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Electronic Design Automation (EDA). Over a period of 25 years, from 1981 to 2006, I founded and managed three successful EDA companies.

- 4. I believe that the Mount Dallas Association has done an excellent job in managing the maintenance of the Mount Dallas Road, including the initial paving, subsequent resurfacings, and other general maintenance. I have timely paid all assessments made by the Association for my four parcels. I contributed a substantial amount to finance the initial paving of the road. I have donated to the Association additional amounts that were not assessed, partly to cover assessments left unpaid by other property owners. I strongly prefer that the Association continue to manage maintenance of the road.
- 5. I have carefully studied the Road Maintenance Agreement for Mount Dallas Road that was created by the Board of the Mount Dallas Association (herein, "MDA") and was recorded in San Juan County on March 3, 2016, as AFN 2016-0302026 (herein, "MDA RMA"). In order to fully understand the MDA RMA, I studied the recorded document, discussed the agreement with various MDA Board Members, checked the mathematics of the cost-allocation methods, checked the integrity of the MDA cost-allocation spreadsheet, and consulted with two qualified attorneys about the proper legal interpretation of the agreement. During this process, I determined to my satisfaction that the agreement is clear, complete, unambiguous, fair, equitable, and enforceable. After making that determination, I signed and delivered to the MDA joinders to the agreement for all four of my parcels.

- 6. The entire MDA RMA is only eleven pages long, four pages of which consist of exhibits. The agreement is well written and easy to understand. I believe that any Mount Dallas property owner would be able understand the agreement simply by reading it, discussing it with MDA Board members, and possibly consulting with an attorney. I would have expected Abigail Welker, who is a plaintiff in this lawsuit, to have carefully studied the MDA RMA and to have double-checked with others to make sure that she fully understood the agreement before she wrote her declaration dated March 31, 2016, and signed it under penalty of perjury.
- 7. Nevertheless, as evidenced by her declaration, Abigail Welker misunderstands the MDA RMA. Her declaration substantially misrepresents the cost-allocation methods of the agreement. Her misrepresentations are material because they imply that the MDA RMA is not fair and equitable and that another agreement would be preferable. The following paragraphs explain some of the misrepresentations contained in Abigail Welker's declaration.
- 8. Section 12(D) of the MDA RMA specifies a method for allocating the cost of a reserve fund for routine general maintenance and periodic resurfacing of the road. In part, this section states: "This fee shall be prorated, based on the area of the Main Road actually traversed in accessing each Property Owner's Parcel via the Furthest Access Point for such Parcel, and whether the Parcel is developed or undeveloped." The section goes on to reference Exhibit B, which specifies a precise mathematical procedure for calculating the assessment for each parcel. This mathematical procedure results in assessments for

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developed parcels that are proportional to the road areas actually traversed in accessing the parcels. For each undeveloped parcel, the procedure calculates an assessment in the same way as if the parcel were developed, except that the area parameter used for the parcel is reduced to 25% of the road area actually traversed.

- 9. The method for allocating the cost of a reserve fund specified by the MDA RMA is fair and equitable because it allocates costs to the various developed parcels in proportion to the road areas actually traversed in accessing the parcels, and those areas are in turn proportional to the amounts of wear-and-tear on the road that would be typically be caused by vehicles accessing the parcels. The same reasoning applies to undeveloped parcels, except that vehicles typically access undeveloped parcels much less frequently, therefore causing much less wear-and-tear on the road.
- 10. The method for allocating the cost of a reserve fund specified by the MDA RMA is fair and equitable for another very important reason as well: Each parcel benefits from the availability of a well-maintained, paved road. The amount of this benefit is proportional to the area of the road used in accessing the parcel, with the exception that undeveloped parcels make less use of the road and therefore accrue less benefit than developed parcels.
- 11. Section 3.3 of Abigail Welker's declaration completely misstates the method of the MDA RMA for proportionally allocating the cost of a reserve fund for routine general maintenance and periodic resurfacing. Every sentence in Section 3.3 is either incorrect or

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nonsensical. The first sentence states that the Association AUM (i.e., the MDA RMA) "assumes that Mt. Dallas Road is a contiguous non-exclusive easement where all properties have rights to use all portions of the road." This is simply not true. Instead, the MDA RMA assumes that each parcel has the right to use the road only up to the Furthest Point of Access for the parcel, and, for each parcel, calculates an assessment for the reserve fund that is proportional to the area of the road actually traversed in accessing the parcel via its Furthest Access Point. The next sentence in Section 3.3 states that "they [the MDA] allocate all road costs over the entire length of the road and only a portion is based on the square footage of the road to a Benefitted Owner's access point as compared to the total square footage of the road." This is also simply not true: No costs are allocated as described by Abigail Welker in this sentence. As described above, assessments for the reserve fund are calculated so that such assessments are proportional to the road areas used. Certain other costs are allocated equally among all parcels. Still other costs are allocated among only certain benefited parcels. Still other costs are allocated to individual property owners who damage the road. The next sentence in Section 3.3 states that "they [the MDA] do not then reduce the obligation once the particular owner's share is determined, but continue to allocate costs because they do not reduce the obligation as the road continues up." This sentence is not even wrong – it makes no sense at all!

12. Section 5 of Abigail Welker's declaration, together with Exhibit F, attempts to compare the method of the MDA RMA for proportionally allocating the cost of a reserve fund with an alternative method proposed by the plaintiffs. However, the table in Exhibit F

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devoted to illustrating the method of the MDA RMA does not, in fact, conform to the method specified in the MDA RMA. Using the numbers shown in the column of the table labeled "Amt due by each property owner," results in a total assessment of \$2000 (4*\$100 + 3*\$200 + 2*\$300 + \$400), instead of the target total assessment of \$1,000. Similarly, the table in Exhibit F devoted to illustrating the alternative method obviously contains errors, because using the numbers shown in the column of the table labeled "Amt due by each property owner" results in a total assessment of \$1,749.98 (4*\$62.50 + 3*\$145.83 + 2*\$270.83 + \$520.83) instead of the target total assessment of \$1,000. Given that the computations shown in the exhibit are internally inconsistent, it is not clear how the proposed alternative method is actually intended to work.

13. Notwithstanding the errors and inconsistencies in Section 5 and Exhibit F of Abigail Welker's declaration, it is plausible that Abigail Welker seeks to describe an alternative method that would distribute the cost of maintaining each section of road equally among all the parcels that require use of the section for access. However, Exhibit 5 indicates that she also intends to assume that the per-unit-area maintenance cost is the *same* for every section of the road, regardless of the fact that heavier traffic on the lower sections causes more wear-and-tear on those sections, actually resulting in higher per-unit-area maintenance costs for those sections. Such higher maintenance costs may manifest in various ways, possibly including more frequent routine maintenance, possibly including more materials and labor required for resurfacing each unit area of the more heavily trafficked lower sections, and possibly including more frequent resurfacing of the entire road, driven by the needs of the more heavily trafficked lower sections. *Mathematically*,

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MARY L. STONE, INC., P.S. P.O. Box 623 Friday Harbor, WA 98250 360-378-6778; 866-309-2611 Fax if one distributes the cost of maintaining each section of road equally among all the parcels that require use of the section for access, and if one also assumes that per-unitarea maintenance costs are proportional to the number of users of the section, then one obtains exactly the allocation method that is specified in Section 12(D) and Exhibit B of the MDA RMA.

14. Also notwithstanding the errors and inconsistencies in Section 5 and Exhibit F of Abigail Welker's declaration, it is worthwhile to further examine her comparison of costallocation methods. In Section 5 of her declaration, she implies that an alternative method is more fair and more equitable than the method of the MDA RMA. Specifically, she claims that "The effect of the [MDA RMA method] is to place a higher burden of the maintenance costs on the users of the lower portions of Mt. Dallas Road." But the resulting burden is not necessarily less fair or less equitable. As explained above, the method of the MDA RMA allocates maintenance costs in proportion to the wear-and-tear caused by typical traffic to the various parcels, and also in proportion to the benefit that the road provides to the various parcels. Any alternative allocation method that deviates from the proportionality formula of the MDA RMA would not allocate maintenance costs in proportion to the wear-and-tear caused by typical traffic to the various parcels, and would *not* allocate maintenance costs in proportion to the benefit that the road provides to the various parcels. Such a method would *not* be more fair and equitable – it would only be different.

15. Section 6(iii) of Abigail Welker's declaration explains that, if a parcel's access point

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were to change, then the calculation for allocating maintenance costs would need to be updated, and that the update would involve some effort and expense. The amount of effort involved in making a single new measurement and entering a single number in the MDA allocation spreadsheet is trivial and not material. Notwithstanding that, if a parcel's access point were to change, then the amount of road used in accessing the parcel would change, the amount of wear-and-tear on the road due to traffic serving the parcel would change, and the amount of benefit provided to the parcel would change. Clearly, any fair-and-equitable allocation formula must change the allocations when the access points change. The "Legal Use Method" outlined in Section 6 does not change the allocations when the access points change. It follows that the "Legal Use Method" must not be fair and equitable.

16. In addition to the method for proportionally allocating the cost of a reserve fund, the MDA RMA specifies certain other methods for fairly and equitably allocating other costs associated with maintaining the road. For example, Section 12(F) specifies the method for allocating the cost of repairing major, abnormal damage to the road, such as the damage caused by a landslide. This section states that "This fee shall be prorated, based on the area of the repairs actually traversed in accessing the benefited Parcel via the Furthest Access Point for the Parcel, and whether the Parcel is developed or undeveloped." The section goes on to reference Exhibit C, which specifies the precise mathematical procedure for calculating the assessment for each parcel. This mathematical procedure results in assessments for developed parcels that are proportional to the area of the repairs actually traversed in accessing the parcels. For each

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MARY L. STONE, INC., P.S. P.O. Box 623 Friday Harbor, WA 98250 360-378-6778; 866-309-2611 Fax undeveloped parcel, the procedure calculates an assessment in the same way as if the parcel were developed, except that the area parameter used for the parcel is reduced to 25% of the area of the repairs actually traversed.

- 17. The method for allocating the cost for repair of major, abnormal damage that is specified in Section 12(F) and Exhibit C of the MDA RMA is fair and equitable because it allocates costs to the various parcels in proportion to the benefit that the repairs provide to the parcels. Developed parcels that are accessed by traversing the entire repaired area benefit equally and pay equally. Developed parcels that are accessed by traversing only part of the repaired area pay only in proportion to the area of the repairs traversed. Undeveloped parcels benefit less and pay less. Parcels that are accessed without traversing the repaired area at all are assessed nothing for the repairs.
- 18. Section 7 of Abigail Welker's declaration completely misrepresents the method of the MDA RMA for allocating the cost for repair of major, abnormal damage. In this section, Abigail Welker's declaration claims that parcels with no right to cross the repaired area would still be responsible for paying for the repairs. This is simply not true. Exhibit C of the MDA RMA clearly allocates all of the cost of the repairs only to parcels that are accessed by actually traversing the repaired area. Specifically, Exhibit C states "the Parcel Numerator shall be equal to the total area of the ... repairs actually traversed ... in accessing the Parcel via the Furthest Access Point for the Parcel, starting from West Side Road" and that "the amount assessed for a given Parcel shall be equal to the total annual fee times the fraction X/Y, where X is the Parcel Numerator for said Parcel, and Y is the

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sum of the Parcel Numerators for all Parcels." Obviously, a parcel with no right to cross the repaired area would never be accessed by traversing the repaired area, so the total area of the repairs actually traversed in accessing such a parcel must be zero, the Parcel Numerator for the parcel must be zero, and the parcel would pay nothing for the repairs.

- 19. The MDA RMA also precisely specifies other methods for fairly and equitably allocating other costs associated with maintaining the road. Section 12(A) allocates liability insurance costs equally among all parcels owned by property owners who are covered by the insurance, if any, pay nothing. Section 12(B) and 12(C) allocate administrative expenses and fire-prevention expenses equally among all parcels, because all parcels benefit equally from the activities enabled by such spending. Section 12(E), together with Exhibit C, allocates costs of major improvements (e.g., widening of the road or construction of a turn-out), in a manner similar to repair of major, abnormal damage, so that the entire cost of such improvements is paid only by those parcels that are accessed by actually traversing the improvements. Sections 12(G) and 12(H) ensure that the costs of repairing damage caused by individual property owners are fully paid by the property owners responsible for the damage. Indeed, all the methods specified in the MDA RMA for allocating road maintenance costs and all other costs are meticulously fair and equitable.
- 20. Sections 3.3, 5, 6(iii) and 7, together with Exhibit F of Abigail Welker's declaration substantially misrepresent the methods of the MDA RMA for allocating maintenance costs. These misrepresentations are a matter of fact. The misrepresentations imply that

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the MDA RMA is not fair and equitable and that therefore an alternative set of methods selected by the plaintiffs should be preferred. In fact, as explained above, the methods of the MDA RMA for allocating costs are meticulously fair and equitable. Given the enormous cost of this litigation, it is completely inexcusable for the plaintiffs to fail to put forth the effort to fully understand the MDA RMA, as recorded, and it is completely inexcusable to misrepresent the recorded MDA RMA in a signed declaration.

- 21. Judging from the enormity of misunderstanding of the MDA RMA evidenced by Abigail Welker's declaration, I believe it is likely that the second plaintiff, Clare Welker, as well as the attorneys for the plaintiffs, are all similarly confused. I simply do not have the time or resources required to QA the plaintiffs' constant and voluminous declarations and pleadings in this case and to write responsive declarations explaining all their errors. I sincerely hope that the Court will carefully examine all of the other declarations and pleadings made by the plaintiffs and their representatives in light of the explanations that I have provided in this declaration.
- 22. The MDA Board has informed me that joinders to the MDA RMA representing a substantial majority of Mount Dallas parcels have already been signed and delivered to the MDA, as my four joinders have been. Clearly, by joining their parcels to the MDA RMA, the owners of those parcels have indicated that they consider the MDA RMA to be fair and equitable and that they prefer to have the road managed by the MDA as specified in the MDA RMA.

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23.	. This litigation was initiated on the whim of a single property owner who owns only one
	parcel (at that time, I believe, two parcels) out of a community of more than 60 property
	owners who collectively own more than 80 parcels. The litigation was frivolous when it
	was initiated, and is completely pointless now. Owners of a substantial majority of
	parcels have already signed joinders binding their parcels to a fair and equitable
	agreement for managing the road. As is obvious by reading Abigail Welker's
	declaration, the plaintiffs have not even taken the effort to understand the road
	management agreement that has been adopted by a majority of owners. Instead, the
	plaintiffs are attempting to force their own arbitrary preferences on the rest of the Mount
	Dallas community. The alternative methods for allocating costs that are being proposed
	by the plaintiffs are not more fair or more equitable than the methods of the MDA RMA,
	they are simply different. This litigation is costing the Court and the defendants dearly in
	time, energy and money that could be much better spent for other purposes. The whole
	process is ridiculous. I strongly request that the Court dismiss this suit and dismiss all
	related suits filed by these plaintiffs. <u>Please stop the waste</u> .

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed at Friday Harbor, Washington on

_, 2016.

L. Curtis Widdoes, Jr.