

SUMMARY STATEMENT

Valiant Idaho, LLC v. VP Inc., Docket No. 44585

VP Incorporated (“VP”) appealed a district court judgment that held Valiant Idaho, LLC (“Valiant”) had priority on its liens arising out of a failed golf course and residential development project in Bonner County known as “The Idaho Club.” VP claimed superior rights to certain lots within The Idaho Club to maintain and operate its water and sewer systems within the development. Both at summary judgment and after trial, the trial court held that Valiant’s mortgages had priority over any property interest claimed by VP. Ultimately the district court entered a judgment granting priority to Valiant’s claims and awarding Valiant \$15,554.88 in costs against VP, \$12,174.26 of which were discretionary. VP filed its appeal, and while the appeal was pending VP stopped providing water services to the parcels within The Idaho Club. The district court granted a post-judgment injunction requiring VP to continue to provide the water services. VP appealed the district court’s rulings regarding (1) VP’s priority vis-à-vis Valiant; (2) the award of discretionary costs; and (3) the validity of the injunction.

The Idaho Supreme Court affirmed the district court’s holding with respect to priority of Valiant’s mortgages and the validity of the injunction. But, the Court held the district court abused its discretion in awarding costs. Thus, the cost portion of the judgment was vacated and remanded for further consideration by the trial court.