

**Bar Circle "S" Water Co.**

**PO Box 1870**

**Hayden ID 83835**

**208 665 9200**

**208 665 9300 fax**

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IDAHO PUBLIC UTILITIES COMMISSION

BCS-W-05-01

March 1, 2005

Idaho Public Utilities Commission  
PO Box 83720  
Boise ID 83720-0074  
208 334 0320

RE: Request to establish commercial fire protection tariff rates for Bar Circle "S" Water Company.

Bar Circle "S" Water Co. does not currently have an approved commercial fire protection tariff. At the request of Waterford Park LLC, a boat and RV condominium storage facility, Bar Circle "S" Water Company entered into an agreement with Waterford to provide fire protection service required for the facility. A copy of the agreement is enclosed as attachment #1.

Enclosed Attachment #2 is a copy of the engineers' master plan for the storage facility that shows the location of water lines, fire hydrants and sprinkler service lines that are being installed to meet the fire protection requirements. Waterford is paying the costs to move existing lines and install new lines and hydrants as shown on the master plan.

Bar Circle "S" must dedicate a large portion of its existing storage reservoir to the fire suppression needs of the facility. The enclosed attachment #3 is a memo from Patriot Fire Protection Company. The memo demonstrates that nearly a third of Bar Circle "S" Water Company's existing reservoir will be dedicated to meeting the required 53,400 gallon storage requirement.

Bar Circle "S" anticipates that additional growth will occur in the area in the near future and that the Company will expand to serve new customers. Because of the large portion of the existing reservoir that will be dedicated to fire protection for Waterford's facility, Bar Circle "S" will need to construct additional storage to meet its growth requirements sooner than anticipated.

Attachment #4 is our engineers estimate for the construction of a new 20,000 gallon reservoir. The total cost of this new reservoir is expected to be \$90,000. The size of this reservoir is smaller than the dedicated 53,400 gallons of storage required by Waterford.

Bar Circle "S" requests approval of Commercial Fire Protection Rates as follows:

Monthly rate for Commercial Private Fire Hydrants	\$146.05
Monthly rate for Commercial Sprinkler Service per connection	\$97.65


The calculations of these rates are shown on Attachment #5. The rates were developed using the cost of the new reservoir that could be avoided were it not for the dedication of a portion of the Company's existing facilities. Because the new reservoir is much smaller than the dedicated portion of our existing reservoir, we believe our calculations are conservative. These rates when applied to the entire Waterford facility will generate monthly revenue of \$1,121.68.

Attachment #6 is a schedule that demonstrates that the dedicated portion of the existing reservoir is the equivalent of 23 residential customer's average daily requirements during the peak season of the year. The schedule also demonstrates that the fire flow requirement for the Waterford facility is nearly twice the average demand of the existing 139 residential customers connected to the system.

The enclosed Attachment #7 is the Bar Circle "S" Water Co. Usage Report for the month of July 2004 provided for your convenience and verification of our calculations.

Your expeditious attention to this request is appreciated.

Sincerely,



Robert Turnipseed  
President

**WATER EASEMENT, ACCESS EASEMENT AND MAINTENANCE AGREEMENT**

This Agreement is made and effective as of the date indicated below by Waterford Park Homes, LLC, an Idaho limited liability company doing business under the laws of the State of Idaho (hereinafter referred to as "WATERFORD") and BAR CIRCLE "S" WATER, INC., a corporation doing business under the laws of the State of Idaho, (hereinafter referred to as "BAR CIRCLE").

**RECITALS:**

A. BAR CIRCLE is the legal owner of certain real property rights, more particularly set forth in a Quit Claim Deed recorded in the records of Kootenai County as Instrument Number 1733122 (referred to as the "BAR CIRCLE EASEMENT").

B. WATERFORD is the owner of property more particularly described on Exhibit "A."

C. The BAR CIRCLE EASEMENT interferes with the WATERFORD development of the WATERFORD PROPERTY.

D. The parties desire to enter into this Agreement to terminate the BAR CIRCLE EASEMENT and to establish a new or modified location for the BAR CIRCLE water system, well, waterlines, etc.

E. The parties to this Agreement desire that this Agreement shall bind future owners of BAR CIRCLE EASEMENT and WATERFORD PROPERTY, and that the same shall run with the land.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Termination and Release of the Existing BAR CIRCLE EASEMENT. BAR CIRCLE, does hereby REMISE, RELEASE, and forever QUITCLAIM, to WATERFORD and WATERFORD'S successors and assigns forever, all interest in WATERFORD PROPERTY as more particularly described on attached Exhibit "A", together with all tenements, and appurtenances thereunto belonging. This termination and release shall only affect the rights, which exist as of the date of this Agreement and shall not eliminate or terminate the new easements created by this Agreement.

2. Access and Water System Easements. WATERFORD hereby grants, conveys, and confirms a non-exclusive easement to BAR CIRCLE for a water well, water lines, well site pipe and apparatus, both above and below ground for the purposes of a water system, including but not limited to all fixtures and improvements that shall be set forth on the easement location as described on Exhibit "B" and Exhibit "C" attached hereto and incorporated by this reference (hereinafter referred to as "NEW

BAR CIRCLE EASEMENTS"). The easements hereby created for the benefit of BAR CIRCLE shall include a right of ingress and egress over and across Game Trail Court and a non-exclusive easement for utilities over, across and under NEW BAR CIRCLE EASEMENTS, as described in Exhibit "B" and Exhibit "C."

3. Easement Creation and Limitations. The nonexclusive easement is granted for the specific purpose of ingress and egress to the NEW BAR CIRCLE EASEMENT and is granted for the specific purpose of, and limited to, the installation, maintenance, repair, operation, and use of utility services including, but not limited to, domestic and commercial water, electricity and other utilities necessary for service of water to the residences and other uses on the BAR CIRCLE'S Water System.

4. Easements Run with the Land. The NEW BAR CIRCLE EASEMENTS shall run with the land and shall be binding on and inure to the benefit of respective parties and the respective parties' heirs, successors or assigns. These easements are granted for the benefit of, and are appurtenant to, the BAR CIRCLE'S Water System

5. Construction and Maintenance. BAR CIRCLE, at BAR CIRCLE'S option, may complete the construction of the access road and the installation of such utilities as BAR CIRCLE deems appropriate, in a good and workmanlike fashion. During construction, BAR CIRCLE shall keep all contractors insured, or assure that all contractors shall have insurance adequate to hold WATERFORD harmless from all costs and liability associated with construction of the access road and installation of utilities. All construction, repairs, maintenance, improvements or operating costs associated with the use of the easement shall be at the expense of BAR CIRCLE. Any repairs, maintenance or improvements shall be accomplished in a reasonable time and in a manner that will not unreasonably interfere with or interrupt WATERFORD'S use of the WATERFORD Property. In the event of the need of repair or reconstruction of a water line placed below pavement, the parties agree that BAR CIRCLE shall pay for the cost of the repair of the pipe or the reconstruction of the pipe, unless the damage was solely caused by WATERFORD. However, under either scenario, WATERFORD shall bear all costs of repaving the area after the pipe has been reconstructed or repaired and assure the soils have been properly compacted.

6. No Liens. BAR CIRCLE shall take no action or omit to take any action which shall cause any lien to be filed on the WATERFORD PROPERTY.

7. Arbitration. In the event of any disagreement, any party may call for arbitration by appointing an arbitrator who is reasonably qualified for the issue on which there is a disagreement. Within ten (10) days of the appointment of said arbitrator, the other side of the issue shall agree to the single arbitrator or shall appoint a similarly qualified arbitrator. If the two arbitrators are selected, within ten (10) days the two shall select a third arbitrator, and the three arbitrators or the one arbitrator, as the case may be, shall resolve the disagreement within ten (10) days from the appointment of the third arbitrator. The rules and the procedures for the arbitration shall be determined by the arbitrator or arbitrators; however, in the event of any disagreement, the rules of the

American Arbitration Association shall apply. In the event that any party, or a chosen arbitrator, shall fail to act as required, then the action to be taken shall be decided by the Administrative District Court Judge of the First Judicial District of the State of Idaho. Upon the request of any party or upon the request of any arbitrator, as the case may be, the Judge shall promptly, by oral statement, instruct, decide or appoint, to assure a rapid arbitration of the matter and payment of all costs associated with the procedure. The board of arbitrators by majority rule, or the arbitrator in the arbitrator's sole discretion, shall settle all disagreements, and the ruling of the arbitrators shall be the final binding resolution. The decision of the arbitrators shall be given the same weight as a judgment and may be converted to a judgment by any party. All costs and expenses of the arbitration related to an issue, other than the allegation of breach, shall be borne equally by the two sides of the issue with each side paying one-half. If the arbitration involves an allegation of breach and if the arbitrated decision is that a breach did occur, then the breaching party shall pay all costs for the arbitration, otherwise the costs shall be borne equally by the two sides. However, the attorney, judge or court fees shall be solely borne by the party procuring the particular service.

8. Fire Hydrants. There are certain fire hydrants that have been required to be constructed at WATERFORD'S property, due to WATERFORD'S use. Those fire hydrants are required solely because of the commercial use of WATERFORD. The parties agree that WATERFORD shall bear all costs in the installation and maintenance of the fire hydrants. BAR CIRCLE shall have no responsibility for maintenance, repair or liability for failure of the fire hydrants, unless failure is directly related to BAR CIRCLE'S inability to supply water to the fire hydrants.

9. Binding. The easement and rights granted herein exist in perpetuity and shall inure to the benefit of and be binding upon the heirs, assigns and successors in interests of WATERFORD and BAR CIRCLE.

10. Breach. In the case of breach of any portion of this Agreement, and upon failure to remedy said breach within ten (10) days of notice, any non-breaching or defaulting party may seek an appropriate remedy. An appropriate remedy may be sought through arbitration for any legal or equitable action, as allowed under the laws of the State of Idaho. Notice of the default shall be given by mailing a notice by first class, postage prepaid to the defaulting party. Failure to act as to any one breach or default shall not be considered a waiver of any rights for a subsequent action by the defaulting or breaching party.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho.

12. Amendment. This Agreement may not be altered or amended except in writing and signed by each of the parties hereto.

13. No Joint Venture. Nothing contained in this Agreement, or in any of the ancillary documents, shall be construed as creating a joint venture, partnership or agency relationship between the parties.

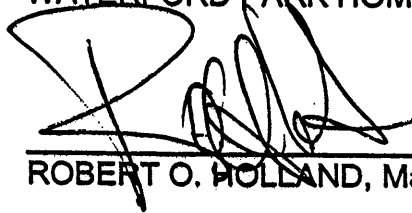
14. Construction. The parties agree in all cases that the language of this Agreement will be construed simply, according to its fair meaning, and not strictly for or against any party.

15. Caption. The captions of this Agreement are used for convenience only and are not intended to be a part of this Agreement, or in any way to define, limit or described its scope and intent.

16. Attorney's Fees. In the event of any controversy, claim or dispute relating to this Agreement or its breach, the prevailing party shall be entitled to recover reasonable expenses, attorney's fees and costs.

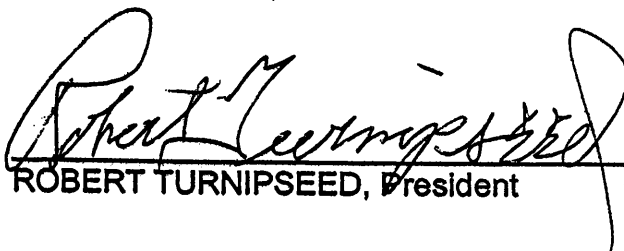
DATED this 6<sup>th</sup> day of ~~OCTOBER~~ 2004.

WATERFORD PARK HOMES, LLC



ROBERT O. HOLLAND, Managing Member

BAR CIRCLE "S" WATER, INC.

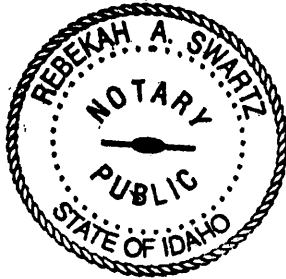


ROBERT TURNIPSEED, President

STATE OF IDAHO )  
 ) ss.  
County of Kootenai )

On this 6th day of October 2004, before me, the undersigned, a Notary Public, personally appeared ROBERT O. HOLLAND, known to me or identified to me to be one of the managing members in the limited liability company of WATERFORD PARK HOMES, LLC, and the managing member who subscribed the company name to the foregoing instrument, and acknowledged to me that he executed the same in the company name.

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

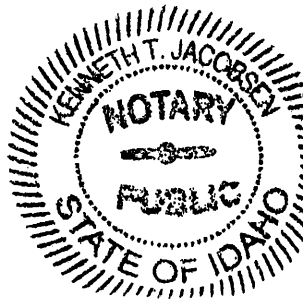


Rebekah A. Swartz  
Notary for the State of Idaho  
Commission Expires: 12/5/07

STATE OF IDAHO )  
 ) ss.  
County of Kootenai )

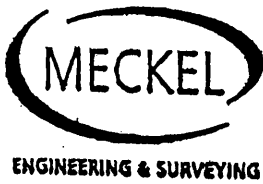
On this 7 day of October 2004, before me, the undersigned, a Notary in and for the State of Idaho, personally appeared ROBERT TURNIPSEED, known or identified to me to be President of BAR CIRCLE "S" WATER, INC., an Idaho corporation that executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

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



[Signature]  
Notary for the State of Idaho  
Commission Expires: 7-3-2006  
Re: Harrison

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MECKEL ENGINEERING & SURVEYING  
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August 17, 2004

Sec.25, T52N, R4W

8/17/04

EXHIBIT "A"

**LEGAL DESCRIPTION  
FOR THE BOUNDARY OF HAYDEN LAKE EXECUTIVE RV & BOAT  
CONDOMINIUMS**

A part of the N 1/2 NW 1/4, Section 25, Township 52 North, Range 4 West, Boise Meridian, Kootenai County, Idaho; more particularly described as follows:

Commencing at the corner to Sections 23, 24, 25 and 26, monumented with an iron pipe, 2 inches diameter in a monument case, according to the Corner Perpetuation and Filing Record recorded as Instrument Number 1870159, from which the 1/4 section corner common to Sections 24 and 25 bears North 88°50'13" East, 2643.88 feet, monumented with an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 4905 in a monument case, according to the Corner Perpetuation and Filing Record recorded as Instrument Number 1612511;

thence North 88°50'13" East, a distance of 60.00 feet along the North line of said Section 25 to the POINT OF BEGINNING;

thence continuing North 88°50'13" East, a distance of 1271.88 feet along the North line of said Section 25;

thence South 01°11'00" East, a distance of 29.74 feet (of record as South 01°09'47" East, a distance of 30.00 feet) to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 4565;

thence South 32°28'51" West, a distance of 203.83 feet (of record as South 32°31'01" West, a distance of 203.53 feet) along the Southeasterly line of Tax Number 20110 to an iron rod, 30 inches long, 5/8 inch diameter, with a plastic cap marked PLS 6374, set to replace a railroad spike in top of a tree stump;

thence South 34°41'32" West, a distance of 259.44 feet (of record as South 34°41'28" West, a distance of 259.31 feet) to an iron rod, 30 inches long, 5/8 inch diameter with a plastic cap marked PLS 6374, set to replace an existing iron rod, 1/2 inch diameter, with no cap;

thence South 34°40'17" West, a distance of 338.74 feet (of record as South 34°41'28" West, a distance of 336.86 feet) along the Southeasterly line of Tax Number 20110 to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 6374;



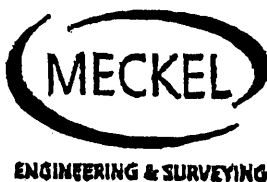
thence South 34°40'17" West, a distance of 324.82 feet (of record as South 34°41'28" West, a distance of 324.93 feet) along the southeasterly line of Tax Number 15395 to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 3814;

thence North 37°58'04" West, a distance of 1035.03 feet (of record as North 37°57'21" West, a distance of 1034.96 feet) along the Southwesterly line of Tax Number 15395 to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 5078;

thence North 0°26'31" West, a distance of 88.79 feet (of record as North 0°25'43" West, a distance of 88.77 feet) to an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 4565, on the South right-of-way line of Garwood Road;

thence North 0°20'19" West, a distance of 30.17 feet to the POINT OF BEGINNING, containing 15.000 acres, more or less.

Subject to the easements granted to Lakes Highway District for Garwood Road along the North 45.00 feet and to all other rights-of-way, easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view.



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*Scott M. Rasor*  
9/3/04

September 3, 2004

Sec.25, T52N, R4W

**EXHIBIT B**  
**WELL SITE EASEMENT**  
**LEGAL DESCRIPTION**

An easement for purposes of installation, operation and maintenance of a well site and water lines over, under and across a strip of land being a portion of Tax Numbers 15395, as described in the Warranty Deed on file as Instrument Number 1283599 and Tax Number 20110, as described in the Quit Claim Deed on file under Instrument Number 1880074, situated in the North - Half of the Northwest Quarter of Section 25, Township 52 North, Range 4 West, Boise Meridian, Kootenai County, Idaho; more particularly described as follows:

Commencing at the corner to Sections 23, 24, 25 and 26, monumented with an iron pipe, 2 inches diameter in a monument case, according to the Corner Perpetuation and Filing Record recorded as Instrument Number 1870159, from which the 1/4 section corner common to Sections 24 and 25 bears North 88°50'13" East, 2643.88 feet, monumented with an iron rod, 5/8 inch diameter, with a plastic cap marked PLS 4905 in a monument case, according to the Corner Perpetuation and Filing Record recorded as Instrument Number 1612511;

thence North 88°50'13" East, a distance of 60.00 feet along the North line of said Section 25;

thence South 00°20'19" East, a distance of 50.17 feet to an iron rod, 5/8 inches diameter, with a plastic cap marked PLS 4565, the POINT OF BEGINNING;

thence North 88°51'11" East, a distance of 64.82 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 4565;

thence North 88°57'36" East, a distance of 100.08 feet to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 4565;

thence North 88°50'13" East, a distance of 20.00 feet;

thence South 00°29'31" East, a distance of 113.00 feet along a line which is 20.00 feet East of and parallel with the East line of said Tax Number 15395;

thence South 88°50'13" West, a distance of 166.41 feet to a point on the Southwesterly line of said Tax Number 15,395;

thence North  $37^{\circ}58'04''$  West, a distance of 30.53 feet along the Southwesterly line of said Tax Number 15395 to an iron rod, 5/8 inch diameter with a plastic cap marked PLS 5078;

thence North  $00^{\circ}26'31''$  West, a distance of 88.79 feet along the West line of said Tax Number 15395 to the POINT OF BEGINNING, containing .47 acres of land, more or less.

Subject to:

The grant of easement for Lakes Highway District according to Instrument Numbers 1755821 and 1755822 and to all existing easements, covenants, conditions, rights, reservations, restrictions or encumbrances of record or in view.

The above described easement is an expansion of the easement reserved in Instrument Number 1283599, recorded on November 20, 1992.



MECKEL ENGINEERING & SURVEYING  
3905 N. Schreiber Way  
Coeur d'Alene, ID 83815  
Office 208-867-4638 • Fax 208-854-3347  
www.mackel.com



September 3, 2004

Sec. 25, T52N, R4W

*Scott M. Rasor*  
9/3/04

**EXHIBIT C  
GARWOOD STORAGE  
WATER LINE EASEMENT  
LEGAL DESCRIPTION**

An easement 20.00 feet in width, for purposes of installation, operation and maintenance of a water line over, under and across a strip of land being a portion of Tax Number 20110, as described in the Quit Claim Deed on file under Instrument Number 1880074 and Tax Number 15,395, as described in the Warranty Deed on file under Instrument Number 1283599, situated in the North-Half of the Northwest Quarter of Section 25, Township 52 North, Range 4 West, Boise Meridian, Kootenai County, Idaho lying 10.00 feet each side of the following described centerline:

Commencing at the corner to Sections 23, 24, 25 and 26, monumented with an iron pipe, 2 inches diameter in a monument case, according to the Corner Perpetuation and Filing record form on file under Instrument Number 1870159, from which the 1/4 Section corner common to Sections 24 & 25, bears, North  $88^{\circ}50'13''$  East, a distance of 2643.88 feet;

thence along the North line of said Section 25, North  $88^{\circ}50'13''$  East, a distance of 1163.31 feet;

thence leaving said section line, South  $01^{\circ}09'47''$  East, a distance of 30.00 feet to the South right-of-way line of Garwood Road, the Point of Beginning;

thence along the centerline of said water line easement, South  $01^{\circ}09'47''$  East, a distance of 219.81 feet;

thence continuing along said centerline, South  $21^{\circ}20'13''$  West, a distance of 24.26 feet;

thence continuing along said centerline, South  $34^{\circ}41'32''$  West, a distance of 162.39 feet;

thence continuing along said centerline, South  $34^{\circ}40'17''$  West, a distance of 348.04 feet to the terminus of the 20.00 foot wide easement;

thence along the northwesterly line of a 10.00 foot wide water line easement, lying 10.00 feet southeasterly of the following described line:

South  $34^{\circ}40'17''$  West, a distance of 312.40 feet to a point on the Southwesterly line of said Tax Number 15395, the Point of Termination.

**SEE CASE FILE**  
**FOR MAP(S)**

F A C S I M I L E M E M O**PATRIOT  
FIRE PROTECTION**

10005 East Montgomery  
Spokane, WA 99206  
(509) 926-3428  
FAX (509) 926-3708  
E Mail: davidh@patriotfire.com

To: Bob Tumipseed  
Attn:  
From: Dave Herrmann  
Project Manager

Date: August 11, 2004

Fax Number: 208-665-9300  
Number of pages sent: 1 - inc cov

- Reference: Executive RV & Boat
- Subject: Site Fire Water Requirements

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Bob,

I've spoken with Dean Marcus of Northern Lakes Fire District regarding fire flow and water storage requirements for this site. A summary is as follows:

1. NFPA 13 requires a minimum water supply equal to the sprinkler system demand plus an additional 250 gpm for fire department use for a minimum of 60 minutes.

For this site, the sprinkler system demand is 390 gpm. Adding 250 gpm for fire department use gives us a total demand of 640 gpm\* required for 60 minutes, or a total of 38,400 gallons.

\* the total demand of 640 gpm must be available at 60 psi at the site fire main \*

2. Fire hydrant supply requirements are a minimum of 250 gpm for 120 minutes, or a total of 30,000 gallons.

We know of no requirement to combine these totals, since the NFPA requirement includes fire department hose streams, albeit only for 60 minutes as a safety buffer, and since the fire hydrant shouldn't be needed if the sprinkler system is functioning properly.

Conservatively, you could add the 250 gpm for an additional 60 minutes, or 15,000 gallons to the sprinkler demand for a total storage supply of 53,400 gallons which is still less than one third of your existing supply arrangement.

If you have any questions regarding these, please give me a call.

  
Dave Herrmann  
Project Manager

Note: If you did not receive all of the page(s) or if you have a question, please call.

