

STARTING LEFT SIDE OF FILE

SCANNED
MAR 05 2008

FOR OFFICE USE ONLY
Amt. of Fee \$: 100.00
Receipt No. CD84149
Receipt By: _____
Date Received: 5/18/07

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

MAY 18 2007

DEPARTMENT OF
WATER RESOURCES

PROOF OF BENEFICIAL USE

The Idaho Department of Water Resources considers this form a statement that the permit holder(s) has/have completed all development that will occur under this permit and that water has been applied according to the provisions of the permit for the beneficial use(s) described below. This form must be accompanied by a license examination fee, when necessary, or be accompanied by a completed field examination report prepared by a certified water right examiner.

1. Permit No. 95-8652 Telephone No. (208) 666-0320
2. Name of Permit Holder(s): Arrow Point Community Association, Inc.
3. Mailing Address: 4732 S. Arrow Point Drive B-303
City Harrison State ID Zip 83833
4. Source of Water: Groundwater (2 wells) If GROUNDWATER (well), Date Drilled: mo. 05 / yr. 1990
09 / yr. 1994
Well Driller: United Drilling, Inc. Drilling Permit Number: 1990 well N/A; 1994 well
#95-94-N-219
5. Use(s) (as authorized by the water right permit):
Domestic (No. of households): 335 Stockwater (No. and type of stock): N/A
Irrigation (No. of acres): 84 Other: _____
6. Total rate of diversion and/or volume for which proof is submitted: .3 cfs OR _____ acre-feet
(2 pts of diversion/wells)
7. Measuring Device Requirement: (refer to the approval conditions on your permit and respond accordingly)
(This question is not optional. Please check either yes or no. Proofs returned not checked accordingly, will be considered incomplete)
Measuring Device: Is a measuring device required? Yes X or No _____
Has the measuring device been installed? Yes X or No _____
8. Fee Enclosed: \$ 100.00 (See Fee Schedule on back of the instructions for filing proof of beneficial use)
9. Person to contact to accompany the Department representative during field examination of the water system.
Name: Dean Renninger Telephone Number: (208) 661-9521
Address: PO Box 920 Rathdrum, ID 83858

10. The information given on this form is my true statement of the extent to which the above numbered permit has been developed and water has been diverted. I agree to relinquish any undeveloped portion of the permit to the State of Idaho.

Signature of permit holder: Dennis M. Davis Date: May 17, 2007
(include your title, if on behalf of company or organization)
Dennis M. Davis, Attorney for Applicant, Arrow Point Community Association, Inc.

NOTICE

This file has been REPRODUCED
from MICROFICHE [REDACTED]

For Reinstatement Purposes

L. O. Glock

Person Recreating File

4/30/2008

Date

State of Idaho
Department of Water Resources

Permit To Appropriate Water

NO. 95-08652

Proposed Priority: May 3, 1990 Maximum Diversion Rate: 1.60 CFS
This is to certify, that ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D'ALENE, ID 83814
has applied for a permit to appropriate water from: GROUNDWATER
and a permit is APPROVED for development of water as follows:

BENEFICIAL USE	PERIOD OF USE	RATE OF DIVERSION
IRRIGATION	03/15 to 11/15	1.60 CFS
DOMESTIC	01/01 to 12/31	1.60 CFS
Totals		1.60 CFS

LOCATION OF POINT(S) OF DIVERSION: LOT 14 (NENE), Sec. 6, Township 49N, Range 02W
KOOTENAI County

PLACE OF USE: IRRIGATION

TWP	RGE	SEC	ACRES	ACRES	ACRES	TOTAL
49N	02W	5	MMNW 12	SENE 12		24
		6	NENE 12	SANE 12		24
50N	04W	36	LOT 4(NENE) 12	LOT 4(SENE) 12	SENE 12	24

Total number of acres irrigated: 84

PLACE OF USE: DOMESTIC, same as IRRIGATION use

CONDITIONS/REMARKS:

1. Proof of construction of works and application of water to beneficial use shall be submitted on or before August 1, 1995.
2. Subject to all prior water rights.
3. Permit holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
4. Permit holder shall commence the excavation or construction of diverting works within one year of the date this permit is issued and shall proceed diligently until the project is complete.
5. Prior to the diversion of water under this permit a flow measurement point or other device as specified by the department shall be installed to provide for the installation of measuring equipment and the determination of the rate of diversion by the Department.
6. The rate of diversion of water for irrigation under this permit and all other water rights on the same land shall not exceed 0.01 cubic feet per second for each acre of land.
7. Domestic use is for 33% house.

PAGE 2

State of Idaho
Department of Water Resources

Permit To Appropriate Water

NO. 95 08652

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code.
Witness the seal and signature of the Director, affixed at Boise, this

21 day of August, 1990.

R. Keith Higginson
for R. Keith Higginson, Director

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

Ident No. 85-8450

To appropriate the public waters of the State of Idaho

1. Name of applicant ARROW PROPERTIES PARTNERSHIP Phone 208-664-2121
Post office address 603 N. 4TH ST. COEUR D'ALENE, ID 83814
2. Source of water supply ground water which is a tributary of _____
3. Location of point of diversion is _____ of NE of NE of Govt. Lot 1
Sec. 6 Township 49 N Range 3 W B.M. Kostenki County; additional
points of diversion if any: _____
4. Water will be used for the following purposes:
Amount 1.6 for Domestic purposes from 1/1 to 12/31 (both dates inclusive)
Amount 1.6 for IRRIGATION purposes from 3/15 to 4/15 (both dates inclusive)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
5. Total quantity to be appropriated is (a) 1.6 and/or (b) _____
(cubic feet per second) (acre feet per annum)
6. Proposed diverting works
a. Description of ditches, flumes, pumps, headgates, etc. Well, Pump & Pipeline
b. Height of storage dam NA feet, active reservoir capacity NA acre-feet, total
reservoir capacity NA acre-feet, period of year when water will be diverted to storage
_____ to _____ inclusive
c. Proposed well diameter is 8 inches, proposed depth of well is 200 feet
d. Is ground water with a temperature of greater than 90°F being sought? NO
7. Time required for the completion of the works and application of the water to the proposed beneficial use is
5 years (minimum 1 year)

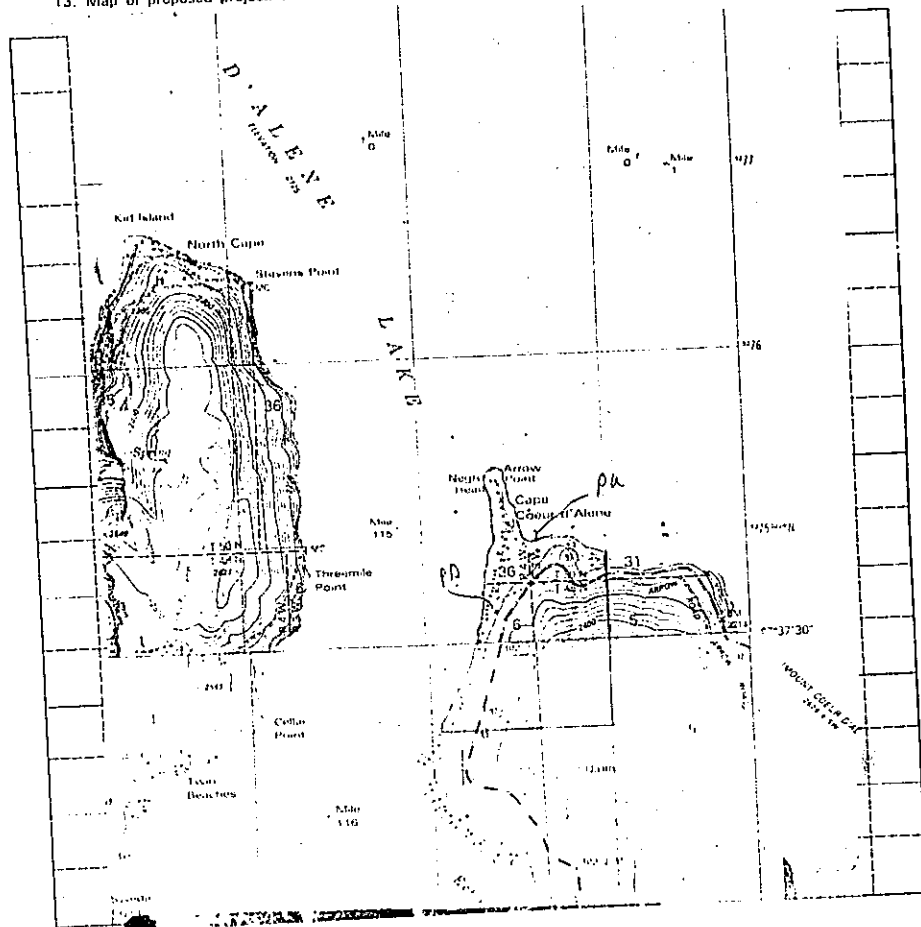
- b. If water is used for other purposes, place a symbol of the use (example: *D* for Domestic) in the corresponding place of use below. See instructions for standard symbols.

Total number of acres to be irrigated 84
 $(335 \text{ ft.} \times .25 \text{ acres}) = 84 \text{ acres} \cdot 70\%$

- c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing

12 Remarks.

13. Map of proposed project: show clearly the proposed point of diversion, place of use, section number.



BE IT FURTHER SHOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth

James A. Hume, President
 Applicant

Received by _____ Date _____ Time _____ Preliminary check by EDK
Fee \$ _____ Received by _____ # _____ Date _____
Publication prepared by _____ Date 5/9/90 Published in South Shore News
Publication approved _____ Date 7/3/90

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. _____, and said application is hereby _____.

1. Approval of said application is subject to the following limitations and conditions:

a. **SUBJECT TO ALL PRIOR WATER RIGHTS.**

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before _____, 19____.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. The water right acquired under this permit if for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against any future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.

e. Other _____

 ARROW PROPERTIES INC.

603 N. 4th St.
Coeur d'Alene, Idaho 83814

Gary A. Frame
3723 Canyon Drive
Coeur d'Alene, Idaho 83814

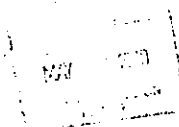
James O Le Pard
1401 Skyline Drive
Coeur d'Alene, Idaho 83814

Dr. Robert Maher
S. 5112 Woodfield Lane
Spokane, Washington 99223

Mike Patano
Architects West
409 Coeur d'Alene Avenue
Coeur d'Alene, Idaho 83814

William E. Shelby
S. 1606 Crest Hill Drive
Spokane, Washington 99203

Mirna-Mar Vanderheyden
P.O. Box 1348
Windsor, California 95492



AFFIDAVIT OF PUBLICATION

STATE OF IDAHO
County of Kootenai

Before me, the undersigned authority, on this day personally appeared

being first duly sworn

1. I am now and at all times hereinafter mentioned was a citizen of the United States, resident of the State of Idaho, over the age of twenty-one years and not a party of the above entitled action.

2. I am now and at all times hereinafter mentioned was the printer (principal clerk) of the Coeur d'Alene Press, a newspaper printed and published daily except Sunday in Coeur d'Alene, Kootenai County, Idaho, and having a general circulation in said county.

3. The

Legal Notice

of which the annexed is a printed copy, was published in the regular issue of said newspaper for *2* consecutive *weeks* commencing on the *11th* day of *June*, 19*90*, and ending on the *13th* day of *June*, 19*90*, and such publication was made as often during said period as said newspaper was regularly issued.

4. That said newspaper has been continuously and uninterruptedly published in said Kootenai County, during a period of more than seventy eight consecutive weeks immediately prior to the first publication of said notice.

Subscribed and sworn to before me this *28th* day of *June*, 19*90*.

Notary Public
Notary Public for the State of Idaho,
residing at Coeur d'Alene, Idaho.

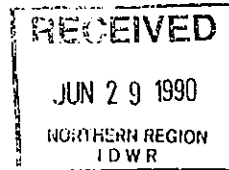
2-392

NOTICE OF CORRECTION
NOTICE IS HEREBY GIVEN THAT APPLICATION FOR PERMIT NO. 98-0062 in the name of Arrow Properties Partnership was advertised incorrectly on May 17 & 24, 1990. The Diversion Point was incorrectly advertised as LOT 1 (NENE) Sec 8 T4N R03W; whereas, correctly it should be LOT 1 (NENE) Sec 8 T44N R03W. (For additional information concerning the property location, call the Northern Regional Office at 765-4639.) Protests to the above-referenced correction must be filed with the Director, Dept. of Water Resources, 1910 Northwest Blvd., Suite 210, Coeur d'Alene, Id. 83814 on or before July 9, 1990.

R. KEITH HIGGINSON, Dir.

Legal 17
June 21, 28, 1990

OK
7/3/90



AFFIDAVIT OF PUBLICATION

STATE OF IDAHO
County of Fronton

RECEIVED
MAY 25 1990

open with deposes and says:

1. I am now and at all times hereinafter mentioned was a citizen of the United States, resident of the State of Idaho, over the age of twenty one years and not a party of the above entitled action

2. I am now and at all times hereinafter mentioned was the printer (principal clerk) of the "Coeur d'Alene Press," a newspaper printed and published daily except Sunday in Coeur d'Alene, Kootenai County, Idaho, and having a general circulation in said county.

3. The

of which the annexed is a printed copy, was published in the regular issue of said newspaper for consecutive weeks commencing on the 11th day of May, 1990, and ending on the 24th day of May, 1990, and such publication was made as often during said period as said newspaper was regularly issued.

4. That said newspaper has been continuously and uninterruptedly published in said Fronton County, during a period of more than seventy eight consecutive weeks immediately prior to the first publication of said notice

Subscribed and sworn to before me this 24th day of May, 1990.

Julia Jacob
Notary Public for the State of Idaho,
residing at Coeur d'Alene, Idaho.

ROBERTA MARLEY
My commission expires 2-3-93

R. KEITH HIGGINSON, Director
NOTICE OF APPLICATION FOR
TRANSFER OF WATER RIGHT
NOTICE IS HEREBY GIVEN that
License No. 94-7013 in the name of Fritz
Heinricher was filed for the diversion of
0.67 cubic feet per second of water from
Mission Slough, tributary to the Coeur
d'Alene River, with the point of diversion
in the NWNE Sec. 30 T49N R01E, B.M.,
Kootenai County, to be used for irrigation
purposes from June 1 to October 1 within
the SWSE (25 acres) Sec. 19 and the
NWNE (15 acres) and NENW (10 acres)
Sec. 30 T 49N R01E, B.M., for 50 acres.
The prior date is May 22, 1970.
The new owners, Dennis or Amy Wright,
now wish to change the point of diversion
to the SENW Sec. 30 T49N R01E, B.M.,
and the place of use to within the NWNE
(15 acres) Sec. 30 and SWSE (25 acres)
and SESE (10 acres) Sec. 19 T49N R01E,
B.M., for 50 acres. (For additional in-
formation concerning the property loca-
tion, call the Northern Regional Office at
765-4639.)
Any protest to the proposed transfer may
be filed with the Idaho Department of
Water Resources, 1910 Northwest Blvd.,
Suite 210, Coeur d'Alene, Id. 83814, on or
before June 4, 1990.

R. KEITH HIGGINSON, Dir.
Legal 854
May 17, 24, 1990

NOTICE OF APPLICATION
FOR WATER RIGHT
The Following application(s) have
been filed to appropriate the public
waters of the State of Idaho:

95-08519
RINECK, PEGGY J.
SIMON, STEPHEN A.
BOX 907
HAYDEN LAKE, ID 83835
Source: HAYDEN LAKE Tributary;
SINKS
Diversion Pt: LOT 4 (SWNW) Sec 37 51N
R 03W
Use: DOMESTIC (.020 CFS); Total
Diversion (.020 CFS)
Date Filed: 4/27/1990
In: T31N R03W S03 Lot 4 (SWNW)
95-06651
VISHNECKY, DAVID
VISHNECKY, LOUANNIE
3025 RIVERVIEW
COEUR D'ALENE, ID 83814
Source: SPRING Tributary: SINKS
Diversion Pt: SWNESEW Sec 4 T 52N R
03W
Use: DOMESTIC (.040 CFS); Total
Diversion: (.040 CFS)
Date Filed: 5/8/1990
In: T52N R03W S04 NESEW
95-08652

ARROW PROPERTIES
PARTNERSHIP
603 N. 4TH ST.
COEUR D'ALENE, ID 83814
Source: GROUNDWATER
Diversion Pt: LOT 1 (NENE) Sec 8 T 4N
R 03W
Use: IRRIGATION (1.600 CFS);
DOMESTIC (1.600 CFS); Total
Diversion: (1.600 CFS)
Date Filed: 5/3/1990
In: T49N R03W S05 NWNW SWNW; S06
NENE SWNE SENE; T50N R04W S06 Lot
4 (NESE Lot 4 (SESE)
84.0 ACRES TOTAL

96-08595
CRAUN, STEVE
CRAUN, BARBARA
RGX 1795
HAYDEN, ID 83835
Source: SAGE CREEK Tributary;
SINKS
Diversion Pt: SENESE Sec 31 T 53N R
03W
Use: IRRIGATION STORAGE (3.30
AF); RECREATION STORAGE (3.30
AF); WILDLIFE STORAGE (3.30 AF);
IRRIGATION (.040 CFS);
STOCKWATER (.040 CFS);
STOCKWATER STORAGE (3.30 AF);
Total Diversion: (.040 CFS) (3.30 AF)
Date Filed: 4/27/1990
In: T53N R03W S34 NESE
2.0 ACRES TOTAL

For additional information concern-
ing the property location, call the
Northern Regional Office at 765-4639.
The permit(s) will be subject to all
prior water rights. Protests must be filed
with the Director, Dept. of Water Re-
sources, Northern Region, 1910
Northwest Blvd., Suite 210, Coeur
d'Alene, Idaho 83814 on or before JUNE
4, 1990.

**STARTING
RIGHT
SIDE OF
FILE**

Edl, Michele

From: Dennis M Davis [DMD@wkdltlaw.com]
Sent: Thursday, October 09, 2008 6:02 PM
To: Edl, Michele
Cc: Dennis M Davis; Jennifer M Simpson; Homan, John
Subject: RE: Arrow Point Water Permit

Thank you very much. We will contact Mr. Homan.

Regards,
Denny

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

"Edl, Michele" <Michele.Edl@idwr.idaho.gov>

10/09/2008 04:36 PM

To "Dennis M Davis" <DMD@wkdltlaw.com>

cc "Jennifer M Simpson" <jms@notes.wkdltlaw.com>, "Homan, John"
<John.Homan@idwr.idaho.gov>

Subject RE: Arrow Point Water Permit

Denny,
I have just come from the Bureau Chiefs office. He has given me the ok for a temporary delay in issuing the license. He also recommended that I ask John Homan to assist us. Mr. Homan's phone number is 208-287-4812 and you will note that I have cc'd him on this message.

I have your clients water right file in my cubicle. Without it John will not be able to address specific questions, but I will make sure that the file 'housekeeping' tasks get completed as soon as possible.

Sincerely,

Michele

10/9/2008

From: Dennis M Davis [mailto:DMD@wkdtlaw.com]
Sent: Thursday, October 09, 2008 3:34 PM
To: Edl, Michele
Cc: Jennifer M Simpson
Subject: Arrow Point Water Permit

Michele:

We are reviewing the pertinent statutes in response to our recent telephone conversation. I would like to ask 2 things of you. First, can the Department delay issuing the license just briefly while we explore whether it might be important to obtain an assignment of the permit. Secondly, is there a Deputy AG that we could speak to in order assist us in understanding the statutory provisions? Kindly reply both to me and Ms. Simpson.

Thanks.

Denny

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

10/9/2008

RECEIVED

AUG 13 2008

DEPARTMENT OF
WATER RESOURCES

WITHERSPOON, KELLEY, DAVENPORT & TOOLE

A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN+
JOEL P. HAZEL+
ROBERT J. CALDWELL+
JENNIFER M. SIMPSON++

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. EWINGTON
JOSEPH R. WESSMAN
JEFFREY L. SUPINGER*
LESLIE R. WEATHERHEAD*
MICHAEL D. CURRIN
BRIAN T. REKOFCE*
R. MAX ETTER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI*
TIMOTHY M. LAWLOR
WILLIAM M. SYMMES*
STANLEY M. SCHWARTZ*
DAVID M. KNUITSON
JODY M. MCCORMICK*
MICHAEL L. LOFT*
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*
KIMBERLY A. KAMEL*
RYAN M. BEAUDON*
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
JULIE H. OLDS+
GEANA VAN DESSEL
STEVEN J. DIXSON
MATTHEW W. DALEY
BENJAMIN J. GROEBNER
NATHAN G. SMITH
NATHAN E. DEEN
JACLYN R. CLABBY

++Admitted in Idaho only
+Also admitted in Washington
*Also admitted in Idaho
+Also admitted in Oregon
+Also admitted in Montana
** Also admitted in California
+Also admitted in New York

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5265

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 690
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

RETIRED
JOHN E. HEATH, JR.
ALLAN H. TOOLE

OF COUNSEL

STANLEY R. SCHULTZ
DONALD J. LUKES

August 11, 2008

Michele Edl
Associate Engineer
Idaho Department of Water Resources
322 East Front Street
P.O. Box 83720
Boise, ID 83720-0098

Re: Water Right Permit No. 95-08652

Dear Ms. Edl:

Enclosed is our check 4042 in the amount of \$50 for the application extension which Mr. Davis e-mailed to you today.

If you have any questions, please call. Thank you.

Sincerely,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.


Connie P. Maslowski, PLS, PP
Legal Assistant to Dennis M. Davis

/cpm
Enc.

Edl, Michele

From: Edl, Michele
Sent: Thursday, August 14, 2008 4:18 PM
To: 'Dennis M Davis'
Cc: 'Mary Lou Baker'
Subject: RE: Arrow Point Application for Amendment

Mr. Davis,
 The signed amendment to 95-8652 reached my desk this afternoon. However, the Department has not yet received the required filing fee. Is that an oversight? The licensing amendment is not complete until the fee is received.
 I would be grateful for your prompt attention to this deficiency.
 Respectfully,

Michele Edl
 Idaho Department of Water Resources
 322 East Front Street
 Boise, ID 83720-0098
 208-287-4946

From: Dennis M Davis [mailto:DMD@wkdtlaw.com]
Sent: Monday, August 11, 2008 3:29 PM
To: Edl, Michele
Cc: Thomas.Heine@wyndhamvo.com; Christine.Anderson@wyndhamvo.com
Subject: Fw: Arrow Point Application for Amendment

Michele: Please see the attached .pdf of the signed Application for Amendment. The original should be coming your way.
 Thanks.

Dennis M. Davis
 Witherspoon, Kelley, Davenport & Toole, P.S.
 608 Northwest Blvd., #401
 Coeur d'Alene, ID 83814-2146
 208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

----- Forwarded by Dennis M Davis/WKDT on 08/11/2008 02:28 PM -----

"Anderson, Christine (Bellevue)"
 <Christine.Anderson@wyndhamvo.com>

To <DMD@wkdtlaw.com>

cc "Heine, Thomas" <Thomas.Heine@wyndhamvo.com>

Subject Arrow Point Application for Amendment

08/11/2008 12:39 PM

8/14/2008

Dennis,

Please see attached per your request.

Enjoy your day,

Christine Anderson, CMCA
Admin, Northern Region
WorldMark by Wyndham
Tel: 425-974-2421
Fax: 425-974-2424
Cell: 425-647-4103

"The information in this electronic mail ("e-mail") message may contain information that is confidential and/or privileged, or may otherwise be protected by work product or other legal rules. It is solely for the use of the individual(s) or the entity(ies) originally intended. Access to this electronic mail message by anyone else is unauthorized. If you are not the intended recipient, be advised that any unauthorized review, disclosure, copying, distribution or use of this information, or any action taken or omitted to be taken in reliance on it, is prohibited and may be unlawful. Please notify the sender immediately if you have received this electronic message by mistake, and destroy all copies of the original message."

"The sender believes that this e-mail and any attachments were free of any virus, worm, Trojan horse, malicious code and/or other contaminants when sent. E-mail transmissions cannot be guaranteed to be secure or error-free, so this message and its attachments could have been infected, corrupted or made incomplete during transmission. By reading the message and opening any attachments, the recipient accepts full responsibility for any viruses or other defects that may arise, and for taking remedial action relating to such viruses and other defects. Neither Wyndham Worldwide Corporation nor any of its affiliated entities is liable for any loss or damage arising in any way from, or for errors or omissions in the contents of, this message or its attachments."

8/14/2008

Heine, Thomas

From: Dennis M Davis [DMD@wkdllaw.com]
Sent: Friday, August 08, 2008 4:15 PM
To: Heine, Thomas
Cc: mibaker8@verizon.net; Steve@welchcomer.com; Michele.Edl@idwr.idaho.gov
Subject: Water Rights
Attachments: Application for Amendment.pdf

Tom: Steve Cordes of Welch-Comer Engineering has reviewed the attached Application for Amendment of the original water right appropriation application filed by Arrow Properties Partnership and concurs that it be signed and submitted to the IDWR. Can you kindly print and sign this at the bottom of page one and forward the original, (with a copy to me by e-mail) to:

Idaho Department of Water Resources
Attn: Michele Edl
P.O. Box 83720
Boise, ID 83720-0098.

Thanks.

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

8/11/2008

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 95-08652

Date of Priority: May 16, 2007

Maximum Diversion Rate: 0.30 CFS
Maximum Diversion Volume: 83.7 AF

Comes now ARROW PROPERTIES PARTNERSHIP
603 N 4TH ST

COEUR D'ALENE ID 83814 and represents to the Director of the Idaho Department of Water Resources that he is the owner and holder of Permit to Appropriate the Public Waters of the State of Idaho No. 95-08652, and requests that the permit be changed as follows:

Source: GROUND WATER

BENEFICIAL USE	PERIOD OF USE	RATE OF DIVERSION	ANNUAL VOLUME
DOMESTIC	01/01 to 12/31	0.30 CFS	71.4 AF
IRRIGATION	03/15 to 11/15	0.30 CFS	9.6 AF
COMMERCIAL	04/01 to 09/30	0.01 CFS	2.7 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER L1 (NE1/4NE1/4) Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

GROUND WATER L1 (NE1/4NE1/4) Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

PLACE OF USE: DOMESTIC

Twp Rge Sec	NE	NW	SW	SE	Total
49N 03W 6	X L1				
50N 04W 36				X L4	

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE	NW	SW	SE	Total
49N 03W 6	L1				.4
50N 04W 36				2.8 L4	2.8

Total Acres: 3.2

PLACE OF USE: COMMERCIAL

Twp Rge Sec	NE	NW	SW	SE	Total
50N 04W 36				X L4	

Permit holder asserts that no one will be injured by such change and that such change will be made at permit holder's own risk. Signed this 11th day of August, 2008

By: Thomas Helne

Thomas Helne, President
Arrow Point Community Association, Inc. -
Successor-in-interest as to Water Rights of
Arrow Properties Partnership, original applicant

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 95-08652

FOR DEPARTMENT USE ONLY

Preliminary check by _____ Fee \$ _____ Received by _____ # _____ Date _____

ACTION OF THE DEPARTMENT OF WATER RESOURCES

I, DAVID R. TUTHILL, JR., of the Department of Water Resources hereby approve the
above Application for Amendment for Permit No. 95-08652 with the following:

CONDITIONS OF APPROVAL

1. Domestic use is for 119 residences. Irrigation of lawn, garden and landscaping associated with the home is authorized under the Irrigation component of this right.
2. This right when combined with all other rights shall provide no more than 0.03 cfs per acre nor more than 3.0 afa per acre at the field headgate for irrigation of the lands above.
3. Commercial use is for a bar, restaurant and marina.

Witness my hand this _____ day of _____, 2008.

DAVID R. TUTHILL, JR.
Director

Edl, Michele

From: Heine, Thomas [Thomas.Heine@wyndhamvo.com]
Sent: Friday, August 08, 2008 5:25 PM
To: DMD@wkdtlaw.com; Anderson, Christine (Bellevue)
Cc: mlbaker8@verizon.net; Steve@welchcomer.com; Edl, Michele
Subject: Re: Water Rights

I will send it out on Monday.. Thanks Denny.

Tom Heine
425 647 6070 (C)

----- Original Message -----

From: Dennis M Davis <DMD@wkdtlaw.com>
To: Heine, Thomas
Cc: mlbaker8@verizon.net <mlbaker8@verizon.net>; Steve@welchcomer.com <Steve@welchcomer.com>; Michele.Edl@idwr.idaho.gov <Michele.Edl@idwr.idaho.gov>
Sent: Fri Aug 08 19:15:01 2008
Subject: Water Rights

Tom: Steve Cordes of Welch-Comer Engineering has reviewed the attached Application for Amendment of the original water right appropriation application filed by Arrow Properties Partnership and concurs that it be signed and submitted to the IDWR. Can you kindly print and sign this at the bottom of page one and forward the original, (with a copy to me by e-mail) to:

Idaho Department of Water Resources
Attn: Michele Edl
P.O. Box 83720
Boise, ID 83720-0098.

Thanks.

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

"The information in this electronic mail ("e-mail") message may contain information that is confidential and may be taken in reliance on it, is prohibited and may be unlawful. Please notify the sender if you have received this communication in error.

"The sender believes that this e-mail and any attachments were free of any virus, worm, Trojan horse or other defects. Neither Wyndham Worldwide Corporation nor any of its affiliated entities

8/11/2008

Edl, Michele

From: Dennis M Davis [DMD@wkdtlaw.com]
Sent: Friday, August 08, 2008 5:15 PM
To: Thomas.Heine@wyndhamvo.com
Cc: mlbaker8@verizon.net; Steve@welchcomer.com; Edl, Michele
Subject: Water Rights
Attachments: Application for Amendment.pdf

Tom: Steve Cordes of Welch-Comer Engineering has reviewed the attached Application for Amendment of the original water right appropriation application filed by Arrow Properties Partnership and concurs that it be signed and submitted to the IDWR. Can you kindly print and sign this at the bottom of page one and forward the original, (with a copy to me by e-mail) to:

Idaho Department of Water Resources
Attn: Michele Edl
P.O. Box 83720
Boise, ID 83720-0098.

Thanks.

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

8/11/2008

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 95-08652

Date of Priority: May 18, 2007

Maximum Diversion Rate: 0.30 CFS
Maximum Diversion Volume: 83.7 AF

Comes now ARROW PROPERTIES PARTNERSHIP
603 N 4TH ST

COEUR D'ALENE ID 83814 and represents to the Director of the Idaho Department of Water Resources that he is the owner and holder of Permit to Appropriate the Public Waters of the State of Idaho No. 95-08652, and requests that the permit be changed as follows:

Source: GROUND WATER

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
DOMESTIC	01/01 to 12/31	0.30 CFS	71.4 AF
IRRIGATION	03/15 to 11/15	0.30 CFS	9.6 AF
COMMERCIAL	04/01 to 09/30	0.01 CFS	2.7 AF

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER L1 (NE1/4NE1/4) Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

GROUND WATER L1 (NE1/4NE1/4) Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

PLACE OF USE: DOMESTIC

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
49N 03W 6	X																
	L1																
50N 04W 35													X				
													L4				

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
49N 03W 6	.4																.4
	L1																
50N 04W 35													2.8				2.8
													L4				

Total Acres: 3.2

PLACE OF USE: COMMERCIAL

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
50N 04W 35													X				
													L4				

Permit holder asserts that no one will be injured by such change and that such change will be made at permit holder's own risk. Signed this _____ day of _____, 200__.

By: _____
Thomas Heine, President
Arrow Point Community Association, Inc. -
Successor-in-interest as to Water Rights of
Arrow Properties Partnership, original applicant

State of Idaho
Department of Water Resources
APPLICATION FOR AMENDMENT
(For Licensing Purposes)
WATER RIGHT NO. 95-08652

.....
FOR DEPARTMENT USE ONLY

Preliminary check by _____ Fee = _____ Received by _____ # _____ Date _____

ACTION OF THE DEPARTMENT OF WATER RESOURCES

I, DAVID R. TUTHILL, JR., of the Department of Water Resources hereby approve the
above Application for Amendment for Permit No. 95-08652 with the following:

CONDITIONS OF APPROVAL

1. Domestic use is for 119 residences. Irrigation of lawn, garden and landscaping associated with the home is authorized under the irrigation component of this right.
2. This right when combined with all other rights shall provide no more than 0.03 cfs per acre nor more than 3.0 afa per acre at the field headgate for irrigation of the lands above.
3. Commercial use is for a bar, restaurant and marina.

Witness my hand this _____ day of _____, 2008.

DAVID R. TUTHILL, JR.
Director

Edl, Michele

From: Dennis M Davis [DMD@wkdtlaw.com]
Sent: Thursday, July 31, 2008 11:29 AM
To: Edl, Michele
Subject: RE: Water Right Permit No. 95-08652

Michele:

Sorry to be so long to respond. I have sent the application over to our engineer to look over. As soon as I get him to do that, I will either submit the amended application or relay any questions or concerns. My best guess is that should be doable within the next 10 days. Will that work.

Thanks,

Dennis M. Davis
 Witherspoon, Kelley, Davenport & Toole, P.S.
 608 Northwest Blvd., #401
 Coeur d'Alene, ID 83814-2146
 208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

"Edl, Michele" <Michele.Edl@idwr.idaho.gov>

07/24/2008 10:14 AM

To "Dennis M Davis" <DMD@wkdtlaw.com>

CC <mlbaker8@verizon.net>, "Heine, Thomas" <Thomas.Heine@wyndhamvo.com>

Subject RE: Water Right Permit No. 95-08652

Mr. Davis,

Thank you for sharing your solution for the signature line. I showed your signature solution to the Bureau Chief, Jeff Peppersack, this morning. He liked it and I believe that I will find your approach will help other permit holders faced with similar mismatches.

The License will be issued to Arrow Point Community Association, Inc. You have provided the Department the key documents needed to convey ownership of this permit to your client. The lapsed status of the permit complicated our processing. If the permit had not been in lapsed status, I believe I would have been able to draft the amendment documents for Arrow Point Community Association, Inc. and would have avoided the mismatch signature issue.

The cover letter, which accompanied the amendment document, set a two-week time frame for action. How much more time do you think you will need? I have been given a short window of time with which to finalize 'nearly there' projects before I am assigned to a new priorities.

7/31/2008

Respectfully,
Michele Edl

From: Dennis M Davis [mailto:DMD@wkdtlaw.com]
Sent: Wednesday, July 23, 2008 6:21 PM
To: Edl, Michele
Cc: mlbaker8@verizon.net; Heine, Thomas
Subject: Water Right Permit No. 95-08652

Michele:

Thank you for your letter and phone call. I have the Application for Amendment and have our client's engineer reviewing. I am also pondering how my client can sign on behalf of Arrow Properties Partnership. How about something like this:

By: _____, President
Arrow Point Community Association -
Successor-in-interest as to Water Rights of
Arrow Properties Partnership, original applicant

I understand your letter to say that the water right when issued will be issued to Arrow Point Community Association, Inc., Correct? Please advise on both of these points and let me know how much time we have to get this signed application and fee back to you. Thanks for your assistance and consideration.

Regards,

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

7/31/2008

cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

From: Dennis M Davis [DMD@wkdtlaw.com]
Sent: Wednesday, July 23, 2008 6:21 PM
To: Edl, Michele
Cc: mlbaker8@verizon.net; Heine, Thomas
Subject: Water Right Permit No. 95-08652

Thank you for your letter and phone call. I have the Application for Amendment and have our client's engineer reviewing. I am also pondering how my client can sign on behalf of Arrow Properties Partnership. How about something like this:

By: _____, President
Arrow Point Community Association -
Successor-in-interest as to Water Rights of
Arrow Properties Partnership, original applicant

I understand your letter to say that the water right when issued will be issued to Arrow Point Community Association, Inc., Correct? Please advise on both of these points and let me know how much time we have to get this signed application and fee back to you. Thanks for your assistance and consideration.

Regards,

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

7/24/2008



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

July 7, 2008

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

MR. DENNIS DAVIS
WITHERSPOON, KELLEY, DAVENPORT & TOOLE
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE ID 83814-2146

RE: Water Right Permit No. 95-08652

Dear Permit Holder(s):

The Department of Water Resources is reviewing the permit referenced above prior to issuing a water right license. By issuing a license, the Department confirms the extent of development that has been established in compliance with the terms of the permit. The examiner who verified your water use reported that certain elements of the permit have been developed differently than described on your permit. Changes that do not increase the authorized use of water under the permit can be requested and approved in accordance with Section 42-211, Idaho Code. Before a license can be issued, your permit must be amended to depict your water use as it was actually developed.

Based on the examiner's report, the following elements were developed differently than described on your permit:

_____ Point(s) of Diversion

_____ Place(s) of Use

X Other – Nature of Use

The enclosed Application for Amendment form depicts the elements of the water right as they will appear on the license when it is issued. Please review the amendment form carefully. If you concur with the information presented, please sign the form and return it with the \$50.00 filing fee within 14 days.

As the permit holder of record, Arrow Properties Partnership appears on the amendment document instead of Arrow Point Community Association. The Department is aware that an assignment of the permit to Arrow Point Community Association, the current owner of the water supply system, is not possible. However, the permit must be amended to accurately reflect the water right as it was developed. Arrow Point Community Association has submitted ownership documents which are sufficient to change ownership at licensing.

If you have any questions, please call me at 208-287-4946.

Sincerely,


Michele Edl
Associate Engineer

Enclosure(s)

MEMORANDUM

Date: July 07, 2008
To: Water Right File 95-8652
From: medl
Re: license review

Applicant

This permit is held by Arrow Properties Partnership, an entity which no longer exists. Because of the complex chain of ownership since the permit was approved, an assignment of the permit will not be possible. The Department may not have all the links in the chain but I have confirmed current ownership. Arrow Point Community Association, the homeowner's association, bought the public water supply system linked to this permit, from Fortress LLC in 2006. Ownership records will need to be changed before the license is issued.

Mr. Dennis Davis, the attorney representing the homeowner's association, submitted a request for reinstatement and the documents and fee necessary to initiate reinstatement on April 10&11, 2007. Included in Mr. Davis' submittals were letters demonstrating that although the water right processing had lapsed, regular contact with Idaho DEQ had been maintained.

Source and POD

To supplement the initial submittals, I requested archive documents from the Coeur d'Alene office of DEQ. They emailed me copies of an inspection report and other documents from the summer of 1995 which show that a public water supply system (#1280252) was in place and in use. I located and reviewed the well logs and matched them with the information that the DEQ inspector found in 6/14/1995.

Two wells are the source of water supplying the Arrow Point Community Association's system. The estimated capacity for the older, southern well (well #1 in the DEQ inspection) was 25-30 gpm. This well was abandoned in 2006. The northern well, (well #2 in the DEQ inspection) was estimated to have a capacity greater than 100 gpm. Combined, the two wells would have had a total capacity of approximately 0.3 cfs. In his May 17, 2007 letter to Mr. Davis, Welch Comer's principal engineer, Steven Cordes corroborates the system operation records and the flowrate as 0.3 cfs.

Water Use

I requested vintage pump curves from a local distributor and was able to confirm that the pumps in place at the time would have been capable of delivering the output from the two wells. The system capacity may have been limited by the pump capacity. But my estimate of the total pumping capacity (0.26 cfs) is sufficiently close to the total well capacity that I am comfortable estimating the system capacity at 0.3 cfs. I confirmed the well locations in an email exchange of aerial photos with the Dean Renninger, who has been the system operator for several years.

Development has continued at Arrow Point since this permit lapsed. New water right appropriations will be required to authorize water use implemented after 1995.

Place of Use

Based on the set of plans and ownership documents initially submitted by Mr. Davis, I was able to determine some beneficial use had been established. However, my initial determination was for considerably less than had been authorized by the permit and confirmed domestic use only. On August 14, 2007, I shared a summary of my findings in a letter to Mr. Davis and to the homeowner's association he represents. In that letter, I requested additional information with which to substantiate more domestic use had been established and to confirm that any irrigation use had occurred.

Subsequent documents substantiated some irrigation use, some commercial use and more domestic use that I had found in my first review. The commercial use was not authorized in the original permit and even after a second review, there remained some permitted but undeveloped flow rate and volume. In order to provide the Arrow Point Community Association the most complete and accurate water right possible, I converted some of the unutilized irrigation and domestic flowrate and volume into commercial use.

Please refer to the attached spreadsheet for a summary of the flow and volume conversions. An amendment will be required to add the commercial use to the water right before a license can be issued.

I created the POD shapes and the POU shapes based on the submitted documents, email and phone exchanges and available aerial photography of the area.

Arrow Point Community Association Permit # 95-8652									
8/21/1990	Permitted Uses				cfs	AF	Permitted Volume Calculations		
	domestic					0.6	domestic		
	homes	335			1.6	201	$201 = 0.6 \times 335$		
	irrigation					3	Vir	Vdr	
	3/15-11/15 acres	84			1.6	252	$252 = 3 \times 84$	$780.7056 = 1.6 \times 246 \text{ days} \times 1.9835$	
5/1/2008	Uses Established by Exam				cfs	AF	Exam Volume Calculations		
	domestic					0.6	domestic		
	single family home & stub-ins	17					$71.4 = 0.6 \times 119$	Well 1 cap ~30gpm	Well 2 cap ~100 gpm
	condos A,B,C,D,F at 20 units each	100						130 gpm = 0.29 cfs	
	sales office (is now pool)	1							
	lot 2 (lodge) stub-in	1						Pump 1 28 gpm	Pump 2 88 gpm
	total domestic	119			0.3	71.4		116 gpm = 0.26 cfs	
	irrigation					3			
	condo acres								
	home acres						Vir	Vdr	
	total irrigation	3.2			0.3	9.6	$9.6 = 3 \times 3.2$	$146.3823 = 0.3 \times 246 \text{ days} \times 1.9835$	
	difference from permit				1.3	171			
	commercial								
	marina	4000gpd or 0.01227af/day				1.865	May1 - Sep 30 is 152 days		
	restaurant (drain field sizing)	1750gpd or 0.00537af/day				0.816	$1.865 = 152 \text{ days} \times 0.01227 \text{ af/d}$		
	total commercial					2.681	$0.816 = 152 \text{ days} \times 0.00537 \text{ af/d}$		
	TOTAL USE DEVELOPED				0.3	83.68	$83.68 = 71.4 + 9.6 + 2.68$		

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
BENEFICIAL USE FIELD REPORT

A. GENERAL INFORMATION

Permit No: 95-8652

Exam Date: 5/1/2008

1. Current Owner: ARROW PROPERTIES PARTNERSHIP
603 N 4TH ST
COEUR D ALENE ID 83814

2. Accompanied by:

Phone No:

Address:

Relationship to Permit Holder:

This Beneficial Use Field Report was completed by Michele Edl in conjunction with a review of documents supporting reinstatement of this lapsed permit. No on-site exam was conducted.

3.

SOURCE**TRIBUTARY**

GROUND WATER

B. OVERLAP REVIEW

1. Other water rights with the same place of use: none
2. Other water rights with the same point of diversion: none

C. DIVERSION AND DELIVERY SYSTEM

1.

LOCATION OF POINT(S) OF DIVERSION:

GROUND WATER L1 NE1/4NE1/4 Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

GROUND WATER L1 NE1/4NE1/4 Sec. 6, Twp 49N, Rge 03W, B.M.

KOOTENAI County

Method of Determination: water system operator, Dean Renninger, identified the well locations on aerial photography

2.

PLACE OF USE: DOMESTIC

Twp Rge Sec	NE				NW				SW				SE				Totals
49N 03W 6	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
	X																
	L 1																
50N 04W 36													X				
													L 4				

PLACE OF USE: IRRIGATION

Twp Rge Sec	NE				NW				SW				SE				Totals
49N 03W 6	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
	.4																.4
	L 1																
50N 04W 36													2.8				2.8
													L 4				

Total Acres: 3.2

PLACE OF USE: COMMERCIAL

Twp Rge Sec	NE				NW				SW				SE				Totals
	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
50N 04W 36													X				L 4

Method of Determination:

3. ☒ Delivery System Diagram Attached (required). Indicate all major components and distances between components. Indicate weir size/pipe as applicable.

Refer to copies of as-build plans submitted by the permit holder.

☐ Map Attached Showing Location(s) of point(s) of diversion and place(s) of use (required). Scale must be 1:24,000 or greater.

☒ Aerial Photo Attached (required for irrigation of 10+ acres).

I compared 1992 black and white and 2004 color aerial photography with as built plans to determine the places of use.

☐ Photo of Diversion and System Attached

4. Refer to Well Driller's Reports and 6/14/1995 DEQ Drinking Water Supply Report: Tony Davis, inspector

<u>Well or Diversion</u> <u>Identification No.*</u>	<u>Motor Make</u>	<u>Hp</u>	<u>Motor Serial No.</u>	<u>Pump Make</u>	<u>Pump Serial No. or</u> <u>Discharge Size</u>
Permit ID#752816		5HP		Grundfos	Well capacity ~30 gpm
Permit ID #753905		15HP		Grundfos	Well capacity ~100 gpm

*Code to correspond with No. on map and aerial photo

D. FLOW MEASUREMENTS

1.

<u>Measurement</u> <u>Equipment</u>	<u>Type</u>	<u>Make</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Size</u>	<u>Calib. Date</u>

2. Measurements:

Based on pump curves and the production capacity of the two wells, the system capacity is 130 gpm or 0.3 cfs. This value was confirmed by Steven Cordes, an engineer with Welch-Corner and Associates, Inc, in 5/17/2007 letter to Mr. Davis.

E. FLOW CALCULATIONS

☒ Additional Computation Sheets Attached

Measured Method:

No direct measurement made. I used pump curves and system as-built design to determine flow.

F. VOLUME CALCULATIONS

1. Volume Calculations for Irrigation:

$$V_{I.R.} = (\text{Acres Irrigated}) \times (\text{Irrigation Requirement}) = (3.2) \times 3.0 = 9.6 \text{ AF}$$

$$V_{D.R.} = [\text{Diversion Rate (cfs)}] \times (\text{Days in Irrigation season}) \times 1.9835 = (0.3) \times (246 \text{ days}) \times 1.9835 = 146 \text{ AF}$$

$$V = \text{Smaller of } V_{I.R.} \text{ and } V_{D.R.} = 9.6 \text{ AF}$$

2. Volume Calculations for Other Uses:

Domestic use, internal only: $(0.6) \times 119 \text{ stub-ins} = 71.4 \text{ AF}$

Commercial use with season May 1 - Sep 30 or 152 days.

Marina: (operator records of peak flow at 4000 gpd). Volume calculation is: $4000 \text{ gpd} \times 152 \text{ days} = 1.86 \text{ AF}$

Restaurant/bar: (constrained by drainfield size to 1750 gpd). Volume calculation is: $1750 \text{ gpd} \times 152 \text{ days} = 0.82 \text{ AF}$

Total volume commercial use: $1.86 + 0.82 = 2.68 \text{ AF}$

G. NARRATIVE/REMARKS/COMMENTS

I reviewed the CAD drawings of the water and sewer system, and the affidavits and other exhibits which were submitted by Mr. Dennis Davis, attorney, on behalf of the Arrow Point Community Association and have determined that beneficial use had been established while this permit was in effect.

The two wells have a combined capacity that is less than the permitted rate. I was able to obtain pump curves of that vintage, which confirmed that the pumps were sized to be compatible with the well capacities and compared well with the capacity given by Welch Comer engineer, Steven Cordes. A 60,000 gallon storage tank provided additional capacity to satisfy peak demand.

Five condos, containing 20 residences each, had been built by August 1, 1995 (the proof due date) or were completed shortly thereafter. 17, single-family homes had been built or were stubbed-in by the proof due date. There were two additional domestic uses on the water supply system at the time proof was due: an office kitchen and restroom (where the current the pool building is located) and a single stub-in provided for an anticipated lodge.

Significantly less irrigated acreage was established than had been permitted. Employee affidavits, paired with a map of landscaped areas, confirmed the historical irrigation around the condos. Historical irrigation use for the single-family residential area was based solely on available aerial photography.

The original permit did not request any commercial use. However the marina and the restaurant/bar were established users on the supply system at the time that proof was due. I reformulated unused irrigation flow rate and volume into commercial flow rate and volume. Please refer to the attached spreadsheet. An amendment will be needed to include commercial use in this water right.

Have conditions of permit approval been met? ☒ Yes ☐ No

H. RECOMMENDATIONS

1. Recommended Amounts

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>DIVERSION RATE</u>	<u>ANNUAL VOLUME</u>
DOMESTIC	01/01 to 12/31	0.300 CFS	71.40 AF
IRRIGATION	03/15 to 11/15	0.300 CFS	9.60 AF
COMMERCIAL	04/01 to 09/30	0.010 CFS	2.70 AF
<u>Totals:</u>		0.300 CFS	83.70 AF

2. Recommended Amendments

☐ Change P.D. as reflected above ☐ Add P.D. as reflected above ☐ None

☐ Change P.U. as reflected above ☒ Add P.U. as reflected above ☐ Other

I. AUTHENTICATION

Field Examiner's Name M. White Date _____

Reviewer _____ Date _____



Click here for
LAST MINUTE DEALS! 

IDAHO'S #1 TRAVEL RESERVATION SITE!

[Home](#) | [Mobile Users](#) | [Sign In](#) | [Contact Us](#) | [About InIdaho](#) | [Search](#)
Statewide: [Cities](#) | [Lodging](#) | [Activities](#) | [Packages & Deals](#) | [Online Availability](#) | [Blog](#)

TOLL-FREE: RESERVATIONS

1-800-84-IDAHO (1-800-844-3246)

[IDAHO SNOW REPORTS](#)

**LAST MINUTE
GIFT CERTIFICATES**

Thursday, May 01, 2008

Coeur d Alene

Coeur d Alene Links: [Start Page](#) [Lodging](#) [Deals & Packages](#) [Activities](#) [Nearby Towns](#) [Major Events](#)

Arrow Point Resort

Image Center

[Go to Main ARROW POINT RESORT Page](#)

[GO BACK](#)

 [Help with this page](#)
 [Email this page to a friend](#)

Take Action Now!
[CLICK HERE](#)

Click on any of the photos to see full size and descriptions.



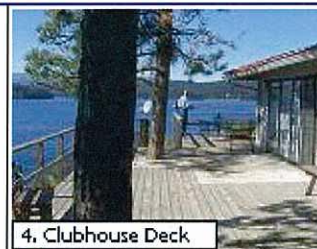
1. Exterior
[ENLARGE](#)



2. Pool
[ENLARGE](#)



[ENLARGE](#)



4. Clubhouse Deck
[ENLARGE](#)



**Click to
Compare Living Rooms**
[Compare Living Room Photos](#)



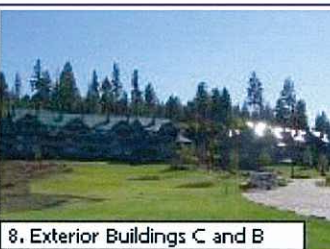
5. Marina
[ENLARGE](#)



6. Exterior Building D
[ENLARGE](#)



7. Entrance
[ENLARGE](#)



8. Exterior Buildings C and B
[ENLARGE](#)



**Click to
Compare Living Rooms**
[Compare Living Room Photos](#)

Arrow Point Community Association Permit # 95-8652									
8/21/1990	Permitted Uses			cfs	AF	Permitted Volume Calculations			
	domestic				0.6	domestic			
	homes	335		1.6	201	201 = 0.6*335			
	irrigation				3	Vir	Vdr		
	3/15-11/15 acres	84		1.6	252	252 = 3*84	780.7056 = 1.6*246days*1.9835		
5/1/2008	Uses Established by Exam			cfs	AF	Exam Volume Calculations			
	domestic				0.6	domestic		Well 1 cap	Well 2 cap
	single family home & stub-ins	17				71.4 = 0.6*119		~30gpm	~100 gpm
	condos A,B,C,D,F at 20 units each	100						130 gpm = 0.29 cfs	
	sales office (is now pool)	1							
	lot 2 (lodge) stub-in	1						Pump 1	Pump 2
	total domestic	119		0.3	71.4			28 gpm	88 gpm
	irrigation				3			116 gpm = 0.26 cfs	
	condo acres								
	home acres					Vir	Vdr		
	total irrigation	3.2		0.3	9.6	9.6 = 3*3.2	146.3823 = 0.3*246days*1.9835		
	difference from permit			1.3	171				
	commercial					May1 - Sep 30 is 152 days			
	marina	4000gpd or 0.01227af/day		1.865		1.865 = 152days*0.01227af/d			
	restaurant (drainfield sizing)	1750gpd or 0.00537af/day		0.816		0.816 = 152days*0.00537af/d			
	total commerical				2.681				
	TOTAL USE DEVELOPED			0.3	83.68	83.68 = 71.4+9.6+2.68			

4/29/2008

Lapsed Permit 95-8652

The Department may not have a complete ownership chain for the water supply system and current ownership is not clear. According to Idaho DEQ, Robert Fasnacht/Fortress LLC owns the system. However, a Bill-of-Sale submitted by Mr. Davis in the reinstatement package, shows that the homeowner's association owns the system.

I phoned Mary L Baker, president of the Arrow Point homeowner's association, to give her an update on the status of the permit. I explained that the ownership uncertainty has stalled the reinstatement. She said that the homeowners association 'paid a lot of money' to purchase the system from Robert Fasnacht/Fortress LLC a couple years ago. She said Mr. Davis, the association's attorney, should have documents supporting that transaction and she asked me to contact him for copies.

I then phoned Mr. Davis, gave him an update and explained the ownership inconsistency that I had to address before I could reinstate this permit. I requested copies of any documents that he had which would complete the linkage or confirm the current ownership of the water supply system. He emailed me a second copy of the Bill-of-Sale from Fortress LLC. to Arrow Point Community Association which was signed May 19, 2006, and took steps to correct DEQ records.

I have attached two email strings dealing with establishing current ownership of this water supply system.

- 1) from me to Tony Davis (Coeur d'Alene office of Idaho DEQ) and his response
- 2) from Mr. Davis in response to my phone call and his attachment

Michele Edl

Edl, Michele

From: Anthony.Davis@deq.idaho.gov
Sent: Tuesday, April 29, 2008 2:38 PM
To: Edl, Michele
Subject: RE: Arrow Point Park system owner?

Ed,

The owner of record for Arrow Point Park is Fortress LLC, P O Box 999,
CdA, ID 83816.

Hope that this helps.

Tony Davis

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Tuesday, April 29, 2008 1:22 PM
To: Anthony Davis
Subject: Arrow Point Park system owner?

Good afternoon Tony,
You were very helpful last year when you provided DEQ documents pertaining to Arrow Point Park PWS #1280252.

The lapsed water right permit associated with the Arrow Point property is being reviewed for reinstatement. IDWR has some ownership documentation but not a complete linkage to the current owner.
My question for you and your agency is: Who does DEQ have as owner of the Arrow Point Park water supply system?

Thanks again
Michele Edl
Associate Engineer
Idaho Department of Water Resources
Boise Idaho
208-287-4946

4/29/2008

Edl, Michele

From: Dennis M Davis [DMD@notes.wkdtlaw.com]
Sent: Tuesday, April 29, 2008 5:58 PM
To: Edl, Michele
Cc: mlbaker8@verizon.net; Steve.Townsend@trendwest.com; Gary.Gaffney@deq.idaho.gov
Subject: Arrow Point Community Association Water Right
Attachments: Bill of Sale.pdf

Michele: Attached is a copy of the Bill of Sale for the water/sewer system infrastructure to the Arrow Point Community Association, Inc. Please let me know if you require further information. I will look forward to receipt of the Reinstatement Order and Amendment to Application later this week or early next.

As you mentioned that DEQ records may still reflect ownership by Fortress/Bob Fasnacht, I am providing a copy of this e-mail to Gary Gaffney and request that he make any necessary correction to DEQ's records. Thanks.

Denny Davis
Attorney for Arrow Point Community Association, Inc.

Dennis M. Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146
208.667.4000

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

4/29/2008

BILL OF SALE

Fortress, LLC, an Idaho limited liability company, and Arrow Point Park Property Owners, Inc., an Idaho corporation, as to their respective interests (collectively "Sellers"), in consideration of the Contingent Settlement Agreement entered into between Arrow Point Park Property Owners, Inc., and Arrow Point Community Association, Inc., an Idaho corporation, on February 28, 2006, do hereby sell, transfer, convey and assign to Arrow Point Community Association, Inc. ("Buyer") the community water and sewer system infrastructure (excluding the drain field) as depicted in Exhibit A attached hereto and incorporated herein by reference.

Sellers warrant that they are the owners of the community water and sewer system infrastructure conveyed herein. This Bill of Sale conveys no rights or title to any real property. The conveyance is given without warranty of any kind whatsoever, express or implied, regarding the condition of the community water and sewer system and title is transferred "as is."

DATED this 19 day of May, 2006.

FORTRESS, LLC

By: 

Robert J. Fasnacht
Attorney and Authorized Agent

ARROW POINT PARK PROPERTY OWNERS, INC.

By: 

Robert J. Fasnacht, Director

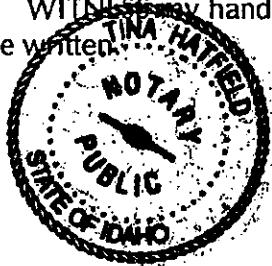
STATE OF IDAHO)

:SS.

County of Kootenai)

On this 19th day of May, 2006, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Fasnacht, known or identified to me to the attorney and authorized agent of Fortress, LLC, an Idaho limited liability company, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Tina Hatfield

Notary Public for Idaho

Residing at Ratndrum

Commission Expires 5-15-07

STATE OF IDAHO)

:SS.

County of Kootenai)

On this 19th day of May, 2006, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Fasnacht, known or identified to me to a Director of Arrow Point Park Property Owners, Inc., an Idaho corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Tina Hatfield

Notary Public for Idaho

Residing at Ratndrum

Commission Expires 5-15-07

3/17/2008

I emailed Dean Renninger, Arrow Point's water system operator, to confirm the well locations for 95-8652.

I have attached to this memo:

- 1) My email request and a copy of the screen shot that I sent to him. My ArcView project photo has well placement as yellow dots.
- 2) Dean's email response and a print out of his attachment, which is an aerial photograph with the well locations indicated by red dots.

Michele Edl

Edl, Michele

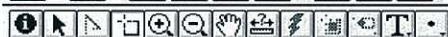
From: Edl, Michele
Sent: Thursday, March 13, 2008 2:51 PM
To: 'cbs111exc@verizon.net'
Cc: Dennis M Davis
Subject: APDC well locations?

Dean,
You haven't heard from me lately, but I am focusing on permits this week and the lapsed Arrow Point permit is one of them.

I have attached an aerial photo with 2 yellow dots added where I think the Arrow Point wells are located.
I would like the locations to be reasonably correct, so please let me know if I need to make adjustments.

Thanks,
Michele Edl
Associate Engineer
IDWR
Boise ID
208-287-4946

7/2/2008

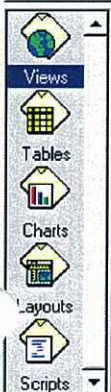


Scale 1:1,954

2,291,889.97
1,828,679.01

sde-enterprise.apr

New Open Print



View1

View1

- ☒ 95-8652.pod.shp
- ☐ Kootenai taxlots
- ☐ 50N04W GCD B
- ☐ 50N03W GCD B
- ☐ 49N03W GCD B
- ☐ Right POD
- ☐ Right POU
- ☐ Adminbas.shp
- ☐ Administrative
- ☐ Township/Range
- ☐ Sections
- ☐ QQ
- ☐ SpatialData
- ☒ COEU NAIP 2006
- ☐ F4 Quad
- ☐ F5 Quad
- ☐ F54 Quad
- ☐ F55 Quad
- ☐ F4_SE_1998_S D
- ☐ F5_SW_1998_S D
- ☐ F54_NE_1998_S D
- ☐ F55_NW_1998_S D



These two yellow dots represent my understanding of the location of the 2 wells servicing Arrowpoint Development in 1995. Please confirm or correct my understanding. Thanks

There are 2 selected shape(s) in the 1 active theme(s).

Edl, Michele

From: Renninger [cbs111exc@verizon.net]
Sent: Monday, March 17, 2008 1:13 PM
To: Edl, Michele
Subject: Re: APDC well locations?
Attachments: 2781516324-Arrow Point well location.MDI

Hi,

The yellow dots are probably within less than 50 feet to the NW from actual wells. Tried to attach map but yours is better.

Dean

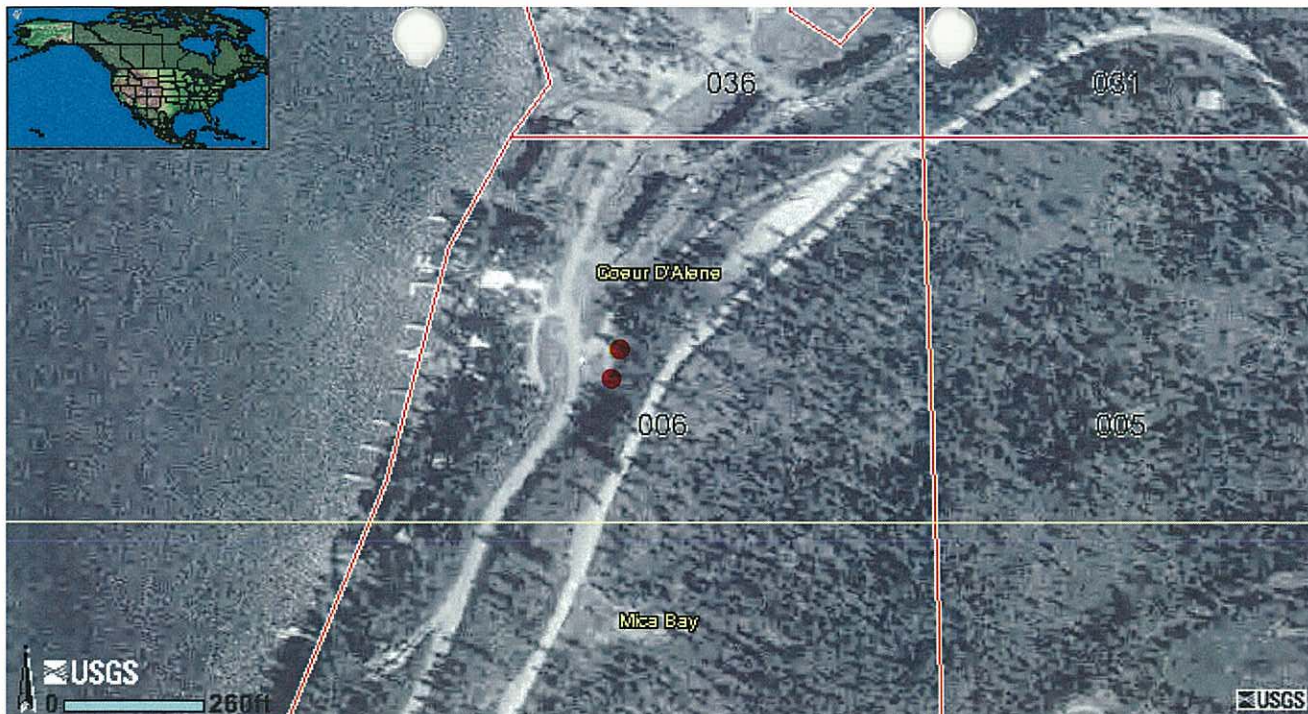
"Edl, Michele" <Michele.Edl@idwr.idaho.gov> wrote:

Dean,
You haven't heard from me lately, but I am focusing on permits this week and the lapsed Arrow Point permit is one of them.

I have attached an aerial photo with 2 yellow dots added where I think the Arrow Point wells are located.
I would like the locations to be reasonably correct, so please let me know if I need to make adjustments.

Thanks,
Michele Edl
Associate Engineer
IDWR
Boise ID
208-287-4946

3/18/2008



Edl, Michele

From: Connie Maslowski [conniem@notes.wkdtlaw.com]
Sent: Friday, October 19, 2007 4:21 PM
To: Edl, Michele
Cc: Dennis M Davis; Stacy A Bjordahl
Subject: Supplemental Information--Lapsed Permit No. 95-8652
Attachments: IDWR Ltr 101907.pdf

Dear Ms. Edl: Attached in PDF is a letter containing the supplemental information regarding the above-referenced permit. All exhibits have been scanned with the letter, except for Exhibit E: Drainfield and Absorption Bed Details, Arrow Point Park--Phase I--Sanitary Sewer, Sheet 5 of 6; and Exhibit F: Condominium Plats for Buildings A, B, C, D and F, Arrow Point Village Condominiums, which were too large to be scanned. The letter and all exhibits, including E and F, have been sent to you today via Federal Express for arrival on Monday. If you have any questions, please call. Thank you.

Connie Maslowski, PLS, PP

Legal Assistant to Dennis M. Davis & Mark A. Ellingsen
WITHERSPOON, KELLEY, DAVENPORT & TOOLE, P.S.
The Spokesman Review Building
608 Northwest Boulevard, Suite 401
Coeur d'Alene, ID 83814
Telephone: (208) 667-4000
Facsimile: (208) 667-8470
conniem@wkdtlaw.com

IRS Circular 230 Disclosure: To ensure compliance with requirements imposed by the IRS, please be advised that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used or relied upon, and cannot be used or relied upon, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

Confidentiality Notice: The information contained in this email and any accompanying attachment(s) is intended only for the use of the intended recipient and may be confidential and/or privileged. If any reader of this communication is not the intended recipient, unauthorized use, disclosure or copying is strictly prohibited, and may be unlawful. If you have received this communication in error, please immediately notify the sender by return email, and delete the original message and all copies from your system. Thank you.

7/2/2008

WITHERSPOON, KELLEY, DAVENPORT & TOOLE

A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN+>
JOEL P. HAZEL+
ROBERT J. CALDWELL+
JENNIFER M. SIMPSON

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAAP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSMAN
JEFFREY L. SUPINGER*
LESLIE R. WEATHERHEAD*
MICHAEL D. CURRIN
BRIAN T. REKOFKE*
R. MAXEYTER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI*
TIMOTHY M. LAWLER
WILLIAM M. SYMMES*
STANLEY M. SCHWARTZ*
DAVID M. KNUTSON
JODY M. McCORMICK*
MICHAEL L. LOFT*
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*
KIMBERLY A. KANGEL*
RYAN M. BEAUDOIN*
STACY A. BJORDAHL
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REFF*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LEROY>>
JULIE H. OLDS+
GEANA VAN DESSEL
STEVEN J. DIXON
MATTHEW W. DALEY

++Admitted in Idaho only
+Also admitted in Washington
*Also admitted in Idaho
†Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-3265

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 600
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

October 19, 2007

Idaho Department of Water Resources
Attn: Michelle Edl
322 East Front Street
P.O. Box 83720-0098
Boise, ID 83720-0098

Re: Lapsed Permit No. 95-8652-Supplemental Information

Dear Ms. Edl:

In response to your letter dated August 14, 2007, we provide the following additional information:

1. Residential Connections. The total number of dwelling units served by the Arrow Point water system is computed as follows:
 - a. Single-family lots: 17 [only 7 homes are currently constructed, approximately 3 or 4 were constructed by August 1, 1995 and located on Cataraman Lane, see Arrow Point Park-Phase I Water & Sewer Distribution plans, page 2 of 5, previously provided.]
 - b. Additional Single Family stub-outs: There are additional single family residences on Freedom Lane, none of which were constructed by August 1, 1995, three of those stubs are shown on 1999 plans, which have been previously submitted.
 - c. Lot 2: Construction of a multi-unit building is currently underway; a stub-out for this lot was in place as of August 1, 1995, however, the original intended use was for between 50 and 70 residential living units, [See Affidavit of Roger Stewart]; the current construction is of a 28 residential condominium living unit building. [See copies of Kootenai County Building Permit Nos. SDP07-0104 and 43844, enclosed.]

uA
RECEIVED
OCT 22 2007
DEPARTMENT OF
WATER RESOURCES

Michelle Edl
Idaho Department of Water Resources
October 19, 2007
Page 2

- d. Condominium Buildings: Five Condominium buildings each with 20 units are currently utilizing the water system, for a total of 100 units. [See Affidavit of Roger Stewart.]

The total number of residential units/homes constructed as of August 1, 1995 we therefore believe was not less than 63. In addition, stub-outs were installed by August 1, 1995 for 82, [40 condominium units, the remaining 14 single-family lots on Catamaran Drive, and 28 of the original 50-70 units for Lot 2] more residential living units.

2. Nonresidential Buildings.

- a. Pool Building: This building currently contains two restrooms plus swimming pool; its construction was completed in 1996, however, this water connection previously served a small office building that contained one restroom and a kitchen. That office building was constructed and in use by August 1, 1995. [See Affidavit of Roger Stewart.] The office building was removed in 2006.
- b. Marina: Water is currently supplied to this facility at the rate of approximately 4,000 GPD (peak flow, seasonal use, May through September); [See GPD Average 2004-2007, and Affidavit of Dean Renninger.] However, the meter at this connection point also measures water used to irrigate landscaped area on Lot 5, (the Pool House lot) and therefore should be deducted from domestic usage.
- c. Restaurant: The drain field facility was designed originally for a water usage of 1,750 GPD [per Panhandle Health District approval] for the restaurant then known as the Arrow Point Bar & Grill. Water is currently supplied to this facility at the rate of approximately 3,743 GPD (peak flow, seasonal use, May through September). [See GPD Average 2004-2007, Affidavit of Dean Renninger and Drainfield and Absorption Bed Details, Arrow Point Park-Phase I-Sanitary Sewer plans dated March, 1987, Revised November, 1993, enclosed.]

3. Irrigation Usage: Although irrigation use is more difficult to establish due to the lack of use metering specifically measuring irrigation usage. However, we have been able to determine the area under irrigation as of August 1, 1995 and that area remains under irrigation, together with additional land area surrounding two subsequently completed condominium buildings. I am also enclosing pages from the condominium plats for each of the 5 condominium buildings which would show the dimensions of the condominium buildings. Using these and the county's subdivision maps of Lots 5, 6, 8 and 9, Block

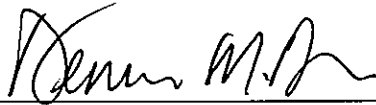
Michelle Edl
Idaho Department of Water Resources
October 19, 2007
Page 3

Department should be able to compute the area being irrigated. If the Department prefers that we submit an engineer's estimate of that area, I could probably obtain that with some additional time.

Finally, I am enclosing a copy of Welch-Comer & Associates' letter of May 17, 2007 confirming the system capacity of 0.3 CFS. I was not certain this had been sent earlier. I hope you can appreciate that because of the succession of ownership and litigation that surrounded this development, locating records has been a challenge. Nonetheless, should the Department require further documentation, please contact me and we will endeavor to locate it. Thank you for your assistance.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 
DENNIS M. DAVIS

DMD/cpm

By: E-Mail: Michele.edl@idwr.idaho.gov
and Federal Express

cc: Steve Townsend

Encs: a. Affidavit of Roger Stewart
b. Affidavit of Dean J. Renninger
c. Lot 2 Building Permit No. SDP07-0104 & 43844
d. Welch-Comer & Associates, Inc. Letter dated May 17, 2007
e. Drainfield and Absorption Bed Details, Arrow Point Park-Phase I—
Sanitary Sewer, Sheet 5 of 6
f. Condominium Plats for Building A, B, C, D and F, Arrow Point
Village Condominiums

Q:\CLIENTS-DMD-JPH\ArrowPoint 5237\IDWR\IDWR Letter 101907.doc

In Re:)
)
 Lapsed Water Permit No. 95-8652) AFFIDAVIT OF
) ROGER STEWART
 _____)

County of Kootenai)
 : ss.
State of Idaho)

1. That I was a principal/officer/employee in/of the Arrow Point Development Company, ("APDC") the company that developed the condominium project on the east side of Lake Coeur d'Alene known as the Arrow Point Park.
2. That the Arrow Point Park development included both single-family lots and residential condominium units.
3. That there was constructed on this property 5 condominium buildings, each of which contain 20 units.
4. That for a number of years prior to and through 1995, certain wells existed on the Arrow Point Park property which serve domestic and irrigation use on that property.
5. That as of August 1, 1995, three of the five condominium buildings, (Bldgs. A, B and C) were constructed, and plans existed for completion of the final two condominium buildings, (Bldgs. D and F), construction of which was completed by the end of 1996. By August 1, 1995, water line stubs for Building D and F were installed. They were connected during the construction of those remaining two buildings, completed in 1996.
6. That at the time the first three condominium buildings were constructed prior to August 1, 1995, APDC also installed landscaping and a sprinkling system upon and in the grounds surrounding the completed condominium buildings, including upon grounds on the easterly portion of the property, up to the north property line. That the highlighted area on the photograph and maps attached to this Affidavit accurately depict the land area which was irrigated from the Arrow Point water system well as of August 1, 1995.
7. That during the time through and including August 1, 1995, the irrigation system was connected to the water system operated by the Arrow Point Community

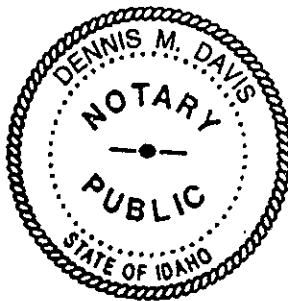
Association and that such system supplied irrigation water for the irrigation of landscaping for the property.

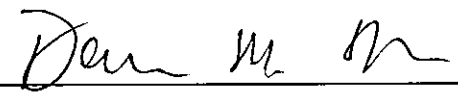
8. That there is now located upon the development a pool building which houses an indoor swimming pool. Construction of that pool building was commenced in the spring of 1996 and completed in 1996. As of August 1, 1995, a water line stub was installed to serve the pool building.
9. That prior to August 1, 1995, the restaurant and bar known as the Arrow Point Bar & Grill, located upon a portion of the Arrow Point Park Planned Unit Development, also utilized water from the water system and was connected to the system.
10. That also during that same time period, i.e., prior to August 1, 1995, APDC owned and operated a sales office building which contained one bathroom. The office building and a marina facility which served the condominium development were also drew water from the water system which served the condominium development. AND KITCHEN.
RLB.
11. That as of August 1, 1995, there was installed a water line stub-out intended to serve Lot 2 of the development, (sometimes referred to as Building E). At that time, it was intended that there be constructed on Lot 2 a lodge building with between 50 and 70 units.

Dated this 18th day of October, 2007.


Roger Stewart

Subscribed and sworn to before me this 18th day of October, 2007.




Notary Public for the State of Idaho
Residing at: Coeur d'Alene
My commission expires: 8-20-2011



4732 S Arrow Point Dr, Harrison, ID 83833

Image © 2007 DigitalGlobe

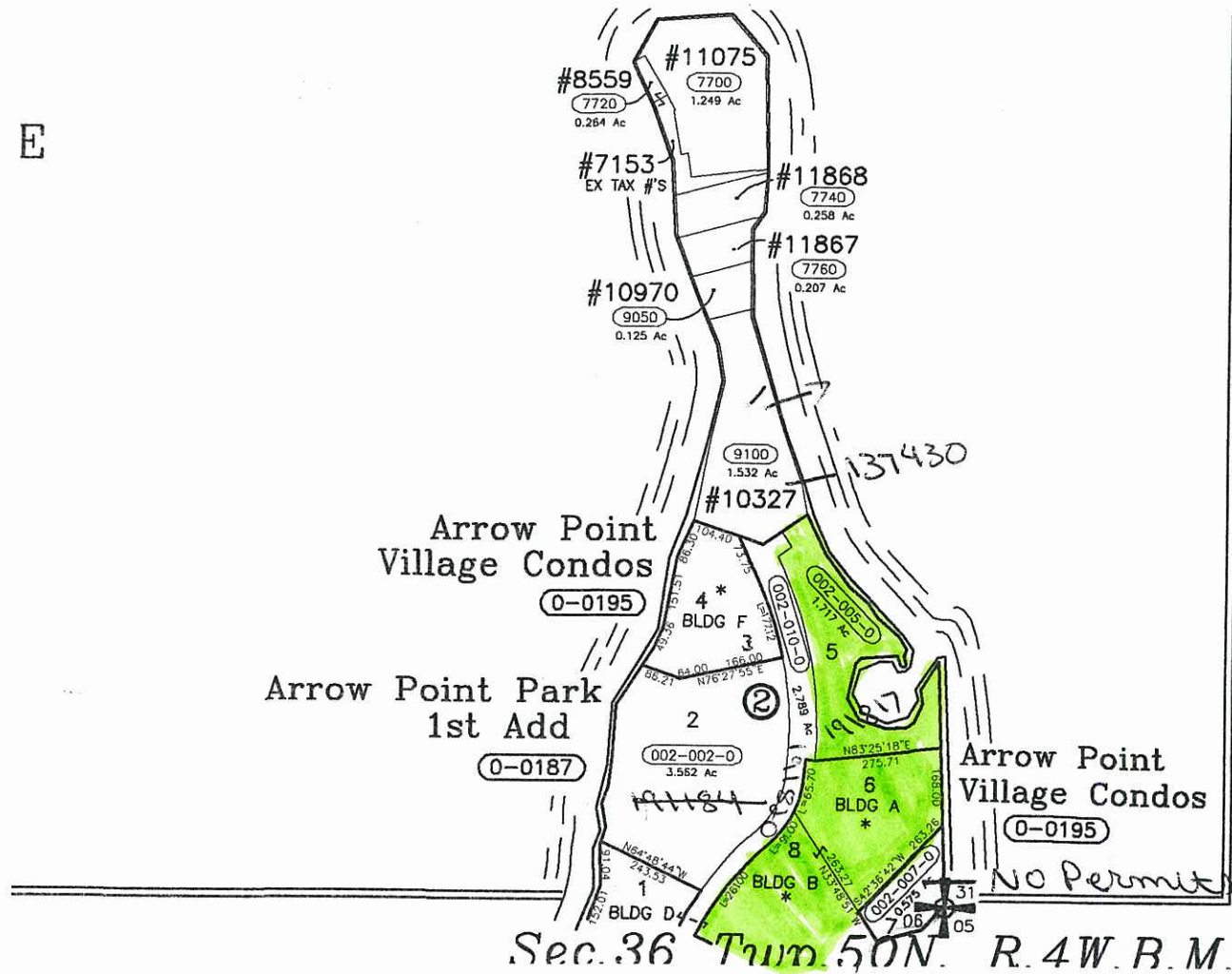
Google™

Pointer 47°37'46.34" N 116°46'05.70" W elev 2143 ft Streaming [|||||] 100%

Eye alt 4731 ft

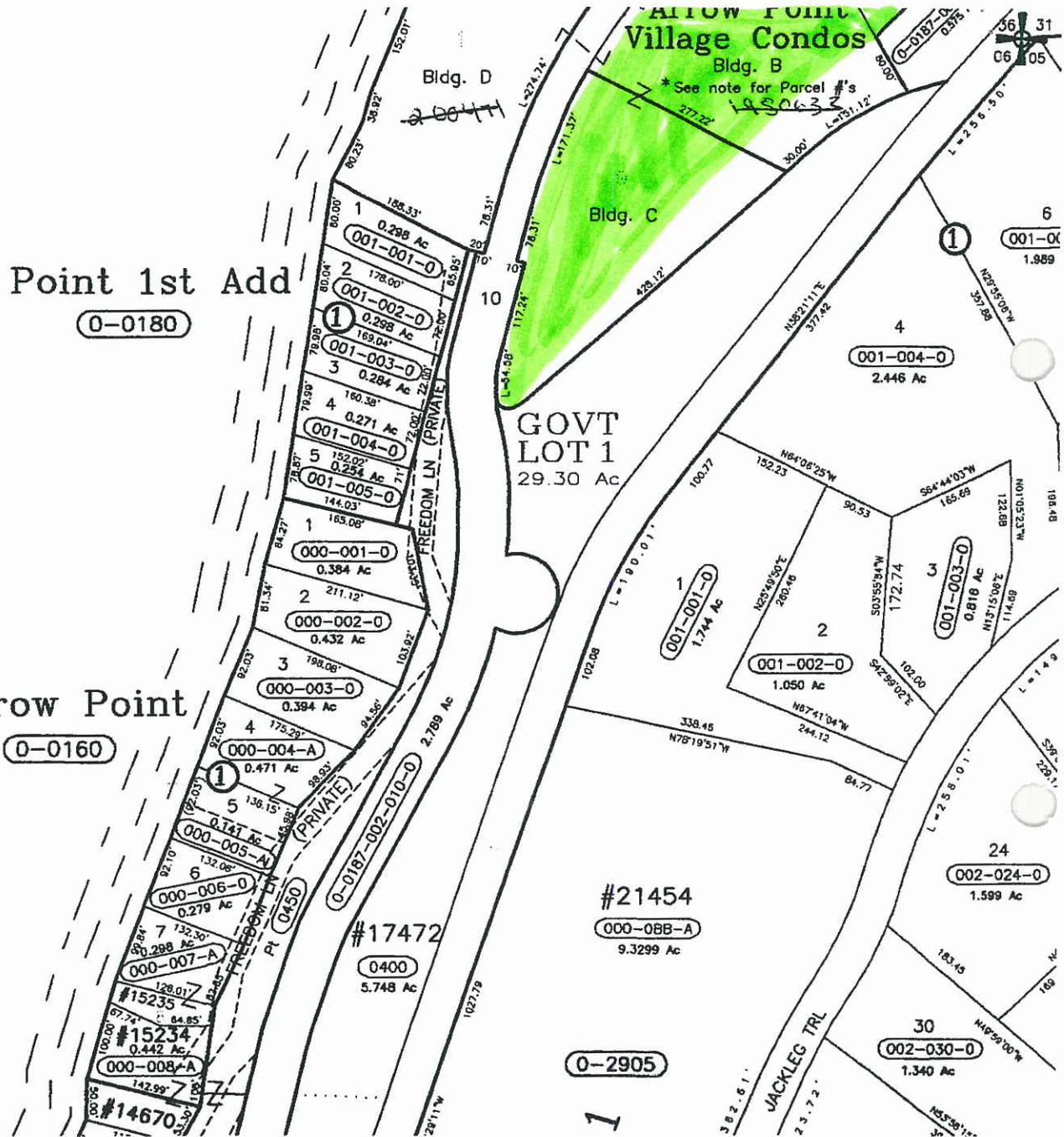
0019500_ 1 of 100

E



0-0180

0-0160



BEFORE THE IDAHO DEPARTMENT OF WATER RESOURCES

In Re:)
)
Lapsed Water Permit No. 95-8652) AFFIDAVIT OF
) DEAN J. RENNINGER
_____)

County of Kootenai)
: ss.
State of Idaho)

The undersigned affiant, Dean J. Renninger after being duly sworn, states as follows:

1. I am a state certified water and waste water system operator.
2. That from September 13, 2004 until September 13, 2007, I acted as the water and sewer operator for the Arrow Point Community Association, Inc. I am currently the sewer operator for the Arrow Point Community Association.
3. The attached exhibit entitled GPD Average 2004 – 2007 Estimated was prepared by me using records that were kept in the ordinary course of business.
4. The data reflected on the attached exhibits was obtained from flow meter readings at well sites and draw-down dosing volume calculations. I was unable to locate similar records for prior years.
5. Based upon my experience as a manager of water systems, it is reasonable to assume that the water volume usage during 1995 was substantially similar to the volumes described on the attached exhibits, with appropriate reduction for the fact that some of the current buildings were not yet constructed as of August 1, 1995. I would estimate that giving due consideration to these differences, it would be reasonable to assume usage as of August 1, 1995 would have been approximately 3,000 gallons per day (GPD) less for domestic (non-irrigation) use than is reflected in the attached exhibits. Irrigation use would have been similar to current figures, less irrigation for the square foot area subsequently landscaped around Buildings D and F, which was not installed until 1996.
6. Water is currently supplied to the marina facility at the rate of approximately 4,000 gallons per day (GPD) (peak flow, seasonal use, May through September). However, the meter at this connection point also measures water used to irrigate landscaped area on Lot 5, (the Pool Building lot).
7. That based upon my review of the Arrow Point Park – Phase I Water & Sewer Distribution plans, the drain field for the Arrow Point Development was designed originally for a water usage by the restaurant of 1,750 GPD, as approved by the

AFFIDAVIT OF DEAN J. RENNINGER

Page 1 of 2

Q:\CLIENTS-DMD-JPH\ArrowPoint 5237\IDWR\Renninger Affidavit.doc

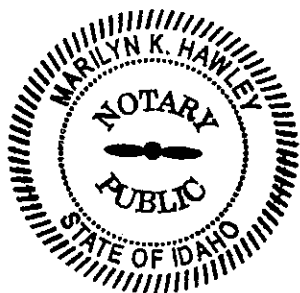
Panhandle Health District. Water is currently supplied to this facility at the rate of approximately 3,743 GPD, (peak flow, seasonal use, May through September).

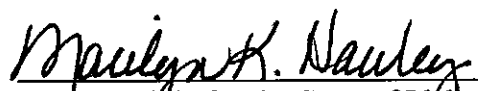
Dated this 19 day of October, 2007.



Dean J. Renninger

Subscribed and sworn to before me this 19 day of October, 2007.





Notary Public for the State of Idaho
Residing at: Newman Lake, WA
My commission expires: 1/29/2013

GPD average 2004 -2007 estimated

	Jan	Feb	mar	april	may	june	july	aug	sept	oct	nov	dec
Fire dept												
Pool House												
Marina	0	0	0	0	4000	4000	4000	4250	4250	0	0	0
Restaurant	0	0	0	0	3500	3500	3743	3252	3252	0	0	0
Building A												
Building B												
Building C												
Building D												
Building E												
Building F under construction												
Domestic use	4000	5000	6500	8000	6500	9700	13000	15700	10400	9250	7300	6000
private homes	500	500	800	1000	1000	1000	1400	2000	1200	1000	1000	1000
water loss	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500
Domestic use total	7000	8000	9800	11500	17500	20700	24643	27702	21602	12750	10800	9500
water supplied	7000	8000	9800	16000	60000	60000	76000	79000	48000	23700	10800	9500
Irrigation	0	0	0	4500	42500	39300	51357	51298	26398	10950	0	0

Estimated water loss due to leakage , unmetered usage or calculations in system 30% of winter flows

Estimated home usage as percentage of wastewater calculations (not well Calc) 7% to 10% during winter months , 12 to 17 % summer with peak of 25%

2004 thru 2007 estimated flows from meters and draw down , dosing volume calculations

consideration for water Leaks (broken pipes) july 07 , Feb 04 , Jan 05

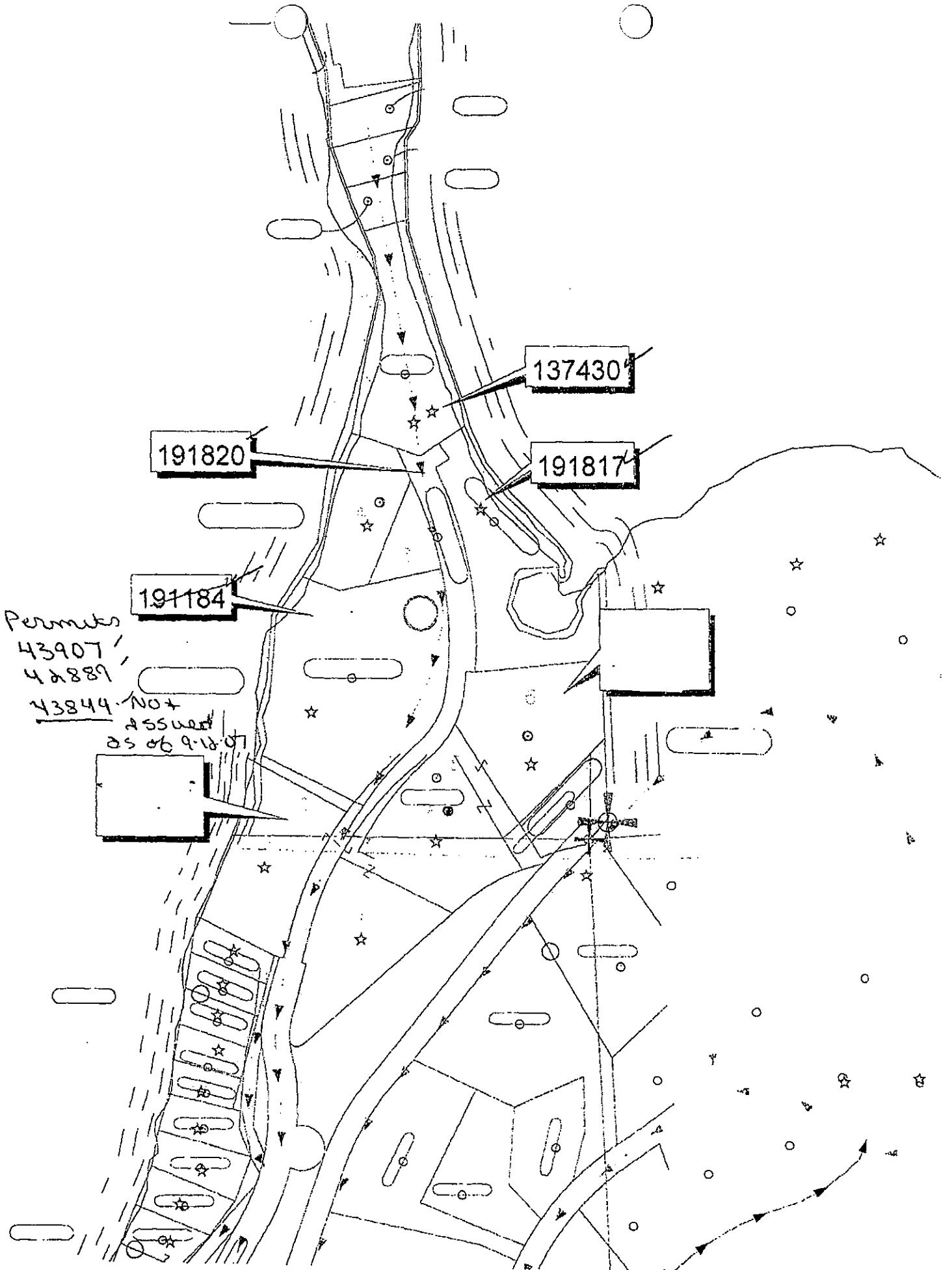
Estimated thru 2007

2004	Jan	Feb	Mar	april	may	june
Well1	126,650	227,730	126,460	208,730	284,470	454,860
Well 2	134,470	872,650	143,710	258,350	299,180	615,150
Gal Pumped	261,120	1,100,380	270,170	467,080	583,650	1,070,010
GPD	8,423	37,944	9,006	15,569	19,455	35,667
Wastewater	133,163	120,975	138,354	258,878	267,454	291,379
GPD	4,296	4,172	4,612	8,629	8,915	9,713
Diff	127,957	979,405	131,816	208,202	316,196	778,631
GPD not accounted for	4,128	33,773	4,394	6,940	10,540	25,954
% not accounted	49.00%	89.01%	48.79%	44.58%	54.18%	72.77%
2005	Jan	Feb	Mar	april	may	june
Well1	107,920	85,490	133,630	245,560	370,270	1,248,550
Well 2	295,470	87,730	185,840	198,560	301,910	188,090
Gal Pumped	403,390	173,220	319,470	444,120	672,180	1,436,640
GPD	13,013	5,588	10305	14,326	21,683	46,343
Wastewater	276,482	114,545	232,840	264,649	165,406	295,186
GPD	8,919	3,950	7,761	8,822	5,514	9,840
Difference	126,908	58,675	86,630	179,471	506,774	1,141,454
GPD not accounted for	4,094	1,893	2,795	5,789	16,348	32,613
% not accounted	31.46%	33.87%	27.12%	40.41%	75.39%	70.37%

2004	july	aug	sept	oct	nov	dec	2004
Well1	731,250	2,259,050	1,215,030	222,380	151,830	112,850	6,121,290
Well 2	294,150	25,110	695,610	377,170	164,450	115,420	3,995,420
Gal Pumped	1,025,400	2,284,160	1,910,640	599,550	316,280	228,270	10,116,710
GPD	34,180	76,139	63,688	21,413	10,543	7,364	
Wastewater	300,181	586,820	492,703	266,326	190,265	211,097	3,257,596
GPD	10,006	19,561	16,423	9,512	6,342	6,810	
Diff	725,219	1,697,340	1,417,937	333,224	126,015	17,173	6,859,115
GPD not accounted for	24,174	56,578	47,265	11,901	4,200	554	
% not accounted	70.73%	74.31%	74.21%	55.58%	39.84%	7.52%	
2005	july	aug	sept	oct	nov	dec	2005
Well1	1,518,460	1,727,583	278,760	70,656	145,176	157,144	6,089,199
Well 2	169,960	86,930	396,970	226,200	170,850	176,450	2,484,960
Gal Pumped	1,688,420	1,814,513	675,730	296,856	316,026	333,594	8,574,159
GPD	54465	58533	21798	9,576	10194	11,914	
Wastewater	343,534	427,600	218,845	157,772	175,584	151,409	2,823,852
GPD	11,451	14,253	7,295	5,259	5,853	5,407	
Difference	1,344,886	1,386,913	456,885	139,084	140,442	182,185	5,750,307
GPD not accounted for	38,425	39,626	16,317	4,967	5,016	6,507	
% not accounted	70.55%	67.70%	74.86%	51.87%	49.20%	54.61%	
							0

2006	Jan	Feb	Mar	april	may	june
Well1	86,900	125,100	126,900	242,900	813,500	778,000
Well 2	117,180	194,070	168,320	377,830	903,550	900,250
Gal Pumped	204,080	319,170	295,220	620,730	1,717,050	1,678,250
GPD	7,289	11,399	10544	22,169	61,323	59,938
Wastewater	138,622	179,402	152,682	148,865	201,040	290,520
GPD	4,951	6,407	5,453	5,317	7,180	10,376
Difference	65,458	139,768	142,538	471,865	1,516,010	1,387,730
accounted for	2,338	4,992	5,091	16,852	54,143	49,562
% not accounted	32.07%	43.79%	48.28%	76.02%	88.29%	82.69%
2007	Jan	Feb	Mar	april	may	june
Well1	89,400	95,000	120,200	201,000	472,500	1,489,500
Well 2	95,950	128,500	138,720	694,120	1,358,150	902,430
Gal Pumped	185,350	223,500	258,920	895,120	1,830,650	2,391,930
GPD	6620	7982	9247	31,969	65,380	85,426
Wastewater	135,536	148,355	208,405	298,210	202,919	249,173
GPD	4,841	7,065	7,443	10,650	7,247	8,899
Difference	49,814	75,145	50,515	596,910	1,627,731	2,142,757
accounted for	1,779	2,684	1,804	21,318	58,133	76,527
% not accounted	26.88%	33.62%	19.51%	66.68%	88.92%	89.58%

2006	july	aug	sept	oct	nov	dec	2006
Well1	1,713,500	1,195,700	356,600	294,200	134,100	129,200	5,996,600
Well 2	804,900	1,663,250	1,287,250	826,740	193,660	133,160	7,570,160
Gal Pumped	2,518,400	2,858,950	1,643,850	1,120,940	327,760	262,360	13,566,760
GPD	89943	102105	58709	40034	11706	9,370	
Wastewater	408,365	535,659	308,386	242,579	161,938	170,494	2,938,552
GPD	14,584	19,131	11,014	8,664	5,784	6,089	
Difference	2,110,035	2,323,291	1,335,464	878,361	165,822	91,866	10,628,208
accounted for	75,358	82,975	47,695	31,370	5,922	3,281	
% not accounted	83.78%	81.26%	81.24%	78.36%	50.59%	35.02%	
2007	july	aug	sept	oct	nov	dec	2007
Well1	2,563,800						5,031,400
Well 2	1,563,390						4,881,260
Gal Pumped	4,127,190						9,912,660
GPD	117920						
Wastewater	494,057						1,736,655
GPD	14,116						
Difference	3,633,133						8,176,005
accounted for	129,755						
% not accounted	110.04%						



137430

191820

191817

191184

Permits
43907 /
42889 /
43844 - Not
Assured
as of 9-18-07

Permit Number, Type and Subtype

SDP07-0104	Find	Go To	Recent
28 UNIT CONDO need elevation cert			
Step by Permit_no		Type	SubType
Step by Permit_no Step by Permit_no Step by Permit_no Step by Permit_no		SITE DISTURBANCE	

Name and Address Information

Site Address	4697 S ARROW RD	HARRISON
Owner	DISCOVERY CDA INVESTORS LLC	
Applicant	Andy Holloian	
Parcel Number	001870020020	Restr

(a) Parent Project and (b) Parent Permit

(a)			Find	Go
(b)	43844	28 UNIT CONDO need elevation	Find	Go
Show Sub-Permits				

FINANCIAL INFORMATION

Job Value	\$47,800.00	Valuation Details
Fees	\$690.00	Fee Details
Fees Paid	\$690.00	Fee Payment Details

Permit Dates

Applied	09/17/2007	SMY
Approved	09/21/2007	SLAF
Issued	09/21/2007	SLAF
Finalized	N/A	
Expiration	03/19/2008	SLAF
App Exp	N/A	
Status	ACTIVE	

More Info (8)

Site Info

Contacts (4)

Chronology (1)

Description

Plan Reviews

Imaging Link

Inspections

Internet Link

Print

CLOSE

Insp Type	Inspector	Sched. Date	Time	Compl Date	Time	Result	Remarks	Dur	LCKD	Re

Inspection Details for Inspection Selected Above

Type of Inspection

Inspector

Date/Time Scheduled

Calendar

Date/Time Completed

Add to
Timesheet

Results and Duration

Comments / Remarks

Scheduled Date (desc)

Add Inspections

Select Other Inspections

Batch Scheduling

Plan Location

** Attachments **

Print

More Info

Notes

Play

Record

Void

Close

Permit Number, Type and Subtype

43844	Find	Go To	Recent
28 UNIT CONDO need elevation cert Lakeshore Lodge Condo			
Step by Permit_no	Type		
<< < > >>	COMMERCIAL		
SubType		11 COMMERCIAL	

Name and Address Information

Site Address	4697 S ARROW RD	HARRISON
Owner	DISCOVERY CDA INVESTORS LLC	
Applicant	Andy Holloran	
Parcel Number	001870020020	Restr

(a) Parent Project and (b) Parent Permit

(a)	S-801-04	GOZZER	Find	Go
(b)			Find	Go
Show Sub-Permits (2)				

FINANCIAL INFORMATION

Job Value	\$14,084,683.70	Valuation Details
Fees	\$94,057.85	Fee Details
Fees Paid	\$94,057.85	Fee Payment Details

Permit Dates

Applied	06/21/2007	RDS
Approved	09/20/2007	RDS
Issued	09/21/2007	SLAC
Finalized	N/A	
Expiration	03/19/2008	SLAC
App Exp	12/18/2007	RDS
Status	ACTIVE	

More Info (6)

Site Info **

Contacts (3)

Chronology (7)

Description **

Plan Reviews (3)

Imaging Link

Inspections (1)

Internet Link

Print

CLOSE

Insp Type	Inspector	Sched. Date	Time	Compl Date	Time	Result	Remarks	Dur	LCKD	Re
INSPECTION				6/21/2007			APP DL	0	Γ	C

Inspection Details for Inspection Selected Above

Type of Inspection

INSPECTION COMMENT 1

Inspector

Date/Time Scheduled

<N/A>

Calendar

Date/Time Completed

06/21/2007

Add to
Timesheet

Results and Duration

Comments / Remarks

APP DL

Scheduled Date (desc)

Add Inspections

Select Other Inspections

Batch Scheduling

Plan Location

** Attachments **

Print

INSPECTION CODE NOT FOUND IN SETUP TABLE

More Info

Notes

Play

Record

Void

Inspection is completed

Close

WELCH COMER
& ASSOCIATES, INC.
ENGINEERS & SURVEYORS

RECEIVED

MAY 18 2007

WITHERSPOON, KELLEY
DAVENPORT TOOLE

IDAHO

1626 Lincoln Way
Coeur d'Alene, ID 83814
208-664-9382
Fax 208-664-5946

WASHINGTON

P.O. Box 861
Liberty Lake, WA 99019
509-255-6000
Fax 509-255-6009

Toll free

1-877-815-5672

E-mail

wc@welchcomer.com

May 17, 2007

Mr. Dennis Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146

Re: Arrow Point Water

Dear Mr. Davis:

We have reviewed the water diversion rate calculations provided by the system operator and concur with his findings.

The combined output from the existing well pumps is approximately 130 gallons per minute. This corresponds to a diversion rate of 0.3 cubic feet per second.

Sincerely,
Welch Comer & Associates, Inc.



Steven B. Cordes, P.E.
Vice-President/Principal Engineer

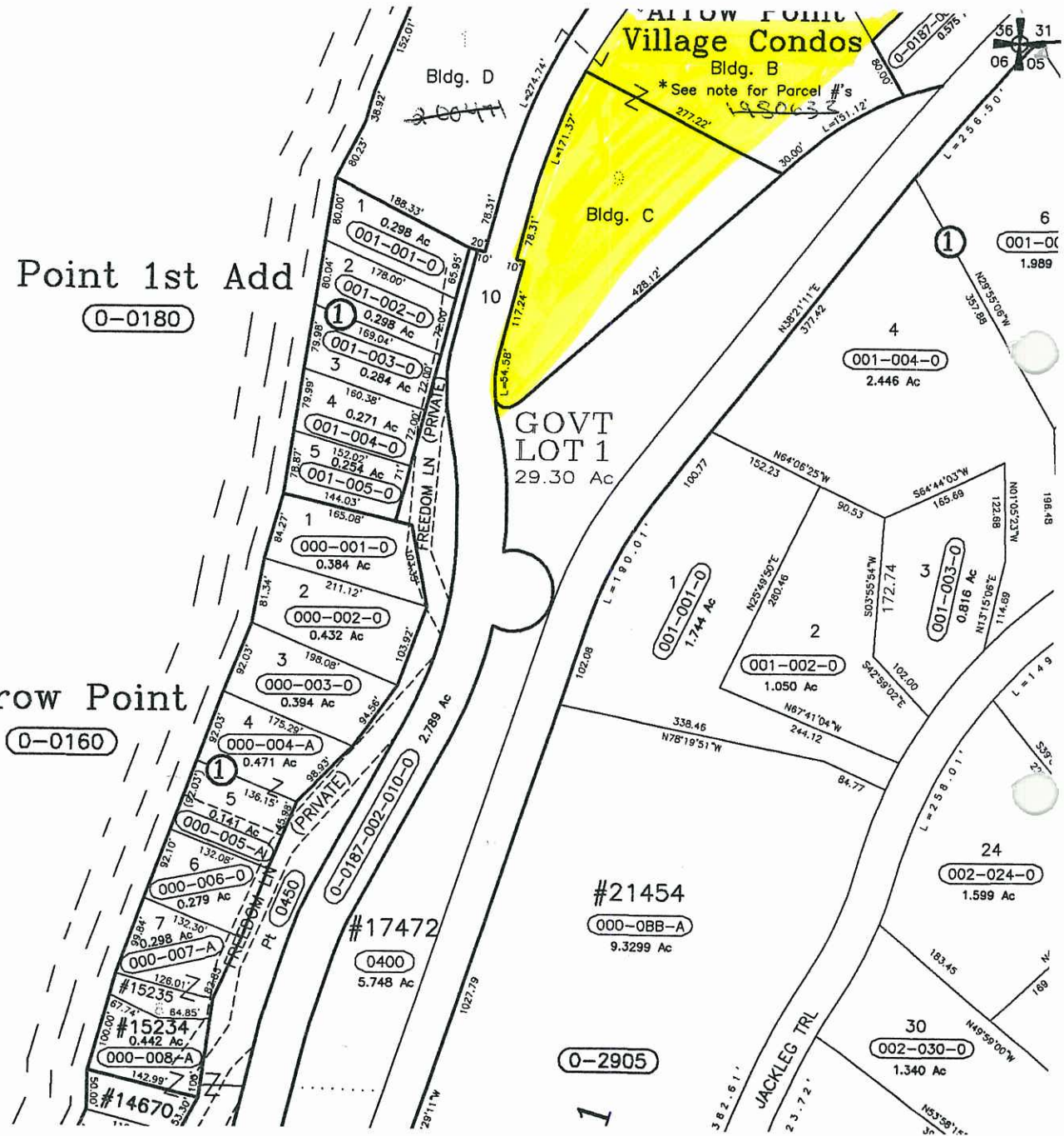
SBC/ljh

Arrow Point 1st Add

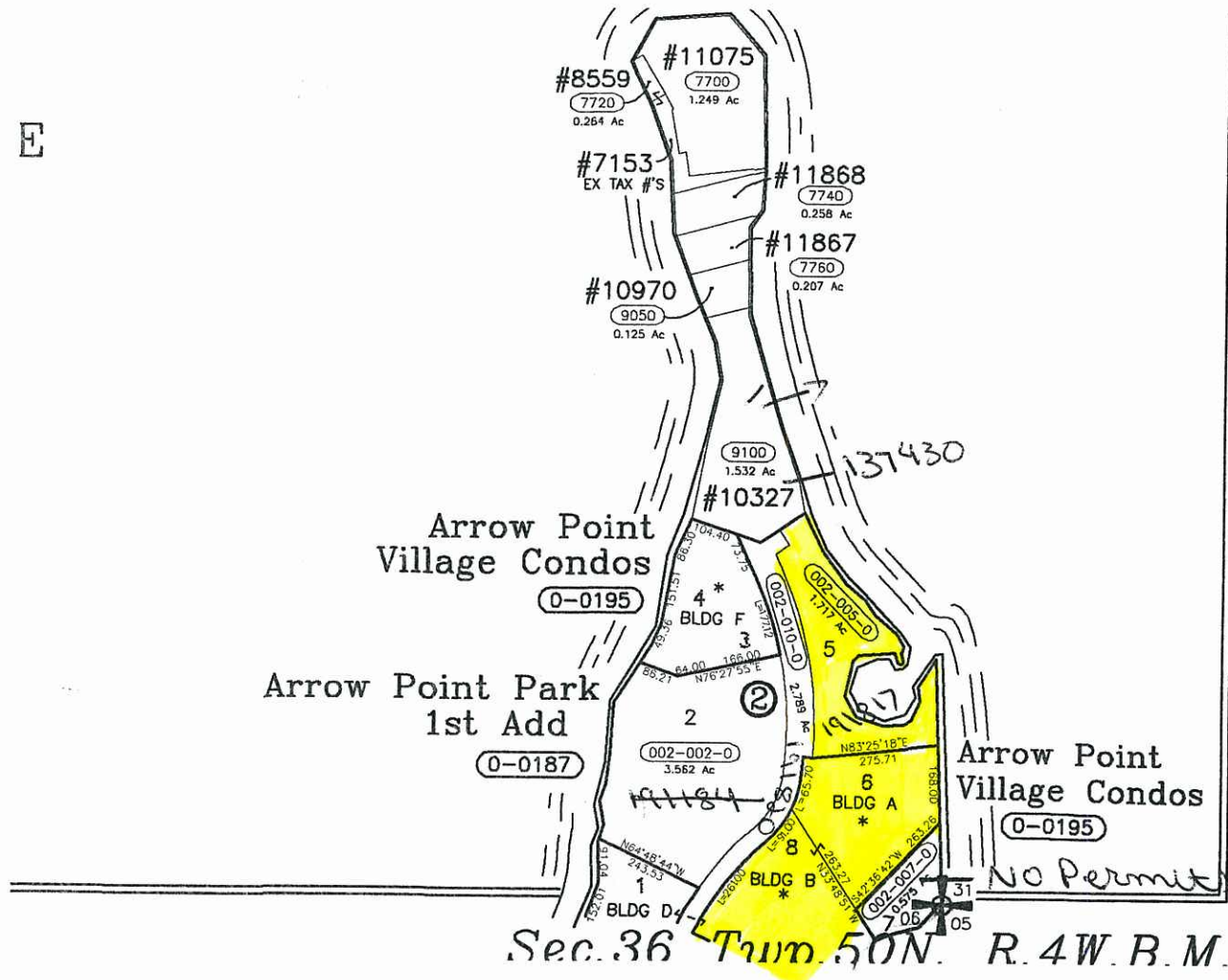
0-0180

Arrow Point

0-0160



E





State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

September 17, 2007

C.L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

WITHERSPOON, KELLEY, DAVENPORT & TOOLE
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, ID 83814-2146

RE: Lapsed Permit No. 95-8652

Dear Mr. Davis:

I've had a couple of productive phone conversations with Mr. Dean Renniger, who is attempting to locate and provide additional information on behalf of the Arrow Point Community Association.

I believe that the Arrow Point Community is showing reasonable diligence toward providing supplemental data to the Department and I am comfortable granting an additional 30 days to complete the search.

Please feel free to contact this office if you have any further questions.

Sincerely,

Michele Edl
Associate Engineer
Idaho Department of Water Resources
322 East Front Street
PO Box 83720-0098
Boise, ID 83720-0098
Phone: 208-287-4946
Email: michele.edl@idwr.idaho.gov

uA

WITHERSPOON, KELLEY, DAVENPORT & TOOLE
A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON**
DENNIS M. DAVIS**
MARK A. ELLINGSEN*
JOEL P. HAZEL*
ROBERT J. CALDWELL*

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSEMAN
JEFFREY L. RUPENGER*
LESLIE R. WEATHERHEAD*
MICHAEL D. CURRIN
BRIAN T. REKOFKE*
R. MAX ETTER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI*
TIMOTHY M. LAWLOR
WILLIAM N. SYMMES*
STANLEY M. SCHWARTZ*
DAVID M. KNUTSON
JODY M. MCCORMACK*
MICHAEL L. LOFT*
ROSS F. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*
KIMBERLY A. KAMEL*
RYAN M. BEAUDON*
STACY A. BJORDAHL
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LAROCY*
JULIE H. OLDS*
JASON R. WHITELEY*
GEANA VAN DERSEL
STEVEN J. DIXSON

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

RECEIVED

SEP 14 2007

**DEPARTMENT OF
WATER RESOURCES**

September 11, 2007

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5265

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 690
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

Idaho Department of Water Resources
Attn: Michelle Edl
Water Rights Section
322 East Front Street
Boise, ID 83720-0098

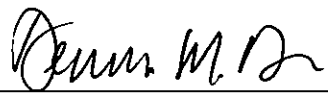
Re: Lapsed Permit No. 95-8652

Dear Ms. Edl:

In connection with the application of Arrow Point Community Association for reinstatement of the above permit, please consider this a request for an additional thirty (30) days in order to gather information requested in your August 14, 2007 letter. We have made some progress. However, given the lapse of time, some of the supporting information has been difficult to document. Thank you very much for your consideration of this request.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 

DENNIS M. DAVIS

DMD/cpm

Enclosures

cc: Steve Townsend

G:\A\Arrow Point Community Association 5237\Water Rights\LtrPeppersack 061207.doc

++Admitted in Idaho only
^Also admitted in Washington
*Also admitted in Idaho
‡Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

MEMORANDUM

Date: September 4, 2007
To: Water Right File 95-8652
From: medl
Re: additional use

September 4, 2007, I got a phone call from Dean Renninger, operator of Arrow Point s water supply system this afternoon. He is attempting to locate information which supports more beneficial use was established by August 1, 1995 than I had been able to quantify based on the initial submittals and research.

He has condo floor plans that show the number of units per condo is more than my previous count. He also stated that a sales office had been located where the pool house is now. The office had a kitchen and restrooms and so would count as an additional domestic use. There was also a stub-in, set in lot 2, anticipating a lodge building, for which ground breaking has only recently occurred.

He mentioned that there is a marina and bar/restaurant on the system. The original permit did not request commercial use and I do not have any documents supporting that use in the submittals available to me. However, he has plans which show that the drain field was sized based on the commercial use. I asked him to send me copies of his documentation.

Dean is also putting together spreadsheets which show a calculation of irrigation use based on contemporary meter data. He told me that sprinkler systems were put in place around the condos as soon as possible after they were completed.

I spoke briefly with Jeff Peppersack about adding commercial use. Because this development is much smaller than the original permit allocation, I believe that there will be irrigation and domestic volume and flow that could be converted to commercial use.



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

August 14, 2007

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Director

DENNIS M. DAVIS
WITHERSPOON, KELLY, DAVENPORT & TOOLE
608 NORTHWEST BLVD STE 401
COEUR D'ALENE ID 83814-2146

RE: Evidence of Beneficial Use for Reinstatement of Lapsed Permit No. 95-8652

Dear Mr. Davis:

I am reviewing the documents submitted by your office on behalf of Arrow Point Community Association for reinstatement of the permit referenced above. This review is required to determine whether there was sufficient evidence of beneficial use established by the proof due date and if so, to quantify the use. This letter summarizes what I have found to date and those areas where we need more information before we can make further progress in the review process.

In addition to the documents you sent us, I made email inquiries to the Coeur D'Alene office of DEQ. I received responses from them that clarified some points for me, so I am attaching copies of their documents for your reference.

Based on all that information, I believe that there is enough evidence supporting beneficial use was established by August 1, 1995 and therefore, to justify reinstating the permit. I found that a water supply system with 57 connections was serving the domestic water needs of predecessors to the Arrow Point Community Association. There were 17 freestanding, single family lots and 5 condominiums containing 40 dwelling units. Based on Department standards, each connection established a beneficial domestic water use of 0.6 acre-foot per year. 57 domestic connections would have amounted to a total volume of 34.2 afa.

In addition to the annual volume, I considered the instantaneous diversion capacity of the system that was in place August 1, 1995. Based on pump curves from the period, the two pumps would have had a combined capacity of approximately 114 gpm or 0.25 cfs. That rate compares well with other Department reference material and is the amount IDWR believes was put to beneficial use for domestic purposes at Arrow Point within the authorized development period.

The original permit authorized appropriation of water for domestic use and irrigation use. Although some domestic use has been sufficiently documented, so far, I have no evidence to support the irrigation use. Do you have documents evidencing the extent of irrigation use that had been established by August 1, 1995? Evidence may include aerial photography from the early 1990's or evidence of landscaping work and purchase of trees, shrubs, grass, etc. Without documentation of irrigation use, your water appropriation will be limited to the accrual of the established community's domestic use.

Many of the views included in your submittal do not provide the type of evidence necessary for proof of beneficial use. Unless you would like them returned, we will dispose of all but the following plans and elevations:

LePard & Frame, Arrow Point Park P.U.D. Phase One Water and Sewer in Sec.6, T.49., R.3W., B.M. Kootenai County, Idaho, Sep 1990, views 1 of 5, and 2 of 5; and Frame & Smetana, Arrow Point Park First Addition, Water Distribution and Sanitary Sewer Collection, Sec. 6, T. 49N, R 3W, B.M. and Sec 36, T.50N R 4W, B.M. Kootenai County, Idaho, Feb 1993, views 1 of 5 and 2 of 5.

I will hold final processing of your reinstatement request for 30 days to provide you with time to submit additional information. After that time, the Department plans to reinstate the permit based on the information submitted. Feel free to contact me with questions or if you need additional time to submit information.

Sincerely,

Michele Edl
Water Rights Section
Idaho Department of Water Resources
322 East Front Street
Boise, ID 83720-0098
Phone: 208-287-4946
FAX:208-2894800
Email: Michele.Edl@idwr.idaho.gov

Enclosures

Robertson SUPPLY, INC.

CORPORATE AND ADMINISTRATIVE OFFICES
P.O. BOX 1366
NAMPA, IDAHO 83653-1366

Phone # (208) 466-8907
Fax # (208) 466-8900

TODAY'S DATE: 8-9-07

PLEASE DELIVER THE FOLLOWING FAX TO:

NAME: MICHELE EDL

COMPANY IDAHO Dept. WATER Resources

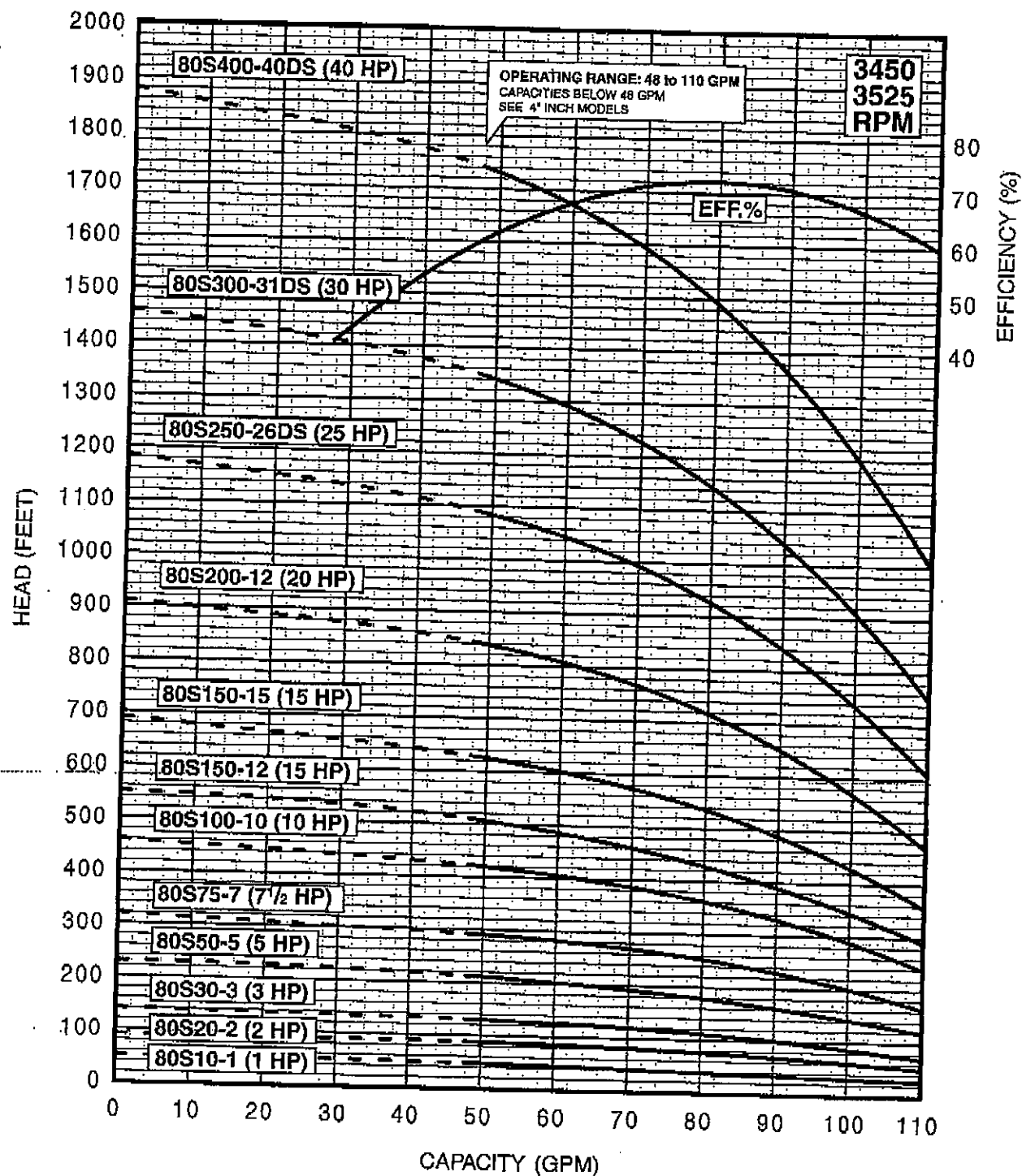
FROM: ALAN WRIGHT

FAX # CALLED 208-287-6700

Number of pages, including this cover 3

MESSAGE: MICHELE THIS IS THE SERIES OF
PUMPS THAT GRUNDFOS BUILT IN 1995. IF YOU
LOOK AT THE 80S150-12 (15HP) CURVE AND
FOLLOW IT FROM THE LEFT SIDE OF SHEET FOR
THE FEET OF HEAD 400^{FT} AND ACROSS THE BOTTOM
FOR GPM IT SHOWS THIS PUMP WILL PUMP 86-88 GPM
AT 400 FT 265 TO WATER + 60 PSI IS 403 TDH

Please contact sender if all pages are not received

Performance Curves**80 GPM****Model 80S****FLOW RANGE: 48 -110 GPM****OUTLET SIZE: 3" NPT****NOMINAL DIA. 6"**

SPECIFICATIONS SUBJECT TO CHANGE WITHOUT NOTICE.

4" MOTOR STANDARD, 1-5 HP/3450 RPM

6" MOTOR STANDARD, 7.5-30 HP/3450 RPM

8" MOTOR STANDARD, 40 HP/3525 RPM

Performance conforms to ISO 2548 Annex B
@ 5 ft. min. submergence.**GRUNDFOS**

DIMENSIONS AND WEIGHTS

MODEL NO.	FIG.	HP	MOTOR SIZE	DISCH. SIZE	DIMENSIONS IN INCHES					APPROX. SHIP WT.
					A	B	C	D	E	
80S10-1	A	1	4"	3" NPT	23.5	11.8	11.7	5.4	5.2	25
80S20-2	A	2	4"	3" NPT	28.6	15.1	13.5	5.4	5.2	51
80S30-3	A	3	4"	3" NPT	35.9	20.6	15.3	5.4	5.2	65
80S50-5	A	5	4"	3" NPT	42.5	23.6	18.9	5.4	5.2	87
80S75-7*	A	7 1/2	6"	3" NPT	84.4	61.4	23.0	5.4	5.5	144
80S100-10*	A	10	6"	3" NPT	93.0	64.8	28.4	5.4	5.5	154
80S150-12	A	15	6"	3" NPT	103.0	71.1	31.9	5.4	5.5	173
80S150-15	A	15	6"	3" NPT	108.3	71.1	37.2	5.4	5.5	184
80S200-20	A	20	6"	3" NPT	123.7	77.6	46.1	5.4	5.5	207
80S250-26DS	A	25	6"	3" NPT	140.9	84.2	56.7	5.4	5.5	350
80S300-31DS	A	30	6"	3" NPT	156.3	90.7	65.6	5.4	5.5	398
80S400-40DS**	B	40	8"	3" MPT	123.2	39.8	83.4	7.5	7.6	714

NOTES: All models suitable for use in 6" wells, unless otherwise noted.

Weights include pump and with motor in lbs.

* Alternate motor sizes also available.

** Built into sleeve 3" MPT discharge, 8" min. well dia..

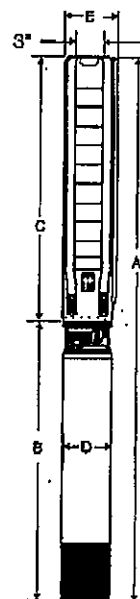


Fig. A

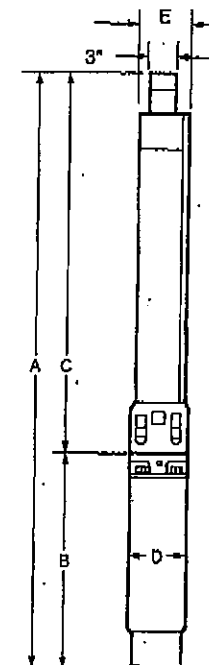


Fig. B

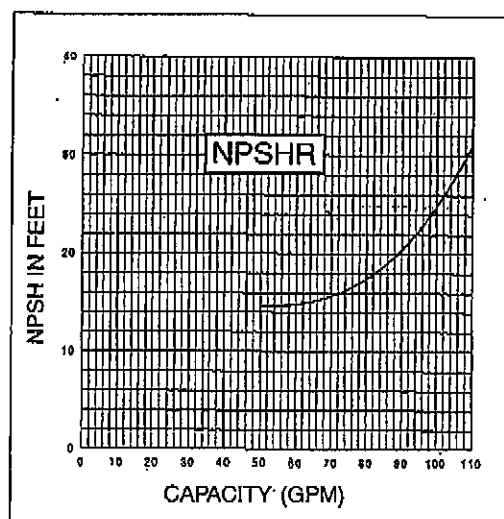
MATERIALS OF CONSTRUCTION

COMPONENT	CYLINDRICAL SHAFT (1- 40 Stgs.)
Check Valve Housing	304 Stainless Steel
Check Valve	304 Stainless Steel
Diffuser Chamber	304 Stainless Steel
Split Cone Nut	304 Stainless Steel
Split Cone	304 Stainless Steel
Impeller	304 Stainless Steel
Suction Interconnector	304 Stainless Steel
Inlet Screen	304 Stainless Steel
Straps	304 Stainless Steel
Cable Guard	304 Stainless Steel
Priming Inducer	304 Stainless Steel
Coupling	329/416 Stainless Steel
Coupling Key	302/304 Stainless Steel
Pump Shaft	431 Stainless Steel
Intermediate Bearings	NBR
Impeller Seal Ring	NBR/304 Stainless Steel
Check Valve Seat	NBR/316 Stainless Steel
Top Bearing	NBR/316 Stainless Steel
Motor Adaptor Plate *	304 Stainless Steel
Sleeve *	304 Stainless Steel
Sleeve Flange *	Zincless Bronze**

NOTES: Specifications are subject to change without notice.

* For 40 stage model.

** Stainless Steel option available.



Robertson SUPPLY, INC.

CORPORATE AND ADMINISTRATIVE OFFICES
P.O. BOX 1366
NAMPA, IDAHO 83653-1366

Phone # (208) 466-8907
Fax # (208) 466-8900

TODAY'S DATE: 8-9-07

PLEASE DELIVER THE FOLLOWING FAX TO:

NAME: MICHELE EDL

COMPANY

FROM: ALAN

FAX # CALLED 208-287-6700

Number of pages, including this cover 3

MESSAGE: MICHELE 40550-15 (SHP)

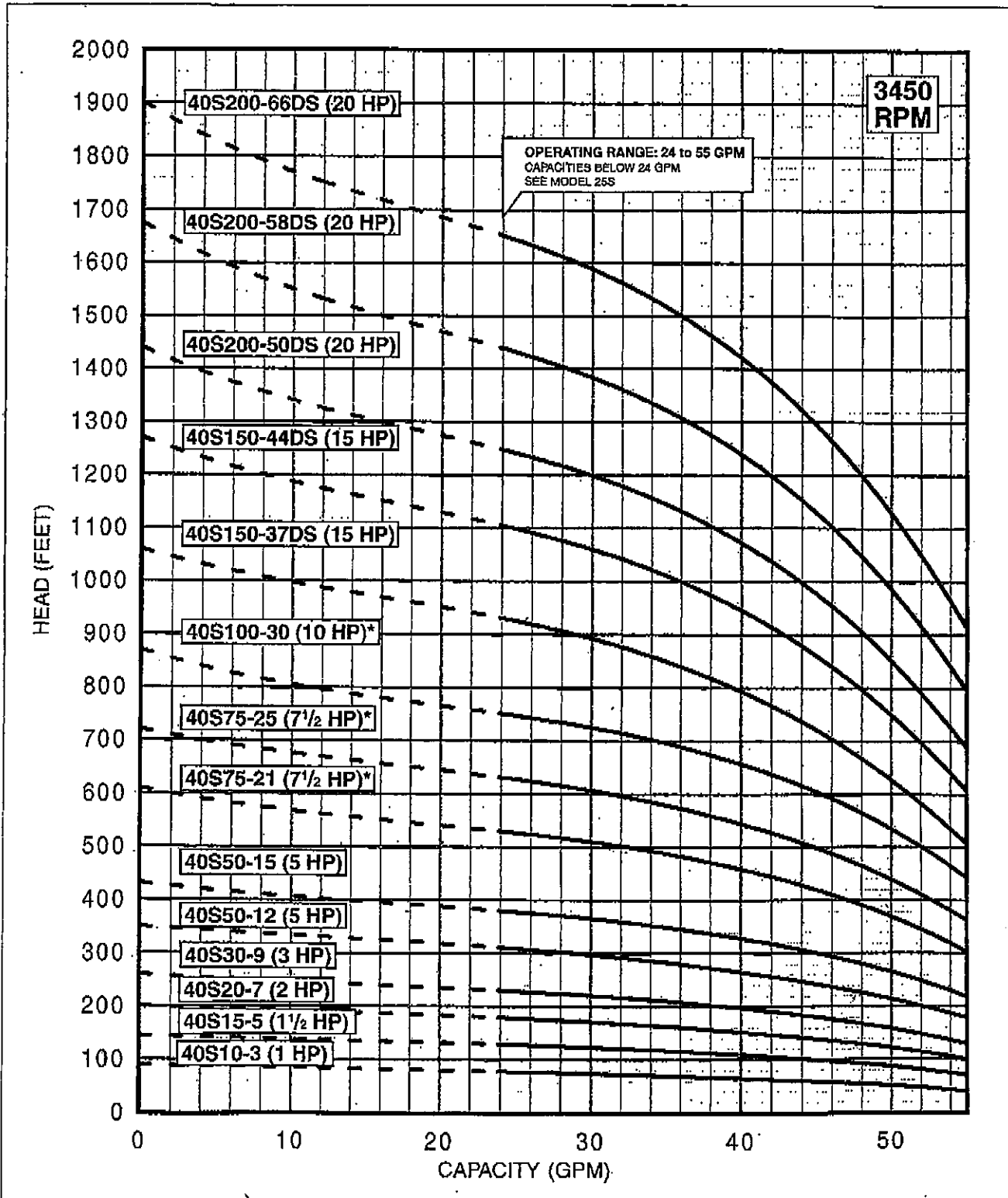
28 GPM AT 380 TDH

Please contact sender if all pages are not received

FLOW RANGE: 24 - 55 GPM

OUTLET SIZE: 2" NPT

NOMINAL DIA. 4"



SPECIFICATIONS SUBJECT TO CHANGE WITHOUT NOTICE.

4" MOTOR STANDARD, 1-10 HP/3450 RPM.

6" MOTOR STANDARD, 15-20 HP/3450 RPM.

* Also available with 6" motor.

Performance conforms to ISO 2548 Annex B

@ 5 ft. min. submergence.



Model 40S**40 GPM****Technical Data****DIMENSIONS AND WEIGHTS**

MODEL NO.	FIG.	HP	MOTOR SIZE	DISCH. SIZE	DIMENSIONS IN INCHES					APPROX. SHIP WT.
					A	B	C	D	E	
40S10-3	A	1	4"	2" NPT	24.6	11.8	12.8	3.8	3.9	32
40S15-5	A	1 1/2	4"	2" NPT	29.7	13.6	16.1	3.8	3.9	37
40S20-7	A	2	4"	2" NPT	34.5	15.1	19.4	3.8	3.9	41
40S30-9	A	3	4"	2" NPT	43.3	20.6	22.7	3.8	3.9	65
40S50-12	A	5	4"	2" NPT	51.3	23.6	27.7	3.8	3.9	78
40S50-15	A	5	4"	2" NPT	56.2	23.6	32.6	3.8	3.9	84
40S75-21*	A	7 1/2	4"	2" NPT	74.6	29.6	45.0	3.8	5.4	120
40S75-25*	A	7 1/2	4"	2" NPT	81.2	29.6	51.6	3.8	5.4	124
40S100-30*	A	10	4"	2" NPT	103.7	43.9	59.8	3.8	5.4	181
40S150-37DS	A	15	6"	2" NPT	99.5	28.0	71.5	5.4	5.4	244
40S150-44DS	A	15	6"	2" NPT	111.0	28.0	83.0	5.4	5.4	340
40S200-50DS**	B	20	6"	2" MPT	136.0	30.6	105.4	5.4	5.5	319
40S200-58DS**	B	20	6"	2" MPT	149.2	30.6	118.6	5.4	5.5	334
40S200-66DS**	B	20	6"	2" MPT	162.4	30.6	131.8	5.4	5.5	394

NOTES: All models suitable for use in 4" wells, unless otherwise noted.

Weights include pump and with motor in lbs.

* Also available with 6" motor.

** Built into sleeve 2" MPT discharge, 6" min. well dia.

MATERIALS OF CONSTRUCTION

COMPONENT	CYLINDRICAL SHAFT (3-44 Stgs.)	DEEP SET (50-66 Stgs.)
Check Valve Housing	304 Stainless Steel	304 Stainless Steel
Check Valve	304 Stainless Steel	304 Stainless Steel
Diffuser Chamber	304 Stainless Steel	304 Stainless Steel
Impeller	304 Stainless Steel	304 Stainless Steel
Suction Interconnector	304 Stainless Steel	304 Stainless Steel
Inlet Screen	304 Stainless Steel	304 Stainless Steel
Pump Shaft	431 Stainless Steel	431 Stainless Steel
Straps	304 Stainless Steel	304 Stainless Steel
Cable Guard	304 Stainless Steel	304 Stainless Steel
Priming Inducer	316 Stainless Steel	316 Stainless Steel
Coupling	329/420/431 Stainless Steel **	329/ 416 Stainless Steel
Check Valve Seat	NBR/316 Stainless Steel	NBR/316 Stainless Steel
Top Bearing	NBR/316 Stainless Steel	NBR/316 Stainless Steel
Impeller Seal Ring	NBR/316 Stainless Steel	NBR/316 Stainless Steel
Intermediate Bearings	NBR/316 Stainless Steel	NBR/316 Stainless Steel
Shaft Washer	LCP (Vectra®)	LCP (Vectra®)
Split Cone	304 Stainless Steel	304 Stainless Steel
Split Cone Nut	304 Stainless Steel	304 Stainless Steel
Sleeve	Not Required	316 Stainless Steel
Sleeve Flange	Not Required	Zincless Bronze*
Coupling Key	Not Required **	302/304 Stainless Steel

NOTES: Specifications are subject to change without notice.

Vectra ® is a registered trademark of Hoechst Calanese Corporation.

*Stainless Steel option available.

** If using 6" non-standard motors, refer to 416 Stainless Steel for coupling and 302/304 for the coupling key.

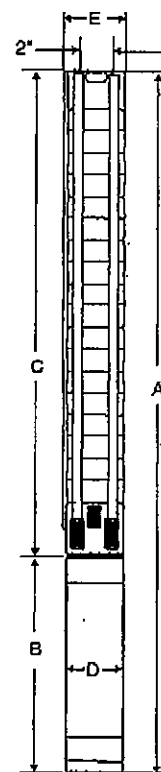


Fig. A

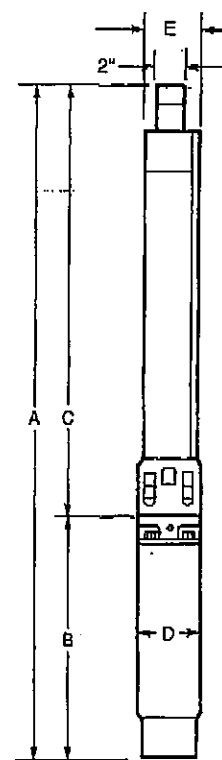


Fig. B

Edl, Michele

From: Anthony.Davis@deq.idaho.gov
Sent: Friday, July 06, 2007 9:41 AM
To: Edl, Michele
Subject: RE: info request Arrow Point Park
Attachments: 1280252SUR1.doc; 1280252.SUR; 1280252LTR.doc; 1280252LTR1.doc

Michelle,

I looked in our electronic file on Arrow Point and came up with 4 more documents. They are attached. Let me know if I can be of further assistance.

Tony

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Friday, July 06, 2007 8:32 AM
To: Anthony Davis
Subject: FW: info request Arrow Point Park

Good morning Tony,
I have reviewed the documents that Gary attached in his email and although it was much more information that I had, I really could use more historical data if it's available.

My problem is to ascertain what was developed at Arrow Point by Sep 1995. Do you have sanitary survey or equivalent prior to 2000?

Michele

From: Gary.Gaffney@deq.idaho.gov [mailto:Gary.Gaffney@deq.idaho.gov]
Sent: Thursday, July 05, 2007 4:23 PM
To: Edl, Michele
Cc: Roger.Tinkey@deq.idaho.gov; Anthony.Davis@deq.idaho.gov
Subject: RE: info request Arrow Point Park

Michelle,

I assume you are referring to the two wells that provide drinking water to the Arrow Point home owners association or whoever owns the water system. With the recent Gozzer Ranch development, the AP water system was not changed. It still serves the condos and a number of private residences in the area. I have attached some recent letters and reports on this pws.

Tony Davis in this office can be contacted for more information.

From: Roger Tinkey
Sent: Tuesday, July 03, 2007 7:32 AM
To: Gary Gaffney
Subject: FW: info request Arrow Point Park

Hi. Hopefully this will not be a big time buster, but, could you please call this IDWR Engineer back and let them know what has been going on at Arrow Pt. I'm not sure what documentation we would have that would be applicable. It would seem that Arrow Pt. should be responsible for documenting the water use based on actual users.

Thanks,

7/6/2008

-r

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Monday, July 02, 2007 4:13 PM
To: Roger Tinkey; Ed Tulloch
Subject: info request Arrow Point Park

Good afternoon,

I am reviewing documents and plans pertaining to a lapsed water right. I am hoping one of you gentlemen can point me in the right direction for additional information. If you are not the ones I should appeal to, please forward this message.

Arrow Point property, on Lake Coeur D'Alene, has changed hands several times in the last ten years. In the course of the ownership changes, a water right claim lapsed because proof of beneficial use was not submitted to IDWR by the Aug 1, 1995 due date. The current owners are trying to recover from this omission and have submitted a package of documents for our review.

I understand that at least some of the improvements to the water and wastewater systems for Arrow Point may have been cleared through DEQ. But I am not seeing any DEQ documents in the package. I am hoping to collect additional information from you that I can use determining system capacity changes or water use changes from 1993 through 1995.

In our database the property is located at **township 50N Range 04W section 36 Gov't lot 4**. If you need additional information from me to help streamline your search, don't hesitate to contact me.

Thank you in advance,

Michele Edl
Associate Engineer
Water Rights Section
Idaho Department of Water Resources
Boise, ID
208-287-4946

7/6/2008

7/6/2007 8:39:00 AM

Roger Stewart
Arrow Point Park
745 N. 4th
Coeur d'Alene, ID 83814

Re: Report of Survey, Arrow Point Park, PWS# 1280252

Dear Mr. Stewart:

Thank you for providing the assistance of R C Worst and Company in conducting the inspection of the Arrow Point Park water system. We found during the survey that the water system appeared to be well run and was in compliance with the Idaho Rules for Public Drinking Water Systems.

The deficiencies which were noted during the survey are listed below:

1. The roof of the reservoir had developed hair line cracks which need to be sealed to prevent precipitation from leaking into the drinking water.

Improvements outlined above shall be completed by December 31, 2000.

If you have any questions or comments on this matter please feel free to contact me at the Department of Environmental Quality (DEQ) in Coeur d'Alene. We are located at 2110 Ironwood Parkway, phone 208 769-1422.

Sincerely,

Anthony P. Davis
Water Quality Science Officer

Enclosure

c: Steve Tanner, DEQ, Coeur d'Alene (w/enc.)
Panhandle Health Dist., CDA (w/enc.)

August 28, 1995

Mr. Gary Frame
Arrow Point Water System
603 N. 4th Street
Coeur d'Alene, ID 83814

Re: Report of Survey, PWS # 1280252

Dear Mr. Frame:

On June 14 an inspection of the Arrow Point water system was conducted. We found during the survey that the water system appeared to be well constructed and appeared to be in compliance with Idaho's Rules for Public Drinking Water Systems.

The deficiencies which was noted during the survey was that there did not appear to be screens on the overflows from the reservoir. Please note that the date for correction of this item is December 31, 1995.

An analysis of the monitoring conducted to date and the future needs is also enclosed for your review. Please note that sampling required by the Lead Copper Rule must be initiated prior to December 31, 1995.

If you have any questions or comments on this matter please feel free to contact me at the Division of Environmental Quality in Coeur d'Alene. We are located at 2110 Ironwood Parkway, phone 208 769-1422.

Sincerely,

DIVISION OF ENVIRONMENTAL QUALITY

Anthony P. Davis
Water Quality Compliance Officer

c: Steve Tanner, IDHW-DEQ, CDA

IDAHO DEPARTMENT OF HEALTH AND WELFARE

Division of Environmental Quality

Drinking Water Supply Report

YEAR: 1995

PWS NUMBER: 1280252

SYSTEM: Arrow Point Water System

COUNTY: Kootenai

OWNERSHIP: Arrow Point Development Company

INFORMATION OBTAINED FROM: File and Inspection

LOCATION: Arrow Point

INSPECTOR: Tony Davis

DATE OF SURVEY: 6/14/95

POPULATION SERVED: 60

FIELD SURVEY DATA

Source of Water: Wells

How many? 2 Well Logs? Yes

Well field? Yes Back-up wells? No

Capacity(s) 30 GPM #1, 100 GPM+ #2

Diameter of Casing 8"

Depth of wells? #1 - 264', #2 - 275'

Well seal(s) adequate? Yes

Vent(s) adequate? Yes

Well head seal(s) acceptable? Yes

Pitless adapter? Yes

Adequate well lot? Yes

Any points of contamination? Well may be susceptible to influence from Lake Coeur d'Alene

Type of Pump(s): Submersible Yes

Turbine NA Type(s) of lubrication? NA

Horse power of each? #1 - 5 HP, #2 - 15 HP Brand Grundfos

Check valves in column? Yes

Check valve(s) in pump house? No Pump House Flow meter? Yes

Sample tap? Yes

Pump Control Valve(s) No Air gap at discharge? NA

Back-up Power? NA

Treatment:

Chlorination? No

Type NA Brand NA

Other Treatment(s) None

Distribution System:

Water main sizes? 1600" - 10", 400' - 8", 1600' - 6"

Looped? No Fire Hydrants?

Metered? No

Adequate pressure? Yes Range

Type(s) of pipe used? PVC

Pressure booster station(s)? No How many? NA

Horse power of booster station(s)? NA Capacity(s) NA

FIELD SURVEY DATA (continued)

Storage:

Reservoir(s)? 1

Size(s)? 60,000 Gallons

Elevated? No In ground? Yes

Access hatch seals adequate? Yes

Vents adequate? Yes Vents screened? No

Acceptable overflow(s)? Yes Overflows screened? No

Roof adequate? Yes

Type of material? Concrete

Cracks or openings? No

Pumps in reservoir? No

Horse Power? NA Capacity(s) NA

Pneumatic tanks? No Size(s)? NA

Rated Working Pressure? NA

Bladder tanks? No Size(s)? NA

Narrative Description of Problems Requiring Action.

1. The screens on the Vent/overflows on the reservoir were missing.

SAMPLING & LABORATORY DATA
Bacteriological Analyses

Number of samples required per month 1 Laboratory Coeur d'Alene

Is there a sampling plan? No

SEE DWIMS FOR RESULTS OF BACTERIOLOGICAL TESTING FOR LAST 12 MONTHS
--

VOLATILE ORGANIC CHEMICAL

Date of Sample: 11/1/93

Detection: ND

Waiver: Yes

SYNTHETIC CHEMICAL ANALYSES

Date of Sample: No Record

Detection: ND

Waiver: Yes, Phase II SOC's due 12/31/95

Waiver Dioxin: Yes

INORGANIC CHEMICAL ANALYSES

Dates of Samples: 11/1/93

Detection above MCL: No

Waiver Asbestos: Yes

NITRATE/NITRITE

Date of Samples: 11/1/93

Detection above 1/2 MCL: No

RADIOLOGICAL ANALYSES

Date of Sample: 11/1/93

	Results	MCL
<u>PARAMETER</u>	<u>Pci/l</u>	<u>Pci/l</u>
Gross Beta	<u>1.5</u>	50
Gross Alpha	<u>.1</u>	15

LEAD COPPER RULE

Date of Last Sample: No Record

Exceeded Action Level: No Record

FEES

Have the annual fees been paid? Yes

CONCLUSIONS AND RECOMMENDATIONS

This system is in **Compliance** with the Idaho Regulations for Public Drinking Water Systems. The following improvements are required:

1. The screens on the Vent/overflows on the reservoir were missing. - 12/31/95
2. The Lead Copper Rule sampling had not been completed. - 12/31/95

Improvements outlined above shall be completed by December 31, 1995.

August 24, 1995

Anthony P. Davis, Water Quality Science Officer

Date

IDAHO DEPARTMENT OF HEALTH AND WELFARE
Division of Environmental Quality

Drinking Water Supply Report

YEAR: 2000

PWS NUMBER: 1280252

SYSTEM: Arrow Point Water System

COUNTY: Kootenai

OWNERSHIP: Arrow Point Development Company

INFORMATION OBTAINED FROM: R C Worst & Company - File

LOCATION: Arrow Point

INSPECTOR: Tony Davis

DATE OF SURVEY: 8/7/2000

POPULATION SERVED: 60

Connections: 55

FIELD SURVEY DATA

Source

Source of Water: Wells

How many? 2 Well Logs? Yes

Well field? Yes Back-up wells? No

Capacity(s) 30 GPM #1, 100 GPM+ #2

Diameter of Casing 8"

Depth of wells? #1 - 264', #2 - 275'

Well seal(s) adequate? Yes

Vent(s) adequate? Yes

Well head seal(s) acceptable? Yes

Pitless adapter? Yes

Adequate well lot? Yes

Any points of contamination? No

Type of Pump(s): Submersible

Horse power of each? #1 - 5 HP, #2 - 15 HP Brand Grunfos

Check valves in column? Yes

Check valve(s) in pump house? No Pump House Flow meter? Yes

Sample tap? Yes

Pump Control Valve(s) No Air gap at discharge? NA

Back-up Power? NA

Treatment:

Chlorination? No

Distribution System:

Water main sizes? 1600" - 10", 400' - 8", 1600' - 6"

Looped? No Fire Hydrants? Yes

Metered? No

Adequate pressure? Yes Range

Type(s) of pipe used? PVC

Pressure booster station(s)? No How many? NA

Horse power of booster station(s)? NA Capacity(s) NA

FIELD SURVEY DATA (continued)

Storage:

Reservoir(s)? 1

Size(s)? 60,000 Gallons

Elevated? No In ground? Yes

Access hatch seals adequate? Yes

Vents adequate? Yes Vents screened? Yes

Acceptable overflow(s)? Yes Overflows screened? Yes

Roof adequate? Yes

Type of material? Concrete

Cracks or openings? Yes, hairline cracks were prevalent in the roof of the reservoir

Pumps in reservoir? No

Narrative Description of Problems Requiring Action.

1. The small hairline cracks in the roof of the reservoir need to be sealed to prevent precipitation from entering the water in the reservoir.

SAMPLING & LABORATORY DATA
Bacteriological Analyses

Number of samples required per month 1

Is there a sampling plan? No

Have the annual fees been paid? Yes

Is the Operator Certified? NA

Does the water system have the financial capacity to operate and maintain the physical plant? Yes

CONCLUSIONS AND RECOMMENDATIONS

This system is in **Compliance** with the Idaho Regulations for Public Drinking Water Systems. The following improvements are required:

1. The cracks in the roof of the reservoir must be sealed.

Improvements outlined above shall be completed by December 31, 2000.

Anthony P. Davis, Water Quality Science Officer

August 7, 2000
Date

Edl, Michele

From: Gary.Gaffney@deq.idaho.gov
Sent: Thursday, July 05, 2007 4:23 PM
To: Edl, Michele
Cc: Roger.Tinkey@deq.idaho.gov; Anthony.Davis@deq.idaho.gov
Subject: RE: info request Arrow Point Park
Attachments: Arrow Point Park ID1280252 FY05 Survey Letter.doc; ArrowPt.EvalRpt.2-3-03.doc; ArrowPt.EvalRpt.5-2-03.doc; Arrow Point Park ID1280252 FY05 Survey.xls

Michelle,

I assume you are referring to the two wells that provide drinking water to the Arrow Point home owners association or whoever owns the water system. With the recent Gozzer Ranch development, the AP water system was not changed. It still serves the condos and a number of private residences in the area. I have attached some recent letters and reports on this pws.

Tony Davis in this office can be contacted for more information.

From: Roger Tinkey
Sent: Tuesday, July 03, 2007 7:32 AM
To: Gary Gaffney
Subject: FW: info request Arrow Point Park

Hi. Hopefully this will not be a big time buster, but, could you please call this IDWR Engineer back and let them know what has been going on at Arrow Pt. I'm not sure what documentation we would have that would be applicable. It would seem that Arrow Pt. should be responsible for documenting the water use based on actual users.

Thanks,
 -r

From: Edl, Michele [mailto:Michele.Edl@idwr.idaho.gov]
Sent: Monday, July 02, 2007 4:13 PM
To: Roger Tinkey; Ed Tulloch
Subject: info request Arrow Point Park

Good afternoon,

I am reviewing documents and plans pertaining to a lapsed water right. I am hoping one of you gentlemen can point me in the right direction for additional information. If you are not the ones I should appeal to, please forward this message.

Arrow Point property, on Lake Coeur D'Alene, has changed hands several times in the last ten years. In the course of the ownership changes, a water right claim lapsed because proof of beneficial use was not submitted to IDWR by the Aug 1, 1995 due date. The current owners are trying to recover from this omission and have submitted a package of documents for our review.

I understand that at least some of the improvements to the water and wastewater systems for Arrow Point may have been cleared through DEQ. But I am not seeing any DEQ documents in the package. I am hoping to collect additional information from you that I can use determining system capacity changes or water use changes from 1993 through 1995.

In our database the property is located at **township 50N Range 04W section 36 Gov't lot 4**. If you need additional information from me to help streamline your search, don't hesitate to contact me.

Thank you in advance,

Michele Edl
 Associate Engineer
 Water Rights Section

7/6/2008

**MR. ROBERT FASNACHT
ROBERT J. FASNACHT, P.C.
1250 IRONWOOD DRIVE, SUITE 310
COEUR D'ALENE, ID 83814**

February 3, 2003

Mr. Robert Fasnacht
Robert J. Fasnacht, P.C.
1250 Ironwood Drive, Suite 310
Coeur d'Alene, ID 83814

RE: Arrow Point Water and Sewer Evaluation (Report)

Dear Mr. Fasnacht:

We have now reviewed the above-referenced engineering report as submitted to this office on November 12, 2002 by you apparently on behalf of Mr. Michael Shopka. We assume that Mr. Shopka is presently the owner of the public drinking water system and of the community subsurface sewage disposal systems serving the Arrow Point development in Kootenai County. Please provide us with the name of the legal water and/or sewer system owners if this assumption is incorrect.

The March 2002 dated document was prepared by Welch Comer and Associates and stamped by Steven Cordes, P.E. Although the 14-page fax included a cover sheet from your office, your transmittal did not indicate the purpose of the submittal. My recollection was that you wanted DEQ to provide a comment on the general nature of the report.

The submittal included ten numbered pages of text. Some of the tables and figures referenced in the report and all of the four appendices were not submitted. Without the entire report, it is difficult to provide you with accurate and complete comments reflecting compliance of the Arrow Point water and sewer systems with state standards. If you still want this type of detailed review, please resubmit the entire evaluation report prepared and stamped by the engineer.

In general terms, the Executive Summary appeared to accurately summarize what we understand from our records is the present status of the water and sewer systems at Arrow Point. Three items in the evaluation deserve further comment by DEQ:

1. It is true that the two public drinking water wells are at some degree of risk due to the location of the community drainfield above the wells, the shallow nature of the soils, the broken basalt bedrock material, and the presence of seasonal groundwater under the drainfields. It was never expected in 1987 that the approved drainfield would still be in operation fifteen years later. If evidence appears in the future that the drinking water wells are contaminated with sewage from the community drainfields, the utility owner will need to take immediate corrective actions to eliminate any public health hazard presented by such a situation.
2. The analysis of monthly water and sewer charges necessary to operate and maintain the water and sewer systems was appropriate. We recommend that the owner use this analysis to establish user charges.

RE: Arrow Point Water and Sewer Evaluation (Report)

February 3, 2003

Page 2

From the owner, DEQ would like to be provided with the name, address, and phone number of the water and sewer system operator so that we can quickly contact the operator if problems arise. Also, it would be good if the operator was periodically monitoring sewage flows to the drainfields and water pumping volumes from meters at each of the two wells. This will establish a history of water and sewer system utilization by the existing development and allow early detection of system problems of excessive water use or sewage flows before the problems manifest as expensive system failures.

3. Some of the local property owners have inquired in the past concerning the identity of the water and sewer system owner. It would be helpful if the water and sewer system owner or you would provide DEQ with a written statement certifying ownership. This will eliminate our confusion during the last few years on who exactly owns the Arrow Point water and sewer systems.

Thank you for providing us with a copy of some of the referenced report. If you want us to elaborate on any comment or review the entire report, please feel free to request this from us.

Sincerely,

Gary J. Gaffney, P.E.

C; Steven Cordes, Welch Comer and Associates, 1626 Lincoln Way, CdA
Michael Shopka, P.O. Box 999, Coeur d'Alene, Id 83814

**MR. ROBERT FASNACHT
ROBERT J. FASNACHT, P.C.
1250 IRONWOOD DRIVE, SUITE 310
COEUR D'ALENE, ID 83814**

May 2, 2003

Mr. Robert Fasnacht
Robert J. Fasnacht, P.C.
1250 Ironwood Drive, Suite 310
Coeur d'Alene, ID 83814

RE: Arrow Point Water and Sewer Evaluation (Report)

Dear Mr. Fasnacht:

The letter, supporting ownership documents, and complete engineering evaluation report submitted by you to DEQ on March 6, 2003 have now been reviewed. We understand that these submittals were in response to comments made in our February 3, 2003 letter to you concerning the Arrow Point drinking water and sanitary sewer systems. Our review has resulted in the following conclusions or comments:

Ownership: Your letter indicated that the present owner of the public drinking water system and the community sewage system serving 120 existing connections at Arrow Point is **Fortress, L.L.C.** Furthermore, it appears you are the contact person for Fortress with an address at 1250 Ironwood Drive, Suite 310, Coeur d'Alene ID 83814; telephone number of (208) 665-9664; fax number of (208) 664-4789; and email address of rjfcda.com. We will modify our records to reflect this identification of Fortress LLC as the Arrow Point water and sewer system owner. Welcome to the water and sewer business.

Some of the responsibilities of Fortress as an owner of a water and sewer systems involve management of new connections to the systems, oversight to make certain that monitoring of the systems is being properly done, and the duty to take action to correct any rule violations, system failures, or other deficiencies that arise. For example, it is the responsibility of Fortress to see that the cracks in the roof of the water tank, as identified by the last sanitary survey, have been properly sealed to prevent precipitation from leaking into the tank and contaminating the drinking water.

Operation and Maintenance: Your letter indicated the Fortress had given permission to the **Arrow Point Community Association, Inc.** to operate and maintain the public drinking water and community sewage system at Arrow Point. However, you did not identify the individual responsible for this operation and maintenance or provide the operator's address and telephone numbers. DEQ records indicate the following:

- The Idaho Drinking Water database has Michael J. Shopka, P.O. Box 999, Coeur d'Alene, ID 83816 at (208) 755-7251 as the contact person for the water system.
- DEQ drinking water files indicate that the required monthly bacteria samples from the drinking water system have been done by Eric Halladay with R.C. Worst Co., 625 Best Ave, Coeur d'Alene, ID 83814 at (208) 664-2133.
- DEQ notices on contaminated bacteria samples have been sent to Andrew Fine, 4502 S. Arrow Point Drive, Harrison, ID 83833 at (208) 664-3567 with a fax at 666-0640.
- The contact person for operation of the sewer system was not listed in DEQ records.

To eliminate the confusion in this matter, please provide this office with a letter identifying the name, address, and phone numbers of the water and sewer system operators at Arrow Point. We need to have this information so that we can quickly respond to the correct individual if problems arise.

RE: Arrow Point Water and Sewer Systems, Fortress LLC

May 2, 2003

Page 2

Evaluation report: The final Arrow Point Water and Sewer System Evaluation dated March 2002 as prepared by Welch Comer and Associates was submitted and found to be acceptable.

Water and Sewer System Monitoring: One point we would like to make regarding the report is the observation that it makes concerning the temporary nature of the community drainfield based on recognized soil and site limitations and the vulnerability of the downgradient drinking water wells. Our records suggest that sewage flows to the drainfield, conditions at the drainfield, water well productions, or other monitoring actions have not been done by the past operators. These efforts should be started now.

Since there should be a significant interest by Fortress in the continued success of the drainfields and water wells at Arrow Point, we recommend that monthly flows to the drainfield and from each water well and inspection of the drainfield conditions be started by the operator of the sewer system. Early detection of factors that precede drainfield failure or water well contamination might allow a less costly remedy than necessary if the drainfield should experience catastrophic failure or the wells need to be abandoned because they are irreparably contaminated.

Thank you for submittal of the ownership report and the final engineering evaluation. We will look for your return letter identifying the water and sewer system operators.

Sincerely,

Gary J. Gaffney, P.E.

c; Steven Cordes, Welch Comer and Associates, 1626 Lincoln Way, CdA
Michael Shopka, P.O. Box 999, Coeur d'Alene, Id 83816
Eric Halladay, R.C.Worst Co, 625 Best Ave, Coeur d'Alene, ID
Andrew Fine, 4502 S. Arrow Point Drive, Harrison, ID 83833
Anthony Davis, DEQ-CdA

June 8, 2005

Dean Renninger, Operator
Arrow Point Park Water System
PO Box 920
Rathdrum, ID 83858

Re: Report of Survey, Arrow Point Park, PWS# 1280252

Dear Mr. Renninger:

Thank you for providing the assistance in conducting the inspection of the Arrow Point Park water system. We found during the survey that the water system appeared to be well run and was in compliance with the Idaho Rules for Public Drinking Water Systems. There were, however, a number of items that must be addressed. They are as follow:

1. On the north well the electrical conduit leading between the ground surface and the well head was loose.
2. Both wells are drilled in coarse basalt talus. The well seals near the surface of the ground appeared to be compromised by the coarse boulders. A concrete pad around the well casing must be installed to prevent water from running down the well casing.
3. Smooth nosed sample taps are required on both wells.
4. There must be a procedure to pump the wells to waste prior to the water entering the distribution system.
5. There were minor cracks in the roof of the reservoir that must be sealed.
6. All back flow prevention devices on the water system must be inspected annually.
7. The irrigation system lines should be marked and labeled as non-potable.
8. There is no auxiliary power on site to run the wells in the event of a power failure.
9. There is a Total Coliform monitoring plan but it is not written. Please prepare a written document.

All of the items listed above are considered significant deficiencies and require a plan of correction. This plan must be submitted to DEQ in writing within 45 days of the date of this letter. This plan must contain a narrative on:

1. How the deficiency will be remedied,
2. When it will be remedied,
3. What steps will be taken to prevent it from reoccurring.

If you have any questions or comments on this survey please contact DEQ in Coeur d'Alene. We are located at 2110 Ironwood Parkway; phone 208-769-1422.

Sincerely,

Anthony P. Davis
Analyst

c: Steve Tanner, DEQ, Coeur d'Alene
Mike Shopka, Fortress LLC, PO Box 999, Coeur d'Alene, ID 83816

State of Idaho Public Water System Enhanced Sanitary Survey

WATER SYSTEM INVENTORY INFORMATION

SURVEY DATE

PWS #

6/7/2005

(mm/dd/yyyy)

ID1280252

Name of Public Water System:

Arrow Point Park

of Groundwater Sources: 2

of Storage Facilities: 1

of Surface Water Sources: 0

Total Storage (gal): 60000

Date of Last Survey:

08/27/2000

Health District:

☒ N/A

DEQ Region:

☐ N/A

County:

Kootenai

Number of Service Connections:

55

Residential Population:

60

Status:

☒ Approved

☐ Disapproved

Water Purchased From:

☒ N/A

Name:

PWS #:

Water Sold To:

Name:

PWS #:

Owner Type:

Private

Legal Entity:

Corporation

Water System Classification:

☐ Community Water System

☐ Nontransient Noncommunity

☒ Transient Noncommunity - TNC

Combined Source?

☒ Yes

☐ No

If yes, ☒ Well Fields

☐ Manifolds

Sources Manifolds:

1 and 2

System Certification Class:

VSWS

Seasonal Operation

Dates:

Date Open:

Date Closed:

☒ N/A

Responsible Person In Charge (RIC):

(Identify Operator here for TNC PWS)

Legal Owner's Name:

☒ Mr. ☐ Ms. Dean Renninger

☐ Mr. ☐ Ms. Fortress LLC, Mike Shopka

RIC Properly Certified? ☒ Yes ☐ No ☐ N/A-GW-TNC

Certification Level: DWD1

☐ N/A

Mailing Address:

P O Box 999

Mailing Address:

P O Box 920

City, State, Zip Code:

Coeur d'Alene, ID 83816

Telephone

Day: 208 755 7251

City, State, Zip Code:

Rathdrum, ID 83858

Telephone

Day: 208 687 0802

Night: 208 661 9512

Night:

Fax:

E-mail:

Fax:

E-mail:

Substitute (RIC): ☐ No Sub. RIC Identified

☒ N/A

(N/A for GW-TNC PWS)

☐ Mr. ☐ Ms.

Individuals present during inspection:

Sub. RIC Certified? ☐ Yes ☐ No ☐ N/A-GW-TNC

Certification Level:

☐ N/A

Name:

Name:

Name:

Title:

Title:

Title:

Mailing Address:

City, State, Zip Code:

Telephone

Day:

Night:

Fax:

Physical location of the PWS (Township, Range, Section):

E-mail:

Samples taken at the time of survey by inspector?

Survey performed by:

Agency:

Name:

Title:

Phone #:

☐ IDEQ

☐ Health Dept.

☐ Other: _____

If yes, what:

yes no n/a unk note

☐ ☒ ☐ ☐ ☐

☐ ☐ ☒ ☐ ☐

☐ ☐ ☒ ☐ ☐

General Information

1. Have modifications been made to the PWS since the last ESS?

2. If yes, are the modifications considered to be significant?

3. If yes, were plans and specs submitted to and approved by DEQ?

Comments:

Sanitary Survey Index

Modules used:

☒ General Information

☒ Groundwater Source

☒ Storage

☐ Hydropneumatic Tanks

☒ Distribution

☒ Pumping

☒ Financial Capacity

☒ Managerial Capacity

☐ Treatment Application

☐ Disinfection

☒ Notes

☒ Photo Log

Total Modules 0

Page _____ Of _____

GROUNDWATER SOURCE

SURVEY DATE

PWS #

A separate sources form must be filled out for each groundwater source in the PWS.

6/7/2005

(mm/dd/yyyy)

ID1280252

Tag #: E0006777	Common Name of Source: North Well	Source: ☒ Well ☐ Spring ☐ Infiltration Gallery	Is this Source Treated? ☐ Yes ☒ No
			Treatment Objective: ☒ N/A

Physical Location: NE NE SEC 6 T49N R 3 W BM	Treatment Types: ☒ N/A (Identify Treatment Train in Comments)
---	---

Is there a well log for the groundwater source? ☒ Yes ☐ No ☐ N/A ☐ Unk

Pump Capacity (GPM) 100 ☐ Unk	Casing Size (in) 10->8 ☐ Unk	Date Drilled: 9/26/1994 ☐ Unk	Well Depth (Ft) 275 ☐ Unk	Casing Depth (Ft) 50 ☐ Unk	Grout Depth (Ft) 50 ☐ Unk	Static Water Depth (Ft) 100 ☐ Unk
Is the Casing Screened? ☐ Yes ☒ No ☐ Unk ☐ N/A	Screen Depth (Ft): ☐ N/A ☐ Unk From: To:	Is the Casing Perforated? ☐ Yes ☒ No ☐ Unk ☐ N/A			Perforation Depth (Ft): ☐ N/A From: To:	

Latitude (Decimal): 47.625947

Longitude (Decimal): 116.769533

(+) IF A GROUNDWATER SOURCE HAS BEEN DETERMINED TO FALL UNDER THE DIRECT INFLUENCE OF SURFACE WATER, THE SURFACE WATER SYSTEM INSPECTION RESULTS AND TURBIDITY SECTIONS MUST BE FILLED OUT IN ADDITION TO THE GROUNDWATER SYSTEM INSPECTION RESULTS SECTION.

GROUNDWATER SOURCE

1. This source is:

- ☒ Active ☐ Proposed
☐ Inactive ☐ Emergency (<60 days per year)

yes no n/a unk note
☒ ☐ ☐ ☐ ☐

2. Has there been a Source Water Assessment conducted for the source?

Date: 12/12/2000

☐ ☐ ☒ ☐ ☐

3. Has a final GWUDI determination been done for this source?

Date: _____

☒ ☐ ☐ ☐ ☐

4. Is the well on a separate lot that is large enough to provide a minimum distance of 50 feet between the well and the nearest property line? (applicable if constructed after 11/1/77)

☒ ☐ ☐ ☐ ☐

5. Is the well lot owned in fee simple by the supplier of water or controlled by lease with a term of not less than the useful life of the well?

☒ ☐ ☐ ☐ ☐

6. Are the following minimum distances from the PWS well being met?

☒ ☐ ☐ ☐ ☐

- Sewer line.....50 Ft.

☒ ☐ ☐ ☐ ☐

- Individual home septic tank.....100 Ft.

☒ ☐ ☐ ☐ ☐

- Individual home disposal field.....100 Ft.

☒ ☐ ☐ ☐ ☐

- Individual home seepage pit.....100 Ft.

☒ ☐ ☐ ☐ ☐

- Privies.....100 Ft.

☐ ☐ ☐ ☐ ☐

- Livestock.....50 Ft.

☒ ☐ ☐ ☐ ☐

- Canals, streams, ditches, lakes, ponds and tanks used to store nonpotable substances.....50 Ft.

☒ ☐ ☐ ☐ ☐

- Any other potential source of contamination observed at time of inspection.....50 Ft.

☐ ☒ ☐ ☐ ☐

7. Are pesticides, herbicides, fertilizers, portable containers of petroleum products, or other toxic or hazardous materials stored on the well lot?

☐ ☒ ☐ ☐ ☐

8. Are pesticides, herbicides, or fertilizers applied to the well lot?

☐ ☒ ☐ ☐ ☐

9. Is the well in a pit? If yes, Date constructed: _____

☐ ☐ ☒ ☐ ☐

10. Was the well that is located in a pit installed after 11/5/64?

☐ ☐ ☒ ☐ ☐

11. If pit was installed prior to 11/5/64 - Does the pit have water tight construction of pit walls and floor, a floor drain and an acceptable pit cover?

☐ ☐ ☒ ☐ ☐

12. Is the source protected from unauthorized entry? (Recommended)

☒ ☐ ☐ ☐ ☐

13. Does the casing extend a minimum of 18 inches above the final ground surface and/ or 12 inches above the well house floor?

☒ ☐ ☐ ☐ ☐

14. Is the well vented with the open end of the vent screened and terminated downward at least 18 inches above the final ground surface?

☐ ☐ ☐ ☐ ☒

15. Is the well cap sanitary seal properly installed and maintained?

☐ ☒ ☐ ☐ ☒

16. Is the well cased and sealed in such a manner that surface water cannot enter the well?

COMMENTS:

(Please indicate question number)

15. The electrical conduit leading between the ground surface and the well head was loose.

16. The well is drilled in coarse basalt talus. A concrete pad around the well casing must be installed to prevent water from running down the well casing.

GROUNDWATER SOURCES PG. 2

Common Name

North Well

SURVEY DATE

6/7/2005

PWS #

ID1280252

(mm/dd/yyyy)

yes	no	n/a	unk	note
☐	☒	☐	☐	☒

GROUNDWATER SOURCE (cont.)

17. Is there a smooth nosed sample tap provided on the well discharge pipe prior to treatment? (Threaded tap is approved with backflow preventer)
18. Is an instantaneous and totalizing flow meter installed on the pump distribution line of the well and is it maintained and working properly? _____ gal.
19. Is a pressure gauge provided at all installations and is it maintained and working properly? _____ psi.
20. Can the well be pumped to waste at the design capacity of the well via an approved air gap at a location prior to the first service connection?
21. Has the source been known to have caving or sand problems?

yes	no	n/a	unk	note
☐	☒	☐	☐	☐

WELL HOUSE (Any structure containing important water system components)

22. Is the source located in a well house?
23. Is the well house kept clean and in good repair? (Floor cracks?)
24. Is the well house protected from unauthorized personnel?
25. Are all non-sample taps installed in the well house equipped with an appropriate backflow prevention device?
26. Is an electrical fan or automated air flow system provided in the well house to remove excess heat and moisture during peak summer temperatures?
27. Is a thermostatically regulated heater installed in the well house to prevent moisture buildup during cold weather?
28. Is the well house protected from flooding, have adequate drainage and is the floor surface at least six (6) inches above the final ground surface?
29. Is the sump for well house floor drains closer than 30 feet from the well?
30. Is the floor drain connected to sewer, storm drains, chlorination room drains, or any other source of contamination?

yes	no	n/a	unk	note
☐	☐	☒	☐	☐

SPRING INFORMATION

31. Is the entire area within one hundred (100) feet of the spring owned by the supplier or controlled by a long term lease?
32. Is the entire area within a one hundred (100) foot radius of the spring box fenced to prevent trespassing of livestock and void of buildings, dwellings and sources of contamination?
33. Is surface water and drainage ditches diverted from the 100 foot protection zone around the spring?
34. Is the spring housed in a permanent structure and protected from contamination including the entry of surface water, animals and dust?
35. Is a sample tap provided?
36. Is a flow meter or other flow measuring device provided?
37. Is there a screened overflow?
38. Is the supply intake located above the floor of the collection chamber?

INFILTRATION GALLERY INFORMATION

39. Is there a lid over the gallery?
40. Is the lid watertight and locked?
41. Is the manhole elevated at least 24 inches above the top of the tank or covering sod?
42. Is the collector in sound condition and maintained as necessary?

COMMENTS:

(Please indicate question number)

17. A smooth nosed sample tap is required on the well.
20. There must be a way to pump the well to waste.

GROUNDWATER SOURCE

SURVEY DATE

PWS #

A separate sources form must be filled out for each groundwater source in the PWS.

6/7/2005

(mm/dd/yyyy)

ID1280252

Tag #: E0006776	Common Name of Source: South Well	Source: ☒ Well ☐ Spring ☐ Infiltration Gallery	Is this Source Treated? ☐ Yes ☒ No
Physical Location: NE NE SEC 6 T49N R 3 W BM		Treatment Objective: ☒ N/A	
Is there a well log for the groundwater source? ☒ Yes ☐ No ☐ N/A ☐ Unk		Treatment Types: ☒ N/A (Identify Treatment Train in Comments)	
Pump Capacity (GPM): 30 ☐ Unk	Casing Size (In): 8 ☐ Unk	Date Drilled: 5/4/1990 ☐ Unk	Well Depth (Ft): 264 ☐ Unk
Casing Depth (Ft): 60 ☐ Unk	Grout Depth (Ft): 20 ☐ Unk	Static Water Depth (Ft): 75 ☐ Unk	
Is the Casing Screened? ☐ Yes ☒ No ☐ Unk ☐ N/A	Screen Depth (Ft): ☐ N/A ☐ Unk From: To:	Is the Casing Perforated? ☐ Yes ☒ No ☐ Unk ☐ N/A	Perforation Depth (Ft): ☐ N/A ☐ Unk From: To:

Latitude (Decimal): 47.626131

Longitude (Decimal): 116.769349

(+) IF A GROUNDWATER SOURCE HAS BEEN DETERMINED TO FALL UNDER THE DIRECT INFLUENCE OF SURFACE WATER, THE SURFACE WATER SYSTEM INSPECTION RESULTS AND TURBIDITY SECTIONS MUST BE FILLED OUT IN ADDITION TO THE GROUNDWATER SYSTEM INSPECTION RESULTS SECTION.

GROUNDWATER SOURCE

1. This source is:

- ☒ Active ☐ Proposed
☐ Inactive ☐ Emergency (<60 days per year)

yes no n/a unk note
☒ ☐ ☐ ☐ ☐

2. Has there been a Source Water Assessment conducted for the source?

Date: 12/12/2000

☐ ☐ ☒ ☐ ☐

3. Has a final GWUDI determination been done for this source?

Date: _____

☒ ☐ ☐ ☐ ☐

4. Is the well on a separate lot that is large enough to provide a minimum distance of 50 feet between the well and the nearest property line? (applicable if constructed after 11/1/77)

☒ ☐ ☐ ☐ ☐

5. Is the well lot owned in fee simple by the supplier of water or controlled by lease with a term of not less than the useful life of the well?

☒ ☐ ☐ ☐ ☐

6. Are the following minimum distances from the PWS well being met?

- Sewer line.....50 Ft.
- Individual home septic tank.....100 Ft.
- Individual home disposal field.....100 Ft.
- Individual home seepage pit.....100 Ft.
- Privies.....100 Ft.
- Livestock.....50 Ft.
- Canals, streams, ditches, lakes, ponds and tanks used to store nonpotable substances.....50 Ft.
- Any other potential source of contamination observed at time of inspection.....50 Ft.

☒ ☐ ☐ ☐ ☐

7. Are pesticides, herbicides, fertilizers, portable containers of petroleum products, or other toxic or hazardous materials stored on the well lot?

☐ ☒ ☐ ☐ ☐

8. Are pesticides, herbicides, or fertilizers applied to the well lot?

☐ ☒ ☐ ☐ ☐

9. Is the well in a pit? If yes, Date constructed: _____

☐ ☐ ☒ ☐ ☐

10. Was the well that is located in a pit installed after 11/5/64?

☐ ☐ ☒ ☐ ☐

11. If pit was installed prior to 11/5/64 -- Does the pit have water tight construction of pit walls and floor, a floor drain and an acceptable pit cover?

☐ ☐ ☒ ☐ ☐

12. Is the source protected from unauthorized entry? (Recommended)

☒ ☐ ☐ ☐ ☐

13. Does the casing extend a minimum of 18 inches above the final ground surface and/ or 12 inches above the well house floor?

☒ ☐ ☐ ☐ ☐

14. Is the well vented with the open end of the vent screened and terminated downward at least 18 inches above the final ground surface?

☒ ☐ ☐ ☐ ☐

15. Is the well cap sanitary seal properly installed and maintained?

☒ ☐ ☐ ☐ ☐

16. Is the well cased and sealed in such a manner that surface water cannot enter the well?

☒ ☒ ☐ ☐ ☒

COMMENTS:

(Please indicate question number)

16. The well is drilled in course basalt talus. A concrete pad around the well casing must be installed to prevent water from running down the well casing.

yes no n/a unk note

GROUNDWATER SOURCE (cont.)☒ ☒ ☒ ☒ ☒☒ ☐ ☐ ☐ ☐☐ ☐ ☒ ☐ ☐☒ ☒ ☒ ☒ ☒☐ ☒ ☐ ☐ ☐

17. Is there a smooth nosed sample tap provided on the well discharge pipe prior to treatment? (Threaded tap is approved with backflow preventer)
18. Is an instantaneous and totalizing flow meter installed on the pump distribution line of the well and is it maintained and working properly? _____ gal.
19. Is a pressure gauge provided at all installations and is it maintained and working properly? _____ psi.
20. Can the well be pumped to waste at the design capacity of the well via an approved air gap at a location prior to the first service connection?
21. Has the source been known to have caving or sand problems?

yes no n/a unk note

☐ ☒ ☐ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐**WELL HOUSE** (Any structure containing important water system components)

22. Is the source located in a well house?
23. Is the well house kept clean and in good repair? (Floor cracks?)
24. Is the well house protected from unauthorized personnel?
25. Are all non-sample taps installed in the well house equipped with an appropriate backflow prevention device?
26. Is an electrical fan or automated air flow system provided in the well house to remove excess heat and moisture during peak summer temperatures?
27. Is a thermostatically regulated heater installed in the well house to prevent moisture buildup during cold weather?
28. Is the well house protected from flooding, have adequate drainage and is the floor surface at least six (6) inches above the final ground surface?
29. Is the sump for well house floor drains closer than 30 feet from the well?
30. Is the floor drain connected to sewer, storm drains, chlorination room drains, or any other source of contamination?

yes no n/a unk note

☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐**SPRING INFORMATION**

31. Is the entire area within one hundred (100) feet of the spring owned by the supplier or controlled by a long term lease?
32. Is the entire area within a one hundred (100) foot radius of the spring box fenced to prevent trespassing of livestock and void of buildings, dwellings and sources of contamination?
33. Is surface water and drainage ditches diverted from the 100 foot protection zone around the spring?
34. Is the spring housed in a permanent structure and protected from contamination including the entry of surface water, animals and dust?
35. Is a sample tap provided?
36. Is a flow meter or other flow measuring device provided?
37. Is there a screened overflow?
38. Is the supply intake located above the floor of the collection chamber?

INFILTRATION GALLERY INFORMATION☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐☐ ☐ ☒ ☐ ☐

39. Is there a lid over the gallery?
40. Is the lid watertight and locked?
41. Is the manhole elevated at least 24 inches above the top of the tank or covering sod?
42. Is the collector in sound condition and maintained as necessary?

COMMENTS:

(Please indicate question number)

17. A smooth nosed sample tap is required on the well.
20. There must be a way to pump the well to waste.

STORAGE

A separate storage form must be filled out for each storage unit in the PWS.

VEY DATE

PWS #

6/7/2005

(mm/dd/yyyy)

ID1280252

Storage Structure Name:		Storage Structure ID #:		COMMENTS: (Please indicate the question number) 13. There were minor cracks in the roof of the reservoir.
Highway Reservoir		STO1		
Physical Location:		Date in service:	☐ Unk	
		1990		
		Volume (gal):	☐ Unk	
		60000		
Storage Type:	Construction:	Type of material:		
☒ Reservoir/Tank	☐ Above Ground	☐ Plastic		
☐ Standpipe	☒ Below Ground	☐ Wood		
	☐ Partially Below Ground	☐ Fiberglass		
		☒ Concrete		
		☐ Metal		
		☐ Naturally Contained		
Total Days Supply (This structure):	Date Last:	Inspected:	☐ Unk	Cleaned:
1	☐ Unk	6/7/2005		☒ RUIE
How is the water level measured? ☐ Unk				
Floats				

yes	no	n/a	unk	note	STORAGE
☒	☐	☐	☐	☐	1. Is the storage structure safely accessible to the inspector?
☐	☒	☐	☐	☐	2. Is the PWS storage tank located within 500 feet of any municipal or Industrial wastewater treatment plant or any land which is spray irrigated with wastewater or used for sludge disposal?
☒	☐	☐	☐	☐	3. Is there a minimum distance of 50 feet between any buried or partially buried storage tank or clear well and any sanitary sewers or septic tank?
☒	☐	☐	☐	☐	4. Is the area surrounding the storage structure graded in a manner to protect it against flooding and prevent water from standing within 50 feet?
☒	☐	☐	☐	☐	5. Are all vents extended 12 inches above the roof and constructed and screened to exclude potential sources of contamination?
☒	☐	☐	☐	☐	6. Is the storage structure provided with an overflow?
☐	☐	☒	☐	☐	7. Elevated Storage Structure - Does the elevated tank overflow open downward and screened with four (4) mesh non-corrodible screen within the overflow pipe, or a flapper valve provided with a screen inside the valve?
☒	☐	☐	☐	☐	8. Ground-level Storage Structure - Are all overflows downturned, discharge to daylight, and provided with either a twenty-four (24) mesh noncorrodible screen installed within the pipe when practical, or an expanded metal screen installed within the pipe plus a weighted flapper?
☒	☐	☐	☐	☐	9. Are overflows and drains brought down to an elevation between 12 and 24 inches above the ground surface?
☒	☐	☐	☐	☐	10. Do overflows and drains discharge over a drainage inlet structure or a splash plate and not connected to a sewer? (storm or sanitary)
☒	☐	☐	☐	☐	11. Do all drains discharge to daylight in a way that will preclude the possibility of backflow to the reservoir and, where practical, provided with an expanded metal screen installed within the pipe to exclude rodents?
☒	☐	☐	☐	☐	12. Is the storage structure secure from unauthorized access?
☐	☒	☐	☐	☒	13. Does the storage reservoir have a watertight roof or cover and is it sloped so that water will drain?
☒	☐	☐	☐	☐	14. Is the storage water protected from contamination?
☒	☐	☐	☐	☐	15. Is the storage structure structurally sound?
☐	☒	☐	☐	☐	16. Could vegetation in the area potentially impact the storage structure? (Recommended)
☐	☐	☒	☐	☐	17. Is the storage structure designed so that it can be isolated from the distribution system without necessitating loss of pressure in the distribution system?
☒	☐	☐	☐	☐	18. Is the discharge pipe from the water storage structure located in a manner that will prevent the flow of sediment into the distribution system?
☐	☒	☐	☐	☐	19. Is leakage evident at time of inspection?
☐	☐	☒	☐	☐	20. Is the storage structure interior coating or liner peeling or cracked?
☒	☐	☐	☐	☐	21. Is the storage structure used to store finished water?
☒	☐	☐	☐	☐	22. Are manhole openings overlapping, water tight, locked and four-inches or greater above the reservoir roof surface?

DISTRIBUTION DATA

SURVEY DATE

PWS #

One form for all distribution systems in the PWS.

6/7/2005

(mm/dd/yyyy)

ID1280252

What are water lines made of:

Material(s): ☐ Unk

Size(s): ☐ Unk

6" - 10"

☐ Steel ☐ HDPE (black) ☐ Asbestos/Cement

☒ PVC ☐ Ductile Iron ☐ Other: _____

How many services are metered?

All

out of

Number of Fire Hydrants:

Unknown

COMMENTS:

(Please indicate the question number)

20. All back flow prevention devices must be inspected annually. The irrigation system lines should be marked and labeled to prevent them from being mistaken for drinking water mains.

yes no n/a unk note

☐ ☒ ☐ ☐ ☐

DISTRIBUTION

1. Have there been any interruptions in service during the past year? (including pressure loss)

☐ ☐ ☒ ☐ ☐

2. If a loss of pressure occurred (>20 psi), did the PWS provide public notice and disinfect the system? (Reminder)

☒ ☐ ☐ ☐ ☐

3. Is the PWS able to maintain a minimum pressure of twenty (20) psi throughout the distribution system (including fire flow), or forty (40) psi for PWSs constructed after 7/1/1985 (excluding fire flow), during maximum hourly demand conditions?

☐ ☒ ☐ ☐ ☐

4. Was the pressure observed at a service connection?

5. If yes, psi: _____

Location: _____

Time: _____ ☐ A.M. ☐ P.M.

yes no n/a unk note

☒ ☐ ☐ ☐ ☐

6. Do all water mains that provide fire flow have a diameter of at least 6 inches?

☒ ☐ ☐ ☐ ☐

7. Are valves exercised regularly? (Recommended)

If yes, how often? 2 times per year

☐ ☒ T ☐ E ☐

8. Is there a leak detection program? (Recommended)

☐ ☒ ☐ ☐ ☐

9. Is 15% or more of the water unaccounted for?

☐ ☒ T ☐ E ☐

10. Is a water conservation program in effect? (Recommended)

☒ ☐ ☐ ☐ ☐

11. Is an adequate map of the distribution system maintained? (Recommended)

☒ ☐ ☐ ☐ ☐

12. Does the system flush all main lines annually? (Recommended)

☒ ☐ ☐ ☐ ☐

13. Are all dead end water mains equipped with a means to flush

☒ ☐ ☐ ☐ ☐

14. If yes, are the deadends flushed at least semiannually?

☐ ☒ ☐ ☐ ☐

15. Are there any distribution materials used that should not be in contact with the drinking water? If yes, explain in comments section.

☒ ☐ ☐ ☐ ☐

16. Is the system adequately protected from freezing?

☐ ☐ ☒ ☐ ☐

17. Is there a cross connection control program? (Community PWSs Only)

☐ ☒ T ☐ E ☐

18. Is the operator trained in cross connection control? (Recommended)

☐ ☒ ☐ ☐ ☐

19. Is the operator aware of any cross connections or were any cross connections observed during the course of the survey?

☐ ☒ T ☐ E ☐

20. If a separate non-potable irrigation system is provided for the consumer, are all mains, hydrants, and appurtenances easily identified as non-potable? (Purple Tape or other) (Recommended)

☐ ☒ ☐ ☐ ☒

Air/Vacuum Relief Valves - Placed at high points in water mains.

☐ ☐ ☒ ☐ ☐

21. Is the open end of the automatic air relief valve(s) extended to at least one foot above grade and provided with a screened, downward-facing elbow?

☐ ☐ ☒ ☐ ☐

22. Is the discharge pipe from the air relief valve(s) connected directly to any storm sewer, or sanitary sewer? (manual or automatic)

6/7/2005

(mm/dd/yyyy)

ID1280252

PUMPS, PUMPHOUSE, AND CONTROLS

[illegible]

yes no n/a unk note

1. Are all pumps capable of providing the maximum pumping demand of the system?
2. Does the pump(s) cycle excessively?
3. Is the pumphouse(s) clean and orderly?
4. Are there spare pump parts or a replacement pump that is capable of providing the maximum daily pumping demand?
5. Are gate valves located on the suction and/or discharge sides of each pump?
6. Is a positive-acting check valve located above ground on the discharge side between each pump and the shut-off valve?
7. Is the pump station(s) adequately lighted throughout?
8. Is a water pressure relief valve installed where the pump is directly connected to the distribution system?
9. If the system has a vertical turbine motor driven pump(s), is an air release-vacuum relief valve located upstream from the check valve, with exhaust/relief piping terminating in a down-turned position at least 18 inches above the floor and covered with a 24 mesh corrosion resistant screen?
10. If the pump(s) is "oil lubricated", is the oil NSF approved and suitable for human consumption?

11. Is there auxiliary power on-site?
12. Is auxiliary power tested? (*Recommended*)
13. If a diesel or gasoline fueled engine is used on the well lot; is the fuel tank and connecting piping double walled?
14. Is the fuel tank above ground?
15. Is a certified operator present during the filling of the fuel tank?
16. If the engine is in the well house;
 - Is the engine exhaust directly discharged outside the well house?
 - Is a spill containment structure surrounding all fuel tanks adequate?
(Secondary containment - 110% fuel tank capacity)

(Please indicate the question number)

11. There is no auxiliary power on site.

PUMPING DATA PG. 2

SURVEY DATE

6/7/2005

(mm/dd/yyyy)

PWS #

ID1280252

yes	no	n/a	unk	note		COMMENTS: (Please indicate the question number)
		☒			BOOSTER PUMPS	
☐	☐	☒	☐	☐	17. Is the pump facility properly protected against unauthorized entry?	
☐	☐	☒	☐	☐	18. Does the booster pump maintain an operating pressure of 20 psi or greater (>40 psi for systems built after 7/1/1985)?	
☐	☐	☒	☐	☐	19. Is a standard pressure gauge installed on the discharge line?	
☐	☐	☒	☐	☐	20. Are all in-line booster pumps supplied with an automatic cutoff that activates when intake pressure is less than or equal to 5 psi ?	
☐	☐	☒	☐	☐	21. Is the booster pump located on a suction line that is directly connected to any storage reservoir?	
☐	☐	☒	☐	☐	22. If yes, are all booster pumps protected by an automatic cutoff to prevent pump damage and avoid excessive reservoir drawdown?	
☐	☐	☒	☐	☐	23. Is a water pressure relief valve installed where the pump is directly connected to the distribution system?	
☐	☐	☒	☐	☐	24. Is an instantaneous and totalizing flow meter installed where the booster pump is directly connected to the distribution system?	
☐	☐	☒	☐	☐	25. Is the building that encloses the booster pump provided with an electric ventilation fan or an automated air flow system that will remove heat and moisture during peak summer temperatures?	
☐	☐	☒	☐	☐	26. Is a thermostatically regulated heater installed in the booster pump house to prevent moisture buildup during cold weather?	
☐	☐	☒	☐	☐	27. Is proper drainage provided? (Outside the pumphouse)	
☐	☐	☒	☐	☐	28. Is the pump station properly protected from flooding? (Inside the pumphouse)	

Page ____ Of ____

FINANCIAL CAPACITY

SURVEY DATE

6/7/2005

(mm/dd/yyyy)

PWS #

ID1280252

- | yes | no | n/a | unk | note | FINANCIAL CAPACITY |
|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|---|
| ☒ | ☐ | ☐ | ☐ | ☐ | 1. Is the PWS current with the payment of drinking water fees? |
| ☒ | ☐ | ☐ | ☐ | ☐ | 2. Does the PWS charge a drinking water fee to the user?
If yes, what is the fee: \$ <u>\$30/Mo</u> |
| ☒ | ☐ | ☐ | ☐ | ☐ | 3. Is the PWS in the business of selling water?
- If no, identify why in the comments section and mark "N/A" on questions 4 - 21. |
| ☒ | ☐ | ☐ | ☐ | ☐ | 4. Does the PWS provide and use an annual budget? (Recommended) |
| ☒ | ☐ | ☐ | ☐ | ☐ | 5. If applicable, is the PWS fund separate from the waste water/sewer utility fund? (Recommended) |
| ☒ | ☐ | ☐ | ☐ | ☐ | 6. Do water system revenues exceed expenditures? (Recommended) |
| ☒ | ☐ | ☐ | ☐ | ☐ | 7. Are controls established to prevent expenditures from exceeding revenues? If yes, describe in the comments section. |
| ☐ | ☒ | ☐ | ☐ | ☐ | 8. Has an independent financial audit been completed? (Recommended) |
| ☐ | ☒ | ☐ | ☐ | ☐ | 9. If yes, is a copy of the most recent balance sheet for the water system available? (Recommended) |
| ☐ | ☐ | ☐ | ☒ | ☐ | 10. Does the water system include a cash budget within its annual budget for cash flow? (Recommended) |
| ☐ | ☐ | ☐ | ☒ | ☐ | 11. Does the water system management review the user fee, user charge, or rate system at least annually? (Recommended) |
| ☐ | ☐ | ☐ | ☐ | ☐ | 12. When was the last user fee, user charge, or rate system adjustment?
<u> </u> mm/dd/yyyy |
| ☐ | ☐ | ☐ | ☒ | ☐ | 13. Does the water system management review financial reports at least monthly? (Recommended) |
| ☐ | ☐ | ☐ | ☒ | ☐ | 14. Does the PWS provide and use a capital budget? (Recommended) |
| ☐ | ☐ | ☐ | ☒ | ☐ | 15. Has this PWS produced and does it currently utilize a capital improvements plan? (Recommended) |
| ☐ | ☐ | ☐ | ☐ | ☐ | 16. If yes, when was the capital improvements budget produced?
<u> </u> mm/dd/yyyy |
| ☐ | ☐ | ☐ | ☒ | ☐ | 17. Has the capital improvement budget been updated in the last 18 months? (Recommended) |
| ☐ | ☐ | ☐ | ☒ | ☐ | 18. Does the water system budget provide funding for depreciation of existing plant in service and/or for the funding of reserves for system replacement? |
| ☒ | ☐ | ☐ | ☐ | ☐ | 19. Are there sufficient funds for training personnel? |

COMMENTS:

(Please indicate the question number)

MANAGERIAL CAPACITY

SURVEY DATE

06/07/2005

(mm/dd/yyyy)

PWS #

ID1280252

yes no n/a unk note

MANAGERIAL CAPACITY

- ☒ ☐ ☐ ☐ ☐ 1. Is a licensed operator available at all times? (N/A for TNC PWS)
- ☐ ☒ ☐ ☐ ☐ 2. Is there a Certified Drinking Water Protection Plan developed for this system?
Date: _____

- ☒ ☐ ☐ ☐ ☐ 3. Does this PWS have a governing body or board of directors? If no, please indicate:
☐ Sole Proprietorship
☐ Partnership
☒ Limited Liability Corp.
☐ Other: _____

4. How often does the board meet? ☐ N/A
☐ weekly ☐ semi-annually ☐ never
☒ monthly ☐ annually ☐ other: _____
☐ bimonthly ☐ as necessary ☐ unknown

yes no n/a unk note

- ☒ ☐ ☐ ☐ ☐ 5. Are the following records maintained onsite or located near by?
- Bacteriological Analysis - 5 years retention.
- Chemical Analysis - 10 years retention.
- Records of actions taken to correct violations - 3 years retention.
- Copies of reports, summaries or communication related to sanitary surveys - 10 years retention.
- Reports concerning variances or exemptions - 5 years retention.
- Copies of public notices issued - 3 years retention.
- Daily free chlorine residuals (required disinfection) - 1 year retention.

- ☒ ☐ ☐ ☐ ☐ 6. Are routine maintenance schedules established? (Recommended)
- ☒ ☐ ☐ ☐ ☐ 7. Are routine operation and maintenance records kept? (Recommended)
- ☒ ☐ ☐ ☐ ☐ 8. Is there a clear plan of organization and control among the people responsible for management and operations of the water system? (Recommended)

yes no n/a unk note

- ☐ ☒ ☐ ☐ ☐ 9. Are any samples of the following parameters past due?
Coliform
Nitrates
Nitrites
Lead and Copper
IOCs
VOC's
SOC's
Disinfection Byproducts
Radionuclide

- ☐ ☒ ☐ ☐ ☒ 10. Is a written total coliform rule (TCR) sample site plan available for review?

- ☒ ☐ ☐ ☐ ☐ 11. Does the (TCR) sample site plan meet the minimum requirements?
- ☒ ☐ ☐ ☐ ☐ 12. Does the system have a sufficient supply of approved sampling bottles properly stored? (Recommended)
- ☐ ☐ ☒ ☐ ☐ 13. Does the PWS provide stairways, ladders and handrails where needed?
- ☐ ☐ ☒ ☐ ☐ 14. Are treads of non-slip material provided where needed?
- ☐ ☒ ☐ ☐ ☐ 15. Is a health hazard produced from inadequately protected electrical wiring?
- ☐ ☐ ☒ ☐ ☐ 16. Are all confined space entry requirements considered? (Recommended)
- ☐ ☐ ☒ ☐ ☐ 17. Are there any unused subsurface water storage tanks that need to be abandoned?
- ☐ ☐ ☒ ☐ ☐ 18. Are there any water supply wells that are no longer being used that need to be abandoned?

COMMENTS:

(Please indicate the question number)

10. There is a Total Coliform monitoring plan but it is not written.

State of Idaho
Department of Environmental Quality

Inspection Continuation

SURVEY DATE

1/0/1900

PWS #

6/7/2005

(mm/dd/yyyy)

ID1280252

Name of Public Water System:

Arrow Point Park

On the North well the electrical conduit leading between the ground surface and the well head was loose.

Both wells are drilled in coarse basalt talus. A concrete pad around the well casing must be installed to prevent water from running down the well casing.

Smooth nosed sample taps are required on both wells.

There must be a way to pump the wells to waste.

There were minor cracks in the roof of the reservoir.

All back flow prevention devices must be inspected annually. The irrigation system lines should be marked and labeled to prevent them from being mistaken for drinking water mains.

There is no auxiliary power on site.

There is a Total Coliform monitoring plan but it is not written.

Inspected by:

Date:

Title:

○

Photo Log

WITHERSPOON, KELLEY, DAVENPORT & TOOLE
A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN>
JOEL P. HAZEL+
ROBERT J. CALDWELL^

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSMAN
JEFFREY L. SUTINGER*
LESLIE R. WEATHERHEAD+
MICHAEL D. CURRIN
BRIAN T. REKOFKE*
R. MAX EYER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI+
TIMOTHY M. LAWLOR
WILLIAM M. SYMMES*+
STANLEY M. SCHWARTZ*
DAVID M. KNUTSON
JODY M. MCCORMICK+
MICHAEL L. LOFT+
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*+
KIMBERLY A. KAMEL*
RYAN M. BEAUDOIN*
STACY A. BJORDAHL
PATRICIA L. JOHNSON
LARA L. HEDGECOCK
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LEROY>
JULIE H. OLDS+
JASON R. WHITELEY*
GEANA VAN DESSEL
STEVEN J. DIXSON

++Admitted in Idaho only
^Also admitted in Washington
*Also admitted in Idaho
+Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5265

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 600
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

June 12, 2007

Jeff Peppersack, Acting Bureau Chief
Idaho Department of Water Resources
322 East Front Street
Boise, ID 83720-0098

Via Federal Express

Re: Lapsed Permit No. 95-8652

Dear Mr. Peppersack:

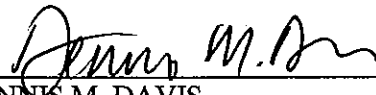
In connection with the application of Arrow Point Community Association for reinstatement of the above permit, the following information is enclosed:

1. "As Built" plans for water and sewer systems for Arrow Point Park P.U.D. originally dated September 1990 (with updated notations into 1995);
2. Record Drawing dated July 1995—Arrow Point Park First Addition Water Distribution and Sanitary Sewer Collection; and
3. Record Drawing dated April 1999—Arrow Point and First Addition to Arrow Point Water Distribution and Sanitary Sewer Pressure Effluent Collection.

These "as built" plans are submitted as proof of actual construction of the water system and diversion of water to beneficial use. Please contact the undersigned with questions and for any additional information you may require. Thank you very much for your consideration of this application.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 

DENNIS M. DAVIS

DMD/cpm

Enclosures

cc: Steve Townsend

G:\Arrow Point Community Association 5237\Water Rights\LtrPeppersack 061207.doc

WITHERSPOON, KELLEY, DAVENPORT & TOOLE

A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN*>
JOEL P. HAZEL^
ROBERT J. CALDWELL^

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSMAN
JEFFREY L. SUPINGER*
LESLIE R. WEATHERHEAD*‡
MICHAEL D. CURRIN
BRIAN T. REKOFKE*
R. MAX ETTER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GLANNIN†
TIMOTHY M. LAWLOR
WILLIAM M. SYMMES*‡
STANLEY M. SCHWARTZ*
DAVID M. KNUTSON
JODY M. MCCORMICK‡
MICHAEL L. LOFT*‡
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*‡
KIMBERLY A. KAMEL*
RYAN M. BEAUDOIN*
STACY A. BJORDAHL
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LEROY>>
JULIE H. GLDS*
JASON R. WHITELEY*
GEANA VAN DERSEL
STEVEN J. DIXSON

++Admitted in Idaho only
^Also admitted in Washington
*Also admitted in Idaho
‡Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5265

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 690
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

RECEIVED

MAY 18 2007

DEPARTMENT OF
WATER RESOURCES

May 17, 2007

Jeff Peppersack, Acting Bureau Chief
Idaho Department of Water Resources
322 E. Front Street
Boise, ID 83720-0098
By Overnight Delivery

Re: Lapsed Permit No. 95-8652

Dear Mr. Peppersack:

Thank you for your April 25, 2007 letter, regarding the reinstatement of the above permit. In order to provide you the necessary information to reinstate the permit, the following information is enclosed:

- 1) Documentation of Ownership;
- 2) Proof of Beneficial Use Form;
- 3) License Examination Fee;
- 4) Permit to Appropriate Water;
- 5) Application for Permit; and
- 6) Well Driller's Reports

With respect to the documentation of ownership, we have enclosed the Petition for Declaratory Relief filed in Kootenai County court wherein the Plaintiff (Arrow Point Property Owners, Inc) alleges title to the Arrow Point water system. I note there is a very good summary of the history of ownership changes of the water system contained in Paragraph 13 of the Petition. Also enclosed is Arrow Point Community Association's ("APCA") Answer to the Complaint and Counterclaim wherein APCA claims ownership to the water system. We have also enclosed the Order Regarding Dismissal of Complaint and Counterclaims which was entered with the Court on June 6, 2006. We have provided some additional deeds as well. Finally, enclosed is a copy of a Bill of Sale executed by Arrow Point Property Owners, Inc which conveys all title and interest in the water system to APCA. This Bill of Sale was signed on May 19, 2006. Based upon the above, although title has been conveyed numerous times, it is clear that APCA is the current owner of the water rights permit.

As to the Proof of Beneficial Use form, we have been diligently searching for information and records regarding the diversion and use of the water during the development

Jeff Peppersack, Idaho Dept. of Water Resources
May 17, 2007
Page 2 of 2

period. To date, we have obtained a copy of the application for permit submitted in 1990; the Permit to Appropriate Water; and the Well Driller's Report. There were two wells drilled. According to APCA's operator, the first well, which was drilled in 1990, is 8 inches in diameter and pumps 35 gallons per minute. A second well was drilled in 1994 and is located in close proximity to the first. It is also 8 inches in diameter, but pumps 95 gallons per minute. Both wells serve the same beneficial use and constitute two points of diversion. *The total amount of water appropriated is .3cfs*

It is our understanding that flow meters are installed, but APCA only has records for the years 2004, 2005 and 2006. Those records can be provided upon request. In addition, APCA has copies of annual reports (which were submitted to Department of Environmental Quality) for the same years.

We are currently searching for "as built" drawings of the water system, and, because of the short time frame provided, we request additional time to submit those drawings and any additional information we may locate in the next 30 business days. In addition, to the extent any of the enclosed information may be incomplete or you may need additional information, we also request an extension to provide that information.

Finally, the real property which this water system currently serves is not completely developed. Therefore, the Applicant anticipates the possible future need for additional water volume. Please contact the undersigned for any additional information you may require. Thank you very much for your consideration of this application.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 
DENNIS M. DAVIS

DMD

Enclosures

cc: Steve Townsend

G:\A\Arrow Point Community Association 5237\Water Rights\LtrPeppersack 051507.doc

DOCUMENTATION OF OWNERSHIP

STATE OF IDAHO
COUNTY OF KOOTENAI } SS
FILED

RECEIVED

2004 JUN 15 AM 10: 33

JUN 30 2004

CLERK DISTRICT COURT

WITHERSPOON, KELLEY,
DAVENPORT, TOOLE, P.S.

DEPUTY

SUSAN P. WEEKS
OWENS, JAMES, VERNON & WEEKS, P.A.
1875 N. Lakewood Dr, Ste. 200
Coeur d'Alene, ID 83814
Telephone: (208) 667-0683
Facsimile: (208) 664-1684
ISB #4255

Attorneys for Plaintiff

IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

ARROW POINT PROPERTY OWNERS, INC.,
an Idaho Corporation,

Plaintiff,

vs.

ARROW POINT VILLAGE/BUILDING A
ASSOCIATION, INC., an Idaho Corporation;
ARROW POINT VILLAGE/BUILDING B
ASSOCIATION, INC., an Idaho Corporation;
ARROW POINT VILLAGE/BUILDING C
ASSOCIATION, INC., an Idaho Corporation;
ARROW POINT VILLAGE/BUILDING D
ASSOCIATION, INC., an Idaho Corporation;
ARROW POINT VILLAGE/BUILDING F
ASSOCIATION, INC., an Idaho Corporation;
ARROW POINT COMMUNITY
ASSOCIATION, INC., a defunct Idaho
Corporation; WORLDMARK, The Club, a
California non-profit mutual benefit corporation;
TRENDWEST Resorts, Inc., an Oregon
corporation, John Does 1-100

Defendants.

NO. CV 04- 4341

PETITION FOR DECLARATORY
RELIEF

CATEGORY: A-1

FEE: \$77.00

Plaintiff complains and for causes of action alleges as follows:

ASSIGNED TO
JUDGE LUSTER

PETITION FOR DECLARATORY RELIEF: 1

COPY

1. Plaintiff is, and at all times herein mentioned, was a non-profit corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.
2. Defendant ARROW POINT VILLAGE/BUILDING A ASSOCIATION, INC., is, and at all times herein mentioned was, a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.
3. Defendant ARROW POINT VILLAGE/BUILDING B ASSOCIATION, INC., is, and at all times herein mentioned was, a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.
4. Defendant ARROW POINT VILLAGE/BUILDING C ASSOCIATION, INC., is, and at all times herein mentioned was, a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.
5. Defendant ARROW POINT VILLAGE/BUILDING D ASSOCIATION, INC., is, and at all times herein mentioned was, a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.

6. Defendant ARROW POINT VILLAGE/BUILDING F ASSOCIATION, INC., is, and at all times herein mentioned was, a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Coeur d'Alene, Kootenai County, Idaho.
7. Defendant ARROW POINT COMMUNITY ASSOCIATION, INC. was a corporation organized and existing under the laws of the State of Idaho with its principle offices located at Harrison, Kootenai County, Idaho and was administratively dissolved June 7, 2004.
8. Defendant WORLDMARK, The Club is and at all times herein mentioned herein was, a California non-profit mutual benefit corporation authorized to do business in the State of Idaho and owners of real property located in Kootenai County, Idaho and described as Units 102, 204 and 208, Building A, Arrow Point Village according to Condominium Declaration recorded November 16, 1994 as Instrument No. 1378185, and Survey Map and Plat recorded in Book "G" of Plats, page 196, 196A and 196B, records of Kootenai County, State of Idaho; Units 102, 103, 104, 105, 106, 107, 108, 202, 203, 204, 206, 208, Building B, Arrow Point Village according to Condominium Declaration recorded November 16, 1994 as Instrument No. 1378186, and Survey Map and Plat recorded in Book "G" of Plats, page 196, 196A and 196B, records of Kootenai County, State of Idaho; Units 102, 103, 104, 106, 107, 108, 201, 202, 203, 204, 205, 206, 207, 208, 301, and 303, Building C, Arrow Point Village according to Condominium Declaration recorded April 10, 1995 as Instrument No. 1394449, and Survey Map and Plat recorded

in Book "G" of Plats, page 234, 234A and 234B, records of Kootenai County, State of Idaho; Units 103, 106, 202, 203, 206 and 207, Building D, Arrow Point Village according to Condominium Declaration recorded July 26, 1995 as Instrument No. 1406854, and re-recorded November 13, 1995 as Instrument No. 1422050 and Survey Map and Plat recorded in Book "G" of Plats, page 272, 272A and 272B, records of Kootenai County, State of Idaho; and Units 102, 204 and 206, Building F, Arrow Point Village according to Condominium Declaration recorded September 12, 1995 as Instrument No. 1413378, and Survey Map and Plat recorded in Book "G" of Plats, pages 288, 288A and 288B, records of Kootenai County, State of Idaho, which property is being utilized for commercial purposes.

9. Defendant TRENDWEST RESORTS, INC., an Oregon corporation, is and at all times herein was, an owner of real property located in Kootenai County, Idaho and described as Unit 203, Building F, Arrow Point Village according to Condominium Declaration recorded September 12, 1995 as Instrument No. 1413378, and Survey Map and Plat recorded in Book "G" of Plats, pages 288, 288A and 288B, records of Kootenai County, State of Idaho, which property is being utilized for commercial purposes.
10. Plaintiff is ignorant of the true names and capacities of defendants sued herein as DOES 1-100, inclusive, and therefore sues these defendants by such fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when ascertained.

11. Plaintiff owns a private water system and a private sewer system located in a portion of Government Lot 4, Section 36, Township 50 North, Range 4 West, and a portion of Government Lot 1, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho. An illustrative depiction of the private water and private sewer system are attached hereto as Exhibit "A".

12. The following described parcels of real property located in Kootenai County, Idaho are serviced by the private water system and private sewer system owned by plaintiff:

- a. Building A, Arrow Point Village according to Condominium Declaration recorded November 16, 1994 as Instrument No. 1378185, and Survey Map and Plat recorded in Book "G" of Plats, page 196, 196A and 196B, records of Kootenai County, State of Idaho;
- b. Building B, Arrow Point Village according to Condominium Declaration recorded November 16, 1994 as Instrument No. 1378186, and Survey Map and Plat recorded in Book "G" of Plats, page 196, 196A and 196B, records of Kootenai County, State of Idaho;
- c. Building C, Arrow Point Village according to Condominium Declaration recorded April 10, 1995 as Instrument No. 1394449, and Survey Map and Plat recorded in Book "G" of Plats, page 234, 234A and 234B, records of Kootenai County, State of Idaho;

- d. Building D, Arrow Point Village according to Condominium Declaration recorded July 26, 1995 as Instrument No. 1406854, and re-recorded November 13, 1995 as Instrument No. 1422050 and Survey Map and Plat recorded in Book "G" of Plats, page 272, 272A and 272B, records of Kootenai County, State of Idaho; and Units 102, 204 and 206, Building F, Arrow Point Village according to Condominium Declaration recorded September 12, 1995 as Instrument No. 1413378, and Survey Map and Plat recorded in Book "G" of Plats, pages 288, 288A and 288B, records of Kootenai County, State of Idaho.
- e. Building F, Arrow Point Village according to Condominium Declaration recorded September 12, 1995 as Instrument No. 1413378, and Survey Map and Plat recorded in Book "G" of Plats, pages 288, 288A and 288B, records of Kootenai County, State of Idaho.
- f. Arrow Point Park, according to the plat recorded in Book F of Plats, Page 345, records of Kootenai County, State of Idaho.
- g. Arrow Point, according to the plat recorded in Book D of Plats, Page 131, records of Kootenai County, State of Idaho.

13. The private sewer system and private water system were originally owned by Arrow Point Development Company (APDC). In 1997, APDC transferred all right and title that it had in these systems to Lake Country Investments Limited Liability Company, an Idaho limited liability company (Lake Country). In 1999, Lake Country was placed in

bankruptcy by involuntary petition. On October 17, 2000, an Order Confirming Second Amended Plan of Liquidation was entered by U.S. Bankruptcy Judge Terry Myers. Included in the order was an order to liquidate at public auction Lake Country's assets, including the private sewer and private water system. The private sewer and private water systems, the unused hook-ups and all other intangible assets, as well as the real property upon which the water tank servicing the water system and the drain field servicing the sewer system, were sold to John E. Noyes at the public auction. The sale was confirmed by later order of Judge Myers and the bankruptcy trustee transferred the assets to Mr. Noyes. Thereafter, Mr. Noyes sold the private water and private sewer system, as well as the water tank and drain field parcels, to Fortress, L.L.C. in August 2001. Fortress, L.L.C. transferred the private water system and private sewer system, as well as the water tank and drain field parcels, to Plaintiff in August 2003. The legal description of the water tank and drain field parcels are attached hereto and incorporated herein as Exhibit "B".

14. Idaho Department of Environmental Quality (DEQ) partially regulates the private water and private sewer system. DEQ requires certain monitoring and reporting with respect to the sewer system.
15. The private sewer system is a temporary system, and DEQ requires that in the event of a failure of the drain field system that the owner must replace the system.

16. The system was designed as a residential system consistent with the zoning of the property.
17. Defendants WorldMark, the Club and Trendwest Resorts, Inc. utilize the property as a resort, which is a commercial use and a violation of the residential zoning.
18. Plaintiff has been informed that it will be its responsibility as owner to replace the drain field system in the event of a system failure
19. Plaintiff has also been informed by DEQ that it is its responsibility to repair the water system infrastructure and keep in good operating condition.
20. Plaintiff has attempted to comply with DEQ's requirements. In the course of complying with DEQ's regulations, certain of the Defendants have claimed that although Plaintiff owns the private systems, they have the right to maintain and operate the systems.
21. While certain defendants have minimally maintained the systems, no funds have been collected for a sinking fund for any future capital improvements or replacement of the sewer system in the event of a total system failure.
22. Although defendants have a right to be serviced by the private water and sewer system, Plaintiff alleges that Defendants are without any right to maintain and operate the system without the permission of the plaintiff.

23. Plaintiff has the right to set an operation and maintenance fee adequate for operation and maintenance of the private water and private sewer system, including establishment of a sinking fund for capital improvements.

24. Plaintiff therefore seeks a declaration that the title to the subject property is vested in plaintiff alone and that the defendants herein, and each of them, be declared to have no estate, right, or title in the subject property other than a right to be serviced by the private water system and the private sewer system and that said defendants, and each of them, be forever enjoined from asserting any estate, right, or title in the subject property adverse to plaintiff herein.

WHEREFORE, plaintiff prays for judgment against defendants and each of them, as follows:

1. For an order enjoining Defendants, and each of them, from interfering with Plaintiff's operation and maintenance of the private water and sewer system.
2. For an order enjoining Defendants WorldMark, the Club ad Trendwest Resorts, Inc. from utilizing the property as a resort in violation of the zoning.
3. For a declaration and determination that Plaintiff is the rightful holder of title to the private water and sewer system infrastructure and the parcels of property described on Exhibit "B" and that Defendants herein, and each of them, be declared to have no estate, title or interest in said property other than as a user of the private systems;

3. For costs and fees as allowed by law;
4. For such other and further relief as the court may deem proper.

DATED this 10th day of June, 2004.

OWENS, JAMES, VERNON & WEEKS, P.A.

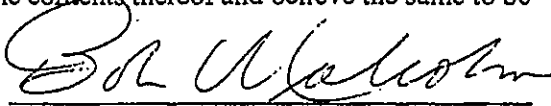
BY: Susan P. Weeks
SUSAN P. WEEKS
Attorneys for Plaintiff

STATE OF IDAHO

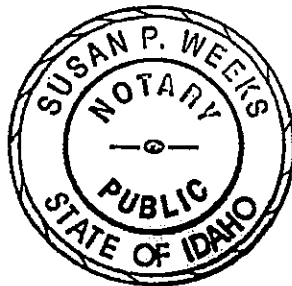
County of Kootenai

}
} ss.
}

I, Robert Malcolm, am the managing member of the Plaintiff in the above-entitled matter;
have read the foregoing Complaint and know the contents thereof and believe the same to be
true.


Robert D. Malcolm

SUBSCRIBED AND SWORN to before me this 10th day of June, 2004.




Notary Public in and for the State of Idaho
Residing at: Crossed Alone, ID
My commission expires 7/1/10

WELCH CONNER ENGINEERS & SURVEYORS 1801 Lincoln Hwy. Suite 200, Rock Hill, SC 29730 (803) 781-1111 FAX (803) 781-1112		NOT TO SCALE, AND SHALL NOT BE USED FOR CONSTRUCTION OF ANY STRUCTURE OR FOR ANY OTHER PURPOSE WITHOUT THE WRITTEN CONSENT OF WELCH CONNER & ASSOCIATES, INC.		DATE: 07-27-02 SHEET NO.: 1	
PROJECT NO.: 11530 PROJECT NAME: ARROW POINT CLIENT: ARROW POINT		DATE: 07-27-02 SHEET NO.: 1		PRELIMINARY PLAN SANITARY SEWER	

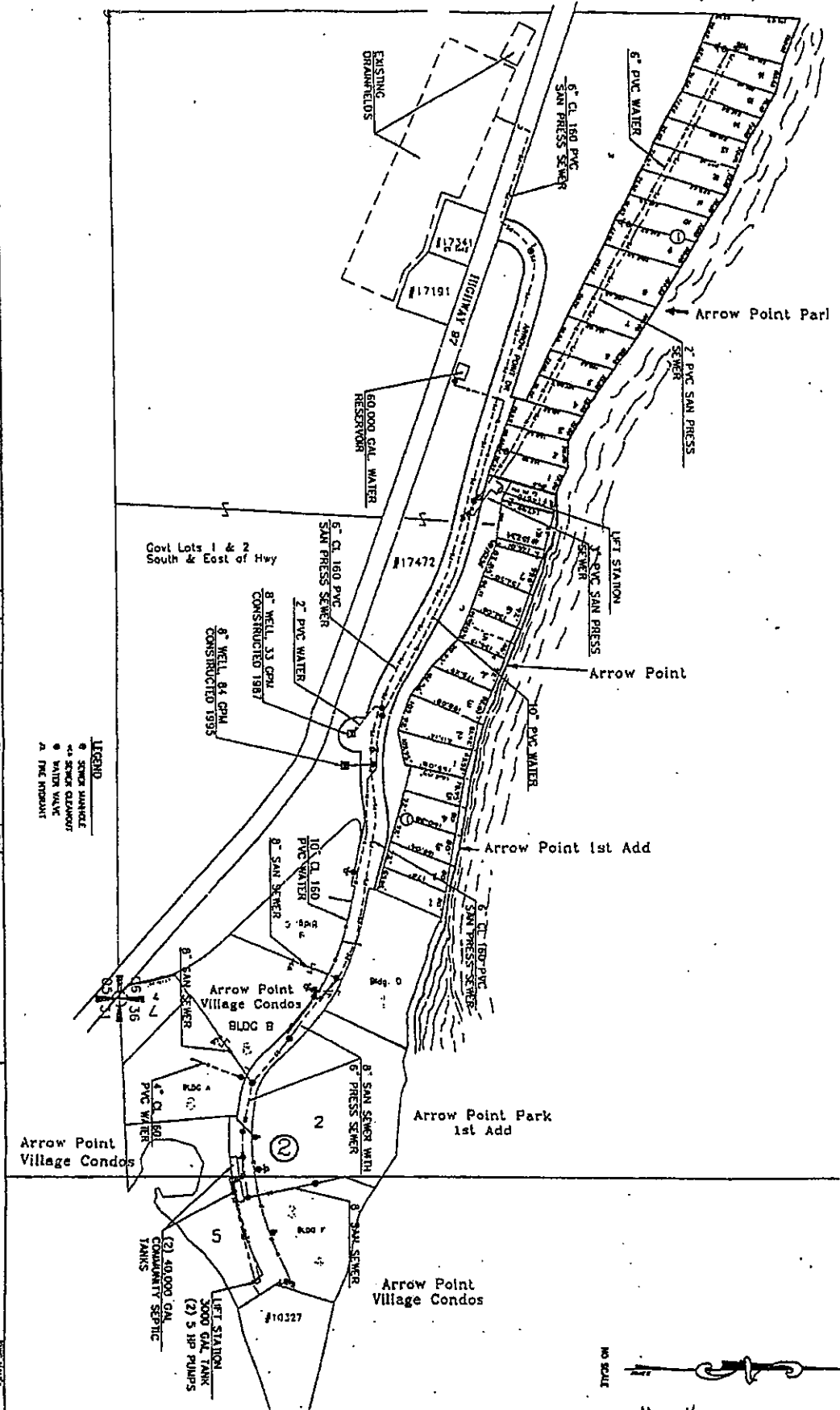


EXHIBIT "A"

PAGE 2

File Number: 85488

PARCEL I

The Southwest quarter of the Northwest quarter, Section 5, Township 49 North, Range 3 West, Boise Meridian, and that portion of Government Lots 1 and 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho, lying South and East of Highway 97.

Except a portion of Government Lot 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho, lying South and East of Highway 97, described as follows:

BEGINNING at the point where the centerline of the right of way for Arrow Point Drive intersects the Westerly right of way line of Highway 97 as shown on Lot 10, Block 2, Plat of Arrow Point Park First Addition; thence,

South 74° 14'36" East, 50.00 feet to a point on the Easterly right of way line of said Highway 97; thence,

South 15° 45'24" West, 27.30 feet along said Easterly right of way line to the True Point of Beginning for this description; thence,

North 15° 45'24" East, 320.00 feet along said Easterly right of way line; thence, leaving said right of way line, South 74° 14'36" East, 145.00 feet; thence,

South 15° 45'24" West, 100.00 feet; thence,

South 38° 57'19" West, 76.16 feet; thence,

South 15° 45'24" West, 150.00 feet; thence,

North 74° 14'36" West, 115.00 feet to the True Point of Beginning.

PARCEL II

Government Lots 1 and 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho, lying West of State Highway 97.

EXCEPT that part contained within the plats of Arrow Point recorded in Book "D" of Plats, page 131, FIRST ADDITION TO ARROW POINT, recorded in Book "D" of Plats, page 144, and ARROW POINT PARK, recorded in Book "F" of Plats, page 345, records of Kootenai County, Idaho.

ALSO EXCEPTING THEREFROM any portions lying within ARROW POINT PARK FIRST ADDITION, according to the plat recorded in Book "G" of Plats, pages 104 and 104A, records of Kootenai County, State of Idaho.

ALSO EXCEPTING therefrom the following described parcel: A part of Government Lot 2, Section 6, Township 49 North, Range 3 W.B.M., Kootenai County, Idaho, more particularly described as follows:

BEGINNING at the Southeast corner of Lot 8, Block 1, Plat of Arrow Point; thence, South 24° 37'00" West, 53.30 feet; thence, North 77° 59'09" West, 118.63 feet to a point on the shore of Coeur d'Alene Lake; thence, North 02° 41'08" West, 50.00 feet to the Southwest corner of said Lot 8; thence, South 79° 27'00" East (record South 79° 42'00" East) 142.99 feet along the South line of said Lot 8 to the Point of Beginning.

CONTINUED

SCHEDULE A
Commitment

EXHIBIT "B"



OLD REPUBLIC
National Title Insurance Company

ORT Form 3120

PARCEL II (Continued)

ALSO EXCEPTING therefrom a portion of Government Lot 1 and Government Lot 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

BEGINNING at the point where the centerline of the right of way for Arrow Point Drive intersects the Westerly right of way line of Highway 97 as shown on Lot 10, Block 2, Plat of Arrow Point Park First Addition; thence, North $15^{\circ} 45' 24''$ East, 30.00 feet along the Westerly right of way line of State Highway 97 to its intersection with the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive and the True Point of Beginning for this description; thence, proceeding Northerly along the Westerly right of way line of State Highway 97 to its intersection with the Southeasterly corner of Lot 7, said Block 2; thence, proceeding Southwesterly along the Southeasterly lines of Lots 7, 8 and 9, said Block 2, to the intersection of the Southeasterly line of said Lot 9 with the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive; thence, proceeding Southerly along the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive to the Southerly point of curve C27 as shown on said Plat of Arrow Point Park First Addition; thence, proceeding Southerly along a curve to the right lying 30 feet Easterly and parallel to the centerline of Lot 10 defining Arrow Point Drive to the Northerly end of curve 28 as noted on said plat; thence, continuing Southerly along the East line of said Lot 10 defining the East line of Arrow Point Drive to the True Point of Beginning for this description. The intent of this description is to include any and all property bounded by State Highway 97 on the East, bounded by Lots 7, 8 and 9, Block 2, Plat of Arrow Point Park First Addition on the North, and bounded by Arrow Point Drive on the West and South.



STATE OF IDAHO
COUNTY OF KOOTENAI } SS
FILED:

2004 OCT -8 PM 3:12

CLERK DISTRICT COURT

DEPUTY

1 Dennis M. Davis, ISB No. 2133
Mark A. Ellingsen, ISB No. 4720
2 WITHERSPOON, KELLEY,
DAVENPORT & TOOLE, P.S.
3 The Spokesman Review Building
608 Northwest Blvd., Suite 401
4 Coeur d'Alene, Idaho 83814-2146
Telephone: (208)667-4000
5 Facsimile: (208)667-8470

6 Attorneys for Arrow Point Defendants

7
8 IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF THE
9 STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

10 ARROW POINT PROPERTY OWNERS,
11 INC., an Idaho Corporation,

12 Plaintiff,

13 v.

14 ARROW POINT VILLAGE/BUILDING A
ASSOCIATION, INC., an Idaho Corporation;
15 ARROW POINT VILLAGE/BUILDING B
ASSOCIATION, INC., an Idaho Corporation;
16 ARROW POINT VILLAGE/BUILDING C
ASSOCIATION, INC., an Idaho Corporation;
17 ARROW POINT VILLAGE/BUILDING D
ASSOCIATION, INC., an Idaho Corporation;
18 ARROW POINT VILLAGE/BUILDING F
ASSOCIATION, INC., an Idaho Corporation;
19 ARROW POINT COMMUNITY
ASSOCIATION, INC., a defunct Idaho
20 Corporation; WORLDMARK, The Club, a
California nonprofit mutual benefit corporation;
21 TRENDWEST Resorts, Inc., an Oregon
Corporation; and JOHN DOES 1-100,

22 Defendants.
23

24 ARROW POINT VILLAGE/BUILDING A
ASSOCIATION, INC., an Idaho Corporation;
25 ARROW POINT VILLAGE/BUILDING B
ASSOCIATION, INC., an Idaho Corporation;
26 ARROW POINT VILLAGE/BUILDING C

Case No. CV 04-4341

**ANSWER TO COMPLAINT
AND COUNTERCLAIM**

Fee Category: J.8.b.
Fee: \$8.00

27 **ANSWER TO COMPLAINT AND COUNTERCLAIM-PAGE 1**

28 Q:\WPDOCS\Clients-DMD-JPH\Arrow Point Litigation\ANSWER.wpd

COPY

1 ASSOCIATION, INC., an Idaho Corporation;
2 ARROW POINT VILLAGE/BUILDING D
3 ASSOCIATION, INC., an Idaho Corporation;
4 ARROW POINT VILLAGE/BUILDING F
5 ASSOCIATION, INC., an Idaho Corporation;
6 ARROW POINT COMMUNITY
7 ASSOCIATION, INC., a defunct Idaho
8 Corporation,

9 Defendants/Counter-Plaintiffs,

10 v.

11 ARROW POINT PROPERTY OWNERS,
12 INC., an Idaho Corporation,

13 Plaintiff/Counter-Defendant.

14 COMES NOW, ARROW POINT VILLAGE/BUILDING A ASSOCIATION, INC., ARROW
15 POINT VILLAGE/BUILDING B ASSOCIATION, INC., ARROW POINT VILLAGE/BUILDING C
16 ASSOCIATION, INC., ARROW POINT VILLAGE/BUILDING D ASSOCIATION, INC., ARROW
17 POINT VILLAGE/BUILDING F ASSOCIATION, INC., and ARROW POINT COMMUNITY
18 ASSOCIATION, INC. (hereinafter collectively referred to as "Defendants Arrow Point Association"),
19 by and through their attorney of record, Mark A. Ellingsen, of the firm WITHERSPOON, KELLEY,
20 DAVENPORT & TOOLE, P.S., and answers the Plaintiff's (hereinafter referred to as "Plaintiff") claims
21 and allegations on file in the above-referenced matter.

22 I.

23 Defendants Arrow Point Association hereby deny each, every, any and all allegations and
24 representations set forth in the Plaintiff's complaint and prayer for relief unless specifically admitted
25 herein.

26 ANSWER TO GENERAL ALLEGATIONS

27 II.

28 Defendants Arrow Point Association lack information regarding the truth or falsity of the
allegations contained in Paragraph 1 of Plaintiff's complaint and therefore deny the same.

1 III.

2 Defendants Arrow Point Association admit paragraphs 2, 3, 4, 5, 6, and 7 of Plaintiff's complaint.
3 However, Defendants Arrow Point Association affirmatively state that as of the date of this answer,
4 Arrow Point Community Association has been reinstated and is a corporation organized and now existing
5 under the laws of the State of Idaho.

6 IV.

7 Defendants Arrow Point Association lacks information regarding the truth or falsity of the
8 allegations contained in paragraphs 8, 9, and 10 of Plaintiff's complaint, and therefore denies the same.

9 V.

10 Defendants Arrow Point Association deny the allegations contained in paragraph 11 of Plaintiff's
11 complaint.

12 VI.

13 In regards to the allegations contained in paragraph 12 of Plaintiff's complaint, Defendants Arrow
14 Point Association admit only that the buildings referenced in subparagraphs 12(a), 12(b), 12(c), 12(d),
15 and 12(e) of Plaintiff's complaint are serviced by the water system and sewer system which is the subject
16 of Plaintiff's complaint. Defendant Arrow Point Association lacks information regarding the allegations
17 contained in subparagraphs 12(f) and 12(g) of Plaintiff's complaint and therefore deny the same.
18 Defendants Arrow Point Association specifically deny all of Plaintiff's allegations contained in paragraph
19 12 that the private water system and private sewer system is owned by the Plaintiff.

20 VII.

21 Defendants Arrow Point Association lack information regarding the truth or falsity of the
22 allegations contained in paragraphs 13 and 14 of Plaintiff's complaint and therefore deny the same.

23 VIII.

24 Regarding the allegation contained in paragraph 15 of Plaintiff's complaint, Defendant Arrow
25 Point Association specifically denies Plaintiff's allegation that "The private sewer system is a temporary
26

1 system." Defendant Arrow Point Association lacks information regarding the truth or falsity of the
2 remainder of the allegations contained in paragraph 15 and therefore deny the same.

3 IX.

4 Defendant Arrow Point Association lacks information regarding the allegations contained in
5 paragraphs 16, 17, 18, and 19 of Plaintiff's complaint and therefore denies the same.

6 X.

7 In regards to sentence 1 of paragraph 20, Defendant Arrow Point lacks information regarding the
8 allegations contained therein and therefore deny the same. Regarding the allegations contained in
9 sentence 2 of paragraph 20, Defendants Arrow Point Association admits only that it has claimed a right
10 to maintain and operate the systems. Defendants Arrow Point Association specifically deny the
11 remainder of the allegations contained in sentence 2 of paragraph 20.

12 XI.

13 Defendant Arrow Point Association lacks information about the information contained in
14 paragraph 21 of Plaintiff's complaint and therefore denies the same.

15 XII.

16 Regarding the allegations contained in paragraph 22 of Plaintiff's complaint, Defendants Arrow
17 Point Association admit only a portion of Plaintiff's allegation contained therein which to the extent that
18 Plaintiff alleges that Defendants Arrow Point Association have a right to be serviced by the private water
19 and sewer system. However, Defendants Arrow Point Association deny the remainder of the allegations
20 contained in paragraph 22 of Plaintiff's complaint.

21 XIII.

22 Defendants Arrow Point Association deny the allegations contained in paragraphs 23 and 24 of
23 Plaintiff's complaint and deny that Plaintiff is entitled to any of the relief that it seeks in paragraph 24 of
24 Plaintiff's complaint.

1 XIV.

2 Defendants Arrow Point Association denies that Plaintiff is entitled to any of the relief sought
3 by its complaint.

4 AFFIRMATIVE DEFENSES

5 Defendant Arrow Point Association Hereby Alleges the Following Affirmative Defenses:

6 Failure to State a Claim upon Which Relief Can Be Granted

7 XV.

8 Defendants Arrow Point Association alleges that despite the pleadings contained within
9 Plaintiff's complaint, Plaintiff has failed to state a claim against Defendants Arrow Point Association
10 upon which relief can be granted.

11 Equitable Estoppel/Quasi Equitable Estoppel/Waiver

12 XVI.

13 Defendants Arrow Point Association alleges that Plaintiff represented and agreed that Defendants
14 would have the right, privilege, and authority to construct, improve, repair, and maintain the water system
15 and sewer system which is the subject of this action. Further, Plaintiff represented and agreed that subject
16 water system and sewer system would be conveyed to Defendants Arrow Point Association. Defendants
17 Arrow Point Association justifiably relied upon these representations made by Plaintiff represented above
18 to their detriment, including incurring labor and expenses in the development and maintenance of the
19 water system and sewer system and making valuable improvements to the water and sewer system.

20 XVII.

21 Defendants Arrow Point Association alleges that they will in fact be injured and damaged should
22 this Court allow Plaintiff to now repudiate the above-referenced acts, admissions, statements, and
23 agreements made by Plaintiff.

24 XVIII.

25 Defendants Arrow Point Association alleges that Plaintiff accepted the benefits of this agreement,
26 to wit: including the improvements and maintenance made by Defendants Arrow Point Association.

1 Further, Plaintiff has permitted Defendants Arrow Point Association to expend money and labor on the
2 improvement/maintenance of said sewer and water system.

3 XIX.

4 Defendants Arrow Point Association alleges that actions of Plaintiff's in now refusing to honor
5 the agreement regarding the sewer system and water system, as detailed above, will produce a
6 disadvantage to Defendants Arrow Point Association, to wit: the value of the improvements and
7 maintenance of the sewer and water system.

8 XX.

9 Defendants Arrow Point Association alleges that the claims of Plaintiff are barred, in their
10 entirety, by the doctrine of equitable estoppel, quasi estoppel and/or waiver.

11 ADDITIONAL AFFIRMATIVE DEFENSES

12 XXI.

13 There may be additional affirmative defenses available to Defendant Arrow Point Association in
14 response to Plaintiff's complaint, which defenses are not presently known to Defendants Arrow Point
15 Association but which may become apparent to Defendants Arrow Point Association during the defense
16 of Plaintiffs' complaint. Defendants Arrow Point Association reserves an opportunity to amend its
17 answers to Plaintiffs' Complaint to assert further affirmative defenses or modify existing affirmative
18 defenses as more information becomes available during the course of these proceedings.

19 COUNTERCLAIM

20 Defendants/Counter-Plaintiffs Arrow Point Association, as Counterclaimants, hereby state and
21 allege as a counterclaim against Plaintiff/Counter-Defendant Arrow Point Property Owners, Inc., as
22 follows:

23 1. Counter-Plaintiff Arrow Point Village/Building A Association, Inc., is and at all times
24 material, a corporation organized and existing under the laws of the State of Idaho with its principal
25 offices located in Coeur d'Alene, Idaho.

2. Counter-Plaintiff Arrow Point Village/Building B Association, Inc., is and at all times material, a corporation organized and existing under the laws of the State of Idaho with its principal offices located in Coeur d'Alene, Idaho.

3. Counter-Plaintiff Arrow Point Village/Building C Association, Inc., is and at all times material, a corporation organized and existing under the laws of the State of Idaho with its principal offices located in Coeur d'Alene, Idaho.

4. Counter-Plaintiff Arrow Point Village/Building D Association, Inc., is and at all times material, a corporation organized and existing under the laws of the State of Idaho with its principal offices located in Coeur d'Alene, Idaho.

5. Counter-Plaintiff Arrow Point Village/Building F Association, Inc., is and at all times material, a corporation organized and existing under the laws of the State of Idaho with its principal offices located in Coeur d'Alene, Idaho.

6. Counter-Defendant Arrow Point Property Owners, Inc., is and at all times material, a corporation organized and existing under the laws of the State of Idaho with its principal offices located in Coeur d'Alene, Idaho.

Count One

Declaratory Judgment

8. Counter-Plaintiffs reallege paragraphs 1 through 6 above.

9. Counter-Plaintiffs allege that Counter-Defendant or its predecessors in interest represented and agreed that Counter-Plaintiffs would have the right, privilege, and authority to construct, improve, repair, and maintain the water system and sewer system which is the subject of this action and that easement rights were granted which provided these rights to Counter-Plaintiffs. Further, Counter-Defendant or its predecessors in interest represented and agreed that subject water system and sewer system would be conveyed to Counter-Plaintiffs. Counter-Plaintiffs justifiably relied upon these representations made by Counter-Defendant above to their detriment, including incurring labor and

1 expenses in the development and maintenance of the water system and sewer system and making
2 valuable improvements to the water and sewer system.

3 10. Counter-Plaintiffs allege that pursuant to the above-referenced agreement and the
4 easement rights referenced above, Counter-Plaintiffs have an ownership, maintenance, and use interest
5 in the sewer system and the water system which is the subject of this action.

6 11. Counter-Plaintiffs allege that pursuant to the terms and conditions of the above-referenced
7 agreement and easement, Counter-Plaintiffs have rights, including the right to construct, improve, repair,
8 and maintain the subject sewer and water system. Further, pursuant to said agreement and easement,
9 Counter-Plaintiffs Arrow Point Association have the right to obtain title and ownership of the subject
10 sewer and water system.

11 12. Further, Counter-Plaintiffs allege on information and belief that pursuant to the terms and
12 conditions of the original Articles of Incorporation and Bylaws of Counter-Defendant, the property
13 owners which consist of Counter-Plaintiffs are members of the corporation with certain rights to dictate
14 and control the actions of Counter-Defendant. Counter-Plaintiffs allege on information and belief that
15 Counter-Defendant has not complied with the terms and conditions of its Articles of Incorporation and
16 Bylaws and that Counter-Defendant is not authorized to conduct such activities which include any action
17 to restrict or prohibit Counter-Plaintiffs' ability to construct, improve, repair, or maintain the subject
18 sewer and water system.

19 13. Counter-Plaintiffs allege on information and belief that Counter-Defendant is now refusing
20 to honor the terms of the agreement referenced in paragraph 9 above, the easement rights granted to
21 Counter-Plaintiffs as referenced above, and to honor the terms and conditions of Counter-Defendant's
22 Articles of Incorporation. Accordingly, Counter-Plaintiffs allege that a controversy has arisen as between
23 Counter-Plaintiffs and Counter-Defendant regarding their respective rights under this agreement, the
24 easement rights referenced above, and the sewer system and water system which is the subject of this
25 agreement. Further, Counter-Plaintiffs allege that a controversy has arisen as between Counter-Plaintiffs
26 and Counter-Defendant in regards to their respective rights and powers under Counter-Defendant's

1 Articles of Incorporation. Further, Counter-Plaintiffs allege that they are entitled to an order from this
2 Court declaring that the terms of the underlying agreement as previously alleged are enforceable against
3 Counter-Defendant, declaring Counter-Plaintiffs' rights under the easement referenced above, Counter-
4 Plaintiffs' and Counter-Defendant's respective rights under the Counter-Defendant's Articles of
5 Incorporation, and ultimately Counter-Plaintiffs' rights to the sewer and water system which is the subject
6 of this action.

7 14. Counter-Plaintiffs therefore seek a declaration that the title to the subject sewer and water
8 system is vested in Counter-Plaintiffs alone and that the Counter-Defendant hereby be declared to have
9 no estate, right, or title in the subject sewer and water system and that Counter-Defendant be forever
10 enjoined from asserting any estate, right, title, use, or action in the subject sewer and water system
11 adverse to Counter-Plaintiffs.

12 **Count Two**

13 **Quiet Title**

14 15. Counter-Plaintiffs reallege paragraphs 1 through 13 above.

15 16. Counter-Plaintiffs allege that Counter-Plaintiffs have an interest in the above-referenced
16 sewer and water system pursuant to the terms and conditions of the agreement and the easement described
17 herein. Counter-Plaintiffs allege that title to the subject water system and sewer system is vested to
18 Counter-Plaintiffs and that the Court should enter an order declaring title as such.

19 WHEREFORE, DEFENDANT/COUNTER-PLAINTIFF PRAYS FOR A JUDGMENT DECREE
20 AS FOLLOWS:

21 1. An order dismissing Plaintiff/Counter-Defendant's complaint with prejudice and adjudging
22 that Plaintiff/Counter-Defendant take nothing thereby.

23 2. For an order enjoining Plaintiff/Counter-Defendant from interfering with Counter-
24 Plaintiffs' operation and maintenance of the private water and sewer system.

1 MARK A. ELLINGSEN, ISB No. 4720
2 WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.
3 The Spokesman Review Building
608 Northwest Boulevard, Suite 401
4 Coeur d'Alene, Idaho 83814
Telephone: (208) 667-4000
5 Facsimile: (208) 667-8470

6 Attorneys for Defendants/Counter-Plaintiffs

7 IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT OF
8 THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

9 ARROW POINT PARK PROPERTY
OWNERS, INC., an Idaho corporation,

CASE NO. CV 04-4341

10 Plaintiff/Counterdefendant,

11 v.

**ORDER REGARDING DISMISSAL OF
COMPLAINT AND COUNTERCLAIMS**

12 ARROW POINT VILLAGE/BUILDING A
13 ASSOCIATION, INC., an Idaho corporation;
ARROW POINT VILLAGE/BUILDING B
14 ASSOCIATION, INC., an Idaho corporation;
ARROW POINT VILLAGE/BUILDING C
15 ASSOCIATION, INC., an Idaho corporation;
ARROW POINT VILLAGE/BUILDING D
16 ASSOCIATION, INC., an Idaho corporation;
ARROW POINT VILLAGE/BUILDING F
17 ASSOCIATION, INC., an Idaho corporation;
ARROW POINT COMMUNITY
18 ASSOCIATION, INC., a defunct Idaho
corporation; WORLDMARK, The Club a
19 California nonprofit mutual benefit
corporation; TRENDWEST RESORTS, INC.,
20 an Oregon corporation; JOHN DOES 1-100,

21 Defendants/Counterclaimants.

22 This matter having come before the Court, and based upon Stipulation of Plaintiff Arrow Point
23 Park Property Owners, Inc, and Defendants Arrow Point Village/Buildings A, B, C, D and F, Defendant
24 Arrow Point Community Association, Inc., and Defendants Worldmark/Trendwest Resorts, Inc., and
25 the Court's review of the records and files herein:
26

27 ORDER REGARDING DISMISSAL OF COMPLAINT
AND COUNTERCLAIMS—PAGE 1

28 C:\DOCUMENTS AND SETTINGS\BOOTH\LOCAL SETTINGS\TEMPORARY INTERNET FILES\OLK\ORDER OF DISMISSAL.WPD

STATE OF IDAHO
COUNTY OF KOOTENAI
FILED: *[Signature]*
AT *[Signature]* O'CLOCK *[Signature]* M
CLERK, DISTRICT COURT
DEPUTY

1 IT IS HEREBY ORDERED THAT Plaintiff's claims against the above-named Defendants
2 are dismissed with Prejudice; -

3 IT FURTHER ORDERED THAT Counterclaimant's Worldmark and Trendwest's
4 counterclaims, Counterclaimant Arrow Point Community Association, Inc.'s counterclaims, and
5 Counterclaimant Arrow Point Villages Buildings A, B, C, D and F's counterclaims are dismissed
6 with Prejudice; and

7 IT IS FURTHER ORDERED THAT no costs or attorneys fees shall be awarded to any
8 party and each party shall bear their respective attorneys fees and costs.

9 DATED this 6th day of June, 2006.

10
11 
12 JUDGE JOHN P. LUSTER

13 CLERK'S CERTIFICATE OF SERVICE

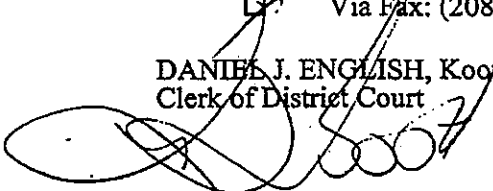
14 I, the undersigned, certify that on the 6th day of June, 2006, I caused a true and correct
15 copy of the ORDER REGARDING DISMISSAL OF COMPLAINT AND COUNTERCLAIM to be
16 forwarded, with all required charges prepaid, by the method(s) indicated below, to the following
17 parties:

18 Susan P. Weeks
19 Owens, James, Vernon & Weeks, P.A.
20 1875 North Lakewood Drive, Suite 200
Coeur d'Alene, ID 83814

☐ U.S. Mail
☐ Hand Delivered
☐ Overnight Mail
☒ Via Fax: (208) 664-1684

21 W. Christopher Pooser
22 Stoel Rives LLP
23 101 South Capitol Boulevard, Suite 1900
Boise, ID 83702

☐ U.S. Mail
☐ Hand Delivered
☐ Overnight Mail
☒ Via Fax: (208) 389-9040

24 DANIEL J. ENGLISH, Kootenai County
25 Clerk of District Court
26 

27 ORDER REGARDING DISMISSAL OF COMPLAINT
AND COUNTERCLAIMS-PAGE 2

28 C:\DOCUMENTS AND SETTINGS\KBOOTH\LOCAL SETTINGS\TEMPORARY INTERNET FILES\OLK5\ORDER OF DISMISSAL.WPD

1303958

WARRANTY DEED

For Value Received

ARROW PROPERTIES PARTNERSHIP

the grantor, do hereby grant, bargain, sell and convey unto ARROW POINT DEVELOPMENT COMPANY, INC., an Idaho Corporation,

the grantee, whose current address is c/o Stewart Construction, 715 N. 4th, Coeur d'Alene, Idaho

the following described premises, in Kootenai

County Idaho, to-wit:

All that real property described in Exhibits "1", "2", "3", "4", "5", "6", "7", "8", "9", "10", and "11" which are attached hereto and by this reference made a part hereof, hereinafter referred to as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and Parcel A, respectively.

TOGETHER WITH: Any water rights, improvements, appropriations, permits, licenses, and easements that are on or had and enjoyed in connection with said property.

SUBJECT TO: See Exhibit "A" attached hereto and by this reference made a part hereof.

TOGETHER WITH: All plans, specifications, licenses, approvals, agreements, permits, applications, both recorded and unrecorded, relating to the property at Arrow Point Park Planned Unit Development.

ALL RECORDS
IN THE KOOTENAI } SS
PIONEER TITLE CO.

MAY 11 3 01 PM '93

FOR RECORD
C. J. Kunkel
DEPUTY
FEES 66.00

TO HAVE AND TO HOLD the said premises, with their appurtenances unto the said Grantee, its successors ~~here~~ and assigns forever. And the said Grantor does hereby covenant to and with the said Grantee, that it ~~is~~ is the owner in fee simple of said premises; that they are free from all incumbrances except as stated herein.

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

Dated: April 30, 1993

ARROW PROPERTIES PARTNERSHIP

By:

Gary A. Frame, partner

By:

William E. Shelby, partner

STATE OF IDAHO, COUNTY OF Kootenai
On this 10 day of May, 1993,
before me, a notary public in and for the said State, personally appeared Gary A. Frame and William E. Shelby, partners of Arrow Properties Partnership,

STATE OF IDAHO, COUNTY OF
I hereby certify that this instrument was filed for record at the request of
at _____ minutes past _____ o'clock M.,
this _____ day of _____,
19 _____, in my office, and duly recorded in Book _____ of Deeds at Page _____

INSTRUMENT No

1303958

By: Carlene Kaye Frame
Carlene Kaye Frame, spouse of
Gary A. Frame

By: James O. LePard
James O. LePard, partner

By: BARBARA JEAN LE PARD
James O. LePard P.C.A.
Barbara Jean LePard, spouse of
James O. LePard

By: Robert C. Maher
Robert C. Maher, partner

By: Betty D. Maher
Betty D. Maher, spouse of
Robert Maher

By: Michael J. Patano
Michael J. Patano, partner

By: Sandra E. Patano
Sandra E. Patano, spouse of
Michael J. Patano

By: Julie A. Shelby
Julie A. Shelby, spouse of
William E. Shelby

By: Mirna Mar Vanderheyden
Mirna Mar Vanderheyden
By Gary A. Frame
ATTORNEY IN FACT

1303958

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 10 day of May, 1993, before me, a Notary Public in and for said State, personally appeared CARLENE KAYE FRAME, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

George P. Ward
Notary Public, Coeur d'Alene, Idaho

WASHINGTON & CO.
STATE OF IDAHO)
) ss.
County of Spokane)

On this 8 day of May, 1993, before me, a Notary Public in and for said State, personally appeared JAMES O. LEPAUD, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

George P. Ward
Notary Public, Spokane, WA, Idaho
Commission 12372 Exp. 9-15-94

STATE OF IDAHO)
) ss.

STATE OF IDAHO,

County of Kootenai ss.

On this 8 day of May, 1993, before me, the undersigned, a Notary Public, personally appeared James O. Lepaud to me known to be the individual who executed the foregoing instrument as Attorney in Fact for Barbara Jean Lepaud and acknowledged that he signed the same as his free and voluntary act and deed as Attorney in Fact for said principal for the uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that said principal is now living and is not insane.

GIVEN under my hand and official seal the day and year last above written.

ACKNOWLEDGEMENT — ATTORNEY IN FACT
Pioneer Title Co.

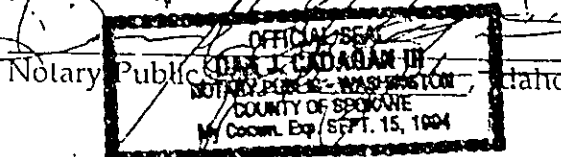
U-40

George P. Ward
Notary Public in and for the State of Idaho,
residing at Coeur d'Alene

1303958

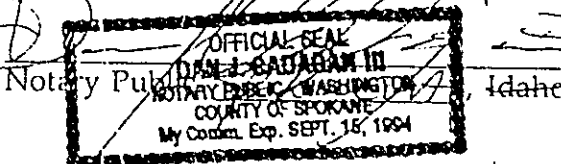
STATE OF WASHINGTON)
) ss.
County of Spokane)

On this 5 day of May, 1993, before me, a Notary Public in and for said State, personally appeared ROBERT C. MAHER, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.



STATE OF WASHINGTON)
) ss.
County of Spokane)

On this 5 day of May, 1993, before me, a Notary Public in and for said State, personally appeared BETTY D. MAHER, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.



STATE OF IDAHO)
) ss.
County of Kootenai)

On this 10 day of May, 1995, before me, a Notary Public in and for said State, personally appeared MICHAEL J. PATANO, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

Notary Public, Colin D. [Signature] Idaho

1303958

STATE OF IDAHO)
) ss.
County of Kootenai)

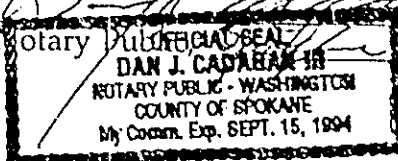
On this 10 day of May, 1993, before me, a Notary Public in and for said State, personally appeared SANDRA E. PATANO, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

Douglas P. Ward
Notary Public, Coeur d'Alene, Idaho

STATE OF WASHINGTON)
) ss.
County of Spokane)

On this 5 day of May, 1993, before me, a Notary Public in and for said State, personally appeared JULIE A. SHELBY, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

Dan J. Cadarian III
Notary Public, Idaho



STATE OF _____)
) ss.
County of _____)

STATE OF IDAHO,
County of Kootenai ss.

On this 10 day of May, 1993, before me,
Douglas P. Ward
Sandra E. Patano
the undersigned, a Notary Public, personally appeared
foregoing instrument as Attorney in Fact for Mirna Mae Vanderheijden
and acknowledged that he signed the same as his free and voluntary act and deed as Attorney in
Fact for said principal for the uses and purposes therein mentioned, and on oath stated that the Power of Attorney
authorizing the execution of this instrument has not been revoked and that said principal is now living and is not insane.

GIVEN under my hand and official seal the day and year last above written.

ACKNOWLEDGEMENT — ATTORNEY IN FACT
Pioneer Title Co.

Douglas P. Ward
Notary Public in and for the State of Idaho,
residing at Coeur d'Alene

EXHIBIT "A"
TO WARRANTY DEED

SUBJECT TO: An Easement containing certain terms, conditions and provision affecting a portion of said premises and for the purposes stated herein for telephone lines in favor of General Telephone Company of the Northwest, Inc.; recorded April 13, 1971 under Instrument No. 579259, the location of said easement is not given except "Arrowhead Point, in Section 36, Township 50 North, Range 4 West."

SUBJECT TO: An Easement containing certain terms, conditions, and provisions affecting a portion of said premises and for the purposes stated herein for the right to back and hold water upon and flood and overflow with water so much of said land lying below an elevation of 2128 feet above sea level; in favor of The Washington Water Power Company; recorded November 4, 1941, under Instrument No. Book 117 of Deeds, page 442; and affects "as to that part in Lots 1 and 2, Section 6 and Lot 4, Section 36.

SUBJECT TO: An Easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated herein; for power line easement and the right from time to time to cut, trim and remove trees, brush and overhanging branches and other obstructions which may injure or interfere with the Grantee's use, occupation and or enjoyment of this easement and the operation, maintenance and repair of Grantee's electrical system in favor of The Washington Water Power Company, a corporation, its successors and assigns; recorded July 16, 1947 under Instrument No. Book 135 of Deeds, page 337; and affects as to Lot 4, Section 36.

FURTHER SUBJECT TO: Those reservations affecting the real property and a certain water system as is reflected by that contract agreement dated March 9, 1977, wherein Idaho Forest Industries, Inc. entered into a Contract of Sale with Arrow Point Joint Venture, a co-partnership consisting of Stephen L. Anderson, Gary Rasmussen, Thomas Robb, Larry Schwenke and Thomas M. Vasseur, which Agreement contained the following covenants in relation to that water system as follows:

"The Parties of the Second Part are acquainted with the present water system that affords domestic water to aid property and understand that it is a part of a common system owned by the Party of the First Part. The Parties of the Second Part do covenant and agree that for so long as they shall take domestic water from the water system

owned by the Party of the First Part, they shall pay the cost of maintenance and operation of said system. In the event the Party of the First Part should modify, alter, change or revamp the water system, then in such event the Parties of the Second Part shall have an opportunity to obtain domestic water therefrom upon such reasonable basis of pro-rata sharing as the parties may agree. The Party of the First Part makes no representation as to if or when it may alter or reinstall a domestic water system or if or when it may develop or install a sewer system upon the property by it maintained and no representation thereon has been material in inducing the Parties of the Second Part in the purchase or acquisition of said property."

The Grantee does hereby assume all obligations of Grantor, under and pursuant to the above recited covenants.

SUBJECT TO: An Easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated therein; for a road right of way over and across the subject property in favor of Elmer E. Jordan and Virginia Jordan, husband and wife; recorded December 13, 1973 under Instrument No. 639434.

SUBJECT TO: An Easement affecting the portion of said premises and for the purposes stated herein, and incidental purposes, as disclosed in instrument or by action therein set forth for a perpetual right of ingress and egress on and over the property currently owned by the Sellers lying Southerly of the above described property, said easement shall be over the existing roadway or over or such roadway as the Seller may from time to time change or reconstruct for the purposes of affording access to the property above described from the U.S. Highway 95-A, providing that said access thereto shall at all times be a reasonable access, in favor of Arrow Point Joint Venture, a Partnership as disclosed in Warranty Deed recorded July 26, 1985 under Instrument No. 1016327; and affects a portion in Government Lot 4, Section 36.

SUBJECT TO: An Easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated therein, for a right of way for the construction, operation, and maintenance of the burying of an existing overhead telephone cable and the placement of two, four inch BIP pipes, upon and across the following described property, to wit:

The East 20 feet of Government Lot 4, in Section 36,
Township 50 North, Range 4 West, Boise Meridian,

1303958

Kootenai County, Idaho;
in favor of General Telephone Company of the Northwest recorded on August 3, 1988, under Instrument No. 1124582; and affects a triangular parcel of land being the extreme Northern tip of that portion of Government Lot 1, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho.

SUBJECT TO: Any interest lying within the bounds of U.S. 95-Alt, also known as #97.

SUBJECT TO: Any adverse claim based upon the assertion that some portion of said land lies below the ordinary high water mark of Coeur D'Alene Lake.

SUBJECT TO: Affidavit recorded January 27, 1975 as Instrument No. 665820, records of Kootenai County, by the Idaho Panhandle Health District No. 1, relating to regulations of sewage facilities.

SUBJECT TO: Memorandum of Contract of Sale with Idaho Forest Industries, Inc., an Idaho corporation, as Vendor and Arrow Properties, Inc., an Idaho Corporation (which corporation was dissolved on November 30, 1988) as Vendee, dated January 2, 1979 and recorded January 4, 1979 under Instrument No. 792895; affecting Parcels I and II.

SUBJECT TO: An Easement containing certain terms, conditions and provisions affecting a portion of said premises and for the purposes stated therein; for a road right of way over and across the subject property in favor of PETER O. FOUNTAIN and ELLA R. ROUNTAIN, husband and wife; recorded August 3, 1988, under Instrument No. 1124581, affecting Government Lot 1, Section 6, Township 49 North, Range 3 W.B.M. and Lot 1, Block 1 of First Addition to Arrow Point, Kootenai County, Idaho.

1303958

File No. 44630

EXHIBIT 1

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 1, Block Two - A portion of Government Lot 1, Section 6, Township 49 N, Range 3 West, Boise Meridian, Kootenai County, Idaho, and a portion of Government Lot 4, Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies N 87°25'08" W, 533.59 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence 274.74 feet around a circular curve to the left, said curve having a central angle of 21°51'48", a radius of 720.00 feet, and a chord bearing and length of S 22°23'16" W, 273.08 feet; thence S 11°27'22" W, 78.31 feet; thence N 78°32'38" W, 20.00 feet to the northeast corner of Lot 1, Block One, Plat of First Addition to Arrow Point, as recorded in Book D, Page 144, Records of Kootenai County, Idaho; thence N 66°10'59" W (Plat bearing datum N 66°25' W), along the north line of said Lot 1, Block One, First Addition to Arrow Point, for a distance of 188.33 feet, more or less, to a point on the shoreline of Coeur d'Alene Lake; thence proceeding Northerly along said shoreline of Coeur d'Alene Lake to a point that lies N 64°48'44" W from the Point of Beginning; thence S 64°48'44" E, 240 feet, more or less, to the Point of Beginning

1303958

File No. 44630

EXHIBIT 2

LEGAL DESCRIPTION
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 2, Block Two - A portion of Government Lot 4, Section 36, Township 50 N, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies N 87°25'08" W, 533.59 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence 183.06 feet around a circular curve to the right, said curve having a central angle of 14°34'04", a radius of 720.00 feet, and a chord bearing and length of N 40°36'12" E, 182.57 feet, to a point of reverse curve; thence 123.21 feet around a circular curve to the left; said curve having a central angle of 40°48'38", a radius of 180.00 feet, and a chord bearing and distance of N 27°28'54" E, 125.52 feet, to a point of compound curve; thence 268.68 feet around a circular curve to the left, said curve having a central angle of 19°44'10", a radius of 730.00 feet, and a chord bearing and length of N 02°47'30" W, 267.35 feet; thence S 76°27'55" W, 230.00 feet; thence N 70°38'15" W, 100 feet, more or less, to a point on the shoreline of Coeur d'Alene Lake; thence Southerly along said shoreline to a point that lies N 64°48'44" W from the Point of Beginning; thence S 64°48'44" E, 240 feet, more or less, to the Point of Beginning.

1303958

File No. 44630

EXHIBIT 3

LEGAL DESCRIPTION
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 3, Block 10 - A portion of Government Lot 4, Section 36, Township 50 N, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies N 34°19'08" W, 655.07 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence 177.12 feet around a circular curve to the left, said curve having a central angle of 13°00'39", a radius of 780.00 feet, and a chord bearing and distance of N 19°09'55" W, 176.74 feet; thence N 25°40'14" W, 28.00 feet; thence S 21°33'00" W, 248.39 feet; thence N 76°27'55" E, 166.00 feet to the Point of Beginning

1303958

File No. 44630

EXHIBIT 4

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 4, Block Two - A portion of Government Lot 4, Section 36, Township 50 N, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies N 30°31'07" W, 928.55 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, which said point lies on the south line of Tax Number 10327; thence S 25°40'11" E, 74.00 feet; thence S 21°33'00" W, 248.39 feet; thence S 76°27'55" W, 64.00 feet; thence N 70°38'15" W, 100 feet, more or less, to a point on the shoreline of Coeur d'Alene Lake; thence Northerly along said shoreline to a point that lies N 72°56'58" W from the Point of Beginning and on the south line of Tax Number 10327; thence S 72°56'58" E, 97.77 feet, more or less, to the Point of Beginning,

File No. 44630

EXHIBIT 5

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 5, Block Two - A portion of Government Lot 4, Section 36, Township 50 N, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point on the south line of Tax Number 10327, that lies N 55°08'40" E, 50.00 feet from the angle point in the south line of said tax number 10327 and that lies N 24°58'30" W, 895.33 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence S 34°51'20" E, 40.00 feet; thence S 55°08'40" W, 36.21 feet; thence S 25°40'14" E, 27.77 feet; thence 429.24 feet around a circular curve to the right, said curve having a central angle of 29°16'41", a radius of 840.00 feet, and a chord bearing and length of S 11°01'54" E, 424.58 feet; thence N 83°26'53" E, 275.91 feet, to a point on the east line of said Government Lot 4; thence N 02°56'32" W, 167.00 feet, more or less, to a point on the shoreline of Coeur d'Alene Lake; thence Southerly, Westerly, Northerly and Northwesterly along said shoreline to a point that lies N 55°08'40" E from the Point of Beginning and on the south line of Tax Number 10327; thence S 55°08'40" W, 72.07 feet, more or less, to the Point of Beginning

1303958

File No. 44630

EXHIBIT 6

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 6, Block Two - A portion of Government Lot 4, Section 36, Township 50 N, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies on the east line of said Government Lot 4 at a bearing of N 02°56'32" W, and a distance of 181.18 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, thence S 76°50'01" W, 141.37 feet; thence N 72°54'50" W, 195.83 feet; thence 55.44 feet around a circular curve to the left, said curve having a central angle of 17°02'30", a radius of 220.00 feet, and a chord bearing and distance of N 15°35'50" E, 65.19 feet, to a point of compound curve; thence 49.65 feet around a circular curve to the left; said curve having a central angle of 03°28'08", a radius of 820.00 feet, and a chord bearing and distance of N 05°20'31" E, 49.64 feet; thence S 86°23'33" E, 20.00 feet; thence N 83°26'53" E, 275.91 feet, to a point on the east line of said Government Lot 4; thence S 02°56'32" E, 168.00 feet to the Point of Beginning

1303958

File No. 44630

EXHIBIT 7

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 7, Block Two - A portion of Government Lot 1, Section 6, Township 49 N, Range 3 West, Boise Meridian, Kootenai County, Idaho, and a portion of Government Lot 4, Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies on the east line of said Government Lot 4 at a bearing of N 02°56'32" W and a distance of 181.18 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence S 02°56'32" E, 173.74 feet along the east line of said Government Lot 4 to its point of intersection with the northwesterly right-of-way line of State Highway 97; thence following said right-of-way line 74.36 feet around a circular curve to the left, said curve having a central angle of 01°28'27", a radius of 2,890.00 feet, and a chord bearing and length of S 39°41'55" W, 74.36 feet; thence leaving said right-of-way line and proceeding 100.00 feet around a circular curve to the left, said curve having a central angle of 13°38'31", a radius of 420.00 feet, and a chord bearing and length of S 72°52'02" W, 99.76 feet; thence N 00°56'19" W, 227.94 feet; thence N 76°50'01" E, 141.37 feet to the Point of Beginning

1303958

File No. 44630

EXHIBIT 8

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 8, Block Two - A portion of Government Lot 1, Section 6, Township 49 N, Range 3 West, Boise Meridian, Kootenai County, Idaho, and a portion of Government Lot 4, Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies S 88°28'54" W, 509.73 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence 191.35 feet around a circular curve to the right, said curve having a central angle of 16°07'24", a radius of 680.00 feet, and a chord bearing and distance of N 39°49'32" E, 190.72 feet, to a point of reverse curve; thence 91.27 feet around a circular curve to the left, said curve having a central angle of 23°46'08", a radius of 220.00 feet, and a chord bearing and length of N 36°00'09" E, 90.61 feet; thence S 72°54'50" E, 195.83 feet; thence S 00°56'19" E, 227.94 feet; thence 151.12 feet around a circular curve to the left, said curve having a central angle of 20°36'56", a radius of 420.00 feet, and a chord bearing and distance of S 55°44'19" W, 150.31 feet; thence S 45°25'51" W, 30.00 feet; thence N 52°10'53" W, 279.44 feet to the Point of Beginning

1303958

File No. 44630

EXHIBIT 9

LEGAL DESCRIPTIONS
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 9, Block Two - A portion of Government Lot 1, Section 6, Township 49 N, Range 3 West, Boise Meridian, Kootenai County, Idaho, and a portion of Government Lot 4, Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at a point that lies S 88°28'54" W, 509.73 feet from the corner common to Sections 5 and 6, Township 49 N, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho; thence S 52°10'53" E, 279.44 feet; thence S 45°25'51" W, 428.12 feet; thence 15.56 feet around a circular curve to the right, said curve having a central angle of 11°08'35", a radius of 80.00 feet, and a chord bearing and distance of S 51°00'08" W, 15.53 feet to a point of compound curve; thence 30.50 feet around a circular curve to the right, said curve having a central angle of 116°29'10" W, a radius of 15.00 feet, and a chord bearing and distance of N 65°11'00" W, 25.51 feet to a point of compound curve; thence 54.58 feet around a circular curve to the right, said curve having a central angle of 18°23'47", a radius of 170.00 feet, and a chord bearing and distance of N 02°15'28" E, 54.35 feet; thence N 11°27'22" E, 117.24 feet; thence N 78°32'38" W, 10.00 feet; thence N 11°27'22" E, 78.31 feet, thence 241.02 feet around a circular curve to the right, said curve having a central angle of 20°18'28", a radius of 680.00 feet, and a chord bearing and distance of N 21°06'36" E, 239.76 feet, to the Point of Beginning

1303958

File No. 44630

EXHIBIT 10

LEGAL DESCRIPTION
PROPOSED PLAT OF ARROW POINT PARK FIRST ADDITION

Lot 10, Block Two - A portion of Government Lots 1 and 2, Section 6, Township 49 N, Range 3 W, Boise Meridian, and a portion of Government Lot 4, Section 36, Township 50 N, Range 4 W, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

Beginning at the angle point in the south line of Tax Number 10327, which said point lies N 28°09'03" W, 889.12 feet from the corner common to Sections 5 and 6, Township 49 North, Range 3 West, Boise Meridian, and Section 31, Township 50 North, Range 3 West, Boise Meridian, and Section 36, Township 50 North, Range 4 West, Boise Meridian, Kootenai County Idaho; thence N 55°08'40" E, 50.00 feet along the southeasterly line of said Tax Number 10327; thence S 34°51'20" E, 40.00 feet; thence S 55°08'40" W, 36.21 feet; thence S 25°40'14" E, 27.77 feet; thence 429.24 feet around a circular curve to the right, said curve having a central angle of 29°16'41", a radius of 840.00 feet, and a chord bearing and distance of S 11°01'54" E, 424.58 feet; thence N 86°23'33" W, 20.00 feet; thence 49.65 feet around a circular curve to the right, said curve having a central angle of 03°28'08", a radius of 820.00 feet, and a chord bearing and distance of S 05°20'31" W, 49.64 feet, to a point of compound curve; thence 65.44 feet around a circular curve to the right, said curve having a central angle of 17°02'30", a radius of 220.00 feet, and a chord bearing and distance of S 15°35'50" W, 65.19 feet; thence continuing 91.27 feet around a circular curve to the right, said curve having a central angle of 23°46'08", a radius of 220.00 feet, and a chord bearing and length of S 36°00'09" W, 90.61 feet, to a point of reverse curve; thence 191.35 feet around a circular curve to the left, said curve having a central angle of 16°07'24", a radius of 680.00 feet, and a chord bearing and length of S 39°49'32" W, 190.72 feet; thence continuing 241.02 feet around a circular curve to the left, said curve having a central angle of 20°18'28", a radius of 680.00 feet, and a chord bearing and distance of S 21°36'36" W, 239.76 feet; thence S 11°27'22" W, 70.31 feet; thence S 78°32'38" E, 10.00 feet; thence S 11°27'22" W, 117.24 feet; thence 54.58 feet around a circular curve to the left, said curve having a central angle of 18°23'47", a radius of 170.00 feet, and a chord bearing and length of S 02°15'28" W, 54.35 feet;

1303958

EXHIBIT 10 (Continued)

thence continuing 16.72 feet around a circular curve to the left, said curve having a central angle of $05^{\circ}38'05''$, a radius of 170.00 feet, and a chord bearing and distance of $S\ 09^{\circ}45'27''\ E$, 16.71 feet; thence $S\ 12^{\circ}34'30''\ E$, 38.28 feet; thence 70.36 feet around a circular curve to the right, said curve having a central angle of $09^{\circ}22'33''$, a radius of 430.00 feet, and a chord bearing and distance of $S\ 07^{\circ}53'14''\ E$, 70.29 feet; thence $S\ 03^{\circ}11'57''\ E$, 45.72 feet; thence 23.46 feet around a circular curve to the right, said curve having a central angle of $02^{\circ}32'09''$, a radius of 530.00 feet, and a chord bearing and distance of $S\ 01^{\circ}55'53''\ E$, 23.45 feet; thence 195.07 feet around a circular curve to the right, said curve having a central angle of $223^{\circ}31'49''$, a radius of 50.00 feet, and a chord bearing and length of $S\ 04^{\circ}21'46''\ W$, 92.87 feet; thence 148.18 feet around a circular curve to the right, said curve having a central angle of $16^{\circ}01'08''$, a radius of 530.00 feet, and a chord bearing and length of $S\ 17^{\circ}23'55''\ W$, 147.70 feet; thence $S\ 25^{\circ}24'29''\ W$, 245.35 feet; thence 66.67 feet around a circular curve to the left, said curve having a central angle of $10^{\circ}19'25''$, a radius of 370.00 feet, and a chord bearing and length of $S\ 20^{\circ}14'47''\ W$, 66.58 feet; thence $S\ 15^{\circ}06'54''\ W$, 88.88 feet; thence 30.33 feet around a circular curve to the left, said curve having a central angle of $04^{\circ}41'49''$, a radius of 370.00 feet, and a chord bearing and length of $S\ 12^{\circ}44'09''\ W$, 30.32 feet; thence $S\ 10^{\circ}23'15''\ W$, 146.72 feet; thence 176.61 feet around a circular curve to the right, said curve having a central angle of $03^{\circ}53'01''$, a radius of 2605.63 feet, and a chord bearing and length of $S\ 12^{\circ}19'45''\ W$, 176.58 feet; thence $S\ 14^{\circ}16'16''\ W$, 249.97 feet; thence 55.41 feet around a circular curve to the left, said curve having a central angle of $03^{\circ}59'01''$, a radius of 797.00 feet, and a chord bearing and length of $S\ 12^{\circ}16'45''\ W$, 55.40 feet; thence $S\ 10^{\circ}17'14''\ W$, 67.84 feet; thence 103.27 feet around a circular curve to the left, said curve having a central angle of $84^{\circ}31'50''$, a radius of 70.00 feet, and a chord bearing and distance of $S\ 31^{\circ}58'40''\ E$, 94.16 feet; thence $S\ 74^{\circ}14'36''\ E$, 32.69 feet to a point on the westerly right-of-way line of State Highway #97; thence $S\ 15^{\circ}45'24''\ W$, 60.00 feet along said right-of-way line, to a point that lies $N\ 67^{\circ}00'14''\ W$, 1294.11 feet from the east quarter corner of said Section 6; thence $N\ 74^{\circ}14'36''\ W$, 32.69 feet; thence 191.79 feet along a circular curve to the right, said curve having a central angle of $84^{\circ}31'50''$, a radius of 130.00 feet, and a chord bearing and distance of $N\ 31^{\circ}58'40''\ W$, 174.87 feet; thence $N\ 10^{\circ}17'14''\ E$, 67.84 feet; thence 59.59 feet around a circular curve to the right, said curve having a central angle of $03^{\circ}59'01''$, a radius of 857.00 feet; and a chord bearing and length of $N\ 12^{\circ}16'45''\ E$, 59.57 feet; thence $N\ 14^{\circ}16'16''\ E$, 203.35 feet; thence $N\ 75^{\circ}43'42''\ W$, 10.00 feet to the southeast corner of Lot 3, Block One, Plat of Arrow Point Park; thence $N\ 15^{\circ}25'43''\ E$, 219.08 feet to the northeast corner of Lot 1, Block One, said plat; thence $N\ 10^{\circ}23'15''\ E$, 146.72 feet; thence 35.25 feet around a circular curve to the right, said curve having a central angle of $04^{\circ}41'49''$, a radius of 430.00 feet, and a chord bearing and distance of $N\ 12^{\circ}44'09''\ E$, 35.24 feet; thence $N\ 15^{\circ}05'04''\ E$, 88.88 feet; thence 77.48 feet around a circular curve to the right, said curve having a central angle of $10^{\circ}19'25''$, a radius of 430.00 feet, and a chord bearing and length of N

1303958

EXHIBIT 10 (Continued)

20°14'47" E, 77.37 feet; thence N 25°24'29" E, 245.35 feet; thence 234.67 feet around a circular curve to the left, said curve having a central angle of 28°36'27", a radius of 470.00 feet, and a chord bearing and length of N 11°06'16" E, 232.24 feet; thence N 03°11'57" W, 45.72 feet; thence 60.55 feet around a circular curve to the left, said curve having a central angle of 09°22'33", a radius of 370.00 feet, and a chord bearing and distance of N 07°53'14" W, 60.48 feet; thence N 12°34'30" W, 38.28 feet; thence 96.47 feet around a circular curve to the right, said curve having a central angle of 24°01'52", a radius of 230.00 feet, and a chord bearing and length of N 00°33'34" W, 95.76 feet; thence N 11°27'22" E, 117.24 feet; thence S 78°32'38" E, 10.00 feet; thence N 11°27'22" E, 78.31 feet; thence 274.74 feet around a circular curve to the right, said curve having a central angle of 21°51'48", a radius of 720.00 feet, and a chord bearing and distance of N 22°23'16" E, 273.08 feet; thence continuing 183.06 feet around a circular curve to the right, said curve having a central angle of 14°34'04", a radius of 720.00 feet, and a chord bearing and length of N 40°36'12" E, 182.57 feet, to a point of reverse curve; thence 128.21 feet around a circular curve to the left, said curve having a central angle of 40°48'38", a radius of 180.00 feet, and a chord bearing and length of N 27°28'54" E, 125.52 feet, to a point of compound curve; thence 268.68 feet around a circular curve to the left, said curve having a central angle of 19°44'10", a radius of 780.00 feet, and a chord bearing and length of N 02°47'30" W, 267.35 feet; thence continuing 177.12 feet around a circular curve to the left, said curve having a central angle of 13°00'39", a radius of 780.00 feet, and a chord bearing and length of N 19°09'55" W, 176.74 feet, thence N 25°40'14" W, 102.00 feet to a point on the south line of Tax Number 10327; thence S 72°56'58" E, 54.45 feet to the point of beginning.

1303958

EXHIBIT 11

PARCEL A

Southwest quarter of the Northwest quarter, Section 5, Township 49 North, Range 3 W.B.M., Kootenai County, State of Idaho and Governments Lots 1 and 2, Section 6 Township 49 North Range 3 W.B.M.

EXCEPT that part contained within the plats of Arrow Point recorded in Book D of Plats, page 131, First Addition to Arrow Point recorded in Book D of Plats, page 144, and Arrow Point Park recorded in Book F of Plats, page 345, records of Kootenai County, Idaho.

ALSO EXCEPTING therefrom the following described parcel; A part of Government Lot 2, Section 6, Township 49 North, Range 3 W.B.M., Kootenai County, Idaho, more particularly described as follows:

BEGINNING at the Southeast corner of Lot 8, Block 1, Plat of Arrow Point; thence South 24° 37'00" West, 53.30 feet; thence North 77° 59'09" West, 118.63 feet to a point on the shore of Coeur d'Alene Lake; thence North 02° 41'08" West, 50.00 feet to the Southwest corner of said Lot 8; thence South 79° 27'00" East (record South 79° 42'00" East), 142.99 feet along the South line of said Lot 8 to the Point of Beginning.

A tract of land in Government Lot 4, Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, State of Idaho, being that portion of said Lot 4 lying South of the line parallel with and 1300 feet North of the South line of Section 36.

AND

Tract of land in Government Lot 4, Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, State of Idaho, being that portion of said Lot 4 lying North of the line parallel with and 1300 feet North of the South line of Section 36.

EXCEPTING THEREFROM that portion of Government Lot 4, Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, Idaho, lying North of the following described line:

Beginning at a point on the shore of Lake Coeur d'Alene which is North 10° 58' East, 1300.7 feet from the South meander corner of Section 36, said meander corner being West 778.6 feet from the Southeast corner of Section 36; thence

North 75° 26½' East, 19.4 feet to a point on the shore of Lake Coeur d'Alene, including riparian rights and shore lands lying North of the above-described line, and said line extended.

ALSO EXCEPTING therefrom a part of Government Lot 4 in Section 36, Township 50 North, Range 4 West, W.B.M., Kootenai County, Idaho, described as beginning at a point on the shore of Lake Coeur d'Alene, said point being North 10° 58' East, 1300.7 feet from the South meander corner of said Section 36, said meander corner being West 778.6 feet from the Southeast corner of said Section 36; thence

North 75° 26'30" East, 19.4 feet to a point on the shore of Lake Coeur d'Alene; thence

Southeasterly along said shoreline to a point that is South 24° 45'15" East, 472.98 feet from the aforementioned point; thence

South 55° 05'38" West, 122.07 feet; thence

North 73° 00' West, 152.22 feet to a point on the shoreline of Lake Coeur d'Alene; thence

Northeasterly and Northerly along said shoreline, 450 feet, more or less, to the point of beginning.

ALSO EXCEPT a right of way over and across the above described property for access from U.S. Highway No. 95-A to Tax No. 7152 in said Government Lot 4.

CONTINUED

ALSO EXCEPT a part of Government Lot 4, Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, Idaho, described as Beginning at a point that lies North 28°09'03" West, 889.12 feet from the Section Corner common to Section 5 and 6, Township 49 North, Range 3 W.B.M., and Section 31, Township 50 North, Range 3 W.B.M., and Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, Idaho, as shown on the Record of Survey filed April 14, 1980, Book 2, Page 80, Records of Kootenai County said point being the angle point in the South line of Tax No. 10327; thence.

North 55°08'40" East, along the South line of Tax No. 10327 a distance of 122.07 feet, more or less, to a point on the Westerly Shoreline of Lake Coeur d'Alene; thence

Southeasterly along said shoreline for a distance of 103 feet; more or less; thence

South 55°08'40" West along a line parallel to and 102.57 feet from the South line of Tax No. 10327 for a distance of 180 feet, more or less, to a point; thence

Due North 125.00 feet to the Point of Beginning; AND BEGINNING from said angle point in the south line of Tax No. 10327, North 72°56'58" West, along said South line a distance of 152.22 feet, more or less, to a point on the Easterly shoreline of Lake Coeur d'Alene; thence

Southwesterly along said shoreline a distance of 120 feet, more or less; thence

South 72°56'58" East along a line parallel to and 119.51 feet from the South line of Tax No. 10327 a distance of 200 feet, more or less, to a point; thence

Due North, 125.00 feet to the Point of Beginning.

A tract of land in Government Lot 4, Section 36, Township 50 North, Range 4 W.B.M., Kootenai County, Idaho, described as Beginning at a point that lies North 28°09'03" West, 889.12 feet from the section corner common to Section 5 and 6, Township 49 North, Range 3 W.B.M., and Section 31, Township 50 North, Range 3 W.B.M., and Section 36, Township 50 North, Range 4 W.B.M., Kootenai County Idaho, as shown on the Record Survey filed April 14, 1980, Book 2, page 80, records of Kootenai County said point being the angle point in the South line of Tax No. 10327; thence

North 55°08'40" East, along the South line of Tax No. 10327 a distance of 122.07 feet, more or less, to a point on the Westerly shoreline of Lake Coeur d'Alene; thence

Southeasterly along said shoreline for a distance of 103 feet; more or less; thence

South 55°08'40" West along a line parallel to and 102.57 feet from the South line of Tax No. 10327 for a distance of 180 feet, more or less, to a point; thence

Due North 125.00 feet to the Point of Beginning; AND BEGINNING from said angle point in the South line of Tax No. 10327, North 72°56'58" West, along said South line a distance of 152.22 feet, more or less, to a point on the Easterly shoreline of Lake Coeur d'Alene; thence

Southwesterly along said shoreline a distance of 120 feet, more or less; thence

South 72°56'58" East along a line parallel to a 119.51 feet from the South line of Tax No. 10327 a distance of 200 feet, more or less to a point; thence

Due North, 120.00 feet to the Point of Beginning.

EXCEPTING THEREFROM Exhibits 1 through 10.



TRUSTEE'S SPECIAL DEED AND BILL OF SALE

Grantor: Joseph A. Esposito, Trustee of the Estate of Lake Country Investments, L.L.C.
Grantees: John E. Noyes

THE GRANTOR, Joseph A. Esposito, Trustee of the Estate of Lake Country Investments, L.L.C., Debtors, United States Bankruptcy Court for the District of Idaho, Case No.99-20287, whose address is 421 W. Riverside Ave., #960, Spokane, Washington 99201, pursuant to an Order of said Bankruptcy Court entered in said court, authorizing the sale of the premises free and clear of liens, and in consideration of NINETY ONE THOUSAND Dollars (\$91,000.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, in hand paid, grants, bargains, sells and conveys to John E. Noyes, whose address is 60 Old Course Dr., Newport, CA 92660, the following described real and personal property, situated in the County of Kootenai, State of Idaho to wit:

PARCEL 8

All other assets, real or personal, tangible or intangible, of Lake Country Investments, LLC, as described as follows:

All rights of any kind to the existing sewer system, including available hook-ups and the right to expand said system, as well as all other water and easement rights held by the Debtor that are not specifically appurtenant to any of the parcels in Kootenai County, Idaho, described in Exhibit A incorporated herein;

All permits, zoning entitlements, or other tangible or intangible rights, disputed or otherwise, to develop a PUD comprised of said above parcels, and any other planning and/or zoning entitlements of any kind whatsoever; and

All causes and choses of action held by Lake Country Investments, LLC, including the redemption rights as to the Meredith/Little property, to the extent the Trustee/Liquidating Agent is legally able to assign said causes or choses of action, and to the extent said causes or choses of action have not been initiated by the Chapter 11 Trustee on or before a date 30 days beyond the effective date of the Plan and excluding any and all claims held by the Debtor against Arrow Point Development Company, Inc and John Noyes.

Said sale is free and clear of liens as provided in the aforesaid debtor's Amended Plan of Reorganization as approved by the U.S. Bankruptcy Court for the District of Idaho, Case No.99-20287, dated October 17, 2000, which authorized said sale by order dated December 5, 2000 pursuant to 11 USC § 363(f).

Said sale is otherwise SUBJECT TO: Restrictions, reservations, covenants, rights-of-way, easements apparent or of record.

The Grantor, for himself and his successors and assigns, does by these presents expressly limit the covenants of this deed to those therein expressed, and exclude all covenants

TRUSTEE'S DEED: 1
NOYESDEED8.doc 01/23/01 16:02

ORIGINAL

000181

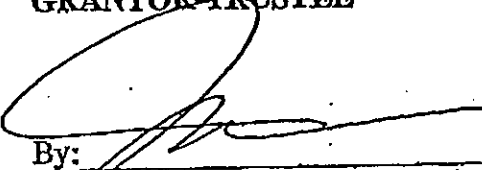
EXHIBIT

Said sale is otherwise SUBJECT TO: Restrictions, reservations, covenants, rights-of-way, easements apparent or of record.

The Grantor, for himself and his successors and assigns, does by these presents expressly limit the covenants of this deed to those therein expressed, and exclude all covenants arising or to arise by statutory or other implication, and does hereby covenant that against all persons whomsoever lawfully claiming or to claim by, through or under said Grantor, and not otherwise, he will forever warrant and defend the described real estate. Warranties, if any, herein given are given in the representative capacity of the Grantor, as Trustee for the Bankruptcy Estate of Lake Country Investments, L.L.C. and not in his individual capacity.

IN WITNESS WHEREOF, the said Trustee has caused this instrument to be executed this 12th day of December, 2000.

GRANTOR-TRUSTEE

By: 

JOSEPH A. ESPOSITO, Trustee for the Estate
of Lake Country Investments, L.L.C.

STATE OF WASHINGTON)

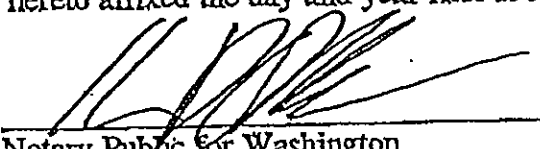
:ss.

County of Spokane)

On 1/25 2000 before me, Kevin O'Rourke, a Notary Public, personally appeared JOSEPH A. ESPOSITO, known or identified to me to be the person whose name is subscribed to the within instrument as Trustee, and acknowledged to me that he executed the same as Trustee.

WITNESS my hand and official seal hereto affixed the day and year first above written.

KEVIN D. O'ROURKE
NOTARY PUBLIC
STATE OF WASHINGTON
EXPIRES FEBRUARY 26, 2004


Notary Public for Washington

Residing at Spokane County

Commission Expires 2/26/04

TRUSTEE'S DEED: 2

NOYESDEED8.doc 01/23/01 15:13

000182

EXHIBIT A

[Consisting of the following seven legal descriptions]

000183

Parcel 1:

Lot 2, Block 2, ARROW POINT PARK FIRST, according to the plat thereof, filed in Book "G" of Plats at pages 104 and 104A, records of Kootenai County, State of Idaho.

000184

Parcel 2:

Government Lots 1 and 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho, lying West of State Highway 97.

EXCEPT that part contained within the plats of Arrow Point recorded in Book "D" of Plats, page 131, First Addition to Arrow Point recorded in Book "D" of Plats, page 144, and Arrow Point Park recorded in Book "F" of Plats, page 345, records of Kootenai County, Idaho.

ALSO EXCEPTING THEREFROM any portions lying within Arrow Point Park First Addition, according to the plat recorded in Book "G" of Plats, Pages 104 and 104A, records of Kootenai County, State of Idaho.

ALSO EXCEPTING therefrom the following described parcel; A part of Government Lot 2, Section 6, Township 49 North, Range 3 W.B.M., Kootenai County, Idaho more particularly described as follows:

BEGINNING at the Southeast corner of Lot 8, Block 1, Plat of Arrow Point; thence South $24^{\circ}37'00''$ West, 53.30 feet; thence North $77^{\circ}59'09''$ West, 118.63 feet to a point on the shore of Coeur d'Alene Lake; thence North $02^{\circ}41'08''$ West, 50.00 feet to the Southwest corner of said Lot 8; thence South $79^{\circ}27'00''$ East (record South $79^{\circ}42'00''$ East), 142.99 feet along the South line of said Lot 8 to the Point of Beginning.

ALSO EXCEPTING therefrom a portion of Government Lot 1 and Government Lot 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

BEGINNING at the point where the centerline of the right-of-way for Arrow Point Drive intersects the Westerly right-of-way line of Highway 97 as shown on Lot 10, Block Two, Plat of Arrow Point Park First Addition; Thence North $15^{\circ}45'24''$ East, 30.00 feet along the Westerly right-of-way line of State Highway 97 to its intersection with the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive and the True Point of beginning for this description; thence proceeding Northerly along the Westerly right-of-way line of State Highway 97 to its intersection with the Southeasterly corner of Lot 7, said Block Two; thence proceeding Southwesterly along the Southeasterly lines of Lots 7, 8 and 9, said Block Two, to the intersection of the Southeasterly line of said Lot 8 with the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive; thence proceeding Southerly along the Easterly line of said Lot 10 defining the Easterly line of Arrow Point Drive to the Southerly point of curve C27 as shown on said plat of Arrow Point Park First Addition; thence proceeding Southerly along a curve with the right of way 30 feet Easterly and parallel to the centerline of Lot 10 defining Arrow Point Drive to the Northerly end of curve 28 as noted on said plat; thence continuing Southerly along the East line of said Lot 10 defining the East line of Arrow Point Drive to the True Point of Beginning for this description. The intent of this description is to include any and all property bounded by State Highway 97 on the East, bounded by Lots 7, 8 and 9, Block Two, Plat of Arrow Point Park First Addition on the North, and bounded by Arrow Point Drive on the West and South.

Parcel 3:

The Southwest quarter of the Northwest quarter, Section 5, Township 49 North, Range 3 West, and that portion of Government Lots 1 and 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho, lying South and East of Highway 97.

Except a portion of Government Lot 2, Section 6, Township 49 North, Range 3 West, Boise Meridian, Kootenai County State of Idaho, lying South and East of Highway 97, described as follows:

BEGINNING at the point where the centerline of the right of way for Arrow Point Drive intersects the westerly right of way line of Highway 97 as shown on Lot 10, Block Two, Plat of Arrow Point Park First Addition; thence

South $74^{\circ}14'36''$ East, 50.00 feet to a point on the easterly right of way line of said Highway 97; thence

South $15^{\circ}45'24''$ West 27.30 feet along said easterly right of way line to the True Point of Beginning for this description; thence

North $15^{\circ}45'24''$ East, 320.00 feet along said easterly right of way line; thence leaving said right of way line; South $74^{\circ}14'36''$ East 145.00 feet; thence

South $15^{\circ}45'24''$ West, 100.00 feet; thence

South $38^{\circ}57'19''$ West, 76.16 feet; thence

South $15^{\circ}45'24''$ West, 150.00 feet; thence

North $74^{\circ}14'36''$ West 115.00 feet to the True Point of Beginning.

000186

Parcel 4:

The East 420 feet of the Northwest quarter of the Southwest quarter of Section 5, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho;

EXCEPT that portion conveyed to the State of Idaho by Deed recorded in Book 154 of Deeds, Page 302, described as follows:

A tract of land in the Northeast quarter of the Southeast quarter of Section 6, and in the Northwest quarter of the Southwest quarter of Section 5, all in Township 49 North, Range 3 West, Boise Meridian, more particularly described as follows:

BEGINNING at the Southwest corner of the Northwest quarter of the Southwest quarter of said Section 5, which point bears North $0^{\circ}05'$ West of and is distant 1918 feet, more or less, from the Southwest corner of said Section 5; thence

North $69^{\circ}56'$ East 97.03 feet to a point; thence

North $4^{\circ}06'$ East 368.35 feet to a point; thence

South $87^{\circ}26'$ East 204.16 feet to a point; thence

South $14^{\circ}23'$ West 369.80 feet to a point; thence

North $89^{\circ}56'$ East 782.02 feet to a point; thence

North $2^{\circ}18'$ East 829.35 feet to a point; thence

South $73^{\circ}04'$ West 1006.70 feet to a point; thence

South $34^{\circ}18'$ West 638.33 feet to a point; thence

North $89^{\circ}56'$ East 272.90 feet to the POINT OF BEGINNING.

ALSO EXCEPT: any portion lying within the West 900 feet of the Northwest quarter of the Southwest quarter thereof.

Parcel 5:

Sub-Parcel A:

That portion of the West 900 feet of the Northwest quarter of the Southwest quarter of Section 5, Township 49 North, Range 3 West, Boise Meridian, lying North of the North line of the parcel described in the deed to the State of Idaho, recorded May 19, 1953 in Book 154 of Deeds at Page 302, records of Kootenai County.

Sub-Parcel B:

The Northwest quarter of the Southwest quarter of Section 5, Township 49 North, Range 3 West, Boise Meridian, Kootenai County, State of Idaho;

EXCEPT that portion conveyed to the State of Idaho by Deed recorded in Book 154 of Deeds, Page 302, described as follows:

A tract of land in the Northeast quarter of the Southwest quarter of Section 6, and in the Northwest quarter of the Southwest quarter of Section 5, all in Township 49 North, Range 3 West, Boise Meridian, more particularly described as follows:

BEGINNING at the Southwest corner of the Northwest quarter of the Southwest quarter of said Section 5, which point bears North $0^{\circ}05'$ West of and is distant 1318 feet, more or less, from the Southwest corner of said Section 5; thence

North $89^{\circ}56'$ East 97.03 feet to a point; thence

North $4^{\circ}05'$ East 368.85 feet to a point; thence

South $87^{\circ}26'$ East 204.15 feet to a point; thence

South $14^{\circ}23'$ West 369.80 feet to a point; thence

North $89^{\circ}56'$ East 782.02 feet to a point; thence

North $2^{\circ}18'$ East 820.35 feet to a point; thence

South $78^{\circ}04'$ West 1006.70 feet to a point; thence

South $34^{\circ}18'$ West 638.83 feet to a point; thence

North $89^{\circ}56'$ East 272.30 feet to the POINT OF BEGINNING;

AND EXCEPT the West 900 feet lying North of the above excepted State of Idaho parcel (recorded in Book 154 of Deeds, page 302);

AND EXCEPT the East 420 feet lying North and East of the above excepted State of Idaho parcel (recorded in Book 154 of Deeds, page 302).

Parcel 6:

The West $26 \frac{2}{3}$ rods of Government Lot 2 and the West $26 \frac{2}{3}$ rods of the Southeast quarter of the Northwest quarter, and the West $26 \frac{2}{3}$ rods of the Northeast quarter of the Southwest quarter, Section 5, Township 49 North, Range 3 West of the Boise Meridian, Kootenai County, Idaho.

EXCEPT any portion lying within the East $53 \frac{1}{3}$ rods of Government Lot 2, The East $53 \frac{1}{3}$ rods of the Southeast quarter of the Northwest quarter, the East $53 \frac{1}{3}$ rods of the Northeast quarter of the Southwest quarter.

ALSO EXCEPT: that portion conveyed to the State of Idaho by Right of Way Deed recorded June 14, 1922 in Book 76 of Deeds at page 373.

000189

Parcel 7:

The Southwest quarter of the Southwest quarter of Section 5, Township 49 North, Range 3 West, Boise Meridian, lying North and East of the Right of Way of State Highway 97, Kootenai County, State of Idaho.

1726762

SPECIAL DEED AND BILL OF SALE

FOR VALUE RECEIVED, JOHN E. NOYES and ALICIA NOYES, husband and wife (collectively the "Grantors"), do hereby grant, bargain, sell, and convey unto FORTRESS, L.L.C., an Idaho limited liability company, whose address is c/o Robert J. Fasnacht, 1250 Ironwood Drive, Suite 310, Coeur d'Alene, Idaho 83814 ("Grantee"), the following described real and personal property, situated in the County of Kootenai, State of Idaho to wit:

PARCEL 8

All assets, real or personal, tangible or intangible, previously belonging to Lake Country Investments, LLC, and acquired by John E. Noyes, from Joseph A. Esposito, Trustee of the Estate of Lake Country Investments, L.L.C., Debtors, United States Bankruptcy Court for the District of Idaho, Case No. 99-20287, pursuant to that Trustee's Special Deed and Bill of Sale, dated December 12, 2000, which assets are follows:

All rights of any kind to the existing sewer system, including available hook-ups and the right to expand said system, as well as all other water and easement rights held by the Debtor that are not specifically appurtenant to any of the parcels in Kootenai County;

All permits, zoning entitlements, or other tangible or intangible rights, disputed or otherwise, to develop a PUD comprised of said above parcels, and any other planning and/or zoning entitlements of any kind whatsoever;

The redemption rights to the Meredith/Little property which property is legally described in Exhibit A incorporated herein; and

All causes and choses of action held by Lake Country Investments, LLC to the extent the Trustee/Liquidating Agent is legally able to assign said causes or choses of action, and to the extent said causes or choses of action have not been initiated by the Chapter 11 Trustee on or before a date 30 days beyond the effective date of the Plan and excluding any and all claims held by the Debtor against Arrow Point Development Company, Inc and John Noyes.

This conveyance is given without warranty of any kind whatsoever, express or implied, other than a warranty by John E. Noyes that the assets described herein have not been conveyed or encumbered by the Grantors prior to the conveyance evidenced by this instrument. Alicia Noyes is executing this Deed as the wife of John E. Noyes, only as an accommodation to the conveyance, in that the referenced Trustee's Special Deed and Bill of Sale, dated December 12, 2000, reflected a conveyance to John E. Noyes only. Accordingly, said Alicia Noyes shall be deemed to have quitclaimed the subject assets, without any warranty whatsoever.

Dated this 29th day of August, 2001.

John E. Noyes
JOHN E. NOYES

Alicia Noyes
ALICIA NOYES

1726762

STATE OF IDAHO)

ss.

County of Kootenai)

On this 22nd day of August, 2001, before me, a Notary Public in and for the State of Idaho, personally appeared EDWARD F. WROB, known or identified to me to be the person whose name is subscribed to the within instrument as the attorney in fact of JOHN R. NOYES and ALICIA NOYES, husband and wife, thereto as principals, and his own name as attorney in fact, and acknowledged to me that he executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Kristine M. Scott
Notary Public for Idaho
Residing at Bozeman
Commission Expires 12/21/04

1726762

EXHIBIT "A"

Government Lot 3, Section 5, Township 49 North, Range
3 W.B.M., Kootenai County, State of Idaho, lying South
of that certain strip of land conveyed to the State of Idaho
in deed recorded in Book 70 of Deeds, page 63, records
of Kootenai County, State of Idaho.

STATE OF IDAHO
COUNTY OF KOOTENAI } ss
BY THE REQUEST OF
SUSAN FASMAUT

APR 4 12 20 PM '02

DANIEL J. ENGLISH

DEPUTY 9.00
FEE\$

SPECIAL DEED AND BILL OF SALE - 3

Special Deed and Bill of Sale 8 24 01.doc 08/27/01 15:17

Exhibit A

000202

BILL OF SALE

Fortress, LLC, an Idaho limited liability company, and Arrow Point Park Property Owners, Inc., an Idaho corporation, as to their respective interests (collectively "Sellers"), in consideration of the Contingent Settlement Agreement entered into between Arrow Point Park Property Owners, Inc., and Arrow Point Community Association, Inc., an Idaho corporation, on February 28, 2006, do hereby sell, transfer, convey and assign to Arrow Point Community Association, Inc. ("Buyer") the community water and sewer system infrastructure (excluding the drain field) as depicted in Exhibit A attached hereto and incorporated herein by reference.

Sellers warrant that they are the owners of the community water and sewer system infrastructure conveyed herein. This Bill of Sale conveys no rights or title to any real property. The conveyance is given without warranty of any kind whatsoever, express or implied, regarding the condition of the community water and sewer system and title is transferred "as is."

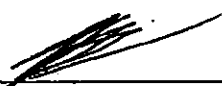
DATED this 19 day of May, 2006.

FORTRESS, LLC

By: 

Robert J. Fasnacht
Attorney and Authorized Agent

ARROW POINT PARK PROPERTY OWNERS, INC.

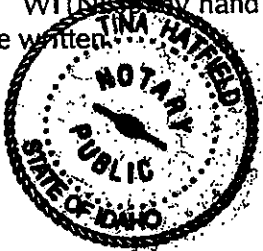
By: 

Robert J. Fasnacht, Director

STATE OF IDAHO)
 :SS.
County of Kootenai)

On this 19th day of May, 2006, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Fasnacht, known or identified to me to the attorney and authorized agent of Fortress, LLC, an Idaho limited liability company, the limited liability company that executed the instrument or the person who executed the instrument on behalf of said limited liability company, and acknowledged to me that such limited liability company executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Tina Hatfield
Notary Public for Idaho
Residing at Rathdrum
Commission Expires 5-15-07

STATE OF IDAHO)
 :SS.
County of Kootenai)

On this 19th day of May, 2006, before me, a Notary Public in and for the State of Idaho, personally appeared Robert J. Fasnacht, known or identified to me to a Director of Arrow Point Park Property Owners, Inc., an Idaho corporation, the corporation that executed the instrument or the person who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Tina Hatfield
Notary Public for Idaho
Residing at Rathdrum
Commission Expires 5-15-07



PROOF OF BENEFICIAL USE

WELCH COMER
& ASSOCIATES, INC.
ENGINEERS & SURVEYORS

IDAHO

1826 Lincoln Way
Coeur d'Alene, ID 83814
208-664-9382
Fax 208-664-5946

WASHINGTON

P.O. Box 861
Liberty Lake, WA 99019
509-255-6000
Fax 509-255-6009

Toll free

1-877-815-5672

E-mail

wc@welchcomer.com

May 17, 2007

Mr. Dennis Davis
Witherspoon, Kelley, Davenport & Toole, P.S.
608 Northwest Blvd., #401
Coeur d'Alene, ID 83814-2146

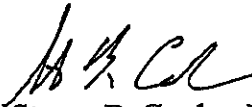
Re: Arrow Point Water

Dear Mr. Davis:

We have reviewed the water diversion rate calculations provided by the system operator and concur with his findings.

The combined output from the existing well pumps is approximately 130 gallons per minute. This corresponds to a diversion rate of 0.3 cubic feet per second.

Sincerely,
Welch Comer & Associates, Inc.



Steven B. Cordes, P.E.
Vice-President/Principal Engineer

SBC/ljh

PERMIT TO APPROPRIATE WATER

State of Idaho
Department of Water Resources
Permit To Appropriate Water

NO. 95-08652

Proposed Priority: May 3, 1990 Maximum Diversion Rate: 1.60 CFS
This is to certify, that ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D ALENE, ID 83814
has applied for a permit to appropriate water from: GROUNDWATER
and a permit is APPROVED for development of water as follows:

BENEFICIAL USE	PERIOD OF USE	RATE OF DIVERSION
IRRIGATION	03/15 to 11/15	1.60 CFS
DOMESTIC	01/01 to 12/31	1.60 CFS
Totals		1.60 CFS

LOCATION OF POINT(S) OF DIVERSION: LOT 1(NENE), Sec. 6, Township 49N, Range 03W
KOOTENAI County

PLACE OF USE: IRRIGATION

TWN	RGE	SEC	ACRES	ACRES	ACRES	TOTAL
49N	03W	5	NWNW 12	SWNW 12		24
		6	NENE 12	SWNE 12	SENE 12	36
50N	04W	36	LOT 4(NESE) 12	LOT 4(SESE) 12		24
Total number of acres irrigated:						84

PLACE OF USE: DOMESTIC, same as IRRIGATION use

CONDITIONS/REMARKS:

1. Proof of construction of works and application of water to beneficial use shall be submitted on or before August 1, 1995.
2. Subject to all prior water rights.
3. Permit holder shall comply with the drilling permit requirements of Section 42-235, Idaho Code.
4. Permit holder shall commence the excavation or construction of diverting works within one year of the date this permit is issued and shall proceed diligently until the project is complete.
5. Prior to the diversion of water under this permit a flow measurement port or other device as specified by the Department shall be installed to provide for the installation of measuring equipment and the determination of the rate of diversion by the Department.
6. The rate of diversion of water for irrigation under this permit and all other water rights on the same land shall not exceed 0.02 cubic feet per second for each acre of land.
7. Domestic use is for 335 homes.

95-8652 LARSEN/CLOSER

PAGE 2

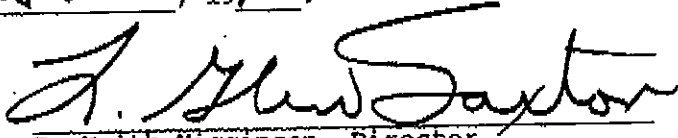
State of Idaho
Department of Water Resources

Permit To Appropriate Water

NO. 95-08652

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code.
Witness the seal and signature of the Director, affixed at Boise, this

21 day of August, 1990.

for 
R. Keith Higginson, Director

APPLICATION FOR PERMIT

Form 202
6/85Ident. No. 95-8652

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

1. Name of applicant ARROW PROPERTIES PARTNERSHIP Phone 208-664-2121
Post office address 603 N. 4TH ST. COEUR D'ALENE, ID 83814
2. Source of water supply Ground water which is a tributary of _____
3. Location of point of diversion is _____ $\frac{1}{4}$ of NE $\frac{1}{4}$ of NE $\frac{1}{4}$, Govt. Lot 1
Sec. 6 Township 49 N Range 3 W B.M. Kootenai County; additional
points of diversion if any: _____
4. Water will be used for the following purposes:
Amount 1.6 for Domestic purposes from 1/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum) LAWN AND GARDEN
Amount 1.6 for IRRIGATION purposes from 3/15 to 11/15 (both dates inclusive)
(cfs or acre-feet per annum) TDR
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
Amount _____ for _____ purposes from _____ to _____ (both dates inclusive)
(cfs or acre-feet per annum)
5. Total quantity to be appropriated is (a) 1.6 cubic feet per second and/or (b) _____ acre feet per annum
6. Proposed diverting works:
 - a. Description of ditches, flumes, pumps, headgates, etc. WELL, PUMP & PIPELINE
 - b. Height of storage dam NA feet; active reservoir capacity NA acre-feet; total
reservoir capacity NA acre-feet; period of year when water will be diverted to storage:
_____ to _____ inclusive.
 - c. Proposed well diameter is 8 inches; proposed depth of well is 200 + feet.
 - d. Is ground water with a temperature of greater than 90°F being sought? NO
7. Time required for the completion of the works and application of the water to the proposed beneficial use is
5 years (minimum 1 year).

8. Description of proposed uses (if irrigation only, go to item 9):

- a. Hydropower; show total feet of head and proposed capacity in KW. _____
- b. Stockwatering; list number and kind of livestock. _____
- c. Municipal; show name of municipality. _____
- d. Domestic; show number of households. 335
- e. Other; describe fully. _____

9. Description of place of use:

- a. If water is for irrigation, indicate acreage in each subdivision in the tabulation below.
- b. If water is used for other purposes, place a symbol of the use (example: D for Domestic) in the corresponding place of use below. See instructions for standard symbols.

TWP	RANGE	SEC.	NE¼				NW¼				SW¼				SE¼				TOTALS
			NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	NE¼	NW¼	SW¼	SE¼	
49N	3W	6	¹² D		¹² D	¹² D													36 ¹⁺² Govt
		5					¹² D	¹² D											24
50N	4W	36												¹² D			¹² D		24 Govt Lot 4

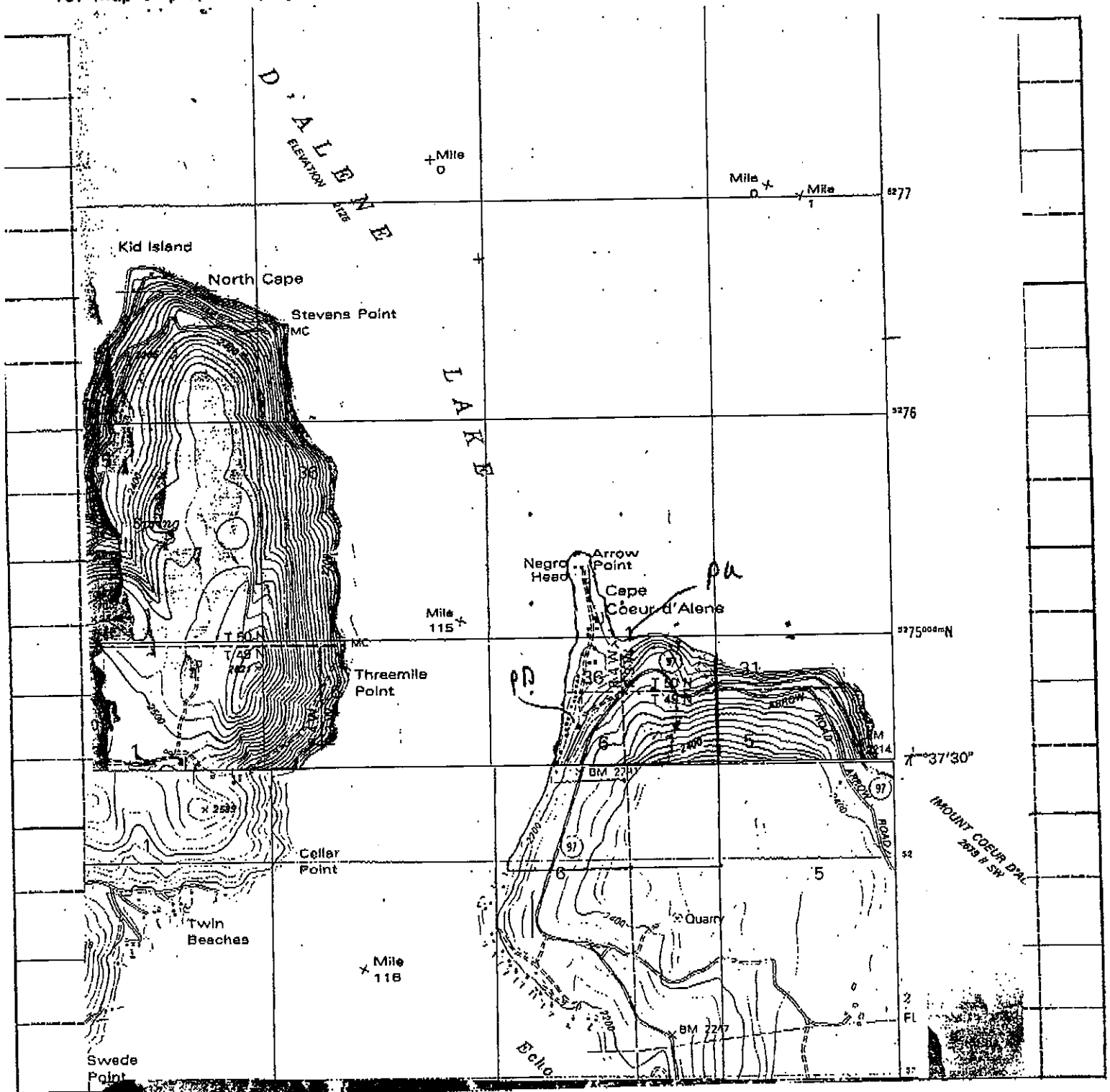
Total number of acres to be irrigated 84
 (335 HOMES) (.25 ACRES) = 84 ACRES - TDR

10. Describe any other water rights used for the same purposes as described above. _____

11. a. Who owns the property at the point of diversion? applicant
- b. Who owns the land to be irrigated or place of use? applicant
- c. If the property is owned by a person other than the applicant, describe the arrangement enabling the applicant to make this filing. _____

12. Remarks: _____

13. Map of proposed project: show clearly the proposed point of diversion, place of use, section number,



Scale: 2 inches equal 1 mile.

BE IT KNOWN that the undersigned hereby makes application for permit to appropriate the public waters of the State of Idaho as herein set forth.

Ray A. Ham, Partner
(Applicant)

May. 16. 2007 10:38AM

IDWR Northern Region

No. 7305 P. 6

Received by [Signature] Date 5/3/90 Time 11:30 AM Prelim. dry check by TOK
Fee \$ 65.00 Receipted by [Signature] # N 3714 Date 5/3/90
Publication prepared by [Signature] Date 5/8/90 Published in 5/12-24/90
Publication approved [Signature] Date 7/3/90

ACTION OF THE DIRECTOR, DEPARTMENT OF WATER RESOURCES

This is to certify that I have examined Application for Permit to appropriate the public waters of the State of Idaho No. _____, and said application is hereby _____.

1. Approval of said application is subject to the following limitations and conditions:

a. SUBJECT TO ALL PRIOR WATER RIGHTS.

b. Proof of construction of works and application of water to beneficial use shall be submitted on or before _____, 19 ____.

c. The rate of diversion, if water is to be used for irrigation under this permit, when combined with all other water rights for the same land shall not exceed 0.02 cubic feet per second for each acre of land.

d. The water right acquired under this permit if for hydropower purposes shall be junior and subordinate to all rights to the use of water, other than hydropower, within the State of Idaho that are initiated later in time than the priority of this permit and shall not give rise to any right or claim against any future rights to the use of water, other than hydropower, within the State of Idaho initiated later in time than the priority of this permit.

e. Other:

WELL DRILLER'S REPORT

POSTED

USE TYPEWRITER OR
BALLPOINT PEN

USE ADDITIONAL SHEETS IF NECESSARY - FORWARD THE WHITE COPY TO THE DEPARTMENT



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: www.idwr.idaho.gov

C. L. "BUTCH" OTTER
Governor

DAVID R. TUTHILL, JR.
Interim Director

April 20, 2007

DENNIS M DAVIS
WITHERSPOON KELLEY DAVENPORT & TOOLE
608 NORTHWEST BLVD STE 401
COEUR D ALENE ID 83814-2146

RE: LAPSED PERMIT NO. 95-8652

Dear Mr. Davis:

The Idaho Department of Water Resources ("IDWR") is in receipt of your April 10, 2007, letter regarding Arrow Point Community Association, Inc. ("Arrow Point") and lapsed water right permit no. 95-8652. Your letter requested that the permit be reinstated and you included some information to support the request.

According to IDWR's records, water right permit no. 95-8652 lapsed in August, 1995 due to failure to submit the necessary proof of beneficial use. Your letter noted that DEQ did not put the owner on notice that the application had lapsed. The Department of Environmental Quality is responsible for water quality issues associated with a water system; however, IDWR is the agency responsible for water right permitting. IDWR sent notice of proof due and notice of lapse to the owner of record for the permit.

Since a water right permit is considered personal property of the permit holder, a permit is conveyed through an assignment. Any new owner of a permit is required to provide notice to IDWR with documentation supporting ownership. I understand that an assignment from Arrow Properties Partnership may not be possible at this time. Please provide alternate documentation indicating ownership of the water right permit.

Section 42-218a(2), *Idaho Code*, provides:

That upon receipt of proof of beneficial use after sixty (60) days after such notice of lapsing, the director shall require sufficient evidence to be submitted by the permit holder to clearly establish the extent of beneficial use made during the time authorized by the permit and any extension of time previously approved. Upon finding that beneficial use had occurred during the authorized period and upon a showing or reasonable cause for filing a late proof of beneficial use, the director may reinstate the permit with the priority date advanced to the day

beneficial use, the director may reinstate the permit with the priority date advanced to the day that proof of beneficial use was received;

To reinstate the permit, the permit holder must file a completed proof of beneficial use statement, with the appropriate license examination fee. I am enclosing a Proof of Beneficial Use ("proof") form with its instructions and the license examination fee schedule. In addition, the permit holder must provide clear evidence of the extent of diversion and use of the water during the development period authorized under the permit. The authorized development period for the permit was August 21, 1990 to August 1, 1995.

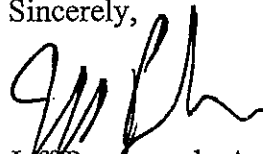
Since the authorized uses listed on the permit include domestic and associated irrigation use, the evidence must support the number and location of domestic units served and the number and location of acres irrigated. Ideally, submittal of as-built plans documenting the completion date of the project and evidence indicating the completed capacity of the pumping system would be included to prove the extent of development by August, 1995.

It is important to note that, if the permit can be reinstated, a water right license can only be issued for use that was developed during the authorized development period. Additional development would require a new application for permit or transfer of an existing water right to cover the uses.

Please be aware that this permit has **lapsed** and is of no force nor effect unless it is reinstated. Upon receipt of sufficient evidence that meets the statutory criteria, IDWR may reinstate the permit and issue an order establishing a new priority date. I will retain your letter for **30-days** to allow you time to provide me with an acceptable proof and any additional documents you may wish to provide as evidence for IDWR's consideration. Please return these items to my attention.

If you have any questions regarding reinstatement of this permit, please contact me at (208) 287-4948.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff Peppersack', written over a horizontal line.

Jeff Peppersack, Acting Bureau Chief
Water Allocation Bureau

Encl.

604-1
K
RECEIVED

APR 16 2007

DEPARTMENT OF
WATER RESOURCES

WITHERSPOON, KELLEY, DAVENPORT & TOOLE
A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN+
JOEL P. HAZEL+
ROBERT J. CALDWELL+

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSMAN
JEFFREY L. SUTNER*
LESLIE R. WEATHERHEAD*
MICHAEL D. CURRIN
BRIAN T. REKOFKE*
R. MAX EYER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DILLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI*
TIMOTHY M. LAWLER
WILLIAM M. SYMMES*
STANLEY M. SCHWARTZ*
DAVID M. KNOTSON
JODY M. MCCORMICK*
MICHAEL L. LOFT*
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER O. VARALLO*
KIMBERLY A. KAMEL*
RYAN M. BEAUDOIN*
STACY A. BJORDAHL
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LEROY>
JULIE H. OLDS+
JASON R. WHITELEY*
GEANA VAN DESSEL
STEVEN J. DIXSON

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-5263

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 690
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

April 11, 2007

David R. Tuthill, Jr. *DR*
Director of Idaho Water Resources
322 East Front Street
Boise, Idaho 83720-0098

**Re: Water Right Reinstatement
Arrow Point Community Association, Inc., et al.**

Dear Mr. Tuthill:

Attached is a corrected version of the letter that was sent to you on April 10, 2007. Please replace the April 10 letter with the attached letter.

If you have any questions, please feel free to call. Thank you.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: *Dennis M. Davis*
DENNIS M. DAVIS

DMD:cpm

Enclosure

cc: Stacy Bjordahl
Steve Townsend

G:\A\Arrow Point Community Association 5237\General\Letters\Waterrights040907.doc

++Admitted in Idaho only
+Also admitted in Washington
*Also admitted in Idaho
†Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

RECEIVED

APR 16 2007

WITHERSPOON, KELLEY, DAVENPORT & TOOLE

A PROFESSIONAL SERVICE CORPORATION
ATTORNEYS & COUNSELORS

Department of Water Resources

COEUR D'ALENE OFFICE

EDWARD J. ANSON++
DENNIS M. DAVIS++
MARK A. ELLINGSEN>
JOEL P. HAZEL^
ROBERT J. CALDWELL^

THE SPOKESMAN REVIEW BUILDING
608 NORTHWEST BOULEVARD, SUITE 401
COEUR D'ALENE, IDAHO 83814-2146
Telephone: (208) 667-4000
Fax: (208) 667-8470

SPOKANE OFFICE
1100 U.S. BANK BUILDING
422 WEST RIVERSIDE AVENUE
SPOKANE, WASHINGTON 99201-0300
(509) 624-3263

SPOKANE OFFICE

ROBERT L. MAGNUSON
NED M. BARNES
WILLIAM D. SYMMES**
ROBERT H. LAMP
K. THOMAS CONNOLLY
THOMAS D. COCHRAN
DUANE M. SWINTON
JOSEPH H. WESSMAN
JEFFREY L. SUPINGER*
LESLIE R. WEATHERHEAD**
MICHAEL D. CURRY
BRIAN T. REKOFIS*
R. MAX ETTER, JR.*
MICHAEL F. NIENSTEDT*
JOHN M. RILEY III
F.J. DULLANTY, JR.
DANIEL E. FINNEY
MARY R. GIANNINI*
TIMOTHY M. LAWLOR
WILLIAM M. SYMMES*
STANLEY M. SCHWARTZ*
DAVID M. KNUTSON
JODY M. MCCORMICK‡
MICHAEL L. LOFT*
ROSS P. WHITE
RICHARD L. MOUNT
ANDREW J. SCHULTHEIS**
SHELLEY N. RIPLEY
CHRISTOPHER G. VARALLO*
KIMBERLY A. KAMEL*
RYAN M. BEAUDON*
STACY A. BORDAHL
PATRICIA L. JOHNSON
LARA L. HEMINGWAY
RICHARD A. REPP*
BENJAMIN S. COLEMAN
RYAN K. JENSEN
TRACY N. LAROY>>
JULIE H. OLDS+
JASON R. WHITELEY*
GEANA VAN DESSEL
STEVEN J. DIXSON

PORTLAND OFFICE
1515 SW FIFTH AVENUE, SUITE 690
PORTLAND, OREGON 97201
Telephone: (503) 546-2391
Fax: (503) 546-3889

OF COUNSEL

WM. A. DAVENPORT
JOHN E. HEATH, JR.
ALLAN H. TOOLE
DONALD J. LUKES

April 11, 2007

David R. Tuthill, Jr.
Director of Idaho Water Resources
322 East Front Street
Boise, Idaho 83720-0098

**Re: Water Right Reinstatement
Arrow Point Community Association, Inc. et al**

Dear Mr. Tuthill:

This letter is submitted on behalf of the Arrow Point Community Association, Inc ("Association"), regarding water right application number 95-8652 ("Application"). It is our understanding that this Application may have lapsed sometime in 1995. For the reasons set forth in this letter, the Association respectfully requests that the Application be reinstated.

By way of introduction, the Association is the nonprofit homeowners association for 100 condominium units located at Arrow Point on Lake Coeur d'Alene. The Association has operated and managed the water and sewer system serving the condominium units and other properties for a number of years.

The following provides a background and history of the development of Arrow Point and the water system, which we have compiled from a voluminous amount of materials. The affected property at Arrow Point was owned by Arrow Properties Partnership. On or about April 30, 1993, Arrow Point Development Company ("APDC") purchased the affected properties from Arrow Properties Partnership. APDC is the entity which constructed the water system. Over time, 100 condominium units and other properties were developed and connected to the water system. By 1997, APDC was in dire financial straits and went into default on its loans. It is our understanding that APDC transferred all right and title to the water system to Lake Country Investments Limited Liability Company. In 1999, Lake Country was placed in bankruptcy by involuntary petition. In 2000, the water (and sewer) system was auctioned in the bankruptcy proceeding to John E. Noyes, who subsequently sold the system to Fortress, LLC in 2001. Over this period of time through 2004, a series of lawsuits had been filed concerning the ownership of certain property at Arrow Point;

++Admitted in Idaho only
^Also admitted in Washington
*Also admitted in Idaho
‡Also admitted in Oregon
>Also admitted in Montana
** Also admitted in California
+Also admitted in New York
>>Also admitted in Illinois

David R. Tuthill, Jr.
April 11, 2007
Page 2 of 3

financial obligations of certain parties; lien foreclosures; and eventually, the ownership of the sewer and water system which serves the Arrow Point area. Yet, throughout this entire period, the Association had no knowledge or notice that the Application had lapsed.

After Fortress, LLC acquired ownership of the Arrow Point water and sewer system in 2001, it appears Fortress became actively engaged with the Department of Environmental Quality ("DEQ") regarding the system. This included the preparation of the Arrow Point Water and Sewer System Evaluation (dated March 2002) by Welch Comer and Associates. This report was reviewed and found acceptable by DEQ. See enclosed letter dated May 2, 2003 from DEQ to Robert Fasnacht. Sometime in 2004, it appears the water system serving the Arrow Point development was transferred from Fortress to Arrow Point Park Property Owners Inc ("APPPO"). See enclosed letter dated October 3, 2004 from DEQ to Susan Weeks. It is significant to note that in each letter, DEQ discusses that the Association is responsible for operation and maintenance of the water system; however, in neither instance did DEQ put the owner on notice that the Application had lapsed. In 2006, the Association acquired ownership of the water and sewer system from Fortress. This occurred as a result of a mediated settlement in a lawsuit filed by APPPO against the Association.

Approximately one month ago, the Association was made aware the Application may have lapsed. This was discovered when a nearby property owner sought information from the Water Resources division regarding water service to her property. The property owner was told no water right existed for the system. Both the property owner and the Association were stunned to learn that the initial application for water right, submitted by the original owners or developers, had apparently lapsed. The Association immediately engaged our services to investigate and file a request to reinstate the Application.

After reviewing the procedures for filing and applying for water rights, we believe that the Association should be allowed to continue the application process, which was undoubtedly effected by the referenced financial hardships, prolonged litigation, and multiple ownership changes. The Association requests that you review this application and grant it the ability to complete the water rights application process

David R. Tuthill, Jr.
April 11, 2007
Page 3 of 3

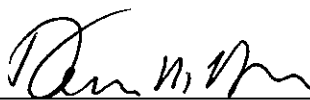
where the former owners left off. As you can appreciate, this matter involves over 100 water customers who are concerned about the legal status of their water system and water rights.

This is not a case of negligence or failure to take action, but simply a situation where the Association had no knowledge as to the lapsed status of the Application. This is evidenced by the Association's steadfast response after learning of the status of the Application. Because the system has been continually operated and permitted by the regulatory authorities, the Association certainly had no reason to question the status of the water rights. As discussed above, we have correspondence and official letters from DEQ regarding certain aspects of the Arrow Point sewer and water system and at no point was there any mention that the property had no valid water rights.

Based upon the foregoing reasons, the Association requests that water right application number 95-8652 be reinstated. If you have any questions or need any additional information to address this matter, please contact me. Thank you for your courtesies.

Very truly yours,

WITHERSPOON, KELLEY, DAVENPORT
& TOOLE, P.S.

By: 
DENNIS M. DAVIS

DMD:

Enclosures

cc: Stacy Bjordahl
Steve Townsend

G:\A\Arrow Point Community Association 5237\General\Letters\Waterrights040907.doc



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

2110 Ironwood Parkway • Coeur d'Alene, Idaho 83814-2648 • (208) 768-1422

Dirk Kempthorne, Governor
C. Stephen Alfred, Director

May 2, 2003

Mr. Robert Fasnacht
Robert J. Fasnacht, P.C.
1250 Ironwood Drive, Suite 310
Coeur d'Alene, ID 83814

RE: Arrow Point Water and Sewer Evaluation (Report)

Dear Mr. Fasnacht:

The letter, supporting ownership documents, and complete engineering evaluation report submitted by you to DEQ on March 6, 2003 have now been reviewed. We understand that these submittals were in response to comments made in our February 3, 2003 letter to you concerning the Arrow Point drinking water and sanitary sewer systems. Our review has resulted in the following conclusions or comments:

Ownership: Your letter indicated that the present owner of the public drinking water system and the community sewage system serving 120 existing connections at Arrow Point is Fortress, L.L.C. Furthermore, it appears you are the contact person for Fortress with an address at 1250 Ironwood Drive, Suite 310, Coeur d'Alene ID 83814; telephone number of (208) 665-9664; fax number of (208) 664-4789; and email address of rjf@rjfcda.com. We will modify our records to reflect this identification of Fortress LLC as the Arrow Point water and sewer system owner. Welcome to the water and sewer business.

Some of the responsibilities of Fortress as an owner of a water and sewer systems involve management of new connections to the systems, oversight to make certain that monitoring of the systems is being properly done, and the duty to take action to correct any rule violations, system failures, or other deficiencies that arise. For example, it is the responsibility of Fortress to see that the cracks in the roof of the water tank, as identified by the last sanitary survey, have been properly sealed to prevent precipitation from leaking into the tank and contaminating the drinking water.

Operation and Maintenance: Your letter indicated the Fortress had given permission to the Arrow Point Community Association, Inc. to operate and maintain the public drinking water and community sewage system at Arrow Point. However, you did not identify the individual responsible for this operation and maintenance or provide the operator's address and telephone numbers. DEQ records indicate the following:

- The Idaho Drinking Water database has Michael J. Shopka, P.O. Box 999, Coeur d'Alene, ID 83816 at (208) 755-7251 as the contact person for the water system.
- DEQ drinking water files indicate that the required monthly bacteria samples from the drinking water system have been done by Eric Halladay with R.C. Worst Co., 625 Best Ave, Coeur d'Alene, ID 83814 at (208) 664-2133.
- DEQ notices on contaminated bacteria samples have been sent to Andrew Fine, 4502 S. Arrow Point Drive, Harrison, ID 83833 at (208) 664-3567 with a fax at 666-0640.
- The contact person for operation of the sewer system was not listed in DEQ records.

To eliminate the confusion in this matter, please provide this office with a letter identifying the name, address, and phone numbers of the water and sewer system operators at Arrow Point. We need to have this information so that we can quickly respond to the correct individual if problems arise.

RE: Arrow Point Water and Sewer Systems, Fortress LLC

May 2, 2003

Page 2

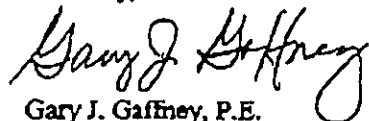
Evaluation report: The final Arrow Point Water and Sewer System Evaluation dated March 2002 as prepared by Welch Comer and Associates was submitted and found to be acceptable.

Water and Sewer System Monitoring: One point we would like to make regarding the report is the observation that it makes concerning the temporary nature of the community drainfield based on recognized soil and site limitations and the vulnerability of the downgradient drinking water wells. Our records suggest that sewage flows to the drainfield, conditions at the drainfield, water well productions, or other monitoring actions have not been done by the past operators. These efforts should be started now.

Since there should be a significant interest by Fortress in the continued success of the drainfields and water wells at Arrow Point, we recommend that monthly flows to the drainfield and from each water well and inspection of the drainfield conditions be started by the operator of the sewer system. Early detection of factors that precede drainfield failure or water well contamination might allow a less costly remedy than necessary if the drainfield should experience catastrophic failure or the wells need to be abandoned because they are irreparably contaminated.

Thank you for submittal of the ownership report and the final engineering evaluation. We will look for your return letter identifying the water and sewer system operators.

Sincerely,



Gary J. Gaffney, P.E.

c; Steven Cordes, Welch Comer and Associates, 1626 Lincoln Way, Cda
Michael Shopka, P.O. Box 999, Coeur d'Alene, Id 83816
Eric Halladay, R.C. Worst Co, 625 Best Ave, Coeur d'Alene, ID
Andrew Fine, 4502 S. Arrow Point Drive, Harrison, ID 83833
Anthony Davis, DEQ-CdA



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

2110 Ironwood Parkway • Coeur d'Alene, Idaho 83814-2648 • (208) 769-1422

October 3, 2004

Susan P. Weeks
Owens, James, Vernon, & Weeks, P.A.
1875 N. Lakewood Drive Suite 200
Coeur d'Alene, ID 83814

RE: Arrow Point Water and Sewer Systems

Dear Ms. Weeks:

This letter is in response to your September 21, 2004 letter on behalf of your client the Arrow Point Park Property Owners Association regarding issues pertaining to the Arrow Point public drinking water system and wastewater system utilizing a large soil absorption system.

The requirements for the drinking water system at Arrow Point can be found in the Idaho Rules for Public Drinking Water Systems (IDAPA 58.01.08). The requirements for the sewage system serving Arrow Point can be found in the Idaho Water Quality Standards and Wastewater Treatment Requirements (IDAPA 58.01.02) and in the Idaho Individual/Subsurface Sewage Disposal Rules (IDAPA 58.01.03). The subsurface sewage disposal rules are administered by the Panhandle Health District (PHD). With large soil absorption systems (LSAS) like Arrow Point, the PHD permits the subsurface sewage disposal system (community drainfield) and DEQ approves the engineering plans and specifications associated with all aspects of the system. For copies of these rules, we would direct you to the Department of Administration website at <http://www2.state.id.us/adm/adminrules/rules/idapa58/58index.htm>.

DEQ will consider your letter to be notice to us that ownership of the drinking water and sewer system serving the Arrow Point development has been transferred from Fortress LLC to "Arrow Point Park Property Owners Inc." which we will abbreviate as APPPO. Although you referred to the Arrow Point Park Property Owners Association in your letter, other information cites the incorporated and state-registered entity identified above as APPPO. If this is incorrect, please provide us with correct identity of the water and sewer owner. Until further notice, DEQ will correspond to you as the APPPO contact person.

The homeowner association you refer to in your letter is presumably the Arrow Point Community Association, Inc. (APCA) which was most recently represented to DEQ by Dulcy Owen. It was our understanding from previous discussions with the APCA that the APCA was granted responsibility by a judge for operation and maintenance of the Arrow Point water and sewer systems. On July 30, 2004 DEQ approved an Operation and Maintenance Manual as prepared by J-U-B Engineers Inc. for the APCA for the Arrow Point wastewater system. Recently we were notified that Dean Renninger has been hired by the APCA as the certified operator needed to perform the O&M duties identified in the approved O&M Manual. The Annual Report required of all LSAS and due each month of January will be reviewed by DEQ for evidence operation and maintenance of the sewage system being done by the APCA is acceptable. While we appreciate Jason Werely's monthly reports, we had relied on APCA to run the water and sewer systems at Arrow Point.

Your letter questioned what DEQ would do if the sewer system failed meaning sewage surfaced in the drainfields or collection and conveyance of sewage to the drainfields did not function properly. First of all, APPPO as the system owner would be considered by DEQ as the entity responsible for the correction.

RECEIVED

OCT 06 2004

WITHERSPOON, KELLEY,
DAVENPORT, TOOLE, P.S.

Dirk Kempthorne, Governor
Toni Hardesty, Director

COPY

RE: Arrow Point Water and Sewer Systems

October 3, 2004

Page 2

If a failure included any subsurface sewage disposal components, we would refer the operator and owner to the PHD for a subsurface repair permit. When water was recently observed seeping out of a cut slope and ponding near the parking lot for the fire station next to the drainfields, this matter was referred by DEQ to the PHD. Generally, failed subsurface sewage disposal systems are repaired so that they can operate again. If Arrow Point's drainfield experienced failure, DEQ would recommend PHD permit a temporary repair until a replacement sewage treatment system could be used as being proposed for the Charbonneau Golf & Lake Club project. If the failure involved collection or conveyance components, DEQ would contact the APCA operator and hold APPPO responsible for making certain the problem was corrected in a timely manner.

When the Arrow Point P.U.D. was originally approved in 1987, the Panhandle Health District permitted the use of temporary subsurface sewage disposal systems with the condition that when the development had 140 connections on the community drainfield, construction of lagoon facilities would be started and completed before 170 connections were made to the system. We understand that there are presently about 125 connections on the Arrow Point sewer system. The developers of the proposed Charbonneau Golf & Lake Club, which incorporated part of the original Arrow Point P.U.D., have indicated to DEQ that they will design sewage treatment and disposal capacity for Arrow Point in the new sewer system they are developing. DEQ considers the proposed Charbonneau sewer system to constitute the "lagoon facilities" cited by the PHD and will expect APPPO to connect into this new sewer system when it becomes operational and abandon all use of the drainfields in use today.

Our records are available to you if you want to research the Arrow Point water and sewer systems. Please contact us if we can be of further assistance.

Sincerely,



Gary J. Gaffney, P.E.

c: Dean Renninger, P.O. Box 920, Rathdrum
Ken Babin and Jamie Barton, PHD, CdA
Michael Shopka, Fortress LLC, P.O. Box 999, Coeur d'Alene, ID 83816
Robert Fasnacht, 850 W. Ironwood Drive, Suite 101, CdA
Denny Davis, 608 Northwest Blvd., Suite 401, CdA
Jason Wereley, 4127 North Alderbrook Drive, CdA 83814
Paul Klatt, J-U-B Engineers, Inc, CdA
Dulcy Owen, Arrow Point Community Assn., Inc., 4732 S. Arrow Point Drive B202, Harrison, 83833.
Andy Holloran, Discovery Land Company, 4110 N. Scottsdale Road, Scottsdale, AZ 85251

NOTICE

This file has been REPRODUCED
from MICROFICHE [REDACTED]

For Reenstatement Purposes

Darla Boile

Person Recreating File

4/30/08

Date

I certify that file No. 95-08652

has been reviewed and is ready to be
MICROFILMED and DESTROYED.

The attached proof report is the water right as it appeared in the
database prior to final status entry and deletion from the database.

S. Curtis
Reviewer

11/1/95
Date

WR5808WP
(00-26)

IDAHO DEPARTMENT OF WATER RESOURCES
WATER RIGHT PROOF READING REPORT

10/31/95 08:56:56
Page 1

Water Right Number - 95-08652

Prefix Translation: WATER RIGHT

Old (D) Number -

----- Last Name ----- + - First Name - - + ----- Address ----- +

*** C - CURRENT OWNER ***
ARROW PROPERTIES PARTNERSHIP

1 - 603 N. 4TH ST.
2 -
3 -
City- COEUR D ALENE
Phone - 208-664-2121

State- ID Zip- 83814

----- Priority Date ----- + ----- Region ----- + ----- Stage ----- + ----- Status ----- +
05/03/1990 18 NORTHERN P - PERMIT

----- Source ----- + ----- Tributary ----- +
GROUNDWATER

----- Point of Diversion ----- +
TwN Rng Sec Tract Lot RFlr County Diversion Name Diversion Rate Diversion No.
49N 03W 6 NE NE 1 (55) KOOTENAI

----- Water Use ----- +
Code Description Period From Period To Diversion Rate Diversion Volume
01 - IRRIGATION 03/15 11/15 1.600
43 - DOMESTIC 01/01 12/31 1.600

----- Total Div. Rate ----- + ----- Total Div. Volume ----- + ----- Total Div. Capacity ----- +
1.600

----- Place of Use ----- +
TwN Rng Sec Tract Lot Acres Code Description County
49N 03W 5 NW NW 12.0 01 IRRIGATION (55) KOOTENAI
49N 03W 5 SW NW 12.0 01 IRRIGATION (55) KOOTENAI
49N 03W 6 NE NE 12.0 01 IRRIGATION (55) KOOTENAI
49N 03W 6 SW NE 12.0 01 IRRIGATION (55) KOOTENAI
49N 03W 6 SE NE 12.0 01 IRRIGATION (55) KOOTENAI
50N 04W 36 NE SE 4 12.0 01 IRRIGATION (55) KOOTENAI
50N 04W 36 SE SE 4 12.0 01 IRRIGATION (55) KOOTENAI

Total Acres: 84.0

----- Diversion Means -----

----- Non-Irrigation Use -----

----- Other Rights for Same Use -----

----- Remarks ----- +
Domestic use is for 335 homes.

WR5808NP
(00-26)

IDAHO DEPARTMENT OF WATER RESOURCES
WATER RIGHT PROOF READING REPORT

10/31/95 08:36:56
Page 2

Water right number - 95-08652

Prefix Translation: WATER RIGHT

..... Old Water Right Numbers
..... Old Water Right Numbers
..... No Old Water Right Numbers found.

..... Conditions of Approval
046 - Right holder shall comply with the drilling permit
- requirements of Section 42-235, Idaho Code.
026 - Permit holder shall commence the excavation or construction of
- diverting works within one year of the date this permit is issued
- and shall proceed diligently until the project is complete.
01G - Prior to the diversion of water under this right a flow
- measurement port or other device as specified by the Department
- shall be installed to provide for the installation of measuring
- equipment and the determination of the rate of diversion by the
- Department.
03A - The rate of diversion of water for irrigation under this right
- and all other water rights on the same land shall not exceed 0.02
- cubic feet per second for each acre of land.

..... Decree Plaintiff
..... Decree Defendant
..... Decree Date
00/00/0000

..... Comments
Date: 08/07/1995 User Id: VAULT Subject: Lapse Notice Sent
Lapse Notice Sent

..... Audit Fields - 05/08/90 STYPA 05/09/90 HAYNES 08/20/90 CURTIS 08/07/95 COMMENTS

..... Water Rights Dates and Flags Area
Proof Due Date - 08/01/1995 Field Exam Made - 00/00/0000 Field Exam Fee -
Approved/Denied - 08/21/1990 Protested Date - 00/00/0000 Swan Falls -
Proof Made Date - 00/00/0000 Hearing Date - 00/00/0000 Temporary Right - P
Exam to S.O. Date - 00/00/0000 Verified Date - 00/00/0000 BLE/Carey Act -
Order Show Cause - 00/00/0000 Receipt Number - Water District -
Licensed Date - 00/00/0000 Appl Received - 05/03/1990 Transfer/Amended -
Decree Date - 00/00/0000 Name Connector - POU Ownership Flag-
Presumption Flag -

August 7, 1995

ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D ALENE ID 83814

LAPSE NOTICE

RE: PERMIT NO. 95-08652

Dear Permit Holder:

You are hereby notified that under the provisions of Section 42-218A, Idaho Code, the above referenced permit has lapsed and is of no further force nor effect. The department provided the proper forms to you in our proof due notice dated May 31, 1995. No further construction or additional development is authorized under this permit unless it is reinstated.

The permit can only be reinstated if you submit an acceptable proof of beneficial use or an acceptable request for extension of time to the department within sixty (60) days of the mailing of this lapse notice. An acceptable proof of beneficial use submittal must include the examination fee or a completed field examination report. A request for extension of time must be accompanied by a fifty dollar (\$50.00) fee.

Enclosed again for your use are a proof of beneficial use form and a request for extension of time form. Please note that only one extension of time can be granted unless the project has not been completed because of lack of a necessary approval by a government agency or by litigation which may bring title to the water in question.

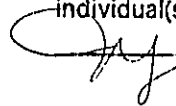
L. GLEN SAXTON
Chief, Water Allocation Bureau

Enclosures

Enclosures

CERTIFICATION OF MAILING

I hereby certify that on 8-7-95
a copy/an original of this document was
deposited in the United States mail,
postage prepaid addressed to the
individual(s) named above.





State of Idaho

DEPARTMENT OF WATER RESOURCES

1301 North Orchard Street, Statehouse Mail, Boise, Idaho 83720-9000
Phone: (208) 327-7900 FAX: (208) 327-7866

PHILIP E. BATT
GOVERNOR

KARL J. DREHER
DIRECTOR

May 31, 1995

ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D ALENE ID 83814

COPY

PROOF DUE NOTICE

RE: PERMIT NO. 95-08652

Dear Permit Holder:

One of the conditions of approval of the above referenced water permit was that proof of the extent of your beneficial use must be submitted to this office on or before August 1, 1995. (See last page of your approved permit or your last approved extension request.) Enclosed is a form which when accompanied by the license examination fee or a complete field examination report prepared by a certified water right examiner may be used to submit the required proof.

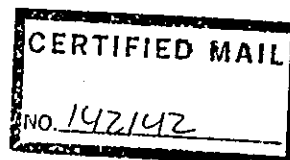
If you have not fully completed your project, and you or a previous owner of this permit have not received a prior extension of time, you may request an extension of time if the delay is for reasonable cause as provided in Section 42-204, Idaho Code. If you have been prevented from proceeding by a governmental agency or by litigation which might bring title to the water in question, more than one extension of time can be granted. An extension of time request form is enclosed for your convenience.

Either an acceptable proof of beneficial use submittal or an acceptable request for an extension of time must be received by this department on or before the above described proof due date. If neither is received, the department will send you a lapse notice. Within sixty (60) days of the mailing of the lapse notice, the permit will no longer be of any force nor effect.

SINCERELY,

Julie L. Yarbrough
JULIE L. YARBROUGH
Senior Secretary

Enclosures



~ Celebrating Our Centennial Year of Service to Idaho 1895-1995 ~

POSTED

IDAHO DEPARTMENT OF WATER RESOURCES
WELL DRILLER'S REPORT

Use Typewriter
or
Ball Point Pen

1. DRILLING PERMIT NO. 95-94-N-219 - CQC
Other IDWA No. 95-08652

2. OWNER:
Name PAUL STEWART JR.
Address 715 FOURTH STREET
City COEUR D'ALENE State ID Zip 83814

3. LOCATION OF WELL by legal description:

Sketch, & map location must agree with written location.

Twp. 49N North ☒ or South ☐
 Rge. 3W East ☐ or West ☒
 Sec. 6 1/4 NE 1/4 NE 1/4
 Gov't Lot _____ County KOOTENAI

Address of Well Site, ARROW POINT DEVELOP.

(Give at least name of road + Distance to Road or Landmark) _____ City _____

Lt. _____ Blk. _____ Sub. Name _____

4. PROPOSED USE:

TYPE OF WORK

5. TYPE OF WORK

☒ New Well ☐ Modify or Repair ☐ Replacement ☐ Abandonment

6. DRILL METHOD

☐ Mtd Rotary ☒ Air Rotary ☐ Cable ☐ Other

7. SEALING PROCEDURES

SEAL/FILTER PACK				METHOD
Material	From	To	Amount Sacks or Pounds	
BENTONITE	0	50	20	OVERBORE

Was drive shoe used? ☒ Y ☐ N Shoe Depth(s) 50"
Was drive shoe seal tested? ☒ Y ☐ N

Was drive shoe seal tested? Y ☐ N ☒ How?

8. CASING/LINER:

Diameter	From	To	Gauge	Material	Casing	Liner	Welded	Threaded
8"	+2	50	250	STEEL	☒	☐	☒	☐
					☐	☐	☐	☐
					☐	☐	☐	☐

Length of Headpipe _____ Length of Tailpipe _____

9. PERFORATIONS/SCREENS

☐ Perforations Method _____
☐ Screens Screen Type _____

From	To	Slot Size	Number	Diameter	Material	Casing	Liner
						☐	☐
						☐	☐
						☐	☐

10. STATIC WATER LEVEL OR ARTESIAN PRESSURE:
100' ft. below ground. Artesian

Depth flow encountered _____ ft. Describe access port or control devices: _____

control devices: NENE 6 49N 34

11. WELL TESTS:

☐ Pump ☐ Bailor ☒ Air ☐ Flowing Artesian

Yield gal./min.	Drawdown	Pumping Level	Time
100+ EST.	N/A	265	1 HR.

Water Temp. COLD

Water Temp. COLD Bottom hole temp. COLD

Water Quality test or comments: CLEAR

12. LITHOLOGIC LOG: (Describe results or abundance)

[illegible]

13. DRILLER'S CERTIFICATION

1/We certify that all minimum well construction standards were complied with at the time the rig was removed.

Firm Name UNITED DRILLING INC. Firm No. 414

Firm Official Sir R. Valli Date 9-28-91
and

Supervisor or Operator Larry V. Andruschew Date 9/25/94
(Sign once as Firm Official & Operator)

FORWARD WHITE COPY TO WATER RESOURCES

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Statehouse
Boise, Idaho 83720
(208) 327-7900
August 21, 1990.

ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D'ALENE, ID 83814

PERMIT APPROVAL NOTICE

RE: PERMIT NO. 95-08652

Dear Permit Holder:

Enclosed is a copy of your approved application for permit. We direct your attention to the conditions of approval on the final page.

Section 42-235, Idaho Code, requires that a "drilling permit" must be obtained from the department for all wells constructed after July 1, 1987. A drilling permit is a separate permit that must be issued in addition to your permit to appropriate water. Commencement of well construction or diversion of water under your permit to appropriate water is prohibited unless a drilling permit is obtained.

Please be advised that water quality is subject to regulations of the Idaho Department of Health and Welfare. We suggest that you check with them before starting construction.

Be sure to note the special condition requiring you to install a measuring device, or a flow measurement port to provide for the installation of measuring equipment by the Department. Enclosed please find a list of measuring device options, and specifications for the installation of the flow measurement port.

Please note the requirement that as a permit holder you must commence the excavation or construction of diverting works within one year of the date the permit was issued, and you must proceed diligently until the project is completed. The enclosed blue card must be completed and returned to this office as soon as you commence construction, no later than one year from the date the permit was approved.

We have enclosed a form entitled "Instructions for Proof of
Beneficial Use". Please read the instructions carefully since
you must take further action to develop this permit into a
license.

Sincerely,

GARY SPACKMAN, Supervisor
Water Right Permits Section

GS: SC
Enclosures

NOTICE OF CORRECTION

NOTICE IS HEREBY GIVEN THAT APPLICATION FOR PERMIT NO. 95-8652 in the name of Arrow Properties Partnership was advertised incorrectly on May 17 & 24, 1990.

The Diversion Point was incorrectly advertised as LOT 1 (NENE) Sec 6 T4N R03W; whereas, correctly it should be LOT 1 (NENE) Sec 6 T49N R03W.

(For additional information concerning the property location, call the Northern Regional Office at 765-4639.)

Protests to the above-referenced correction must be filed with the Director, Dept. of Water Resources, 1910 Northwest Blvd., Suite 210, Coeur d'Alene, Id. 83814 on or before July 9, 1990.

R. KEITH HIGGINSON, Dir.

Published in the Coeur d'Alene Press on 6/21 & 28/1990.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

Northern Region Office

1910 Northwest Blvd. * Suite 210 * Coeur d'Alene, Id. * 83814 * (208) 765-4639

Cecil D. Andrus
Governor

R. Keith Higginson
Director

May 15, 1990

Arrow Properties Partnership
603 N. 4th
Coeur d'Alene 99208

Re: Water Appropriation Application # 95-08652

Dear Applicant:

The Idaho Department of Water Resources acknowledges receipt of your Application For Permit To appropriate the Public Waters Of The State Of Idaho and have assigned to it the above referenced number. To assist us in providing you with prompt, accurate service, please refer to this number in all future matters concerning this application.

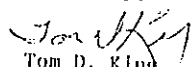
Your application is currently being prepared for advertising in the county newspaper. This advertisement will be published for two consecutive weeks followed by a waiting period of ten days to allow for the submittal of protests.

If the application is protested during this waiting period, you will be sent a copy of the protest and instructions to aid you in resolving the protest without a hearing. However all protests must be resolved before approval of the application can be made, so if the protestant does not voluntarily withdraw the protest, this department will conduct a conference and/or hearing on the matter.

If the application is not protested it will be forwarded to Boise, where departmental staff will conduct a more in depth review of the application, to determine if there is a need for further information that will facilitate the Directors' decision on the application. You will be notified by mail of this decision.

If you have any questions or if I can be of any assistance please feel free to contact me at this office.

Sincerely,


Tom D. King
Sr. Water Resource Agent



State of Idaho

DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814 • (208) 765-4639

CECIL D. ANDRUS
Governor

R. KEITH HIGGINSON
Director

May 10, 1990

Idaho Divn. of Environment
2110 Ironwood Parkway, #101
Coeur d'Alene, Id. 83814

Re: 95-8652

Gentlemen:

Enclosed is a copy of a recent filing with this Department that may be of interest to your agency.

Sincerely,

TOM D. KING
Senior Water Resource Agent

TDK/pms

Enclosure



95-08652

ARROW PROPERTIES PARTNERSHIP
603 N. 4TH ST.
COEUR D ALENE, ID 83814

Source: GROUNDWATER

Diversion Pt: LOT 1 (NENE) Sec 6 T 49N R 03W

Use: IRRIGATION (1.600 CFS)
DOMESTIC (1.600 CFS)
Total Diversion: (1.600 CFS)

Date Filed: 5/ 3/ 1990

In: T49N R03W S05	NWNW	SWNW	
S06	NENE	SWNE	SENE
T50N R04W S36	Lot 4 (NESE)	Lot 4 (SESE)	

84.0 ACRES TOTAL