

Panorama Hills Water Company Water Rights Management Policy

Purpose

The Panorama Hills Water Company (PHWC) operates and manages the water distribution system licensed by the Idaho Department of Water Resources (IDWR) under Water Right 25-7100 that supplies the homes in the Panorama Hills subdivisions ("Alpha" and "Beta" Areas of Panorama Hills and the Altura Verde subdivision, all located on the foothills above Iona, Idaho.) This water right has a "priority date" of 12/16/1977 and covers groundwater used for domestic and irrigation purposes by the property owners (the PHWC "shareholders") within these subdivisions.

The purpose of this policy is to outline the considerations and guidelines necessary to ensure the PHWC Board of Directors follows a responsible, compliant and fair manner in managing these "Water Rights."

Policy

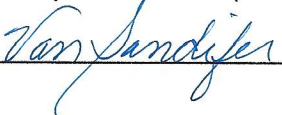
1. The PHWC Board of Directors will always make decisions concerning PHWC activities in a manner that is compliant with the requirements and provisions contained in the Water Right License, granted for Water Right No. 25-7100, dated September 22, 2005.
2. Included in this License is the "Condition of Approval" that states "Domestic use is for **137 homes** including up to ½ acre of lawn &/or garden irrigation per subdivision lot upon which a home has been constructed."
3. To stay within the restricted ceiling of "137 homes", any **new** request to be supplied by our system must be reviewed by the Board before issuing any new "Will Serve" authorization letters. This will include a review of the record it maintains of the **current** homes already supplied by the water company and any **future** development that the company has **committed** to see if it meets the following criteria:

- Does the lot(s) have a water right? (Is it listed in our Water Right License?)
- Will the 137-home limit be exceeded?

If the requested lot(s) has a water right and the 137-lot limit will not be exceeded, a "Will Serve" letter can be issued.

4. In cases where a new building lot is created by splitting a lot previously contained in the License "Place of use" listing, a "Will Serve" letter will only be issued after the Board has reviewed the status of where we are in relation to reaching our limitation of 137 homes.
5. If a developer/future homeowner wishes to build on a lot that does not have a water right, then a water right must be acquired before a "Will Serve" is issued. This acquisition is typically done by purchasing and transferring an existing water right to our company's right to cover the proposed building lot(s).

Approved by PWHC Board (President)

 10/22/21