STATE BOARD OF LAND COMMISSIONERS

October 20, 2026
Consent Agenda

Subject

Dredge and Placer Permit Application No. P800354, Lowell Cerise

Question Presented

Shall the Land Board approve Dredge and Placer Permit Application No. P800354?

Background

The Idaho State Board of Land Commissioners is the designated administrative agency of the Idaho Dredge and Placer Mining Protection Act, Title 47, Chapter 13, Idaho Code, which requires that operators obtain a permit prior to conducting a placer or dredge mining operation on lands or natural watercourses in the state of Idaho (I.C. §§ 47-1316 and 1317(a)).

Discussion

On June 1, 2026, Lowell Cerise submitted a dredge and placer permit application for his 81.97 acres of private land in Lemhi County, located approximately 5 miles north of North Fork, Idaho.

Hughes Creek runs through the Cerise property and adjacent to the proposed mining areas. Hughes Creek was extensively mined with a dredge throughout the Cerise property prior to 1945. Much of the property next to Hughes Creek consists of dredge piles left behind from historic mining.

Mr. Cerise proposes seasonal sluice operations between April and October in three areas outside of the active stream channel and adjacent to the historic tailings.

Topsoil will be removed and stockpiled nearby, using heavy equipment. Material will be excavated from the ground and processed through an 8’ x 16’ screen deck, with a 3’ wide sluice. Wash water in Mine Areas #1 and #2 will be sourced from existing ponds, left behind from the historic dredge mining operations, using a 3” or 4” pump. These ponds will also be used to store the dirty water. Small ponds (less than 500 square feet) will be excavated in Mine area #3 and used to provide and store wash water. Screened material will be stockpiled nearby and then placed back onto the mined area before the end of each operating season to prevent runoff during the next spring.

Highly permeable dredge tailings and a vegetation buffer between the creek and the project site leave little possibility of runoff from the site impacting Hughes Creek.

The application was circulated to the Idaho Department of Environmental Quality ("DEQ"), Idaho Department of Fish and Game, Idaho Department of Water Resources ("IDWR"). DEQ and IDWR replied with comments indicating when permits from each agency would be required.

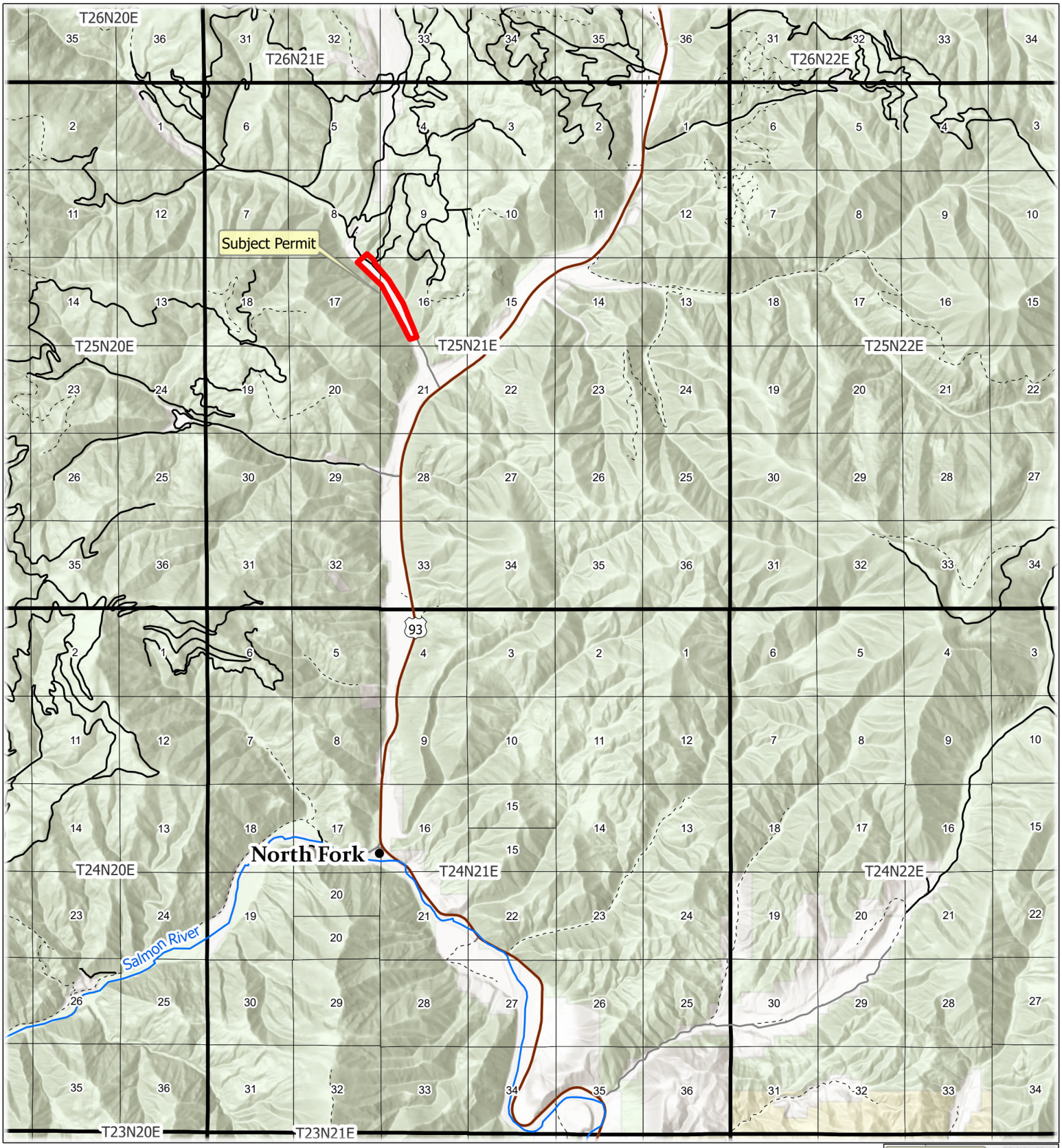
Recommendation

Approve issuance of the attached permit subject to the plan submitted in the application, the Idaho Dredge and Placer Mining Protection Act, the Rules Governing Dredge and Placer Mining Operations in Idaho, and submission of the required financial assurance.

Board Action

Attachments

1. Map
2. Draft Permit



Legend

- Subject Permit Area
- PLSS Township
- PLSS Section
- Private
- BLM
- USFS
- United States
- County
- Secondary
- Spur
- Major Rivers

P800354 - Vicinity

T25N - R21E - Sec 16 and 17

Lehmi County

IDAHO DEPARTMENT OF LANDS

9/17/2026

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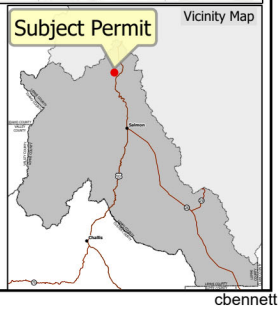
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Map Notes

Projection: Idaho Transverse Mercator, NAD 83

Map Notes and Data Sources

Disclaimer:
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ATTACHMENT 1

State Of Idaho
Department Of Lands

DREDGE/PLACER MINING PERMIT NO. P800354

Pursuant to Dredge/Placer Mining Permit Application No. P800354, approved by the State Board of Land Commissioners on October 20, 2026, **Lowell Cerise, 56 Whiting Road, Salmon, ID 83467,** is hereby authorized to conduct a placer mining operation in conformity with the Idaho Dredge and Placer Mining Protection Act (Idaho Code § 47-13) and the Rules Governing Dredge and Placer Mining Operations in the State of Idaho, IDAPA 20.03.01.000 *et seq.*, on the following described lands:

A 81.97 acre tract located in portions of the W ½ of NW ¼ Section 16, and portions of NE ¼ of NE ¼ section 17 Township 25 North, Range 21 East, B.M., Lemhi County. The land is owned by Lowell Cerise. The permit area is more fully set forth in the Idaho Department of Lands ("IDL") Dredge/Placer Permit File No. P800354.

This permit is subject to and in compliance with the plan of operation and the following stipulations:

1. All refuse, chemical and petroleum products and equipment shall be stored and maintained in a designated location 100 feet away from any surface water and disposed of in such a manner as to prevent their entry into surface and groundwater.
2. Permittee shall ensure that its operation does not result in a violation of state water quality standards at any time during the life of the operation. In the event that a violation of water quality standards occurs, operator must cease mining operations on the site immediately, notify the Idaho Department of Environmental Quality ("DEQ"), and take all corrective actions recommended by DEQ.
3. There will be a 20 foot buffer of undisturbed riparian vegetation maintained between the mining operation and any streams at all times.
4. Erosion and non-point source pollution shall be minimized by careful design of the site access and implementing Best Management Practices which shall include, but are not limited to:
    a. Diverting all surface water flows around the mining operation;
    b. Removing and stockpiling vegetation and slash, except timber, for use in erosion control and reclamation;

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c. Removing and stockpiling all topsoil or suitable plant growth material for use in reclamation;

d. Removing and stockpiling fine sand, silt and clay from the settling ponds for use in reclamation; and

e. Constructing settling ponds below ground level when conditions allow.

5. Permittee must provide financial assurance in the amount of $1,800 per affected acre. The initial financial assurance amount will be in the amount of $3,600 will be submitted, prior to issuance of this permit, and maintained with IDL for the acres to be affected.
6. Upon placement of equipment and construction of settling ponds, permittee will provide notification to IDL prior to conduct of actual mining operations.
7. If a stream channel alteration is involved, a Stream Channel Alteration Permit shall be obtained from the Idaho Department of Water Resources and shall govern the diversion of the stream and reconstruction of the permanent channel of the waterway involved.
8. All water intake lines will be screened to prevent fish entrapment, and diversion dams must allow for fish passage.
9. The permitted area must be reclaimed concurrent with mining, according to the approved reclamation plan.

Failure to comply with the Idaho Dredge and Placer Mining Protection Act, the Rules Governing Dredge and Placer Mining in Idaho, the plan of operation and these stipulations may result in cancellation of this permit.

It is understood and agreed that all of the stipulations of this permit must be complied with in the conduct of the mining operation.

_____ _____

DUSTIN T. MILLER, Director Lowell Cerise

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STATE OF IDAHO _____)
) ss
COUNTY OF _____)

On this ____day of _____, 20____, before me, a notary public, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument, and acknowledged by me that he executed the same.

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

(SEAL)

_____
Notary Public
My Commission Expires: _____

* * * * * * * * *

STATE OF _____)
: ss
COUNTY OF _____)

On this _____day of _____, 20____, before me, a notary public, personally appeared _____, known to me to be the person whose name is subscribed to the within instrument, and acknowledged by me that he executed the same.

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

(SEAL)

_____
Notary Public
My Commission Expires: _____

DRAFT

STATE BOARD OF LAND COMMISSIONERS

October 20, 2026
Regular Agenda

Subject

Final Approval of the Grangeville Land Exchange

Question Presented

Shall the Land Board authorize the Department to complete the Grangeville land exchange and approve the use of land bank funds to offset the difference in value?

Background

In April 2026, the Department received an application for a land exchange from ID Real Estate, LLC. The proposed exchange would trade a .56 acre parking lot (Endowment Land) in downtown Boise in Ada County with a split ownership by Normal Schools (66%) and State Hospital South (34%) for approximately 16 acres of commercial land with improvements in Grangeville in Idaho County (Grangeville Land). Maps of the subject properties are included as Attachments 1 and 2.

On April 28, 2026, Department staff presented the proposed exchange to the Idaho County Commissioners, and on May 11, 2026, to the Ada County Commissioners. Both Boards acknowledged the information presented and expressed support of the proposed land exchange.

At the May 2026 meeting, the Land Board authorized the Department to complete due diligence on the proposed exchange (Attachment 3).

The Department initiated due diligence including but not limited to:

- Title commitments and encumbrance review
- Environmental Site Assessments
- Member of the Appraisal Institute (MAI)- certified appraisals and appraisal reviews
- Building inspections
- Surveys
- Access review
- Neighbor and permittee notifications
- Third-party review by land board advisor Heartland, LLC (Heartland) (Attachment 4)

Discussion

This proposed land exchange is expected to improve the long-term value to the endowments primarily, but also to Idaho, through:

- Acquisition of commercial real estate with value equal to or greater than the real estate to be disposed.
- Future lease income aligned with the asset value.
- Enabling effective fire protection for endowment timberland.
- Avoiding the need for construction of new fire facilities in the region.

In contrast, the endowment parcel proposed for disposal:

- Produces revenue that is not aligned with the asset value.
- Likely has a higher and better use through development opportunities.

The appraised value of the Grangeville Land is $4,510,000 while the Endowment Land has an appraised value of $3,781,000, with both appraisals completed in June 2026 by Langston & Associates, Inc., of Boise. Each appraisal was then reviewed by Mountain States Appraisal, LLC, of Boise. The exchange would require expenditure of $729,000 of Land Bank funds from Normal Schools ($481,140) and State Hospital South ($247,860) to achieve equal value.

Heartland has reviewed the due diligence materials and evaluated the exchange for alignment with the Land Board exchange policy. Heartland specifically reviewed the exchange for the net benefit to the endowment. Their analysis (Attachment 5) showed that the Endowment Land is expected to appreciate at a greater rate with resulting greater net present value from appreciation. However, the Grangeville Land produces greater income and begins with a higher value, resulting in greater total net present value to the endowment.

The Endowment Land has two permits for parking spaces which would be terminated if the exchange were completed. The permit holders have been notified of that possibility.

The Department would secure parking on the site for at least 4 years through agreement with the exchange proponent. This is acknowledged in the proposed land exchange agreement (Attachment 6).

If the Board approves the exchange, the Department would execute a substantively similar land exchange agreement.

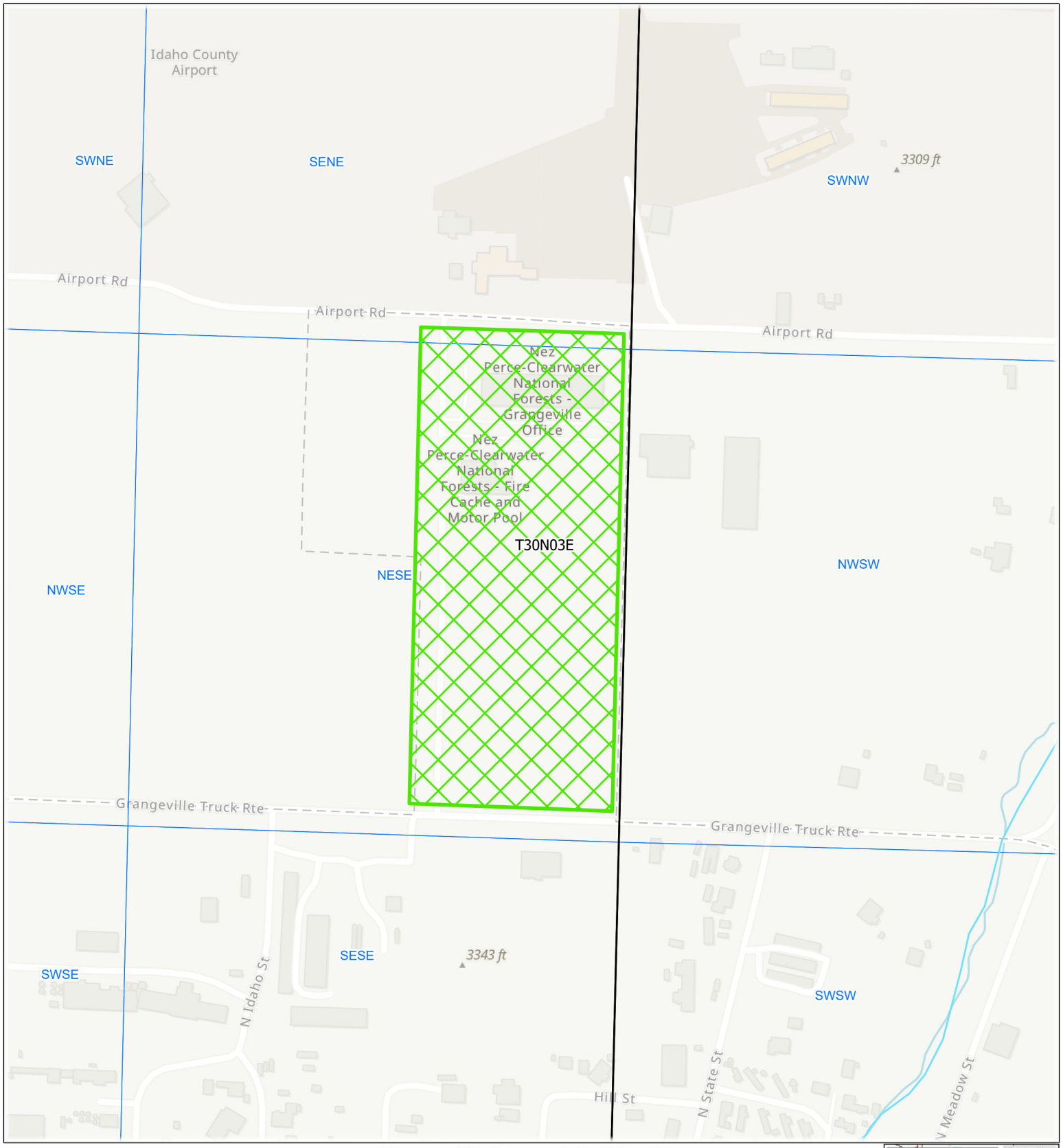
Recommendation

Approve the exchange and direct the Department to complete and close the as-proposed Grangeville land exchange, including using land bank funds to offset the difference in value.

Board Action

Attachments

1. Grangeville Land Map
2. Endowment Land Map
3. May 19, 2026 Approved Memo
4. Heartland, LLC Due Diligence Review
5. Heartland, LLC Long Term Value Analysis
6. Draft Land Exchange Agreement



Legend

- To Be Aquired
- Class II - Perennial
- PLSS Township
- PLSS Section
- PLSS Subsection
- Private

Grangeville-Bannock Parking Lot Land Exchange- To Be Acquired

16 Acres

T30N- R03E- Sec 18

Idaho County

4/21/2026

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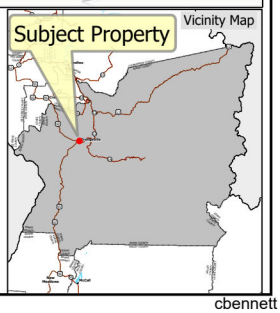
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Map Notes

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ATTACHMENT 1



Legend

- To Be Disposed
- PLSS Township
- PLSS Section
- Private
- State

Grangeville-Bannock Parking Lot Land Exchange- To Be Disposed

.56 Acres

T30N- R03E- Sec 18

Ada County

5/18/2026

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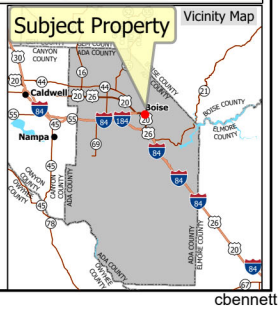
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ATTACHMENT 2