

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS that Robert and Carrie D. Schroeder, hereinafter called Grantors, for good and valuable consideration paid by the City of McCall, hereinafter called Grantee and pursuant to that certain Agreement to Purchase Property executed contemporaneous hereto, does hereby grant, bargain, sell and convey unto the Grantee that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, situated Valley County, State of Idaho, described as follows:

South 1/2 Lot 6, Block 6, divided by a straight line bisecting the property

An area of land located in Section 17, T8NR3E of the Boise Meridian, Valley County, Idaho, being more particularly described as follows:

BEGINNING at the NW property pin of Lot 6, Block 6, Rio Vista No. 4, Section 17, T8N, R3E of the Boise Meridian, Valley County, Idaho, also being the **TRUE POINT OF BEGINNING**,

thence North Easterly along a curve to the left with a radius of 644.89 feet, a delta of 3°32'37", an arc length of 39.89 feet, a chord bearing N55°24'15"E, and a distance of 39.88 feet,

thence S39°13'29"E, 271.01 feet through the middle of Lot 6 to a point on the southerly boundary,

thence S32°06'00"W, 9.99 feet along the southern property line Lot 6,

thence South Westerly along a curve to the right with a radius of 125.27 feet, a delta of 27°54'00", an arc length of 61.00 feet, a chord bearing S46°03'00"W, and a distance of 60.40 feet,

thence N33°10'48"W, 283.98 feet along the west property line of lot 6 to the **TRUE POINT OF BEGINNING**.

To have and to hold the same unto Grantee forever.

And Grantors hereby covenant to and with Grantee that Grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances with no exceptions.

Instrument # 254743

VALLEY COUNTY, CASCADE, IDAHO
2001-06-07 01:29:35 No. of Pages: 2
Recorded for : CITY OF MCCALL
LELAND G. HEINRICH Fee: 0.00
Ex-Officio Recorder Deputy *D. Nelson*
Index to: DEEDS

IN WITNESS WHEREOF, the Grantors have executed this instrument this 6 day of June, 2001.

GRANTOR

By: 
Grant R. Schroeder

STATE OF IDAHO)
)ss.
COUNTY OF VALLEY)

On this 6 day of June, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared R+C Schroeder, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



Consuelo M. Blake
NOTARY PUBLIC FOR IDAHO
Residing at McCall
My Commission Expires 8/06



Archie N. Banbury
VALLEY COUNTY ASSESSOR

P.O. Box 1350 • Cascade, Idaho 83611
Ad-Valorem (208) 382-7126 • Dept. of Motor Vehicle (208) 382-7141

MCCALL, CITY OF
216 E. PARK ST
MCCALL ID 83638

RIO VISTA SUBDIVISION NO. 4
TAX NO. 60 IN LOT 6 BLOCK 6
W/D 254743 RECORDED 6/7/2001
FROM ROBERT & CARRIE SCHROEDER

Congratulations on your recent Valley County property acquisition. We sincerely hope that your ownership of this property will prove to be enjoyable and long lasting. In an attempt to provide you with helpful and money saving information, we would like to inform you about Idaho's Homeowner's Exemption. As of January 1st, if this property is owner-occupied and used as your primary dwelling place, you may be eligible to apply for this exemption. The application period is from January 2nd through April 15th, of each year. If you need assistance in the application process or have any questions, please feel free to contact our office.

Our office annually gathers and confirms sales data to be used statistically in various studies. Sales information is primarily collected from the records of each county. These records do not always indicate sales prices or terms, so details of a transaction must be verified by the buyer or seller of the property.

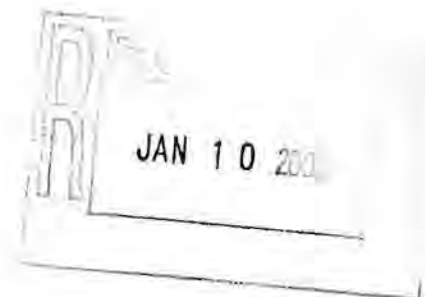
The purpose of the studies conducted by this office is to ensure fair property valuation county-wide. Equitable taxation can only be achieved with your cooperation. Your assistance in furnishing the needed information on the enclosed questionnaire will be greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Archie N. Banbury".

Archie N. Banbury
Valley County Assessor

encl.



WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS that Robert and Carrie D. Schroeder, hereinafter called Grantors, for good and valuable consideration paid by the City of McCall, hereinafter called Grantee and pursuant to that certain Agreement to Purchase Property executed contemporaneous hereto, does hereby grant, bargain, sell and convey unto the Grantee that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, situated Valley County, State of Idaho, described as follows:

South 1/2 Lot 6, Block 6, divided by a straight line bisecting the property

An area of land located in Section 17, T8NR3E of the Boise Meridian, Valley County, Idaho, being more particularly described as follows:

BEGINNING at the NW property pin of Lot 6, Block 6, Rio Vista No. 4, Section 17, T8N, R3E of the Boise Meridian, Valley County, Idaho, also being the **TRUE POINT OF BEGINNING**,

thence North Easterly along a curve to the left with a radius of 644.89 feet, a delta of 3°32'37", an arc length of 39.89 feet, a chord bearing N55°24'15"E, and a distance of 39.88 feet,

thence S39°13'29"E, 271.01 feet through the middle of Lot 6 to a point on the southerly boundary,

thence S32°06'00"W, 9.99 feet along the southern property line Lot 6,

thence South Westerly along a curve to the right with a radius of 125.27 feet, a delta of 27°54'00", an arc length of 61.00 feet, a chord bearing S46°03'00"W, and a distance of 60.40 feet,

thence N33°10'48"W, 283.98 feet along the west property line of lot 6 to the **TRUE POINT OF BEGINNING**.

To have and to hold the same unto Grantee forever.

And Grantors hereby covenant to and with Grantee that Grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances with no exceptions.

Instrument # 254743
VALLEY COUNTY, CASCADE, IDAHO
2001-06-07 01:29:35 No. of Pages: 2
Recorded for : CITY OF MCCALL
LELAND G. HEINRICH Fee: 0.00
Ex-Officio Recorder Deputy *D. Nelson*
Index to: DEEDS

IN WITNESS WHEREOF, the Grantors have executed this instrument this 6 day of June, 2001.

GRANTOR

By: [Signature]
[Signature]

STATE OF IDAHO)
)ss.
COUNTY OF VALLEY)

On this 6 day of June, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared R+C Schroeder, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



Consuelo M. Blake
NOTARY PUBLIC FOR IDAHO
Residing at McCall
My Commission Expires 8/06

AGREEMENT TO PURCHASE PROPERTY

Whereas, the City of McCall, the "City" in a duly noticed hearing of the McCall City Council, approved the purchase of property located in Valley County, Idaho, for use by the City for a public purpose in providing for utility services to its residents;

Now, therefore, the City of McCall, the "City", or "Purchaser", and Robert and Carrie Schroeder, "the Sellers", hereby agree that the City will purchase from the Sellers real property in McCall, Valley County, Idaho, the "Property", more particularly described as follows:

South 1/2 Lot 6, Block 6, divided by a straight line bisecting the property

An area of land located in Section 17, T8NR3E of the Boise Meridian, Valley County, Idaho, being more particularly described as follows:

BEGINNING at the NW property pin of Lot 6, Block 6, Rio Vista No. 4, Section 17, T8N, R3E of the Boise Meridian, Valley County, Idaho, also being the **TRUE POINT OF BEGINNING**,

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thence South Westerly along a curve to the right with a radius of 125.27 feet, a delta of 27°54'00", an arc length of 61.00 feet, a chord bearing S46°03'00"W, and a distance of 60.40 feet,

thence N33°10'48"W, 283.98 feet along the west property line of lot 6 to the **TRUE POINT OF BEGINNING**.

The parties agree to the following terms:

1. For and in consideration of the mutual covenants of the parties, Sellers agree to grant, sell, bargain and convey the Property to the City.
2. City agrees to purchase the Property and pay the Sellers, as full compensation and as full consideration for the covenants of Sellers herein contained.
3. Purchaser shall not allow any above ground residential or storage structure to be constructed on the above-described real property.

4. Purchaser shall take precautions to preserve the natural look of the area and manholes constructed on the property, including the connecting manhole replacing the lift station, shall be at grade, with only the manhole lid showing, and sealed to contain sewer gases and odors.

5. Purchaser shall take steps to assure that erosion is minimized by the construction of erosion mitigation measures and shall be responsible for re-vegetation of the Property by replanting with a blend of native grass all areas damaged by construction. Purchaser shall remedy any erosion that occurs.

6. Contemporaneously with this Agreement, Sellers shall convey the Property by general warranty deed to the City and at which closing the City shall pay the agreed consideration and all costs associated with closing.

7. Sellers warrant that the Property is free and clear of all liens and encumbrances, and Sellers shall cause all such liens and encumbrances to be removed or released of record on or before the date of closing as aforesaid.

8. Sellers shall pay all taxes and assessments which are a lien on the Property at the time of conveyance or which in the future may become a lien on the real estate due to acts or omission of the Sellers up to and including taxes for the year 2001; provided, however, that taxes which are a lien upon the property for the current year 2001, shall be prorated through June 6, 2001, and if the tax rate has not yet been determined, the preceding year's rate shall be used in making such proration.

SELLERS:

DATED: June 6, 2001


ROBERT SCHROEDER

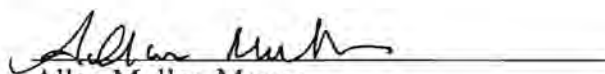
DATED: June 6, 2001


CARRIE D. SCHROEDER

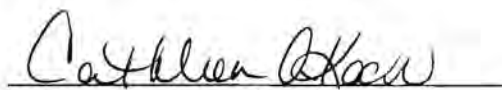
PURCHASER:

THE CITY OF MCCALL
Valley County, Idaho

DATED: June 6, 2001


Allan Muller, Mayor

ATTEST:


Cathleen A. Koch, City Clerk

STATE OF IDAHO)
)ss.
COUNTY OF VALLEY)

On this 6 day of June, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared ROBERT SCHROEDER, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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



Consuelo M. Blake
NOTARY PUBLIC FOR IDAHO
Residing at McCall
My Commission Expires 8/04

STATE OF IDAHO)
)ss.
COUNTY OF VALLEY)

On this 6 day of June, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared CARRIE D. SCHROEDER, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

Consuelo M. Blake
NOTARY PUBLIC FOR IDAHO
Residing at McCall
My Commission Expires 8/04

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

SCHEDULE A

COMMITMENT FOR TITLE INSURANCE

1. Effective Date July 16, 1991 at 9:00 a.m.

Case No. _____

2. Policy or policies to be issued:

(a)

Amount \$ 32,500.00

ALTA Owner's Policy - (10-21-87)

ALTA Residential Title Insurance Policy - (6-1-87)

Proposed insured:

Robert D. Schroeder and Carrie D. Schroeder

(b) ALTA Loan Policy - (10-21-87)

Amount \$ _____

Proposed insured:

(c)

Amount \$ _____

Proposed insured:

3. Title to the fee simple estate or interest in the land described or referred to in this Commitment is at the effective date hereof vested in:

J. Serve Wilson and Barbara A. Wilson, husband and wife

4. The land referred to in this Commitment is described as follows:

All that certain lot, piece or parcel of land situated in Valley County, Idaho and shown as Lot 6, Block 6, Rio Vista Subdivision No. 4, a plat of which is recorded in the office of the Recorder, Valley County, Idaho.

Cascade, Idaho 83611
Countersigned at Mountain Title & Escrow Company, Inc.

BG129018

Commitment No. _____

Schedule A—Page 1


Authorized Officer or Agent

Lawyers Title Insurance Corporation

National Headquarters
Richmond, Virginia

SCHEDULE B—Section 1

Requirements

The following are the requirements to be complied with:

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:

1. Warranty Deed from J. Serve Wilson and Barbara A. Wilson, husband and wife, as grantors, to Robert D. Schroeder and Carrie D. Schroeder, as grantees.
2. Deed of Trust from Robert D. Schroeder and Carrie D. Schroeder, as borrowers to J. Serve Wilson and Barbara A. Wilson, husband and wife, as lenders.

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS

RICHMOND, VIRGINIA

SCHEDULE B—Section 2

Exceptions

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Rights or claims of parties in possession not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Easements, or claims of easements, not shown by public records.
5. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Taxes for the year 1991 and subsequent years, which are an accruing lien not yet due and payable.
Taxes for the year 1990 in the amount of \$193.98 are paid in full.
Parcel No. 002 330 060 060.
NOTE; This is for information purposes only and the Company assumes no liability for amounts quoted.
It has recently become the practice of the Valley County Assessor and Treasurer to issue subsequent tax statements, the amount shown thereon being unavailable or unknown at this time, and the Company assumes no liability thereof.
7. Assessments or liens by Valley County for garbage collection as provided for by law.
8. Unpatented mining claims; reservations or exceptions in patents or in Act authorizing the issuance thereof; water rights, claims of title to water.

continued

NOTE: If policy is to be issued in support of a mortgage loan, attention is directed to the fact that the Company can assume no liability under its policy, the closing instructions, or Insured Closing Service for compliance with the requirements of any consumer credit protection or truth in lending law in connection with said mortgage loan.

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

Schedule B-Section 2-Page 1-Commitment No. _____

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS

RICHMOND, VIRGINIA

SCHEDULE _____ cont'd.

9. AGREEMENT WITH TELEPHONE COMPANY filed for record in the office of the Recorder of Valley County, Idaho as Instrument No. 80018.

10. POWER LINE EASEMENT to Idaho Power Company filed for record in the office of the Recorder of Valley County, Idaho as Instrument No. 84048 and 81924.

11. RIO VISTA SUBDIVISION NO. 4 filings in the office of the Recorder of Valley County, Idaho as follows:

Flat, Book 4 of Plats at page 50

Dedication, Instrument No. 80334

Ad Hoc Protective Covenants, Instrument No. 114382

Articles of Incorporation, Instrument No. 165994

By-Laws, Instrument No. 165995

Declaration of Property Owners, Instrument No. 165996

Deed to Property Owners, Instrument No. 165997

Ad Hoc Protective Covenants, Instrument No. 119576.

Schedule _____ Page _____ No.

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

COMMITMENT FOR TITLE INSURANCE

LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, for valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws. This Commitment is effective as of the date shown in Schedule A as "Effective Date."

CONDITIONS AND STIPULATIONS

1. The term "mortgage," when used herein, shall include deed of trust, trust deed, or other security instrument.
2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.
3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.
4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

Lawyers Title Insurance Corporation

By: *Marvin C. Bowling, Jr.*
President

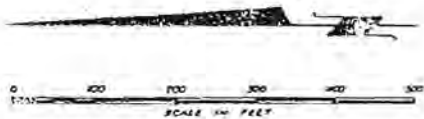
Attest: *L. W. Jordan III*
Secretary

RIO VISTA SUBDIVISION NO. 4

SITUATED IN LOT 3 & LOT 4, SECTION 17, T.18N., R.3E., B.M.

VALLEY COUNTY, IDAHO

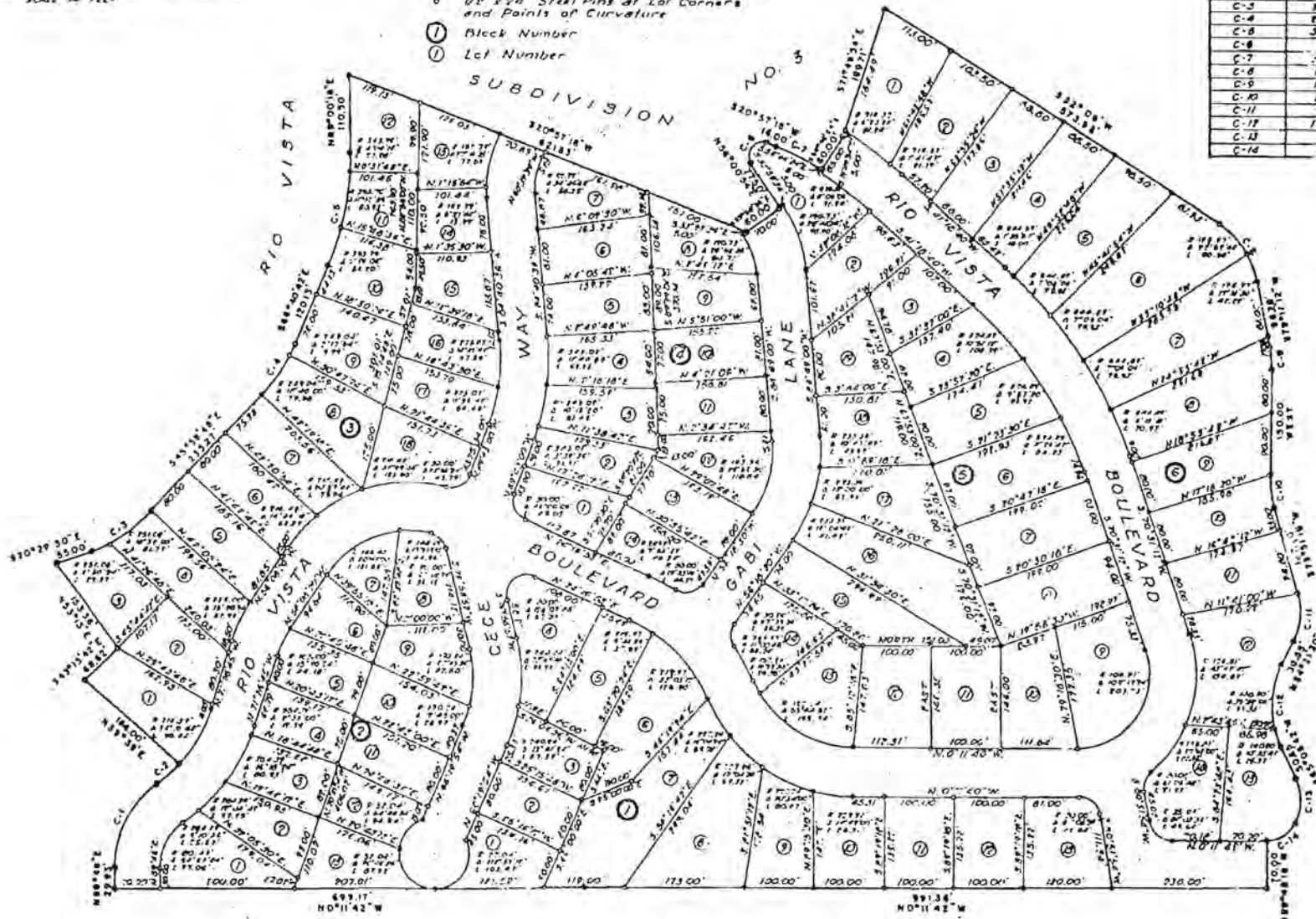
BILL HARRIS - ENGINEER



LEGEND

- 5/8" x 30" Steel Pins at Angle Points and Points of Curvature on boundary
- 1/2" x 24" Steel Pins at Lot Corners and Points of Curvature
- ① Block Number
- ② Lot Number

CURVE TABLE			
CURVE	RADIUS	DELT	LENGTH
C-1	100.43	54° 55' 54"	154.19
C-2	112.39	78° 00' 00"	174.50
C-3	181.03	15° 55' 16"	171.49
C-4	149.04	70° 41' 54"	159.97
C-5	393.78	14° 19' 00"	167.11
C-6	20.00	164° 56' 54"	50.50
C-7	400.00	17° 36' 18"	72.73
C-8	178.77	47° 11' 18"	103.17
C-9	170.50	70° 47' 48"	113.38
C-10	176.01	78° 00' 42"	119.60
C-11	95.98	41° 47' 24"	70.08
C-12	100.50	50° 31' 48"	114.30
C-13	78.33	51° 30' 00"	91.01
C-14	112.26	63° 17' 31"	117.04



UNPLATTED

DESCRIPTION AND/OR INVOICE NO.

CITY OF McCALL • McCall, Idaho 83638

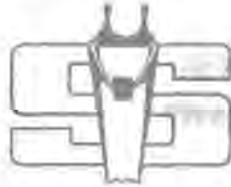
42829

\$ 45,000.00

6-6-2001

Robert & Carrie Schneider
Purchase Property - South 1/2 Lot 6, Block 6

COMMITMENT FOR TITLE INSURANCE
ISSUED BY



Sanctity of Contract

STEWART TITLE[®]
GUARANTY COMPANY

STEWART TITLE GUARANTY COMPANY, A Texas Corporation, herein called the Company, for a valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company.

THIS COMMITMENT IS NOT AN ABSTRACT, EXAMINATION, REPORT, OR REPRESENTATION OF FACT OR TITLE AND DOES NOT CREATE AND SHALL NOT BE THE BASIS OF ANY CLAIM FOR NEGLIGENCE, NEGLIGENT MISREPRESENTATION OR OTHER TORT CLAIM OR ACTION. THE SOLE LIABILITY OF COMPANY AND ITS TITLE INSURANCE AGENT SHALL ARISE UNDER AND BE GOVERNED BY PARAGRAPH 3 OF THE CONDITIONS.

Signed under seal for the Company, but this Commitment shall not be valid or binding until it bears an authorized Countersignature.

IN WITNESS WHEREOF, Stewart Title Guaranty Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the date shown in Schedule A.

Stewart Morris Jr.
Chairman of the Board

Countersigned by:

[Signature]
Authorized Signatory
AmeriTitle, Inc.

Company
Cascade, Idaho 83611

City, State

STEWART TITLE[®]
GUARANTY COMPANY

Malcolm S. Morris
President



SCHEDULE A

Order Number: AMT0638-2001

1. Effective Date: June 5, 2001 at 9:00 a.m.

2. Policy or Policies to be issued:	Amount of Insurance
(a) A.L.T.A. Owner's Proposed Insured: City of McCall	\$45,000.00
(b) A.L.T.A. Mortgagee's Proposed Insured: *	\$
(c) Leasehold Proposed Insured: *	\$

3. The estate or interest in the land described or referred to in this Commitment and covered herein is

Fee Simple**

4. Title to the above estate or interest in said land is at the effective date hereof vested in:

Robert O. Schroeder and Carrie D. Schroeder

5. The land referred to in this Commitment is described as follows:

See Attached Exhibit A

**FEE SIMPLE in and to the surface rights, excepting therefrom any and all interest in and to oil, gas, and/or mineral-like substances, together with all rights incidental thereto, that may have been heretofore conveyed or reserved for which there has been no search of the public records and for which no insurance is provided hereunder.

AmeriTitle, Inc.
Cascade, Idaho 83611

CONTINUATION

EXHIBIT A

A portion of that certain lot, piece or parcel of land, situate in Valley County, Idaho, and shown as Lot 6, Block 6, Rio Vista Subdivision No. 4, a plat which is recorded in the office of the Recorder of Valley County, Idaho, being more particularly described as follows:

South 1/2 Lot 6, Block 6, divided by a straight line bisecting the property

An area of land located in Section 17, T8NR3E of the Boise Meridian, Valley County, Idaho, being more particularly described as follows:

BEGINNING at the NW property pin of Lot 6, Block 6, Rio Vista No. 4, Section 17, T8N, R3E of the Boise Meridian, Valley County, Idaho, also being the **TRUE POINT OF BEGINNING**,

thence North Easterly along a curve to the left with a radius of 644.89 feet, a delta of 3°32'37", an arc length of 39.89 feet, a chord bearing N55°24'15"E. and a distance of 39.88 feet,

thence S39°13'29"E, 271.01 feet through the middle of Lot 6 to a point on the southerly boundary,

thence S32°06'00"W, 9.99 feet along the southern property line Lot 6,

thence South Westerly along a curve to the right with a radius of 125.27 feet, a delta of 27°54'00", an arc length of 61.00 feet, a chord bearing S46°03'00"W, and a distance of 60.40 feet,

thence N33°10'48"W, 283.98 feet along the west property line of lot 6 to the **TRUE POINT OF BEGINNING**.

SCHEDULE B - Section 1

Order Number: AMT0638-01

Requirements

The following are the requirements to be complied with:

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

1. Warranty Deed from Robert Schroeder and Carrie Schroeder, husband and wife, as Grantor, to City of McCall, as Grantee.

NOTE: Copies of exceptions are available upon request.

SCHEDULE B

Order Number: AMT0638-2001

PART I

Showing matters which will be excepted in the Policy unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Rights or claims of parties in possession not shown by the public records.
3. Easements, or claims of easements, not shown by the public records.
4. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
5. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
6. Community property, dower, curtesy, survivorship, or homestead rights, if any, of any spouse of the insured.
7. Any titles or rights asserted by anyone including but not limited to persons, corporations, governments or other entities, to tide lands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government or water rights, if any.
8. Reservations contained in Patent from the United States of America or State where the land described in Schedule A is located.
9. Restrictive Covenants affecting the property described in Schedule A.
10. Taxes for the year 2001, an accruing lien not yet due and payable.

PART II

The following matters will be excepted in Schedule B of the policy to be issued:

11. Taxes for 2001 and subsequent years are an accruing lien not yet due and payable. Taxes for 2000 on parcel no. M02 330 060 060 are in the amount of \$642.06, first half paid, second half due on or before June 20, 2001. NOTE: This is for information purposes only and the Company assumes no liability for amounts quoted. It has recently become the practice of the Valley County Assessor and Treasurer to issue subsequent tax statements, the amount shown thereon being unavailable or unknown at this time, and the Company assumes no liability thereof.
12. Assessments or liens by Valley County for garbage collection as provided for by law.
13. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.

- continued -

**CONTINUATION SHEET
SCHEDULE B**

Order Number: AMT0638-2001

14. Agreement with telephone company, filed for record in the office of the Recorder of Valley County, Idaho as Instrument No. 80018.
15. POWER LINE EASEMENT to Idaho Power Company, as filed for record in the office of the Recorder of Valley County, Idaho, as Instrument Nos. 84048 and 81924.
16. RIO VISTA SUBDIVISION NO. 4 FILINGS:
 - Plat; Book 4 of Plats at page 50
 - Dedication; Instrument No. 80334
 - Ad Hoc Protective Covenants; Instrument No. 114382
 - Affidavit correcting errors on Subdivision Plat; Instrument No. 159062
 - Articles of Incorporation; Instrument No. 165994
 - By-Laws; Instrument No. 165995
 - Declaration of Property Owners; Instrument No. 165996
 - Deed to Property Owners; Instrument No. 165997
17. PROTECTIVE COVENANTS as filed for record in the office of the Recorder of Valley County, Idaho on April 12, 1982 as Instrument No. 19576.
18. Rights of the Public, State of Idaho, and U.S.A. in and to the bed and banks of North Fork Payette River River and easements related thereto.
19. Any changes in the boundaries of the land arising by reason of the changes in the course of the North Fork Payette River River and any resulting loss of land by reason of reliction or avulsion.
20. Subject to the conditions and restrictions as set forth on that certain "Agreement to Purchase Property" between the City of McCall, as purchaser, and Robert Schroeder and Carrie Schroeder, as sellers.

END

RIO VISTA SUBDIVISION NO. 3

SITUATED IN LOT 3 & LOT 4, SECTION 17, T18N, R3E, B.M.

VALLEY COUNTY, IDAHO

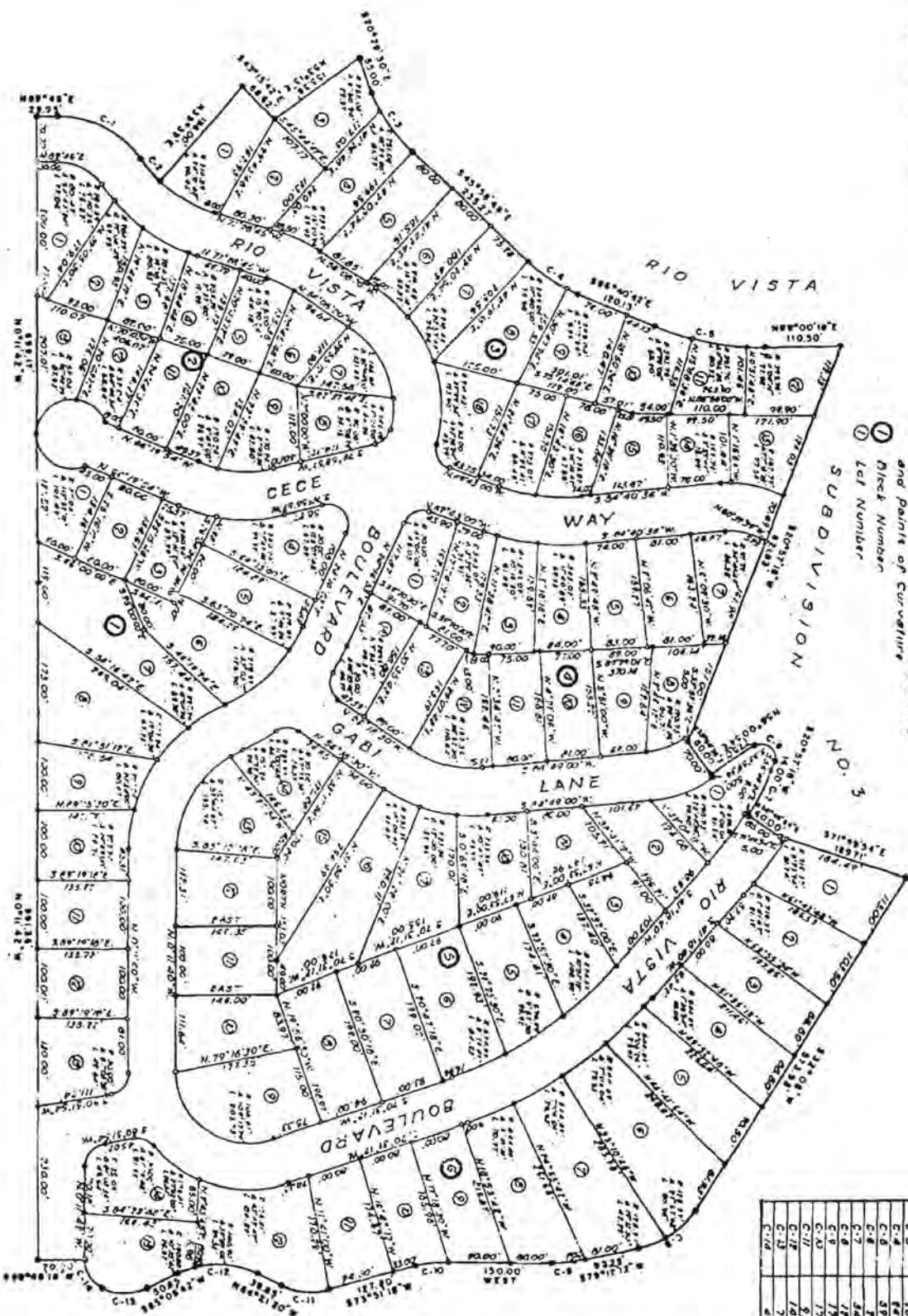
BILL HARRIS - ENGINEER



LEGEND -

- 5/8" x 3/8" Steel Pins at Angle Points
- and Points of Curvature on Boundary
- 1/2" x 1/4" Steel Pins at Lot Corners
- and Points of Curvature
- ① Block Number
- ② Lot Number

CURVE	RADIUS	DELTA	LENGTH
C-1	100.00'	54° 56' 54"	144.18'
C-2	100.00'	78° 05' 09"	144.20'
C-3	161.04'	23° 14' 18"	111.48'
C-4	161.04'	10° 47' 54"	45.97'
C-5	161.04'	10° 47' 54"	45.97'
C-6	161.04'	10° 47' 54"	45.97'
C-7	161.04'	10° 47' 54"	45.97'
C-8	161.04'	10° 47' 54"	45.97'
C-9	161.04'	10° 47' 54"	45.97'
C-10	161.04'	10° 47' 54"	45.97'
C-11	161.04'	10° 47' 54"	45.97'
C-12	161.04'	10° 47' 54"	45.97'
C-13	161.04'	10° 47' 54"	45.97'
C-14	161.04'	10° 47' 54"	45.97'



UNPLATTED

This document copy is furnished as an accommodation. The Company makes no representations as to its effect, sufficiency, completeness or any other matters that might be referred to or implied therein.

CITY OF McCALL

HAND DELIVERED

June 1, 2001

Robert and Carrie Schroeder
4706 319th Place S.E.
Fall City, WA 98024

Re: Closing on Land Acquisition
Block 6, Lot 6, Rio Vista Subdivision
Ref. No. 031200

Dear Mr. and Mrs. Schroeder:

On behalf of the City of McCall I accept your counteroffer to sell your property to the City for \$45,000.

The attached deed, map and legal description and Agreement to Purchase Property describe the land to be acquired that is the south half of Lot 6, Block 6. Pursuant to the issues previously agreed upon, the City shall:

1. Take precautions to preserve the natural look of the area and manholes constructed on the property, including the connecting manhole replacing the lift station, shall be at grade with only the manhole lid showing, and shall be sealed to contain sewer gases and odors; and
2. Not allow any above ground residential or storage structures to be constructed on the above described real property; and
3. Take steps to assure that erosion is minimized by the construction of erosion mitigation measures and shall be responsible for re-vegetation of the Property by replanting with a blend of native grass all areas damaged by construction.
4. Record the agreement.

The City is ready and willing to tender the amount requested in your counter offer letter of \$45,000.00. Time is of the essence and the City is immediately needing to acquire this parcel as agreed.

Sincerely,



Robert Strobe, City Manager
City of McCall

AGREEMENT TO PURCHASE PROPERTY

Whereas, the City of McCall, the "City" in a duly noticed hearing of the McCall City Council, approved the purchase of property located in Valley County, Idaho, for use by the City for a public purpose in providing for utility services to its residents;

Now, therefore, the City of McCall, the "City", or "Purchaser", and Robert and Carrie Schroeder, "the Sellers", hereby agree that the City will purchase from the Sellers real property in McCall, Valley County, Idaho, the "Property", more particularly described as follows:

South 1/2 Lot 6, Block 6, divided by a straight line bisecting the property

An area of land located in Section 17, T8NR3E of the Boise Meridian, Valley County, Idaho, being more particularly described as follows:

BEGINNING at the NW property pin of Lot 6, Block 6, Rio Vista No. 4, Section 17, T8N, R3E of the Boise Meridian, Valley County, Idaho, also being the **TRUE POINT OF BEGINNING**,

thence North Easterly along a curve to the left with a radius of 644.89 feet, a delta of 3°32'37", an arc length of 39.89 feet, a chord bearing N55°24'15"E, and a distance of 39.88 feet,

thence S39°13'29"E, 271.01 feet through the middle of Lot 6 to a point on the southerly boundary,

thence S32°06'00"W, 9.99 feet along the southern property line Lot 6,

thence South Westerly along a curve to the right with a radius of 125.27 feet, a delta of 27°54'00", an arc length of 61.00 feet, a chord bearing S46°03'00"W, and a distance of 60.40 feet,

thence N33°10'48"W, 283.98 feet along the west property line of lot 6 to the **TRUE POINT OF BEGINNING**.

The parties agree to the following terms:

1. For and in consideration of the mutual covenants of the parties, Sellers agree to grant, sell, bargain and convey the Property to the City.
2. City agrees to purchase the Property and pay the Sellers, as full compensation and as full consideration for the covenants of Sellers herein contained.
3. Purchaser shall not allow any above ground residential or storage structure to be constructed on the above-described real property.
4. Purchaser shall take precautions to preserve the natural look of the area and manholes constructed on the property, including the connecting manhole replacing the lift station, shall be

at grade, with only the manhole lid showing, and sealed to contain sewer gases and odors.

5. Purchaser shall take steps to assure that erosion is minimized by the construction of erosion mitigation measures and shall be responsible for re-vegetation of the Property by replanting with a blend of native grass all areas damaged by construction. Purchaser shall remedy any erosion that occurs.

6. Sellers shall convey the described Property by general warranty deed and shall deliver said deed to the City on July 1, 2001, the date of closing, and at which closing the City shall pay the agreed consideration.

7. Sellers warrant that the Property is free and clear of all liens and encumbrances, and Sellers shall cause all such liens and encumbrances to be removed or released of record on or before the date of closing as aforesaid.

8. Sellers shall pay all taxes and assessments which are a lien on the Property at the time of conveyance or which in the future may become a lien on the real estate due to acts or omission of the Sellers up to and including taxes for the year 2001; provided, however, that taxes which are a lien upon the property for the current year 2001, shall be prorated through the date of the closing, and if the tax rate has not yet been determined, the preceding year's rate shall be used in making such proration.

SELLER:

DATED: _____

ROBERT SCHROEDER

DATED: _____

CARRIE D. SCHROEDER

PURCHASER:

THE CITY OF MCCALL
Valley County, Idaho

DATED: _____

Mayor

ATTEST:

City Clerk

STATE OF IDAHO)
)ss.
County of Valley)

On this _____ day of March, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared ROBERT SCHROEDER, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My Commission Expires _____

STATE OF IDAHO)
)ss.
County of Valley)

On this _____ day of March, 2001, before me, the undersigned, a notary public in and for said county and state, personally appeared CARRIE D. SCHROEDER, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

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

NOTARY PUBLIC FOR IDAHO
Residing at _____
My Commission Expires _____

4706 319th Pl. S.E.
Fall City, WA 98024
May 22, 2001

Robert Strobe
City Manager
City of McCall
216 East Park St.
McCall, ID 83638

Dear Mr. Strobe:

The agreement presented for signing in December was less than straight forward and unacceptable; casting a dark cloud on the concept of selling half of lot six for an easement.

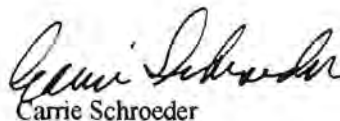
We now view the price of \$35,000 inadequate and a poor financial return considering the remaining half becomes unmarketable and a very expensive side yard.

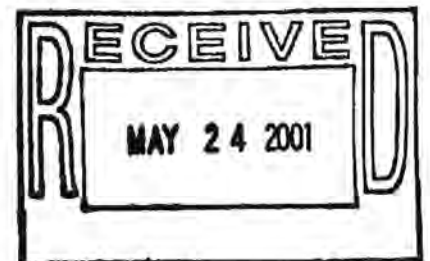
We are willing to sell the south half for \$45,000 with all other terms as written in your March agreement remaining the same. The March agreement also must be recorded.

If the City elects the condemnation process, our efforts will be focused on retaining the property for its future value.

Sincerely,


Robert Schroeder


Carrie Schroeder



**DELIVERED BY CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

March 28, 2001

Robert and Carrie Schroeder
4706 319th Place S.E.
Fall City, WA 98024

Re: Closing on Land Acquisition
Block 6, Lot 6, Rio Vista Subdivision
Ref. No. 031200

Dear Mr. and Mrs. Schroeder:

This letter is a request from the City of McCall to complete our contract to purchase 0.367 acres of your property for public use as a utility line right of way for the purpose of constructing a sewer main line intertie. Enclosed is the deed, map, legal description and Agreement to Purchase Property for the property in question.

Specifically, your September 1, 2000 letter constituted the offer to sell the parcel in question and the City Engineer's letter of September 29, 2000, is the City's acceptance of your offer. For your convenience, we have also included copies of the following documents:

1. August 14, 2000 Letter to Schroeders from Holladay Engineering Co.
2. September 1, 2000 Letter to Holladay Engineering Co. from Schroeders
3. September 29, 2000 Letter to Schroeders from Holladay Engineering Co.
4. December 12, 2000 (misdated September 29, 2000) Letter to Schroeders from Holladay Engineering Co. with attachments.

The attached deed, map and legal description and Agreement to Purchase Property describe the land to be acquired that is the south half of Lot 6, Block 6. Pursuant to the issues previously agreed upon, the City shall:

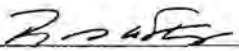
1. Take precautions to preserve the natural look of the area and manholes constructed on the property, including the connecting manhole replacing the lift station, shall be at grade with only the manhole lid showing, and shall be sealed to contain sewer gases and odors; and
2. Not allow any above ground residential or storage structures to be constructed on the above described real property; and
3. Take steps to assure that erosion is minimized by the construction of erosion mitigation measures and shall be responsible for re-vegetation of the Property by replanting with a blend of native grass all areas damaged by construction.

The City is ready and willing to tender the amount requested in your counter offer letter of September 1, 2000; \$35,000.00. Time is of the essence and the City is immediately needing to acquire this parcel as agreed.

In the event we do not close on this parcel soon, the City will need to explore other options to acquire this parcel, such as an action to enforce the terms of our agreement or an action in condemnation. In the event that we will find it necessary to pursue condemnation of the parcel, enclosed is an advice of rights summary as required by Idaho law. We sincerely hope that no such actions will be required, but the City has a duty to ensure that adequate water and sewer facilities are available to our residents.

Please respond to this letter within the next 15 days. I am available to discuss this matter with you at your earliest convenience and to arrange for a closing date.

Sincerely,



Robert Strope, City Manager
City of McCall

Encl.

cc: Holladay Engineering Co.



HOLLADAY ENGINEERING CO.

ENGINEERS • CONSULTANTS

32 N. Main P.O. Box 235 Payette, ID 83661
(208) 642-3304 • Fax # (208) 642-2159

not correct date
~~September 29, 2000~~

Robert and Carrie Schroeder
4706 319th Place S.E.
Fall City, WA 98024

Re: Block 6, Lot 6, Rio Vista Subdivision No. 4
 Ref. No. 031200

Dear Mr. Schroeder:

Sorry I have been missing your phone calls. I did finally get the attorney to commit to getting the paperwork prepared by this Friday, December 15, 2000. I was wondering when you would be in McCall? If we could arrange to sign papers there, that would work fine. However, if your not going to be there anytime soon, I will have the paperwork forwarded to you.

On the status of the additional information you requested, everything is going fine (but slow) with the property owner(s) along the river, I have just received a phone confirmation of their willingness to allow the easement based on information they had requested. I have enclosed a copy of that information so you will see the nature of concerns discussed. I have also enclosed a copy of the flood plain map and other relevant data.

Respectively,
HOLLADAY ENGINEERING CO.

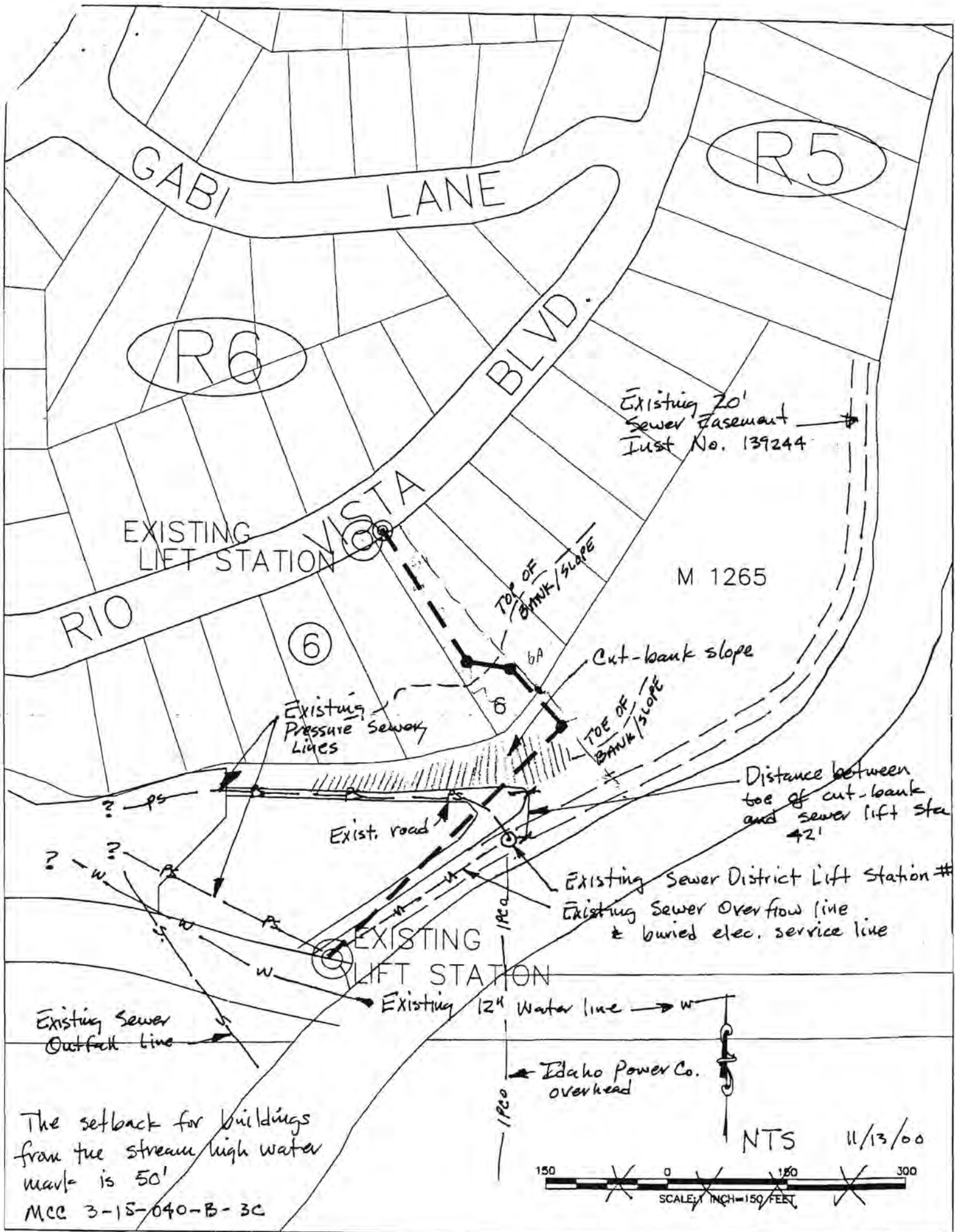
By: *Vernon E. Brewer*
Vernon E. Brewer

map *map*
map

CC: Robert Strope, City Manager
 Bill Keating, Public Works Director

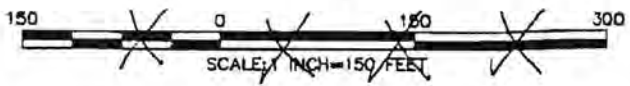
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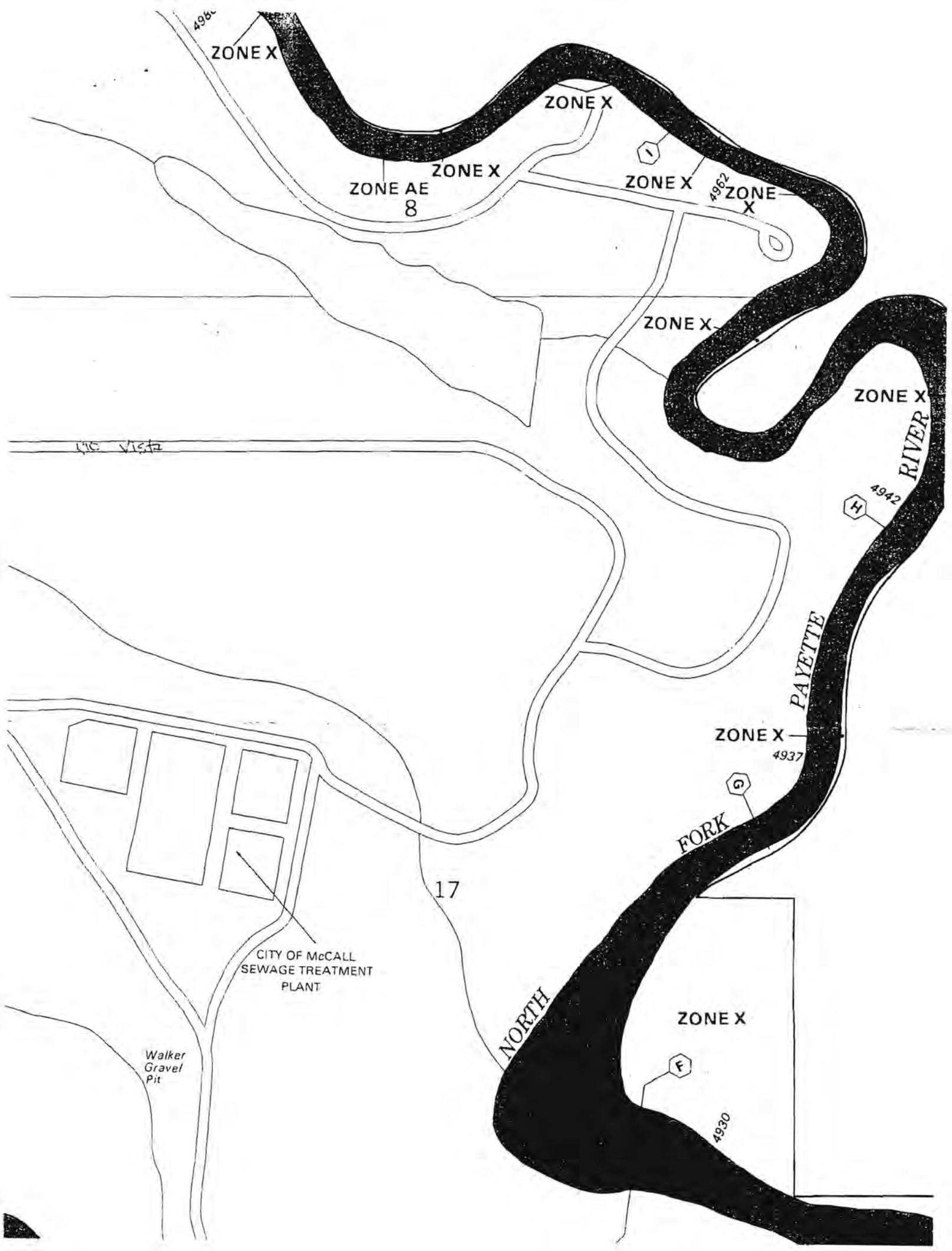


The setback for buildings from the stream high water mark is 50'

MCC 3-15-040-B-3C



NTS 11/13/00



Advice of Rights

The following is a summary of your rights as the owner of property to be acquired:

(1) The City of McCall has the power under the Constitution and the laws of the State of Idaho and the United States to take private property for public use. This power is generally referred to as the power of "eminent domain" or condemnation. The power can only be exercised when:

- (a) The property is needed for a public use authorized by Idaho law;
- (b) The taking of property is necessary to such use;
- (c) The taking must be located in the manner with will be most compatible with the greatest public good and least private injury.

(2) The condemning authority must negotiate with the property owner in good faith to purchase the property sought to be taken and/or settle with the owner for any other damages which might result to the remainder of the owner's property.

(3) The owner of private property to be acquired by the condemning authority is entitled to be paid for any diminution in the value of the owner's remaining property which is caused by the taking and the use of the property taken by the condemning authority. This compensation, called "severance damages," is generally measured by comparing the value of the property before the taking and the value of the property after the taking. Damages are assessed according to Idaho Code.

(4) The value of the property to be taken is to be determined based upon the highest and best use of the property.

(5) If the negotiations to purchase the property and settle damages are unsuccessful, the property owner is entitled to assessment of damages from a court, jury, or referee as provided by Idaho law.

(6) The owner has the right to consult with an appraiser of the owner's choosing at any time during the acquisition process at the owner's cost and expense.

(7) The condemning authority shall deliver to the owner, upon request, a copy of all appraisal reports concerning the owner's property prepared by the condemning authority. Once a complaint for condemnation has been filed, The Idaho Rules of Civil Procedure control the disclosure of appraisals.

(8) The owner has the right to consult with any attorney at any time during the acquisition process. In cases in which the condemning authority condemns the property and the owner is able to establish that just compensation exceeds the last amount timely offered by the condemning authority by ten percent (10%) or more, the condemning authority may be required to pay the owner's reasonable costs and attorney's fees. The court will make the determination whether costs and attorney fees will be awarded.

(9) This summary will be deemed delivered by United States certified mail, postage prepaid, addressed to the person or persons shown in the official records of the county assessor as the owner of the property. A second copy will be attached to the appraisal at the time it is delivered to the owner.

(10) If the condemning authority desires to acquire property pursuant to Title 7, Chapter 7 of the Idaho Code, the condemning authority or any of its agents or employees shall not give the owner any timing deadline as to when the owner must respond to the initial offer which is less than thirty (30) days. A violation of the provision of this subsection shall render any action pursuant to this chapter null and void.

(11) Nothing in Section 7-711A, Idaho Code, changes the assessment of damages set forth in Section 7-711, Idaho Code.



HOLLADAY ENGINEERING CO.

ENGINEERS • CONSULTANTS

32 N. Main P.O. Box 235 Payette, ID 83661
(208) 642-3304 • Fax # (208) 642-2159

September 29, 2000

Robert and Carrie Schroeder
4706 319th Place S.E.
Fall City, WA 98024

Re: Block 6, Lot 6, Rio Vista Subdivision No. 4
 Ref. No. 031200

Dear Mr. Schroeder:

The City of McCall has accepted the second option of your offer letter dated September 1, 2000. Following our phone conversation of September 18, in which we clarified the terms and meaning of the offer, I have spoken with the City and obtained permission to proceed to acquire the southerly half of Lot 6 for the amount of \$35,000. I believe the terms of sale are as follows:

1. The City will purchase the half lot under the condition that it will not allow any above ground residential or storage structure to be constructed on it. The City shall take precautions to preserve the natural look of the area and shall also construct the manholes with solid lids so as to minimize any odor. In addition, the City shall take steps to assure that erosion is minimized by the construction of erosion mitigation measures and by replanting all areas damaged by construction with a blend of native grass. Any erosion that may occur shall be remedied.
2. You will retain the northerly half of the lot as an open area for your personal enjoyment recognizing that it will no longer qualify for an additional residential structure. In other words, both the City and you agree that no residence shall be constructed on the half lots created by this transaction.

To this end, the City has placed \$35,000 in an escrow account to be held until the following concerns raised by you in the course of negotiation can be answered and the requisite legal documents are prepared for signature.

Concern No. 1: You have inquired about the disposition of the lands lying between your lot 5 and the river. Specifically, you want to know if there are portions of the property that lie above the regulated flood plain or floodway and if the property can obtain building permits without the granting of "special conditions or waivers" that would violate flood hazard regulations.


Concern No. 2: You inquired about the necessity and disposition of obtaining other easements to allow the connection of the new sewer main from your property to the regional lift station which is the destination point for the new sewer main.

Concern No. 3: You wanted to be apprised of the status and possible alignments of the "Dienhard - Boydston Connector" being scoped at the present time by the Idaho Transportation Department.

September 29, 2000
Robert and Carrie Schroeder
Page 2

The information in response to these concerns is being gathered at this time. The City has asked that I proceed as rapidly as possible. I am looking forward to concluding the sale as soon as the information is gathered. Thank you for your cooperative and prompt response throughout our discussions.

Respectively,
HOLLADAY ENGINEERING CO.

By: 
Vernon E. Brewer

CC: Robert Strobe, City Manager
Bill Keating, Public Works Director

M\schrod2



HOLLADAY ENGINEERING CO.

ENGINEERS - CONSULTANTS
32 No. Main P.O. Box 235 Payette, ID 83661
Phone: 208-642-3304 FAX: 208-642-2159

SHIPPING/FAX TRANSMITTAL

Project No. 031200 Date: September 7, 2000
 Project Name: Property Acquisition Ship via: FAX
 To: City of McCall Rc: Schroeder Property
 _____ Fax #: 634-4170 634-3038
 Attn: Robert Slope, City Manager *RS* No. of pages 7 including cover sheet

ENCLOSED

Letter of recommendations and attachments

cc: _____

By: *John*

email: holladay@micron.net



HOLLADAY ENGINEERING CO.

ENGINEERS • CONSULTANTS

32 N. Main P.O. Box 235 Payette, ID 83661
(208) 642-3304 • Fax # (208) 642-2159

September 7, 2000

Robert Strope, City Manager
City of McCall
P.O. Box 986
McCall, ID 83638

Re: Acquisition of the Bob and Carrie Schroeder Property
Lift Station No. 9 Abandonment, Reference No. 031200

Dear Robert:

After a series of letters, phone calls and an on-site meeting, Mr. Schroeder has responded with a counter offer to the City for acquisition of an easement on his lot located in Rio Vista No. 4. After discussion of the offer with Bill Keating, Public Works Director, I recommend one of the following actions by the Council.

1. Offer to purchase the entire lot for his stated price of \$57,000. This lot is on the market at the present time. This action would leave the City with the option of selling the lot after the new sewer main is constructed thereby potentially reducing the overall cost of the easement. It is not recommended that the City purchase the lot as an easement only for the price requested (see attached letter from Bob Schroeder, received 9-5-00).
2. Offer to purchase the south half of the lot for his requested price of \$35,000. Again, I do not recommend that the City acquire an easement only at the price requested (referenced letter). This action could be accomplished through a lot-line adjustment thus rendering the ½ lot unbuildable which may satisfy one of the concerns raised by Mr. Schroeder.

Background and Discussion:

The history behind this offer extends back about four years when the City first recognized that it needed to replace an aging lift station No. 9 and could do so by running a gravity line from the top of the hill at Rio Vista No. 4 to a new regional lift station at the bottom of the hill near the Payette River. At that time the City Engineer prepared a plan and estimate and caused the area to be surveyed. When contacted, property owners objected to the easements being sought and the project languished. About two years later, the City engaged JUB Engineering to develop a similar plan and two property owners in the approximate area were contacted about selling easement centered over their common lot line for the purposes of the sewer main line. It was reported to me that the offer to two adjacent property owners was for \$7,500 each to acquire a total of a 15-foot strip of ground occupying 7½ feet each side of the lot line.

Upon reviewing the proposed design and the status of easement acquisition, it became apparent the alignment selected presented two construction difficulties that would be very costly to resolve: an existing road cut with a 15-foot near-vertical bank and existing utilities in the roadway at the base of the 85-foot

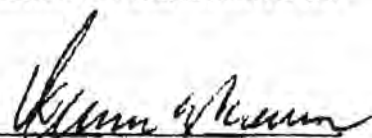
Robert Strope, City Manager
September 7, 2000
Page 2

steep slope. In addition, at this location there are nearby structures and large trees which could be damaged in the course of construction. We cautioned the City that the risk of ancillary property damage for this option was much higher than some other alignments. Looking at other vacant lots in the area we suggested that even if the City paid full value for the Schroeder lot (the figure guessed at was \$60,000) the City would be better off in both short term construction impacts and potential damage exposure than to pursue the alignments proposed. We were then instructed to proceed to contact that lot owner, which was Mr. Schroeder, to see if he could be persuaded to sell.

Coincidentally, within days of our walkover, Mr. Schroeder posted a "for sale" (by Owner) sign on his vacant lot. When he was contacted he said that indeed, he was going to sell the property and was asking \$57,000 for the lot. On behalf of the City a letter was written extending three options for acquisition to Mr. Schroeder (see attached letter, 8-14-00). The first was acquiring the entire lot at his stated price, the second was acquiring a portion of the lot and a third was acquiring a 15-foot easement only. In the weeks that followed, a number of concerns were raised by Mr. Schroeder including erosion, potential odors, and proximity of future home construction on the lot. I have responded with offers to mitigate each of these concerns but have advised that I would not recommend to the Council paying full price for the lot as an easement only. The issue raised by Mr. Schroeder was that, if a sewer line was constructed on the south portion of the lot, it would force a home built on the lot over against his existing home on the adjacent lot. I was able to demonstrate that a building envelope in the center of the lot could be maintained with the sewer alignment proposed. There were additional concerns expressed and mitigation measures proposed and these may be found in the file.

The attached correspondence shows that Mr. Schroeder has responded with a counter offer which I promised him would be brought before the City Council for consideration. At this time, to proceed further it is necessary to have direction from the Council. If either of Mr. Schroeder's offers is acceptable, we may proceed on behalf of the City to immediately accept his terms. If Mr. Schroeder's terms are not acceptable, and we are not recommending them as offered, please notify us so we may proceed with further negotiation to obtain this property.

Respectfully submitted,
HOLLADAY ENGINEERING CO.

By: 
Vernon F. Brewer

Encl.: Letter from Holladay Engineering Co., August 14, 2000
Letter from Bob and Carrie Schroeder, Received September 5, 2000

4706 319th Place S.E.
Fall City, WA 98024
September 1, 2000

RECEIVED
SEP 05 2000
HOLLADAY ENGINEERING CO.
PAYETTE, ID

Vernon E. Brewer
Holladay Engineering Co.
P.O. Box 235
Payette, ID 83661

Dear Vernon:

After our meeting we have spent considerable time discussing your proposals with our family.

The issue of how many trees would be lost and how the property would look after replanting and growth is of utmost importance.

As stated earlier, our first choice is to sell the lot as an easement only for \$57,000 providing the City with ample space for the new sewer line and potential future needs.

Our second choice is to sell the south half of the lot as an easement only with the sewer line being installed close to the line you have proposed avoiding most trees. Our firm price is \$35,000.

As part of the sales agreement we would need a description of the City's responsibility for replanting, reseeding, and erosion control. Also it is my understanding the manholes would be built close to the ground and be completely sealed.

The time required for construction of the sewer line and restoration of the site to its original forested growth would take away from the enjoyment of our home.

Sincerely,

Bob and Carrie Schroeder



HOLLADAY ENGINEERING CO.

ENGINEERS • CONSULTANTS

32 N. Main P.O. Box 235 Payette, ID 83661
(208) 642-3304 • Fax # (208) 642-2159

August 14, 2000

Robert and Carrie Schroeder
4706 319th Place S.E.
Fall City, WA 98024

Re: Block 6, Lot 6, Rio Vista Subdivision No. 4
Ref. No. 031200

Dear Mr. and Mrs. Schroeder:

Thank you for the return call and frank discussion. I had made the commitment to try to get a drawing to you by the 4th but I have been swamped with several intervening projects. Please accept my apology. The City of McCall has asked me to follow up our discussion on the purchase of your lot with the understanding that whatever we agree upon will have to be presented to the Council for final approval.

After our phone conversation I wanted to walk the lot with great attention to how a gravity line might be constructed so as to minimize the long-term impacts to you, the neighbor. Since that walkover, I have prepared several options for your review. The following is a description of those options. Please let me know if one of these is acceptable to you.

- Option A. The City will purchase the lot for your stated price of \$57,000 upon being presented with proof of clear title as evidenced by a recent title report. The City would then have all its options available to construct the line in the location most suitable for the site. However, the city will make reasonable effort and care to protect the overall appearance and value of the site. This includes adjacent trees, the grove of aspen over the bank and various other attractive features. I believe there is a route that is most protective of the forest growth which I have sketched on the attached sheet. The sketch illustrates how overall alignment may be shifted to accommodate the future development of the lot. Some trees will be removed but with good planning, the removal could be, in part, to prepare the lot for a future driveway and house construction.
- Option B. The City will purchase the southerly half of the lot for the price of \$30,000 leaving a one-half lot buffer between your home and any construction. Again, the City will take reasonable care to protect the area and would be subject to the qualifications described in Option A. If the sewer line running down the bank is shifted south, the aspen grove could not be avoided. It would also, as you noted, leave you with more property on which to pay taxes which you stated you wished to avoid. After your suggestion, I

spoke to the Assessor, Harley Hinshaw, and he confirmed that by combining your existing lot with the remaining half lot thereby eliminating a building lot, the assessment would be lessened. He stated that if you elected to proceed with this option, I could contact their chief appraiser and they would work up an approximate new value. An actual value would not be performed until the transaction was completed.

- Option C. The City will purchase an easement of 30 feet for the construction of the line and, once the line is constructed, retain a permanent easement of 15 feet for a purchase price of \$15,000. This option could use the same sewer line alignment envisioned in Option A or Option B. From my walkover, it appears that if the alignment were to strike straight along either property line, some trees on adjacent property could be damaged. I would like to avoid this as much as possible.

With all options, the City would employ a cautious approach in an effort to limit damage due to construction, both short and long term. What I propose is that upon reaching an agreement to one of the options above, the City will stake out the line that best protects the residual value of the lot and adjacent lot value. Design and construction measures will be taken to prevent sustained erosion. Also, manhole lids and other evidence of sewer line presence will be minimized through out the project. Until actual design is completed, exact elements for construction will not be known. I'm hoping that the overall construction impacts will not be as great as that of construction of a home on the site. Within a year or two after construction is complete, the location of the line may not be noticed by a casual observer.

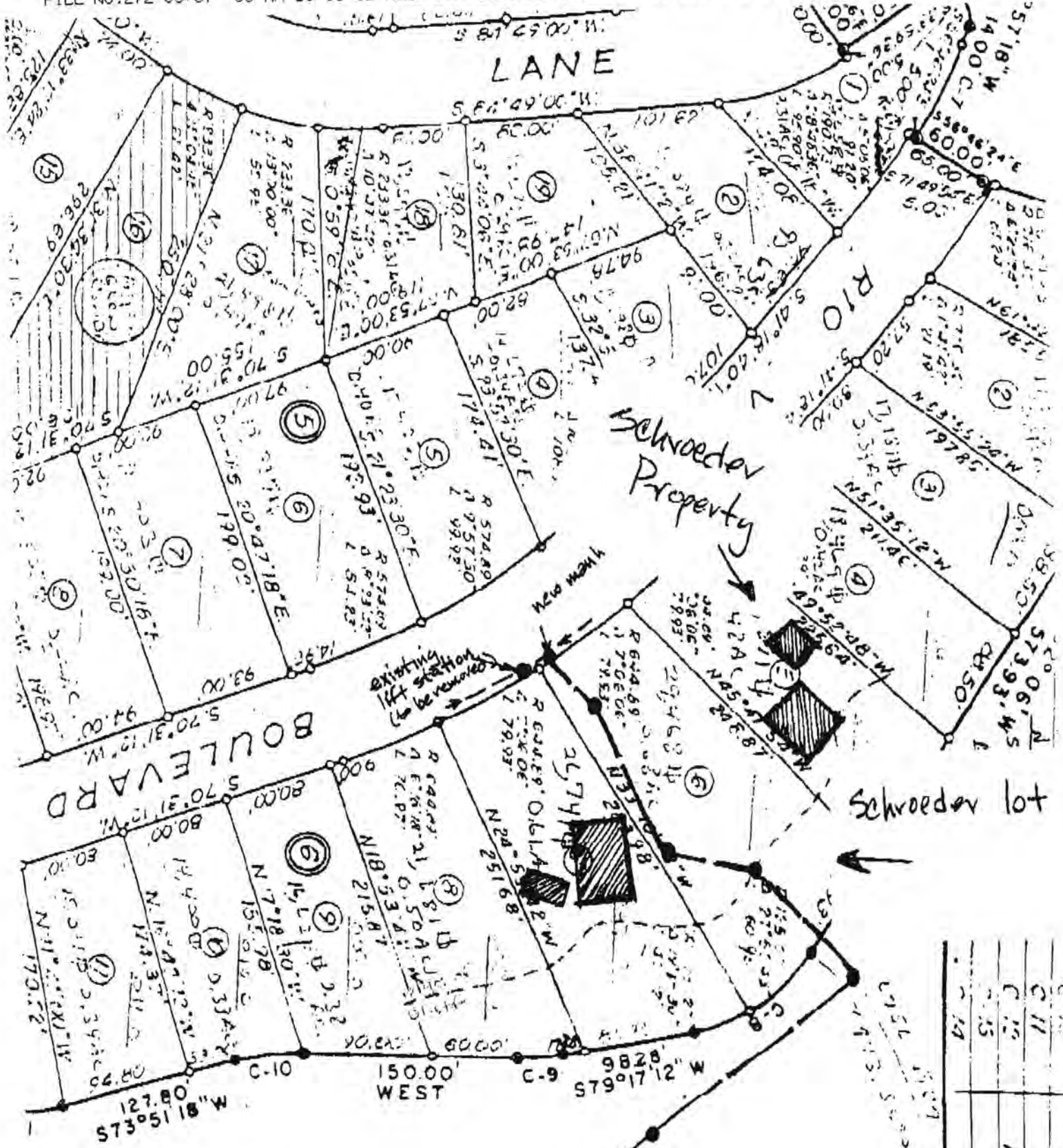
I recognize your concerns and that you would rather not experience any negative aspects of this construction project. However, the lift station is at the end of its useful life. The City must decide how to proceed to resolve this matter. If we could get the gravity line built and do away with this station, it could only improve the overall service to the area.

Again, thank you very much for your consideration in this matter. I am available to discuss these options with you further or, if one of them appears to address your plans, just notify me and I will present your selected option to the Council at the next available opportunity. The City will take care of the necessary legal paperwork to complete the transaction. If you wish to meet on the site to review any plans, I am in McCall about once a week and could schedule to be there at a time convenient for you. I may be reached at (208) 642-3304.

Respectfully submitted,
HOLLADAY ENGINEERING CO.

By: 
Vernon E. Brewer

encl



Hand Drawn - not to scale

Bob:
 Actual location of line would be determined by flagging through lot to preserve trees & rock outcrop but this is representative of alignment

Existing regional lift station

C-11	95.98'	1E 08.41'
C-10	100.90'	E0°32'32"
C-9	76.35'	S1°30'00"
C-8	46.26'	E3°12'56"

4706 319th Place S.E.
Fall City, WA 98024
September 1, 2000

RECEIVED
SEP 05 2000
HOLLADAY ENGINEERING CO.
PAYETTE, ID

Vernon E. Brewer
Holladay Engineering Co.
P.O. Box 235
Payette, ID 83661

Dear Vernon:

After our meeting we have spent considerable time discussing your proposals with our family.

The issue of how many trees would be lost and how the property would look after replanting and growth is of utmost importance.

As stated earlier, our first choice is to sell the lot as an easement only for \$57,000 providing the City with ample space for the new sewer line and potential future needs.

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Sincerely,



Bob and Carrie Schroeder



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August 14, 2000

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Fall City, WA 98024

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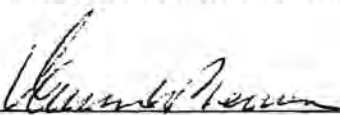
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