

JUN 08 2020

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

IDWR / NORTH Notice of Change in Water Right Ownership

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

Water Right/Claim No.	Split?	Leased to Water Supply Bank?	Water Right/Claim No.	Split?	Leased to Water Supply Bank?
97-7293	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
97-7370	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>		Yes <input type="checkbox"/>	Yes <input type="checkbox"/>

2. Previous Owner's Name: Huckleberry Bay Company
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): Huckleberry at Priest Lake Association, Inc.
New owner(s) as listed on the conveyance document Name connector ☐ and ☐ or ☐ and/or
- 14374 E. Shore Road Coolin ID 83821
Mailing address City State ZIP
208/443-2979 huckbay01@gmail.com
Telephone Email
4. If the water rights and/or adjudication claims were split, how did the division occur? Rights were not split
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 12/31/2019
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).
☒ Filing fee (see instructions for further explanation):
o \$25 per *undivided* water right.
o \$100 per *split* water right.
o No fee is required for pending adjudication claims.
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.
8. Signature: Michael McDowell President 5-26-2020
Signature of new owner/claimant Title, if applicable Date
- Signature: _____
Signature of new owner/claimant Title, if applicable Date

For IDWR Office Use Only:

Received by Ja Date 6-8-2020 Receipt No. N036155 Receipt Amt. 5000
Active in the Water Supply Bank? Yes ☐ No ☐ If yes, forward to the State Office for processing W-9 received? Yes ☐ No ☐
Name on W-9 _____ Approved by _____ Processed by NS Date 6-10-20



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N Mineral Drive, Suite 100 • Coeur D'Alene ID 83815-7763

Phone: (208) 762-2800 • Fax: (208) 762-2819

Website: idwr.idaho.gov • Email: northerninfo@idwr.idaho.gov

BRAD LITTLE
Governor

GARY SPACKMAN
Director

February 8, 2019

HUCKLEBERRY BAY CO
818 W RIVERSIDE STE 300
SPOKANE WA 99201

RECEIVED

JUN 08 2020

IDWR / NORTH

Re:

Transfer No: 82893

Water Right No(s): 97-7293, 97-7370

Transfer Approval Notice

Dear Water Right Holder:

The Department of Water Resources has issued the enclosed approved Transfer of Water Right(s). Please be sure to thoroughly review the conditions of approval and remarks listed on the approval document.

The Transfer of Water Right(s) is a PRELIMINARY ORDER issued by the Department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action by the Department unless the APPLICANT petitions for reconsideration or files an exception and/or brief within fourteen (14) days of the service date as described in the enclosed information sheet.

ANY PERSON aggrieved by any decision, determination, order or action of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Department and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

If the transfer approval includes a condition requiring measuring and recording devices, such devices shall comply with specifications established by the Department. Detailed specifications are available on the Department's home page on the Internet, or you can request a copy by contacting any office of the Department. Please be sure to thoroughly review the specifications to avoid unnecessary costs for reinstallation or modification due to non-conforming or improperly installed devices.

Please note that water right owners are required to report any change of water right ownership and/or mailing address to the Department within 120 days of the change. Failure to report these changes could result in a \$100 late filing fee. Contact any office of the Department or visit the Department's homepage on the Internet to obtain the proper forms and instructions.

If you have any questions, please contact the Northern Region Office at (208) 762-2800.

Sincerely,

A handwritten signature in dark ink, appearing to read "Douglas Jones", written in a cursive style.

Douglas Jones, P.E.
Northern Regional Manager

Enclosure

CERTIFICATE OF SERVICE

I hereby certify that on February 8, 2019 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER (Approved Transfer) to the person(s) listed below:

Re: Transfer No.: 82893

Water Right No(s): 97-7293, 97-7370

**HUCKLEBERRY BAY CO
818 W RIVERSIDE STE 300
SPOKANE WA 99201**

A handwritten signature in cursive script, appearing to read "Tammy Alleman", is written over a horizontal line.

**Tammy Alleman
Administrative Assistant**

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

TRANSFER OF WATER RIGHT
TRANSFER NO. 82893

This is to certify that: HUCKLEBERRY BAY CO
818 W RIVERSIDE STE 300
SPOKANE, WA 99201

has requested a change to the water right(s) listed below. This change in water right(s) is authorized pursuant to the provisions of Section 42-222, Idaho Code. A summary of the changes is also listed below. The authorized change for each affected water right, including conditions of approval, is shown on the following pages of this document.

Summary of Water Rights Before the Proposed Changes

<u>Water Right</u>	<u>Origin/Basis</u>	<u>Priority Date</u>	<u>Diversion Rate</u>	<u>Diversion Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>Source</u>
97-7293	WR/LICENSE	5/26/1989	0.180 cfs	48.6 af	N/A	9.0	GROUND WATER
97-7370	WR/LICENSE	1/24/1996	0.400 cfs	76.5 af	N/A	15.3	GROUND WATER

Purpose of Transfer (Changes Proposed)

<u>Current Number</u>	<u>Split</u>	<u>POD</u>	<u>POU</u>	<u>Add POD</u>	<u>Period of Use</u>	<u>Nature of Use</u>
97-7293	NO	NO	YES	YES	YES	YES
97-7370	NO	NO	YES	YES	YES	YES

Summary Of Water Rights After the Approved Change

<u>Existing Right</u>	<u>New No. (Changed Portion)</u>	<u>Transfer Rate</u>	<u>Transfer Volume</u>	<u>Acre Limit</u>	<u>Total Acres</u>	<u>New No. (remaining portion)</u>	<u>Remaining Rate</u>	<u>Remaining Volume</u>	<u>Remaining Acre Limit</u>	<u>Remaining Total Acres</u>
97-7293	97-7293	0.180 cfs	42.6 af	N/A	N/A	N/A	N/A	N/A	N/A	N/A
97-7370	97-7370	0.400 cfs	66.4 af	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COMBINED TOTALS		0.400 cfs	109.0 af	N/A	N/A		N/A	N/A	N/A	N/A

This water right(s) is subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources. Detailed Water Right Description(s) attached.

Dated this 8th day of February, 2019

Douglas Jones
DOUGLAS JONES, Northern Regional Manager

WATER RIGHT NO. 97-7293

As Modified by Transfer No. 82893

In accordance with the approval of Transfer No. 82893, Water Right No. 97-7293 is now described as follows:

Right Holder: HUCKLEBERRY BAY CO
818 W RIVERSIDE STE 300
SPOKANE, WA 99201

Priority Date: 5/26/1989

Source: GROUND WATER

BENEFICIAL USE
MUNICIPAL

From
01/01

To
to 12/31

Diversion Rate
0.180 cfs
0.180 cfs

Diversion Volume
42.6 af
42.6 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County
GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County
GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County

CONDITIONS OF APPROVAL

1. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
2. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
3. Right holder shall comply with the drilling permit requirements of Idaho Code § 42-235 and applicable Well Construction Rules of the Department.
4. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
5. Place of use is within the area served by the public water supply system of Huckleberry Bay Water System ID1090209. The place of use is generally located within Sections 15, 22, 23, 27, 26, 34 & 35, Township 62 North, Range 04 West and Sections 3 & 9, Township 61 North, Range 04 West.
6. A map generally depicting the service area for this water right at the time of this approval is attached to this document for illustrative purposes.
7. The following rights are diverted through point(s) of diversion described above: 97-7293 & 97-7370.
8. Rights 97-7293 and 97-7370 when combined shall not exceed a total diversion rate of 0.40 cfs and a total annual maximum diversion volume of 109.0 af at the field headgate.

WATER RIGHT NO. 97-7293
As Modified by Transfer No. 82893

CONDITIONS OF APPROVAL

9. This right does not grant any right-of-way or easement across the land of another.

WATER RIGHT NO. 97-7370

As Modified by Transfer No. 82893

In accordance with the approval of Transfer No. 82893, Water Right No. 97-7370 is now described as follows:

Right Holder: HUCKLEBERRY BAY CO
818 W RIVERSIDE STE 300
SPOKANE, WA 99201

Priority Date: 1/24/1996

Source: GROUND WATER

BENEFICIAL USE
MUNICIPAL

From
01/01

To
to 12/31

Diversion Rate
0.400 cfs
0.400 cfs

Diversion Volume
66.4 af
66.4 af

LOCATION OF POINT(S) OF DIVERSION

GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County
GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County
GROUND WATER	L4 (SWSE)	Sec 27 Twp 62N Rge 04W BONNER County

CONDITIONS OF APPROVAL

1. The right holder shall accomplish the change authorized by this transfer within one year of the date of this approval.
2. Failure of the right holder to comply with the conditions of this transfer is cause for the Director to rescind approval of the transfer.
3. Right holder shall comply with the drilling permit requirements of Idaho Code § 42-235 and applicable Well Construction Rules of the Department.
4. After specific notification by the Department, the right holder shall install a suitable measuring device or shall enter into an agreement with the Department to use power records to determine the amount of water diverted and shall annually report the information to the Department.
5. Place of use is within the area served by the public water supply system of Huckleberry Bay Water System ID1090209. The place of use is generally located within Sections 15, 22, 23, 27, 28, 34 & 35, Township 62 North, Range 04 West and Sections 3 & 9, Township 61 North, Range 04 West.
6. A map generally depicting the service area for this water right at the time of this approval is attached to this document for illustrative purposes.
7. The following rights are diverted through point(s) of diversion described above: 97-7293 & 97-7370.
8. Rights 97-7293 and 97-7370 when combined shall not exceed a total diversion rate of 0.40 cfs and a total annual maximum diversion volume of 109.0 af at the field headgate.

Huckleberry Bay Co

Attachment to Transfer # 82893

Rights 97-7293 and 97-7370

This map depicts the MUNICIPAL place of use boundary for this water right at the time of this approval and is attached to the approval document solely for illustrative purposes.



⊙ Point of Diversion

Water Service Area Boundary

▭ Townships

▭ PLS Sections

▭ Quarter Quarters

0 0.5 1 2 Miles



WATER RIGHT NO. 97-7370
As Modified by Transfer No. 82893

CONDITIONS OF APPROVAL

9. This right does not grant any right-of-way or easement across the land of another.

RECEIVED
JUN 08 2020
IDWR / NORTH

ASSIGNMENT, DELEGATION AND TRANSFER AGREEMENT

This Assignment, Delegation and Transfer Agreement ("Agreement") is made effective the ____ day of December, 2019 ("Effective Date"), regardless of when signed, by and among Huckleberry Bay Company, a Washington corporation ("Developer" under The Plan, referred to herein as "HBC"), Huckleberry at Priest Lake Association, Inc., an Idaho Nonprofit Corporation (the "PUD" under the Plan, referred to herein as the "Association"), and Goodale & Barbieri Company, a Washington Corporation ("G&B"), collectively the "Parties".

RECITALS

A. HBC established Huckleberry at Priest Lake as a planned unit development ("PUD") including common areas, backlands, lake frontage, and secondary lots on the east side of Priest Lake, Idaho in 1988.

B. HBC recorded "The Plan of Huckleberry at Priest Lake" on December 13, 1988 as Bonner County Instrument No. 356533 (the "Plan").

C. The PUD currently consists of nine (9) Named Additions, each established with a separate Declaration, and collectively organized under the Plan:

1. Canoe Point Family Estates
2. Cedars at Huckleberry Bay
3. Huckleberry Bay Addition
4. Huckleberry Family Estates
5. Huckleberry Waterfront Estates
6. Ridgeview Terrace
7. Sandy Shores Addition
8. Sandy Shores Ridge Addition
9. South Shores Addition

D. Pursuant to the Plan, HBC formed Huckleberry at Priest Lake Association, Inc., an Idaho nonprofit corporation ("Association"). The Association is governed by Articles of Incorporation recorded with the Idaho Secretary of State on November 19, 1990, and Bylaws.

E. Owners of residential properties located in the PUD are referred to as Unit Owners. Each Unit Owner is a member of the Association.

F. Overall supervision and operation of the PUD is the responsibility of the Administrator, as described in Section 9 of the Plan. To date, HBC has served as the Administrator.

G. The PUD includes designated private ways, common areas, private recreational areas, leased areas, recreational easements, preserve areas and semipublic recreational or service areas (collectively the "Property").

H. In its capacity as Administrator, HBC created and maintains a Maintenance Fund ("Association Funds") funded by Maintenance Assessments imposed on Unit Owners to maintain, repair and replace common areas and facilities.

I. The PUD includes the building housing the North of the Narrows Fire District and the community center.

J. HBC formed Huckleberry Bay Water System, LLC and Huckleberry Bay Sewer System, LLC as Idaho limited liability companies, with Huckleberry Bay Company as the sole member of each entity on October 22, 2004.

K. The Plan provides, in pertinent part:

"9.4 Required Transfer of Functions. At such time as the Developer deems it desirable, or in any event when the development of Huckleberry at Priest Lake is substantially completed, Developer will delegate and assign to the Huckleberry Association all of its powers and responsibilities given to or imposed upon it by this Plan of Huckleberry or by any Huckleberry declaration, will convey to the Huckleberry Association all of its right, title and interest in and to the private ways, common areas, private recreational areas, leased areas, recreational easements, preserve areas and semipublic recreational or service areas, and will transfer over to the Huckleberry Association all moneys then in the maintenance fund and the Huckleberry Association shall accept the same.

The Development of Huckleberry at Priest Lake shall be deemed to be substantially complete at the earlier of (a) the time when Developer shall declare it to be so; (b) the time when Developer shall have sold 90 percent of the units, and leased or converted into common areas, private ways, private areas, recreational easements, semipublic recreational or service areas, or public streets roads or parks, all of the total land area within Huckleberry at Priest Lake; or (c) January 1, 2018."

L. The Association appointed a transition team to assist and help facilitate the required transfer functions referenced in Paragraph 9.4 of the Plan. The required transfer of functions referenced in paragraph 9.4 of the Plan has been accomplished through a transition period of several months and is culminated and finalized by this Agreement and the procedures to be performed hereunder as of the Transfer Date as defined in Paragraph 1 below.

M. At the Association Annual Meeting held on July 1, 2017, the Association approved the Huckleberry Bay at Priest Lake Required Transfer of Functions and Agreement ("Transfer Agreement") (Exhibit A), which, among other things, extended the transfer of functions date to December 31, 2019 to be accomplished in coordination with HBC and G & B.

AGREEMENT

Now, therefore, in consideration of the above-indicated Recitals (which are a material part hereof) and the mutual benefits, promises, agreements and undertakings contained herein and other valuable consideration, the Parties hereto agree as follows:

1. **Transfer of Functions.** Subject to the terms and conditions of this Agreement and all accompanying documents, agreements and exhibits hereto, HBC hereby (A) assigns, delegates and transfers to the Association all its powers and responsibilities given to or imposed upon it by the Plan or in any other way which relates to the PUD and (B) conveys to the Association all of its right, title and interest in and to the private ways, common areas, private recreational areas, leased areas, recreational easements, preserve areas and semipublic recreational or service areas ("PUD Property") and transfers to the Association all moneys constituting the Association Funds as of the 31st day of December, 2019 (the "Transfer Date"); and the Association hereby accepts from HBC such transfer and assumes all powers and responsibilities as Administrator under the Plan or otherwise (collectively the "Transfer") from and after the Transfer Date.

2. **Representations Relating to the Transfer.** As of the Effective Date and subject to the procedures to be accomplished hereunder at the Transfer Date, all requirements and tasks to be performed and taken pursuant to the Transfer Agreement have been fully satisfied or are hereby waived, the Parties represent and warrant that they have no claims against one another, except for performance required under this Agreement.

3. **HBC Transfer Procedures.** To accomplish the Transfer, HBC shall deliver the following effective on the Transfer Date:

- A. Huckleberry Bay at Priest Lake Required Transfer of Functions and Agreement ("Transfer Agreement")
- B. Quit Claim Deed
- C. HBC Bill of Sale to the Association
- D. HBC Assignment to the Association
- E. HBC Resolution adopting Transfer Agreement
- F. G & B Assignment to the Association
- G. G & B Resolution adopting Transfer Agreement
- H. Sewer, LLC Resignation of Manager
- I. Sewer, LLC Resolutions
- J. Sewer, LLC Assignment of Membership Interest in Sewer, LLC to the Association
- K. Sewer, LLC Unanimous Consent
- L. Association Acknowledgment and Acceptance – Sewer, LLC

- M. Water, LLC Resignation of Manager
- N. Water, LLC Resolutions
- O. Water, LLC Assignment of Membership Interest in Water, LLC to the Association
- P. Water, LLC Unanimous Consent
- Q. Association Acknowledgment and Acceptance – Water, LLC
- R. Association Resolution adopting Transfer Agreement
- S. Association Acceptance of Assignment, Delegation and Transfer
- T. Association Minutes of BOD accepting the above

4. Association Transfer Procedures. To accomplish the Transfer, the Association shall deliver the following effective on the Transfer Date:

- A. Acknowledgment and Acceptance of Sewer, LLC Membership (Exhibit L).
- B. Acknowledgment and Acceptance of Water, LLC Membership (Exhibit Q).
- C. Association Resolution adopting this Agreement (Exhibit T).

5. Acknowledgment and Acceptance by Association. It is understood and agreed that the Transfer involves used equipment of HBC, the Association, Water, LLC and Sewer, LLC, that is being transferred “as is, where is” with all faults. The Association and its advisors will be or have been given ample opportunity to inspect all assets, including the equipment and at its discretion has caused such assets to be inspected by a qualified inspector of its choice and to advise the Association with respect to the condition of such assets and their suitability for the intended use.

6. Due Diligence. The Parties acknowledge that they have independently performed such due diligence concerning the Transfer and the procedures referenced in this Agreement as they believed to be necessary. The Parties have retained attorneys, accountants, and other advisors, at their own expense, to conduct operational, financial and legal due diligence concerning all matters of the Association and the acceptability of the Transfer and this Agreement and hereby hold each other harmless with respect thereto.

7. Indemnification.

A. HBC Indemnification. HBC agrees to indemnify, defend, and hold the Association and its officers, directors, owners and affiliates harmless from any claims, judgments, lawsuits, actions, damages, liability, and/or obligations (including costs and attorneys’ fees) arising in contract or tort, arising out of or related to actions of HBC acting as Administrator of the PUD prior to the Transfer Date, unless HBC is presently indemnified for any such claim under the Plan or any related document.

B. Association Indemnification. The Association agrees to indemnify, defend and hold HBC and its officers, directors, owners and affiliates harmless from any claims, judgments, lawsuits, actions, damages, liability, and/or obligations (including costs and attorneys' fees) arising in contract or tort, arising out of or related to:

- i. The Association's operation of the Association, and
- ii. The actions of the Association acting as Administrator of the PUD from and after the Transfer Date.

8. Further Documents. The Parties agree to provide in a timely manner such further documents, instruments, or certificates as shall be reasonably requested by any Party in connection with the Transfer or this Agreement.

9. Closing. The Closing of the transactions contemplated by this Agreement and all delivery of signed documents to be provided under this Agreement shall be delivered, prior to the Transfer Date, to Evans, Craven & Lackie, P.S., 818 W. Riverside Avenue, Suite 250, Spokane, WA 99201, attention: James F. Topliff.

8. Dispute Resolution. Other than in an action for equitable relief, any controversy or claim arising out of or relating to this Agreement, or the breach of any provision of this Agreement, shall be settled as follows:

Disputes hereunder shall be governed by Idaho Law. First, the parties shall participate in mediation with a mediator of their mutual choice. Completion of mediation shall be a condition precedent to the commencement of any other form of dispute resolution. If the parties are unable to agree upon a mediator, either may request that one be appointed by the Seattle office of JAMS. If the mediation process does not result in resolution of the dispute it shall be resolved by binding arbitration pursuant to the Uniform Arbitration Act. There shall be a single arbitrator who shall conduct the hearing in Spokane, Washington. The arbitrator's award may be confirmed as a judgment in any state or federal court located in Spokane County, Washington or Bonner County, Idaho.

9. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been given (i) when hand delivered (including delivery by messenger or courier service) to the addresses set forth below, or if such delivery is refused, when such delivery is refused, (ii) when received or refused as evidenced by the postal receipt if sent by United States mail as Certified Mail, Return Receipt Requested, with proper postage prepaid, addressed as set forth below or (iii) when received as evidenced by an electronic transmission report (or similar) of the transmitting party acknowledging a good transmission set forth below:

If to HBC or G&B:

Huckleberry Bay Company
Goodale & Barbieri
Attn: Thomas M. Barbieri, President
818 W. Riverside Avenue, Suite 300
Spokane, WA 99201
Phone: (509) 455-5200
Facsimile: (509) 455-3632

If to Association:

Huckleberry at Priest Lake Association, Inc.
Attn: Mick McDowell, President
c/o Emily Foil, Registered Agent
14374 Eastshore Road
Coolin, ID 83821

In all instances with a copy to:

Evans, Craven & Lackie, P.S.
Attn: James F. Topliff
818 W. Riverside Avenue, Suite 250
Spokane, WA 99201

10. **Construction.** The Parties have participated jointly in the negotiation and drafting of this Agreement and all exhibits, documents and procedures provided pursuant hereto. In the event an ambiguity or question of intent or interpretation arises, this Agreement and all exhibits, documents and procedures pursuant hereto shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship.

11. **Counterparts.** This Agreement may be executed in one or more counterparts and by electronic (email) transmission and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, shall be construed together, and shall constitute one and the same document.

12. **Headings.** The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

13. **Assignment, Successors and No Third-Party Rights.** No Party may assign any of its rights under this Agreement without the prior written consent of the other Parties. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any person other than the Parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their successors and assigns.

14. **Modification.** No revision or modification of this Agreement shall be effective unless it is in writing and signed by an authorized representative of each of the Parties.

15. **Entire Agreement.** This Agreement and the Exhibits attached hereto constitute

the final expression of the agreement of the Parties with respect to the subject matter hereof, is intended as a complete and exclusive statement of the terms of such agreement, and supersedes all prior and concurrent promises, proposals, representations, negotiations, communications, letters, discussions and agreements that may have been made in connection with the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date first above written.

HUCKLEBERRY BAY COMPANY

By: 
Thomas M. Barbieri, President

HUCKLEBERRY AT PRIEST LAKE ASSOCIATION, INC.

By: 
Michael "Mick" McDowell, President

GOODALE & BARBIERI

By: 
Thomas M. Barbieri, President

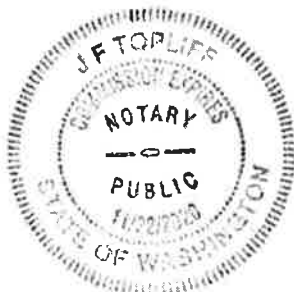
STATE OF WASHINGTON)

: ss.

County of Spokane)

I certify that I know or have satisfactory evidence that Thomas M. Barbieri is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Huckleberry Bay Company, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 18th day of December, 2019.



J. Scott Miller
NOTARY PUBLIC in and for the State of
Washington, residing at Spokane
My commission expires 11/22/2020

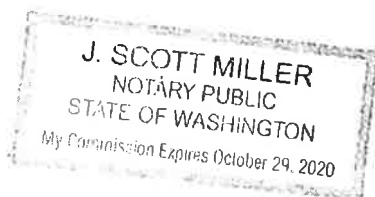
STATE OF WASHINGTON)

: ss.

County of Spokane)

I certify that I know or have satisfactory evidence that Michael "Mick" McDowell is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Huckleberry at Priest Lake Association, an Idaho Nonprofit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 21st day of December, 2019.



J. Scott Miller
NOTARY PUBLIC in and for the State of
Washington, residing at Spokane
My commission expires 10-29-2020

STATE OF WASHINGTON)

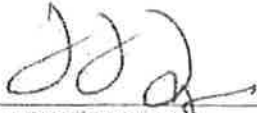
: ss.

County of Spokane)

I certify that I know or have satisfactory evidence that Thomas M. Barbieri is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Goodale & Barbieri, a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 18th day of December, 2019.




NOTARY PUBLIC in and for the State of
Washington, residing at Spokane
My commission expires 11/22/2020

**RESOLUTION
OF
HUCKLEBERRY BAY COMPANY**

**RECEIVED
JUN 08 2020
IDWR / NORTH**

Effective the 31st day of December, 2019, Huckleberry Bay Company ("Corporation") adopted the following resolution:

RESOLVED, that the Corporation approves the Assignment, Delegation and Transfer Agreement including all Exhibits A through T; and

RESOLVED, that Thomas M. Barbieri, President of the Corporation, is authorized to sign such documents and other related agreements necessary to complete the Required Transfer.

Dated effective the 31st day of December, 2019 regardless of when signed.



Stephen Barbieri, Secretary

EXHIBIT
E

RECEIVED
JUN 08 2020
IDWR / NORTH

Instrument # 955652
Bonner County, Sandpoint, Idaho
04/15/2020 12:49:55 PM No. of Pages: 12
Recorded for: EVANS, CRAVEN & LACKIE, P.S.
Michael W. Rosedale Fee: \$15.00
Ex-Officio Recorder Deputy rlaherty
Index to: QUIT CLAIM DEED

QUIT CLAIM DEED

Grantor: Huckleberry Bay Company, for itself and as the Administrator of Huckleberry Bay at Priest Lake

Grantee: Huckleberry at Priest Lake Association, Inc.

Legal Description (abbrev.): Sections: 15; 22; 23; 26; 27; and 35; Township: 62; and
Section 3 Township 61

See attached for full legal descriptions

Assessor's Tax Parcel ID#s (11 parcels): (1) RP62N04W159003A; (2) RP62N04W232400A;
(3) RP62N04W262401A; (4) RP62N04W270006A; (5) RP62N04W354201A;
(6) RP056520000CAAA; (7) RP056560000CAAA; (8) RP056560000CA0A;
(9) RP00808000COMAA; (10) RP62N04W220002A; and (11) RP054040000CAAA

The Grantor, Huckleberry Bay Company, a Washington Corporation, for itself and as the Administrator of Huckleberry Bay at Priest Lake, for good and valuable consideration, does hereby remise, release, convey and quit claim to Huckleberry at Priest Lake Association, Inc., an Idaho nonprofit corporation, all its right, title and interest, if any, in and to the following described real estate, situated in the County of Bonner, State of Idaho:

See Attached for legal descriptions of all eleven (11) parcels.

Including the conveyance of all of Grantor's interest in water rights associated with these Parcels, including State of Idaho Department of Water Resources Water Rights #97-7293 and #97-7370.

SUBJECT TO easements, assessments, taxes, agreements, covenants, restrictions, reservations, encumbrances and surveys of record.

DATED this 31st day of December, 2019.

HUCKLEBERRY BAY COMPANY



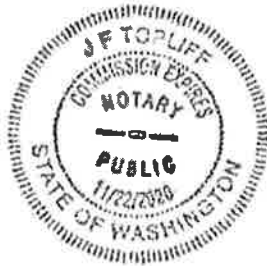
Thomas M. Barbieri, President

EXHIBIT
B

) ss.

)

GIVEN under my hand and official seal this 3rd day of December, 2019.



NOTARY PUBLIC in and for the State of
Washington, residing at Spokane
My commission expires 11/22/2020

PARCEL 1: Government Lots 1 and 2 of Section 15, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho.

EXCEPT: The Plat of Canoe Point Family Estates, according to the plat thereof, recorded as Instrument No. 382413, in Book 4 of Plats, page 101, records of Bonner County, Idaho.

ALSO EXCEPT:

That portion lying in Section 15, Township 62N, R4W of:

a parcel of land (herein referred to as **Parcel 1 of Huckleberry Family Estates**) lying in a portion of Government Lots 1 and 2 of Section 15, and in a portion of the North half of Section 22, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho, more particularly described, as appropriate as follows:

Commencing at the Section corner common to Sections 14, 15, 22 and 23, a found 3 1/4" aluminum cap, monumenting said corner, which bears North 89°31'31" East, 2289.93 feet from the West meander corner common to said Sections 15 and 22, a found 3 1/4" aluminum cap, monumenting said corner; thence South 89°31'31" West 855.07 feet, along the East-West section line common to said Sections 15 and 22, to a point in the centerline of an existing 40' wide road and utility easement, known as Canoe Point Road, as shown on the plat of Canoe Point Family Estates, as recorded in Book 4 of Plats, Page 101, records of Bonner County, Idaho, and the POINT OF BEGINNING;

Thence leaving said East-West section line, Northerly along said existing road and utility easement the following two (2) described courses:

continued on next page

- 1) North 6°21'52" East, 79.55 feet;
- 2) North 12°20'46" West, 42.62 feet to a point on the Southerly boundary line of said Canoe Point Family Estates plat;

Thence leaving the centerline of said road and utility easement, Southwesterly and Northwesterly along the exterior boundary of said Canoe Point Family Estates plat, the following fifteen (15) described courses:

- 1) South 89°31'31" West, 212.95 feet to the Southwest corner of Lot C of said plat;
- 2) North 17°40'40" West, 353.76 feet along the Westerly line of said Lot C to a point in the centerline of an existing 40 foot wide road and utility easement, known as East Canoe Point Road, as shown on said plat;
- 3) North 71°17'11" West, 18.24 feet along said centerline of East Canoe Point Road, to a point of intersection with an existing 40 foot wide road and utility easement known as West Canoe Point Road, said point also being the intersection of North Canoe Point Road, a 40 foot wide road and utility easement, as shown on said plat;
- 4) South 57°34'27" West, 80.69 feet along the centerline of said West Canoe Point Road;
- 5) South 43°21'32" West, 164.31 feet along said centerline of West Canoe Point Road to a point in the center of a cul-de-sac as shown on said plat;
- 6) South 50°58'37" West, 49.67 feet along the centerline of an existing 40 foot wide utility easement as shown on said plat;
- 7) South 65°14'31" West, 72.11 feet along the centerline of said utility easement;
- 8) South 56°50'42" West, 28.23 feet along said centerline;
- 9) South 52°18'08" West, 27.89 feet along said centerline;
- 10) South 32°09'33" West, 32.02 feet along said centerline;
- 11) South 26°34'40" West, 29.70 feet along said centerline;

- 12) South 16°2'44" West, 28.53 feet along said centerline;
- 13) South 12°22'59" West, 32.62 feet along said centerline;
- 14) South 4°55'42" West, 39.93 feet along said centerline;
- 15) South 3°38'51" West, 68.85 feet along said centerline to a point of intersection with said East-West section line common to Sections 15 and 22;

Thence leaving the boundary of said Canoe Point Family Estates plat, North 89°31'31" East, 13.64 feet along said East-West section line, to a found 3 1/4" aluminum cap monumenting the Northeast corner of State of Idaho property; thence leaving said East-West section line, South 12°16'14" West, 827.05 feet along the East line of the State of Idaho property to a point; thence leaving the East line of said State of Idaho property, East 1031.50 feet to a point in the centerline of a 40 foot wide utility easement; thence Northwesterly and Northeasterly along the centerline of said utility easement the following eight (8) described courses:

- 1) North 4°01'51" West, 85.23 feet;
- 2) North 17°24'08" West, 101.53 feet;
- 3) North 33°11'22" West, 97.78 feet;
- 4) North 39°02'16" West, 100.13 feet;
- 5) North 23°25'37" West, 52.40 feet;
- 6) North 7°17'12" West, 56.25 feet;
- 7) North 13°31'16" East, 63.69 feet;
- 8) North 43°35'33" East, 98.67 feet, to a point in the centerline extended of said existing 40 foot wide road and utility easement known as Canoe Point Road;

Thence Northwesterly and Northeasterly along said extended centerline and centerline of Canoe Point Road the following two (2) described courses:

- 1) North 12°32'29" West, 202.13 feet;
- 2) North 6°21'52" East, 38.23 feet to the point of beginning.

Parcel Number: RP62N04W159003A; approximately 25.61 acres

PARCEL 2: The West half of Section 23, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho.

Parcel Number: RP62N04W232400A; approximately 320 acres

PARCEL 3: The West half of Section 26, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho;

EXCEPT: that portion of the Plat of Ridgeview Terrace as recorded in Book 5 of Plats, Page 7, Records of Bonner County, Idaho, which lies in Section 26.

Parcel Number: RP62N04W262401A; approximately 162.42 acres

PARCEL 4: All of Section 27, Township 62 North, Range 4 West, Boise Meridian, that lies east of the western Right of Way of the Eastshore Road, Bonner County, Idaho;

Parcel Number: RP62N04W270006A; *approximately 67.298 acres*

PARCEL 5: Government Lots 2, 3, 4 and 5; the Northeast quarter of the Northwest quarter; the Southeast quarter of the Southwest quarter of Section 35, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho.

EXCEPT: The plat of Huckleberry Bay Addition, according to the plat thereof, recorded in Book 5 of Plats, Page 5, records of Bonner County, Idaho;

ALSO EXCEPT: The Plat of Cedars as recorded in Book 11 of Plats, Page 44, records of Bonner County, Idaho.

Parcel Number: RP62N04W354201A; approximately 145.295 acres

PARCEL 6: Common Area as depicted on the Plat of Huckleberry Bay Addition Planned Unit Development, according to the plat recorded in Book 5 of Plats at Page 5, records of Bonner County Idaho, as amended by the boundary line adjustment at Lot 24 of Ridgeview Terrace Subdivision as recorded in Book 5 of Plats at Page 7 records of Bonner County Idaho described as follows:

Beginning at the Northwest corner of Lot 24 of Ridgeview Terrace Subdivision, according to the plat thereof, recorded in Book 5 of Plats, Page 7, Records of Bonner County, Idaho, thence S5°03'41"W, 26.96 feet along the West line of said Lot 24; thence S82°22'21"E, 58.73 feet to a point on the North line of said Lot 24; thence N58°10'29"W (Record N58°10'13"W) a distance of 28.66 feet; thence N38°43'00"W, 86.04 feet to a point on the North line of said Lot 24; thence S58°10'29"E (Record S58°10'13"E) a distance of 81.14 feet along said North line to the Point of Beginning, along with their appurtenances and which real estate is pictorially depicted on Exhibit A attached hereto.

Parcel Number: RP056520000CAAA; approximately 159.88 Acres

See Exhibit A on following page



7

PARCEL 7: 35-62N-4W CEDARS AT COMMON AREA A
HUCKLEBERRY

Common Area A as depicted on the Plat of Cedars at Huckleberry, according to the plat recorded in Book 11 of Plats at Page 44, records of Bonner County Idaho.

Parcel Number: RP056560000CAAA; Parcel Size: 2.50 Acres

PARCEL 8: 35-62N-4W CEDARS AT COMMON AREA HUCKLEBERRY

Common Area as depicted on the Plat of Cedars at Huckleberry, according to the plat recorded in Book 11 of Plats at Page 44, records of Bonner County Idaho.

Parcel Number: RP056560000CA0A; Parcel Size: 3.79 Acres

PARCEL 9: RP00808000COMAA; Parcel Size: 156.94 Acres

Common Area as depicted on the Plat of Sandy Shores, according to the plat recorded in Book 4 of Plats at Page 75, records of Bonner County Idaho; as amended by the Plat of Sandy Shores Ridge, according to the plat recorded in Book 11 of Plats at Page 50, records of Bonner County Idaho.

Continue to following pages for Parcels 10 and 11

PARCEL 10: RP62N04W220002A; approximately 204.54 acres

All that portion of Section 22, Township 62 North, Range 4 West, Boise Meridian, Bonner County, Idaho, lying South and East of the following described line:

Commencing at the Northeast corner of said Section 22; thence North 89°25'03" West, along the North line of said Section 22, 1573.49 feet to an iron pin which is the **POINT OF BEGINNING** for this description;

Thence South 12°19'36" West, 1158.66 feet to an iron pin; thence South 15°14'54" West, 684.67 feet to an iron pin; thence South 8°56'24" West, 647.57 feet to an iron pin; thence South 6°33'32" West, 930.75 feet to an iron pin; thence South 7°00'00" West, 1096.73 feet to an iron pin; thence South 1°21'42" West, 849.60 feet to an iron pin on the South line of said Section 22 which is 2361.90 feet, South 89°21'51" West of the Southeast corner of said Section 22, said iron pin being the terminal point for this described line. As shown on record of survey conducted by Robert S. Nobis, recorded March 12, 1987, an instrument No. 332302.

EXCEPT that portion lying in Section 22, Township 62 North, Range 4 West, Boise Meridian, of Bonner County, Idaho:

Commencing at the Section corner common to Sections 14, 15, 22 and 23, a found 3 1/4" aluminum cap, monumenting said corner, which bears North 89°31'31" East, 2289.93 feet from the West meander corner common to said Sections 15 and 22, a found 3 1/4" aluminum cap, monumenting said corner; thence South 89°31'31" West 855.07 feet, along the East-West section line common to said Sections 15 and 22, to a point in the centerline of an existing 40' wide road and utility easement, known as Canoe Point Road, as shown on the plat of Canoe Point Family Estates, as recorded in Book 4 of Plats, Page 101, records of Bonner County, Idaho, and the **POINT OF BEGINNING**;

Thence leaving said East-West section line, Northerly along said existing road and utility easement the following two (2) described courses:

CONTINUED ON NEXT PAGE

- 1) North 6°21'52" East, 79.55 feet;
- 2) North 12°20'46" West, 42.62 feet to a point on the Southerly boundary line of said Canoe Point Family Estates plat;

Thence leaving the centerline of said road and utility easement, Southwesterly and Northwesterly along the exterior boundary of said Canoe Point Family Estates plat, the following fifteen (15) described courses:

- 1) South 89°31'31" West, 212.95 feet to the Southwest corner of Lot C of said plat;
- 2) North 17°40'40" West, 353.76 feet along the Westerly line of said Lot C to a point in the centerline of an existing 40 foot wide road and utility easement, known as East Canoe Point Road, as shown on said plat;
- 3) North 71°17'11" West, 18.24 feet along said centerline of East Canoe Point Road, to a point of intersection with an existing 40 foot wide road and utility easement known as West Canoe Point Road, said point also being the intersection of North Canoe Point Road, a 40 foot wide road and utility easement, as shown on said plat;
- 4) South 57°34'27" West, 80.69 feet along the centerline of said West Canoe Point Road;
- 5) South 48°21'32" West, 164.31 feet along said centerline of West Canoe Point Road to a point in the center of a cul-de-sac as shown on said plat;
- 6) South 50°58'37" West, 49.67 feet along the centerline of an existing 40 foot wide utility easement as shown on said plat;
- 7) South 65°14'31" West, 72.11 feet along the centerline of said utility easement;
- 8) South 56°50'42" West, 28.23 feet along said centerline;
- 9) South 52°18'08" West, 27.89 feet along said centerline;
- 10) South 32°09'33" West, 32.02 feet along said centerline;
- 11) South 26°34'40" West, 29.70 feet along said centerline;

PARCEL 10: RP62N04W220002A

CONTINUED ON NEXT PAGE

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- 14) South 4°55'42" West, 39.93 feet along said centerline;
- 15) South 3°38'51" West, 68.85 feet along said centerline to a point of intersection with said East-West section line common to Sections 15 and 22;

Thence leaving the boundary of said Canoe Point Family Estates plat, North 89°31'31" East, 13.64 feet along said East-West section line, to a found 3 1/4" aluminum cap monumenting the Northeast corner of State of Idaho property; thence leaving said East-West section line, South 12°16'14" West, 827.05 feet along the East line of the State of Idaho property to a point; thence leaving the East line of said State of Idaho property, East 1031.50 feet to a point in the centerline of a 40 foot wide utility easement; thence Northwesterly and Northeasterly along the centerline of said utility easement the following eight (8) described courses:

- 1) North 4°01'51" West, 85.23 feet;
- 2) North 17°24'08" West, 101.53 feet;
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Thence Northwesterly and Northeasterly along said extended centerline and centerline of Canoe Point Road the following two (2) described courses:

- 1) North 12°32'29" West, 202.13 feet;
- 2) North 6°21'52" East, 38.23 feet to the point of beginning.

Instrument # 955652

04/15/2020 12:49:55 PM Page 12 of 12

PARCEL 11: Common Area and private roads as depicted on the Plat of South Shores Addition to Huckleberry at Priest Lake Planned Unit Development, according to the plat recorded in Book 5 of Plats at Page 149, records of Bonner County Idaho.

RP054040000CAAA; approximately 30.6 acres

**RESOLUTIONS
OF
HUCKLEBERRY BAY WATER SYSTEM, LLC**

**RECEIVED
JUN 08 2020
IDWR / NORTH**

Effective the 31st day of December, 2019, Huckleberry Bay Water System, LLC ("Company")

adopted the following resolution:

RESOLVED, that the Company acknowledges that Dean Fiedler, Michael Fancher and David M. Bell shall continue to serve as Managers of the Company until their successors are appointed; and

RESOLVED, that the Company approves the Assignment, Delegation and Transfer Agreement including all Exhibits A through T; and

RESOLVED, that Dean Fiedler, Michael Fancher and David M. Bell as managers are authorized to sign such documents and other related agreements necessary to complete the Required Transfer on behalf of the Company; and

RESOLVED, that Michael "Mick" McDowell shall serve as Tax Matters Member.

Dated effective the 31st day of December, 2019 regardless of when signed.

Sole Member:
Huckleberry at Priest Lake Association, Inc.


Michael "Mick" McDowell, President

Accepted:

Managers:

Dean Fiedler, Manager

Michael Fancher, Manager

David Bell, Manager

N

**RESOLUTIONS
OF
HUCKLEBERRY BAY WATER SYSTEM, LLC**

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RESOLVED, that Michael "Mick" McDowell shall serve as Tax Matters Member.

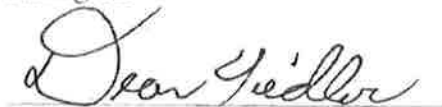
Dated effective the 31st day of December, 2019 regardless of when signed.


Sole Member:
Huckleberry at Priest Lake Association, Inc.


Michael "Mick" McDowell, President

Accepted:

Managers:


Dean Fiedler, Manager


Michael Fancher, Manager

David Bell, Manager

N

**RESOLUTIONS
OF
HUCKLEBERRY BAY WATER SYSTEM, LLC**

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Dated effective the 31st day of December, 2019 regardless of when signed.

Sole Member:
Huckleberry at Priest Lake Association, Inc.

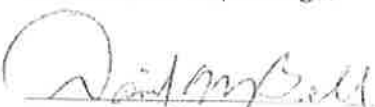
Michael "Mick" McDowell, President

Accepted:

Managers:

Dean Fiedler, Manager

Michael Fancher, Manager



David Bell, Manager

N.

RECEIVED
JUN 08 2020
IDWR / NORTH

**ASSIGNMENT OF MEMBERSHIP INTEREST IN
HUCKLEBERRY BAY WATER SYSTEM, LLC**

This Assignment of Membership Interest ("Assignment") is made effective the 31st day of December, 2019, by Huckleberry Bay Company, the Sole Member of Huckleberry Bay Water System, LLC ("Company"), to Huckleberry at Priest Lake Association ("Association"), as successor sole Member of the Company.

RECITAL

Huckleberry Bay Company, is the Sole Member of Huckleberry Bay Water System, LLC. For and in consideration of entering into and pursuant to the Assignment, Delegation and Transfer Agreement, Huckleberry Bay Company wishes to assign all its right, title and interest in the Company to Huckleberry at Priest Lake Association, Inc. and to terminate its interest as a Member of the Company.

ASSIGNMENT

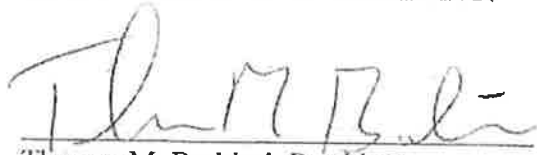
Now, therefore, in consideration of the Recital indicated above (which is a material part of this Assignment), entering into the Assignment, Delegation and Transfer Agreement of even date herewith, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Huckleberry Bay Company hereby assigns and transfers all its right, title and interest in the Company, including all of its Membership Interests and in the Company's, profits and losses, without recourse, to Huckleberry at Priest Lake Association, Inc. effective on the date first above written.

The Association hereby states that it has received a copy of the Limited Liability Company Operating Agreement of Huckleberry Bay Water System, LLC, agrees to be bound thereby and agrees to the Acknowledgement and Acceptance of Membership of even date herewith.

The provisions of this Assignment are binding upon and shall inure to the benefit of the parties hereto and their respective successors and assignees.

HUCKLEBERRY BAY COMPANY:

HUCKLEBERRY AT PRIEST LAKE
ASSOCIATION, INC.


Thomas M. Barbieri, President

By: 
Michael "Mick" McDowell, President

RECEIVED

JUN 08 2020

UNANIMOUS CONSENT OF HUCKLEBERRY BAY WATER SYSTEM, LLC / NORTH

The undersigned, being the Sole Member and the Managers of Huckleberry Bay Water System, LLC, an Idaho limited liability company ("Company"), in a lieu of holding special meeting, and pursuant to Title 30, chapter 6 of Idaho Limited Liability Act, hereby unanimously consent to adopt, and we hereby adopt the following resolutions:

Resolved, that the Company hereby accepts, confirms and recognizes that Thomas M. Barbieri has resigned as the Manager of the Company. A copy of his Resignation is attached hereto as Exhibit A.

Resolved, Dean Fiedler, Michael Fancher and David M. Bell shall continue to serve as the Managers of the Company until their successors are appointed.

Resolved, that the Company adopts the Assignment, Delegation & Transfer Agreement, a copy of which is attached hereto as Exhibit B.

Resolved, Huckleberry at Priest Lake Association, Inc. has accepted the Assignment of Membership Interest in Huckleberry Bay Water System, LLC, from Huckleberry Bay Company, a copy of which is attached hereto as Exhibit C.

Resolved, that Huckleberry at Priest Lake Association, Inc. has become a party to the Company Operating Agreement, as amended, as if an original party thereto, pursuant to the Acknowledgment and Acceptance of Membership dated effective the 31st day of December, 2019, a copy of which is attached hereto as Exhibit D.

Resolved, that Michael "Mick" McDowell shall serve as Tax Matters Member.

This Consent is duly executed in lieu of holding, conducting, and attending a meeting of the Company. This Consent may be executed in counterparts all of which shall be deemed effective as an original Consent. This Consent may be executed by facsimile or electronically transmitted (emailed) signatures.

Dated effective as of this 31st day of December, 2019.

MANAGERS:

Dean Fiedler

Michael Fancher

David M. Bell

SOLE MEMBER:

HUCKLEBERRY AT PRIEST LAKE
ASSOCIATION, INC.

By: _____

Michael "Mick" McDowell, President

UNANIMOUS CONSENT OF HUCKLEBERRY BAY WATER SYSTEM, LLC

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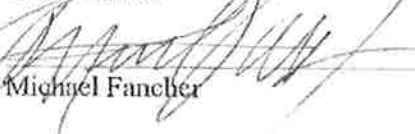
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Dated effective as of this 31st day of December, 2019.

MANAGERS:


Dean Fiedler


Michael Fancher

David M. Bell

SOLE MEMBER:

HUCKLEBERRY AT PRIEST LAKE
ASSOCIATION, INC.

By: 

Michael "Mick" McDowell, President

UNANIMOUS CONSENT OF HUCKLEBERRY BAY WATER SYSTEM, LLC

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Resolved, that the Company adopts the Assignment, Delegation & Transfer Agreement, a copy of which is attached hereto as Exhibit B.

Resolved, Huckleberry at Priest Lake Association, Inc. has accepted the Assignment of Membership Interest in Huckleberry Bay Water System, LLC, from Huckleberry Bay Company, a copy of which is attached hereto as Exhibit C.

Resolved, that Huckleberry at Priest Lake Association, Inc. has become a party to the Company Operating Agreement, as amended, as if an original party thereto, pursuant to the Acknowledgment and Acceptance of Membership dated effective the 31st day of December, 2019, a copy of which is attached hereto as Exhibit D.

Resolved, that Michael "Mick" McDowell shall serve as Tax Matters Member.

This Consent is duly executed in lieu of holding, conducting, and attending a meeting of the Company. This Consent may be executed in counterparts all of which shall be deemed effective as an original Consent. This Consent may be executed by facsimile or electronically transmitted (emailed) signatures.

Dated effective as of this 31st day of December, 2019.

MANAGERS:

Dean Fiedler

Michael Fancher

David M. Bell

SOLE MEMBER:

HUCKLEBERRY AT PRIEST LAKE
ASSOCIATION, INC.

By: _____

Michael "Mick" McDowell, President

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**ACKNOWLEDGMENT AND
ACCEPTANCE OF MEMBERSHIP**

This Acknowledgment and Acceptance of Membership in Huckleberry Bay Water System, LLC ("Acknowledgment") is executed by the undersigned effective the 31st day of December, 2019 ("Effective Date").

RECITALS

- A. Huckleberry at Priest Lake Association, Inc. wishes to become a Member of Huckleberry Bay Water System, LLC pursuant to the Assignment, Delegation and Transfer Agreement dated December ____, 2019, under the terms of this Acknowledgment and Acceptance of Membership and under the Limited Liability Company Agreement of Huckleberry Bay Water System, LLC dated December 1, 2004, as amended, ("Agreement"), attached hereto as Exhibit "A" and by this reference is made a part hereof; AND
- B. As of the Effective Date, Huckleberry at Priest Lake Association, Inc. has received One thousand (1,000) Membership Units, representing a One Hundred percent (100%) membership interest in Huckleberry Bay Water System, LLC.

ACKNOWLEDGMENT

Now, therefore, in consideration of the above Recitals, which are a material part hereof, the undersigned acknowledges and accepts the following:

- 1. The undersigned has received, read and understands the terms and conditions of the Limited Liability Company Agreement of Huckleberry Bay Water System, LLC and agrees to be bound by the provisions thereof.
- 2. The undersigned confirms that the Managers of the Company are presently Dean Fiedler, Michael Fancher and David M. Bell and such persons will continue to serve as Managers of Huckleberry Bay Water System, LLC until their successors are appointed.

This Acknowledgment and the Agreement constitute the legal, valid and binding obligations of Huckleberry at Priest Lake Association, Inc. enforceable in accordance with their terms.

IN WITNESS WHEREOF, the undersigned has executed this Acknowledgment and Acceptance of Membership effective the 31st day of December, 2019.

Sole Member:
Huckleberry at Priest Lake Association, Inc.


Michael "Mick" McDowell, President

Accepted:

Managers:

Dean Fiedler, Manager

Michael Fancher, Manager

David M. Bell, Manager

IN WITNESS WHEREOF, the undersigned has executed this Acknowledgment and Acceptance of Membership effective the 31st day of December, 2019.

Sole Member:
Huckleberry at Priest Lake Association, Inc.

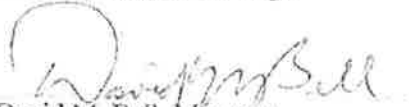
Michael "Mick" McDowell, President

Accepted:

Managers:

Dean Fiedler, Manager

Michael Fancher, Manager


David M. Bell, Manager

IN WITNESS WHEREOF, the undersigned has executed this Acknowledgment and Acceptance of Membership effective the 31st day of December, 2019.

Sole Member:
Huckleberry at Priest Lake Association, Inc.


Michael "Mick" McDowell, President

Accepted;

Managers:


Dean Fiedler, Manager


Michael Fancher, Manager

David M. Bell, Manager

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**RESOLUTION
OF
HUCKLEBERRY AT PRIEST LAKE ASSOCIATION, INC.**

Effective the 31st day of December, 2019, Huckleberry At Priest Lake Association, Inc.

("Corporation") adopted the following resolution:

RESOLVED, that the Corporation approves the Assignment, Delegation and Transfer Agreement including all Exhibits A through N; and

RESOLVED, that Michael "Mick" McDowell is authorized to sign such documents and other related agreements necessary to complete the Required Transfer.

Dated effective the 31st day of December, 2019 regardless of when signed.


Michael "Mick" McDowell, President

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**RESOLUTION
BOARD OF DIRECTORS
HUCKLEBERRY AT PRIEST LAKE ASSOCIATION, INC.**

WHEREAS Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan") provides that upon "substantial completion" of the development all authority for ownership, maintenance and operation of all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund, shall be transferred from the Huckleberry Bay Company ("HBC") as DEVELOPER to Huckleberry at Priest Lake Association, Inc., an Idaho nonprofit corporation ("Association"); and

WHEREAS at a meeting of the Board of Directors of Huckleberry at Priest Lake Association, Inc., held on 29, December, 2019 a quorum of the members of the Board voted unanimously to accept Assignment, Delegation and Transfer of all authority for ownership, maintenance and operation of all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund, from the Huckleberry Bay Company as DEVELOPER as described in Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan"); and

WHEREAS pursuant to the Plan, the Assignment, Delegation and Transfer Agreement and all Exhibits attached thereto, HBC and Association, by mutual covenant and agreement, acknowledge that Assignment, Delegation and Transfer is to be completed by or before December 31, 2019; and

WHEREAS HBC and Association have agreed that by the date of the completion of the transfer, documentation as agreed is necessary and appropriate to complete such transfers will have been fully exchanged or HBC and Association will have entered into an agreement for final exchange by a date certain after the completion of the Assignment, Delegation and Transfer,

IT IS HEREBY RESOLVED that Association shall and hereby does accept Assignment, Delegation and Transfer of all authority for ownership, maintenance and operation of all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund, also known as the reserve account, from HBC pursuant to the Plan, the Assignment, Delegation and Transfer Agreement and all Exhibits attached thereto.

I hereby certify that at a regularly held meeting of the Board of Directors of Huckleberry at Priest Lake Association, Inc. the above Resolution was passed by unanimous consent of the members present.



Pamela DeRusha, Secretary of the Board

Dated this 29th day of December, 2019

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ACCEPTANCE OF ASSIGNMENT, DELEGATION AND TRANSFER

Pursuant to the Assignment, Delegation and Transfer Agreement and Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan") the Huckleberry Bay Company. ("HBC") declares that the development is substantially complete, and, therefore, agrees to transfer of all powers and responsibilities previously given to or imposed on HBC as the DEVELOPER, together with all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund, to *Huckleberry at Priest Lake Association, Inc.* ("Association"), an Idaho nonprofit corporation.


Pursuant to the Assignment, Delegation and Transfer Agreement and Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan") the members of the Board of Directors of the Association, having voted to agree and acknowledge that the development is substantially complete, and, therefore, agrees to accept transfer of all powers and responsibilities previously given to or imposed on HBC as the DEVELOPER, together with all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund.

The Association also agrees that by accepting these transfers it shall be deemed to be the Administrator of the Plan and will take such all actions as are necessary and appropriate in that regard.

HUCKLEBERRY BAY COMPANY

By: Thomas M. Barbieri, President
Dated this ____ day of December, 2019

HUCKLEBERRY AT PRIEST LAKE ASSOCIATION, Inc.


By: Michael "Mick" McDowell, President
Dated this 16th day of December, 2019

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ACCEPTANCE OF ASSIGNMENT, DELEGATION AND TRANSFER

Pursuant to the Assignment, Delegation and Transfer Agreement and Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan") the Huckleberry Bay Company. ("HBC") declares that the development is substantially complete, and, therefore, agrees to transfer of all powers and responsibilities previously given to or imposed on HBC as the DEVELOPER, together with all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund, to *Huckleberry at Priest Lake Association, Inc.* ("Association"), an Idaho nonprofit corporation.

Pursuant to the Assignment, Delegation and Transfer Agreement and Paragraph 9.4 of the *Plan at Huckleberry at Priest Lake* ("Plan") the members of the Board of Directors of the Association, having voted to agree and acknowledge that the development is substantially complete, and, therefore, agrees to accept transfer of all powers and responsibilities previously given to or imposed on HBC as the DEVELOPER, together with all right, title and interest to private ways, common areas, private recreational areas, leased areas, recreational easements, preserve area(s), and semipublic recreational or service areas, as well as all moneys in the maintenance fund.

The Association also agrees that by accepting these transfers it shall be deemed to be the Administrator of the Plan and will take such all actions as are necessary and appropriate in that regard.

HUCKLEBERRY BAY COMPANY



By: Thomas M. Barbieri, President

Dated this 31st day of December, 2019

HUCKLEBERRY AT PRIEST LAKE ASSOCIATION, Inc.

By: Michael "Mick" McDowell, President

Dated this ____ day of December, 2019



State of Idaho

DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N MINERAL DR STE 100 • COEUR D ALENE, ID 83815-7763
Phone: (208)762-2800 • Fax: (208)769-2819 • Website: www.idwr.idaho.gov

Brad Little
Governor

Gary Spackman
Director

June 10, 2020

HUCKLEBERRY AT PRIEST LAKE ASSOCIATION
14374 EASTSHORE RD
COOLIN ID 83821-8706

Re: Change in Ownership for Water Right No(s): 97-7293 & 97-7370

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 762-2813.

Sincerely,

Natalie Steading
Natalie Steading
Tech Records Specialist 1

Enclosure(s)

*Law Offices
of
J. Scott Miller, P.S.*

J. Scott Miller, Attorney
(Admitted Washington & Idaho)
Lisa S. Mittlieder, Paralegal
Tel. 509/327.5591
Email jscottmiller@jscottmiller.com

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115 N. Washington
Suite 201
Spokane, WA 99201-0657
Fax. 509/328-6436
www.jscottmiller.com

May 29, 2020

Natalie Steading
Idaho Department of Water Resources
7600 N. Mineral Drive
Suite 100
Coeur d' Alene, ID 83815-7763

Re: *Huckleberry at Priest Lake Ass'n, Inc.*

Dear Ms. Steading,

Enclosed please find the following:

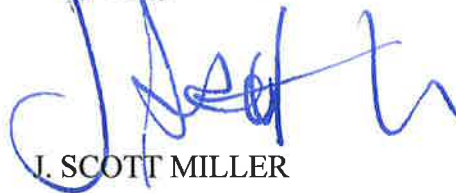
- Original Notice of Change in Water Right Ownership
- Assignment, Delegation and Transfer Agreement
- Resolution of Huckleberry Bay Company
- Quit Claim Deed
- Resolutions of Huckleberry Bay Water System, LLC
- Assignment of Membership Interest
- Unanimous Consent
- Acknowledgement and Acceptance of Membership
- Resolution of Huckleberry at Priest Lake Ass'n, Inc.
- Acceptance of Assignment, Delegation and Transfer
- Transfer No. 82893 (Water Rights 97-7293 and 97-7370)
- Check for \$50.00 for 2 water rights

As you know, Huckleberry Bay Co. (HBC) was the original developer, but pursuant to Idaho law it was required to divest the development to the homeowners' association, Huckleberry At Priest Lake Association, Inc. (HOA) which was accomplished recently. As part of the transfer of authority the water rights (97-7293 and 97-7370) were also divested.

Although HBC has transferred all interests to the HOA it seems unusual that the water rights are held by the corporation instead of the Water System, LLC. We would prefer to transfer the rights to the LLC if possible. But based on the documents that were drafted by HBC for the divestment of interest, it seems necessary to process the ownership transfer this way. It seems unnecessarily complicated, though. Please advise.

In the meantime, please let me know if you have any questions.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read "J. Scott Miller", is written over the typed name. The signature is stylized with a large initial "J" and a long horizontal stroke.

J. SCOTT MILLER

Enclosures

cc: client