RECEIVED Monday, March 27, 2023 2:11:32 PM IDAHO PUBLIC UTILITIES COMMISSION

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Attorneys for Island Park Water Co.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF ISLAND PARK WATER COMPANY'S FAILURE TO COMPLY WITH IDAHO PUBLIC UTILITIES COMMISSION REPORTING AND FISCAL REQUIREMENTS,

Case No. ISL-W-23-01

AFFIDAVIT OF DOROTHY MCCARTY RE: VALLEY VIEW

STATE OF IDAHO)

: ss

County of Bonneville)

Dorothy B. McCarty, being first duly sworn upon oath, deposes and states as follows:

1. I am over the age of eighteen (18) years of age and am otherwise competent to testify as to the matters contained herein based upon my own personal knowledge.

2. I am the President and Secretary/Treasurer of Island Park Water Company, Inc.

3. All services required to maintain and operate the water company is outsourced.

4. I worked for Benton Engineering for approximately 45 years and during this time was familiar with the various properties my father and his partners were developing in Island Park, ID

5. Upon completion of each of the subdivisions, and not until each was approved by DEQ could the developer convey in its entirety the water distribution system to Island Park Water Co, Inc.

6. My father, David E. Benton, P.E. (Benton Engineering) was a partner in the multiple corporations that owned the lands and developed many of the subdivisions in Island Park, ID.

7. Island Park Water Company, Inc. was the purveyor of water only upon completion and approval of the various subdivisions.

8. My father's company Benton Engineering designed the subdivisions that currently Island Park Water Company, Inc. is the purveyor of water for.

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9. There are six water systems that were taken to completion and turned over to Island Park Water Company, Inc. Goose Bay Estates, Aspen Ridge Estates, Shotgun Village Estates Divisions 1 -11

10. Valley View Ranch, Inc. water system was never taken to completion by the Developers, never received final approval for the Developer's water system design and 'as built", and could not be deeded to Island Park Water Company until completed.

11. Valley View Ranch water system was waiting for final approval by DEQ before it could be conveyed in its entity to the water company.

12. In the interim, David Benton as Secretary of the Valley View Ranch, Inc, entered into an agreement that Island Park Water Company, Inc. would manage (not own) Valley View Ranch water system until which time it received final approval from D.E.Q. and would then to be conveyed which would including conveying funds from Valley View Ranch, Inc. to Island Park Water Co. Inc. to be the purveyor of water.

13. In lieu of the construction funds, two wells, and a booster station were deeded to the Water Company, in anticipation that future funds would follow. The assets of Valley View Ranch, Inc. were transferred out of the Valley View Ranch, Inc corporation by Ed Strobel, the managing partner and conveyed to Sawtelle, Inc. another corporation. There were no assets or funds to then convey to Island Park Water Company and the water conveyance system was never transferred to Island Park Water Company, Inc.

14. There are two wells, and a booster station that were providing water for the conveyance system. The water company was first deeded the West well by a warranty deed in anticipation of the system being completed. Although the water system was not yet approved, in 2010 a Quit Claim deed conveyed this same west well, the east well and booster station and an easement from the east well to the booster station to the water company. The conveyance system could not be conveyed as the system was still the property of the Valley View Ranch, Inc.

15. Valley View Ranch, Inc deed of title for the property, shows the boundaries of the deed and within these boundaries and owned by the corporation is a well lot and well on Herring Drive, which was an original private well that was not incorporated into the design of the Valley View Ranch, Inc. water system.

16. Island Park Water Company, Inc, was not deeded the conveyance system of Valley View Ranch, Inc. The water company cannot accept the Valley View Ranch Inc,'s water system until it is completed.

17. Completion of "As Built Drawings" are the sole responsibility of the Developing Corporation Valley View Ranch, Inc. It is not the responsibility of the Engineer, it is the Developer's responsibility to make certain all required approval is given,

18. Island Park Water Company, Inc. can manage by agreement in the interim, but the management does not make Island Park Water Company, Inc responsible for the development of Valley View Ranch, Inc.

19. Island Park Water Company would upon acceptance have required Valley View Ranch, Inc to also convey contributing capital before any agreement to accept the Valley View

Ranch, Inc.'s water system would be accepted and would be required in order to continue to operate the system.

20. David E. Benton, P.E.'s Engineering firm was hired by Valley View Ranch, Inc. to design the subdivision, design the water system for the Valley View Ranch, Inc. and was in the process of receiving final approval by DEQ.

21. David Benton was also the Managing Director of Island Park Water Company, Inc. in 2008.

22. David E. Benton, did not transfer ownership of Valley View Ranch, Inc water conveyance system to Island Park Water Co. Inc.

23. David E. Benton also would not accept the Valley View Ranch Inc, 's conveyance system on behalf of Island Park Water Co. Inc, knowing it was the responsibility of the Valley View Ranch, Inc. until DEQ's final approval of the subdivision and water system of Valley View Ranch, Inc.

24. A partner in Valley View Ranch, Inc, Ed Strobel was managing Island Park Water and did so until Mr. Strobel's health prevented him continuing management and control of Island Park Water Co. Inc and why Mr. Strobel resigned from the board of directors of Island Park Water Co. Inc.

25. After Mr. Strobel's resignation, management of Island Park Water, Inc was under the guidance of my father, David E. Benton, and my mother, Marvel C. Benton, his wife.

26. Under the direction of my parents, the PUC was asked for a rate increase from the \$125 per year which was unsustainable as my parents were being forced to subsidize the water company to keep it operational. My parents had contributed private funds and services to maintain the water company for many years.

27. Valley View Ranch, Inc has four divisions. The water system for Valley View Ranch was only installed for Division No. 1. Division 2,3,4 lots were all sold and individually owned private wells provided water for those divisions.

28. Valley View Ranch, Inc. Division No 1 was the only division the water system was designed for and due to District 7 Health's determination the slope of many lots would prevent septic systems. Multiple lots were combined when they were sold.

29. Within Valley View Ranch, Inc. Division No. 1, only 22 lots were intended to ever be provided water (as stated multiple lots were combined at time of sale in order for future development to build with a septic system that could be approved).

30. Valley View Ranch, Inc. was designed for 'summer usage' 05/15/00 to 09/30.00 as winter access into the development is impossible by normal means in the winter.

31. March 20, 2023, confirms that access during winter is not possible by normal means. The snow depths are to the top of Street signs, and cabins are buried under snow. See Attached Exhibit A Photo March 21, 2023 Valley View Ranch.

32. Valley View Ranch, Inc was never fully approved by DEQ at the time of my father's death.

33. Valley View Ranch, Inc was never able to take their development to completion in order to to convey the water system to Island Park Water, Inc.

34. The Developers failed to obtain final approval of the water system and did not receive final approval of "As Built" for the water system design.

35. The Developers are responsible to get final approval by D.E.Q. before a system can be conveyed to any water company. This did not happen.

36. Island Park Water Inc. is not responsible to bring the Valley View Ranch, Inc. development to completion.

37. The water company has continued to keep the two wells, and booster station operational and the PUC approved \$280 tariff for operational costs.

38. The number of connections in Valley View makes it impossible to pay for the actual costs of keeping the wells operational.

39. Customers in Valley View are unwilling to form a homeowner's association to take over the system.

40. Island Park Water Company, Inc as manager of the Valley View Ranch, Inc's water system has been overly burdened due to the maintenance costs and insufficient connections to sustain the system at the \$280 yearly water tariff.

41. Costs for repairs, power, taxes, water testing, management (including with paying contractors for private service line repairs when a couple of owners have refused to pay the contractors) are not covered by the \$280/year water tariff as set by the PUC for Island Park Water Company, Inc.

42. The allowed operational costs for Valley View Ranch, Inc. are not in line with the actual costs to operate and maintain a system.

43. As an example, in 2022 just the costs to repair the wells, pay contractors for private service line repairs because a couple of customers refused, power, water testing, taxes and without payment for Management services for Valley View Ranch Inc. was more than triple the water tariff customers paid.

44. The system is not sustainable and Island Park Water Company, Inc 's water tariff rate of \$280 per connection cannot continue to subsidize Valley View Ranch, Inc.

45. Island Park Water Company, Inc. in the interim applied for required water rights, without which there would be no water available.

46. The water rights must be proved up by 2025 and the allocation of water will be dependent on number of connections and capability of wells.

47. The water is restricted to Domestic usage. Commercial usage is in violation of the allowed water right.

48. The water right does not permit water to be conveyed out of the Valley View Ranch, Inc. subdivision.

49. Without water rights, the homeowners would have to drill their own wells.

50. All of this was done for the benefit of the very few services connected to the Valley View Ranch, Inc's water conveyance system.

51. The situation with Valley View Ranch, Inc. has been further compromised, due to DEQ changing the very small water system to that of a Public Water System.

52. DEQ has without consulting Island Park Water Company, Inc and without investigating the circumstances and deeds, has taken another PWS Henry's Lake Gas Station and Café which is outside the boundaries of the Valley View Ranch, Inc subdivision and now claims this PWS to be a secondary system of Valley View Ranch, Inc.' water system.

53. The two individual PWS water systems are not interconnected.

54. Henry's Lake Gas Station and Café PWS is located outside the boundaries of the water permit and license.

55. Island Park Water Company, Inc does not own the well located on Herring Drive.

56. Henry's Lake Gas Station and Café connected to the private well on Herring Drive, have a deed to the well lot/well on Herring Drive and that well supplies the water to the PWS Henry's Lake Gas Station and Café.

57. The Herring well that provides water to the PWS Henry's Lake Gas Station and Cafe is a disputed well.

58. The water rights are tied to the wells within Valley View Ranch, Inc. and restricted to the boundaries of the Valley View Ranch, Inc subdivision.

59. The water rights are in the name of Island Park Water Company, Inc.

60. No water can be diverted out of the subdivision.

61. DEQ and District 7 Health Department have knowledge of the well that provides water to the PWS Henry's Lake Gas Station and Café, having conducted Sanitary Survey's dating as far back as mid 1980's including drawings showing the station connected to the private well on Herring Drive.

62. There is a Quit Claim deed for this Herring Well in the name of the current owners of Henry's Lake Gas Station and Café. See Attached Exhibit B, Deeds

63. DEQ by combining the two PWS, has further caused an extreme hardship by again reclassifying Valley View Ranch, Inc. to a TNC PWS. The survey was not properly 'certified" as the question was ambiguous and did not require 'certification', rather estimated guesses.

64. DEQ and EPA regulations state that to be a TNC PWS it requires twenty-five or more of the 'same persons' residing on a continuous basis for 6 months or longer each year.

65. The owners of cabins connected to the conveyance system of Valley View Ranch, Inc. do not have 'continuous access" into the subdivision by normal means during winter months, and the cabins are not their primary residences.

66. Heavy snow fell in mid-October of 2022 which prevented access to the upper well to do a repair to a broken line. The snow since then has prevented normal means of access.

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67. It has now been almost 6 months since any of the few customers connected to the Valley View Ranch, Inc's water system has been to their cabins, with the exception to snowmachine in to remove snow loads from roofs.

68. Snow depths this year alone will prevent access into the subdivision until possibly June of 2023.

69. There has not been a full year since the time DEQ made Valley View Ranch, Inc a PWS and thus there is not enough data to support the claims of DEQ.

70. The estimated financial costs for this new classification for water tests required are projected to exceed \$8,000.

71. Other costs that rightfully belong to the developer to bring the system into compliance are not the responsibility of Island Park Water Company. Without the 'As Built' drawings, DEQ will not approve.

72. DEQ claims to have the authority to take away rightful ownership of long existing PWS from its owners, depriving the PWS of a well and claiming DEQ can then force Island Park Water Company to be responsible for the combined systems of Valley View Ranch, Inc and the PWS Henry's Lake Gas Station and Café and did so without including Island Park Water Company in any discussion.

73. The estimated costs for this could well exceed \$100,000 and these are not the responsibility of Island Park Water who does not own the conveyance system and cannot until DEQ gives final approval.

74. For this reason, Island Park Water Company, Inc reached out to the owners and suggested it would be in the best interest of the homeowners to either form a Recreational Water District, having ownership and control of water system or form a HOA. See Exhibit C Letter to Valley View Ranch Homeowners connected to the Valley View Ranch, Inc water conveyance system.

75. Jon Kruck, PUC investigator made the determination that Island Park Water Company, Inc was 'threatening the customers' by informing them it would be in their best interests to investigate other options.

76. DEQ, Kelsey Carter/Water Analyst refuses to acknowledge that Valley View Ranch, Inc. is a 'seasonal system' claiming people are living there year-round.

77. The subdivision has not had access by normal means since mid-October 2022 due to deep snow. No one lives at these cabins in the winter. See Exhibit A which shows snow to the top of Cabin.

78. Most Cabins in the subdivision are 'winterized' by end of September each year.

79. October of 2022 when the DEQ conducted a Sanitary Survey. I was on site, there was no evidence of anyone occupying any of the cabins connected and no evidence of anyone at any cabin.

80. I was appointed to board of directors in 2011 and was appointed managing director & CFO.

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81. Island Park Water had no employees and requested McCarty Management Services LLC to manage the water company.

82. I accepted this position because my father and mother requested that I take the burden off of them as it was too much for them. My siblings wanted my parents to not be associated with the water company, due to their age. My parents were in their nineties.

83. My father, David E. Benton requested I accept the offer, to help keep the water company operational. I was very reluctant to do this but was concerned for the burden it was placing on my parents.

84. Island Park Water Company, Inc's water tariff is among the lowest in the state.

85. I did not realize at the time, that the water company tariff was not sustainable, and my company would end up having to subsidize the water company, just to keep it functioning.

86. The past few years, I have reached out to customers in each PWS to see if they would be willing to create either a Recreational Water District, or an HOA.

87. The water tariff rate of \$280 is a hinderance because it is so low, they are not interested.

88. I have contacted three other people who have expressed interest in buying Island Park Water, but that is contingent on the water tariff being considerably higher, given the new DEQ rules and operational costs.

89. It has been estimated that the water tariff would have to be approximately 4 times the current rate in order to cover the projected costs, without addressing the age of the systems.

90. Each of the subdivisions have protective covenants and restrictions that are continuous in perpetuity. My father passed his control of the architectural committee to me upon his death. The PC&R's governed the design of the water system. I currently have asked several people if they would join the committee and anticipate to soon turn this over to the homeowners for enforcement

91. These Protective and Restrictive Covenants were previously provided to the Public Utility Commission at <u>secretary@puc.idaho.gov</u> and to PUC staff.

92. The importance of these PC&R Covenants and the water rights is that the design of the conveyance system was based upon the covenants.

93. The water right allocation owned by Island Park Water Company is based upon number of connections and capabilities of the wells which determined the amount of water that could be allocated to each lot.

94. The Idaho Department of Water Resources has told Island Park Water Company that only the water company has the right and authority to determine how much water can be conveyed, and the water right is restricted to Domestic Usage.

95. The design of the systems and water allocations was for approximately 4 people per connection. Eight hundred gallons per connection.

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96. EPA and Water Studies found the average usage of water for Idaho Residences is 151-200 gallons per day. This is in line with the eight hundred gallons per day.

97. For this reason, Island Park Water Company reminds customers of the water allocation and restrictive usage.

98. The Covenants prohibit diverting water from a single connection to another inhabitable structure or another lot.

99. Cross connecting structures to divert water from a single connection to the mainline is prohibited. Each requires a separate connection, approved by the Water Company.

100. Jon Kruck, PUC investigator has informed the water company that water can be diverted from a single connection to a structure, then taken from that structure to other inhabitable structures on multiple lots for a single water tariff rate of \$280.

101. Island Park Water respectfully disagrees.

102. Jon Kruck, PUC investigator further has instructed Island Park Water Company that customers do not have to abide by the Domestic usage as any violation would not be by the customer, rather fall back on Island Park Water Company, Inc.

103. Island Park Water respectfully disagrees.

104. Jon Kruck, PUC investigator further instructed the water company they could not tell customers there was a water allocation, as PUC staff is of the opinion that each customer is entitled to 13,000 gallons per day.

105. The water right is for a finite amount of water and regardless of PUC Staff opinion, there is only 800 gallons per day allocated. This could drop to 500 if deemed necessary.

106. Multiple lots were purchased by owners as investments. Water cannot be diverted from a single lot to other lots, as the water is for a single connection.

107. Multiple dwelling units within a structure would each be subject to a water tariff, paid for by the owner for the year.

108. The Protective and Restrict Covenants limited the lots to either a single inhabitable structure or a single RV, but not both.

109. Jon Kruck, PUC investigator has informed Island Park Water Company, Inc that a landowner can place as many RV's or buildings on a lot as they see fit, in direct conflict with enforceable Covenants attached with each deed.

110. The order of the PUC at the time of the rate increase, instructed the Water Company to charge an additional \$84 for the months of November and December of 2009, with the new yearly tariff to be charged beginning 2010.

111. The fiscal year for the water Company is April to March. The water tariff of \$280 for 2010 and going forward is \$280 per year. The company historically billed May of each year.

112. The PUC opinion conveyed at the time was the company could choose to bill either April, May or no later than June but at their discretion.

113. The water tariff of \$280 is for the year January to December, regardless of the company fiscal year. * Had this not been the intent, there would not have been an order to charge the customers the additional \$84 for the two remaining months in 2009 when the rate increase was approved.

114. Over the years customers have requested that they be notified much earlier as they travel and often are not at their primary residences if the bill were sent out as late as April or May. To accommodate their requests, letters are sent out earlier lettering them know the rate has not increase, or to let them know if they are delinquent.

115. Jon Kruck, PUC Investigator has ordered the water company to stop sending out letters and to inform customers they don't have to pay until June each year.

116. This is frustrating for both the customer and the water company which is basically funding 6 months of water service, even though the tariff is not a monthly tariff, rather a yearly tariff.

117. Jon Kruck, PUC investigator further has informed the company that the company is required to test water for each customer at no charge to the customer whenever they request this.

118. Travel to and from Island Park to test water is exceedingly expensive and the current water tariff cannot cover the costs to do this for every customer at a whim. The water is tested each quarter.

119. The cost of testing water since the water tariff was set has doubled. The water tariff has not.

120. Island Park Water Company does not have the ability to financially comply with the demands of Jon Kruck per his interpretations of the water tariff being allowed to be diverted at will and to unlimited connections.

121. Jon Kruck, PUC Investigator apparently doesn't realize that it is impossible to read an outside water meter in Island Park. The snow depths actually require a metal detector to locate hydrants in winter.

122. Local contractors differ with the opinion of Jon Kruck that meter based would cause service lines to more likely freeze than if they were not installed.

123. Jon Kruck, PUC investigator has informed the water company that PUC Staff is of the opinion that a certain lodge which houses two apartments, two commercial laundry businesses that contract to do the laundry for VRBO's and rental units, a Bar, additional hydrants connected to provide water service to RV's on the properties and an separate cabin and a commercial store which are located on lots 1 and Lot 2 of a combined taxed property of customer are entitled to make a connection from the lodge at a mainline, to then connect a cross connection from the lodge to the hydrants, and cross out of one lot to another lot to provide water to the cabin and to do this for a single water tariff of \$280.

124. Island Park Water Company respectfully disagrees.

125. The agreement made between the original owners of the two lots/structures and the water company years ago, when the property was a gas station and grocery store, two apartments

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within the lodge, a pool hall and the stand-alone cabin was agreed to five units to be billed at the current water tariff for each unit.

126. It is the opinion of Island Park Water Company that the PUC Staff opinion is incorrect and respectfully requests the Commissioners to consider the circumstances and to explain how the PUC Staff opinion is in anyway fair to a person who has a single connection on their property and pays \$280, abides by the Domestic usage vs. the Commercial Usage and diversion of water.

127. Island Park Water Company was not of the understanding that there was only a single connection.

128. The water company has water to allocate. The water company has a very old water system as the infrastructure was put in by the developer in the 1970-1980.

129. The water company does not have an office in Island Park

130. I am overwhelmed both financially and physically in trying to find a solution.

131. I have reached out to three perspective buyers, who will only consider this if the water tariff is significantly increased.

DATED this _____ day of March, 2023.

Dorothy McCarty

SUBSCRIBED AND SWORN before me this _____ day of March, 2023.

Notary Public for Idaho	
Residing at	
My commission expires	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the ____ day of March, 2023, I caused to be served a true copy of the foregoing AFFIDAVIT OF DOROTHY MCCARTY RE: VALLEY VIEW by the method indicated below, and addressed to each of the following:

Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074 U.S. Mail, Postage Prepaid
Hand Delivered
Overnight Mail
E-mail
Facsimile
iCourt

Marvin M. Smith, ISB No. 2236

EXHIBIT "A"



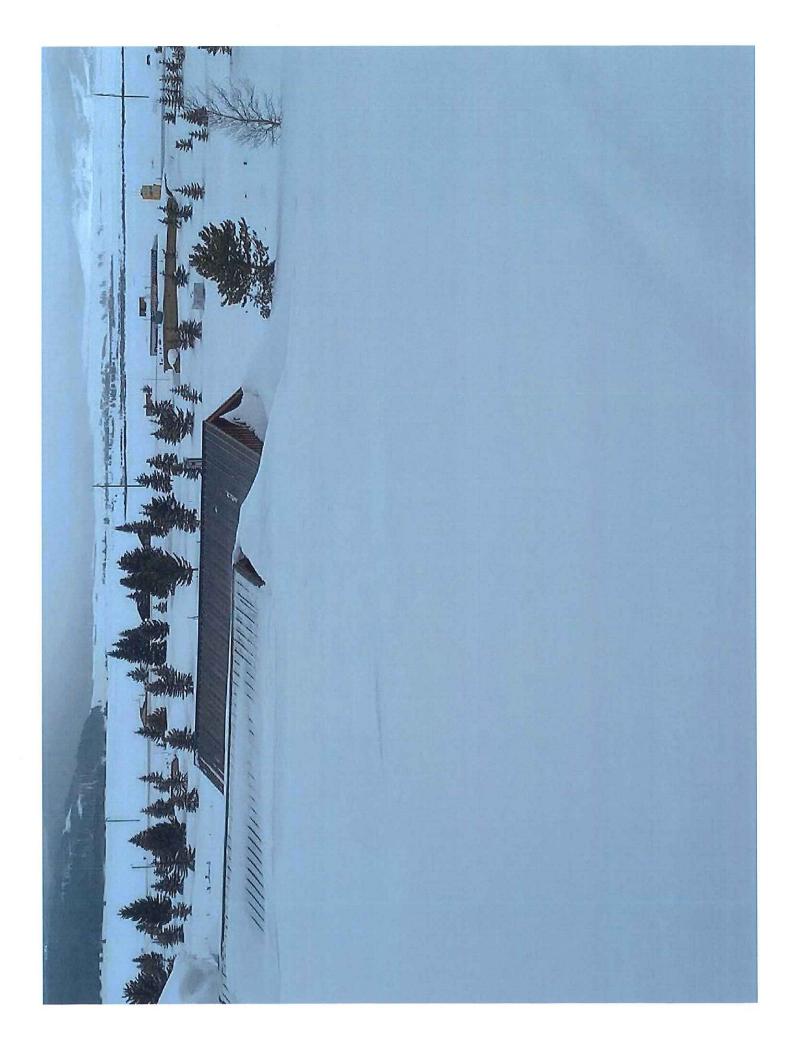


EXHIBIT "B"

Instrument No.____

QUIT CLAIM DEED

FOR VALUABLE CONSIDERATION RECEIVED, Valley View Ranch, Inc., the Grantors, for a good and valuable consideration the receipt whereof is hereby acknowledged, do remise, release and forever quitclaim unto Island Park Water Company, Inc., the Grantees, whose current address is 1045 Syringa Drive, Idaho Falls, ID 83401, the following described real estate, to wit:

Lot 16-"A", Block 1, and Lot 81-C, Block 8, and Lot 82-A, Block 9, Valley View Ranch Subdivision, Division No. 1, Fremont County, Idaho.

And easements for water lines for wells and equipment through Lot 84, Block 3, and Lot 94, Block 10, and through Lot 87-A, Block 3, and Lot 87-B, Block 3, Valley View Ranch Subdivision, Division No. 1, Fremont County, Idaho.

And all other roads and easements shown in Valley View Ranch Subdivision, Division No. 1, 2 and 3, Fremont County, Idaho.

Together with all tenements, hereditaments and appurtenances thereunto belonging.

In construing this deed, and where the context so requires, the singular includes the plural and the masculine, the feminine and the neuter.

IN WITNESS WHEREOF, said GRANTORS have hereunto set their hand this 22nd day of June, 2010.

Valley View Ranch, Inc. an Idaho Corporation

E. Benton

David E. Benton, Secretary

STATE OF IDAHO

COUNTY OF BONNEVILLE

Microfilm No. 528844 Day Lum. 2010 At 10:00 O'Clock 0 M ABBIE MACE FREMONT CO RECORDER Fee \$______ Deputy Recorded at Request of Ly00 HOSS No.

On this 22nd day of June, 2010, before me, the undersigned, a Notary Public in and for said State, personally appeared David E. Benton, known to me to be the Secretary of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Notary Public for the State of Idaho Residing at Ammon, ID Commission Expiration Date: 9

) SS.

29-16894-X

AMERICAN LAND TITLE CO.

DEED d SHAWNA E. STROBEL, husband and wife d wife; LLOYD J. BENTON and ELAINE G. y unto nontCounty Idaho, to wit: o. 3, Fremont County, ision No. 2, Fremont County,
d wife; LLOYD J. BENTON and ELAINE G. y unto montCounty Idaho, to wit: p. 3, Fremont County,
nontCounty Idaho, to wit: p. 3, Fremont County,
o. 3, Fremont County,
o. 3, Fremont County,
o. 3, Fremont County,
o. 3, Fremont County,
ision No. 2, Fremont County,
following description:
st Quarter; the Southwest e Northwest Quarter of the the Southeast Quarter, and uarter, less and excepting that eing between the old and reported new U. S. Highway 191, as now 15 North, Range 43 East, Boise
ir appurtenances unto the said Grantee , aid Grantors do hereby covenant to and a fee simple of said premises; that they are free all lawful claims whatsoever.
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farout is pendipt
Alerafilm No. <u>A15602</u> <u>13 Day Ediffet</u> <u>14165</u> <u>16093</u> <u>Alexanded At Require</u> <u>Alexanded At Requ</u>

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e e 1.000 SHARP, ANDERSON & PUSH Attorneys at Law P. O. Box 158 Idaho Falls, Idaho 83401

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WARRANTY DEEC.

THIS INDERTURE, made this 25th day of September, 1979, between J. EDWIN STROBEL and SHAWNA E. STROBEL, his wife, DAVID E. BENTON and MARVEL C. BENTON, his wife, LLOYD J. BENTON and ELAINE G. BENTON, his wife, of Idaho Falls, County of Bonneville, State of Idaho, the party of the first part and VALLEY VIEW RANCH, INC., whose address is 368 A Street, Idaho Falls, County of Bonneville, State of Idaho, the party of the second part,

WITNESSETH, that the said party of the first part, for and in consideration of the sum of TEN AND NO/100 (\$10,00) DOLLARS lawful money of the United States of America, and other good and valuable consideration, to party of the first part in hand paid by the party of the second part, the receipt whereof is rereby acknowledged, has granted, bargained, sold, and by these presents, does grant, bargain, sell and convey and confirm unto the said party of the second part, and to the heirs and assigns of party of the second part forever, all the following described real estate situated in Fremont County, State of Idaho, to-wit:

The Southeast Quarter of the Worthwest Quarter; the Southwest Quarter of the Wortheast Quarter; the Northwest Quarter of the Southeast Quarter; the Southwest Quarter of the Northwest Quarter; and the Bast Half of the Southeast Quarter, all in Section 15, Township 15 North, Range 43 East Boise Meridian in Premont County, Idaho, less and excepting therefrom:

That portion thereof lying and being between the old and reported abandoned U.S. Highway 191 and the new U.S. Nighway 191 as now located thereon.

ALSO, less and excepting those portions heretofore deeded and described on the attached Behadule A, to which reference is made for further particulars.

TOGETHER with all and singular the tenements, hereditaments and appurtemances thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, and rents, issues and profits thereof, and all estate right, title and interest in and to the said property as well in law as in equity, of the said party of the first part.

TO MANE AND TO HOLD, will and singular the above mantioned of described presides together with the appurtenances unto the ind party of the second part, and to the heirs and assigns of arty of the second part forever. And the first party of the inst part and the heirs of party of the first part shall and all entrant and by these presents forever defend the said realizes in the quist and pescessis possession of the said with of the second part, and to the heirs and assigns of party of the second part, against the said party of the first part, and to the heirs of party of the first part, and against all and every person and persons whomsoever lawfully claiming or to claim the same.

In construing this deed and where the context so requires, the singular includes the plural.

IN GITNESS WHEREOF, the said party of the first part hereusto has not his hand.

ISS.

for Idahp

Fublic

Residing at Idaho Falls,

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Serve

BTATE OF IDAHO County of Bonneville

On this 25th day of September, 1979, before ma, the undersigned, a Notary Public for Idaho, personally appeared J. EDWIN STROBEL, SHAWNA E. ETROBEL, DAVID E. BENTON, MARVEL C. BENTON, LLOYD J. BENTON and ELAINE G. BENTON, Known to me to br the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.

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

Notary

SCHEDULE A

LESS: Beginning at a point that is N. 0°18'30" W. along the North-South line thru the center of the Section 1730.26 feet and N. 64°43'00" E. 327.30 feet from the South one-quarter corner of said Section 13, said point being also N.0°18'30" W. 406.61 feet and N.64°43'00" E.327.30 feet from the Southwest corner of the Northwest Quarter of the Southeast Quarter of said Section 13 and running thence N.25°17'W.12.10feet; thence N.22° 11' E.25.25 feet; then. > N.58°36'10" E.166.09 feet; thence S.33°10' K. 15.00 feet; thence S.4°0a' W.99.95 foot; thence S.48°36'10" W. 134.69 feet; thence N.25°17' W.87.9 feet to the point of beginning.

ALSO LESS: Beginning at a point is South 0°00'25" West 586.0 feet and N.89°34'25" East 460.0 feet, and South 17°25'35" East 213.75 feet from the NW Corner of the SE% of the NW% of said Section 13, said Northwest Corner buing North 89°34'25" East 1324.0 feet from the Northwest Corner of the SW% of the NW%: of said Section 13, and running thence North 72°34'25" East 100.0 Feet; thence South 17°25'35" East 110.0 feet; thence South 72°34'25" West 200.0 feet; thence North 17°25'35" Kest 110.0 feet; thence North 72°34'25" West East 100.0 feet to the point of beginning. There is hereby reserved an easement of 5 feet along the Northern boundary of said realty for utilities and for ingress and egress.

ALSO LESS: Beginning at a point that is worth 0°00'15" West along the North-South line thru the Center of the Section 1730.26 foot and North 64°24'15" East 21.30 feet from the South Quarter Corner of said Section 13, said point being North 0°00'15" West 406.50 feet and North 64°24'15" East 21.30 feet from the Southwest Corner of the Northwest Quarter of the Southeast Quarter of said Section 13 and running thence South 25°35'45" Kast 200.0 feet; thence North 64°24'15" East 280.0 feet; thence North 25°35'45" West 200.0 feet; thence South 64°24'15" West 280.00 feet to the point of beginning.

- ALSO LESS: Beginning at a point that is South 0°00'25" West 586.0 feet and North 89°34'25" East 460.0 feet and Bouth 17°25'35" East 28.75 feet from the Southeast Corner of the Northwest Quarter of the Northwest Quarter of said Section 13; thence South 17°25'35" East 110.0 feet; thence South 72°34'25" West 100.0 feet; thence North 17°25'35" West 110.0 feet: thence Korth 72°34'25" East 100.0 feet; to the true point of beginning.
- ALSO LESS: Beginning at a point that is North 0*00'30" West 524.80 feet from the Southwest Corner of the Northwest Quarter of the Southeast Quarter of said Section 13, and running thence North 0*00'30" West 204.34 feet; thence North 71°38'30" East 34.3 feet; thence South 55*21*30" East 164.16 feet; thence South 49*01*30" East 122.10 feet; thence South 80*52" West 263.1 feet to the point of beginning.
- ALSO LESS: Reginning at a point which is South D°00'25" West 255.0 feet and North 89°34'25" East 836.0 feet from the Southeast Corner of the Northwest Quarter of the Northwest Quarter of Maid Section 13, which corner is North 89°34'25" East 1324.0 feet from the Northwest Corner of the Southwest Quarter of the Northwest Quarter of said Section 13; thence North 50° 26'45" East 302.35 feet; thence North 0°25'35" West 65.78 feet; thence South 68° 35'18" West 334.0 feet; thence South 29°45'35" East 159.20 feet to the true point of beginning.

ALSO LESS: Beginning at a point that is South 2065.10 feet and East 2493.30 feet from the Northwest Corner of said Section 13, and running thence N.72*48'30" 8, 234.06 feet; thence S.12*49' E.47.67 feet; thence S.31*23' E.184.39 feet; thence S.52*01'45" E.39.87 feet; thence N.89*40' W.312.93 feet; thence N.17*11'30" W.164.78 feet to the point of beginning, being Lot 15, Elock 2 of Proposed Valley View Ranch Subdivision, Division No. 1.

SCHEDHLE A (comt.)

- ALSO LESS: Englanding at a point that is South 0"11'15" West along the Section line 1320.0 feet, more or loss from the Aorthwest corner of the Northwest Corner of the Northwest Quarter of sold Section 13, and running thence North 89" AB' 10" Fast 1185.22 feet and Smith 11"05'30" West 20.40 feet to the true point of beginning; thence South 11"05'30" West 1307.01 feet; there North 96"45'10" East 386.93 feet; thence North 53"09'20" East 57.01 feet; thence North 17"11'30" West 675.72 feet; thence South 39"48'30" West 370.79 feet; thence South 0"14'30" East 386.93 feet; thence South 39"48'30" West 370.79 feet; thence South 0"14'30" East 385.16 feet; thence South 39"48'30" West 112.84 feet to the point of beginning.
- ALSO LESS: Beginning at the West Quarter corner of said Section 13, and running thence North 0°13'15" East 992.46 feet; these North 78°46'0" East 602.74 feet to a point on a curve with a radius of 3,918.2" feet (and a tangent that bears South 23°15'27" West), said point being on the Westerly rightaf-way line of U.S. Highway #191; thence to the Westerly right-Southwesterly along the Westerly right-of-way line of U.S. Highway #191, 1154.10 feet; thence North 89°40' West 300.90 feet to the point of beginning...

AMERICAN LAND TITLE CO. P. 0. BOX 732

REXHURG- IDAHO 85460

WARRANTY DEED

For Value Received JOSEPH EDWIN STROBEL and SHAWNA E. STROBEL, husband and wife; DAVID E. BENTON and NARVEL C. BENTON, husband and wife; LLOYD J. BENTON and ELAINE G. BENTON, husband and wife;

the grantor s, do hereby grant, bargain, sell and convey unto

VALLEY VIEW RANCH, INC.

whose current address is 500 South Woodruff Idaho Falls, ID 83401

the grantee , the following described premises, in.....Eremont.........County Idaho, to wit:

Valley View Ranch Subdivision, Division No. 3, Fremont County, Idaho, as per the recorded plat thereof,

ALSO: Valley View Ranch Subdivision, Division No. 2, Fremont County, Idaho, as per the recorded plat thereof,

ALSO: All Additional property within the following description:

The Southeast Quarter of the Northwest Quarter; the Southwest Quarter of the Northeast Quarter; the Northwest Quarter of the Southeast Quarter; the East half of the Southeast Quarter, and Southwest Quarter of the Northwest Quarter, less and excepting that portion of said premises lying and being between the old and reported abandoned U. S. Highway 191, and the new U. S. Highway 191, as now located, all in section 13, Township 15 North, Range 43 East, Boise Meridian, in Fremont County, Idaho.

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, their heirs and assigns forever. And the said Grantors do hereby covenant to and with the said Grantee, that they are the owners in fee simple of said premises; that they are free from all incumbrances

and that the x will warrant and defend the same from all lawful claims whatsoever.

, Idaho

Dated: The States &	Month in the low
Segure Spalle	
David E. Benton	- Marine 2, Benton

STATE OF IDAHO, COUNTY OF BONNEVILLE [2th day of Sept. , 1990, On this before me, a notary public in and for said State, personally J. Edwin Strobel and Shawna E. appeared Strobel, husband and wind; David E. Benton and Marvel C. Benton, husband and wife; Lloyd J. Benton and Elaine G. Benton, hughand and wife. known to me to be the person S whose nameS subscribed to the within instrument, and acknowledged to executed the same. thev me that) Notary Public ٤.

Residing at WALTER & COYLE, Notary Public

Corners Expires My Compilision Expires 6-25-91

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415602 Microfilm No. 13 Dav 115 ,O'eic **MICKIE FUNKE** FREMONT CO. RECO Fee 9 2 Recorded At Requir Umurean Sana's

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AMERICAN LAND TITLE CO

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Instrument No. 584001 28 Day Dec 2020 At 04 O'Clock 42 M ABBIE MACE FREMONT CO RECORDER Fee \$15.00 EL Deputy Recorded at Request of First American Title - Rexburg

WARRANTY DEED

First American Title Company 935016 · RX

Henry Lake Station LLC, an Idaho limited liability company, c/o Todd Winegar, of 523 N Cambridge Circle, Salt Lake City, UT 84404 (hereinafter "Grantor"), for and in consideration of \$10.00 and other good and valuable consideration, hereby transfers, grants, conveys, and warrants unto Invictus LLC, an Idaho limited liability company, c/o Jacquelyn Winegar, 4048 E Catalina Circle, Mesa, Arizona 85206 (hereinafter "Grantee"), the following described real property (hereinafter referred to as the "Subject Property") located in Fremont County, Idaho, to wit:

See Exhibit A, which is attached hereto and incorporated herein by reference.

- **Together with:** Except as provided herein, all and singular the tenements, hereditaments, improvements, appurtenances, easements, rights, appurtenant water rights, and rights of way thereunto belonging or in anywise appertaining, and all fixtures appertaining thereto; the reversion and reversions, remainder and remainders, rents, issues, profits thereof; and all estate, right, title, and interest in and to the said property, as well in law as in equity.
- Subject to: All easements, encumbrances, rights of way, covenants, conditions, restrictions, reservations, patent reservations, dedications, easements, applicable building and zoning ordinances and use regulations and restrictions of record, all facts and circumstances that would be revealed by inspection of the property or inquiry of persons in possession thereof, and payment of present year's property taxes, which are an accruing lien not yet due.

Grantor, for itself, its heirs, successors, and assigns, warrants and represents as follows:

Grantor has the legal right to transfer the real property described herein.

Grantor is the owner in fee simple of the real property described in this Warranty Deed and has the legal right to convey said real property to Grantee.

The real property described in this deed is free from all liens, encumbrances, current year's taxes, levies, and assessments, and defects in title, except as otherwise shown in this deed or of record.

Grantor will forever warrant and defend the title and quiet and peaceful possession of the Subject Property granted by this Warranty Deed to Grantee, its successors in interest, and assigns against all lawful claims.

Effective Date: December 28, 2020.

HENRY LAKE STATION, L.L.C. By: Todd Winegar, Member

Acknowledgment

State of Utah Idaho County of Madison SS.

On this <u>26</u> day of December, 2020, before me, the undersigned, a notary public, personally appeared Todd Winegar, known or identified to me to be the person whose name is subscribed to the within instrument in his capacity as Member of Henry Lake Station, L.L.C., *an Idaho limited liability company*, and acknowledged to me that such limited liability company executed the same.

Notary Public Residing at: REX's wg, IP (Seal)



WARRANTY DEED - PAGE 2 584001

<u>EXHIBIT A</u>

The following real property located in Fremont County, Idaho:

PARCEL 7:

COMMENCING AT A POINT WHICH IS SOUTH 1,920.83 FEET AND EAST 1,286.57 FEET FROM THE NORTHWEST CORNER OF SECTION 13, TOWNSHIP 15 NORTH, RANGE 43 EAST, BOISE MERIDIAN, FREMONT COUNTY, IDAHO, AND RUNNING THENCE SOUTH 89°48'30" WEST 225.17 FEET; THENCE NORTH 11°05'30 EAST 596.69 FEET; THENCE NORTH 89°48'30" EAST 112.84 FEET; THENCE SOUTH 0°14'30" WEST 585.17 FEET TO THE POINT OF BEGINNING.

ALSO BEING DESCRIBED BY SURVEY INSTRUMENT NO. 464668 AS FOLLOWS: A PARCEL OF LAND SITUATED IN THE NORTHWEST ¼ OF SECTION 13, TOWNSHIP 15 NORTH, RANGE 43 EAST, BOISE MERIDIAN, FREMONT COUNTY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF LOT 1, BLOCK 1, VALLEY VIEW RANCH SUBDIVISION NO. 1; THENCE S56°14′39″W A DISTANCE 36.19 FEET TO A POINT ON THE WESTERLY R-O-W LINE OF VALLEY DRIVE SHOWN ON SAID PLAT, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE S00°14′30″W ALONG SAID WESTERLY R-O-W A DISTANCE OF 585.17 FEET; THENCE S89°48′30″W A DISTANCE OF 225.17 FEET TO A FOUND NO. 6 REBAR; THENCE N11°05′30″E A DISTANCE OF 596.69 FEET TO THE SOUTH R-O-W LINE OF SAID VALLEY DRIVE; THENCE N89°48′30″E ALONG SOUTH R-O-W A DISTANCE OF 112.84 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH APPURTENANCES, INCLUDING WITHOUT LIMITATION, THE WELL AND WELL HOUSE THAT IS WITH OR SERVICES THE PROPERTY.

WARRANTY DEED – PAGE 3 584001

Instrument No. 583994 28 Day Dec 2020 At 04 O'Clock 42 M ABBIE MACE FREMONT CO RECORDER Fee \$15.00 EL Deputy Recorded at Request of First American Title - Rexburg

AFTER RECORDING MAIL TO:

Todd Winegar 523 N. Cambridge Circle Salt Lake City, UT 84103

First American Title Company 935D/Le-RX (Space Above For Recorder's Use)

QUITCLAIM DEED

Date: December 28, 2020

FOR VALUE RECEIVED, VALLEY VIEW RENTAL & SALES, L.L.C., a Utah limited liability company, and WENDELL WINEGAR and ELAINE WINEGAR, husband and wife (Grantor), hereby convey, release, remise and forever quit claim unto HENRY LAKE STATION LLC, an Idaho limited liability company, whose address is c/o Todd Winegar, 523 N. Cambridge Circle, Salt Lake City, UT 84103 and c/o Trevor Winegar, 1 Meadows End, Georgetown, TX 78628 (Grantee), the following described premises, to wit:

Lot 21, Block 1, Valley View Ranch Division No. 1, Section 13, Township 15 North, Range 43 East, Boise Meridian, Fremont County, Idaho.

together with its appurtenances.

VALLEY VIEW RENTAL & SALES, L.L.C.

By: <u>Elaine Kir Juniogo 1</u> Elaine Winegar, Member

WENDELL WINEGAR, Individually

ELAINE WINEGAR, Individually

STATE OF HDAHO) County of Weber)

On this <u>24</u>H day of <u>December</u>, 2020, before me, a notary public in and for said State, personally appeared WENDELL WINEGAR and ELAINE WINEGAR, individually and as members of VALLEY VIEW RENTAL & SALES, L.L.C., known or identified to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same.



Aneth <u>Serglifor</u> RY PUBLIC FOR DAHO Utan ATOK' Commission expires: 5/11/2020

EXHIBIT "C"

Island Park Water Company

455 Constitution Way

Idaho Falls, ID 83402

Email:water@ida.net phone 208-521-2369

Island Park Water Company is aware of the extreme frustration that both you and we have faced this past year, with wells being turned on and of without permission, causing huge issues. *We sincerely 'thank those who have helped"*.*!!! THANK YOU!!!* Please know that we are doing everything we can right now to address what has taken place with the most recent vandalism to the upper well and the broken water line by a vehicle that left the road, but as you can understand the winter weather is a huge obstacle. We have been told that Some have water, some of you have frozen service lines, and a few are impacted by what ever damage has taken place with the upper well/break.

To squelch "unfounded rumors being spread about by a few", we wanted to address the issues and hope we can continue to work together to improve the system to better serve those on the upper heights of Valley View so as to eliminate the frustration we all have about tampering with the lower wells, causing so much heartburn for both you and us.

As everyone knows, the original design of the system in 1970 approved by D.O.E. was for Summer Cabins and the water systems designed for summer usage, not year round. Never has Island Park Water Company (I.P.W.C.) stated that no one could use their cabins year-round, and to that end have tried our best to make known that lines freeze and to avoid plowing and methods to maintain an uninterrupted stream of water within the cabin because the system design for summer usage. The original development plans did not require lines to be buried to a deeper depth that would permit yearround usage, as it was never the intent for the water system. Snow pack is the only insulation that helps us maintain the ability to keep the mainlines open in colder months. Removal of snow in the past has caused issues and often results in broken lines etc. The county doesn't maintain the roads. The roads belong to the homeowners.

We are aware of a specific broken line above the upper well. It was scheduled to be fixed as soon as we became aware of it. The contractor was unable to get this done due to big snow storm and freezing of the ground. We can't dig this until early spring for various reasons. Please know we are doing our best to repair and protect the lines and wells, but fracturing of lines is a huge issue which we are aware of. We do not currently know the extent of the damage caused to the upper well with the recent vandalism that took place. As you all know and many have shared with us, it is truly illegal to trespass onto well lots, and illegal to access, or tamper with a public water system. *Yes, we have gladly worked with others in the past and will continue to do so, with the same understanding that only if Roger gives permission, with continual contact with him via cell phone/video BEFORE, DURING & AFTER access can this be. It is for everyone's safety and to protect the wells and system*

We have deep dived into reviewing requests & possible solutions proposed by some of you. These include, the request to sell off part of the system, including disconnection and dividing the system up as it originally was designed, which would allow to either sell to individuals, other companies, or forming Recreational Water Districts or Homeowner Water Association. Also, have had engineers review request to separate the two wells creating two separate systems. *There are multiple possibilities and*

IPWC is willing to do whatever it takes to help all. We believe the end goal would be to have the homeowners give us their feedback and request you call us at 208-521-2369 or email us water@ida.net.

Short of selling directly to individuals, the best solution for the benefit of the majority would to be to form a 'Recreational Water District" giving owners control of the system and individual ownership. This could be two R.W. Districts. This would allow large grants to be applied for and most likely assured they would be awarded if a Recreational Water District. The dead line to apply for future grants is the first part of next January 2024. Another solution would be a "Homeowners Water Association that would also be limited to those currently approved for service with IPWC. We want what you want.

The third solution, in our opinion is the least favorable which is to sell to another interested party that would immediately seek a justifiably huge increase in the yearly water tariff, etc.

We are not asking you to buy the infrastructure system, but work towards a solution of conveying for the benefit of the majority.

We do have people who have contacted us about all of the above options. *Our goal is to see what each of you prefer, your thoughts, your goal and would appreciate a reply either by phone call or email directly to us. 208-521-2369 or water@ida.net*

Again we ask your patience until this repair can be done correctly and safely. Again, please understand that we appreciate your help in the past! We again reiterate that it is illegal to access the wells without our implicit instruction and then only under the supervision of Roger BEFORE, DURING AND AFTER accessing the wells. We do have this recent vandalism under investigation as we stated, it is both trespassing and vandalism to access a public water system without definitive permission to do so. AGAIN, THANK YOU TO THOSE WHO HAVE STEPPED UP IN THE PAST.

We look forward to hearing from you. Working together we believe we can resolve the issues.