

State of Idaho
Department of Water Resources
Permit to Appropriate Water

NO. 96-09191

Priority: July 20, 2004

Maximum Diversion Rate: 0.04 CFS
Maximum Diversion Volume: 10.0 AF

This is to certify, that SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

has applied for a permit to appropriate water from:

Source: COCOLALLA LAKE**Tributary:** COCOLALLA CREEK

and a permit is APPROVED for development of water as follows:

<u>BENEFICIAL USE</u>	<u>PERIOD OF USE</u>	<u>RATE OF DIVERSION</u>	<u>ANNUAL VOLUME</u>
DOMESTIC	01/01 to 12/31	0.04 CFS	5.4 AF
IRRIGATION	04/01 to 10/31	0.04 CFS	9.0 AF

LOCATION OF POINT(S) OF DIVERSION:

COCOLALLA LAKE L5 (NE¼SW¼) Sec. 7, Twp 55N, Rge 02W, B.M. BONNER 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	
55N 02W 7									X	X							
									L 5	L 3							

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	
55N 02W 7									2.0	1.0							3.0
									L 5	L 3							

Total Acres: 3

CONDITIONS OF APPROVAL

1. Proof of application of water to beneficial use shall be submitted on or before **September 1, 2010**.
2. Subject to all prior water rights.
3. Project construction shall commence within one year from the date of permit issuance and shall proceed diligently to completion unless it can be shown to the satisfaction of the Director of the Department of Water Resources that delays were due to circumstances over which the permit holder had no control.

State of Idaho
Department of Water Resources
Permit to Appropriate Water
NO. 96-09191

CONDITIONS OF APPROVAL CONTINUED

4. Domestic use is for 9 homes. Irrigation of lawn, garden and landscaping associated with the home is authorized under the irrigation component of this right.
5. 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.
6. This right does not grant any right-of-way or easement across the land of another.
7. A fish screen of 1/4 inch or smaller mesh shall be installed and maintained at the point of diversion.
8. The approach velocity at the point of diversion shall not exceed 0.5 feet per second.
9. Prior to diverting water under this right, the right holder shall install and maintain a measuring device of a type approved by the Department as a part of the diverting works. The measuring device shall be capable of displaying the instantaneous diversion rate and the volume of water diverted annually.

This permit is issued pursuant to the provisions of Section 42-204, Idaho Code. Witness the signature of the Director, affixed at Boise, this 10th day of July, 2005.


for KARL J DREHER, Director

Ident. No. 96-9191

71431

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

RECEIVED

APPLICATION FOR PERMIT

To appropriate the public waters of the State of Idaho

RECEIVED
JUL 20 2004
IDWR/North

SEP 16 2005

1. ~~DEPARTMENT OF~~ Sandy Beach Properties, LLC Phone 208-263-2940
~~WATER RESOURCES~~
Mailing address 431 Lakeview Blvd, Sandpoint, ID 83864
COCOLALLA CREEK

2. Source of water supply COCOLALLA LAKE which is a tributary of COCOLALLA CREEK

3. Location of point of diversion is Township 55N Range 2W Sec. 7, in the NE $\frac{1}{4}$, SW $\frac{1}{4}$, Govt. Lot 5, B.M., BONNER County;

additional points of diversion if any:

4. Water will be used for the following purposes:

Amount 0.20 for DOMESTIC purposes from 4/1 to 12/31 (both dates inclusive)
(cfs or acre-feet per annum)

Amount 0.08 for IRRIGATION purposes from 3/15 to 11/15 (both dates inclusive)
(cfs or acre-feet per annum)

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)

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) 0.20 and/or (b) _____
cubic feet per second acre feet per annum

6. Proposed diverting works:

a. Describe type and size of devices used to divert water from the source PUMP IN LAKE
DELIVERY SYSTEM TO HOMES + IRRIGATION SYSTEM

b. Height of storage dam _____ feet; active reservoir capacity _____ acre-feet; total
reservoir capacity _____ acre-feet

c. Proposed well diameter is _____ inches; proposed depth of well is _____ feet

d. Is ground water with a temperature of greater than 85°F being sought? _____

e. If well is already drilled, when? _____; Drilling firm _____

Well was drilled for (well owner) _____; Drilling Permit No. _____

7. Time required for completion of works and application of water to 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. FF 9 RHC

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	RGE	SEC	NE				NW				SW				SE				TOTALS
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	
55N	2W	7					B	B			D	D							
											2	1							3

Total number of acres to be irrigated 3

10. Describe any other water rights used for the same purposes as described above. N/A

11. a. Who owns the property at the point of diversion? APPLICANT IDL

b. Who owns the land to be irrigated or place of use? "

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: Ronald Chaney, Members of Sandy Beech
Rose Chaney " Properties, LLC

13. **MAP OF PROPOSED PROJECT REQUIRED** - Attach an 8½"x11" map clearly identifying the proposed point of diversion, place of use, section #, township & range. (A photocopy of a USGS 7.5 minute topographic quadrangle map is preferred.)

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

X Ronald Chaney, member
Signature of Applicant (and title, if applicable)

Received by AB Date 07-20-04 Time 11:00 Am Preliminary check by AB
Fee \$ 100- Receipted by AB # 2016428 Date 07-20-04
Publication prepared by cb Date 8/11/04 Published in Bonner Co Daily Bee 8/19+26/04
Publication approved cb Date 9/2/04



T. 55N., R. 2W. SEC. 7

**NOW
STARTING
RIGHT
SIDE OF
FILE**



State of Idaho

DEPARTMENT OF WATER RESOURCES

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

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

DIRK KEMPTHORNE
Governor

KARL J. DREHER
Director

September 12, 2005

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

RE: Permit No. 96-9191

Permit Approval Notice

Dear Permit Holder:

The Department of Water Resources has issued the enclosed permit authorizing you to establish a new water right. Please be sure to thoroughly review the conditions of approval and remarks listed on your permit.

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

As a permit owner you must commence the excavation or construction of the diverting works within one year of the date the permit was issued, and you must proceed diligently until the project is completed. The date shown under condition no. 1 is the date when the project must be completed.

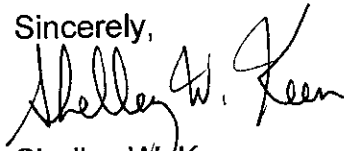
The Department will send you a 'Proof Due Notice' approximately 60 days prior to the above referenced date requesting you to file either a Proof of Beneficial Use form or a Request for Extension of Time form.

Please note that a separate stream channel alteration permit must be obtained from the Department prior to any activity in the stream channel other than construction or maintenance of the diversion structure for your water right(s). Applications for stream channel alteration permits must be filed at least sixty days prior to the commencement of work in the stream.

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

If you have any questions, please contact me at 208-287-4947.

Sincerely,

A handwritten signature in black ink, appearing to read "Shelley W. Keen". The signature is fluid and cursive, with the first name "Shelley" being more prominent.

Shelley W. Keen

Water Rights Supervisor

SWK:klf

Enclosure(s)

cc: LINDA MUSKOPF
ROBERT F VINCENT

CERTIFICATE OF SERVICE

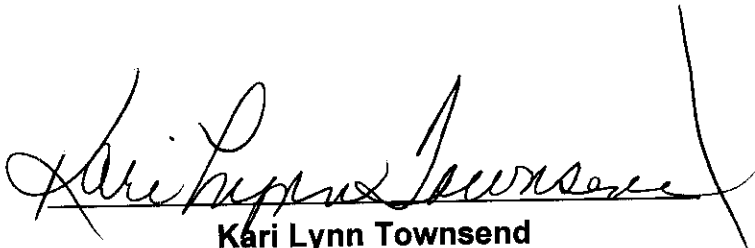
I hereby certify that on September 12, 2005 I mailed a true and correct copy, postage prepaid, of the foregoing PRELIMINARY ORDER(Approved Permit) to the person(s) listed below:

RE: WATER RIGHT NO. 96-9191

**SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864**

**LINDA MUSKOPF
PO BOX 127
COCOLALLA ID 83813**

**ROBERT F VINCENT
PO BOX 184
COCOLALLA ID 83813**


**Kari Lynn Townsend
Secretary**

**EXPLANATORY INFORMATION
TO ACCOMPANY A
PRELIMINARY ORDER**

(To be used in connection with actions when a hearing was not held)

(Required by Rule of Procedure 730.02)

The accompanying order or approved document is a "**Preliminary Order**" issued by the department pursuant to section 67-5243, Idaho Code. It can and will become a final order without further action of the Department of Water Resources ("department") unless a party petitions for reconsideration, files an exception and brief, or requests a hearing as further described below.

PETITION FOR RECONSIDERATION

Any party may file a petition for reconsideration of a preliminary order with the department within fourteen (14) days of the service date of this order. The department will act on a petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5243(3) Idaho Code.

EXCEPTIONS AND BRIEFS

Within fourteen (14) days after (a) the service date of a preliminary order, (b) the service date of a denial of a petition for reconsideration from this preliminary order, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration from this preliminary order, any party may in writing support or take exceptions to any part of a preliminary order and may file briefs in support of the party's position on any issue in the proceeding with the Director. Otherwise, this preliminary order will become a final order of the agency.

REQUEST FOR HEARING

Unless a right to a hearing before the Department or the Water Resource Board is otherwise provided by statute, any person aggrieved by any final decision, determination, order or action of the Director of the Department and who has not previously been afforded an opportunity for a hearing on the matter may request a hearing pursuant to section 42-1701A(3), Idaho Code. A written petition contesting the action of the Director and requesting a hearing shall be filed within fifteen (15) days after receipt of the denial or conditional approval.

ORAL ARGUMENT

If the Director grants a petition to review the preliminary order, the Director shall allow all parties an opportunity to file briefs in support of or taking exceptions to the preliminary order and may schedule oral argument in the matter before issuing a final order. If oral arguments are to be heard, the Director will within a reasonable time period notify each party of the place, date and hour for the argument of the case. Unless the Director orders otherwise, all oral arguments will be heard in Boise, Idaho.

CERTIFICATE OF SERVICE

All exceptions, briefs, requests for oral argument and any other matters filed with the Director in connection with the preliminary order shall be served on all other parties to the proceedings in accordance with IDAPA Rules 37.01.01302 and 37.01.01303 (Rules of Procedure 302 and 303).

FINAL ORDER

The Director will issue a final order within fifty-six (56) days of receipt of the written briefs, oral argument or response to briefs, whichever is later, unless waived by the parties or for good cause shown. The Director may remand the matter for further evidentiary hearings if further factual development of the record is necessary before issuing a final order. The department will serve a copy of the final order on all parties of record.

Section 67-5246(5), Idaho Code, provides as follows:

Unless a different date is stated in a final order, the order is effective fourteen (14) days after its issuance if a party has not filed a petition for reconsideration. If a party has filed a petition for reconsideration with the agency head, the final order becomes effective when:

- (a) the petition for reconsideration is disposed of, or
- (b) the petition is deemed denied because the agency head did not dispose of the petition within twenty-one (21) days.

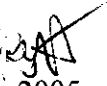
APPEAL OF FINAL ORDER TO DISTRICT COURT

Pursuant to sections 67-5270 and 67-5272, Idaho Code, if this preliminary order becomes final, any party aggrieved by the final order or orders previously issued in this case may appeal the final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or
- iv. The real property or personal property that was the subject of the agency action is located.

The appeal must be filed within twenty-eight (28) days of this preliminary order becoming final. See section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

MEMORANDUM

To: File 96-9191
From: Bob Haynes 
Date: September 1, 2005
Subj: Recommendations for 96-9191

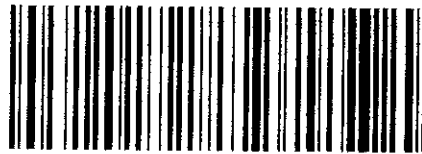
RECEIVED
SEP 1 6 2005
DEPARTMENT OF
WATER RESOURCES

The above referenced permit was protested by three parties; Linda Muskopf, Robert F. Vincent and Michael Bennett. Through negotiations the concerns of protestants Muskopf and Vincent were addressed and they withdrew their protest. Protestant Michael Bennett indicated verbally that he was also satisfied and would send a letter withdrawing his protest, but never did so. Mr. Bennett failed to appear at a conference held on February 9, 2005. A Notice of Proposed Default was sent to Mr. Bennett on April 29, 2005. He failed to respond to that notice and Default Order dismissing his protest was issued on May 17, 2005.

By letter the owners of the Sandy Beach LLC agreed to reduce the flow rate of their application from 0.2cfs to 0.04cfs. They also agreed to install a flow meter to measure the flow of water diverted. This should be made a condition of the permit.

CERTIFIED MAIL

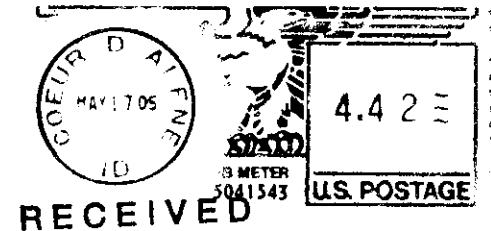
STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
Northern Region Office
1910 Northwest Blvd - Suite 210
Coeur d'Alene, ID 83814-2676



7001 2510 0003 4440 2250

- ☐ No Deliverable As Addressed
☐ Unable To Forward
☐ Insufficient Address
☐ Moved, Left No
☐ Unclaimed
- ☐ Attempted - Not Known
☐ No Such Street ☐ Number
☐ Vacant ☐ Illegible
☐ No Mail Receiver

MICHAEL D BENNETT
PO BOX 07
COCOLALLA ID



RECEIVED
JUN 13 2005
IDWR/North

5-18

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 96-9191 IN THE NAME OF)
SANDY BEACH PROPERTIES; LLC)

DEFAULT ORDER

This matter having come before the Idaho Department of Water Resources (department),
the department makes the following Findings of Fact, Conclusions of Law and Order:

FINDINGS OF FACT

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Michael D Bennett
PO Box 07
Casola 10 83813

2. Article Number

(Transfer from service label)

7001 2510 0003 4440 2250

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 96-9191 IN THE NAME OF)
SANDY BEACH PROPERTIES; LLC)
_____)

DEFAULT ORDER

This matter having come before the Idaho Department of Water Resources (department), the department makes the following Findings of Fact, Conclusions of Law and Order:

FINDINGS OF FACT

1. On July 20, 2004, SANDY BEACH PROPERTIES LLC filed Application for Permit No. 96-9191 with the department proposing to appropriate water from Cocolalla Lake, tributary to Cocolalla Creek, to be used year-round for domestic purposes, and from March 15 through November 15 for irrigation purposes.
2. The application was subsequently protested by Robert F. Vincent, Jr., Linda Muskopf, and Michael D. Bennett.
3. On January 19, 2005, the department corresponded with the applicant and the protestants asking them to appear at a scheduled conference in the matter to be held on February 9, 2005 at 9:30 a.m. at the Department of Water Resources, 1910 Northwest Blvd., Suite 210, in Coeur d'Alene, Idaho, at which hearing the protestant, Michael D. Bennett, failed to appear.

CONCLUSIONS OF LAW

1. IDAPA Rule 37.01.01700 (Rule of Procedure 700) authorizes the department to issued a Default Order setting aside the protest of Michael D. Bennett for Failure to Appear at the conference scheduled and held on February 9, 2005 held in Coeur d'Alene, Idaho.
2. The department should enter a Default Order setting aside the protest of Michael D. Bennett for failure to appear at the scheduled conference held on February 9, 2005 in Coeur d'Alene, Idaho.

ORDER

IT IS THEREFORE, HEREBY ORDERED that the protest of Michael D Bennett is hereby **SET ASIDE** and will no longer be considered by the department.

Dated this 17 day of May, 2005.


ROBERT G. HAYNES, P.E.
Regional Manager

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 17th of May, 2005, I mailed a true and correct copy, postage prepaid, of the foregoing **DEFAULT ORDER** to the following:

CERTIFIED MAIL:

Michael D. Bennett, PO Box 07, Cocolalla ID 83813

✓ SANDY BEACH PROPERTIES LLC 431 Lakeview Blvd., Sandpoint, ID 83864


DIANNE BALL, Administrative Assistant

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Sandy Beach Properties
431 Lakeview Blvd
Sandpoint ID 83864

2. Article Number

(Transfer from service label)

7001 2510 0003 4440 1970

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Roz Ch...*

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

5/18/05

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

RECEIVED

MAY 23 2005

3. Service Type

IDWR/North

- ☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

**BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE STATE OF IDAHO**

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 96-9191 IN THE)
NAME OF SANDY BEACH PROPERTIES; LLC))

**NOTICE OF
PROPOSED DEFAULT ORDER**

This matter having come before the Idaho Department of Water Resources ("Department"), the Department makes the following Findings of Fact, Conclusions of Law and Order:

FINDINGS OF FACT

1. On July 20, 2004, SANDY BEACH PROPERTIES LLC ("applicants") submitted Application for Permit No. 96-9191 to the Department seeking to file for water rights on a surface water source. The application was protested by Robert F. Vincent, Jr., Linda Muskopf, and Michael D. Bennett.
2. On January 19, 2005, The Department corresponded with the applicant and the protestants asking them to appear at a Conference on February 9, 2005 at 9:30 a.m. at the Department of Water Resources, 1910 Northwest Blvd., Suite 210, Coeur d'Alene, ID. All parties acknowledged receipt of said correspondence.
3. The protestant, Michael D. Bennett failed to appear at said Conference.

CONCLUSIONS OF LAW

1. IDAPA Rule 37.01.01700 (Rule of Procedure 700) authorizes the Department to issue a Notice of Proposed Default Order for Failure to Appear at the conference scheduled and held on February 9, 2005.
2. The Department should enter a Notice of Proposed Default Order for failure of the protestant, Michael D. Bennett, to appear at the conference scheduled and held on February 9, 2005, in the above captioned matter.

ORDER

IT IS THEREFORE, HEREBY ORDERED that the Department plans to enter a Default Order **SETTING ASIDE** the protest of Michael D. Bennett, whose protest will no longer be considered by the department, as provided in IDAPA Rule 37.01.01702 (Rule of Procedure 702).

Dated this 29 day of April, 2005.


Robert G. Haynes, P.E., Regional Manager

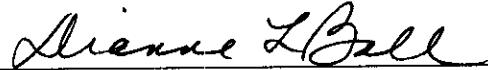
CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 29th of April, 2005, I mailed a true and correct copy, postage prepaid, of the foregoing **NOTICE OF PROPOSED DEFAULT ORDER** to the following:

CERTIFIED MAIL:

Michael D Bennett, PO Box 07, Cocolalla, ID 83813

SANDY BEACH PROPERTIES, LLC, 431 Lakeview Blvd., Sandpoint, ID 83864



DIANNE BALL

Administrative Assistant

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

SANDY BEACH PROPERTIES
431 LAKEVIEW BLVD
SANDPOINT ID 83864

RECEIVED
MAY 03 2005
IDWR/North

2. Article Number

(Transfer from service label)

7001 2510 0003 4440 2267

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Ronald Chaney ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

RONALD CHANEY

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MICHAEL D BENNETT
PO BOX 07
COCOLALLA ID 83811

RECEIVED
MAY 09 2005
IDWR/North

2. Article Number

(Transfer from service label)

7001 2510 0003 4440 6005

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

M.D. Bennett ☐ Agent ☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

M D BENNETT 5-3-05

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

Ronald and Rose Chaney
431 Lakeview Blvd.
Sandpoint, Idaho 83864
208 263-2940
Cell 208 290-1884
rrchaney@imbris.com

RECEIVED
MAR 25 2005
IDWR/North

March 23, 2005

Robert Haynes, Regional Manager
IDWR Northern Region
Suite No. 210
1910 northwest Blvd.
Coeur d'Alene, Idaho 83814-2615

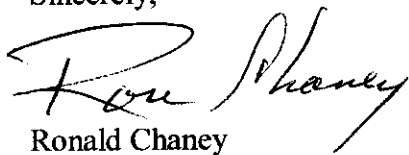
Dear Mr. Haynes:

Regarding: Water Permit Application No. 96-9191

After our engineer Rob Tate, P. E. completed the design for our domestic water treatment facility he has determined that we will need a smaller instantaneous demand than stated in our application . Therefore, we are requesting a reduction in our application from 0.2 CFS for domestic water purposes to .04 CFS for domestic water purposes.

Thank you for your help in this matter.

Sincerely,


Ronald Chaney


Rose Chaney

March 5, 2005

RECEIVED
MAR 16 2005
IDWR/North

Robert Haynes, P.E.
State of Idaho
Department of Water Resources
1910 Northwest Blvd. Suite 210
Coeur d'Alene, Idaho 83814-2615

Re: Application to permit No. 96-9191

Dear Robert Haynes

In reviewing our notes from the Feb 9th conference we would like to outline our understanding of the permit process and the limitations related to the eventual license if issued:

- 1) The original permit has been amended to 9 homes instead of 11 and that the csf rate will reduce to the appropriate rate for 9 homes.
- 2) By granting a permit to the applicant the department still withholds the issuance of a license until the project is complete.
- 3) At the time of licensing the Department of Water resources will establish the maximum annual volume. We understand that this volume should not exceed .6 acre feet per home per year for domestic use and that irrigation will not exceed 10 acre feet per year for the entire development.
- 4) The water system license cannot be expanded in the future to serve additional users for domestic consumption and or irrigation purposes without going through the application for new license process.
- 5) Subsequent to the license being issued, the IDWR will measure the annual volume of water being diverted. The applicant agrees to installing an inline monitoring device/totalizing meter to measure total annual volume (per phone conversation on March 8, 2005 at approximately 9:20am – Ron and Rose Chaney w/Linda Muskopf).
- 6) The water system license is transferable but no changes to volume restrictions can be made without going through the application for new license process.

Based on the above, we the undersigned withdraw our protest related to above application permit. We do, however, wish to request that the water treatment system be restricted to size and capacity needed to service a maximum of 9 homes.

Sincerely,

Ronald Muskopf
Linda Muskopf

PO Box 127
Cocolalla, Id.
83813

March 5, 2005

Robert Haynes, P.E.
State of Idaho
Department of Water Resources
1910 Northwest Blvd. Suite 210
Couer d' Alene, Idaho 83814-2615

Robert F. Vincent
PO Box 564
Mercer Island, WA
98040

RECEIVED
MAR 14 2005
IDWR/North

Re: Application to permit No. 96-9191

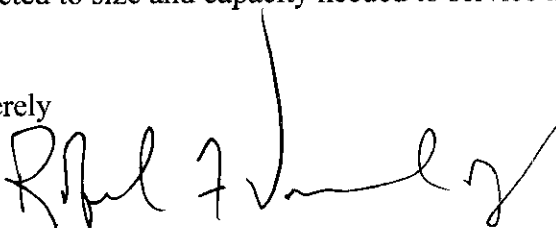
Dear Robert Haynes

In reviewing our notes from the Feb 9th conference we would like to outline our understanding of the permit process and the limitations related to the eventual license if issued:

- 1) The original permit has been amended to 9 homes instead of 11 and that the csf rate will reduce to the appropriate rate for 9 homes.
- 2) By granting a permit to the applicant the department still withholds the issuance of a license until the project is complete.
- 3) At the time of licensing the Department of Water resources will establish the maximum annual volume. We understand that this volume should not exceed .6 acre feet per home per year for domestic use and that irrigation will not exceed 10 Acre feet per year for the entire development.
- 4) The water system license cannot be expanded in the future to serve additional users for domestic consumption and or irrigation purposes without going through the application for new license process.
- 5) Subsequent to the license being issued, the IDWR will measure the annual volume of water being diverted. The applicant agrees to installing an inline monitoring device/totalizing meter to measure total annual volume (per phone conversation on March 8th, 2005 at approximately 9:20am – Ron and Rose Chaney w/Linda Muskopf).
- 6) The water system license is transferable but no changes to volume restrictions can be made without going through the application for new license process.

Based on the above we the undersigned withdraw our protest related to above application permit. We do, however, wish to request that the water treatment system be restricted to size and capacity needed to service a maximum of 9 homes.

Sincerely



CONFERENCE

File: 96-9191
SANDY BEACH PROPERTIES LLC

Date: FEBRUARY 9, 2005

Time: 9:30 AM

Place: DEPARTMENT OF WATER RESOURCES
1910 NORTHWEST BLVD., SUITE 210
COEUR D'ALENE ID

ROSTER OF ATTENDANCE

NAME _____

ADDRESS

Gina Muskopf
from Vincent

45 Tomahawk Isl (POB 127) Coccolalla 83813
134 Arrowhead DC (POB 184) Coccolalla, ID 83813

Rose Cheney

431 Lakeview Blvd, Sandpoint, ID

RONALD CHANEY

11

14

•

52864

CONFERENCE SCHEDULE

Northern Region

Location DEPARTMENT OF WATER RESOURCES
1910 NORTHWEST BLVD SUITE 210
COEUR D'ALENE ID

Date FEBRUARY 9, 2005

9:30 A.M. WR NO. 96-9191
SANDY BEACH PROPERTIES, LLC

BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE
STATE OF IDAHO

IN THE MATTER OF APPLICATION	)	
FOR PERMIT NO. 96-9191	)	NOTICE OF CONFERENCE
IN THE NAME OF SANDY BEACH PROPERTIES, LLC	)	
_____	)	

On July 20, 2004, SANDY BEACH PROPERTIES, LLC filed with the Department of Water Resources (department) Application for Permit No. 96-9191. The application was protested by Robert F. Vincent, Jr., Linda Muskopf, and Michael D. Bennett.

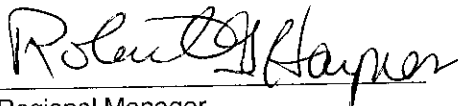
The department has scheduled the matter for conference on February 9, 2005 at 9:30 AM at the office of the Department of Water Resources, 1910 Northwest Blvd, Suite 210, Coeur d'Alene, ID. The conference will be held in accordance with provisions of Chapters 2 and 17, Title 42 and Chapter 52, Title 67, Idaho Code, the adopted Rules of Procedure of the department and Water Appropriation Rules 40 and 45. A copy of the rules may be obtained from the department upon request. The presiding officer at the conference will be Robert G. Haynes, Northern Regional Manager

If you plan to offer exhibits for the record, note that IDAPA Rule of Procedure 37.01.01606 requires that you provide a copy of exhibits to each party and to the presiding officer.

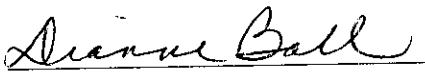
The conference will be conducted in a facility which meets the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in or understand the conference, please advise the department within ten (10) days prior to the conference.

All parties to the matter will have the opportunity to respond and present information and argument on all issues involved.

Dated this 19th day of January, 2005.


Regional Manager

I hereby certify that on the 19th day of January, 2005, I mailed a true and correct copy, postage prepaid, of this document to the applicants(s) and protestant(s) listed below:


Administrative Assistant

Certified Mail
Sandy Beach Properties, LLC
Robert F. Vincent, Jr.
Linda Muskopf
Michael D. Bennett

CONFERENCE AND HEARING PROCEDURE

APPLICATION FOR PERMIT

ISSUES

Section 42-203A, Idaho Code, requires the department to consider the following issues in connection with an application for permit:

1. Will the proposed appropriation injure other water rights?
2. Is the water supply sufficient for the purpose for which it is sought to be appropriated?
3. Was the application made in good faith or for delay or speculative purposes?
4. Does the applicant have sufficient financial resources with which to complete the proposed project?
5. Will the proposed use conflict with the local public interest, where local public interest is defined as interests that the people in the area directly affected by a proposed water use have in the effects of such use on the public water resource?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

BURDEN OF PROOF

The applicant has the initial burden of proof for issues 1, 2, 3, 4, and 6 above and must provide evidence for the department to evaluate these criteria.

The initial burden of proof on issue 5 above lies with both the applicant and protestant as to factors of which they are most knowledgeable and cognizant. The applicant has the ultimate burden of persuasion, however, for this issue.

PROCEDURE

The department generally conducts an informal conference with the parties to determine the issues and to try to settle a protested matter before a hearing is scheduled. If a hearing is held, the department will issue a written decision based on the hearing record.

CONFERENCE

The purpose of a prehearing conference is to provide the opportunity for the parties and the department to familiarize themselves with a contested matter and to attempt to resolve the matter. At the conference, the department may also formulate and simplify the issues, identify documents to avoid unnecessary proof, exchange proposed exhibits or prepared testimony, limit witnesses, discuss settlement or make settlement offers, schedule hearings, establish procedure at hearing and address other matters that may expedite orderly conduct and disposition of the proceeding or its settlement.

HEARING

The department will tape record the hearing. Copies of a hearing are available upon request and the payment of the cost of reproducing the tape.

The hearing likely will be conducted by a hearing officer appointed by the Director rather than by the Director himself. If so, the hearing officer will prepare a recommended order for the Director's consideration. Parties can file exceptions to a recommended order, briefs in support of the exceptions or may request oral argument. Parties may seek judicial review of any final order issued by the director.

Parties may by written stipulation waive the right to a recommended order, particularly when a shortened decision process is desirable or necessary. Such a waiver does not eliminate any rights of the parties in connection with the final order and judicial review of the order.

EXHIBITS

A party who plans to offer an exhibit as part of the hearing record must provide a copy of the proposed exhibit to the parties and to the hearing officer.

AMERICANS WITH DISABILITIES ACT

Any hearing scheduled will be conducted in a facility that meets the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in or understand the hearing, please advise the department within ten (10) days prior to the hearing.

CONFERENCE AND HEARING PROCEDURE

APPLICATION FOR PERMIT

ISSUES

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1. Will the proposed appropriation injure other water rights?
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3. Was the application made in good faith or for delay or speculative purposes?
4. Does the applicant have sufficient financial resources with which to complete the proposed project?
5. Will the proposed use conflict with the local public interest, where local public interest is defined as interests that the people in the area directly affected by a proposed water use have in the effects of such use on the public water resource?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?
7. Will it adversely affect the local economy of the watershed or local area within which the source of water for the proposed use originates, in the case where the place of use is outside of the watershed or local area where the source of water originates?

BURDEN OF PROOF

The applicant has the initial burden of proof for issues 1, 2, 3, 4, and 6 above and must provide evidence for the department to evaluate these criteria.

The initial burden of proof on issue 5 above lies with both the applicant and protestant as to factors of which they are most knowledgeable and cognizant. The applicant has the ultimate burden of persuasion, however, for this issue.

PROCEDURE

The department generally conducts an informal conference with the parties to determine the issues and to try to settle a protested matter before a hearing is scheduled. If a hearing is held, the department will issue a written decision based on the hearing record.

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
Northern Region Office
1910 Northwest Blvd - Suite 210
Coeur d'Alene, ID 83814-2676

CERTIFIED MAIL



7001 1140 0003 8448 8458



4.42

U.S. POSTAGE

*Look
@ office
address
in Mercur Island
WA
1/24/05*



☐ Not Deliverable As Addressed	☐ Attempted - Not Known
☐ Unable To Forward	☐ No Such Street - ☐ Number
☐ Insufficient Address	☐ Vacant ☐ Illegible
☐ Moved, Left No Address	☐ No Mail Box
☐ Unclaimed	☐ Returned For Better Address

ROBERT F VINCENT, JR
PO BOX 184
COCOLALLA

1-20

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ROBERT F VINCENT JR
PO BOX 184
COCOLALLA ID 83813

2. Article Number

(Transfer from service label)

7001 1140 0003 8448 8458

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

ROBERT F VINCENT JR
6218 E MERCER WAY
MERCER ISLAND WA 98040

RECEIVED

JAN 24 2005

IDWR/North

2. Article Number

(Transfer from service label)

7001 1140 0003 8448 8465

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

ROBERT F VINCENT

C. Date of Delivery

1/21/05

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

X

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LINDA MUSKOPF
PO BOX 127
COCOLALLA ID 83813

RECEIVED

JAN 25 2005

IDWR/North

2. Article Number

(Transfer from service label)

7001 1140 0003 8448 8472

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☒ Agent☒ Addressee

B. Received by (Printed Name)

LINDA MUSKOPF

C. Date of Delivery

1-24-05

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

X

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

MICHAEL D BENNETT
PO BOX 07
COCOLALLA ID 83813

RECEIVED

JAN 25 2005

IDWR/North

2. Article Number

(Transfer from service label)

7001 1140 0003 8448 8489

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

MICHAEL D BENNETT

C. Date of Delivery

1-24-05

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

X

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

BEFORE THE DEPARTMENT OF WATER RESOURCES
OF THE
STATE OF IDAHO

IN THE MATTER OF APPLICATION)
FOR PERMIT NO. 96-9191) NOTICE OF CONFERENCE
IN THE NAME OF SANDY BEACH PROPERTIES, LLC)
_____)

On July 20, 2004, SANDY BEACH PROPERTIES, LLC filed with the Department of Water Resources (department) Application for Permit No. 96-9191. The application was protested by Robert F. Vincent, Jr., Linda Muskopf, and Michael D. Bennett.

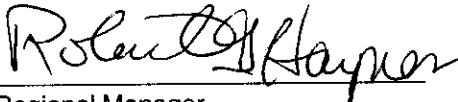
The department has scheduled the matter for conference on February 9, 2005 at 9:30 AM at the office of the Department of Water Resources, 1910 Northwest Blvd, Suite 210, Coeur d'Alene, ID. The conference will be held in accordance with provisions of Chapters 2 and 17, Title 42 and Chapter 52, Title 67, Idaho Code, the adopted Rules of Procedure of the department and Water Appropriation Rules 40 and 45. A copy of the rules may be obtained from the department upon request. The presiding officer at the conference will be Robert G. Haynes, Northern Regional Manager

If you plan to offer exhibits for the record, note that IDAPA Rule of Procedure 37.01.01606 requires that you provide a copy of exhibits to each party and to the presiding officer.

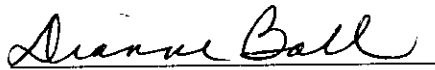
The conference will be conducted in a facility which meets the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in or understand the conference, please advise the department within ten (10) days prior to the conference.

All parties to the matter will have the opportunity to respond and present information and argument on all issues involved.

Dated this 19th day of January, 2005.


Regional Manager

I hereby certify that on the 19th day of January, 2005, I mailed a true and correct copy, postage prepaid, of this document to the applicants(s) and protestant(s) listed below:


Administrative Assistant

Certified Mail

Sandy Beach Properties, LLC

Robert F. Vincent, Jr. -

Linda Muskopf -

Michael D. Bennett -

card rec'd 1/24/05 @ Meyer Island WA C. Addicks
card received 1/25/05
card received 1/25/05

Rose Choney
called 2/11
never rec'd
notice
Date + time
ok

Notice of Hearing &/or Conference

CONFERENCE AND HEARING PROCEDURE

APPLICATION FOR PERMIT

ISSUES

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6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

BURDEN OF PROOF

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PROCEDURE

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HEARING

The department will tape record the hearing. Copies of a hearing are available upon request and the payment of the cost of reproducing the tape.

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Parties may by written stipulation waive the right to a recommended order, particularly when a shortened decision process is desirable or necessary. Such a waiver does not eliminate any rights of the parties in connection with the final order and judicial review of the order.

EXHIBITS

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AMERICANS WITH DISABILITIES ACT

Any hearing scheduled will be conducted in a facility that meets the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations in order to attend, participate in or understand the hearing, please advise the department within ten (120) days prior to the hearing.

Haynes, Bob

From: Ron and Rose Chaney [rrchaney@imbris.com]
Sent: Tuesday, October 05, 2004 11:14 AM
To: Robert G. Haynes
Subject: Regarding Permit application 96-9191

Dear Mr. Haynes;

At my request, I just received a copy of the minutes of the Sept 21 Cocolalla Lake Association meeting from Linda Muskopf, secretary. I thought that you might be interested in the following sections as they relate to protests of our application.

First some of Fred Vincent's input at this meeting:

"In response to Rose Chaney's question, Fred Vincent recapped how the formula given him by IDWR was used to reach the "47.2 million gallons of water" referenced in the letter sent by the CLA. He acknowledged the difference between maximum diversion rate and continual draw, stating that no one at IDWR mentioned this difference and said the issue might have been dealt with if the Chaney's Application for Permit had included an estimated yearly total."

Second the motion to withdraw the CLA protest:

"Herman moved that the letter of protest be rescinded.

The motion was seconded and Linda Muskopf stated that she felt we should note in a letter to IDWR that the difference in the meanings of the numbers was now understood, but that we still had concerns regarding the precedent of diverting lake water for development/commercial purposes.

The motion passed.

Ayes: G. Weatherly, H. Collins, E. Nurmi, J. Grosshans, and B. Anderson

Noes: L. Muskopf"

(Please note; Mr. Herman's motion was not altered and passed without the inclusion of Ms. Muskopf's comments.)

Thanks for your time.

Rose Chaney

10/5/2004



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 27, 2004

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

Application to Permit No. 96-9191
Withdrawal of Protest

Dear Applicant(s):

The Department of Water Resources has received a withdrawal of protest against the above referenced application from Cocolalla Lake Association.

There are remaining protests against this application which need to be resolved before the application can be considered for approval.

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

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

Robert G. Haynes, P.E.
Regional Manager

CC: Cocolalla Lake Association
Robert F. Vincent, Jr.
Linda Muskopf
Michael D. Bennett

Haynes, Bob

From: Ron and Rose Chaney [rrchaney@imbris.com]
Sent: Wednesday, September 22, 2004 11:25 AM
To: Robert G. Haynes
Cc: June Bergquist
Subject: Permit Application 96-9191

Good Morning Mr. Haynes;

We attended the Cocolalla Lake Association meeting last night. The CLA Board voted to send IDWR a letter requesting the withdrawal of their protest because the information they had relied upon was incorrect.

Mr. Fred Vincent was at the meeting and acknowledged that the information he had given the board was incorrect; however, he did not assume responsibility for the information he presented and did not indicate that he intended to withdraw his protest. After the meeting I introduced myself to Mr. Vincent. As he has never visited the site, I asked him if he could meet us at the Sandy Beach site to address the many concerns he has expressed. He said he did not have time, as he was leaving today for his home on Mercer Island. I told him we would accommodate his schedule anytime he was in the area; he indicated no interest in reviewing the site with us.

Mrs. Linda Muskopf, who has personally protested our permit, was the only member of the board who voted against the CLA Board's decision to withdraw their protest; so I am assuming she is not withdrawing hers.

Thanks for all the time you have spent on our permit.

Rose Chaney

9/22/2004

Haynes, Bob

From: Ron and Rose Chaney [rrchaney@imbris.com]
Sent: Tuesday, September 21, 2004 3:37 PM
To: 'P. E Robert G. Haynes'
Subject: Permit Application 96-9191 Attempts to resolve protests.

September 21, 2004

Robert G. Haynes, P.E.
Idaho Department of Water Resources
FAX: 208769-1454

Regarding Permit Application 96-9191

Dear Mr. Haynes;

On September 20, the following members of the Cocolalla Lake Association attended a meeting with Scott Brown, our project engineer, and Ron and me:

Bonnie Anderson, President
John Grosshans, Past President
Glen Weatherly, Board Member
Herman Collins, Board Member
Lind Muskopf, Secretary

Scott addressed the erroneous interpretation of the "maximum diversion rate" requested on the IDWR form which the CLA Board had confused with a "maximum continuous flow for 365 days a year". I think most of those present now understand that an error had been made. At the end of the meeting Bonnie Anderson said she would prepare a letter to your office, stating that the CLA Board understood there had been an incorrect interpretation. However, she still expressed concerns about the "precedent" our application would set.

After Scott's presentation, Mrs. Muskopf said that she met with Mr. Fred Vincent prior to the August 27 special meeting of the Cocolalla Lake Association Board which was called to discuss our application; we were not invited to attend this meeting. She said that while she was at Mr. Vincent's home, he called IDWR and that "someone" confirmed Mr. Vincent's calculations that we had applied to IDWR for 47.2 million gallons of water a year for domestic use and an additional 18 million gallons a year for irrigation. Mrs. Muskopf did not know the name of the "someone from IDWR". Bonnie Anderson had told me previously that IDWR had been called for the purpose of obtaining advice on how to file a protest; not to verify Mr. Vincent's calculations. Unfortunately, I do not believe we have been able to resolve Mrs. Muskopf's concerns about our application.

Mr. Vincent has not responded to my request that he call me if he has any questions about my response to his protest.

Mr. Mike Bennett replied to my response; which he copied to you. I was unable to determine from his reply whether he is still protesting our application or if his protest is a generic protest of withdrawal of water.

Thanks for answering my questions about preparing for a conference.
Rose Chaney

9/22/2004



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

September 27, 2004

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

COCOLALLA LAKE ASSOCIATION
C/O BONNIE ANDERSON, REPRESENTATIVE
261 S SEQUOIA
POST FALLS, ID 83854

Application to Permit No. 96-9191
Withdrawal of Protest

Dear Protestant(s):

The Department of Water Resources acknowledges receipt of your withdrawal of protest against the above referenced application.

There are remaining protests against this application which need to be resolved before the application can be considered for approval.

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

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes". The signature is written in a cursive, flowing style.

Robert G. Haynes, P.E.
Regional Manager

CC: Sandy Beach Properties, LLC, Rose and Ron Chaney
Robert F. Vincent Jr.
Linda Muskopf
Michael D. Bennett

September 20, 2004

Robert Haynes, P.E.
State of Idaho
Department of Water Resources
1910 Northwest Blvd. Suite 210
Coeur d' Alene, Idaho 83814-2615

RECEIVED
SEP 24 2004
IDWR/North

Re: Application to permit No. 96-9191

Dear Robert Haynes,

The Cocolalla Lake Association, the applicants and engineer met at 102 Second Street in Sandpoint at the offices of Tucker, Brown and Vermeer on September 20, 2004. Those in attendance were: Bonnie Anderson, Herman Collins, Linda Muskopf, John Grosshans, Glen Weatherly, Rose Chaney, Ron Chaney and Scott Brown. This meeting was held at the request of the Cocolalla Lake Association and in agreement with Rose and Ron Chaney. The Chaney's engineer, Scott Brown, was very helpful in educating and describing to us the process of calculating water withdrawal. He explained the difference between maximum diversion rate and continuous water flow and we now understand better those figures that were the bases of our letter of concern. We withdraw our objections to the 47.2 million gallons per year which was an estimation of continuous water flow. We understand the applicant has applied for 1.2 million gallons a year using maximum diversion rate.

Thank you for allowing us the right to express our concerns. Your staff has been cooperative, informative and respectful during this process.

Thank you again.

Respectfully,

Bonnie Anderson

September 19, 2004

Robert G. Haynes, P.E.
Idaho Department of Water Resources
FAX: 208769-1454

Dear Mr. Haynes;

I am faxing you a copy of my written response to the minutes of the August 27, 2004 meeting of the Cocolalla Lake Association which was held at the request of Mr. and Mrs. Fred Vincent to discuss our IDWR Permit Application #9609191.

Again I am not sure all of the concerns are pertinent to our application but I wanted to keep you informed.

Sincerely,



Rose Chaney

September 19, 2004

To:
Bonnie Anderson, Cocolalla Lake Association President
Linda Muskopf, Cocolalla Lake Association Secretary

I am requesting that the following response be attached to the minutes of the August 27, 2004 Special Meeting of the Board which was called at the request of Shelley and Fred Vincent to discuss their concerns regarding the proposed development of the Sandy Beach property and their request that the board take action in the form of a protest letter.

We own the Sandy Beach Property. We have never met Mr. Vincent and to our knowledge, neither he nor his wife has ever actually been on the site; if they had expressed their concerns to us, we would have gladly reviewed the site with them.

The minutes show that Mr. Vincent's presentation included rumors, innuendos, partial truths and misrepresentations regarding our project. I would like the record to include our response item by item.

1. Pollution problems related to the lagoon being used as a dump site. Neighbors report that instead of being back filled with dirt. The area is in part filled with Debris. Including large appliances. Pictures showed trash with refrigerator, etc. There are reports that sewage rises to the top during high water times and runs into the adjacent creek.

It appears that Mr. Vincent's never reviewed the site personally but relied upon: third party sources ("Neighbors report" and "there are reports") of questionable reliability.

To address this concern I called Gary Gaffney, P. E., Idaho Department of Environmental Quality who was the agency person in charge of overseeing the lagoon cleanup.

From a September 8, 2004 email from Mr. Gaffney to our project engineer, Scott Brown: "June had referred Rose to me regarding the need to conduct remediation of the former lagoon site. Since the lagoon has been out of service for years and was recontoured when the drainfield system came into use, I indicated that nothing needed to be done on the lagoon site. The O&M manual for the new drainfield system discussed the need to properly abandon the lagoon (dewater and incorporate any sludge into the earthwork)."

Also from the same email: There is and was some junk in the lagoon area that was and will be removed. It appeared that this material was properly disposed of or taken for recycle. This involved tires, appliances, and other solid wastes.

2. Some residences in the Shady Cove area were granted 90 day permits to continue their existing sewage system. However, those were granted some years ago and have not been renewed nor have the systems been replaced. The cost of hooking into the SANCO lines has been increased substantially since then.

SANCO has DEQ approval for 40 sewer hookups. There are six homes in Cocolalla Lakeside lots that have current SANCO sewer hookups. These are the only hookups outside of the Resort that SANCO has ever served. SANCO has contacted 39 lot owners directly south of Sandy Beach and told them we have 23 hookups over and above the current and projected use for our project. If we have enough interest to make it financially feasible, we can extend the sewer line to these properties while our contractor is working on the Sandy Beach Estates infrastructure. If we can extend the lines during our construction the hookup fee will be \$7950, with terms available. We believe the lake might be better served if 23 more lakefront properties were connected to a DEQ approved sewer system.

3. There are 3 large burn piles within the lagoon area. Not only is there concern about burning in such close proximity to Johnson Creek, which flows directly into the lake, but the burn piles contain pvc pipe and other materials which could create toxic runoff and gases. (Pictures Presented.)

Following up on this concern, we examined the three piles of stumps in the lagoon site and did find some pipe in the piles. It has been removed. I called June Bergquist, DEQ, and asked who, from her office, we could have look at the stump piles; which we intend to burn after October 15 when we can obtain a Department of Lands Burn Permit. She said we could contact Dan Redline. We will ask him to inspect the site prior to burning. If any members of the CLA Board would like to be present when we meet with him, please let me know.

4. There is an erosion problem in the beach area, with rivulets running into the lake. Since the rains began last week the erosion has become readily visible from the lake. Pictures indicated some areas were cut rather deeply. (estimate a foot) Although the development application for this property includes a plan describing construction and use of silt fencing and bales of straw to prevent erosion, only a small silt fence at the north end of the beach area is in place. The owner was seen smoothing the eroded area yesterday (Thursday).

There is 300 feet of silt fence on the northern end of the property. The entire bank area that had been graded has been hydro-seeded and grass is growing very well in that area. There has never been any erosion in that area.

Regarding: "The owner was seen smoothing the eroded area yesterday." (In the 2003, CGP EPA defined regular site inspection with regard to rain: (ii) within 24 hours of any rainfall event of 0.5 inches or greater) Upon inspection after a rain, Ron found an area south of the boat ramp where runoff down the existing road had caused some erosion. This area of erosion was adjacent to the road and was confined to the top of the beach. Ron started erosion control measures immediately; his first control measure was to fill in the eroded area adjacent to the road.

Previous owners had handled storm water runoff in this area with a grate over a dry well and a PVC pipe under the roadway that carried the storm water onto the beach. After observing the storm water run off after a heavy rain; we determined this storm water management plan was not adequately handling the storm water runoff from the heavy rain.

To correct this we built a storm water retention swale above the road, away from the beach, and had it hydro seeded when the adjacent area was hydro seeded. Then from the swale overflow area we dug a small ditch across the road, based with small rocks,

and imbedded a perforated pipe in the sand to disperse any storm water that exceeded the capacity of the storm water retention swale. However, we had a heavy rain the day after the swale was installed and hydro seeded and someone intentionally and maliciously destroyed the swale by driving a heavy vehicle over it again and again. I have Pictures of the vandalized swale area, or I would be glad to show the CLA Board the damage caused by the vandalism. Until the ground dries out we cannot repair the damage to the swale so we had to modify our storm water management plan for that area.

After the vandalism, we placed bales of hay along the road, and at other areas where we felt it would help filter the water. We placed silt fence along the shoreline to catch any possible drainage that might extend down to the shore. If anyone has any questions we would invite them to meet us at the site and we will be glad to show them what erosion control measures we have in place and how effective they are.

5. The main concern the Vincents had was the application for drawing water from the lake for a commercial system. The developer has already filed and the request has been noticed in the paper as required. September 6 is the deadline to file letters of protest. The Cost is \$25.00. When the Vincents received a copy of the application their concern was further heightened by the amount of water being requested. In previous lake association meetings, and in information given to the newsletter editor, the owner had estimated the amount needed for their proposed 11 dwellings was 1.2 million gals of water a year. However their application requests 47.2 million gals for domestic use and another 18 million gals for irrigation purposes.

The Vincents' main concern is based on an erroneous calculation and understanding of the IDWR Permit application form. The form asks for a "maximum diversion rate" which the Vincent's erroneously presented as a "continuous maximum flow for 365 days a year. They are not the same thing.

From a Glen Rothrock email dated September 10, 2004: "I received the email from Gary Gaffney, and I too can see that you are upset. Let me explain. On August 27th I was invited to a board meeting of the Cocolalla Lake Association. My only role was to answer any technical questions. The Association handed out the IDWR Application for Permit which stated a request for 0.2 cfs + 0.08 cfs for irrigation. The interpretation by the Association was a request for up to a maximum 0.2 cfs continuously for 365 days/year. The association calculated this as around 47 million gallons/year, or around 0.3% of the Cocolalla Lake volume over a year. For a single source water draw, this would be a substantial take, and their calculated total volume was way more than what the Association had estimated for an 11 home subdivision. I simply rechecked their water draw calculations based on evidently an incorrect assumption of 0.2 cfs for an entire year."

From Gary Gaffney, P. E. DEQ dated September 10, 2004:
"The DWR instructions asked you to indicate the maximum rate of diversion."

About the estimated amount figures I presented to the CLA for 11 homes:

Gary Gaffney September 9 email:

"a more realistic average annual number for the 11 homes was the 1.2 million gallons"

I have set an appointment time for Monday, September 20 at 10:00 A.M. at our project engineer's office at the request of CLA president Bonnie Anderson to address the

"incorrect assumption" and any other questions the board might have about our projects effect on Cocolalla Lake. I have contacted each of the Board Members present at the August 27 meeting to invite them to attend this meeting.

6. Mr. Vincent noted that while this amount being drawn from the lake might not make a noticeable difference in and of itself, it would provide far more water than necessary for the proposed development and give the developer adequate reserves for far more development. In addition to that potential, it sets a precedent for other land owners in the vicinity to request and be granted similar water rights, which combined with proposed diversion would significantly impact the lake.

Mr. Vincent's concern that the amount requested would be far more water than necessary is clearly based on the "erroneous assumption" that we have requested "47.2 million gals a year for domestic use and an additional 18 million gals for irrigation." See response Number 6.

7. The application for the water was signed by Ronald Chaney, member of Sandy Beach Properties, LLC. So it appears that rather than being the Chaney's, doing the work themselves, etc. This is a shareholder situation in which there is no "local owner."

True, Ronald Chaney, member of Sandy Beach Properties, LLC signed the application. Ronald Chaney and Rose Chaney are "members" of Sandy Beach, LLC. We do hands on work on our projects; however, we also hire contractors who work on our project. There are no shareholders, only members in an LLC. Ron and I live in Sandpoint and were both born and raised in Bonner County; we are about as local as you can get and we are the sole owners!.

8. Fred Vincent said there were criteria which Water Resources considers when reviewing an application and any protest to it. One of the criteria is "good faith-not for speculative purposes". At this time Fred handed out a copy of a memo included in the County file on the proposed development. (Between June Bergquist, DEQ and Lisa, Planning). It indicated that the owner had already proceeded to do work without the necessary permits, burned the buildings illegally, etc. Fred also shared pictures of the lagoon area illustrating the dump site, the burn piles with pvc, and the pictures of the recent erosion of the beach area.

I discussed with June Bergquist the complaints she had received regarding our project several months ago. When Scott Brown, our design engineer, began discussions with Planning and Zoning applying to subdivide our property; the planning office forwarded to him the June Bergquist, DEQ communications with Lisa Nolan, Bonner County P and Z. As you can see, when I spoke with Ms. Bergquist about our project we had completed the cleanup of the Sandy Beach Resort Site. We had already installed silt fencing along the shoreline below where we restored the bank contour and were preparing to hydro seed the disturbed bank area.

Before my conversation with June, we had had our neighbor Leland Johnson selectively remove dead and dying trees from the site. We had a contractor pull the stumps and fill in the holes that were left, the stumps were removed to the lagoon site to be burned after they had had a chance to dry out. Leland hauled the logs.

We had had local men and women salvage all that they could from the old resort buildings. We loaded eight or more 27 to 30 cubic yard dumpsters with unburnable material and refuse from the site. We did burn that which was not salvageable from the buildings. When I talked to Ms. Bergquist we had completed burning except for the stumps from the tree removal. She told me it had been "reported to her" that we had burned the buildings we had torn down. We were unaware that a property owner could not burn the remains of buildings on their property. I assured her that we had finished the clean up of the Sandy Beach Resort site and we would not be burning anymore on the site. And we have not burned anything on the Resort site since that time. Leland Johnson asked if he could burn slash from trees that his father wanted him to remove in the pit next to his father's property; we did give him permission. Leland obtained the required permits to burn the slash.

We were restoring the property from what we felt was a sadly rundown condition to a clean, debris free condition. We are proud of the improvement we have made in the property.

As seen from the Bergquist-Nolan communication; Ron had had a pre-application meeting with the Bonner County Planner but we were not ready to submit and had not submitted an application to Bonner County Planning and Zoning at that time. We have since submitted a proposal to the BC P&Z for an eleven residential lot PUD on 11.5 acres.

Regarding our failure to obtain permits before beginning work:

On September 2, Mr. William Hahn, with SAIC, called from our project site which he had been sent to inspect by EPA. He told us, our site was one of 12 sites he had been asked to inspect in EPA Region 10, which includes Alaska, Oregon, Washington and Idaho. He did not know why EPA had asked him to inspect our site and neither do we.

From Mr. Hahn's report regarding our erosion control measures:

Stabilization Practices: hydroseeding was done to stabilize a bank above the lake approximately three weeks ago. The grass has established well. Additional hydroseeding of about one acre was being done when the inspector arrived.

Structural Practices: Silt fence has been placed along the lake just above the waterline where the bank extends along the waterline. The silt fence is anchored with stones rather than trenched. It appears to be functioning effectively.

Non-structural practices: None. No evidence of track out from the site. Existing campground entrance is being utilized. Site is clean and free of litter and debris. Tree stumps that were removed and piled in a fenced storage area across the road from the site.

Evidence of Sediment Deposition to Surface Water: None in any area of the shoreline.

Pollution prevention measures for non storm water discharges: None. No non-storm water at the site.

On approximately September 1, June Bergquist had called me to tell me we needed to be aware of the new EPA regulations for a NPDES permit. She told me that I could find the information that I needed on line and that I should give the information to our engineer because he might not be aware of the new requirements. This was the first time we had ever heard of the "new NPDES permit rules".

On September 2, when Mr. Hahn was inspecting our site he gave Ron two brochures that outlined the new NPDES permit rules; one for us and one for our engineer, as he said our engineer might not be aware of the new regulations. We gave one of the brochures to our project engineer, Scott Brown. After reviewing the brochure; he said he could not complete the NPDES NOI requirement, only an on site operator was allowed to file the

application. Scott said that Sandpoint Planning and Zoning has recently started requiring that applicants file for an NPDES permit; however, as far as he knows the county does not currently require an NPDES permit.

On line I found the Environmental Law Advisory: EPA Issues New Storm Water Permit Requirements for Construction Activities which says: "On July 1, 2003, EPA issued a new Construction General Permit (CGP) to implement revisions to federal storm water regulations applicable to construction activities. The revised regulations, effective since March 2003, reduced the threshold for storm water permitting requirements from five to one acre of land disturbed by construction activities." I was still under the impression that we were talking about our proposed preliminary plat application which is still being processed by Bonner County P&Z and that this was something new we needed to obtain before a contractor started work on our proposed subdivision.

On September 16 we received from EPA notice that we "had failed to apply for coverage under the CGP prior to beginning construction, and were operating without an applicable NPDES permit." For failing to obtain the NPDES permit, as first time violators, we are being fined \$2,000 and will be allowed to use the expedited settlement procedure. Since we have not begun construction on our project, I was confused by this. I found in the NPDES instructions that the EPA definition of construction includes "grading", which we did when we recontoured the bank in an attempt to return it to its natural contour; and when we filled in the stump craters, and when we filled in the old building foundations. Ignorance of a law is no defense and we will pay the fine.

9. Fred asked if the board would send a letter of protest to Water Resources, citing the applicable criteria and, in particular, the quantity of water being requested.

Mr. Vincent had presented *erroneous flawed calculations* to the Board as a "legitimate" concern. He asked the board to send a protest based on his *erroneous flawed calculations*. The Board voted unanimously to send a letter protest based on his *erroneous flawed calculations*. He asked the board to have Glen Rothrock confirm his *erroneous flawed calculations*. This reliance on Mr. Vincent, and his *erroneous flawed calculations*, without contacting IDWR is hard for me to understand when this was obviously a concern of such importance to the Board. Did anyone question Mr. Vincent's qualifications to interpret the meaning of the IDWR form?

I believe I have addressed several of the individual items the board wanted to discuss further.

A. Burn Piles on the lagoon Property: Concerns included the possible runoff into Johnson Creek and the owner's continued failure to address requirements in the DEQ approved SANCO Operation Plan such as: proper fill of the abandoned lagoon, annual testing of wells neighboring the SANCO drain field, etc. Glen Rothrock said he would consult with June at DEQ re: the water quality aspect of the burn piles and check into the follow-up of the lagoon closure and check into possible violations.

We will ask Dan Redline, DEQ, to examine the burn piles prior to burning.
I have called Gary Gaffney, P. E., DEQ regarding the lagoon cleanup. See: **Number 1**

B. Shady Cove Area Sewage Systems: Glen Weatherly thought not all homes had hooked up with SANCO, but could not find exposed pipes which had been previously described as over flowing during high water times. Glen Rothrock explained the systems could be grandfathered but when they eventually fail they must be changed

or the owner may get a 90 day permit to fix it temporarily.—per provisions established in 1974. "Fred" believes there are residences where systems have failed and they have 90 day permits which are years old. Cary related stories re: sewer failures at the north end where Panhandle Health has evidently approved variances to the usual drain field setbacks without the owners even requesting them. Glen Rothrock stated that any help the association could offer to get the grandfathered residences on the sewer system would be great. Kerry suggested that since we can't build or provide a system, maybe we could seek Grant funds to assist residents. The cost has increased to a rumored \$10,000 for Sanco hookup.

I have answered the above "concerns" that relate to SANCO in response **Number 2**. If the CLA would like more information regarding SANCO please give us a call. As stated in **Number 2** above, we have contacted the 39 property owners directly south of Sandy Beach and told them there are 23 SANCO hookups available at a price of \$7950 with terms if we can extend the collection lines at the same time we are placing infrastructure on Sandy Beach Estates. We can only extend the lines if property owners to the south of Sandy Beach commit to enough hookups to pay for the line extensions.

Kerry's suggestion that the CLA seek grant funds to assist residents with hookup fees as a possible solution to the cost of providing this service is a good one and one that we would support in any way that we could.

I am sorry this addendum is so long; however there were some very complex issues regarding our actions and intentions that were presented and discussed at this Special Meeting of the CLA Board; a meeting that we were not invited to attend. There were rumors, there were less than flattering innuendos; there were completely false statements; and there were some real concerns about the lake included in these minutes. I feel it is only fair that, as an attachment to the minutes of this meeting, you include my response to each of the concerns that were presented to the Board and the concerns which the board expressed.

Sincerely,



Rose Chaney

CC: Robert Haynes Robert G. Haynes, P. E., IDWR

September 15, 2004

Robert G. Haynes, P.E.
Idaho Department of Water Resources
FAX: 208 769-1454

Dear Mr. Haynes;

Regarding the Linda Muskopf Protest of Permit Application 96-9191

I am faxing you a copy of my written response to Mrs. Muskopf's Protest of our application.

I have talked to Mrs. Muskopf and tried to address her concerns. I have asked her to meet with me at the property, which she has not visited to my knowledge, to address all of her concerns. However, her schedule is such that she was unable to meet with me.

I am not sure which of her concerns are pertinent to our IDWR application, but I have tried to deal with each concern.

Sincerely,

A handwritten signature in cursive script that reads "Rose Chaney".

Rose Chaney

September 16, 2004

Linda Muscopf
P. O. Box 127
Cocolalla, ID 83813

Regarding Notice of Protest to Application for Permit 96-9191

Dear Linda;

We spoke at length about the basis of your protest at Chuck and Sonya Gladish's home last week. At that time I tried to explain that the "interpretation" of the calculations which Fred Vincent presented to the Cocolalla Lake Association Board meeting, and the calculations which you relied upon for your protest, were incorrect. We have asked the CLA Board Members present at the August 27 meeting, requested by Mr. Vincent to discuss our application, to meet with our project engineer, Scott Brown, so that he can explain the difference between "a continuous maximum flow for 365 days a year" and the "maximum diversion rate" that the IDWR form asks that your use. The meeting is Monday at 10:00 a.m at the offices of Tucker Brown and Vermeer LLC Engineering and Land Surveying — 102 S. Second Avenue, Sandpoint

There are other concerns expressed in your protest which I felt could best be addressed by a visit to the site, which I do not believe you have personally inspected. I am sorry that your schedule does not allow you to visit the site at this time. So I will address your concerns as stated in your protest of Permit Application 96-9191 to the best of my ability even though I am not sure that they all relate to a IDWR permit to withdraw water.

1. "Cocolalla lake is rated 303D (impaired). For over 10 years the residents in the area have worked to improve the lake from what was considered by some to be an irreversible state of eutrophication. We had seen a fair amount of success. Then this spring everything changed.

In front of our house we have had "pea soup" since May. The Lake Association has reported that visibility has declined to only 5 ft, and oxygen levels are very low as well. We are concerned about any high volume diversion from Cocolalla Lake. Our concern is not about the impact of just one development using lake water, but about the precedent set and the future *cumulative* impact on the lake."

The previous use of the Sandy Beach property was a 95 unit RV Park with all the attendant commercial activities. Our proposed eleven residential lot PUD is compatible with adjacent residential property use. Our Bonner County Planning and Zoning application for an 11 residential lot PUD on approximately 11.5 acres meets current zoning requirements. The 39 adjacent residential lots to the south of the property (Johnson's Lakeside Subdivision and Johnson's Lakeshore Subdivision plus six additional lots between) are all smaller than our proposed lot sizes.

We know that the previous resort used lake water, but we do not know how much was used. Even without considering the fact that lake water has been used for years by the resort, we believe that our plan for eleven single family residential lots will have significantly less of an impact on the lake than the property's previous use. And, most especially, that is the case during the lakes critical summer months.

We have only observed the "pea soup" condition in front of the Sandy Beach property on one day last week. I can't explain why in front of your house it has lasted since May.

2. "431 Properties, LLC", (Ron and Rose Chaney) filed an application for a PUD development of 11 residences on the now defunct Sandy Beach Resort property. They have claimed that the amount of water they would need from Cocolalla Lake to supply this project would be approximately 1.2 million gallons a year. However, they are, as Sandy Beach Properties, LLC, requesting rights for 47.2 million gallons a year for domestic use with an additional amount requested for irrigation. This certainly raises a question in our minds as to what the real intended use is for the water and what the real extent is of the development they are planning, and whether this application is being submitted in good faith. (The amount shown for the total amount of water being requested is incorrect.)

I believe the estimated use of 1.2 million gallons a year for eleven homes is a fair approximation of use. At the Cocolalla lake Association's request I tried to estimate an average water use for eleven homes. My estimate was approximately 1.2 million gallons a year. I arrived at that estimated use by finding average water consumption rates from several water use sites on the internet. I asked Vern Bumsted, owner of King Water that installs surface water systems in Washington and Northern Idaho, what his estimate of use would be and he said about 300 gallons per day per household. When William Hahn, Senior Engineer with SAIC (An EPA consulting firm), was reviewing the Sandy Beach Project on September 2, he told me he was approached by a man driving a pickup with a large white dog in the back who represented himself as a member of the CLA. He asked Mr. Hahn if he thought 1.2 million gallons of water a year would be the approximate water use for 11 homes. Mr. Hahn said he told him, that using an industry standard of 75 gallons per day per person that would be a fair estimate of use for 11 homes. On September 9 I received an email from Gary Gaffney P.E., Senior Engineer with DEQ in Coeur d'Alene. In the email he says: The 1.2 million gallons annually is probably a good number for average annual water consumption by 11 homes since it translates to about 300 gallons of water per day.

The problem is in the erroneous belief that our permit is a request for 47.2 million gallons a year for domestic use and additional amount for irrigation. Your figures for the amount of water you believe we have requested appear to be based on Mr. Fred Vincent's erroneous interpretation of the IDWR form which he presented to the CLA Board at a meeting which he had requested to discuss our application.

From an email dated September 10, from Glen Rothrock, DEQ Watershed Coordinator:

"The Association handed out the IDWR Application for Permit which stated a request for 0.2 cfs + 0.08 cfs for irrigation. The interpretation by the Association was a request for up to a maximum 0.2 cfs continuously for 365 days/year."-----I simply rechecked their water draw calculations

based on evidently an incorrect assumption of 0.2 cfs for an entire year. (See attached September 10 email from Glen Rothrock.)

When we met, I gave you a copy of the State of Idaho Department of Water Resources Instructions for completing a CLAIM TO A WATER RIGHT. And I reviewed with you: IDWR instructions number (3) Quantity, Use and Period of Use. And the section which state that the applicant is to: **Indicate the maximum rate of diversion.** (Gary Gaffney, P.E, Senior Engineer with the Idaho Department of Environmental Quality reviewed the IDWR instructions and said in a September 10 email: The DWR instructions asked you to indicate the maximum rate of diversion.)

A Maximum rate of diversion is not the same thing as a **continuous maximum annual flow** as Mr. Vincent misrepresented to the board and upon which the board relied.

Referencing your statement that **The amount shown for the total amount of water being requested is incorrect.** I also reviewed with you IDWR instructions for completing a CLAIM TO A WATER RIGHT Number 4: Total quantity: "State the total *rate of diversion* after accumulating flows for each use.

The quantity entered in Item 4 (which is line 5 of the application) may be less than the total of the quantities listed in Item 3 (see above). However, it must be equal to the largest quantity in line Item 3."

To confirm the IDWR Instructions above, I asked Al Beardslee of IDWR about "total quantity to be appropriated". He told me that Diversion Rates are not cumulative which is in agreement with the IDWR instructions.

3. Granting this permit for this volume of water is not consistent with the surrounding community's interests. We moved to Cocolalla to be on the lake, but there are people who have lived in the area all of their lives. Together we have been involved in the efforts to improve the lake. Most of the area residents live here so they can enjoy the lake. Its quiet kind of lifestyle. There is fishing and swimming and public accesses on the lake, including 100 acres of recently obtained property toward the south end.

Although, it is a small lake, Cocolalla is an important public asset which adds tremendously to the quality of our lives. We intend to strengthen our efforts with the Lake Association to regain what was apparently lost in terms of quality this year. Please do not approve this application which could upset the balances we are trying to achieve.

4. The Cocolalla Lake area has many species of wildlife including Bald Eagles, Moose, Deer, Turkey, Bear, and Osprey. Fishermen catch perch, bass, trout, and catfish, etc. A request for this volume of water, in and of itself, raises questions about the impacts on the lake, the local wildlife, and the existing environment.

As the premise for this section of the protest is "this volume of water", my response is the same as my response for item 2 of the protest.

However, the concerns are heightened when one is aware of the actions already taken on the Sandy Beach Property.

With seeming disregard for the effect on the lake, this spring the owners burned (for weeks) large slash piles next to the lake.

In cleaning up the site we did burn this spring. All burn piles were well away from the lakeshore and the beach. As soon as the burning was complete we removed all ash.

(There are 3 more (burn piles) next to the tributary creek waiting to be burned.)

Regarding the stump piles in the Lagoon site --- Burn permits cannot be obtained until after the middle of October. Before we burn the piles, we will ask Dan Redline, of DEQ, to inspect the stump piles before we burn them. I have discussed this with both Gary Gaffney, P.E, DEQ. and June Bergquist of DEQ.

They graded and moved dirt at the edge of, and into, the water.

We removed debris from a large dumpsite over the bank and down to the shoreline, we removed rotten log cribbing from the bank, we removed two buildings located that were within the 40 foot setback required by the county. We removed dead and dying trees. We did not move dirt into the water.

We pulled back the topsoil; then returned the bank to the original contour as determined by the adjacent property and then replaced the topsoil. Then we placed 300 feet of silt fence below the disturbed area and hydro seeded the entire bank area that we had recontoured. I would appreciate the opportunity to walk that area with you so that you might see the silt fence and how well the hydro seed is doing.

They have failed to put in place the erosion control plan which they described in their own PUD Application.

The erosion control plan described in our PUD application is for the placement of infrastructure which will not begin until after we have received preliminary approval of our PUD application from Bonner County Planning and Zoning.

As a result, the recent rains caused significant runoff into the lake. The owner was seen using his tractor to cover over the eroded area after the first several days of rain and again after we had more. But no straw bales or new silt fences have been put in place to date and nutrients from the bare ground and the hydro-seeded area continues to feed into the lake with each new rain.

After the recent heavy rains there is an area south of the existing boat launching ramp where some erosion occurred at the edge of the hard surface of the existing road. When we purchased the property there was a grate over a dry well on the west side of the road and a PVC pipe from the dry well extended under the road; so we were not surprised that storm water collected here. Ron has checked for erosion after each

of the recent rains, after one particularly heavy rain near the road, he found an eroded area starting at the east side of the road about six inches wide; he did not find that the erosion extended to the water and he detected no turbidity in the water. To prevent increased erosion, in case of further heavy rainfall he filled in the eroded area. Then he built a storm water retention swale on the west side of the road; a small ditch across the road with gravel in the bottom; then he imbedded a perforated pipe in the sand on the east side of the road, leading from the ditch to dissipate any overflow. He did this just prior to the completion of our hydro seeding project this last week. Saturday our hydro seed contractor called and told us our water retention swale had been vandalized by running a vehicle repeatedly back and forth over the soft newly hydro seeded swale while it was soft from the recent rain. (I have pictures of the vandalism) We will repair the damage to the retention swale as soon as the ground becomes less saturated. In the mean time, we have placed bales of straw on the roadway to disperse any storm water accumulating in that area. We also placed a bale of straw at the end of the perforated pipe to disperse any water that the pipe does not because of increased flow due to the damaged retention swale. We also installed 100 feet of silt fence south of the ramp to hopefully satisfy the concerns expressed.

Again, I hope that you will have time to walk the site with us to see what we have actually done.

5. The request to divert 47.2 million to 60+ million gallons of water from Cocolalla is very troublesome to us. In seeking support for their development, the applicants have been adamant that only 1.2 million gallons per year would be required from the lake to serve the 11 residences. They have portrayed themselves as sole owners, with interest in the community. But there may be reason to question their purpose and their ability to accomplish it.

I have addressed the first part of this section "the request to divert 47.2 million to 60+ million gallons of water and the fact that I had at the CLA's request estimated 1.2 million gallons as an approximation of the needs for 11 homes in my response to #2 above.

Please give me the "reasons" you have to question our purpose and ability to accomplish it, because I am unaware of what those "reasons" might be.

It is no secret in the Sandpoint area that the Sandy Beach Resort property has always had problems getting sufficient water.

Actually, when the Sandy Beach Resort property needed water in excess of the storage of the shallow resort well, they took the water they needed for the resort and irrigation from the lake without applying for an IDWR Permit.

The owners have mentioned publicly that there are resources available to them other than the lake. So we wonder, "Why use the lake water?" We have been told by IDEQ that obtaining approval for purification of surface water for public consumption is a very costly and time consuming process...that the more stringent requirements of the Safe Drinking Water Act make it very difficult to obtain. Who

will be assuming the financial responsibility? Ron and Rose Chaney? 431 Properties, LLC? Or Sandy Beach Properties, LLC?

We do not remember "mentioning publicly" that there were resources available other than the lake. However, we did research extensively other sources of water for our project and were not able to find an alternative ground water supply that met DEQ requirements. You are right, the requirements are stringent and installing surface water treatment equipment that meets the regulatory standards is expensive. We, Ron and Rose Chaney, as owners of both Sandy Beach Properties, LLC and 431 Properties, LLC, will be financially responsible for the installation of a surface water treatment system that meets the appropriate agencies requirements for 11 homes and, when the system is completed to all the agencies satisfaction, ownership will be transferred to the Sandy Beach Homeowners Association as recommended by Mr. Bob Smith with the Idaho Public Utilities Commission.

Considering an application to divert this volume of water and having a clear understanding of whom it is going to and what they will use it for, and having the belief they will do it is one thing. Having multiple entities involved, seeing such a discrepancy between the volume needed for the stated purpose and the 47.2 million (plus irrigation) requested in the application, and evidencing such disregard for the lake raises many questions and our deep concern. We value all that we have here in the Cocolalla Community and, in particular, we value this precious asset, Cocolalla Lake. We believe the applicant does not meet the criteria set for in Idaho code to protect our lakes and water resources. We ask that you deny this application.

I believe that I have addressed all the concerns in your summary in my responses to the itemized concerns you have expressed in the body of your protest.
If I have not, let me again invite you to meet with us at the site to discuss your concerns.

Sincerely,



Rose Chaney

CC: Robert Haynes P.E. IDWR Regional Manager
CC: Bonnie Anderson, CLA President

September 15, 2004

Robert G. Haynes, P.E.
Idaho Department of Water Resources
FAX: 208 769-1454

Dear Mr. Haynes;

Regarding Michael D. Bennett Protest of Permit Application 96-9191

Do to Mr. Bennett's somewhat successful attempts to incite others to protest our application based on his misrepresentations, innuendos and rumors, I did not feel comfortable having an undocumented oral discussion with him.

Therefore, I have responded to his protest in writing and I am faxing you my written response to Mr. Bennett's Protest of our application.
Thank you,

Sincerely,

A handwritten signature in cursive script, appearing to read "Rose Chaney".

Rose Chaney

September 15, 2004

Michael D. Bennett
P. O. Box 7
Cocolalla, ID 83813

Regarding Notice of Protest of application for Permit #96-9191

Dear Mr. Bennett:

This letter is in response to your protest.

Regarding Protest 1: "This application for a permit to withdraw water from Cocolalla Lake is purely for Speculative purposes."

As no basis for this egregious accusation is given, I don't know how to respond other than to it simply say: it is not true. Our IDWR Application is for water for eleven homes. We have applied to Bonner County Planning and Zoning for an eleven residential lot PUD.

"In reality, the applicant is going into the water business, with the intention of taking state water from a state lake which is already declared impaired and rated 303D, to supply several homes for a private venture."

We plan to install a surface water system that meets DEQ requirements for 11 homes and, when the system is completed to the required agencies satisfaction, ownership will be transferred to the Sandy Beach Homeowners Association as recommended by Mr. Bob Smith with the Idaho Public Utilities Commission.

Regarding Paragraph 2: We feel that any additional water taken from the lake will further endanger several wild life species, creating an even shallower lake condition which will contribute to a worse situation than the current residents already have with the condition of the lake. The current drought, lake weed, algae, lack of lake flow and lack of follow up with unmonitored septic systems has created a major problem for all the concerned homeowner's for recreation, property values and wildlife. Further depletion of our precious resource should not be available for the profit of a private housing development. This is definitely not in the best interest of our community. Perhaps the owner should purchase in a residential zoning area. This is why we purchased in sub/rural, because we did not want to live in a residential neighborhood."

The previous use of the property was for a 95 unit RV Park with all the attendant commercial activities. Our proposed eleven residential lot PUD is compatible with adjacent residential property use. Our Bonner County Planning and Zoning application for an 11 residential lot PUD on approximately 11.5 acres meets

current zoning requirements. The 39 adjacent residential lots to the south of the property (Johnson's Lakeside Subdivision and Johnson's Lakeshore Subdivision plus six additional lots between) are all smaller than our proposed lot sizes. We know that the previous resort used lake water; but we do not know how much was used. Even without considering the fact that lake water has been used for years by the resort, we believe that our plan for eleven single family residential lots will have significantly less of an impact on the lake than the property's previous use. And, most especially, that is the case during the lakes critical summer months.

All lots in our project will be connected to the Sanco Sewer System.

Regarding Paragraph 3:

"We feel that the developer should comply with the same one acre minimums that everyone else is restricted to in the zoning area"

We have not applied for a zone change. Our Bonner County Planning and Zoning application for an 11 residential lot PUD on approximately 11.5 acres meets current zoning requirements for the area.

"and should be subject to available well or ground water to protect the future of our lake and the environment."

We researched the availability of well or ground water for our project. Between 1986 and 1996, four wells were drilled on the Sandy Beach property with depths ranging from 500 feet to 1350 feet. The wells produced from zero to 2.5 gallons per minute when first drilled but none remained functional. (Well driller reports are available on line from the IDRW website.)

We own 40 acres 1 ½ miles up Geenen Road from Sandy Beach in Section 12. We investigated that site as a potential source of ground water. IDRW has no record of any wells drilled in Section 12. We checked with Terry Deal, owner of Deal Electric and Pump, who is very knowledgeable about the wells in the Cocolalla area; he said there were some wells in Section 12; but, they were all of poor to marginal quality.

The previous owners of Sandy Beach tried unsuccessfully to purchase a well owned by you. After we purchased Sandy Beach, we made an offer to purchase the same well, which was the only well for sale in the area. Our offer to purchase was contingent upon DEQ and Panhandle Health approval of the well. You represented the well as over 100 gallons per minute; that your well supplied seven homes with water and that you collected water fees from the users.

Ron worked with Gary Gaffney of DEQ, Mike Nelson of Panhandle Health, Scott Brown, our project engineer, Jim Johnston, owner, H2O Well Service and his well division manager of the well department on the "Bennett well project". Mr. Gaffney in an April 6, 2004 email to our engineer, Scott Brown, outlined the DEQ requirements for a Public Water Supply System that the well would have to meet.

The well did not meet the DEQ requirements and the conditions could not be corrected so that it could meet DEQ requirements for a public water supply system. Neither did it meet the DEQ requirements for our current eleven lot proposal plus the existing hookups. For example: 1. The well is not located on an acceptable 50-foot radius well lot. It is located on the lot line. 2. Information on the exact location of the septic tank and drainfield on the adjacent property was never provided. 3. No acceptable lease could be negotiated with the property owner adjacent to the well for the control of a 50' radius around the well. 4. The well had never had an adequate timed pump rate. The pump rate for 100 gallons a minute could not be performed with the size of the pump in the well. Mr. Johnston said he could not assume the liability for the possible collapse of the well during the required pump rate tests. He was also concerned about the possible collapse of the well if he were to perform the necessary well upgrades: increasing the size of the well casing to six inches, installing a concrete collar. (Attached is Gary Gaffney's email of April 6 regarding the DEQ requirements for approval.)

In a Panhandle Health District letter to you, Mr. Bennett, dated June 23, 1994, ten years ago, the following requirements for DEQ approval of your well were outlined: (See attached)

"Idaho Code 39-188 requires that plans and specifications for your proposed water system be approved by the division of Environmental Quality.

The following need to be submitted to the Division of Environmental Quality:

1. The drillers log for the well.
2. Results of a 6 hour test pump of the well including pumping rate, drawdown, static water level and recovery time.
3. A copy of the deed describing a minimum 50' radius well lot.
4. Sample results from the well for coli form bacteria, nitrate and nitrite.
5. Plans and specifications for the proposed water system signed by a engineer registered in the State of Idaho

Plans and specifications for the water system must be approved prior to construction."

The only proof, that the well met any of these DEQ requirements at any time, that was provided was a copy of the well drillers log dated June 16, 1994. (June 1994 letter is attached)

Because your well does not meet DEQ requirements, we had to reject using it even before we talked to DEQ about the existing water system. However, we observed a green, water junction box, under water this spring, directly down gradient from the well and a muddy horse pasture. This observation caused us grave concern over assuming liability for the condition of the existing water system.

"The future outcome for precedence of the approval of this project would be devastating, as well as the future permits for removal of water from our lake for the widening of highway 95, of which we will also strongly appose. Water is currently being withdrawn from the lake for the bridge project in Sagle and we are wondering how this permit was granted with the current lake condition rating of the lake."

As I do not know what information you relied upon as the basis for the above statement, I do not know how to respond.

Regarding: **"help our community save and improve our lake!"**

I, too, am a concerned Cocolalla Lake waterfront property owner. I am concerned about the devastating effect on the lake of the Arrowhead Ranch Subdivision, which I understand you developed for *profit*! It has been reported to me that erosion is occurring along the shores of Lake Cocolalla in front of the Arrowhead Ranch Subdivision; this erosion can be seen from the water. Have you implemented proper storm water abatement plans to prevent rivulets from entering the lake? No straw bales or silt fence was seen! I understand, all of the lots in your subdivision are on *unmonitored* septic systems! What are you going to do to correct that? Has the Arrowhead well commercial water system, which you own and operate for profit, ever been approved by DEQ? These are just a few of my concerns that I hope you will address.

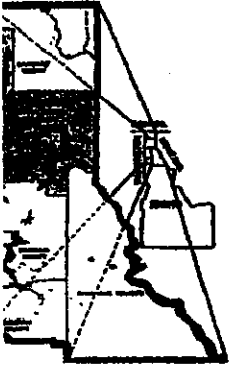
Sincerely,



Rose Chaney

CC: Robert Haynes, P.E., IDWR

CC: Cocolalla Lake Association



PANHANDLE HEALTH DISTRICT I

P. O. Box 734
1020 Michigan
(Ella Street at Michigan Street)
Sandpoint, Idaho 83864
(208) 263-5159

Miss Ben Gile
Environmental Health
Vital Statistics
Home Health
Health Education
Family Planning
Well Child Conference
WIC Clinics
Immunizations

June 23, 1994

Michael Bennett
PO Box 7
Cocolalla Id 83813

Re: Well site evaluation for Arrowhead Ranch

Dear Mr Bennett

Thank you for the opportunity to inspect the well site for the 7 lot Arrowhead Ranch subdivision with you on 06/23/94.

The site, located near the north property line of lot 3, exceeds the requirements under Idaho Rules for Public Drinking Water Systems.

Idaho Code 39-188 requires that plans and specifications for your proposed water system be approved by the Division of Environmental Quality.

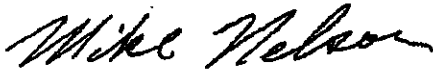
The following need to be submitted to the Division of Environmental Quality, 2110 Ironwood Parkway, Coeur d Alene, Id 83864:

1. The drillers log for the well.
2. Results of a 6 hour test pump of the well including pumping rate, drawdown, static water level and recovery time.
3. A copy of the deed describing a minimum 50' radius well lot.
4. Sample results from the well for coliform bacteria, nitrate and nitrite.
5. Plans and specifications for the proposed water system signed by a engineer registered in the State of Idaho.

Plans and specifications for the water system must be approved prior to construction.

Please call me at 263-5159 if you have any questions. I have enclosed applicable sections of Idaho Rules for Public Systems for your information.

Sincerely



Mike Nelson
Environmental Health Specialist
Drinking Water Coordinator

MN:ld

cc: Steve Tanner
IDHW-DEQ Coeur d Alene

Lorne E Braun
Panhandle Health District Sandpoint

Ron and Rose Chaney

From: GARY GAFFNEY [GGAFFNEY@DEQ.STATE.ID.US]
Sent: Tuesday, April 06, 2004 12:24 PM
To: bsb@sandpoint.net
Cc: STEPHEN TANNER; rchaney@imbris.com; mnelson@phd1.state.id.us;
bsmith@puc.state.id.us
Subject: Sandy Beach Resort water system

Scott,

Steve Tanner and I discussed with you today several issues relating to developing a new water source for the Sandy Beach Resort water system by using Mike Bennett's existing well serving 7 present users on the Arrowhead subdivision non-public water system. To make certain everyone understands DEQ requirements, I am restating the points from our discussion below:

1. Well Site: Although Mike Nelson's letter implied the existing well and site are acceptable, the well needs to be located on an acceptable 50-foot radius well lot. We understand that the well is on a one-acre lot but is located along one edge where it is about 51-feet to a neighboring house. You indicated that you would be field locating the well, house, property lines, septic tanks, and sewage drainfields in the vicinity of the well. We would like to look at the map showing these features. The well cannot be closer than 100 feet from any septic tank or drainfield.
2. Partial Well Lot Lease: Discussions are underway with the home owner near the well regarding a lease of his property closer than 50 feet from the well. This lease should be for 99 years and should prohibit all activities by the lot owner within the 50 feet that are prohibited within well lots (e.g. storage of chemicals, applications of herbicides, and other activities with the potential to spill or impact groundwater quality.) A copy of the draft lease should be provided to DEQ for review before it is executed.
3. Well Construction: The existing Bennett well was not drilled as a municipal well meeting the public water system (PWS) standards. It is a 6-inch diameter 635-foot deep well with a 0.25-inch thick steel casing and about a 1-inch well seal to unknown depth. In order for this well to be approved as a PWS well, the deficiencies from the PWS standards will need to be accepted and/or waived by DEQ. If the well lot, separations, and lease are found to be acceptable, you will need to identify how this well does not comply with public drinking water well standards and propose how to modify the well or waive those requirements not in compliance.
4. Well Production: We understand that this well is thought to be capable of up to 100 gpm but presently has only a 30 gpm submersible well and no reliable test pumping information. While the 30 gpm capacity if sustainable may be sufficient supply for the proposed water system, DEQ is concerned about the long-term production capacity of this granite well. Our experiences have been that some wells similar to this well eventually exhibit a severe reduction of capacity when called on to produce more water. If items #1-3 can be resolved, we recommend that you retain the services of a hydrogeologist to evaluate the long-term water production capacity of this well and provide us with a copy of this evaluation. The Idaho Rules for Public Drinking Water Systems now require the following for test pumping new wells:

IDAPA 58.01.08
IDAHO RULES FOR PUBLIC DRINKING WATER SYSTEMS

550. DESIGN STANDARDS FOR PUBLIC DRINKING WATER SYSTEMS.

03. Wells. Any supplier of water for a public water system served by one (1) or more wells shall ensure that the following requirements are met:

(12-10-92)

f. Test pumping. Upon completion of a groundwater source, test pumping shall be conducted in accordance with the following procedures to meet the specified requirements:
(12-10-92)

i. The well shall be test pumped at the desired yield (design capacity) of the well for at least twenty-four (24) consecutive hours after the drawdown has stabilized. Alternatively, the well may be pumped at a rate of one hundred fifty percent (150%) of the desired yield for at least six (6) continuous hours after the drawdown has stabilized. In either case, if the drawdown does not stabilize, the pumping must continue for at least seventy-two (72) consecutive hours. The field pumping equipment must be capable of maintaining a constant rate of discharge during the test. Discharge water must be piped an adequate distance to prevent recharge of the well during the test. If the well fails the test protocol, the well design shall be re-evaluated and submitted to the Department for approval. (5-3-03)

ii. Fifteen (15) minutes after the start of the test pumping, the sand content of a new well shall not be more than five (5) parts per million. Sand production shall be measured by a centrifugal sand sampler or other means acceptable to the Department. If sand production exceeds five (5) ppm, the well shall be screened gravel packed, and re-developed.
(5-3-03)

iii. The following data shall be provided:

(5-3-03)

(1) Static water level in the well prior to test pumping;

(5-3-03)

(2) Well yield in gpm and duration of the pump test, including a discussion of any discrepancy between the desired yield and the yield observed during the test;

(5-3-03)

(3) Water level in the well recorded at regular intervals during pumping;

(5-3-03)

(4) Profile of water level recovery from the pumping level projected to the original static water level.

(5-3-03)

(5) Depth at which the test pump was positioned in the well;

(5-3-03)

(6) Test pump capacity and head characteristics;

(5-3-03)

(7) Sand production data.

(5-3-03)

(8) Any available results of analysis based on the drawdown and recovery test pertaining to aquifer properties, sustained yield, and boundary conditions affecting drawdown.

(5-3-03)

iv. The Department may allow the use of other pump test protocols that are generally accepted by engineering firms with specialized experience in well construction, by the well drilling industry, or as described in national standards (such as ANSI/AWWA A100-97), as long as the minimum data specified in Subsection 550.03.d.iii. are provided. The Department welcomes more extensive data about the well, such as step-drawdown evaluations used in determining well capacity for test pumping purposes, zone of influence calculations, and any other information that may be of use in source protection activities or in routine water system operations.
(5-3-03)

5. Second Source of Supply: The Rules require that any system serving over 25 connections have a second source of water supply capable of providing 800 gpd/connection. Since 50 to 60 connections are proposed on this water system, a second source of water is indicated. A waiver to this requirement can be applied for by the water system owner but will probably not be accepted unless you can demonstrate that the waiver provides for the same level of service and public health protection as provided by with compliance with the Rule for two sources. DEQ suggests consulting with a hydrogeologist about drilling a new 8-inch diameter well within the one acre well lot for Arrowhead that is completed in accordance with the PWS well standards as the primary system supply with the existing 6-inch well serving as the secondary source.

6. Water Quality: We have no information that indicates the water from the existing Arrowhead well meets drinking water quality standards. Sampling this well for all PWS parameters will be necessary with satisfactory results before it can be used to supply a PWS. Of particular concern is the possibility this well might produce corrosive water requiring treatment to comply with the lead and copper rule. We suggest that the well be tested during any test pumping work for the Langelier Index which is a tool used to predict the corrosive nature of water.

7. Ownership: If this water system will be owned for a profit, then it might be regulated as a public utility by the Idaho PUC. Mr. Robert Smith with the PUC can be contacted for details in this matter.

We hope these notes are helpful to you and your client in proceeding with this project. Additional items may come up as we review this project. While DEQ welcomes construction of a reliable and safe drinking water system for the Sandy Beach Resort and neighboring users presently with poor water supplies, we need to make certain the new system complies with the Rules and will be a safe and dependable water system for all users. Input from anyone is welcome regarding the points listed above.

Gary J. Gaffney, P.E.
Idaho Department of Environmental Quality
2110 Ironwood Parkway
Coeur d'Alene, ID 83814
208-769-1422
208-769-1404 fax
ggaffney@deq.state.id.us

September 11, 2004

Robert F Vincent Jr.
6248 E Mercer Way
Mercer Island, WA 98040

Dear Mr. Vincent:

Regarding your protest of Application for Permit No 96-9191

We have applied to the Idaho Department of Water Resources for a water right for eleven homes. Needless to say I was shocked to receive a copy of the protest from the CLA, as well as the one from you, stating that we were "requesting 47.2 million gallons a year for domestic use and an additional amount for irrigation." And that I had "repeatedly stated to the Cocolalla lake Association that the amount of water would be approximately 1.2 million gallons a year."

I do not see my estimated use of 1.2 million gallons a year for eleven homes as a problem. At the Cocolalla lake Association's request I tried to estimate an average water use for eleven homes. My estimate was approximately 1.2 million gallons a year. I tried to verify that estimated use by finding average water consumption rates from several water use sites on the internet. I asked Vern Bumsted, owner of King Water that installs surface water systems in Washington and Northern Idaho, what his estimate of use would be and he said about 300 gallons per day per household. When William Hahn, Senior Engineer with SAIC (An EPA consulting firm), was reviewing the Sandy Beach Project on September 2, he told me he was approached by a man driving a pickup with a large white dog in the back who represented himself as a member of the CLA. He asked Mr. Hahn if he thought 1.2 million gallons of water a year would be the approximate water use for 11 homes. Mr. Hahn said he told him, that using an industry standard of 75 gallons per day per person that would be a fair estimate of use for 11 homes. On September 9 I received an email from Gary Gaffney P.E., Senior Engineer with DEQ in Coeur d'Alene. In the email he says: The 1.2 million gallons annually is probably a good number for average annual water consumption by 11 homes since it translates to about 300 gallons of water per day.

The problem is in the erroneous belief that we requested 47.2 million gallons a year for domestic use and additional amount for irrigation.

Regarding your allegation: That the applicants have requested a "speculative amount of water greatly in excess of that needed for eleven (11) homes" (Idaho Code 42-203A) paragraph 5(c):

Allen Beardslee, Senior Water Resource Agent, in the Coeur d'Alene office of IDWR helped us fill out the application for eleven (11) homes based on IDWR normal allowances.

I have enclosed a copy of the State of Idaho Department of Water Resources Instructions for completing a CLAIM TO A WATER RIGHT for your review. Please refer to the IDWR instructions number (3) **Quantity, Use and Period of Use**. Please note that the instructions state that the applicant is to: **Indicate the maximum rate of diversion**. (Gary Gaffney, P.E, Senior Engineer with the Idaho

Department of Environmental Quality reviewed the IDWR instructions and said in a September 10 email: The DWR instructions asked you to indicate the maximum rate of diversion.)

According to Glen Rothrock, DEQ Watershed Coordinator, in an email dated September 10th, "The Association handed out the IDWR Application for Permit which stated a request for 0.2 cfs + 0.08 cfs for irrigation. The interpretation by the Association was a request for up to a maximum 0.2 cfs continuously for 365 days/year."-----I simply rechecked their water draw calculations based on evidently an incorrect assumption of 0.2 cfs for an entire year.

A Maximum rate of diversion is not the same thing as a continuous maximum annual flow.

You not only used this erroneous information as the basis of your protest of our application to IDWR you also presented this misrepresentation to the Cocolalla Lake Association Board members at a "closed" CLA Board meeting which was held on August 27, 2004 at your request. And according to the minutes of the meeting, you asked the board to send a letter of protest to the IDWR regarding our application based, "in particular", on your misrepresentation of the "quantity of water being requested."

Please refer to IDWR instructions for completing a CLAIM TO A WATER RIGHT Number 4: **Total quantity:** "State the total *rate of diversion* after accumulating flows for each use.

The quantity entered in Item 4 (which is line 5 of the application) may be less than the total of the quantities listed in Item 3 (see above). However, it must be equal to the largest quantity in line Item 3."

The largest quantity in Item 3 of our application is 0.20 CFS. And 0.20 CFS is the number we used for Line 5 on our application which is consistent with the instructions from the IDWR for completing a Claim to a Water Right for line 5. I also asked Al Beardslee about "total quantity to be appropriated". He told me that Diversion Rates are not cumulative which is in agreement with the IDWR instructions for completing a CLAIM TO A WATER RIGHT.

Regarding your statement: "The amount of water requested leads us to believe that the applicant has intentions for further development beyond "Sandy Beach Estates":

Though publicly stating your "belief" about our "intentions" based on your erroneous "belief" that we have applied for 47.2 million gallons of water a year is probably slanderous, I hope it was not an intentional malicious attack on our reputation.

Bonnie Anderson, president of CLA, told me, and the minutes agree, that a meeting of the CLA Board was held, at your request, to discuss our permit application. She told me a "member of the CLA" calculated that our permit was a request to withdraw 47.2 gallons of water a year from Cocolalla Lake. I later asked her who this member was and she said that you had performed the calculations. She also told me you said you had telephoned "a university professor friend of yours" and he had "confirmed" your figures. I was also told that Glen Rothrock of DEQ, who was asked to attend the meeting, confirmed your

figures and that he said we had applied for 47.2 million gallons of water for domestic use and another 18 million gallons of water for irrigation. In an email dated September 10, Mr. Rothrock explained to me that he had only confirmed that a continuous flow of 0.20 CFS for 365 days would be 47.2 million gallons a year; not that the association interpretation was correct. Quoting from Mr. Rothrock's email: I simply rechecked their water draw calculations based on evidently an incorrect assumption of 0.2 cfs for an entire year.

All roads seem lead to you, Mr. Vincent, as the source of this "incorrect assumption".

If you did not understand the meaning of the different items required by the application, before presenting your misrepresentation of our application to the CLA Board members and throughout the community, why didn't you call the IDWR for clarification? Or download IDWR instructions for completing a CLAIM TO A WATER RIGHT? Or call us? Your misrepresentation of our application and intentions has greatly harmed our reputation with the CLA and others in the area.

Regarding Notice of Protest #7: Your suggested resolution

Regarding Notice of Protest #7: Your suggested resolution

Your resolution of the protest as stated would be for us to use available ground water. We have researched that extensively.

Between 1986 and 1996, four wells were drilled on the Sandy Beach property with depths ranging from 500 feet to 1350 feet. The wells produced from zero to 2.5 gallons per minute when first drilled but none remained functional. (Well driller reports are available on line from the IDWR website.)

We own 40 acres 1 1/2 miles up Geenen Road from Sandy Beach in Section 12. We investigated that site as a potential source of ground water. IDWR has no record of any wells drilled in Section 12. We checked with Terry Deal, owner of Deal Electric and Pump, who is very knowledgeable about the wells in the Cocolalla area; he said there were some wells in Section 12; but, they were all of poor to marginal quality.

The previous owners of Sandy Beach tried unsuccessfully to purchase a well owned by Mike Bennett. After we purchased Sandy Beach, we made an offer to purchase the same well, contingent upon DEQ and Panhandle Health approval of the well. We were told this well produced 100 GPM; we thought that much water would easily support 50 to 60 connections in addition to the 7 families already using the well.

At that time we thought 20 residential lots at Sandy Beach would be compatible with the size of the lots in the area of Sandy Beach and thought we would be applying for a subdivision with that number of lots. Our tentative plan was to explore using the water available, over and beyond the current use and that which we needed, to supply water to some of the existing homes between the well and Sandy Beach that have serious water problems. (I don't know if you attended the

meeting; but, this information was in the first presentation that the CLA asked me to give)

Ron worked for many weeks with Gary Gaffney of DEQ and Mike Nelson of Panhandle Health on the Mike Bennett well project. In addition to Mike Nelson, he had our engineer and a well driller examine and review the well site. Mr. Gaffney in an April 6, 2004 email to our engineer, Scott Brown outlined the DEQ requirements for a Public Water Supply System that the well would have to meet. The Bennett well did not meet DEQ requirements for our original plan nor could they be corrected to meet the DEQ requirements; the well did not meet the DEQ requirements and the conditions could not be corrected to meet DEQ requirements for our revised plan of eleven homes. For example: 1. The well is not located on an acceptable 50-foot radius well lot. It is located on the lot line. Information on the exact location of the septic tank and drainfield on the adjacent property was never provided to us. 2. No acceptable lease could be negotiated with the property owner adjacent to the well. Etc. (Attached is Gary Gaffney's email of April 6) Because of DEQ requirements, we had to reject using the Bennett well even before we talked to DEQ about requirements for the existing hookups. However, we did observe, a green, water junction box, under water in the spring, directly down gradient from the well and a muddy horse pasture. This observation caused us grave concern over the liability of assuming the existing Bennett well water system.

Shortly after we received Mr. Gaffney's email, our engineer was told by the Bonner county Planning Director that with the size of our property and the current zoning in the area; we could apply for an eleven (11) lot residential PUD without requesting a zone change. We followed her recommendation and applied for an eleven (11) residential lot PUD. (This change in plans was included in the second presentation the CLA asked me to make at their annual meeting. Since to my knowledge I have never met you, I don't know if you attended this meeting) Previous owners of Sandy Beach Resort had tried to find ground water that would meet their needs and failed; we tried to find ground water that would meet our needs and failed.

We plan to install a surface water system that meets DEQ requirements for 11 homes and, when the system is completed to the required agencies satisfaction, it will be turned over to the Sandy Beach Homeowners Association as recommended by Mr. Bob Smith with the Idaho Public Utilities Commission.

Regarding Idaho Code section 42-203A, paragraph 5 (e): We have applied to the IDWR for a permit to withdraw from Cocolalla Lake for the domestic and irrigation needs for eleven (11) homes. We believe that eleven (11) homes on the Sandy Beach Property are compatible with adjacent uses, adjacent lot sizes and the quality of life of those who already have homes on the lake. The Sandy Beach Resort was started in the mid 1950s. When we purchased the property it was a 95 unit RV resort with all the associated commercial activity: restaurant, bar, public showers and laundry, plus boat and personal watercraft use. We know that the resort used lake water; but we do not know how much was used. Even without considering the fact that lake water has been used for years by the resort, we

believe that our plan for eleven single family residential lots will have significantly less of an impact on the lake than the property's previous use. And, most especially, that is the case during the lakes critical summer months.

I have tried to address all your concerns which you have stated in your protest that are relevant to IDWR Application 96-9191. I have also stated our concern regarding your misrepresentation of what we have requested on our application. Please call me if you have any questions that I have not addressed.

Sincerely,



Rose Chaney

Cc: Idaho Department of Water Resources

Cc: Cocolalla Lake Association

September 11, 2004

Robert Haynes State of Idaho
Department of Water Resources
FAX 209 769-1454

Dear Mr. Haynes;

Enclosed is a copy of our attempt to answer Mr. Robert F. Vincent Jr.'s protest of Application for Permit No 96-9191.

We have never met Mr. Vincent. I don't know the reason behind his accusations or where he is getting his information; but, regardless of his reason, the nature of his protest and his inciting others to protest our application based on his accusations has made responding to him very difficult for us. Considering the nature of his attacks regarding our intentions as well as our permit application, I am not comfortable talking to him in an informal discussion. I have therefore tried to respond to his protest by certified letter. I am faxing you a copy of my attempt to address his protest based on Idaho Code 42-203A Paragraphs 5(c) and 5(e) as defined in section 42-202B and the attachments which I included with the response letter.

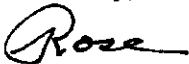
I have talked to Bonnie Anderson, Cocolalla Lake Association President, on two different occasions and she has asked me to set a meeting time for our engineer to meet with members of the CLA board to clarify, I believe, the difference between a **continuous maximum annual flow** and a **maximum rate of diversion**. I told her I would call our engineer, Scott Brown, on Monday and see if we could find a meeting time that would work for Scott and with them. I hope he is able to explain the difference to their satisfaction.

I have also met with Linda Muskopf, CLA secretary, and I think she now understands that the calculations presented by Mr. Vincent to the CLA Board, at the closed meeting which he requested, are flawed. I tried to answer other concerns she expressed about our project but I am not sure that she believed me. So, I will answer her concerns in writing as soon as I can.

I also met with Chuck Gladish, CLA Treasurer, and Sonya Gladish, CLA Membership Chairperson. They did not attend the closed CLA Board meeting requested by Mr. Vincent but they received a copy of the minutes of the meeting which they shared with me. I am enclosing a copy of the minutes for your review.

I will try to keep you informed as we *try* to respond to the protests received.

Sincerely,



Rose Chaney

September 5, 2004

Robert F Vincent Jr.
6248 E Mercer Way
Mercer Island, WA 98040

Dear Mr. Vincent:

Regarding your protest of Application for Permit No 96-9191

We have applied to the Idaho Department of Water Resources for a water right for eleven homes. Needless to say I was shocked to receive a copy of the protest from the CLA, as well as the one from you, stating that we were "requesting 47.2 million gallons a year for domestic use and an additional amount for irrigation."

Regarding your allegation: That the applicants have requested a "speculative amount of water greatly in excess of that needed for eleven (11) homes" (Idaho Code 42-203A) paragraph 5(c):

Allen Beardslee, Senior Water Resource Agent, in the Coeur d'Alene office of IDWR helped us fill out the application for eleven (11) homes based on IDWR normal allowances.

I have enclosed a copy of the State of Idaho Department of Water Resources Instructions for completing a CLAIM TO A WATER RIGHT for your review.

Please refer to the IDWR instructions number (3) **Quantity, Use and Period of Use.**

Please note that the instructions state that the applicant is to: **Indicate the maximum rate of diversion.** Maximum rate of diversion is not the same thing as a **continuous maximum annual flow.** Your calculations of the amount of water we requested are based on a continuous maximum annual flow. You not only used this erroneous information as the basis of your protest of our application to IDWR you also presented this misrepresentation to the Cocolalla Lake Association Board members at a "closed" CLA Board meeting which was held on August 27, 2004 at your request. And according to the minutes of the meeting, you asked the board to send a letter of protest to the IDWR regarding our application based, "in particular", on your misrepresentation of the "quantity of water being requested."

Please refer to IDWR instructions for completing a CLAIM TO A WATER RIGHT Number 4: **Total quantity:** "State the total *rate of diversion* after accumulating flows for each use. The quantity entered in Item 4 (which is line 5 of the application) may be less than the total of the quantities listed in Item 3 (see above). However, it must be equal to the largest quantity in line Item 3."

The largest quantity in Item 3 is 0.20 CFS. And 0.20 CFS is the number we used for Line 5 on our application which is consistent with the instructions from the IDWR for completing a Claim to a Water Right for line 5. I also asked Al Beardslee about "total quantity to be appropriated". He told me that Diversion Rates are not cumulative which is in agreement with the IDWR instructions for completing a CLAIM TO A WATER RIGHT.

Regarding your statement: "The amount of water requested leads us to believe that the applicant has intentions for further development beyond "Sandy Beach Estates": Though publicly stating your "belief" about our "intentions" based on your erroneous "belief" that we have applied for 47.2 million gallons of water a year is probably slanderous, I hope it was not an intentional malicious attack on our reputation. Bonnie Anderson, president of CLA, told me and the minutes agree that a meeting of the CLA Board was held, at your request, to discuss our permit application. She told me a "member of the CLA" calculated that our permit was a request to withdraw 47.2 gallons of water a year from Cocolalla Lake. I later asked her who this member was and she said that you had performed the calculations. She also told me you said you had telephoned "a university professor friend of yours" and he had "confirmed" your figures. I was also told that Glen Rothrock of DEQ, who was asked to attend the meeting, confirmed your figures and that he said we had applied for 47.2 million gallons of water for domestic use and another 18 million gallons of water for irrigation. I have been in contact with Mr. Rothrock. He explained to me that he had only confirmed that a continuous flow of 0.20 CFS for 365 days would be 47.2 million gallons a year; not that the association interpretation was correct. Quoting from his September 10, 2004 email to me: I simply rechecked their water draw calculations based on evidently an incorrect assumption of 0.2 cfs for an entire year. All roads seem lead to you, Mr. Vincent, as the source of this "incorrect assumption".

If you did not understand the meaning of the different items required by the application, before presenting your misrepresentation of our application to the CLA Board members and throughout the community, why didn't you call the IDWR for clarification? Or download IDWR instructions for completing a CLAIM TO A WATER RIGHT? Or call us? Your misrepresentation of our application and intentions has greatly harmed our reputation with the CLA and others in the area.

Regarding Notice of Protest #7: Your suggested resolution
Your resolution of the protest as stated would be for us to use available ground water. We have researched that extensively.

Between 1986 and 1996, four wells were drilled on the Sandy Beach property with depths ranging from 500 feet to 1350 feet. The wells produced from zero to 2.5 gallons per minute when first drilled but none remained functional. (Well driller reports are available on line from the IDRW website.)

We own 40 acres 1 1/2 miles up Geenen Road from Sandy Beach in Section 12. We investigated that site as a potential source of ground water. IDRW has no record of any wells drilled in Section 12. We checked with Terry Deal, owner of Deal Electric and Pump, who is very knowledgeable about the wells in the Cocolalla area; he said there were some wells in Section 12; but, they were all of poor to marginal quality.

The previous owners of Sandy Beach tried unsuccessfully to purchase a well owned by Mike Bennett. After we purchased Sandy Beach, we made an offer to purchase the same well, contingent upon DEQ and Panhandle Health approval of the well. We were told this well produced 100 GPM; we thought that much water would easily support 50 to 60 connections in addition to the 7 families already using the well.

At that time we thought 20 residential lots at Sandy Beach would be compatible with the size of the lots in the area of Sandy Beach and thought we would be applying for a

subdivision with that number of lots. Our tentative plan was to explore using the water available, over and beyond the current use and that which we needed, to supply water to some of the existing homes between the well and Sandy Beach that have serious water problems. (I don't know if you attended the meeting; but, this information was in first presentation that the CLA asked me to give)

Ron worked for many weeks with Gary Gaffney of DEQ and Mike Nelson of Panhandle Health on the Mike Bennett well project. In addition to Mike Nelson, he had our engineer and a well driller examine and review the well site. Mr. Gaffney's in an April 6, 2004 email to our engineer, Scott Brown outlines the DEQ requirements for a Public Water Supply System that the well would have to meet. The Bennett well did not meet DEQ requirements for our original plan nor could they be corrected to meet the DEQ requirements; the well did not meet the DEQ requirements and the conditions could not be corrected to meet DEQ requirements for our revised plan of eleven homes. For example: 1. The well is not located on an acceptable 50-foot radius well lot. It is located on the lot line. Information on the exact location of the septic tank and drainfield on the adjacent property was never provided to us. 2. No acceptable lease could be negotiated with the property owner adjacent to the well. Etc. (Attached is Gary Gaffney's email of April 6)

Because of DEQ requirements, we had to reject using the Bennett well even before we talked to DEQ about requirements for the existing hookups. However, we did observe, a green, water junction box, under water in the spring, directly down gradient from the well and a muddy horse pasture. This observation caused us grave concern over the liability of assuming the existing Bennett well water system.

Shortly after we received Mr. Gaffney's email, our engineer was told by the Bonner county Planning Director that with the size of our property and the current zoning in the area, we could apply for an eleven (11) lot residential PUD without requesting a zone change. We followed her recommendation and applied for an eleven (11) residential lot PUD. (This change in plans was included in the second presentation the CLA asked me to make at their annual meeting. Since to my knowledge I have never met you, I don't know if you attended this meeting)

Previous owners of Sandy Beach Resort had tried to find ground water that would meet their needs and failed; we tried to find ground water that would meet our needs and failed.

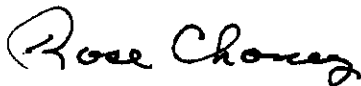
We plan to install a surface water system that meets DEQ requirements for 11 homes and, when the system is completed to the required agencies satisfaction, it will be turned over to the Sandy Beach Homeowners Association as recommended by Mr. Bob Smith with the Idaho Public Utilities Commission.

Regarding Idaho Code section 42-203A, paragraph 5 (e): We have applied to the IDWR for a permit to withdraw from Cocolalla Lake for the domestic and irrigation needs for eleven (11) homes. We believe that eleven (11) homes on the Sandy Beach Property are compatible with adjacent uses, adjacent lot sizes and the quality of life of those who already have homes on the lake. The Sandy Beach Resort was started in the mid 1950s. When we purchased the property it was a 95 unit RV resort with all the associated commercial activity: restaurant, bar, public showers and laundry, plus boat and personal watercraft use. We know that the resort used lake water; but we do not know how much

was used. Even without considering the fact that lake water has been used for years by the resort, we believe that our plan for eleven single family residential lots will have significantly less of an impact on the lake than the property's previous use. And, most especially, that is the case during the lakes critical summer months.

I have tried to address all your concerns which you have stated in your protest that are relevant to IDWR Application 96-9191. I have also stated our concern regarding your misrepresentation of what we have requested on our application. Please call me if you have any questions that I have not addressed.

Sincerely,

A handwritten signature in cursive script that reads "Rose Chaney".

Rose Chaney

Cc: Idaho Department of Water Resources

Cc: Cocolalla Lake Association

Ron and Rose Chaney

From: GARY GAFFNEY [GGAFFNEY@DEQ.STATE.ID.US]
Sent: Tuesday, April 06, 2004 12:24 PM
To: bsb@sandpoint.net
Cc: STEPHEN TANNER; rchaney@imbris.com; mnelson@phd1.state.id.us; bsmith@puc.state.id.us
Subject: Sandy Beach Resort water system

Scott,

Steve Tanner and I discussed with you today several issues relating to developing a new water source for the Sandy Beach Resort water system by using Mike Bennett's existing well serving 7 present users on the Arrowhead subdivision non-public water system. To make certain everyone understands DEQ requirements, I am restating the points from our discussion below:

1. Well Site: Although Mike Nelson's letter implied the existing well and site are acceptable, the well needs to be located on an acceptable 50-foot radius well lot. We understand that the well is on a one-acre lot but is located along one edge where it is about 51-feet to a neighboring house. You indicated that you would be field locating the well, house, property lines, septic tanks, and sewage drainfields in the vicinity of the well. We would like to look at the map showing these features. The well cannot be closer than 100 feet from any septic tank or drainfield.
2. Partial Well Lot Lease: Discussions are underway with the home owner near the well regarding a lease of his property closer than 50 feet from the well. This lease should be for 99 years and should prohibit all activities by the lot owner within the 50 feet that are prohibited within well lots (e.g. storage of chemicals, applications of herbicides, and other activities with the potential to spill or impact groundwater quality.) A copy of the draft lease should be provided to DEQ for review before it is executed.
3. Well Construction: The existing Bennett well was not drilled as a municipal well meeting the public water system (PWS) standards. It is a 6-inch diameter 635-foot deep well with a 0.25-inch thick steel casing and about a 1-inch well seal to unknown depth. In order for this well to be approved as a PWS well, the deficiencies from the PWS standards will need to be accepted and/or waived by DEQ. If the well lot, separations, and lease are found to be acceptable, you will need to identify how this well does not comply with public drinking water well standards and propose how to modify the well or waive those requirements not in compliance.
4. Well Production: We understand that this well is thought to be capable of up to 100 gpm but presently has only a 30 gpm submersible well and no reliable test pumping information. While the 30 gpm capacity if sustainable may be sufficient supply for the proposed water system, DEQ is concerned about the long-term production capacity of this granite well. Our experiences have been that some wells similar to this well eventually exhibit a severe reduction of capacity when called on to produce more water. If items #1-3 can be resolved, we recommend that you retain the services of a hydrogeologist to evaluate the long-term water production capacity of this well and provide us with a copy of this evaluation. The Idaho Rules for Public Drinking Water Systems now require the following for test pumping new wells:

IDAPA 58.01.08
IDAHO RULES FOR PUBLIC DRINKING WATER SYSTEMS

550. DESIGN STANDARDS FOR PUBLIC DRINKING WATER SYSTEMS.

03. Wells. Any supplier of water for a public water system served by one (1) or more wells shall ensure that the following requirements are met:

(12-10-92)

f. Test pumping. Upon completion of a groundwater source, test pumping shall be conducted in accordance with the following procedures to meet the specified requirements:
(12-10-92)

i. The well shall be test pumped at the desired yield (design capacity) of the well for at least twenty-four (24) consecutive hours after the drawdown has stabilized. Alternatively, the well may be pumped at a rate of one hundred fifty percent (150%) of the desired yield for at least six (6) continuous hours after the drawdown has stabilized. In either case, if the drawdown does not stabilize, the pumping must continue for at least seventy-two (72) consecutive hours. The field pumping equipment must be capable of maintaining a constant rate of discharge during the test. Discharge water must be piped an adequate distance to prevent recharge of the well during the test. If the well fails the test protocol, the well design shall be re-evaluated and submitted to the Department for approval. (5-3-03)

ii. Fifteen (15) minutes after the start of the test pumping, the sand content of a new well shall not be more than five (5) parts per million. Sand production shall be measured by a centrifugal sand sampler or other means acceptable to the Department. If sand production exceeds five (5) ppm, the well shall be screened gravel packed, and re-developed.
(5-3-03)

iii. The following data shall be provided:

(5-3-03)

(1) Static water level in the well prior to test pumping;

(5-3-03)

(2) Well yield in gpm and duration of the pump test, including a discussion of any discrepancy between the desired yield and the yield observed during the test;

(5-3-03)

(3) Water level in the well recorded at regular intervals during pumping;

(5-3-03)

(4) Profile of water level recovery from the pumping level projected to the original static water level.

(5-3-03)

(5) Depth at which the test pump was positioned in the well;

(5-3-03)

(6) Test pump capacity and head characteristics;

(5-3-03)

(7) Sand production data.

(5-3-03)

(8) Any available results of analysis based on the drawdown and recovery test pertaining to aquifer properties, sustained yield, and boundary conditions affecting drawdown.

(5-3-03)

iv. The Department may allow the use of other pump test protocols that are generally accepted by engineering firms with specialized experience in well construction, by the well drilling industry, or as described in national standards (such as ANSI/AWWA A100-97), as long as the minimum data specified in Subsection 550.03.d.iii. are provided. The Department welcomes more extensive data about the well, such as step-drawdown evaluations used in determining well capacity for test pumping purposes, zone of influence calculations, and any other information that may be of use in source protection activities or in routine water system operations.
(5-3-03)

5. Second Source of Supply: The Rules require that any system serving over 25 connections have a second source of water supply capable of providing 800 gpd/connection. Since 50 to 60 connections are proposed on this water system, a second source of water is indicated. A waiver to this requirement can be applied for by the water system owner but will probably not be accepted unless you can demonstrate that the waiver provides for the same level of service and public health protection as provided by with compliance with the Rule for two sources. DEQ suggests consulting with a hydrogeologist about drilling a new 8-inch diameter well within the one acre well lot for Arrowhead that is completed in accordance with the PWS well standards as the primary system supply with the existing 6-inch well serving a the secondary source.

6. Water Quality: We have no information that indicates the water from the existing Arrowhead well meets drinking water quality standards. Sampling this well for all PWS parameters will be necessary with satisfactory results before it can be used to supply a PWS. Of particular concern is the possibility this well might produce corrosive water requiring treatment to comply with the lead and copper rule. We suggest that the well be tested during any test pumping work for the Langlier Index which is a tool used to predict the corrosive nature of water.

7. Ownership: If this water system will be owned for a profit, then it might be regulated as a public utility by the Idaho PUC. Mr. Robert Smith with the PUC can be contacted for details in this matter.

We hope these notes are helpful to you and your client in proceeding with this project. Additional items may come up as we review this project. While DEQ welcomes construction of a reliable and safe drinking water system for the Sandy Beach Resort and neighboring users presently with poor water supplies, we need to make certain the new system complies with the Rules and will be a safe and dependable water system for all users. Input from anyone is welcome regarding the points listed above.

Gary J. Gaffney, P.E.
Idaho Department of Environmental Quality
2110 Ironwood Parkway
Coeur d'Alene, ID 83814
208-769-1422
208-769-1404 fax
ggaffney@deq.state.id.us

**Cocolalla Lake Association
Special Meeting of the Board
August 27, 2004
Minutes, (unapproved)**

Those present were Linda Muskopf, John Grosshans, Bonnie Anderson, Edwin Nurmi, Herman Collins, Glen Weatherly, Shelly Vincent, Fred Vincent, Glen Rothrock (DEQ), Kerry Longwell, and Cary Poston (10:00)

The meeting was called to order at the Anderson residence by President, Bonnie Anderson at 9:10 am. She introduced Shelley and Fred Vincent who then explained why they had asked to address the board. They had concerns regarding the proposed development of the Sandy Beach property and were asking the board to take action in the form of a protest letter.

Mr. Vincent pointed out the issues of concern, noting that some were pre-existing situations which had not been corrected or which had been worsened.

- Pollution problems related to the lagoon being used as a dump site. Neighbors report that instead of being back filled with dirt, the area is in part filled with debris, including large appliances. Pictures showed trash with refrigerator, etc. There are reports that sewage rises to the top during high water times and runs into the adjacent creek.
- Some residences in the Shady Cove area were granted 90 day permits to continue their existing sewage systems. However, those were granted some years ago and have not been renewed nor have the systems been replaced. The cost of hooking into the SANCO lines has been increased substantially since then.
- There are 3 large burn piles within the lagoon area. Not only is there concern about burning in such close proximity to Johnson Creek, which flows directly into the lake, but the burn piles contain pvc pipe and other materials which could create toxic run off and gases. (Pictures presented)
- There is an erosion problem in the beach area, with rivulets running into the lake. Since the rains began last week the erosion has become readily visible from the lake. Pictures indicated some areas were cut rather deeply. (estimate a foot) Although the development application for this property includes a plan describing construction and use of silt fencing and bales of straw to prevent erosion, only a small silt fence at the north end of the beach area is in place. The owner was seen smoothing the eroded area yesterday (Thursday).
- The main concern the Vincents had was the application for drawing water from the lake for a commercial system. The developer has already filed and the request has been noticed in the paper as required. September 6 is the deadline to file letters of protest. The cost is \$25.00. When the Vincents received a copy of the application their concern was further heightened by the amount of water being requested. In previous lake

association meetings, and in information given to the newsletter editor, the owner had estimated the amount needed for their proposed 11 dwellings was 1.2 million gals of water a year. However their application requests 47.2 million gals for domestic use and another 18 million gals for irrigation purposes.

- Mr. Vincent noted that while this amount being drawn from the lake might not make a noticeable difference in and of itself, it would provide far more water than necessary for the proposed development and give the developer adequate reserves for far more development. In addition to that potential, it sets a precedent for other land owners in the vicinity to request and be granted similar water rights, which combined with proposed diversion would significantly impact the lake.
- The application for the water was signed by Ronald Chaney, member of Sandy Beach Properties, LLC. So it appears that rather than being the Chaney's, doing the work themselves, etc. this is a shareholder situation in which there is no "local owner".

Bonnie reported that a meeting is being held this month which will determine whether we can have an established water level on Cocolalla, similar to Round Lake. This would help protect the lake from having too much water diverted for road construction, development, farm irrigation etc.

Glen Rothrock was asked if a turbidity study would be required for a commercial purification system like the developer was proposing. He responded by saying that it probably would be, and that the studies take a year to 2 years so that the system is tested during all times of the year.

He stated that it is very difficult to provide water to homes through this kind of system using surface water, because the Safe Drinking Water Act is more strict when surface water is the source. The applicant first needs to obtain rights for the quantity of water required to meet his needs, then he goes to DEQ for approval.

There was discussion about the various issues which would arise from additional development in the area and how the lake would be affected. The recurring question was why so much water was being applied for and whether other wells in the area were available to provide what would be needed for the 11 homes.

Fred Vincent said there were criteria which Water Resources considers when reviewing an application and any protests to it.

One of the criteria is "good faith – not for speculative purposes" At this time Fred handed out a copy of a memo included in the county file on the proposed development. (Between June Berquist, DEQ and Lisa, Planning). It indicated that the owner had already proceeded to do work without the necessary permits, burned the buildings illegally, etc. Fred also shared pictures of the lagoon area

illustrating the dump site, the burn piles with pvc, and the pictures of the recent erosion of the beach area.

Fred listed other criteria which included: Proposed action interfere with existing homes/area? Sufficient Resources?, Financial resources to complete project?, Consistent With the Interests and Affairs of the Community?, and Consistent With Conservation?.

In conclusion, Fred asked if the board would send a letter of protest to Water Resources, citing the applicable criteria and, in particular, the quantity of water being requested.

Herman Collins moved that the letter of protest be sent.

Glen Weatherly seconded the motion.

Glen asked if there was a need for legal assistance in drafting the letter. It was suggested that Bob Haynes could help us to include what was necessary and to use acceptable format, etc.

Fred recommended that we verify his figures re: the volume of water being requested. Glen Rothrock was willing to do that for the board. ** Fred also suggested that we notify the membership of the situation and the September 6 deadline.

The motion to send the letter of protest passed unanimously.

Ayes: John Grosshans, Bonnie Anderson, Edwin Nurmi, Kerry Longwell, Glen Weatherly, Herman Collins, Linda Muskopf.

Bonnie suggested that each of the other issues be addressed individually.

- **Burn piles on the lagoon property:** Concerns included the possible runoff into Johnson Creek and the owner's continued failure to address requirements in the DEQ approved SANCO Operation Plan such as: proper fill of the abandoned lagoon, annual testing of wells neighboring the SANCO drain field, etc. Glen Rothrock said he would consult w/ June at DEQ re: the water quality aspect of the burn piles and check into the follow-up of the lagoon closure and check into possible violations.

[Carey Poston arrived at approximately this point in the discussion.]

- **Shady Cove Area Sewage Systems:** Glen Weatherly thought not all homes had hooked up with SANCO, but could not find exposed pipes which had been previously described as overflowing during high water times. Glen Rothrock explained the systems could be grandfathered but when they eventually fail they must be changed or the owner may get a 90 day permit to fix it temporarily.—per provisions established in 1974. Fred believes there are residences where systems have failed and they have 90 day permits which are years old. Cary related stories re: sewer failures at the north end where Panhandle Health has evidently approved variances to the usual drain field setbacks without the owners even

requesting them. Glen Rothrock stated that any help the association could offer to get the grandfathered residences on the sewer system would be great. Kerry suggested that since we can't build or provide a system, maybe we could seek grant funds to assist residents. The cost has increased to a rumored \$10,000 for SANCO hookup.

Carey asked for a restatement of the concerns that the Board was addressing re: the Sandy Beach development. It was pointed out that the board needed to move on to remaining issues at this time, but that members could update him afterward.

Glen Rothrock confirmed that he would be checking on the follow up on the SANCO management plan which DEQ had approved.

Bonnie asked who the association would complain to regarding trucks drawing water for road construction. Glen Rothrock directed her to the Transportation Dept. Team for Hwy 95 improvement.

Fred will help Linda Muskopf draft the letter of protest so that Bonnie can hand deliver it.

Bonnie raised the subject of the clear cut area in Sherri Shores. Bonnie was concerned that it did not look like the owner had adequate silt fencing and that this rain could cause the loose soil to slip down onto his beach. She and Glen Rothrock will walk the property after the meeting adjourns and she will contact the new owner, if necessary.

Shelley mentioned that she had contacted a diver, Doug Freeland, to remove weeds in the water near their dock. Cary stated that Brad Bloom says we do have Milfoil in Cocolalla. Glen Rothrock pointed to Spirit Lake's removal program as a good model. They have trained their association members to distinguish between types of milfoil and "map" the lake so Freeland can remove the Eurasian milfoil.

There was a brief discussion of milfoil removal and the importance of "good" aquatic plants which provide fish habitat.

The meeting adjourned at 10:50 am

Respectfully submitted,

Linda Muskopf

** Glen Rothrock reported back to Bonnie that the figures were calculated correctly and that the request is for 47.2 million gallons, plus the additional amount for irrigation.

September 12, 2004

Robert Haynes, P. E.
Regional Manager
IDWR Northern Region
Fax: 208 769-1454

Dear Mr. Haynes;

This is my updated answer to the Robert F Vincent Jr. Protest (receipt No 16533) to Application for Permit 96-9191 which I faxed to you yesterday. Just a few more details which I felt I should address! Attachments are the same.

Thanks,
Rose Chaney



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 7, 2004

SCOTT BROWN
TUCKER, BROWN, VERMEER
102 S 2ND AVE
SANDPOINT ID 83864

Dear Mr. Brown:

In response to your request, enclosed is information on the Sandy Beach Properties LLC file - including copy of application, copies of all protests and correspondence pertaining to same, copies of e-mail responses from Department of Lands and Idaho Fish & Game, and copy of the affidavit of publication from the newspaper.

If you need anything else, please notify us.

Sincerely,

A handwritten signature in cursive script that reads 'Dianne Ball'.

Dianne Ball
Administrative Assistant

Enclosures

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF PROTEST

Receipt #
NO16535

This form may be used to file a protest with the department under sections 42-108B, 42-203A, 42-203C, 42-211, 42-222 and 42-224, Idaho Code. The department will also accept a timely protest not completed on this form if it contains the same information.

1. Matter being protested Application for permit # 96-9191
2. Name of protestant Michael D. Bennett
3. Protestant's Representative for service (If different than protestant)

4. Service mailing address P.O. Box 7 Cocolalla, ID 83813
5. Service telephone no. (208) 265-5555
6. Basis of protest (including statement of facts and law upon which the protest is based)

see attached

(additional pages may be attached to describe nature of the protest)

7. What would resolve your protest? applicant complying w/ same
1 Acre minimums as surrounding sub/rur
requirements of use of available ground-well water
NOT with drawl of Cocolalla Lake water.

I hereby, acknowledge that if I, or my designated representative, fails to appear at any regularly scheduled conference or hearing in the matter of which I have been notified at the address above, the department may issue a notice of proposed default against me in this matter for failure to appear. I also verify that I have served a copy of this protest upon the applicant.

Signed this 3 day of September, 2000

Michael D. Bennett
Protestant

Protestant's Representative

September 03, 2004

Michael Bennett
P.O. Box 07
Cocolalla, Id 83813

Department of Water Resources
Northern Region
1910 Northwest Blvd.
Suite 210
Couer d Alene , Idaho 8381

Matter Being Protested: Sandy Beach Properties, LLC
Application #96-9191

This Application for a permit to withdraw water from Cocolalla Lake is purely for Speculative purposes. The applicant, in reality, is going into the water business, with the intention of taking state water from a state lake which is already declared impaired and rated 303D, to supply several homes for a private venture.

We feel that any additional water taken from the lake will further endanger several wild life species, creating an even shallower lake condition which will contribute to a worse situation than the current residents already have with the condition of the lake. The current drought, lake weed, algae, lack of lake flow and lack of follow-up with unmonitored septic systems, has created a major problem for all the concerned homeowner's for recreation, property values and wildlife. Further depletion of our precious resource should not be available for the profit of a private housing development. This is definitely not in the best interest of our community. Perhaps the owner should purchase in a residential zoning area. This is why we purchased in sub/rural, because we did not want to live in a residential neighborhood.

We feel that the developer should comply with the same one acre minimums that everyone else is restricted to in this zoning area and should be subject to available well or ground water to protect the future of our lake and the environment. The future outcome for precedence of the approval of this project would be devastating, as well as the future permits for removal of water from our lake for the widening of highway 95, of which we will also

strongly oppose. Water is currently being withdrawn from the lake for the bridge project in Sagle and we are wondering how this permit was granted with the current lake condition rating of the lake.

Thank you for helping our community save and improve our lake!

A handwritten signature in black ink that reads "Michael Bennett". The signature is fluid and cursive, with the first name "Michael" and last name "Bennett" clearly distinguishable.

Michael Bennett

P.O. 07

Cocolalla, Id 83813

(208) 265-5555 / (208) 304-9698cell

Cc: Sandy Beach Properties, LLC

Idaho Department of Water Resources Receipt

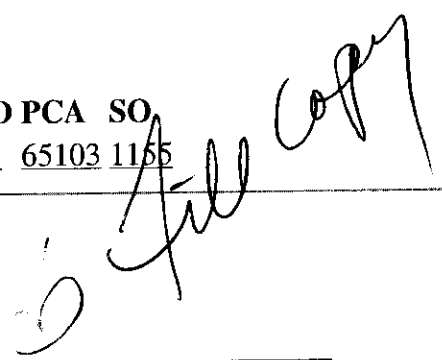
Receipt ID N016535

Payment Amount \$25.00 Date Received 9/3/2004 4:53:12 PM Region Northern Status ☒
Payment Type Check Check Number 2106

Payer MICHAEL D BENNETT
Comment Protest Fee re 96-9191 - Sandy Beach

Fee Detail

Amount	Description	Fund	FD	PCA	SO
\$25.00	PROTESTS	0229	21	65103	1155


Signature Line (Dept. Representative)

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES
NOTICE OF PROTEST

RECEIVED
SEP 03 2004
IDWR/North

Receipt #
No 16533

This form may be used to file a protest with the department under sections 42-108B, 42-203A, 42-203C, 42-211, 42-222 and 42-224, Idaho Code. The department will also accept a timely protest not completed on this form if it contains the same information.

1. Matter being protested Application for Permit No 96-9191
2. Name of protestant ROBERT F VINCENT JR
3. Protestant's Representative for service (If different than protestant)

4. Service mailing address SEE attached (A)
5. Service telephone no. SEE attached (A)
6. Basis of protest (including statement of facts and law upon which the protest is based)
SEE attached (B)

(additional pages may be attached to describe nature of the protest)

7. What would resolve your protest? Use of available ground water.

I hereby, acknowledge that if I, or my designated representative, fails to appear at any regularly scheduled conference or hearing in the matter of which I have been notified at the address above, the department may issue a notice of proposed default against me in this matter for failure to appear. I also verify that I have served a copy of this protest upon the applicant.

Signed this 2nd day of Sept, 2004
R. F. Vincent Jr
Protestant

Protestant's Representative

NOTICE OF SERVICE

Robert F Vincent Jr
POB 184
Cocolalla, Id
83813
Telephone # 208 255 2575

Robert F Vincent Jr
6248 E Mercer Way
Mercer Island, Wa
98040
Telephone # 206 236 3498

(A)

RECEIVED
SEP 03 2004
IDWRP/North

(B)

ROBERT AND SHELLEY VINCENT
POB 184
COCOLALLA, ID 83813

RECEIVED
SEP 03 2004
IDWR/North

Attn Director of Water Resources

RE: Sandy Beach Properties, LLC
Application # 96-9191

We are submitting our protest based on our belief that the application as submitted fails to meet the criteria under section 42-203A, Idaho Code, for granting such permits.

The applicant has, as "Ronald & Rose Chaney &/Or 431 Properties, LLC" submitted an Application for a PUD development of 11 residences. The applicant repeatedly stated to the Cocolalla Lake Association that the amount of water needed for "The Sandy Beach Estates, Planned Unit Development" would be approximately 1.2 million gallons a year. The applicant is requesting 47.2 million gallons a year for domestic use and an additional amount for irrigation. The "Total Quantity" on line 5 of the application didn't seem to include the additional amount being requested for irrigation. We believe that the applicant fails to meet the criteria for permit under section 42-203A, paragraph 5(c).

The amount of water requested leads us to believe that the applicant has intentions for further development beyond "Sandy Beach Estates". The applicant is already attempting to alter the current density restriction at Sandy Beach Resort for permanent homes. We feel that the requested volume of water would provide the ability to continue this process further. Cocolalla Lake is currently rated 303D and is acknowledged to be impaired. We are further concerned that granting a permit to divert this volume of water will only set a precedent for additional diversions of this magnitude. We are concerned that water diversions of this magnitude will make the lake more vulnerable to Eutrophication, which is already affecting this lake, particularly during the low water levels of summer. Our desire to be a resident of Cocolalla Lake, and we believe, those of the majority of the residents on the lake, are based on the ability to use and enjoy the lake. We believe that the applicant fails to meet the criteria for permit under section 42-203A, paragraph 5(e) as defined in section 42 - 202B, Idaho Code.

In purchasing our home this past July, we spent considerable time and money with James A. Sewell and Associates and The Cocolalla Lake Association researching the lake, it's condition, and various lake use issues as part of the feasibility conditions included in our purchase contract. The value we paid for this home and surrounding acreage was heavily based on our ability to use and enjoy the lake. We would view your granting of this permit as injurious to the value we paid for our property.

Thank you for your consideration

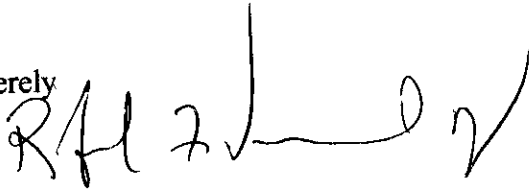
APPEARANCE AND/OR REPRESENTATION

RECEIVED
SEP 03 2004
IDWR/North

In case of scheduling conflicts related to any hearings or conferences related to my protest of Application 96 -9191, I hereby authorize one of the following individuals to attend and speak on my behalf:

Shelley E Vincent - wife
Linda Muskopf - neighbor
Attorney (unnamed at this point)

Sincerely

A handwritten signature in cursive script, appearing to read "R. H. 2 J. L. 2".

Idaho Department of Water Resources Receipt

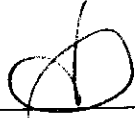
Receipt ID N016533

Payment Amount \$25.00 Date Received 9/3/2004 1:20:08 PM Region Northern Status ☐
Payment Type Check Check Number 6521

Payer ROBERT F VINCENT JR
Comment Protest filing against 96-9191 - Sandy Beach Properties

Fee Detail

Amount Description Fund FD PCA SO
\$25.00 PROTESTS 0229 21 65103 1155


Signature Line (Dept. Representative)

November 26, 1999

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

NOTICE OF PROTEST

Receipt #
N016534

This form may be used to file a protest with the department under sections 42-108B, 42-203A, 42-203C, 42-211, 42-222 and 42-224, Idaho Code. The department will also accept a timely protest not completed on this form if it contains the same information.

1. Matter being protested Application for Permit 96-9191

2. Name of protestant Linda Muskopf

3. Protestant's Representative for service (If different than protestant)

In my absence I authorize Ron Muskopf, R. Vincent, Shelley Vincent or Bonnie Anderson to speak on my behalf.

4. Service mailing address PO Box 127, Cocolalla, Id. 83813

5. Service telephone no. 208 265 0295

6. Basis of protest (including statement of facts and law upon which the protest is based)

Attached (2 pages)

RECEIVED

SEP - 3 2004

IDWR North

(additional pages may be attached to describe nature of the protest)

7. What would resolve your protest? Request be denied - applicant find alternative ground water

I hereby, acknowledge that if I, or my designated representative, fails to appear at any regularly scheduled conference or hearing in the matter of which I have been notified at the address above, the department may issue a notice of proposed default against me in this matter for failure to appear. I also verify that I have served a copy of this protest upon the applicant.

Signed this 2nd day of August 2004

Linda Muskopf
Protestant

Protestant's Representative

Department of Water Resources

My husband and I protest Sandy Beach Properties, LLC's application for permit to withdraw water from Lake Cocolalla (Application identification # 96-9191) and ask that you deny their request for the following reasons.

1. Cocolalla Lake is rated 303D (impaired). For over 10 years the residents in the area have worked to improve the lake from what was considered by some to be an irreversible state of eutrophication. We had seen a fair amount of success. Then this spring everything changed.

In front of our house we have had "pea soup" since May. The Lake Association has reported that visibility has declined to only 5 ft, and oxygen levels are very low as well. We are very concerned about any high volume diversion from Cocolalla Lake. Our concern is not about the impact of just one development using lake water, but about the precedent set and the future *cumulative impact* on the lake.

Supporting arguments about the capacity of Cocolalla Lake to provide this amount of water have references to averages – average inflows, average family consumption, etc. We submit to you that the heaviest consumption of water (well over the averages) occurs during the summer, the driest months, when the inflow and lake levels are at their lowest (well below the averages). Particularly during low level months of drought years, this fragile lake will be more susceptible to hastening down the path to eutrophication once again.

2. "431 Properties, LLC", (Ron and Rose Chaney) filed an application for a PUD development of 11 residences on the now defunct Sandy Beach Resort property. They have claimed that the amount of water they would need from Cocolalla Lake to supply this project would be approximately 1.2 million gallons a year. However, they are, as Sandy Beach Properties, LLC, requesting rights for 47.2 million gallons a year for domestic use with an additional amount requested for irrigation. This certainly raises a question in our minds as to what the real intended use is for the water and what the real extent is of the development they are planning, and whether this application is being submitted in good faith. (The amount shown for the total amount of water being requested is incorrect.)

3. Granting this permit for this volume of water is not consistent with the surrounding community's interests. We moved to Cocolalla to be on the lake, but there are people who have lived in the area all of their lives. Together we have been involved in the efforts to improve the lake. Most of the area residents live here so they can enjoy the lake. It is a quiet kind of lifestyle. There is fishing and swimming and public accesses on the lake, including 100 acres of recently obtained property toward the south end.

Although, it is a small lake, Cocolalla is an important public asset which adds tremendously to the quality of our lives. We intend to strengthen our efforts with the Lake Association to regain what was apparently lost in terms of quality this year. Please do not approve this application which could upset the balances we are trying to achieve.

4. The Cocolalla Lake area has many species of wildlife including Bald Eagles, Moose, Deer, Turkey, Bear, and Osprey. Fishermen catch perch, bass, trout, and catfish, etc. A request for this volume of water, in and of itself, raises questions about the impacts on

RECEIVED
SEP - 3 2024
DWR North

the lake, the local wildlife, and the existing environment. However, the concern is heightened when one is aware of the actions already taken on the Sandy Beach Property.

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SEP - 3 2024

With seeming disregard for the effect on the lake, this spring the owners burned (for weeks) large slash piles next to the lake. (There are 3 more next to the tributary creek, waiting to be burned.) They graded and moved dirt at the edge of, and into, the water. They have failed to put in place the erosion control plan which they described in their own PUD application. As a result, the recent rains caused significant runoff into the lake. The owner was seen using his tractor to cover over the eroded area after the first several days of rain and again after we had more. But no straw bales or new silt fences have been put in place to date and nutrients from the bare ground and the hydro-seeded area continue to feed into the lake with each new rain.

5. The request to divert 47.2 million to 60+ million gallons of water from Cocolalla is very troublesome to us. In seeking support for their development, the applicants have been adamant that only 1.2 million gallons per year would be required from the lake to serve the 11 residences. They have portrayed themselves as sole owners, with interest in the community. But there may be reason to question their purpose and their ability to accomplish it.

It is no secret in the Sandpoint area that the Sandy Beach Resort property has always had problems getting sufficient water. It certainly should not have been a surprise to someone of the applicant's experience. The owners have mentioned publicly that there are resources available to them other than the lake. So we wonder, "Why use the lake water?" We have been told by IDEQ that obtaining approval for purification of surface water for public consumption is a very costly and time consuming process..... that the more stringent requirements of the Safe Drinking Water Act make it very difficult to obtain. Who will be assuming the financial responsibility? Ron and Rose Chaney? 431 Properties, LLC? or Sandy Beach Properties, LLC?

Considering an application to divert this volume of water and having a clear understanding of whom it is going to and what they will use it for, and having the belief they will do it well is one thing. Having multiple entities involved, seeing such a discrepancy between the volume needed for the stated purpose and the 47.2 million (plus irrigation) requested in the application, and evidencing such disregard for the lake raises many questions and our deep concern. We value all that we have here in the Cocolalla community and, in particular, we value this precious asset, Cocolalla Lake. We believe the applicant does not meet the criteria set forth in Idaho code to protect our lakes and water resources. We ask that you deny this application.

Thank you for your thoughtful consideration.

Idaho Department of Water Resources Receipt

Receipt ID N016534

Payment Amount	\$25.00	Date Received	9/3/2004 1:27:37 PM	Region	Northern	Status	☒
Payment Type	Check	Check Number	8497				

Payer LINDA MUSKOPF

Comment 96-9191

Fee Detail

Amount	Description	Fund	FD	PCA	SO
\$25.00	PROTESTS	0229	21	65103	1155

*File Copy**cm*

Signature Line (Dept. Representative)

November 26, 1999

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCESReceipt #
N06523

NOTICE OF PROTEST

This form may be used to file a protest with the department under sections 42-108B, 42-203A, 42-203C, 42-211, 42-222 and 42-224, Idaho Code. The department will also accept a timely protest not completed on this form if it contains the same information.

1. Matter being protested # 96-9191 Permit to withdraw water from Cocolalla
2. Name of protestant Cocolalla Lake Association
3. Protestant's Representative for service (If different than protestant)
Bonnie Anderson
4. Service mailing address 261 50 Sequoia Post Falls, Id 83854
5. Service telephone no. 208-773-5783
6. Basis of protest (including statement of facts and law upon which the protest is based)
See attachment

(additional pages may be attached to describe nature of the protest)

7. What would resolve your protest? Applicant would locate an alternative source of ground water.

I hereby, acknowledge that if I, or my designated representative, fails to appear at any regularly scheduled conference or hearing in the matter of which I have been notified at the address above, the department may issue a notice of proposed default against me in this matter for failure to appear. I also verify that I have served a copy of this protest upon the applicant.

Signed this 30 day of August, 2000.
Cocolalla Lake Association
Protestant
Bonnie Anderson
Protestant's Representative Bonnie Anderson

Department of Water Resources

The Cocolalla Lake Association (CLA) would like to submit its valid concerns regarding Sandy Beach Properties, LLC's application for permit to withdraw water from Lake Cocolalla (Application identification # 96-9191). Based on these concerns, the association believes that the applicant fails to meet the criteria under code 42-~~205A~~ for granting such permits.

203A BA

1. The CLA is deeply concerned by the volume of water requested by this applicant and the precedent which would be set for future diversion of water from Cocolalla Lake. While Cocolalla Lake may have enough water to provide the amount requested by the applicant, we are concerned with the precedent of this action and also the accumulative effect of this amount of water being potentially taken from the lake in regards to low summer month lake levels and a continuation of drought conditions. Cocolalla Lake is rated 303D and is acknowledged to be impaired. It has been proven that the more shallow the lake, the more vulnerable it is to Eutrophication.
2. The applicant has, as "431 Properties, LLC", filed an application for a PUD development of 11 residences. The applicant has repeatedly stated to the Cocolalla Lake Association that the amount of water needed from Cocolalla Lake to supply this project would be approximately 1.2 million gallons a year. Please note that the amount the applicant is requesting rights for is 47.2 million gallons a year for domestic use and an additional amount for irrigation. Also note that the amount for irrigation is not included in the "Total Quantity" on line 5 of the application.
3. Granting a permit for large amounts of water to be used for development is not consistent with the surrounding community's interests. Again, the Association is very concerned with the issue of diverting water from an already unstable, fragile lake. Most of the residents live in the area so they can enjoy the lake, and their lifestyles reflect that. Many of them have supported the Association's efforts to improve the lake through financial contributions and/ or participation in its projects such as the Stream Walk, pollution abatement projects, and neighborhood education efforts.

4. A request for this amount of water raises many questions about the impacts on the lake, the local wildlife, and the existing environment. The area surrounding Cocolalla Lake is home for Bald Eagles, Osprey, Moose, Deer, Bear, and many more species of wildlife. The lake offers fishermen perch, bass, trout, and catfish, to name a few. The Association is concerned about the impact that the granting of this request will have on the lake and the precedent which may allow even more water diversion in the future, at the expense of all we have tried to preserve.

As obtaining water has always been a challenge on this parcel of land, it is unfortunate that the applicant did not make obtaining water a condition of the purchase. The CLA is sympathetic to the dilemma this presents to the applicant, but this precious public resource must not be put in jeopardy.

Thank you for taking our concerns into consideration.

Idaho Department of Water Resources Receipt

Receipt ID N016523

Payment Amount \$25.00 Date Received 8/30/2004 2:52:35 PM Region Northern Status ☐
Payment Type Check Check Number 4657

Payer BONITA J ANDERSON
Comment Protest regarding Sandy Beach Properties 96-9191 - protest made on behalf of Cocolalla Lake Association.

Fee Detail

Amount Description Fund FD PGA SO
\$25.00 PROTESTS 0229 21 65103 1155

Signature Line (Dept. Representative)



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

September 07, 2004

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

Application to Permit No. 96-9191

Dear Applicant(s):

Enclosed is a copy of a protest filed against approval of the above referenced application. The Department suggests that you contact the protestant(s) directly to determine the nature of the protest and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203A, Idaho Code).

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes". The signature is written in a cursive, flowing style.

Robert G. Haynes, P.E.
Regional Manager



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 07, 2004

MICHAEL D BENNETT
PO BOX 7
COCOLALLA, ID 83813

Application to Permit No. 96-9191 - Sandy Beach Properties LLC

Dear Protestant(s):

The Department of Water Resources acknowledges receipt of your protest against the approval of the above referenced application. A copy of your protest has been sent to the applicant. The Department suggests that you contact the applicant directly for details regarding the application and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203A, Idaho Code).

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

Robert G. Haynes, P.E.
Regional Manager



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 03, 2004

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

Application to Permit No. 96-9191

Dear Applicant(s):

Enclosed are copies of two separate protests filed against approval of the above referenced application. The Department suggests that you contact the protestant(s) directly to determine the nature of the protest and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protests cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203A, Idaho Code).

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

Robert G. Haynes, P.E.
Regional Manager

Enclosures - 2



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 03, 2004

LINDA MUSKOPF
PO BOX 127
COCOLALLA, ID 83813

Application to Permit No. 96-9191

Dear Protestant(s):

The Department of Water Resources acknowledges receipt of your protest against the approval of the above referenced application. A copy of your protest has been sent to the applicant. The Department suggests that you contact the applicant directly for details regarding the application and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203A, Idaho Code).

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

Robert G. Haynes, P.E.
Regional Manager



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 03, 2004

ROBERT F VINCENT JR
PO BOX 184
COCOLALLA ID 83813

ROBERT F VINCENT JR
6248 E MERCER WAY
MERCER ISLAND WA 98040

Application to Permit No. 96-9191

Dear Protestant(s):

The Department of Water Resources acknowledges receipt of your protest against the approval of the above referenced application. A copy of your protest has been sent to the applicant. The Department suggests that you contact the applicant directly for details regarding the application and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203A, Idaho Code).

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

Robert G. Haynes, P.E.
Regional Manager



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 1, 2004

COCOLALLA LAKE ASSOCIATION
BONNIE ANDERSON, REPRESENTATIVE
260 S SEQUOIA
POST FALLS ID 83854

Re: Application to Permit No. 96-9191

Dear Ms. Anderson:

The Department of Water Resources acknowledges receipt of your protest against the approval of the above referenced application. A copy of your protest has been sent to the applicant. The Department suggests that you contact the applicant directly for details regarding the application, and if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are criteria the Department must consider in either approving or denying the application (Section 42-203, Idaho Code):

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

ROBERT G. HAYNES, P.E.
Regional Manager

RGH/db

Enclosure



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

September 1, 2004

SANDY BEACH PROPERTIES LLC
RONALD CHANEY, MEMBER
431 LAKEVIEW BLVD
SANDPOINT ID 83864

Re: Application to Permit No. 96-9191

Dear Mr. Chaney:

Enclosed is a copy of a protest filed against the approval of the above referenced application. The Department suggests you contact the protestant directly to determine the nature of the protest and, if possible, to resolve the matter without action by the Department. In our experience, informal discussion between the parties prior to initiation of formal proceedings often leads to resolution of the protest.

If the protest cannot be resolved informally, the matter will be scheduled for conference and/or hearing. The following are the criteria the Department must consider in either approving or denying the application (Section 42-203, Idaho Code):

1. Will the proposed use reduce the quantity of water under existing water rights?
2. Is the proposed water supply insufficient for the purpose intended?
3. Is the application made in good faith or for delay or speculative purposes?
4. Has the applicant sufficient financial resources with which to complete the project?
5. Will the proposed use conflict with the local public interest?
6. Will the proposed use be contrary to the conservation of water resources within the State of Idaho?

You will be notified at a later date of the time and place of the conference and/or hearing. Please contact this office if you have any questions regarding this procedure.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Haynes".

ROBERT G. HAYNES, P.E.
Regional Manager

RGH:db

Enclosure

Ball, Dianne

From: Jim Brady [jbrady@idl.state.id.us]
Sent: Monday, August 30, 2004 10:02 AM
To: 'dball@idwr.state.id.us'
Subject: 96-9191 Sandy Beach Prop, LLC

Dianne, we can not locate an application or permit for this property. I will send him an application. You might also remind him he needs a permit from us as well.

Jim Brady, Resource Manager
Minerals and Navigable Waters
Idaho Department of Lands, Mica Supervisory Area
3706 Industrial Ave. South
Coeur d'Alene, ID 83815
(208) 666-8607
(208) 769-1597 fax

*Entered on computer
8/30/04*



IDAHO FISH AND GAME

2750 Kathleen Avenue
Coeur d'Alene, Idaho 83815

*Entered on
Computer 8/20/04
D*

Dirk Kempthorne/Governor
Steven Huffaker/Director

RECEIVED

August 18, 2004

Idaho Department of Water Resources
Northern Region
1910 Northwest Blvd, S 210
Coeur d'Alene, ID 83814

AUG 19 2004

IDWR/NOIR

Via email to Dianne Ball:

REFERENCE: Water Right Application #96-9191 – SANDY BEACH PROPERTY
LLC

We have no specific objections or comments about the above applications. However, water lines and pumps are an encroachment in lakes and rivers, which can be detrimental to fish and fish habitat.

We recommend that applicants be required to install lines beneath the lake, river or stream bed should occur during low water periods when underwater excavation will be minimized. Dug materials should be sidecast to only one side and the bottom contour and substrate restored. Any unburied sections of the line should be anchored on the bottom to prevent it from floating and interfering with boat anchors or anglers' lines or capturing debris. The applicant should also provide a smooth cover for the pump to avoid interference with boat anchors or anglers' lines and to avoid capturing debris. It would be preferable to place pumps on land rather than in the water. Water intakes should be screened to prevent entrainment or impingement of fish. The maximum screen mesh size should be 0.25 inches; approach velocities should not exceed 0.5 ft/second to prevent losses of juvenile fish.

Applicants should obtain necessary encroachment permits from Idaho Department of Lands prior to installing water lines or pumps in waters of a lake, river or stream.

Thank you for the opportunity to comment.

Mary Terra-Berns
Environmental Staff Biologist

C: IDFG NRPB, Boise; File

File: IDWR Sandy Beach Prop LLC 96-9191

SEP 01 2004

IDWR/North

State of Idaho

SS.

County of Bonner, Sherilyn Jones

being first duly sworn on oath

deposes and says that he/she is Bookkeeper

of the Bonner County Daily Bee, a newspaper printed and

published at Sandpoint, Bonner County, Idaho; that the

said newspaper has been continuously and uninterruptedly

published in said Bonner County during a period of 12

months prior to the first publication of the hereto attached

notice of publication in the case of:

Notice of App

as it was published in the regular and entire issue of the

said paper for a period of 2 consecutive weeks,

commencing on 19 day of Aug, 20 04

and ending on the 26 day of Aug, 20 04

and that said notice was published in said newspaper.

On this 26 day of Aug in the year

of 2004, before me, a Notary Public, personally

appeared Sherilyn Jones

known or identified to me to be the person whose name

subscribed to the within instrument, and being by me

first duly sworn, declared that the statements therein are

true, and acknowledged to me that he executed the same.

Sherilyn Jones

Notary Public for Idaho

Residing

Sandpoint

My commission expires: 8/06

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

96-9189

CITY OF SANDPOINT

1123 W LAKE ST

SANDPOINT, ID 83864 1714

Point(s) of Diversion (2) NWNWSW and SWSWNW S23 T57N R02W BONNER County

Source SAND CREEK Tributary to LAKE PEND ORIELLE

Use: IRRIGATION 03/15 To 11/15 0.3 CFS

Total Diversion: 0.3 CFS

Date Filed: 06/30/2004

Place of Use: IRRIGATION

T57N R02W S22 NENE

T57N R02W S23 NWNW SWNW NWSW SWSW

Number of Acres 4.55

96-9190

MCGHEE RANCH ESTATES

4825 GLASGOW DR

FAIRBANKS AK 99709-2319

Point(s) of Diversion(2) SWNW S22 T56N R02W BONNER County

Source GROUNDWATER

Use: MUNICIPAL 01/01 To 12/31 0.32 CFS

Total Diversion: 0.32 CFS

Date Filed: 07/16/2004

Place of Use: MUNICIPAL

Municipal use is within service area of the applicant

96-9191

SANDY BEACH PROPERTIES LLC

431 LAKEVIEW BLVD

SANDPOINT ID 83864

Point(s) of Diversion L5(NESW) S7 T55N R02W BONNER County

Source COCOLALLA LAKE Tributary to COCOLALLA CREEK

Use: IRRIGATION 03/15 To 11/15 0.08 CFS

Use: DOMESTIC 01/01 To 12/31 0.2 CFS

Total Diversion: 0.2 CFS

Date Filed: 07/20/2004

Place of Use: IRRIGATION

T55N R02W S7 NESW Lot 5 NWSW Lot 3

Number of Acres 3

Place of Use: DOMESTIC-same as IRRIGATION

Remark: Domestic use is for 11 homes.

96-9192

CLAY WILLIAMS

DIANE WILLIAMS

801 WHITETAIL DR

SANDPOINT ID 83864

Point(s) of Diversion NESW S17 T59N R01E BONNER County

Source UNNAMED STREAM Tributary to NORTH FORK GROUSE CREEK

Use: IRRIGATION 03/15 To 11/15 0.03 CFS

Use: POWER 01/01 To 12/31 0.10 CFS

Total Diversion: 0.13 CFS

Date Filed: 07/30/2004

Place of Use: POWER T59N R01E S17 NESW

Place of Use: IRRIGATION-same as POWER

Number of Acres 1

Permits will be subject to all prior water rights. Protests may be submitted

based on the criteria of Sec. 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the

Director, Dept. of Water Resource, Northern Region, 1910 Northwest Blvd.,

Suite 210, Coeur d'Alene, ID 83814 together with a protest fee of \$25.00 for

each application on or before 09/06/2004. The protestant must also send a

copy of the protests to the applicant.

KARL J. DREHER, Director

Legal 5413

August 19, 26, 2004

The following application(s) have been filed to appropriate the public waters of the State of Idaho:

96-9189

CITY OF SANDPOINT
1123 W LAKE ST
SANDPOINT ID 83864 1714

Point(s) of Diversion (2) NWNWSW and SWSWNW S23 T57N R02W BONNER County

Source SAND CREEK Tributary To LAKE PEND OREILLE

Use: IRRIGATION 03/15 To 11/15 0.3 CFS

Total Diversion: 0.3 CFS

Date Filed: 06/30/2004

Place Of Use: IRRIGATION

T57N R02W S22 NENE

T57N R02W S23 NWNW SWNW NWSW SWSW

Number of Acres 4.55

96-9190

MC GHEE RANCH ESTATES
4825 GLASGOW DR
FAIRBANKS AK 99709-2319

Point(s) of Diversion (2) SWNW S22 T56N R02W BONNER County

Source GROUND WATER

Use: MUNICIPAL 01/01 To 12/31 0.32 CFS

Total Diversion: 0.32 CFS

Date Filed: 07/16/2004

Place Of Use: MUNICIPAL

Municipal use is within service area of the applicant.

96-9191

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

Point(s) of Diversion L5 (NESW) S7 T55N R02W BONNER County

Source COCOLALLA LAKE Tributary To COCOLALLA CREEK

Use: IRRIGATION 03/15 To 11/15 0.08 CFS

Use: DOMESTIC 01/01 To 12/31 0.2 CFS

Total Diversion: 0.2 CFS

Date Filed: 07/20/2004

Place Of Use: IRRIGATION

T55N R02W S7 NESW Lot 5 NWSW Lot 3

Number of Acres 3

Place Of Use: DOMESTIC - same as IRRIGATION

Remark: Domestic use is for 11 homes.

CONTINUED ON FOLLOWING PAGE

96-9192

CLAY WILLIAMS
DIANE WILLIAMS
801 WHITETAIL DR
SANDPOINT ID 83864

Point(s) of Diversion NESW S17 T59N R01E BONNER County
Source UNNAMED STREAM Tributary To NORTH FORK GROUSE CREEK
Use: IRRIGATION 03/15 To 11/15 0.03 CFS
Use: POWER 01/01 To 12/31 0.10 CFS
 Total Diversion: 0.13 CFS

Date Filed: 07/30/2004

Place Of Use: POWER T59N R01E S17 NESW

Place Of Use: IRRIGATION - same as POWER

Number of Acres 1

Permits will be subject to all prior water rights. Protests may be submitted based on the criteria of Sec 42-203A, Idaho Code.

Any protest against the approval of this application must be filed with the Director, Dept. of Water Resource, Northern Region, 1910 Northwest Blvd, Suite 210, Coeur D' Alene ID 83814 together with a protest fee of \$25.00 for each application on or before 09/06/2004. The protestant must also send a copy of the protest to the applicant.

KARL J DREHER, Director

Published on August 19 and 26, 2004



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

Fax (208) 769-1454

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 11, 2004

~PLEASE FAX PROOF PRIOR TO PUBLICATION!
THANK YOU.

SHERI JONES
LEGAL NOTICE DEPARTMENT
BONNER COUNTY DAILY BEE
PO BOX 159
SANDPOINT ID 83864

e-mailed to Sheri 8/11/04

RE: Application for Permit No. 96-9189, 96-9190, 96-9191 and 96-9192

Dear Sheri:

Enclosed you will find a legal notice which we wish to have published in your newspaper on the dates indicated, August 19 and 26, 2004, (once a week for two consecutive weekly issues). If you cannot publish the notice on the proposed dates, please contact us immediately.

An affidavit of publication must be submitted to the Department along with the publication bill. Please send the affidavit and bill to this office before 09/06/2004. Your cooperation is GREATLY appreciated, as always.

Sincerely

Dianne

Dianne Ball
Administrative Assistant

Ball, Dianne

From: Ball, Dianne
Sent: Wednesday, August 11, 2004 8:54 AM
To: Legal Notices-Bonner Co Daily Bee (E-mail)
Subject: Legal notice for publication August 19 and 26, 2004

Good morning, Sherri, and a very happy day to you.

Attached you will find a cover letter requesting publication of a legal notice, also attached. Please publish the legal notice on August 19 and 26, 2004

If you have **ANY** questions, please call me at 208-769-1450, or e-mail me.

ALSO - PLEASE FAX A PROOF PRIOR TO PUBLICATION. It helps me to see how the layout looks - tabs do some funny things when you cut or copy and paste. Thanks.

Have a simply marvelous day, and try to stay cool!

May your day be filled with beauty.

Dianne

Dianne Ball, Administrative Assistant
Idaho Department of Water Resources
1910 Northwest Blvd., Suite 210
Coeur d'Alene, ID 83814
Phone 208-769-1450 FAX 208-769-1454

8/11/2004



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 11, 2004

SANDY BEACH PROPERTIES LLC
431 LAKEVIEW BLVD
SANDPOINT ID 83864

RE: Application for Permit No 96-9191

Dear Applicant(s):

The Department of Water Resources acknowledges receipt of your water right application. Please refer to the above referenced number in all future correspondence regarding this application.

A legal notice of the application has been prepared and is scheduled for publication in the Bonner County Daily Bee on August 19 and 26, 2004. Submittal of protests to this application will be allowed for a period ending ten days after the second publication.

If the application is protested you will be sent a copy of the protest(s). All protests must be resolved before the application can be considered for approval. If the protest(s) cannot be resolved voluntarily, the Department will conduct a conference and/or hearing on the matter.

If the application is not protested, it will be forwarded to our State Office in Boise for final processing. The State Office will notify you of any action taken on the application and will send you a copy of the permit if approved. A typical processing time for an unprotested application is about eight to twelve weeks.

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

Sincerely,

Allen Beardslee
Senior Water Resource Agent



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 04, 2004

MARY TERRA-BERNS
STATE OF IDAHO
DEPT OF FISH & GAME
2750 KATHLEEN AVE
COEUR D ALENE, ID 83814

FAXED 8/4/04
4 PAGES TOTAL

Application to Permit No. 96-9191 - SANDY BEACH PROPERTIES LLC

Dear Mary:

The Department of Water Resources is seeking written comment and/or recommendations from your agency regarding the above referenced water right application. A copy of the application follows for your reference.

This office can publish notice of the application as soon as the initial review is completed; therefore, your prompt response to this request is appreciated. If your agency desires to formally protest the approval of this application, you may do so after the notice is published by filing a written protest along with a \$25.00 filing fee within 10 days after final publication. If you will not be protesting, you may reply by e-mail to dball@idwr.state.id.us.

Please contact this office if you have any questions regarding the application.

Sincerely,

Dianne Ball
Administrative Assistant

Enclosure(s)



State of Idaho
DEPARTMENT OF WATER RESOURCES

NORTHERN REGION, Suite No. 210 • 1910 Northwest Blvd. • Coeur d'Alene, Idaho 83814-2615
(208) 769-1450

DIRK KEMPTHORNE
GOVERNOR

KARL J. DREHER
DIRECTOR

August 04, 2004

STATE OF IDAHO
DEPT OF LANDS
3706 INDUSTRIAL AVE S
COEUR D ALENE, ID 83815

FAXED 8/4/04
4 PAGES TOTAL

Application to Permit No. 96-9191 - SANDY BEACH PROPERTIES LLC

Following is a copy of the above referenced application. Please review the application, and submit your comments to this office within two weeks of receipt of this request, by August 20, 2004.

If you will not be protesting this application, you may submit your comments by e-mail to dball@idwr.state.id.us.

Please feel free to contact this office if you have any questions regarding the application.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Dianne', is written in black ink.

Dianne Ball
Administrative Assistant

Enclosure(s)