

J. Rodney Dansie

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

DOCKET NO. 11-2195-01

In the Matter of Hi-Country Estates
Homeowners Association's Request for
Reassessment of the Commission's
Jurisdiction)
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**REQUEST FOR AGENCY
REVIEW AND REHEARING**

Pursuant to Utah Code Ann. §§ 54-7-15 and 63G-4-301, J. Rodney Dansie

hereby respectfully requests Agency Review and Rehearing of the Matter of Hi-Country Estates
Homeowners Association's Request for Reassessment of the Commission's Jurisdiction

1.

INTRODUCTION

J. RODNEY DANIE seeks review of, and rehearing on, the report and order of the public service commission (the "order") dated July 12, 2012 Revoking letter of exemption and reinstating certificate of public convenience and necessity No 2737. The grounds for the request are (1) that the Public Service Commission (PSC) order fails to apply the correct test for determining whether Hi-Country /Hi-country water is a public utility and subject to PSC jurisdiction;

(2) That the commonality of interest rule relied upon by the PSC in claiming jurisdiction exceeds the commission's statutory authority as applied in this case; and (3) even accepting the application of commonality of interest rule, Hi-Country/Hi-Country water meets all of the requirements of exemption from PSC regulation. Accordingly, the PSC'S Order should be vacated and Hi-Country/Hi-Country water application for Exemption should be approved as it was in 1996 by the PSC and the Exemption should remain in place.

II. ARGUMENT

A. The Order of the Public Service Commission Ignores the Crucial Step of Determining Whether the Commission has Jurisdiction to Assert Regulatory Authority over:

Hi-Country/Hi-Country water .

The boundaries of PSC jurisdiction are well defined in the enabling statute and through case law addressing and interpreting that statute. Utah Code Ann. Section 54-4-1 vests the PSC "with power and jurisdiction to supervise and regulate every public utility in this state ..." (emphasis added). Accordingly, the threshold question presented in this case is whether Hi-Country is a "public utility" as defined in Utah Code Ann. Section 54-2-1(16)(a). See also *Garkane Power Co. Inc., v. Public Service Commission*, 98 Utah 466, 100 P.2d 571, 571-2 (1940). Section 54-2-1(16)(a) provides:

"Public Utility" includes every railroad corporation, gas corporation, electrical corporation, distribution electrical cooperative, wholesale electrical cooperative, telephone corporation, telegraph corporation, water corporation, sewerage corporation, heat corporation, and independent energy producer not described in Subsection (16)(d), where the service is performed for, or the commodity delivered to, the public generally, or in the case of a gas corporation or electrical

corporation where the gas or electricity is sold or furnished to any member or consumers within the state for domestic, commercial, or industrial use.

(Emphasis added).¹ According to the express statutory language, the key factor in defining an entity as a "public utility" turns on the question of whether or not the goods or services are provided to the public generally as distinguished from mere private service. See *Garkane* at 572.

The distinction between private and public service has been dispositive in at least six cases before the Utah Supreme Court where the Court found the PSC had no jurisdiction under its enabling statute.² The controlling principle in each of these cases was the distinction made by the Court that the services rendered were not to an indefinite public, but to a restrictive group or limited class. As held in *State of Utah ex. rel. Public Service Commission v. Nelson*, 65 Utah 457, 238 P. 237, 239 (1925), "if the business or concern is not public service, where the public has a legal right to the use of it, where the business or operation is not open to an indefinite public, it is not subject to the jurisdiction or regulation of the commission...." *Garkane* and subsequent jurisdictional cases reaffirm that, "the test ... is ... whether the public has a legal right to the use which cannot be gainsaid, or denied, or withdrawn, at the pleasure of the owner." *Garkane* at 573 (quoting *Farmers' Market Co., v. R.R. Co.*, 142 Pa. 580, 21 A. 902, 989, 990 (date)). The *Garkane* court further distilled the test: "The essential feature of a public use is that it is not confined to privileged individuals but is open to the indefinite public.

¹ See also Utah Code Ann. Section 54-2-1(29) (incorporating the same standard of providing a public service in defining a "water corporation").

² *State of Utah ex. rel. Public Utilities Commission v. Nelson*, 65 Utah 457, 238 P.237 (1925); *Garkane Power Co. Inc. v. Public Service Commission*, 98 Utah 466, 100 P.2d 571 (1940); *San Miguel Power Ass'n. v. Public Service Commission*, 4 Utah 2d 252, 292 P.2d 511 (1956); *Medio-Call, Inc., et al. v. Public Service Commission of Utah*, 24 Utah 2d, 273, 470 P.2d 258 (1970); *Cottonwood Mall Shopping Center Inc. v. Public Service Commission of Utah, et al.*, 558 P.2d 1331 (Utah 1977); *Hohngren et al. v. Utah-Idaho Sugar Co.*, 582 P.2d 856 (1978).

Hi-Country/Hi-Country water has the right to select those who become members, ordinarily it matters not that 5 or 1,000 people are members or that a few or all the people in a given are members. In Hi-Country/ HiCountry waters case the uses in Beagley acres subdivision are owners and members based on the recorded documents, and agreements with Hi-Country in February 15, 1972 and the PSC order in 1996 that service could be provided to Beagley Subdivision provided they became members and they did become and were members of the Hi-Country Water Company operated by Hi-Country Estates HOA and paid fees both as water users and lot owners to both the Water Company and the HOA as per there agreements. In Hi-Country water/ Hi-Country HOA the membership requirements were limited by the 1972 recorded right of way agreement and agreement to provide 5 water conccections to the water system and to live by the rules and bylaws of Hi-country water company. Membership in Hi-Country water is confined to a limited number of individuals who own land in Beagley Subdivision and pay hook fees and water fees and install and dedicate the water lines and facilities and right of ways to Hi-Country/HiCountry Water co. No Water is allowed to be provided to the public in general , but only to the members of Hi-Country water that have signed agreements that were recorded and ran with there lots.

Because Hi-Country/Hi-Country Water is a non-profit corporation whose service is limited to its members, the PSC lacks authority to assert jurisdiction over the company or its members. The PSC made this very order when it exempted Hi-Country/Hi-Country water from it jurisdiction In 1996. (See 1996-PSC. Order granting exemption to HI-Country. Nothing has changed.

B. The PSC Improperly Substitutes its Commonality of Interest Rule for Decades of Judicial Precedent.

Both the PSC Order and DPU Recommendation asserting authority based solely upon an administrative rule that is in direct conflict with the enabling statute. See R746-331. As clearly defined in the cases cited above, an entity that does not provide service to the public generally is exempt from PSC jurisdiction. See *Nelson* at 239. Contrary to that controlling precedent, the PSC has implemented and applied an administrative rule that improperly narrows the class of entities exempt from PSC jurisdiction. This unlawful constriction is achieved by imposing a commonality of interest standard as the sole test for regulation.

By contradicting the language of the statute and Supreme Court precedent, the PSC rule violates fundamental principles of administrative law. See, e.g. *In the Matter of 47 Ave. B. East, Inc., v. New York State Liquor Authority*, No. 4880, slip op. at 6 (N.Y. App. Div. May 21, 2009) ("It is a fundamental principle of administrative law that an administrative agency has no

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authority to create rules and regulations without a statutory predicate. ... When the [administrative agency] has acted ultra vires by exercising impermissible substantive rule making, the courts have declared those rules null and void.”); *District of Columbia v. Jones*, 287 A.2d 816, ¶ 15 (D.C. 1972) (“It is well established that the rule-making power of administrative officers and agencies ‘is not the power to make law ... but the power to adopt regulations to carry into effect the will of Congress as expressed by the statute. A regulation which does not do this, but operates to create a rule out of harmony with the statute, is a mere nullity.”); *see also id.* at ¶ 24 (“One must bear in mind that the rule-making power is not a power to legislate. It is not a power to add to a statute. ... The rule-making power is merely power to fill in details within the limitations of the statute.”).

The *Nelson* court preemptively rejected this very type of attempted administrative expansion of jurisdiction and state regulation. “In other words, the State may not ... by regulating orders of a commission, convert mere private contracts or mere private business into public utility ...” *Nelson* at 239 (citations omitted). As applied, the commonality of interest rule abandons the jurisdictional standards and has the practical effect of allowing the PSC to unlawfully assert control over entities specifically excluded from regulation by the legislature.

C. Even Assuming the Commonality of Interest Rule Should Apply, ^{Hi-Country/ Hi-country water} Clearly
Qualifies for Exemption from PSC Regulation.

The administrative rule prescribing conditions for exemption from PSC regulation allows exemption where:

[T]he Commission finds that the entity is an existing non-profit corporation, in good standing with the Division of Corporations; that the entity owns or otherwise Controls the assets necessary to provide service it is not subject to PSC regulation.

An organization to be considered a utility and subject to psc regulation must be providing service to the public generally and have no restrictions, limitations as to who it provides service to and have

indefiniteness or unrestricted quality that gives it its public character." *Thayer v. California Dev. Bd.*, 164 Cal. 117, 127, 128 P. 21, 25 (1912).

The fundamental flaw in the PSC's order is that it assumes away the jurisdictional analysis mandated by the courts as a prerequisite to further inquiry. In *Nelson*, the Court held that: "It is only by the presence of such factor or element [public service] that the commission has power or authority to regulate or control such business. Eliminating it, its power and jurisdiction are gone." *Nelson* at 239.

Neither the Division of Public Utilities Recommendation nor the PSC Order contains any Accurate Facts demonstrating that Hi-Country Water provides water service to the public generally. In fact, it appears undisputed that water delivery provided by Hi-Country Water Co. is restricted only to Owners/Members of the corporation. The corporate documents of Hi-Country Water specifically limit water service to company owner/shareholders. No water service has been or can be provided to the public generally. Consistent with Supreme Court precedent, the fact that Hi-Country Water Co. does not provide water to the general public but to a discreet group of owner/shareholders, removes it from PSC jurisdiction.

The Supreme Court has consistently rebuffed the PSC's attempts to assert jurisdiction over entities with service restrictions similar to those contained in Hi-Country Water Co. charter documents. For example, in *Garkane* the PSC argued that membership in Garkane Power Company "is easy to obtain and actually the corporation solicits membership and has apparently accepted thus far all who paid their fee and agree to pay the monthly minimum." *Garkane* at 573. In dismissing that argument, the Court found that "so long as [the non profit corporation]

commonality of interest rule. This issue was already disposed of by the Court in *Garkane*. *Garkane* at 573 ("So long as a cooperative serves only its owner-members, and so long as it has the right to select those who become members, ordinarily it matters not that 5 or 1000 people are members..."). There are numerous exempt non-profit mutual water companies that have both more shareholders and more classes of stock than provided for in Hi-Country/Hi-Country water co's documents.

The DPU has not made a proper analysis of the fact that service to Hi-Country Phase 1, South Oquirrh subdivision and Beagley acres are all owners of the water system and tanks and facilities and have paid for them and service can not be granted to the public in general, since the PSC limited the service area to these three areas based on ownership of the lines, tanks, water rights and facilities in its 1994 order when it said service can continue to these areas (provided they become members of the water company) see (Hi-country Estates Water Company Records and profit and loss and customer list submitted to DUP as requested documents) also see (1994 PSC order) The Bagleys and Beagley Subdivision are owner/members based the February 15, 1972 Recorded Right of Way agreement and its reference to the Water connections and water service to the Beagley acres from Hi-Country Estates Developers and Hi-Country Estates Homeowners Association. (Copys of agreements in Exhibit AA → 41 pages)

The Articles of Incorporation of HIC see (HC497) This association is also formed to promote the health, safety and welfare of the residents within Hi-Country Estates and any additions thereto as may hereafter be brought within the jurisdiction of this association. (See Hi-Country Water Co.)

The core issue is ownership, payment of fees and expenses to operate the water system and non-profit and the right to receive service and pay the fees The Bagleys and Oshikles pay the fees in both cases and follow the rules and are owners of the lines, tanks and water rights and facilities and received service and are charged the same fees as all other water users and lot owners. (The water service is not provided to the public in general but is limited to the same service areas as approved by the PSC in ~~1994~~ 1996 and the same as the developers agreed to provide service when the association was incorporated. (See Recorded agreement for (Right of Way) and 1993 agreement for water service to Beagley Subdivision).

Hi-Country/Hi-Country water has the right to select those who become members, ordinarily it matters not that 5 or 1,000 people are members or that a few or all the people in a given area are members. In Hi-Country/ HiCountry water case the uses in Beagley acres subdivision are owners and members based on the recorded documents, and agreements with Hi-Country in February 15, 1973 and the PSC order in 1996 that service could be provided to Beagley Subdivision provided they became members and they did become and were members of the HI-Country Water Company operated by Hi-Country Estates HOA and paid fees both as water users and lot owners to both the Water Company and the HOA as per there agreements. In Hi-Country water/ HI-Country HOA the membership requirements were limited by the 1973 recorded right of way agreement and agreement to provide 5 water connections to the water system and to live by the rules and bylaws of Hi-country water company. Membership in Hi-Country water is confined to a limited number of individuals who own land in Beagley Subdivision and pay hook fees and water fees and install and dedicate the water lines and facilities and right of ways to HI-Country/HiCountry Water co. See certificated and recorded copy of the right of way agreement and the Agreement for water service (hc000549 thur 551) Copy attached in Exhibit A.

No Water is allowed to be provided to the public in general , but only to the members of Hi-Country water that have signed agreements that were recorded and ran with there lots.

Because Hi-Country/Hi-Country Water is a non-profit corporation whose service is limited to its members, the PSC lacks authority to assert jurisdiction over the company or its members. The PSC made this very order when it exempted HI-Country/Hi-Country water from it jurisdiction in 1996. (See 1996 PSC. Order granting exemption to Hi-Country. Nothing has changed. The customers are the same and the Beagleys and Olschewskis who say they are not members and have no voting rights are in error based on the documents that are recorded and the agreements to become members of Hi-Country water are members and owners of the water company and system and pay the same rates and fees as all 123 other members of Hi-Country/Hi-country water company. (See bills and files under the name of HI-country water in records provided to the the DUP. The mutual ownership among Hi-Country Phase I and Beagley Acres Subdivision and South Oquirrh Subdivision is sufficient to give rise to a true cooperative that does not serve the public generally and is properly exempt from public regulation because Hi-Country/Hi-Country water co structure and and agreements as to who has been served and can be served presents no risk of monopolistic coercion . HI-Country/HiCountry water co serves only its Owner-Members and does Not provide service to the General Public (see exhibit C DeLRoy Taylor statement and response for water service from HI-Country water.) A true Cooperative (Hi-Country WaterCo.) only extends benefits to a limited class of Owner-Members (The HI-Country Water system was paid for by its members including Beagly Acres and South Oquirrh subdivision in connection fees and title was quieted to this group of members and this was recognized by the PS C in 1996 when they were DE-Certified as exempt from regulation due to mutual ownership and the requirement that all receiving service be a member of the HI-Country water Co. and sign over and deed over there water lines and right of ways to HI-Country Water Co. Thus the commission incorrectly found that Hi-Country was serving members and non- members because all of the existing owners of the water system were members of the Water Company and paid full association fees and charges to obtain ownership of the water right, tanks, lines and water facilities.(See Quite Title orders that include Beagley Subdivision and

South Oquirrh Subdivision) lines facilities and right of ways and the rights to receive service in P. S. C. order of 1996 if they become members of Hi-Country Water as they were are owners of the water system as per the orders of the District court and court of appeals on ownership the water system and lines and easements that were built by the Beagles and South oquirrh Subdivision lot owners.

HI-Contry/Hi-Country water always has retained the right to select its owner-members based on the agreements of the Developers and Hi-Country Hoa and recorded agreements running with the lots.

See exhibit B Explanation of each of the people said to be non -members receiving service that really are members of Hi-Country Water Co. with all the rights that go with ownership interests of the water right, tanks, and lines, pumps and facilities . The rates for water service for all 130 users of water and standby customers are the same and each are treated the same eliminating the need for regulation as a public that serves the general public.

THE UTAH SUPREME COURT HELD:

The theory of public utility regulation is based on a recognition that most public utilities are monopolistic, that their services are necessary or convenient to the residents of the area, and that because of the conflict of interest between the utility and its customers or consumers there is likely to arise situations where rates are so high as to deny service to many, or so low as to deny a fair return on its investment to the utility and its stockholders which in turn would tend to result in inadequate service. Therefore, regulation is desirable to harmonize and balance these interests. The services of Garkane may tend to be monopolistic in the area served because there is no other adequate utility to serve the residents there and its services will be convenient and useful if not vital to those residents, but the third element is totally lacking. **There is no conflict of consumer and producer interests – they are one and the same.** If rates are too high the surplus collected is returned to the consumers pro rata. If rates are too low the consumers must accept curtailed service or provide financial contribution to the Corporation. If service is not satisfactory the consumer-members have it in their power to elect other directors and demand certain changes. Resort to equity, as in the case of all mutuals, may be had if one group of members seeks to over-reach the others. **The function of the Commission in approving rates, capital structure, etc., is unneeded by Garkane, its members, or the communities which it will serve.**

Garkane at 573 (emphasis added).

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Assuming that Beagley subdivision lots have waived their voting rights in the Association but not in Hi-country water company and pay full fees and charges in both organizations and all 132 owners of the water system pay the same fees and charges there is no loss in control or chance for unequal treatment of any of the owners since all of the owners/members pay the same amount of money and get the same service and the Beagley lot owners have a vote on what happens in the water company.

Hi-Country/ HiCountry water's corporate structure satisfies the Garkane commonality standard by eliminating any potential consumer-producer conflict and preserving the rights of the shareholders to govern the corporation. Accordingly, as repeatedly held by the Utah Supreme Court, PSC regulation would be superfluous.

Based on the Documents and exhibits provided all 132 customer connections all would have voting rights in Hi-Country Water Co. unless they are exempt and served by PSC approved agreements. (See exhibit ~~A~~ list of people claiming not to have voting rights). but yet have voting rights in the Hi-country Water Company by agreement and ownership of the water system and orders of the district court and the 1996 PSC order allowing service if they become members of the Water Company. Just because someone says they are not members and don't have voting rights does not meet the true test as is discussed in the above referenced exhibit. These same customers pay both water fees and HOA fees and have paid both since 1973 and signed certified, recorded documents and agreements providing membership and signed and followed the rules of Hi-Country water co since 1996. The Date that Utah PSC granted a letter of exemption to the water Company/HOA .

The DPU is in error in recommending that the PSC revoke the company's letter of exemption and reinstate its CPCN . A full analysis shows that the Hi-Country/Hi-Country water is serving only members with the exception of the BLM and Greg Dehan/Bob Hymans property which were approved for service by P. S. C. since they were not owners of the water system and tanks and water rights and facilities and right of ways. The Divisions conclusion that the company is offering service to the general public is in error.

PSC has the right to decide whether to assert Jurisdiction over the company However, it must follow the title 54 and court cases in doing so. In this case it is in error based on an incomplete hearing and investigation of the facts regarding ownership/membership in Hi-Country Water the real Company providing water service.

The Declarants and their statements entered into evidences were objected to by J. Rodney Dansie and the Administrative LAW JUDGE WOULD NOT ALLOW Mr. Dansie to speak even though he attempted to and raised his hand in objection. Those documents were objected to

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and the objection was not recognized by the A. L. J. conducting the hearing. Mr. Cranes testimony and evidence showing that is serving members and non-members is in

Error as has been explained in the documents referenced above and in the attached exhibits . There was presented evidence that the public in general is not being served and service to the public is unavailable (See testimony of DelRoy Taylor) submitted to the P. S. C. and DUP.

The HOA/ HI-Country Water has never provided water service to the public generally and the record shows that.

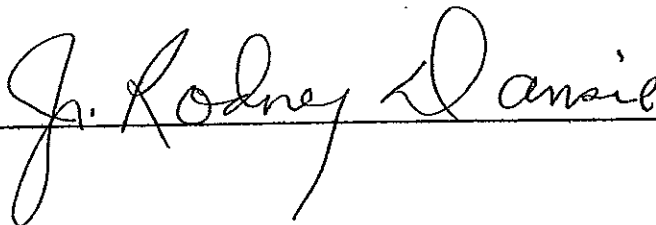
Mr. Crane desires P. S. C. jurisdiction only to try to circumvent HI-Country's obligations under the well lease by coming before the commission . There has never been a vote or any input by the lot owners and some were not allowed to speak at the hearing regarding the ownership/member issues noticed to be discussed in the hearing of May 15, 2012.

CONCLUSION AND REQUEST FOR RELIEF

Based on the glaring absence of jurisdictional and member ship analysis mandated by controlling case law, a rehearing on the P. S. C. order dated July 12.2012 Revoking letter of Exemption and reinstating certificate of Public Convenience and Necessity NO. 2737 is clearly warranted . As issued, the Order is devoid of he necessary facts or analysis to support PSC regulation of HI-Country HOA or HI-Country Water.

Accordingly, J. Rodney Dansie respectfully requests that the PSC review its administrative action and grant J. R. Dansie the opportunity to be heard at a rehearing . Furthermore, the decision of the PSC should be vacated and a Exemption should be granted to HI-Country/Hi-Country water.

J. Rodney Dansie



August 3, 2012

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CERTIFICATE OF MAILING

I hereby certify that on this 7th Day of August, 2012 I transmitted by U. S. Mail, postage prepaid a copy of J. Rodney Dansie's request for agency review and rehearing to the following :

Ted Boyer, Chairman
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Signature J. Rodney Dansie 8/7/12

CERTIFICATE OF SERVICE

I hereby certify that on this 7th Day of August , 2012 I transmitted by U. S. Mail, postage prepaid a copy of J. Rodney Dansie's request for agency review and rehearing to the following :

By E-Mail :

By E-Mail:

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Office of the Attorney General

By Hand-Delivery:

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Salt Lake City, Utah 84111

Signed J. Rodney Dansie
8/7/12

EXHIBIT B

1. List of water users in Beagley subdivision and those out side of HI-Phase one and an expliination of each water user starting with Paragraph # 6 B. L. M. customers using water and Explanation as to how they are OWNERS AND MEMBERS OF THE HI-COUNTRY WATER COMPANY PHASE 1 AS OWNERS OF THE WATER SYSTEM AND BY CONTRACTS FOR WATER SERVICE RECORDED AND RUNING WITH THERE LOTS. NUMBERS 6 THUR 11. SEE DETAILS FOR EACH MEMBER /OWNER.
2. Number 11. Rodney Dansie has requested water under the provisions of the well lease agreement and that water will not go to the public but will go to the member/owners of Dansie Water company a non-profit stock mutual company providing water serice to Dansie family members/owners. No water will to the public generally and all water users take water throught the member/owners of the Dansie Water Co.

Exhibit B — 14 Pages



June 25, 2012

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Docket NO
11-2195-01

J. Rodney Dansie , hereby submits the following Response of J. Rodney Dansie to the Division public Utilities Corrected Recommendation .

Background

On December 23,2011 Hi-Counry submitted a letter to the Public Service commission requesting that the PSC assess whether the exemption from regulation granted in the February 6, 1996 Report and order of the PSC Docket number 95-2195-03 should remain effective.

1. Hi-Country Estates HOA. Serves only its members and the members that live in South Oquirrh Subdivision and Beaglely Acres subdivision. These three areas (subdivisions) have been served by the Hi-Country Home Owners Association water system since 1973 and since February 5, 1996 as members of the association and by contracts (Water service agreements) which the people living in these areas choose to give up there voting rights and did not complete the agreement that runs with the land and was recorded at the Salt Lake County Recorders office February 15, 1973. Requiring them to become members of the association. However, because they did not want there lands burdened with the CCand Rs that were on Hi-Country Estates Phase one Subdivision and they signed agreements to be served by the water agreements then in effect and as change from time to time . Giving up there voting rights and taking there water by contract which was recorded or they are still members of the association and are considered a sub members since they pay full HOA charges and fees the same as all members of the association. They are afforded say and recourse by there water agreements they agreeded to with Hi-Country Water in 1973. (see Febuary 15, 1973 agreement) See Exhibit A

2. There have not been any complaints filed with the DPU in the years since 1996 some 15 years and HI-Country has not requested to be regulated or have a cpen during this 15 year period The PSC cancelled Hi-Countrys certificate in 1996 with full knowledge of the water agreements and member ship issues with Beaglely Acres and the B. L. M. (Government Agency) water service agreement and the Bob Hymas now (the Greg

- Dehann) property located near lot 1 out side of Hi-County boundrys and is served by agreement that was approved by the public service commission at the start of service.
3. The B. L. M Was being served when the PSC cancelled Hi-Country HOAs certificate of cpcn # 2737. The P. S. C. had full knowledge of the service going to a Government Agency and the B. L. M. allowed the HI-Country HOA to build a water tank on B. L. M. Land at the time in 1994 before there certificate # 2737 was cancelled because all of the users were either members or receiving water by contract .
 4. Nothing has changed and HI-Country HOA. (HI-Country Water) has never made water available to the public in General. (Mr. DelRoy Taylor requested water service in 1998 From HOA. President Darell Wooley and was told he had to live in the boundaries and be a member of the HOA to received waterr service. Mr. Taylors property is located north of and adjoining lot # 9 and was without water. Mr. Wooley and Hi-Country HOA denied his request for water service and they said Hi-Country did not provide service to the public in general.
 5. Only since the Court of appeals decision in July 29, 2011 have the Hi- Country H. O. A. requested the P. S. C. to re-instate the certificate of public necessity # 2737. THIS HAS BEEN REQUESTED IN AN ATTEMPT TO DENIE THE DANSIES THERE BENEITS THAT THE COURT HAS AWARDED THEM AGAIN AND AGAIN IN THE 35 YEARS THIS CASE HAS BEEN BEFORE THE COURTS (See letter sent to all customers of Hi-Country dated January 25, 2012 prepared by Mr. Smith and sent out by Mr. Noel Williams, President .) Exhibit B
 6. The B., L. M. takes water in small amounts (the facility has been ordered closed and has no animals and has no plans to bring more horses to the faculties.
 7. Greg Dehann Property is located in Herriman City at a different address than the one listed and is in a municipality service area and is required to connect to Herriman City as a condition of annexation of his property to Herriman City. (His service did not require membership since it was approved by the PSC as his well went dry and was approved for service since no other water was available at the time foothills was providing water service.
 8. Larry & Ester Beagley are either members of the association (see recorder agreement to become members) or take water by contract water agreement waiving there voting rights. The Beagleys pay the same amount of charges and speial asements as all members of the HOA and Water Company
4. Joanthan Beagley is either a member of the association (see recorded agreement to become members dated 2/15/1973) or takes water by contract water agreement or by agreement waiving there voting rights in the HOA.
 5. Stephen Olschewski is either a member or takes water by agreement of the water company Hi-Country Water Co.

- 9. Marcus Olschewski is either a member of the association (see recorded agreement to become members or by contract water agreement waiving there voting rights.
- 10. Hemut Olschewski is either a member of the association (see recorded agreement to become members or by contract water agreement waiving there voting rights.
- 11. Rod Dansie Has requested water to be provided as per the orders or the court by the 1977 well lease agreement and the 1985 Well lease and water line extension agreement which has been up held by the Utah State Court of appeals as follows: Dated July 29,1911 and November 2011 amended order of the court of appeals .

CONCLUSION:

Based on the findings and hearings and additional information submitted here with The Hi-Country Homers Association is serving only members and by contract as per allowances of the P. S. C. to Greg Dehann (now in Herriman City municipality service area) B. L. M. Servied by contract with the Hi-Country HOA as a government agency and lessouer of land for HOAs tank #2 & 3 thus not requiring membership.

(THE HOA AND MR. SMITH HAVE FAILED TO PROVIDE A COPY OF THE BLM TANK LEASE FOR TANKS #2 & 3 AND THE CONTRACT FOR WATER SERVICE TO THE NOW DEFUNK (WILD HORSE FARM).

Rod Dansie and the DPU has requested copys of this conrtact for the 3rd time and it has not been provided(Even though Mr. Crane testified under oath that he had a copy of the agreement with the B. L. M.

In Addation Mr. DelRoy Taylor is in the process of completing and signing a statement that ad that water service is not available to the public generally l since Mr. Taylor applied for with water from Hi-Country Estates HOA President Mr. Darell Wooley in 1998 and was denied service since he was not a member of he Home Owners Association. His property is adjacent to lot # 9 and already has water lines to it and was previously served by Foothill Water from 1977 to 1994.

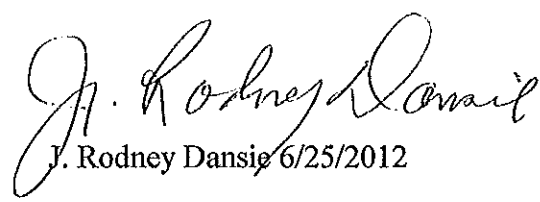
It is here requested that the DPU perform further investigation into this matter and get the true facts regarding this matter before and action is take by the PSC regarding reinstating the DPCN # 2737.

There is much more investigation to be completed before this matter should be sent to the P. S. C. for review and no reinstatement of CPCN should be granted until all information has been provided.

This request for action by the D PU should be deinied since it does not meet the requirements of Utah Code Annotated 54-2-1(16) and 54-2-1(29) as all water users are either members of the H. O. A. or are taking water by contract as discussed above.

CONCLUSION

Regulation by the PSC of this water company not required since all water users are either members or receive there water by contract and have waived there right to membership and take there water by the terms of the contracts they have with Hi-country water service agreements and recorded agreements dated and recorded in the agreement dated 2/15/1973 and sighed by the owners of the lots at the time and recorded giving notice of there water contracts to the world. The P. S. C. granted the cancelling of the Certificate of Convenience and Necessity # 2737 in February 5 1996 and nothing has changed. The customers and service area are all the same.


J. Rodney Dansie 6/25/2012

CERTIFICATE OF SERVICE

Response of G. Rodney Donsie

I hereby certify that the foregoing ~~certified copy of the~~ recorded documents and exhibits and comments were served on the following on June 25, 2012 as follows:

Vis U. S. mail to:

Dennis Miller – Legal Assistant
Division of Public Utilities
Heber M. Wells Building 4th floor
160 E. 300 S. Box 146751
Salt lake City, Utah 84114-6751

Patricia Schmid at the above address for Division of Utilities

Saunna Benvegna-Springer at the above address for Division of Utilities

J. Craig Smith
Smith Hartvigsen, PLLC
Walker Center
175 South Main Street Suite 300
Salt Lake City, Utah 84111

Melanie A. Reif
Administrative Law Judge
Utah Public Service Commission of Utah
160 East 300 South 4th floor
Salt Lake City, Utah 84111

7
Exhibit A

Feb - 15 - 1973 Revised

Agreement

Beagley

Everett E. Dahl

8

APR 17 1973 1:01p
 Backman Abstract & Title Company
 Fee Paid
 Recorder, S.
 3.80 By [Signature] Deputy
 Rec.

2532831

RIGHT OF WAY

Hi-Country Estates, Inc., a Utah corporation, Grantor, hereby grants and conveys to Melvin J. Bagley and Barbara Bagley, his wife, Gerald H. Bagley and June L. Bagley, his wife, and Larry E. Beagley and Esther D. Beagley, his wife, Grantees, and their successors and assigns, for the sum of \$10.00 and other good and valuable consideration, a non-exclusive right of way for ingress and egress to the property presently owned by Grantees to the South and East of the property owned by Grantor, over the property owned by Grantor, situated in Salt Lake County, State of Utah, and described as follows:

Foot Road
 The roads of Hi-Country Estates as shown on the Plat of Hi-Country Estates Subdivision recorded on January 17, 1972, in Book KK, Pages 56, 57, 58 and 59, Entry No. 2432347, in the office of the Salt Lake County Recorder.

This right of way is granted in accordance with and subject to the covenants and agreements contained in that certain agreement entered into between the parties on the 15th day of February, 1973.

IN WITNESS WHEREOF, the Grantor has hereunder caused the name of its duly authorized officer or agent to be signed, this 15th day of February, 1973.

HI-COUNTRY ESTATES, INC.

By: [Signature]

STATE OF UTAH)
) ss.
 County of Salt Lake)

On the 15th day of February, 1973, personally appeared before me Charles E. Lewton known to me to be the President of Hi-Country Estates, Inc., a Utah corporation, who duly acknowledged to me that he executed the foregoing instrument on behalf of said corporation by authority duly granted by its

EVERETT E. DAHL
 ATTORNEY AT LAW
 780 EAST CENTER STREET
 SUITE 2
 MIDVALE, UTAH 84047

BOOK 3304 PAGE 34
 HC

ACREEMENT

THIS AGREEMENT made and entered into by and between HI-COUNTRY ESTATES, INC., a Utah corporation, hereinafter called "Hi-Country" and GERALD H. BAGLEY, LARRY L. BEAGLEY and ESTHER D. BEAGLEY, his wife, hereinafter called "Owners".

WITNESSETH:

WHEREAS, Hi-Country has and is developing a land development under the name and style of Hi-Country Estates; and,

WHEREAS, as part of the development has acquired certain water rights and has installed a water system in connection with the development; and,

WHEREAS, Owners own a forty (40) acre tract of ground adjoining Hi-Country Estates; and,

WHEREAS, the Owners are desirous of being served with culinary water and to obtain a right to traverse certain of the private roads of Hi-Country Estates in order to reach and serve property owned by the Owners; and,

WHEREAS, Beagleys are purchasing the property of Owners under a Real Estate Contract from Gerald H. Bagley; and,

WHEREAS, Hi-Country is willing to allow access to the property of Owners and to furnish water connections under certain conditions.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements hereinafter contained, it is agreed as follows:

1. Owners represent that they own the following described real property located in Salt Lake County, State of Utah:

Southwest quarter of the Southeast quarter of Section 4 Township 4 South, Range 2 West, Salt Lake Base and Meridian.

2. Hi-Country grants to the Owners and their assigns the right to use the roads of Hi-Country Estates for means of ingress and egress to Owners property.

3. Hi-Country agrees to sell to Owners six (6) water connection hookups to be used on owners property upon payment of Five Hundred Dollars (\$500.00) for each connection or hookup. Owners upon paying for the connection fee agrees thereafter to pay for the use of water in accordance with the bylaws and schedules of payment established from time- to- time by Hi-Country Estates Water Company.

4. Owners agree that they will become members of Hi-Country Estates Homeowners Association and pay their proportionate share of costs for maintenance of roads and services rendered by Hi-Country Estates Homeowners Association in accordance with the Articles of Incorporation and bylaws of said association.

5. Owners agree at their sole expense to install a water line from the border line of Hi-Country Estates through the property of the Owners to the South boundary of Owners property and to the North edge of Hi-Country boundary. Owners agree to grant to Hi-Country a nonexclusive right of way and easement fifty (50) feet wide running South from the North edge of Owners property to the South edge of property together with the right to install utilities under the road. Said six (6) inch water line to be installed by Owners shall be within the aforesaid right of way. The water line shall be constructed and laid in accordance with the Salt Lake County water conservatory standards and upon completion, title to the water line shall vest in Hi-Country.

6. The location of rights of ingress and egress, location of easements and water lines, will be located as per the attached sketch. Said sketch being made part of this Agreement by reference.

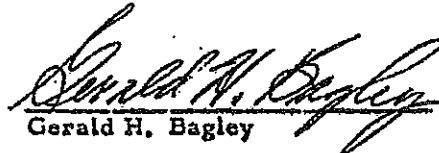
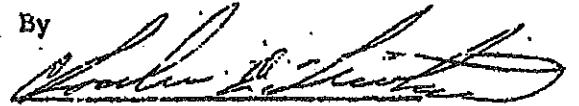
7. The parties are then required to execute all legal documents necessary to fulfill and perform the terms of this Agreement.

8. In the event of default by either party, the defaulting party agrees to pay all costs of enforcing this Agreement including a reasonable attorney's fee.

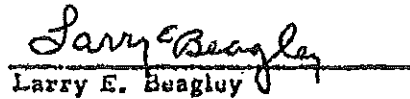
IN WITNESS WHEREOF, the parties hereto have signed their names on this 10 day of OCTOBER, 1972.

HI-COUNTRY ESTATES, INC.

By



Gerald H. Bagley



Larry E. Bagley



Esther D. Bagley

When recorded
mail. back to

12

7014920

HI-COUNTRY ESTATES PHASE I WATER COMPANY
124 Hi-Country Road
Herriman, Utah 84065

SPECIAL WATER SERVICE AGREEMENT

For Water Company customers who reside outside of
Hi-Country Estates Phase I Subdivision.

This Agreement is between Hi-Country Estates Phase I Water Company (the "Company") and
the "Customer":

CUSTOMER NAME: Robert Newman
SERVICE ADDRESS: 13375 So 7530 W
HERRIMAN UT
PHONE: 2647842 DATE: 5-13-98

By this Agreement, the Company agrees to provide water service to Customer at the above
service address. Water service shall be provided to Customer in accordance with Hi-Country
Estates Phase I Water Company Tariff (the "Tariff"), attached hereto as Exhibit "A." Water
Service shall not be provided to Customer until or unless this Agreement is executed. If water
service is currently being provided to Customer, such water service will terminate within 30 days
of the mailing of this Agreement, unless this Agreement is executed by Customer. By signing
below, Customer hereby agrees as follows:

1. That this Agreement, executed by Customer, shall be an application for water service,
which is not effective unless or until it is accepted by the Company.
2. That all costs of facilities extension to Customers' property, including pipelines,
valves, meter boxes, meters and any other water system components required to
supply water to Customer shall be paid by Customer.
3. That construction of such facilities shall meet such construction standards as shall be
established by the Company.
4. That upon completion, facilities including pipelines, valves, meter boxes, meters and
any other part of the water system shall be deeded to the Company before water
service shall be provided.
5. That this Agreement does not grant, or require, membership in Hi-Country Estates
Phase I Homeowners' Association.
6. That this Agreement does not grant rights of ownership in Hi-Country Estates Phase I
Water Company.

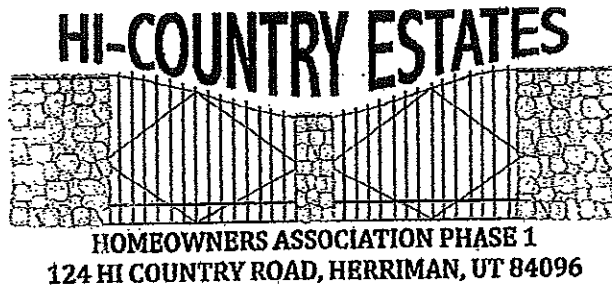
7014920
07/01/98 2:05 PM 14.00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
HI COUNTRY ESTATES PH I WATER
124 HI COUNTRY RD
HERRIMAN UT 84065
REC BY: V VEGA DEPUTY - WI

BK 8025 PG 2184
HC000562

Exhibit B.

13

Letter From Mr
Smith & Noel Williams
HOA President
Dated 1-25-2012



January 25, 2012

TO: HI COUNTRY ESTATES PHASE I WATER COMPANY CUSTOMERS

Re: Result of Dansie v. Hi-Country Water Case

Dear Water Customer,

We are sending this letter to inform all customers about the recent decision in one of the longstanding disputes with the Dansie family that might directly affect you. The Court of Appeals concluded that, unless the Utah Public Service Commission (PSC) gets involved, the existing connections to the Hi-Country Estates Homeowners Association water system will be required to subsidize to some extent water service to the Dansies and future developments they may build on their property to the north of the Association. Indeed, the Dansies have demanded delivery of 12,000,000 gallons of water per year—enough water for approximately 40 homes (indoor and outdoor use) or 80 homes (indoor use only). Although the Dansies are currently demanding that this amount of water be delivered to them from the Association's well and water right, the well lease agreement that is the basis of their claim provides no such right. Instead, the well lease requires only that water be delivered from the Dansies' own well and water rights. In other words, the Association would, without PSC intervention, be required to pay the costs associated with delivery of water from Dansies' well (e.g., pumping costs, chlorination, etc.). In the past, the Public Service Commission prohibited the Association from giving any preferential treatment to the Dansies. But in 1996, after the Dansies' property and Dansie Well #1 were disconnected from the system, the PSC stopped regulating the Association water system.

With the most recent court ruling, the Association has sent a letter to the PSC to determine whether the Association Water System will come under regulation now that the Dansies are demanding reconnection to the Association's water system. If you are concerned with how these developments will affect your water rates, you can contact the Division of Public Utilities and the Public Service Commission at the following address or phone number so that they are aware of your concerns: Division of Public Utilities, P.O. Box 146751, Salt Lake City, Utah 84114-6751, phone (801) 530-7622. If you do have any statements, please forward your comments before February 3, 2012. Also, feel free to contact me or another member of the Board if you have additional questions.

Sincerely yours,
Hi-Country Estates Homeowners Association

Noel Williams, President

EXHIBIT A

1. Certified copy of Right of Way Agreement
2. 2. Agreement for water service and 6 connections or hookups running with the lots (Beagley Subdivision)
3. 3. Robert Hymas / Greg Dehan 13375 South 7530 West Water Service Agreement (Recorder) Hi Country water company.
4. Larry Beagley May 5, 2005 RE: Additional water hook ups / signed by Randy Crane, President of Hi-Country phase 1 water company/
5. SLVHD Records request letter of water service for Bagley Subdivision file # 971638 6-18-2012
6. Letter February 9, 1998 Beagleys in HI-Country Water Service area. Signed by Directors of Hi-Country Phase 1. Deborah Watson and all directors
7. Document recordings # 7014920 7/1/94 Special Water Service Agreement for Robert Hymas and new owner Greg Dehon. 2 pages
8. 253831 recorded agreement Right of way and water service agreement Beagley Subdivision and successors.
9. Water service agreement 8/27/94 Helmut S. Olschewski and Hi-Country Estates Phase 1 Water Co. 2 pages
10. Water service agreement 8/27/94 Markus Olschewski and Hi-Contry Estates Phase 1 water company service agreement 2 pages
11. 3/25/1998 memo DPU Bob Hymas Property
12. 8/17/1989 Memo PSC extend service to 13375 South 7550 Riverton, Utah
13. Robert Hymas/ Gred Dehan property recorded agreement BK8025pg2186 agreement with HI-Country water Phase 1 Deborah R. Watson for Hi-Country Water Co.
14. Request from HI-Country water to continue to provide water service and quick claim deed.

15. Subdivision plat phase 1 & subdivision plat for Beagley Subdivision.

16. Certificate of Incorporation HIC NOA - (HC497)
Page 1 -

17 - Hi-Country Estates Water Co. profit & loss January through Dec-2009

Exhibit A

- 41 Pages



Board of Directors.

Ernest Hall
NOTARY PUBLIC

My Commission expires:

Sept 3, 1973

Residing at:

Midvale, Utah

copy

BOOK 3304 PAGE 35

State of Utah
County of Salt Lake

I, the undersigned Recorder of Salt Lake County, Utah do hereby certify that by law I have the custody of a seal and all papers, documents, records and other writings required or permitted by law to be recorded and that the annexed and foregoing is a true and full copy of an original document on file in such Recorder

Witness my hand and seal of said Recorder this
19 day of July 20 12
GARY L. OTT, RECORDER

Kenna Williams
Deputy

APR 17 1973 1:01 p.m.
 Backman Abstract & Title Company
 Fee Paid
 3.80
 By [Signature] Deputy

2532511

RIGHT OF WAY

Hi-Country Estates, Inc., a Utah corporation, Grantor, hereby grants and conveys to Melvin J. Bagley and Barbara Bagley, his wife, Gerald H. Bagley and June L. Bagley, his wife, and Larry E. Beagley and Esther D. Beagley, his wife, Grantees, and their successors and assigns, for the sum of \$10.00 and other good and valuable consideration, a non-exclusive right of way for ingress and egress to the property presently owned by Grantees to the South and East of the property owned by Grantor, over the property owned by Grantor, situated in Salt Lake County, State of Utah, and described as follows:

Proof Read The roads of Hi-Country Estates as shown on the Plat of Hi-Country Estates Subdivision recorded on January 17, 1972, in Book KK, Pages 56, 57, 58 and 59, Entry No. 2432347, in the office of the Salt Lake County Recorder,

This right of way is granted in accordance with and subject to the covenants and agreements contained in that certain agreement entered into between the parties on the 15th day of February, 1973.

IN WITNESS WHEREOF, the Grantor has hereunder caused the name of its duly authorized officer or agent to be signed, this 15th day of February, 1973.

HI-COUNTRY ESTATES, INC.

By: [Signature]

STATE OF UTAH)
) ss.
 County of Salt Lake)

On the 15th day of February, 1973, personally appeared before me Charles E. Lewton known to me to be the President of Hi-Country Estates, Inc., a Utah corporation, who duly acknowledged to me that he executed the foregoing instrument on behalf of said corporation by authority duly granted by its

EVERETT E. DAHL
 ATTORNEY AT LAW
 760 EAST CENTER STREET
 (SUITE 2)
 MIDVALE, UTAH 84047

2005304 PAGE 34

Board of Directors.

Steven Hall
NOTARY PUBLIC

My Commission expires:

Sept 3, 1972

Residing at:

Midvale, Utah

new Sept

SALT LAKE COUNTY RECORDERS OFFICE
Misc Individual
Date: 06/18/2012 Time: 09:50
By: KSR Source: WI
Rec#: 61409686

050	DOCUMENT COPY	
	4 @ 2.00	8.00
051	CERTIFICATION	
	1 @ 5.00	5.00

	TOTAL:	\$ 13.00
CHK		13.00
CHANGE:		0.00

BOOK 3304 PAGE 35

Beagley

Edward A. Bagley

6

APR 17 1973 1:01p
 Office of Backman Abstract & Title Company
 Fee Paid
 Recorder, S.
 3.80 By *AS* Deputy
 Ref.

2532831 RIGHT OF WAY

Hi-Country Estates, Inc., a Utah corporation, Grantor, hereby grants and conveys to Melvin J. Bagley and Barbara Bagley, his wife, Gerald H. Bagley and June L. Bagley, his wife, and Larry E. Beagley and Esther D. Beagley, his wife, Grantees, and their successors and assigns, for the sum of \$10.00 and other good and valuable consideration, a non-exclusive right of way for ingress and egress to the property presently owned by Grantees to the South and East of the property owned by Grantor, over the property owned by Grantor, situated in Salt Lake County, State of Utah, and described as follows:

Proof Road The roads of Hi-Country Estates as shown on the Plat of Hi-Country Estates Subdivision recorded on January 17, 1972, in Book KK, Pages 56, 57, 58 and 59, Entry No. 2432347, in the office of the Salt Lake County Recorder.

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HI-COUNTRY ESTATES, INC.

By: *[Signature]*

STATE OF UTAH)
 County of Salt Lake)^{ss.}

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EVERETT E. DAHL
 ATTORNEY AT LAW
 700 EAST CENTER STREET
 SUITE 2)
 MIDVALE, UTAH 84047

NOV 30 1973 34 HC

ACREEMENT

THIS ACREEMENT made and entered into by and between HI-COUNTRY ESTATES, INC., a Utah corporation, hereinafter called "Hi-Country" and GERALD H. BAGLEY, LARRY L. BEAGLEY and ESTHER D. BEAGLEY, his wife, hereinafter called "Owners".

WITNESSETH:

WHEREAS, Hi-Country has and is developing a land development under the name and style of Hi-Country Estates; and,

WHEREAS, as part of the development has acquired certain water rights and has installed a water system in connection with the development; and,

WHEREAS, Owners own a forty (40) acre tract of ground adjoining Hi-Country Estates; and,

WHEREAS, the Owners are desirous of being served with culinary water and to obtain a right to traverse certain of the private roads of Hi-Country Estates in order to reach and serve property owned by the Owners; and,

WHEREAS, Beagleys are purchasing the property of Owners under a Real Estate Contract from Gerald H. Bagley; and,

WHEREAS, Hi-Country is willing to allow access to the property of Owners and to furnish water connections under certain conditions.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements hereinafter contained, it is agreed as follows:

1. Owners represent that they own the following described real property located in Salt Lake County, State of Utah:

Southwest quarter of the Southeast quarter of Section 4 Township 4 South, Range 2 West, Salt Lake Base and Meridian.

2. Hi-Country grants to the Owners and their assigns the right to use the roads of Hi-Country Estates for means of ingress and egress to Owners property.

3. Hi-Country agrees to sell to Owners six (6) water connection hookups to be used on owners property upon payment of Five Hundred Dollars (\$500.00) for each connection or hookup. Owners upon paying for the connection fee agrees thereafter to pay for the use of water in accordance with the bylaws and schedules of payment established from time to time by Hi-Country Estates Water Company.

4. Owners agree that they will become members of Hi-Country Estates Homeowners Association and pay their proportionate share of costs for maintenance of roads and services rendered by Hi-Country Estates Homeowners Association in accordance with the Articles of Incorporation and bylaws of said association.

5. Owners agree at their sole expense to install a water line from the border line of Hi-Country Estates through the property of the Owners to the South boundary of Owners property and to the North edge of Hi-Country boundary. Owners agree to grant to Hi-Country a nonexclusive right of way and easement fifty (50) feet wide running South from the North edge of Owners property to the South edge of property together with the right to install utilities under the road. Said six (6) inch water line to be installed by Owners shall be within the aforesaid right of way. The water line shall be constructed and laid in accordance with the Salt Lake County water conservatory standards and upon completion, title to the water line shall vest in Hi-Country.

6. The location of rights of ingress and egress, location of easements and water lines, will be located as per the attached sketch. Said sketch being made part of this Agreement by reference.

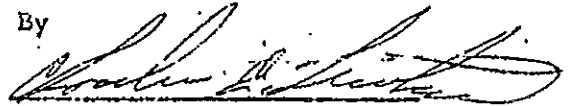
7. The parties are then required to execute all legal documents necessary to fulfill and perform the terms of this Agreement.

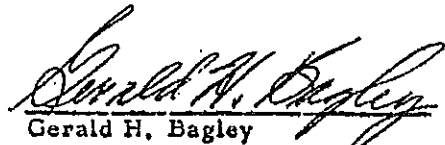
8. In the event of default by either party, the defaulting party agrees to pay all costs of enforcing this Agreement including a reasonable attorney's fee.

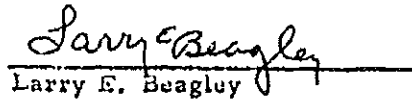
IN WITNESS WHEREOF, the parties hereto have signed their names on this 10 day of OCTOBER, 1972.

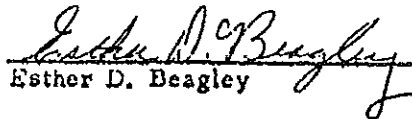
HI-COUNTRY ESTATES, INC.

By




Gerald H. Bagley


Larry E. Beagley


Esther D. Beagley

*When recorded
mail. back to*

HI-COUNTRY ESTATES PHASE I WATER COMPANY
124 Hi-Country Road
Herriman, Utah 84065

SPECIAL WATER SERVICE AGREEMENT

For Water Company customers who reside outside of
Hi-Country Estates Phase I Subdivision.

7014920

This Agreement is between Hi-Country Estates Phase I Water Company (the "Company") and the "Customer":

CUSTOMER NAME: Robert Hyman
SERVICE ADDRESS: 13375 So 7530 W
HERRIMAN UT
PHONE: 2547842 DATE: 5-13-98

By this Agreement, the Company agrees to provide water service to Customer at the above service address. Water service shall be provided to Customer in accordance with Hi-Country Estates Phase I Water Company Tariff (the "Tariff"), attached hereto as Exhibit "A." Water Service shall not be provided to Customer until or unless this Agreement is executed. If water service is currently being provided to Customer, such water service will terminate within 30 days of the mailing of this Agreement, unless this Agreement is executed by Customer. By signing below, Customer hereby agrees as follows:

1. That this Agreement, executed by Customer, shall be an application for water service, which is not effective unless or until it is accepted by the Company.
2. That all costs of facilities extension to Customers' property, including pipelines, valves, meter boxes, meters and any other water system components required to supply water to Customer shall be paid by Customer.
3. That construction of such facilities shall meet such construction standards as shall be established by the Company.
4. That upon completion, facilities including pipelines, valves, meter boxes, meters and any other part of the water system shall be deeded to the Company before water service shall be provided.
5. That this Agreement does not grant, or require, membership in Hi-Country Estates Phase I Homeowners' Association.
6. That this Agreement does not grant rights of ownership in Hi-Country Estates Phase I Water Company.

7014920
07/01/98 2:05 PM 14-00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
HI COUNTRY ESTATES PH I WATER
124 HI COUNTRY RD
HERRIMAN UT 84045
REC BY: V VEGA DEPUTY - WI

8K8025 PG 2184
HC000952

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

UTAH P.S.C.

WATER SERVICE AGREEMENT CONTINUED

I understand that the water service connection charges stated above includes a meter, a meter box, a cover, and a valved service line ahead of the meter to the property line. I understand that this equipment is the property of the Company, and I agree to make no changes to the meter or its associated equipment to be ineffective or inaccurate. If any of the foregoing are done, the Company, upon discovery thereof, may refuse or discontinue service until the condition is corrected at my expense.

I understand that I may be disconnected for failure to pay for water service provided by Hi-Country Estates Phase I Water Company. The disconnection of water service will be in accordance with Hi-Country Estates Phase I Water Company tariff.

As a customer of the Hi-Country Estates Phase I Water Company, I agree to comply with all State of Utah Public Drinking Water regulations and I agree to install or have installed all protective equipment such as back-flow preventers, check valves, pressure reducing equipment, shut-off valves and any other equipment required by Hi-Country Estates phase I Water Company, and by any plumbing codes, safety codes or health codes. I shall keep all of the above equipment in good operating condition. In the event that any such equipment becomes inoperable, my water service may be disconnected by the water company until such conditions are corrected.

Th Hi-Country Phase I Water Company needs to inspect your line for a Back-Flow Prevention Valve in accordance to Utah State Health Codes. This back-flow prevention valve is to be installed between the meter and your line. This must be done before the installation of your meter will be completed, and water is serviced to your property. Therefore, you must leave the line open for the inspection.

Please initial on the line.....

This Water Service Agreement pertains to previous customers of Foothills Water Company only, that are now customers of Hi-Country Estates Phase I Water Company, and those potential customers that are in the boundaries of Hi-Country Estates Phase I including Beagley Acres and South Oquirrh.

Date Filed June 10, 94

Effective Date June 01,94

Hi-Country Estaes Phase I Water Co.

HI COUNTRY ESTATES PHASE I WATER COMPANY
124 Hi Country Road
Herriman, Utah 84065

May 5, 2005

Mr. Jonathan Beagley
% Mr. Larry Beagley

RE: ADDITIONAL WATER HOOK UPS

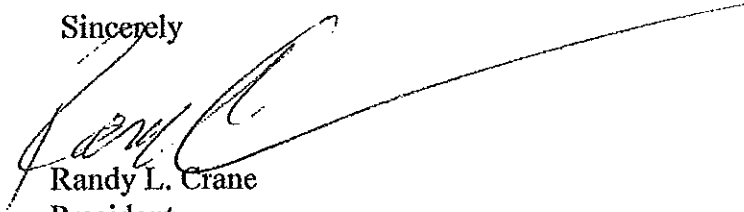
Dear Mr. Beagley:

Per your request for three (3) additional water hook ups (in addition to the two existing hook ups), the Hi Country Estates Phase I Water Company will comply with your request. However, please be aware that there is a cost of \$750.00 for each hook up that is to be paid to the Hi Country Estates Phase I Water Company. In addition, there is a \$25.00 start up billing fee per hookup that is to be paid to the Jordan Valley Water Conservancy District. These fees must be paid prior to the hook ups being made.

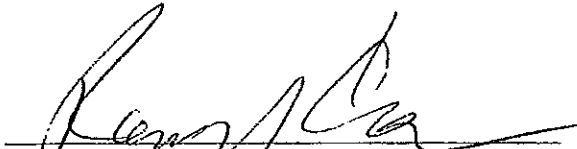
Please provide our Association with a listing (with current addresses) of the residents to receive these hook ups. This is in accordance with an agreement signed 13 July 1984 between Hi Country Estates Phase I and the Beagley Acres. Per the agreement, these three (3) additional hookups will be legally obligated to pay any and all Association and Water Company assessments, annual or special.

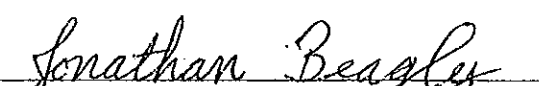
Please sign below and return to the above address with the payments necessary. Two copies have been provided; please retain one for your files and return the other. We appreciate the opportunity to be of service to you.

Sincerely


Randy L. Crane
President

Agreed to this 5 day of May, 2005.


Randy L. Crane, President, HCE Water Co.


Jonathan Beagley, Beagley Acres

Attn: RON - LUND 1-385-468-3868

RLund@slco.org

Please send requested info to

rodansie@msn.com



Salt Lake Valley Health Department

DIVISION OF ENVIRONMENTAL HEALTH

Phone: (385)468-3860 Fax: (385)468-3861

RECEIVED

JUL 18 2012

Division of Environmental Health Salt Lake Valley Health Dept.

RECORD REQUEST

(U.C.A. 63-2-209)

Name: J. Rodney Dansie Email: rodansie@msn.com 801-254-4364

Business Name:

Address: 7198 W. 13090 S

City: HERRIMAN State: UT Zip Code: 84096

Daytime phone number where you can be contacted if necessary: 801-254-4364

Address and description of records requested (must provide reasonable amount of specific information):

Letter of Water Service for Subdivision

Beagley Subdivision 7530 West

97816 B8 Herriman, - Salt Lake County

Check appropriate request:

- () I would like to view/inspect the records.
() I would like to receive copies of the records. I understand that I will be responsible for copy costs. I authorize costs of up to \$ 1200. I understand that prepayment of copies over \$50.00 may be required; that I will be contacted if estimated costs are greater than the above-specified amount, and that there will be no response to this request for copies if I have not authorized adequate costs.
(x) I would like to receive copies of the records. I request a waiver of copy costs. (Please attach information supporting your request; see U.C.A. 63-2-203(3).)

If the requested records are not public, please explain why you believe you are entitled to access:

- () I am requesting records that I believe to be public, that are classified otherwise. (Present photo identification.)
() I am the subject of the record. (Present photo identification.)
() I am the person who submitted the record. (Present photo identification.)
() I am authorized to have access by the subject of the record or by the person who submitted the record. (Attach notarized "Consent For Release of Information" form.)
() I am requesting expedited response that will be of benefit to the public rather than a person. (Attach information that shows your status as a member of the media and a statement that the records are required for a story for broadcast or publication; or attach other information that demonstrates that you are entitled to expedited response under U.C.A. 63-2-204(3).)
(x) I am otherwise authorized access. (Attach documentation.)

J. Rodney Dansie Signature

6-28-12 Date

I hereby acknowledge that I am a () physician, () psychologist, or () certified social worker and that I will not disclose controlled information to any person including the subject of the record.

Signature Date

**HI-COUNTRY ESTATES
HOMEOWNERS ASSOCIATION PHASE 1
13300 SOUTH 7370 WEST
HERRIMAN, UTAH 84065**

February 9, 1998

Mr. Larry Beagley
7538 West 14000 South
Herriman, Utah 84065

Mr. Stephen Olschewski
P.O. Box 763
Riverton, Utah 84065

Dear Messrs. Beagley and Olschewski:

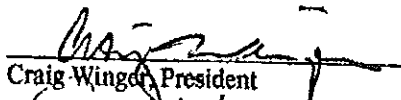
It has come to the attention of the Directors that you and the Olschewski's will be providing your own ingress and egress from your properties. This avoids using the Hi-Country Estates Phase 1 roads. Currently you and the Olschewski's pay the yearly assessments and special assessments for the use of the roads within Hi-Country Estates Phase 1. The Directors assume that you and the Olschewski's wish to terminate the agreement between yourselves and Hi-Country Estates Phase 1 for use of the roads and the gate. When the change to your own road takes place, the Directors would prefer to see that the boundary fence continues across your access road to Hi-Country Estates Phase 1.

You and the Olschewski's are part of the Hi-Country Estates Phase 1 Water Company service area. The Directors are assuming that both you and the Olschewski's consider this an appropriate agreement and wish to continue as customers of the Hi-Country Estates Phase 1 Water System.

We cannot prorate the annual assessment, but we can prorate any special or budget assessments incurred during the time frame that you are still using the roads within Hi-Country Estates Phase 1.

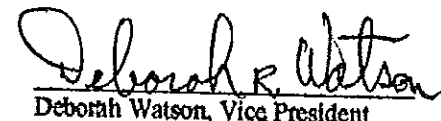
If what is stated in this letter is true to both you and the Olschewski's, please respond to the Directors and we can complete an agreement.

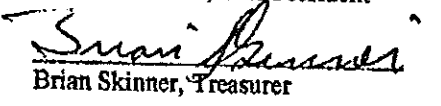
Sincerely,
The Directors Hi-Country Estates Phase 1


Craig Winger, President


Al Williams, Vice President


William Coon, Secretary


Deborah Watson, Vice President


Brian Skinner, Treasurer

*Shen recorded
mail. back to*

HI-COUNTRY ESTATES PHASE I WATER COMPANY
124 Hi-Country Road
Herriman, Utah 84065

7014920

SPECIAL WATER SERVICE AGREEMENT

For Water Company customers who reside outside of
Hi-Country Estates Phase I Subdivision.

This Agreement is between Hi-Country Estates Phase I Water Company (the "Company") and the "Customer":

CUSTOMER NAME: Robert Hyman
SERVICE ADDRESS: 13375 So 75th W
HERRIMAN UT
PHONE: 2547842 DATE: 5-13-98

By this Agreement, the Company agrees to provide water service to Customer at the above service address. Water service shall be provided to Customer in accordance with Hi-Country Estates Phase I Water Company Tariff (the "Tariff"), attached hereto as Exhibit "A." Water Service shall not be provided to Customer until or unless this Agreement is executed. If water service is currently being provided to Customer, such water service will terminate within 30 days of the mailing of this Agreement, unless this Agreement is executed by Customer. By signing below, Customer hereby agrees as follows:

1. That this Agreement, executed by Customer, shall be an application for water service, which is not effective unless or until it is accepted by the Company.
2. That all costs of facilities extension to Customers' property, including pipelines, valves, meter boxes, meters and any other water system components required to supply water to Customer shall be paid by Customer.
3. That construction of such facilities shall meet such construction standards as shall be established by the Company.
4. That upon completion, facilities including pipelines, valves, meter boxes, meters and any other part of the water system shall be deeded to the Company before water service shall be provided.
5. That this Agreement does not grant, or require, membership in Hi-Country Estates Phase I Homeowners' Association.
6. That this Agreement does not grant rights of ownership in Hi-Country Estates Phase I Water Company.

7014920
07/01/98 2:05 PM 14-00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
HI COUNTRY ESTATES PH I WATER
124 HI COUNTRY RD
HERRIMAN UT 84065
REC BY: V VEGA
DEPUTY - HI
BK 8025 PG 2184
HC000846

- 7. That Customer shall be responsible for installation of a service line from the meter to the point of use which shall be inspected and approved by the Company.
- 8. That Customer shall install, at his own expense, a back-flow prevention valve on his service line in an accessible location, not more than three (3) feet beyond the meter.
- 9. That the Company shall have the right to inspect Customer's plumbing for cross-connection and hazards.
- 10. That Customer shall be bound by the applicable terms and conditions set forth in the Tariff.
- 11. That charges for water service shall be as set forth in the Company's rate schedule.
- 12. That Customer will pay any additional surcharges which shall be levied by the Company to cover costs of capital improvements to the water system that are not included in the rate base.
- 13. That by accepting water the customer agrees to the terms and conditions of this Agreement.
- 14. That the Company has the right at any time without notice, to shut off or curtail water service in the event of a water scarcity or in the event that repairs or maintenance become necessary. *As long as all water users are treated in the same like manner. J.R. Hyman.*
- 15. That if this Agreement is breached by Customer, the costs of enforcing the Agreement may be recovered by the Company, including Court costs and reasonable Attorneys' fees.
- 16. That Customer must protest any bill within fifteen (15) days of the date of the bill, or such protest is waived.
- 17. That this Agreement shall be governed by and according to the laws of the State of Utah.
- 18. That if any part of this Agreement is found to be unenforceable, that part of the Agreement may be severed and the remainder of the Agreement may be interpreted and enforced as though the unenforceable provision were not a part of the Agreement.
- 19. That this Agreement and the Tariff attached hereto constitutes the entire Agreement between the Company and Customer, and that there are no other provisions of the Agreement, either written or oral, and this Agreement supersedes any other terms discussed between the parties.

X

BK 8025PG2185

- 20. That no part of this Agreement may be waived or modified unless such waiver or modification is executed in writing, signed by both the Company and Customer.
- 21. That Customer agrees to hold the Company harmless from any liability associated with the provision of water service to Customer at the above location.
- 22. That notices may be sent to Customer and the Company at the address shown above.

Robert R. Hyman
 CUSTOMER'S SIGNATURE

5-13-98
 DATE

VTDI 26-33-454-003-0000 DIST 41
 HYMAS, ROBERT R & PRINT U UPDATE TOTAL ACRES 5.00
 CAROLIN S; JT LEGAL REAL ESTATE 75000
 13375 S 7530 W TAX CLASS NE BUILDINGS 144000
 RIVERTON UT EDIT 1 FACTOR BYPASS MOTOR VEHIC 0
 LOC: 13375 S 7530 W 84065466175 TOTAL VALUE 219000
 SUB: EDIT 1 BOOK 7458 PAGE 2762 DATE 08/08/1996
 TYPE UNKN PLAT

07/01/1998 PROPERTY DESCRIPTION FOR TAXATION PURPOSES ONLY
 BEG N 247.67 FT & W 1329.62 FT FR NE COR SEC 4, T 4S, R 2W,
 S L M; S 328.51 FT; W 663 FT; N 328.51 FT; E 663 FT TO BEG 5
 AC M OR L. 4897-931,932, 3782-125 4901-0266 5916-1013
 6002-1215

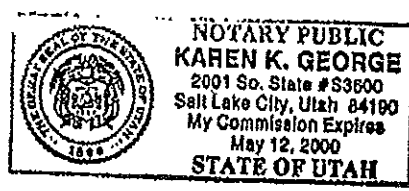
-POOR COPY-
CO REORDER

I, Deborah R. Watson attached the property description for recording purposes.

Deborah R. Watson
 7-1-98

Subscribed and sworn to by me this 1st day of July, 1998,

Karen K George



BK 8025 PG 2186

Edward A. Bagley

Beagley

APR 17 1973 1:01p
 Abstract of Backman Abstract & Title Company
 Fee Paid
 3.80 Recorder, S. By Deputy
 Rel.

2532831

RIGHT OF WAY

Hi-Country Estates, Inc., a Utah corporation, Grantor, hereby grants and conveys to Melvin J. Bagley and Barbara Bagley, his wife, Gerald H. Bagley and June L. Bagley, his wife, and Larry E. Beagley and Esther D. Beagley, his wife, Grantees, and their successors and assigns, for the sum of \$10.00 and other good and valuable consideration, a non-exclusive right of way for ingress and egress to the property presently owned by Grantees to the South and East of the property owned by Grantor, over the property owned by Grantor, situated in Salt Lake County, State of Utah, and described as follows:

The roads of Hi-Country Estates as shown on the Plat of Hi-Country Estates Subdivision recorded on January 17, 1972, in Book KK, Pages 56, 57, 58 and 59, Entry No. 2432347, in the office of the Salt Lake County Recorder.

This right of way is granted in accordance with and subject to the covenants and agreements contained in that certain agreement entered into between the parties on the 15th day of February, 1973.

IN WITNESS WHEREOF, the Grantor has hereunder caused the name of its duly authorized officer or agent to be signed, this 15th day of February, 1973.

HI-COUNTRY ESTATES, INC.

By: *[Signature]*

STATE OF UTAH)
 County of Salt Lake) ss.

On the 15th day of February, 1973, personally appeared before me Charles E. Lewton known to me to be the President of Hi-Country Estates, Inc., a Utah corporation, who duly acknowledged to me that he executed the foregoing instrument on behalf of said corporation by authority duly granted by its

EVERETT E. DAHL
 ATTORNEY AT LAW
 760 EAST CENTER STREET
 SUITE 21
 MIDVALE, UTAH 84047

REC-3304 REC 34 HC

ACREEMENT

THIS AGREEMENT made and entered into by and between HI-COUNTRY ESTATES, INC., a Utah corporation, hereinafter called "Hi-Country" and CERALD H. BAGLEY, LARRY E. BEAGLEY and ESTHER D. BEAGLEY, his wife, hereinafter called "Owners".

WITNESSETH:

WHEREAS, Hi-Country has and is developing a land development under the name and style of Hi-Country Estates; and,

WHEREAS, as part of the development has acquired certain water rights and has installed a water system in connection with the development; and,

WHEREAS, Owners own a forty (40) acre tract of ground adjoining Hi-Country Estates; and,

WHEREAS, the Owners are desirous of being served with culinary water and to obtain a right to traverse certain of the private roads of Hi-Country Estates in order to reach and serve property owned by the Owners; and,

WHEREAS, Beagleys are purchasing the property of Owners under a Real Estate Contract from Gerald H. Bagley; and,

WHEREAS, Hi-Country is willing to allow access to the property of Owners and to furnish water connections under certain conditions.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements hereinafter contained, it is agreed as follows:

1. Owners represent that they own the following described real property located in Salt Lake County, State of Utah:

Southwest quarter of the Southeast quarter of Section 4 Township 4 South, Range 2 West, Salt Lake Base and Meridian.

2. Hi-Country grants to the Owners and their assigns the right to use the roads of Hi-Country Estates for means of ingress and egress to Owners property.

3. Hi-Country agrees to sell to Owners six (6) water connection hookups to be used on owners property upon payment of Five Hundred Dollars (\$500.00) for each connection or hookup. Owners upon paying for the connection fee agrees thereafter to pay for the use of water in accordance with the bylaws and schedules of payment established from time- to- time by Hi-Country Estates Water Company.

4. Owners agree that they will become members of Hi-Country Estates Homeowners Association and pay their proportionate share of costs for maintenance of roads and services rendered by Hi-Country Estates Homeowners Association in accordance with the Articles of Incorporation and bylaws of said association.

5. Owners agree at their sole expense to install a water line from the border line of Hi-Country Estates through the property of the Owners to the South boundary of Owners property and to the North edge of Hi-Country boundary. Owners agree to grant to Hi-Country a nonexclusive right of way and easement fifty (50) feet wide running South from the North edge of Owners property to the South edge of property together with the right to install utilities under the road. Said six (6) inch water line to be installed by Owners shall be within the aforesaid right of way. The water line shall be constructed and laid in accordance with the Salt Lake County water conservatory standards and upon completion, title to the water line shall vest in Hi-Country.

6. The location of rights of ingress and egress, location of easements and water lines, will be located as per the attached sketch. Said sketch being made part of this Agreement by reference.

21

7. The parties are then required to execute all legal documents necessary to fulfill and perform the terms of this Agreement.

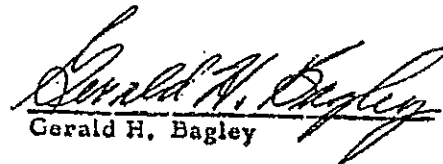
8. In the event of default by either party, the defaulting party agrees to pay all costs of enforcing this Agreement including a reasonable attorney's fee.

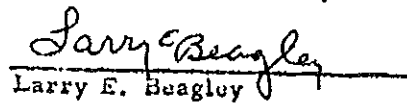
IN WITNESS WHEREOF, the parties hereto have signed their names on this 10 day of OCTOBER, 1972.

HI-COUNTRY ESTATES, INC.

By




Gerald H. Bagley


Larry E. Beagley


Esther D. Beagley

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

UTAH P.S.C.

WATER SERVICE AGREEMENT

Name Stephen Olschewski DATE 8-27-94 S.S. NO. 529-88-4514

Service Address 14050 South 7570 West
Application is for:

 New Service Change of Ownership Renting Other

Required Connection Fee \$ Required Security Deposit \$

This agreement is subject to terms and conditions contained below. By signing below, I acknowledge that I have read the entire agreement, including the terms and conditions stated below, and agree to such terms. The signatures appearing below will be jointly and severally liable.

Owner's/Customer's signature Stephen Olschewski Date 8/27/94

Renter's/Customer's signature Date

Approved by Hi-Country Estates Phase I Water Company

Name Date

I request Hi-Country Estates Phase I Water Company to supply water service to the service address herein under the Company's authorized-rate schedule.

In consideration of the Company's acceptance of this application and its rendering of water service hereunder, I agree to pay for such service in accordance with all existing rules and regulations and at the applicable rates for such service in effect or as lawfully amended or changed from time to time.

Interest will be charged on unpaid accounts at the current rate authorized by the Utah Public Service Commission and contained in the Company's tariff, which provisions are incorporated herein by this reference and which are available upon request. The stated interest rate is also applicable to judgement interest. There will be a \$10.00 charge assessed my account for a check returned by the bank. If the Company finds it necessary to take legal action to collect any amounts due on my account, I agree to pay all costs of collection including court costs and reasonable attorney's fees.

I agree to permit the Company, through its agents or employees, to enter upon the utilities easement at the service address at all times for all purposes necessary for or incident to the rendition of water service.

AMENDED AGREEMENT

It is hereby agreed, by and between Hi-Country Estates Homeowners Association Phase 1, hereafter referred to as Homeowners and Larry E. Beagley, his wife Esther D. Beagley, Helmet Olschewski, his wife , Steven Olschewski, his wife , and any others who may own part of described property. Hereafter referred to as Landowners

Whereas, the Homeowners are comprised of property owners of Hi-Country Estates Subdivision Phase 1. Said subdivison plat described and recorded in the office of the Salt Lake County Recorder

The plat of Hi-Country Estates Subdivison Phase 1. Recorded on January 17 1972 , in Book KK, Pages 56, 57, 58, and 59, Entry number 2432347.

Whereas, The landowners are ajointing property owers to the HI- Country Estates Phase 1 Subdivision, and are interested in development of there land as described in the following;

Beginning at the South Quarter Corner of Section 4, Township 4 South Range 2 West, thense North 1320 ft., thense East 1320 ft., thense South 1320 ft., thense West 1320 ft. to the place of beginning. Consisting of 40 acres.

Whereas, The Landowners have a Right of Way of ingress and egress over the roads of the Homeowners, granted to them by Hi- Country Inc. and recorded in the Salt Lake County Recorders Office, Book 3304, Page 034, Entry 2532831, and in accordance with and subject to the covenants and agreements entered into between the parties on 15 February 1973.

Whereas, It is in the best interest of both parties to make an amended agreement regarding the preservation of the Homeowners' property and the Landowner' rights of engress and ingress. Therefore;

IT IS HEREBY AGREED

(A) Each of the Landowners agree to pay to the Homeowners Association an annual assessment or such spiecal assessments levied. Said assessments to be equal to, but not more than the assessments to the members of the Homeowners Association. Said assessments is to be assessed by number of lots, or number of families, witch ever is the larger. The payment of the assessment by each of the Landowners is not for membership in the Assocation, but only for rights of ingress and egress over the roads. The Landowners further agree to abide by the road rules of Hi-Country, for as long as they use the roads

(B) The landowners further agree to keep the Homeowners informed of any changes in the number of lots or families to be assessed.

(C) If the Landowners develop an alternate access to their land, and which access would no longer require the use of the roads of Hi-Country Estates Subdivision. The Landowners will forfeit thier right of way over the roads of Hi-Country. With the forfeiture of the use of the roads. The Landowners obligation to pay future assessments would cease. Assessments are to run from Jan 1 to Dec 31.

If the Landowners wish to terminate this agreement, notification must be done in writing before Jan 1. The request will then be presented to the Homeowners at the February 28, general meeting. *for a Vote*

(D) The Landowners shall not be bound by any other rules and regulations of Hi- Country Homeowners Association. The Landowners shall not be bound by any restrictive covenants running with the land of Hi-Country Estates Homeowners Association, except for those stated by agreements. Hi-Country Estates Phase 1 must retain the right of way, easement and etc. for the repairs of water lines and etc.

(E) The Landowners will, in accordance with the February 15 1973 agreement, dedicate and deed to the Hi-Country Estate Homeowner Association Phase 1, all Water Lines, Hydrants and Etc.

(F) Be it further noted that the Landowners will control and be responsible for the prevention of other private vehicles, animals, and etc., which may enter Hi-Country over or from the Landowners property

(G) This agreement is an amendment to and does not nullify that February 15, 1973 agreement between the previous Landowners and Hi-Country Inc., The developers. This agreement is between the Land owners and the Homeowners.

(H) Any changes or modifications of this agreement will be in writing and signed by both parties.

Dated this day of 19

Hi-Country Estate Homeowners Association Phase /

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

UTAH P.S.C.

WATER SERVICE AGREEMENT

Name Helmut S. Olschewski DATE 8-27-94 S.S. NO. 103-12-6608

Service Address 14144 So. 7580 West
Application is for:

 New Service Change of Ownership Renting Other

Required Connection Fee \$ Required Security Deposit \$

This agreement is subject to terms and conditions contained below. By signing below, I acknowledge that I have read the entire agreement, including the terms and conditions stated below, and agree to such terms. The signatures appearing below will be jointly and severally liable.

Owner's/Customer's signature Helmut S. Olschewski Date 8/27/94

Renter's/Customer's signature Date

Approved by Hi-Country Estates Phase I Water Company

Name Date

I request Hi-Country Estates Phase I Water Company to supply water service to the service address herein under the Company's authorized-rate schedule.

In consideration of the Company's acceptance of this application and its rendering of water service hereunder, I agree to pay for such service in accordance with all existing rules and regulations and at the applicable rates for such service in effect or as lawfully amended or changed from time to time.

Interest will be charged on unpaid accounts at the current rate authorized by the Utah Public Service Commission and contained in the Company's tariff, which provisions are incorporated herein by this reference and which are available upon request. The stated interest rate is also applicable to judgement interest. There will be a \$10.00 charge assessed my account for a check returned by the bank. If the Company finds it necessary to take legal action to collect any amounts due on my account, I agree to pay all costs of collection including court costs and reasonable attorney's fees.

I agree to permit the Company, through its agents or employees, to enter upon the utilities easement at the service address at all times for all purposes necessary for or incident to the rendition of water service.

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

UTAH P.S.C.

WATER SERVICE AGREEMENT CONTINUED

I understand that the water service connection charges stated above includes a meter, a meter box, a cover, and a valved service line ahead of the meter to the property line. I understand that this equipment is the property of the Company, and I agree to make no changes to the meter or its associated equipment to be ineffective or inaccurate. If any of the foregoing are done, the Company, upon discovery thereof, may refuse or discontinue service until the condition is corrected at my expense.

I understand that I may be disconnected for failure to pay for water service provided by Hi-Country Estates Phase I Water Company. The disconnection of water service will be in accordance with Hi-Country Estates Phase I Water Company tariff.

As a customer of the Hi-Country Estates Phase I Water Company, I agree to comply with all State of Utah Public Drinking Water regulations and I agree to install or have installed all protective equipment such as back-flow preventers, check valves, pressure reducing equipment, shut-off valves and any other equipment required by Hi-Country Estates phase I Water Company, and by any plumbing codes, safety codes or health codes. I shall keep all of the above equipment in good operating condition. In the event that any such equipment becomes inoperable, my water service may be disconnected by the water company until such conditions are corrected.

Th Hi-Country Phase I Water Company needs to inspect your line for a Back-Flow Prevention Valve in accordance to Utah State Health Codes. This back-flow prevention valve is to be installed between the meter and your line. This must be done before the installation of your meter will be completed, and water is serviced to your property. Therefore, you must leave the line open for the inspection.

Please initial on the line.....

This Water Service Agreement pertains to previous customers of Foothills Water Company only, that are now customers of Hi-Country Estates Phase I Water Company, and those potential customers that are in the boundaries of Hi-Country Estates Phase I including Beagley Acres and South Oquirrh.

Date Filed June 10, 94

Effective Date June 01,94

Hi-Country Estaes Phase I Water Co.

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

WATER SERVICE AGREEMENT

Name Markus Olschewski DATE 8-27-94 S.S. NO. 528-21-7108

Service Address 7500 West 13900 South
Application is for:

 New Service Change of Ownership Renting Other

Required Connection Fee \$ Required Security Deposit \$

This agreement is subject to terms and conditions contained below. By signing below, I acknowledge that I have read the entire agreement, including the terms and conditions stated below, and agree to such terms. The signatures appearing below will be jointly and severally liable.

Owner's/Customer's signature Markus Olschewski Date 8-27-94

Renter's/Customer's signature Date

Approved by Hi-Country Estates Phase I Water Company

Name Date

I request Hi-Country Estates Phase I Water Company to supply water service to the service address herein under the Company's authorized-rate schedule.

In consideration of the Company's acceptance of this application and its rendering of water service hereunder, I agree to pay for such service in accordance with all existing rules and regulations and at the applicable rates for such service in effect or as lawfully amended or changed from time to time.

Interest will be charged on unpaid accounts at the current rate authorized by the Utah Public Service Commission and contained in the Company's tariff, which provisions are incorporated herein by this reference and which are available upon request. The stated interest rate is also applicable to judgement interest. There will be a \$10.00 charge assessed my account for a check returned by the bank. If the Company finds it necessary to take legal action to collect any amounts due on my account, I agree to pay all costs of collection including court costs and reasonable attorney's fees.

I agree to permit the Company, through its agents or employees, to enter upon the utilities easement at the service address at all times for all purposes necessary for or incident to the rendition of water service.

HI-COUNTRY ESTATES PHASE I WATER COMPANY
32 CANYON RD.
RIVERTON, UTAH 84065

UTAH P.S.C.

WATER SERVICE AGREEMENT CONTINUED

I understand that the water service connection charges stated above includes a meter, a meter box, a cover, and a valved service line ahead of the meter to the property line. I understand that this equipment is the property of the Company, and I agree to make no changes to the meter or its associated equipment to be ineffective or inaccurate. If any of the foregoing are done, the Company, upon discovery thereof, may refuse or discontinue service until the condition is corrected at my expense.

I understand that I may be disconnected for failure to pay for water service provided by Hi-Country Estates Phase I Water Company. The disconnection of water service will be in accordance with Hi-Country Estates Phase I Water Company tariff.

As a customer of the Hi-Country Estates Phase I Water Company, I agree to comply with all State of Utah Public Drinking Water regulations and I agree to install or have installed all protective equipment such as back-flow preventers, check valves, pressure reducing equipment, shut-off valves and any other equipment required by Hi-Country Estates phase I Water Company, and by any plumbing codes, safety codes or health codes. I shall keep all of the above equipment in good operating condition. In the event that any such equipment becomes inoperable, my water service may be disconnected by the water company until such conditions are corrected.

Th Hi-Country Phase I Water Company needs to inspect your line for a Back-Flow Prevention Valve in accordance to Utah State Health Codes. This back-flow prevention valve is to be installed between the meter and your line. This must be done before the installation of your meter will be completed, and water is serviced to your property. Therefore, you must leave the line open for the inspection.

Please initial on the line.....

This Water Service Agreement pertains to previous customers of Foothills Water Company only, that are now customers of Hi-Country Estates Phase I Water Company, and those potential customers that are in the boundaries of Hi-Country Estates Phase I including Beagley Acres and South Oquirrh.

Date Filed June 10, 94

Effective Date June 01,94

Hi-Country Estaes Phase I Water Co.

*File
Hymas
assoc*



DEPARTMENT OF BUSINESS REGULATION
Division of Public Utilities

Norman H. Bangerter
Governor
William E. Dunn
Executive Director
Ralph N. Creer
Division Director

Heber M. Wells Building
160 East 300 South/P.O. Box 45802
Salt Lake City, Utah 84145-0802
(801) 530-6651

M E M O

Date: March 25, 1988
To: Public Service Commission
From: Ralph N. Creer, Director
Division of Public Utilities
Darrell S. Hanson, Manager
Jon A. Strawn, Rate Engineer
Gas and Water Section

R.N.C.
D.S.H.
J.A.S.

Re: Foothills Water Company request to extend the service area to serve a one family residence and to water live stock at 13200 So. 8300 West, Riverton, Utah.

I. ISSUE

Approval of Foothills Water Company advice letter dated January 14, 1988 requesting permission to extend Foothills service area to serve a one family home at 13200 South 8300 West.

II. RECOMMENDATION

The Division recommends that the Commission approve the service area extension to serve a single residence at 13200 South 8300 West Riverton, Utah with the following conditions:

1. That Foothills serves the customer as a single service line customer.
2. That the meter box be placed on the 6" distribution line at the end of High Country lane, and be placed within the present service area boundary line.
3. That the service line extending from the meter box be installed, owned and maintained by the homeowner.
4. That the service area be expanded to include 12 feet on either side of the customers service line (approximately 2400 feet) and to include the customers home.
5. That the service agreement between Foothills and the customer state that only one residence is to be served off of the existing meter and the customer is to be served in accordance with Foothills presently approved

tariff. If the customers property is subdivided in the future, it will be necessary to get Public Service Commission approval before adding any additional customers in this area to the service area of Foothills Water Company.

- 6. That Foothills inform the potential customer that there is presently an ownership dispute in District Court, of which the outcome could affect the ability of Foothills Water Co. to serve the customer, since the customer is outside the boundaries of Hi Country Estates.
- 7. That the customer provide: (1) a written agreement from the Hi Country Homeowners Association indicating that arrangements have been made so that the customer can continue to receive service if the Homeowners Association win the ownership dispute or (2) a signed affidavit by the customer assuming the risk of not getting water service if the Hi Country Homeowners Association win the dispute and decide not to provide service to the customer.

III. EXPLANATION

Foothills is requesting permission to extend water service to a single family residence that is outside its authorized service territory. The house is approximately 2400 feet from the Foothills service area boundary. Based upon discussions with Mr. Dansie, Kennecott has contaminated the applicant's water supply and is willing to pay for the installation of the extension from Foothills Water to the applicant's residence. The land that the water line extension will cross is owned by the applicant.

The Division recommends that Foothills serve this customer as a single customer and that the extension be considered a single residence service line. The applicant should bear the cost of the installation, and should repair and maintain his own service line. If in the future, the applicant subdivides his property, and requires additional water connections, Foothills should seek approval from the PSC to expand its service territory and to serve additional customers.

- cc. William E. Dunn
- J. Rodney Dansie, Foothills Water Company
- Norm Sims, Hi Country Homeowners Association
- Fred Foley
- Barbara Williams



State of Utah
DEPARTMENT OF COMMERCE
Division of Public Utilities

Norman H. Bangertter
Governor
David L. Buhler
Executive Director
Frank Johnson
Division Director

Robert M. Wells Building
160 East 300 South P.O. Box 45802
Salt Lake City, Utah 84145-0802
(801) 530-6651

M E M O

Date: July 17, 1989

TO: Public Service Commission

From: Frank Johnson, Director *F.J.*
Division of Public Utilities
Ralph N. Creer, Manager *R.N.C.*
Compliance
Jon Strawn, Rate Engineer *J.S.*
Gas and Water Section

Re: Foothills Water Company request to extend the service area to serve a one family residence.

I. ISSUE

Approval of Foothills Water Company advice letter dated July 5, 1989 requesting permission to extend Foothills service area to serve a one family residence at 13375 South 7530 West, Riverton, Utah.

II. RECOMMENDATION

The Division recommends that the Commission approve the proposed single residence expansion to serve the Bob Hymas residence at 13375 South 7530 West, Riverton, Utah subject to the following conditions:

1) that the customer provide to the Commission: (1) a written agreement from Hi Country Homeowner's Association indicating that arrangements have been made so that the customer can continue to receive service if the Association should win the Foothills ownership dispute or (2) a signed affidavit by the customer assuming the risk of not getting water service if the Hi Country Homeowners Association should win the dispute but be unable for any reason to provide service to the customer outside the boundaries of the Hi Country Estates. ✓

2) that Mr. Dansie notify Judge Bryan that Mr. Hymas is being served by the Foothills system and is presently being served outside the Foothills service area.

3) Any agreement between Hi Country Homeowners Association and Mr. Hymas be recorded with the Salt Lake County recorders office, so that future property owners will be on notice of

said agreement.

The Division does not recommend expanding the Foothills service area. It is recommended that the customer be served through contractual arrangements as an off system sale, but under the same tariff as the Foothills service area customers.

III. BACKGROUND

Mr. Bob Hymas has requested water service from Foothills Water Company. His well has gone dry and is contaminated. Mr. Hymas has stated that he is willing to pay the full cost of extending the water lines to his property, and to pay the connection fee of \$750.00 and to abide by all Foothills tariff provisions. He is also willing to seek an agreement with the Hi Country Homeowners Association concerning future water service, in the event that the Hi Country Homeowners Assoc. should gain ownership of Foothills Water Co.

The Division met with Mr. Hymas and Foothills Water Co. on July 13, 1989 to discuss the service area expansion. The expansion includes 390' of 6" water line running south from Foothills main line to the northwest corner of the Hymas residence. The connection point to Foothills main line is approximately 50' outside the gate of Hi Country Estates. It is also outside Foothills presently approved service area and outside the Hi Country Estates boundary. The expansion also includes 209' of 1 1/2" pipe that will run East from the corner of the Hymas property to the connection point at the Hymas residence. The cost of the expansion is estimated to be \$5,000. Mr. Hymas has requested and received 4 bids for the construction of the water lines and has selected Dansie Construction Co. to construct the water line expansion.

cc: Dave Buhler
Darrell Hanson
Norm Simms, Hi Country Homeowners Assoc.

jas/PSC2

- 7. That Customer shall be responsible for installation of a service line from the meter to the point of use which shall be inspected and approved by the Company.
- 8. That Customer shall install, at his own expense, a back-flow prevention valve on his service line in an accessible location, not more than three (3) feet beyond the meter.
- 9. That the Company shall have the right to inspect Customer's plumbing for cross-connection and hazards.
- 10. That Customer shall be bound by the applicable terms and conditions set forth in the Tariff.
- 11. That charges for water service shall be as set forth in the Company's rate schedule.
- 12. That Customer will pay any additional surcharges which shall be levied by the Company to cover costs of capital improvements to the water system that are not included in the rate base.
- 13. That by accepting water the customer agrees to the terms and conditions of this Agreement.
- 14. That the Company has the right at any time without notice, to shut off or curtail water service in the event of a water scarcity or in the event that repairs or maintenance become necessary. *As long as all water users are treated in the same like manner R.R. Hyman.*
- 15. That if this Agreement is breached by Customer, the costs of enforcing the Agreement may be recovered by the Company, including Court costs and reasonable Attorneys' fees.
- 16. That Customer must protest any bill within fifteen (15) days of the date of the bill, or such protest is waived.
- 17. That this Agreement shall be governed by and according to the laws of the State of Utah.
- 18. That if any part of this Agreement is found to be unenforceable, that part of the Agreement may be severed and the remainder of the Agreement may be interpreted and enforced as though the unenforceable provision were not a part of the Agreement.
- 19. That this Agreement and the Tariff attached hereto constitutes the entire Agreement between the Company and Customer, and that there are no other provisions of the Agreement, either written or oral, and this Agreement supersedes any other terms discussed between the parties.

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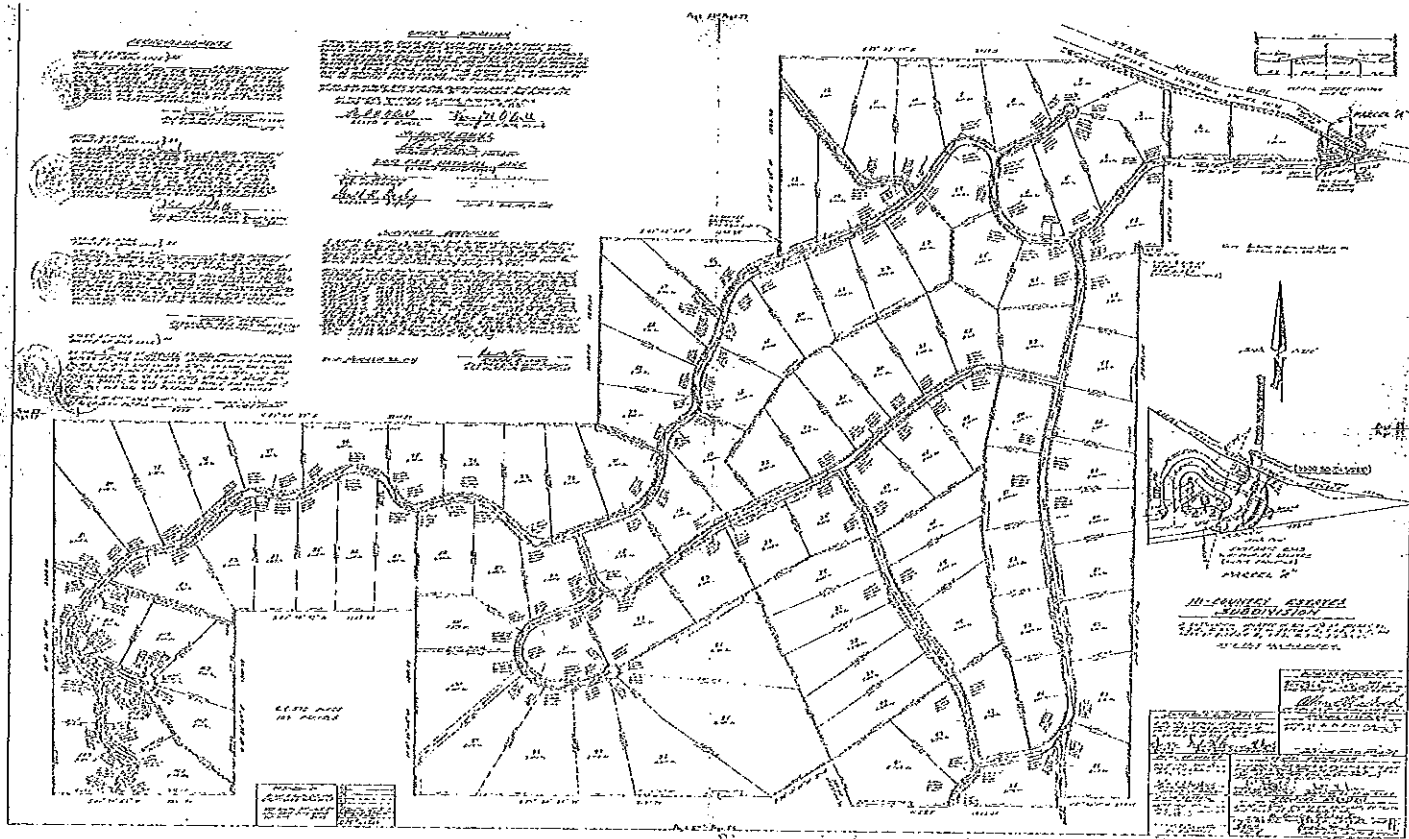
To:

Standard policy governing all utilities as defined by the Public Service Commission states that before service is provided through a customer provided main distribution facility, ownership of that facility must be assigned to the utility. In the case of a water system, the reasons for this law include liability for breaks and repairs, assuring water quality as mandated by law, and responsibility for maintenance and capital improvements.

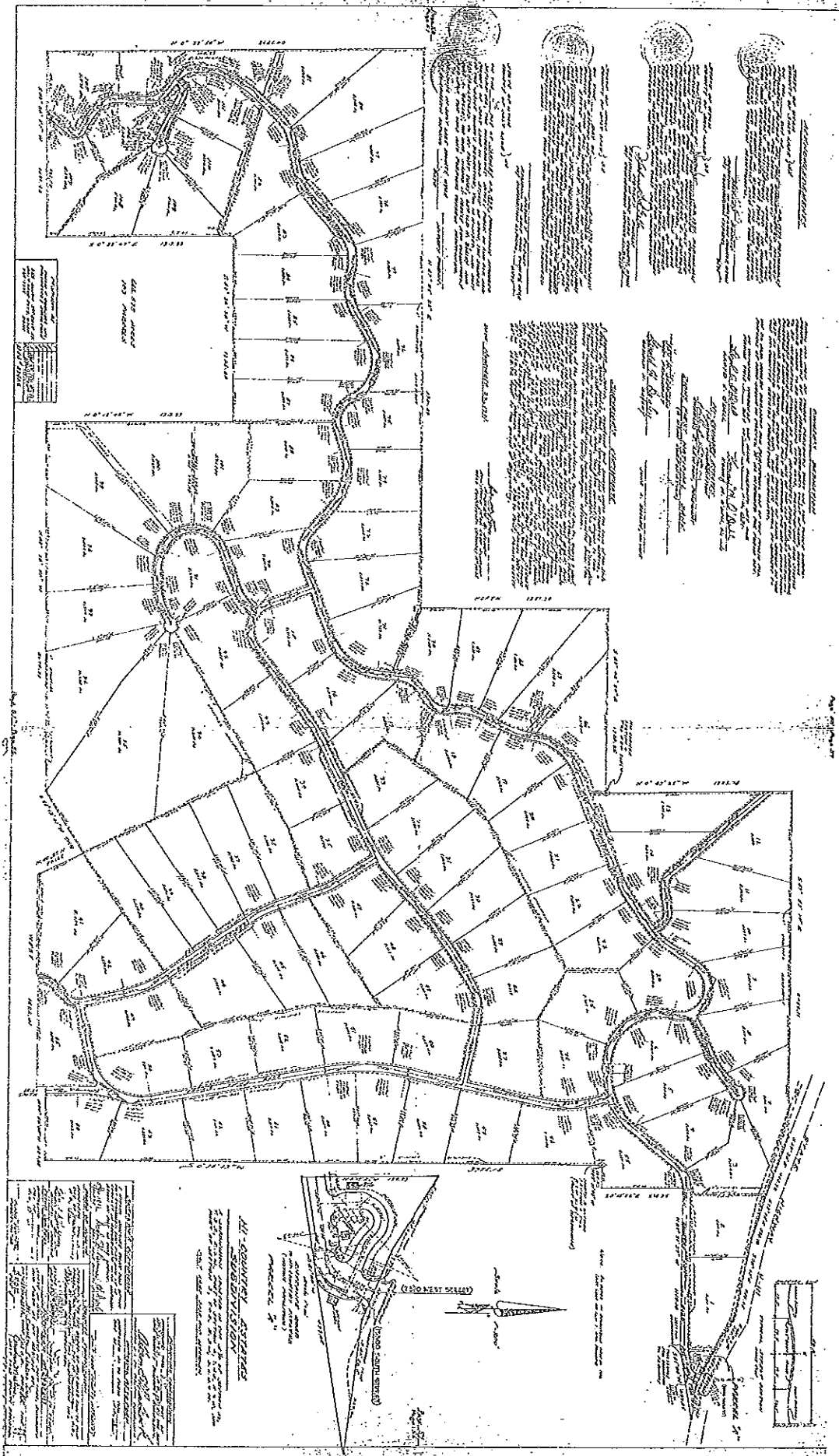
This letter is being sent in an effort to reaffirm this policy and to assure that all documentation is current. The company providing liability insurance for our system requires this proof of ownership if we are to continue to provide service through and accept liability for these lines. As an example, a fire hydrant in one of these sections of the system recently required fire department mandated repairs costing several hundred dollars. If the person who installed this section of line wished to contest ownership, the cost of this repair would be his responsibility while the issue was in litigation.

In order to continue to provide water through these customer constructed mains and at the same time guarantee both water quality and system integrity, we are requesting that you provide us with a quit claim deed officially transferring all interest in any portion of the water distribution system installed by you to Hi-Country Estates Phase 1 Water Company in accordance with (both) Public Service Commission law (and by your contractual obligations to the water company). Since the law is quite explicit, you may feel that the quit claim deed is redundant, but for the aforementioned reasons, we feel that it is necessary.

Thank you for your prompt consideration,



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**CERTIFICATE OF INCORPORATION
OF
HI-COUNTRY ESTATES HOMEOWNERS ASSOCIATION**

KNOW ALL MEN BY THESE PRESENTS:

I, CHARLES E. LEWTON, acting as the incorporator of a corporation under the Utah act governing the formation of non-profit corporations, do hereby adopt the following Certificate of Incorporation for such corporation:

FIRST: The name of this Corporation is Hi-Country Estates Homeowners Association, hereafter called the "Association."

SECOND: The term of existence of this Association will be perpetual.

THIRD: This Association is not organized for pecuniary profit or gain to the members thereof, and the specific purposes for which it is formed are to provide for maintenance, upkeep and preservation of the streets, roads and common area within that certain tract of property described as:

Hi-country Estates, located in Salt Lake County,
State of Utah, Phase 1,

and also to include additional phases of Hi-Country Estates and the homeowners located within such additional subdivisions as may be mutually beneficial for the members hereof and the homeowners of the adjoining subdivisions. This Association is also formed to promote the health, safety and welfare of the residents within Hi-Country Estates and any additions thereto as may hereafter be brought within the jurisdiction of this Association for this purpose to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Protective Covenants for Hi-Country Estates, located in Salt Lake County, State of Utah, Phase 1, as amended, which is applicable to the property, and as the same may be amended from time to time as therein provided;

EVERETT E. DAHL
ATTORNEY AT LAW
760 EAST CENTER STREET
(SUITE 2)
MIDVALE, UTAH 84047

41

4:13 PM

03/30/12

Accrual Basis

Hi-Country Estates Water Company

Profit & Loss

January through December 2009

	Jan - Dec 09
Ordinary Income/Expense	
Income	
Income	
1150 Interest Income	771.04
Reimburse customer overpayment	-151.24
Returned checks	-389.72
Water Revenue	
BLM Annual Service Fee	3,000.00
Metered Water Revenue	
1120 To Residential Customers	67,109.69
1165 BLM Monthly Charges	6,268.20
Total Metered Water Revenue	73,377.89
Total Water Revenue	76,377.89
Total Income	76,607.97
Expense	
Operating Expenses	
JVWCD Services	
JVWCD Compliance and Sampling	2,091.43
JVWCD Customer Service	7,276.31
JVWCD Meter Services	1,444.60
JVWCD Ops (system monitoring)	6,448.48
JVWCD Routine maintenance	3,949.18
Total JVWCD Services	21,210.00
Office Expenses	
210 Supplies	16.50
220 Postage	89.54
Total Office Expenses	106.04
Permits & Licenses	
123 Dues & Subscriptions	177.00
Total Permits & Licenses	177.00
Repairs	
Fire Hydrant repairs	7,502.72
Meter replacement	199.15
Piping repairs	1,842.11
Well and well pump repairs	7,577.02
Total Repairs	16,851.00
Second source Water Expenses	508.82
Seminars and Training	100.00
Taxes	
Property Taxes	2,507.45
Total Taxes	2,507.45
Travel & Entertainment	
610 Travel	196.82
Total Travel & Entertainment	196.82
Utilities	
710 Telephone	
712 Telephone	623.76
Total 710 Telephone	623.76

EXHIBIT C

1. Affidavit of DelRoy Taylor and mailing certificate regarding water service request and denial of the request by Mr. Darell Wooley, President of Hi-Country Phase one water Co and Hi-Hoa.
2. Multiple requests for water service to Mr. Taylors lot over a 3 year period. 1998, 2002 and 2003.
3. Response was water is not available to the Public in General (only lot owners in Hi-Country Phase 1, South Oquirrh and Beagley Acres subdivision. Must be a member/owner living in these area.
4. . Response to Hi-Country estates HOA Responses to the DUP corrected Recommendations dated June 22,2012.

Exhibit

C

8- pages

AFFIDAVIT OF DELROY TAYLOR

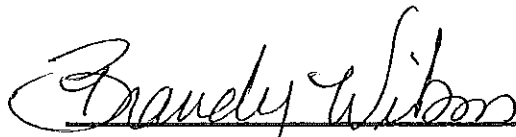
1. MY NAME IS DELROY TAYLOR I, AM A RESIDENT OF SALT LAKE COUNTY, STATE OF UTAH
2. I AM THE OWNER OF A 6+ ACRE LOT IN SALT LAKE COUNTY LOCATED NORTH OF HI-COUNTRY ESTATES AJJOINING LOT 9 OF HI-COUNTRY ESTATES.
3. IN 1998 AND AGAIN IN 2002 AND 2003 I CONTACTED DAREL WOOLEY PRESIDENT, OF HI-COUNTRY ESTATES HOMERS ASSOCIATION AND REQUESTED WATER SERVICE FOR MY LOT AJJOINING HI-COUNTRY ESTATES. EACH TIME I SAID I WOULD PAY WHAT EVER THEY CHARGED AND PAY TO HAVE A CONNECTION MADE AND ALL FEES ETC.
4. I SAID I WOULD PAY THE NORMAL RATE FOR THE WATER USED.
5. MR. WOOLEY SAID I HAD TO BE A MEMBER OF THE ASSOCIATION AND LIVE IN THE HI-COUNTRY PHASE ONE, SOUTH OQUIRH OR BEAGLEY ACRES TO RECEIVE WATER SERVICE.
6. MR. WOOLEY SAID THAT HI-COUNTRY DID NOT PROVIDE OR SERVE WATER TO THE PUBLIC IN GENERAL AND THAT I HAD TO BE A MEMBER LIVING THE ABOVE AREAS TO RECEIVE WATER SERVICE.

DATED THIS 6TH JULY 2012

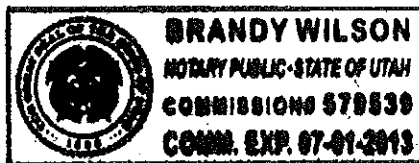


 DELROY TAYLOR

SUBSCRIBED AND SWORN TO THIS 6th DAY OF July 201



 Notary PUBLIC



CERTIFICATE OF SERVICE

I hereby certify that the foregoing ~~Assignment of Del Ray Taylor~~ comments were served on the following on ~~July 27~~ 2012 as follows:

Vis U. S. mail to:

July 26th

Dennis Miller -- Legal Assistant
Division of Public Utilities
Heber M. Wells Building 4th floor
160 E. 300 S. Box 146751
Salt lake City, Utah 84114-6751

Patricia Schmid at the above address for Division of Utilities

Saunna Benvegna-Springer at the above address for Division of Utilities

J. Craig Smith
Smith Hartvigsen, PLLC
Walker Center
175 South Main Street Suite 300
Salt Lake City, Utah 84111

Melanie A. Reif
Administrative Law Judge
Utah Public Service Commission of Utah
160 East 300 South 4th floor
Salt Lake City, Utah 84111

RESPONSE TO HI-COUNTRY ESTATES HOA RESPONSES TO DIVISION OF PUBLIC UTILITIES CORRECTED RECOMMENDATIONS DATED JUNE 22, 2012 DOCKET NO 11-2195-01

The following document sets forth J. Rodney Dansie's reply to Mr. Smiths / HI-Country Estates HOA comments, statements and responses.

BACKGROUND

In 1994 the P. S. C. of Utah granted a certificate of Convenience and Necessity #2737 to HI-Country Estates HOA and after two years and upon request from the DUP and HI-Country the PSC cancelled the Certificate because all of the customers were members and a few by contract approved by the PSC. HI-Country HOA has the exact same service area and lots and customers. Nothing has changed and the findings today are the same as In 1996.

IN THE TIME PERIOD FROM 1996 TO 2012 THE DIVISION HAS NOT PRODUCED ANY COMPLAINTS FILED BY ANY WATER USERS. THE DIVISION OF UTILITIES HAS FILED A RECOMMENDATION THAT HI-COUNTRY BE RE-CERTIFIED ON INCOMPLETE FACTS AND INFORMATION PROVIDED ONLY BY MR. SMITH AND IN SOME CASE MISLEADING AND INCORRECT IN FORMATION WHICH MUST BE FURTHER EVALUATED WITH ADDITIONAL FACTS GATHERED BY THE DUP AND INFORMATION ON THE MATTER. THERE IS 35 YEARS OF DISTRICT COURT RULINGS AND MANY APPELLATE COURT DECISIONS THAT MUST BE ADDED TO THE FACTS TO ARRIVE AT AN ACCURATE DECISION. THE P. S. C. HAS BROAD POWERS BUT ONLY THOSE POWERS GIVEN BY TITLE 54 UTAH CODE ANNOTATED AND ANY QUESTION WITH REGARD TO THE PSC POWERS MUST BE INTERRUPTED NARROWLY AND AGAINST THE P.S.C. MANY FACTS AND TESTIMONY WERE GIVEN AT THE MAY 15, 2012 HEARING AND ADDITIONAL DATE AND FACTS HAVE BEEN SUBMITTED SINCE THE HEARING REGARDING MEMBERSHIP IN THE HOA SERVICE AREA AND MUST BE USED IN ARRIVING AT ANY DECISION REGARDING RE-GRANTING A CERTIFICATE OF CONVENIENCE TO HI-COUNTRY HOA.

OBJECTIONS TO RECOMMENDATION

1.J. Rodney Dansie Objects to and Contests the Commission's Possible Jurisdiction over HI-Country HOA Water system AS THE RECOMMENDATIONS OF THE DIVISION ARE INCOMPLETE AND INFORMATION PROVIDED BY MR. SMITH HAS MANY ERRORS IN FACTS PRESENTED.

2. J. Rodney Dansie Specifically objects to any Possible REVERSING of the Letter of Exemption SINCE HI-COUNTRY IS SERVING THE SAME AREA, CUSTOMERS AS WHEN IN 1996 THE COMMISSION APPROVED THE REQUEST BY THE HI-COUNTRY AND THE DIVISION OF PUBLIC UTILITIES IN 1996 TO CANCEL THE CERTIFICATE # 2737 AND NOTHING HAS CHANGED AND WATER IS NOT BEING SERVED TO THE PUBLIC IN GENERAL. (SEE TESTIMONY REGARDING DELROY TAYLORS REQUEST FOR WATER SERVICE IN 1998 THAT WAS DENIED SINCE HE DID NOT

LIVE IN HI-COUNTRY ESTATES BOUNDARIES AND WAS NOT A MEMBER OF THE HI-COUNTRY HOME OWNERS ASSOCIATION) his property was without water and adjoined lot # 9 Hic

3. J. Rodney Dansie Objectives to the possible Issuing of a Certificate of Convenience and Necessity being Issued at the present time AS THE INVESTIGATION AND TESTIMONY AS TO MEMBERSHIP IS INCOMPLETE.

4. The evidence was heavily contested at the hearing and with documents submitted as per request of the Administrative Law Judge and by evidence submitted at the hearing that Hi-Country is NOT providing service to THE PUBLIC IN GENERAL and that all uses of water are members of the water company and are treated as members and pay the same rates some users (Beagleys) may have waived SOME OF their voting rights by their own actions and to avoid having their lands burdened by CC and R's as in Hi-Country phase one. (See recorded and certified copy of agreement to become members and pay as per the water company agreements referenced in right of way recorded against the property.

5. The statements by Mr. Smith are in error regarding connections and service to numerous connections without charge to non-members of Hi-Country is a major misrepresentation of the facts of this matter. No members of the general public would be served by Hi-Country or Dansie's. Dansie's are requesting the water under a contract to the Dansie family members and any other water would be served through Dansie Water Company to its members and not to the public in general. All water from Hi-Country Estates HOA would go to Dansie Water and then to its members, No water would be served to the General Public. All Water from Hi-Country would be as per the well lease agreement and orders of the District court and Court of Appeals Decisions. Hi-Country would be serving the same customers and lots and people and members as was being served before the PSC decertified Hi-Country since it was serving its only its members and not the public in general. (See order of PSC in 1996 De-certifying Hi-Country HOA.)

There have been no complaints to the DPU in the years since 1996 to 2012 and regulation by the P. S. C. is unnecessary under title 54 Utah Code Annotated.

6. The validity of the well lease has been decided by District Court and affirmed by the Court of appeals and certiorari was denied by the Supreme Court of Utah.

7. The statement that (Mr. Dansie seeks numerous connections with no charge to nonmembers of Hi-Country and seeks delivery of millions of gallons of annually at No charge is a Total MISREPRESENTATION OF THE FACTS TO THE COMMISSION Such use of water owed by contract to Dansies does not constitute service for water to the public in general. See courts comments regarding the delivery of water by contract and under the well lease. (SEE UTAH STATE COURT OF APPEALS DECISION AND DISTRICT Court order all documents and the well lease have been submitted to the commission and are in the file.) See The Rulings of the District court and decision of court of appeals regarding title 54

8. The HI-Country HOA water system does not meet the requirements of a Public Utility under Utah Code 54-2-1 and should not be subject to regulation by the commission.

9. The trial court ruled that the Well Lease is not void as against public policy and it was affirmed by the court of appeals. (See Amended Memorandum Decision case No. 20090433-CA filed July 29, 2011)

10. THE PSC ORDER OF 1986 IS NO LONGER INEFFECT. AND THE COURT RULED THAT THE WELL LEASE IS NOT VOID AS AGAINST PUBLIC POLICY. Any challenges to prior trial court rulings that that might have been appealed but not were at that point waived. (falling to raise issues ripe for appeal results in waiver of the right to raise them at a later time.)

11. It is well established that the commission has no inherent regulatory powers other than those expressly granted, or CLEARLY implied by statute. When a "specific power is conferred by statute upon a tribunal board or commission with limited powers, the powers are limited to such as are specifically mentioned." All powers retained by the PSC are derived from and created by statute. The PSC has no inherent regulatory powers and can only assert those which are expressly granted or clearly implied as necessary to the discharge of the duties and responsibilities imposed upon it. Accordingly, "to insure that the administrative powers of the PSC are not over extended "any reasonable doubt of the existence of any power must be resolved against the exercise thereof".

12. Despite its broad language, section 54-4-1 does not confer upon the Commission a limitless right to act as it sees fit, and this court has never interpreted it as doing so. "7/20/95 – HI-Country Estates Homeowners Association Supreme Court of Utah" 879P.2nd 2666 (Utah 1994)

13. Based on the above facts , Utah State Statues and court decisions HI-Country is not a public utility under Utah Code Section 54-2-1 and should not be subject to regulation by the commission .

ADDITIONAL DOCUMENTS AND CLARIFICATION

The documents Exhibit B , Exhibit C and maps provided are sufficient to become the basis of any service area for a certified water company and are incomplete and not an accurate representation of the proposed service area and contain errors and should be stricken with a request to have the DUP review all of the requirements and request corrected maps, service areas and areas of facilities which can serve the area proposed by the applicant HI-Country HOA. Finally, Exhibit E is unclear and means nothing. The recorded certified copy of an agreement date 2/15/1973 submitted to the administrative law judge at her request establishes that Beagley subdivision and all owners taking water are members of the association and are considered members of the HI-Contry Water company as approved by the Public Commission and DUP IN 1996 WHEN THE WATER COMPANY WAS DE-CERTIFIED BECAUSE ALL USES OF WATER AND CUSTOMERS WERE MEMBERS OF THE ASSOCIATION AND A FEW CUSTOMERS SERVED BY CONTRACT APPROVED BY THE P. S. C. . Nothing has changed and water is not provided to the public generally by either HI-Country or by Dansie water co.

CONCLUSION

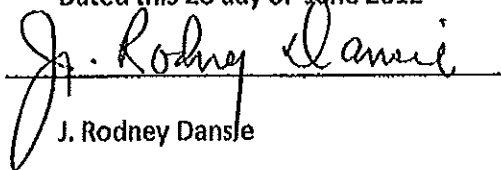
HI-COUNTRY HOA LETTER OF EXEMPTION SHOULD NOT BE REVOKED AND THE CERTIFICATE OF CONVENIENCE AND NECESSITY # 2737 SHOULD NOT BE REINSTATED AND DANSIES SHOULD BE AWARED LEGAL COST INCURRED BECAUSE OF HI-COUNTRYS REQUEST FOR PSC JURISDICTION AND FOR ANY FURTHER LEAGAL COSTS INCURRED UNDER THE WELL LEASE PROVISION PAGE 7 PARAGRAPH 3.

IN THE ALTERNATIVE IF THE COMMISSION BELIEVES THAT FUTHER INVESTGATION IS NECESSARY IN THIS MATTER THAT HI-COUNTRY BE REQUIRED AS PER THE WELL LEASE TO PAY FOR ALL OF DANSIES LEGAL COSTS TO PERSUE CREATING A WATER COMPANY WITH PSC JURISDATCION AS PER THE WELL LEASE PROVISIONS PAGE 7 PARAGRAPH 3 OF THE WELL LEASE.

IN ADDITION ALL CASES INVOLING THIS MATTER FOR THE PAST 35 YEARS MUST BE CONSIDERED. AND AS THE COURT OF APPEALS HAS STATED WILL THE PSC EXCERISE JURISDICTION AND REQUIREMENT PAYMENT FOR WATER " (NONE OF US CAN FORTELL THE FUTURE --STATUTES CAN BE AMENDED; REGULATIONS CAN BE REPEALED, ADMINISTRATIVE POLICIES AND ATTITUDES CAN CHANGE. THUS, OUR OPINION WISELY HAZARDED NO GESS AS TO WHETHER THE PSC COULD OR WOULD EXERT JURISDICTION IN THE FUTURE, AND THUS MADE NO ATTEMPT TO ADJUDICATE THE RIGHTS OF THE PARTIES OR THE ENFORCEABILITY OF THE WELL LEASE GOING FORWARD.

TO BE CLEAR THE EFFECT OF THE FINAL JUDGEMENT, AS AFFIRMED AND EXPLAINED IN OUR 2008 OPINION AND IN THE AMENDED MEMORANDUM DECISION, IS THAT THE DANSIES ARE, GOING FORWARD, ENTITLED TO THEIR CONTRACTUAL RIGHTS TO FREE WATER AND FREE HOOK-UPS UNLESS THE PSC INTERVENES AND DETERMINES OTHERWISE. (CASE NO 20090433-CA) FILED JULY 29,2011 AMENED MEMORANDUM DECISION)

Dated this 28 day of June 2012



J. Rodney Dansle

CERTIFICATE OF SERVICE

J. Rodney Dansie

I hereby certify that the foregoing Response of ~~HE-2011-0001~~ to Division of Public Utilities' Corrected Recommendation was served on the following on June 26, 2012 as follows:

Via U.S. mail and email to:

Dennis Miller – Legal Assistant
Division of Public Utilities
Heber M. Wells Building 4th Floor
160 E 300 S, Box 146751
Salt Lake City, UT 84114-6751
dpudatarequest@utah.gov
dennismiller@utah.gov

Via U.S. mail to:

J. Rodney Dansie
7198 West 13090 South
Herriman, UT 84096

Via email to:

Patricia Schmid (pschmid@utah.gov)
Shauna Benvegnu-Springer (sbenvegn@utah.gov)

