March 23, 2022

Ilene Johnson c/o Terrace Lakes Recreation Ranch 101 Holiday Drive Garden Valley, ID 83622 Sent Certified Priority Mail 7090700000170215204

RE: Proposed Easement for New Well

Dear Ms. Johnson:

Terrace Lakes Water Company is in need of an easement at the current Well #3 location. The proposed easement consists of an additional fifty feet surrounding the existing 100' by 100' perimeter of the original easement granted by Terrace Lakes Recreation Ranch to TLWC for Well #3. The requested easement will increase the original parcel to 150' by 150'. Acquisition of the new easement will enable TLWC to continue progress on the grant awarded by USDA-RD and construct a new well in close proximity to Well #3.

TLWC is so fortunate to have this grant opportunity to install a new well which will be a huge benefit for our water system and will especially help with improved water service to those subscribers in the south service area.

We are very appreciative that you have come down from your original offer of \$60,000 for the easement to \$42,000, however, the price for the additional fifty feet is still out of reach of fiscal reality for the non-profit water corporation. We were all excited to hear TLRR President Lonnie Bramon inform the subscribers at the annual board meeting held September 27, 2020 that TLRR would not charge the Water Company at all for the easement for the new well which benefits the entire system. With that statement in mind, we have already hired and paid a surveyor for the new legal description and hired and paid an attorney to draw up the proposed easement.

In order to keep this project moving and hopefully have a new well by the end of this summer, we respectfully ask that you consider an offer of \$10,000.00 (ten-thousand dollars) for the new easement. If TLRR is willing to accept this offer, we would be happy to apply to IDWR to change our water rights point of diversion to include commercial uses as opposed to the current designation as residential/domestic use only. We hope that you would agree this would be a great benefit to both TLRR and TLWC.

We appreciate your consideration and look forward to working with you toward improving the water system for all subscribers. Please let us know your decision no later than 5:00PM, March 31, 2022 so we may know if we can proceed with the well project, or seek an alternative solution.

Best regards, TLWC Board

M. Cordova on behalflof TLWC Board