquire from NORTH SIDE an easement 20' in width as described in Exhibit "A" attached for the purpose of constructing, owning and operating up to two buried pipelines through the NORTH SIDE Property to convey water from a spring source and the Magic Springs aquaculture facility; and

C. WHEREAS, NORTH SIDE is willing to provide the Districts the requested easement for the buried pipelines pursuant to this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Payment.** The total purchase price for the easement shall be FIVE THOUSAND (\$5,000.00) DOLLARS per acre calculated based upon the width and length of the easement payable from the Districts to NORTH SIDE at the execution of this agreement.

2. **Installation of Pipelines.** The Districts shall submit to NORTH SIDE construction drawings and specifications stamped by a registered professional engineer in the State of Idaho, that illustrate the design of the project for NORTH SIDE to review and approve prior to beginning construction on the Property. After NORTH SIDE has approved the construction drawings and specifications, the Districts may install, at their own expense, up to two (2) buried pipelines for the conveyance of water from Magic Springs within the easement described in Exhibit "A" attached. The Districts shall install

said pipelines within the easement in accordance with standard specifications for pipe, materials, installation, and backfill, as set forth in the Idaho standards for public works construction or the respective projects' construction drawings, as approved by NORTH SIDE.

3. **Pipeline Ownership and Maintenance.** The Districts shall own the pipelines and be responsible for their installation, maintenance, repair and replacement.

4. **Easement and Access.** NORTH SIDE hereby grants to the Districts an easement on, over, under and through a portion of the Property, approximately 550' in length and 20' in width as described in Exhibit "A" attached hereto, to construct, operate, maintain and replace as necessary up to two (2) buried pipelines to insure the proper delivery of water from Magic Springs. It is understood and agreed that the final description of the easement and location of the pipes are subject to amendment by the Districts based upon the final survey and installed pipe locations.

5. **Indemnification.** The Districts agree to indemnify and hold NORTH SIDE harmless from any and all claims arising out of the construction, operation, maintenance, repair or replacement of the pipeline, or the use of the easement for any purpose.

6. **The Districts' Representative.** The Districts agree to designate one person to represent the Districts in all dealings with NORTH SIDE and to act as a liaison between the parties. The Districts shall communicate to NORTH SIDE in writing the name, address and telephone number of such person.

7. **Additional Documents.** The parties will execute such additional deeds, releases and other documents and instruments as may be required to carry out the purpose and intent of the foregoing agreement.

8. **Cooperation.** The parties will cooperate, communicate and act in good faith with each other as may be reasonable and necessary in exercising their rights and performing their responsibilities pursuant to this Agreement.

9. **Default.** In the event any party fails to perform any of the terms, conditions or provisions of this Agreement, and fails to cure such default within thirty (30) days of receipt of written notice of default, the non-defaulting party may elect any one of the following remedies, which are the sole and exclusive remedies available:

- (a) to terminate this Agreement;
- (b) file an action to obtain specific performance of this Agreement; or
- (c) pursue any other remedy to which they may be entitled under the laws of the state of Idaho.

10. **Legal Fees.** In the event legal action is undertaken to enforce this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney fees and costs, in addition to whatever other relief that party may be entitled to.

11. **Binding Effect.** All of the terms, conditions and covenants of this Agreement shall be binding upon the parties and shall inure to the benefits of all successors and assigns of the parties hereto.

12. **Assignment of this Agreement.** The Districts may assign their interest in this Agreement to a third party, subject to the prior written consent of NORTH SIDE, which consent shall not be unreasonably withheld.

13. **Modification or Revocation.** This Agreement may be modified or revoked by a writing executed by all parties.

14. **Dispute Resolution.** Any substantial dispute between the parties shall be resolved in accordance with the following provisions:

- (a) **Mediation.** The parties shall designate a mediator and appear before the mediator and attempt to mediate a settlement of the dispute.
- (b) **Arbitration.** In the event the dispute between the parties cannot be settled as a result of mediation as above described, the dispute shall be arbitrated in accordance with the Uniform Arbitration Act, Title 7, Chapter 9, Idaho Code. The parties shall elect a mutually agreeable arbitrator and the dispute shall be submitted to that arbitrator for decision. The arbitrator shall be authorized to enter a decision to resolve the dispute that is binding on the parties. The arbitrator's decision shall be non-appealable.
- (c) **Litigation.** Litigation is allowed between the parties only for the purpose of enforcing a settlement agreement entered into between the parties as a result of mediation, or an arbitrator's decision resulting from arbitration.
- (d) **Injunctive Relief.** Either party may request a Court to issue such temporary or interim relief (including temporary restraining orders and preliminary injunctions) as may be appropriate, either before or after mediation or arbitration is commenced. The temporary or interim relief shall remain in effect pending the outcome of the mediation or arbitration. No such request shall be a waiver of the right to submit any dispute to mediation or arbitration.
- (e) **Arbitration and Mediation Costs.** The parties shall share equally in all expenses and costs and fees of the mediator and arbitrator.

Each party shall be responsible for its own costs, attorney fees and witness fees, if any. However, the arbitrator may award reasonable attorney fees to the prevailing party.

- (f) Choice of Law. This Agreement and the validity, interpretation and performance thereof shall be governed by and construed in accordance with the laws of the State of Idaho.

15. **Notices.** All notices required to be given pursuant to this Agreement shall be served upon the parties by certified mail, return receipt requested, at the following addresses:

North Side Canal Company
c/o Alan Hansten, Manager
921 North Lincoln Avenue
Jerome, Idaho 83338

Southwest Irrigation District
P.O. Box 910
Burley, Idaho 83318

North Snake Ground Water District
152 E. Main St.
Jerome, Idaho 83338

Magic Valley Ground Water District
P.O. Box 430
Paul, Idaho 83347

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date recited above.

NORTH SIDE CANAL COMPANY

By John Buekers
JOHN BUEKERS, President

**SOUTHWEST IRRIGATION
DISTRICT**

By Randy Brown
RANDY BROWN, Chairman

**NORTH SNAKE GROUND WATER
DISTRICT**

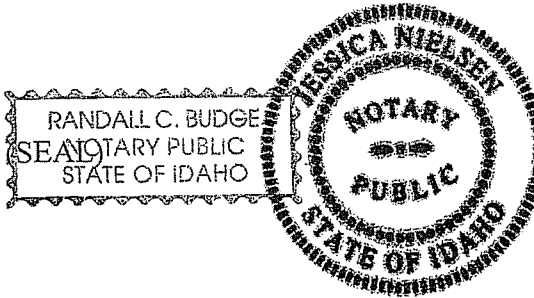
By Lynn Carlquist
LYNN CARLQUIST, Chairman

**MAGIC VALLEY GROUND WATER
DISTRICT**

By 
DEAN STEVENSON, Chairman

STATE OF IDAHO)
 : ss.
County of Twin Falls)

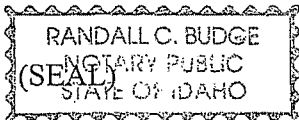
On this 4 day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared JOHN BUEKERS, known or identified to me to be the President, of NORTH SIDE CANAL COMPANY, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



Jessica Nielsen
NOTARY PUBLIC FOR IDAHO
Residing at: Twin Falls
My Commission Expires: 4/3/18

STATE OF IDAHO)
 : ss.
County of Cassia)

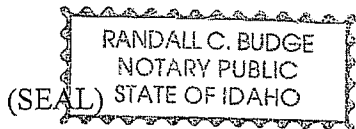
On this 4th day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared RANDY BROWN, known or identified to me to be the Chairman, of SOUTHWEST IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



Randall C. Budge
NOTARY PUBLIC FOR IDAHO
Residing at: Bozeman, ID.
My Commission Expires: 10/01/16

STATE OF IDAHO)
 : ss.
County of Cassia)

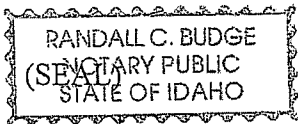
On this 4th day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared LYNN CARLQUIST, known or identified to me to be the Chairman, of NORTH SNAKE GROUND WATER DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



Randall C. Budge
NOTARY PUBLIC FOR IDAHO
Residing at: Pocatello, ID.
My Commission Expires: 10/11/16

STATE OF IDAHO)
 : ss.
County of Cassia)

On this 4th day of November, 2014, before me, a Notary Public for the State of Idaho, personally appeared DEAN STEVENSON, known or identified to me to be the Chairman, of MAGIC VALLEY IRRIGATION DISTRICT, that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.



Randall C. Budge
NOTARY PUBLIC FOR IDAHO
Residing at: Pocatello, ID.
My Commission Expires: 10/11/16

October 24, 2014



**EXHIBIT A
MAGIC SPRING PROJECT
BURIED PIPELINE EASMENT DESCRIPTION
NORTHSIDE CANAL COMPANY**

A 20 foot wide easement across a portion of a parcel of land described in a deed dated January 17, 1912, and recorded in Book J of Deeds, at Page 331, records of Gooding County, Idaho, said easement being situated in the a portion of Lot 8 of Section 6 and a portion of the NW 1/4, SW 1/4, SW 1/4 of Section 5 all in Township 8 South, Range 14 East, Boise Meridian, Gooding County, Idaho. Said easement being more particularly described as follows:

Commencing at the South 1/16th Corner common to said Sections 5 and 6 being marked by a U.S. Fish and Wildlife brass cap monument dated 1949, said monument also being the **POINT OF BEGINNING**, thence continuing along the section line common to said Sections 5 and 6

South 0° 47' 14" West 41.88 feet, thence leaving said section line into said Section 6
South 70° 10' 11" West 293.61 feet, thence
South 19° 49' 49" East 77.66 feet to a point on the southeasterly line of said parcel of land (Book J, Page 331), thence along said southeasterly line
North 68° 00' 35" East 20.01 feet, thence leaving said southeasterly line
North 19° 49' 49" West 56.90 feet, thence
North 70° 10' 11" East 266.09 feet to a point on said section line, thence leaving said section line and continuing into said Section 5
North 70° 10' 11" East 21.36 feet to a point, thence
South 0° 47' 14" West 1.60 feet to a point, thence
North 70° 10' 11" East 132.73 feet to a point of curvature, thence

6.93' feet along a curve to the left, said curve having a radius of 110.00', a delta angle of 3°36'33" and a cord bearing and distance North 68° 21' 55" East 6.93 feet, thence

North 66° 33' 38" East 23.20 feet to a point on the north line of said parcel (Book J, Page 331), also being the north line of said NW 1/4, SW 1/4, SW 1/4 of Section 5, thence along said north line
North 89° 44' 17" West 53.33 feet, thence leaving said north line
South 70° 10' 11" West 105.20 feet, thence
North 0° 47' 14" East 36.09 feet to a point on said north line, thence along said north line
North 89° 35' 23" West 20.00 feet to the **POINT OF BEGINNING**.

Said easement contains 10,833 square feet or 0.249 acres, more or less.

