

GRIFFIN RANCH SUDIVISION
PROPERTY IRRIGATION SERVICE
STANDARD HOOKUP REQUIREMENTS

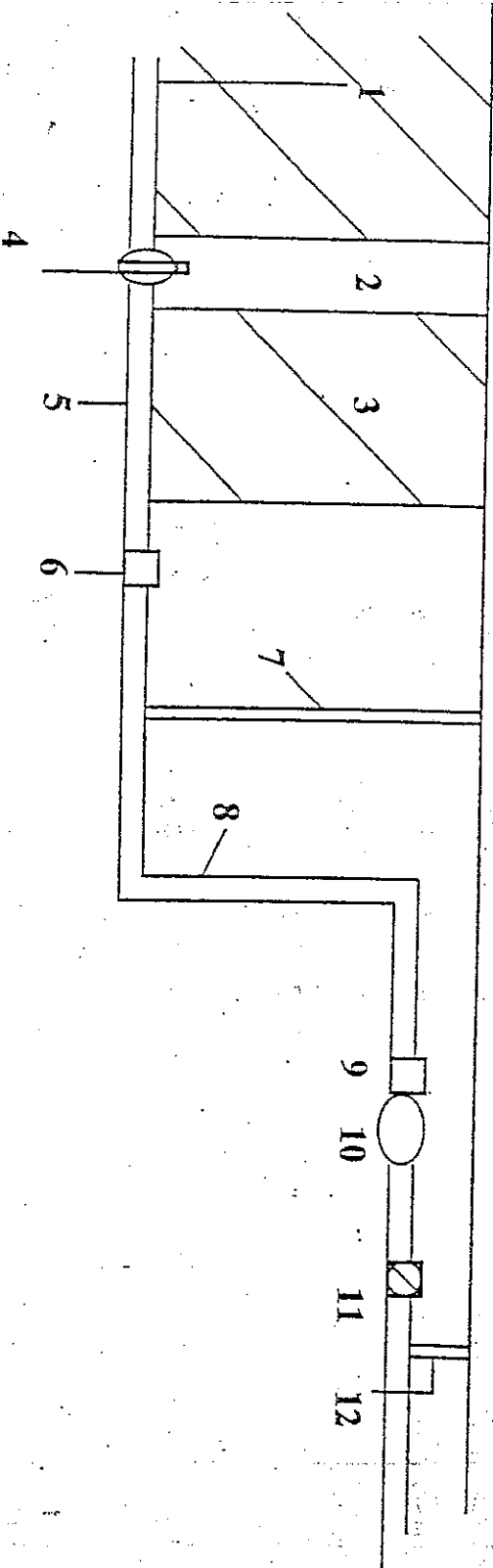
OCTOBER 1, 2001

THE PRESSURIZED FIRE/IRRIGATION SYSTEM IS A LIVE LINE WITH A CONSTANT PRESSURE OF 90 TO 100 P.S.I. AT ALL TIMES. TO PROVIDE SERVICE AND MINIMIZE DOWN TIME AND DAMAGE TO THE SYSTEM THE FOLLOWING PROCEDURES AND STANDARDS WILL BE USED FOR CONNECTING TO THE PROVIDED IRRIGATION TAP.

1. PROPERTY OWNER WILL PROVIDE 48 HOUR NOTICE TO THE SUBDIVISION OWNER OR OWNERS REPRESENTATIVE PRIOR TO EXCAVATION OF THE IRRIGATION TAP.
2. PROPERTY OWNER WILL INSTALL IRRIGATION TAP AS SHOWN ON STANDARD IRRIGATION TAP SHEET 2 OF 2.
3. EACH SYSTEM WILL HAVE AN AUTOMATIC IRRIGATION CLOCK FOR THE OPERATION OF THE SYSTEM. ALL ZONES ON THE SYSTEM WILL BE CONTROLLED BY THE CLOCK. ALL DISTRIBUTION POINTS WILL BE DOWN STREAM FROM THE WATER METER AND BALL VALVE AT THE IRRIGATION TAP.
4. THE INSTALLED IRRIGATION TAP WILL BE INSPECTED AND APPROVED BY THE SUBDIVISION OWNER OR OWNERS REPRESENTATIVE PRIOR TO BEING BACKFILLED.
5. PROPERTY OWNER WILL BE RESPONSIBLE FOR WINTERIZATION OF THE IRRIGATION TAP FROM THE EXISTING GATE VALVE TO PREVENT FREEZING AND DAMAGE TO THE LIVE FIRE/IRRIGATION SYSTEM.
6. THE GATE VALVE AT THE PROPERTY LINE TO PROVIDE IRRIGATION WATER TO THE PROPERTY WILL BE UNDER THE CONTROL OF THE SUBDIVISION OWNER OR OWNERS REPRESENTATIVE. PROPERTY OWNERS WILL NOT BE ALLOWED OPERATION OF THIS FACILITY AT ANY TIME.

STANDARD IRRIGATION TAP GRIFIN RANCH SUDIVISION

OCTOBER 1, 2001



1. EXISTING IRRIGATION SUPPLY LINE TO PROPERTY
2. EXISTING VALVE VAULT
3. MAINTAIN WALL BANK BETWEEN VAULT AND EXISTING PIPE STUB (5) TO CONNECTION AT PIPE STUB END
4. EXISTING GATE VALVE
5. EXISTING PIPE STUB FROM VALVE INTO PROPERTY
6. COUPLER CONNECTION EXISTING SERVICE LINE TO NEW IRRIGATION SYSTEM BY PROPERTY OWNER
7. SYSTEM BLOW OUT RISER
8. IRRIGATION SUPPLY LINE; LINE SIZE NOT TO EXCEED SIZE OF EXISTING SUPPLY LINE.
9. INLINE SWING CHECK ASSEMBLY
10. INLINE WATER METER TO VERIFY WATER CONSUMPTION WITH ACCESS VAULT
11. INLINE BALL VALVE FOR EMERGENCY SHUT OFF OF SYSTEM WITH ACCESS VAULT
12. BLOW OUT RISER PROPERTY SYSTEM.

NOTE: PROPERTY OWNER IS RESPONSIBLE FOR ALL COSTS AND MATERIALS TO HOOKUP TO SYSTEM FROM THE EXISTING GATE VALVE AND PIPE STUB ON THE PROPERTY. ANY DAMAGE OR REPAIRS TO EXISTING FACILITIES WILL BE AT THE PROPERTY OWNERS EXPENSE.

JOINT OPERATING AGREEMENT

THIS JOINT OPERATING AGREEMENT is made and entered into as of the date of the last signature hereto by and between the GRIFFIN RANCH HOMEOWNERS ASSOCIATION, INC., an Idaho nonprofit corporation (the "Subdivision Association") and GRIFFIN RANCH P.U.D. SUBDIVISION HOMEOWNERS ASSOCIATION, INC., an Idaho nonprofit corporation (the "PUD Association"). The Subdivision Association and PUD Association are sometimes hereinafter collectively referred to as the "Associations".

RECITALS

1. Griffin Ranch Subdivision (the "Subdivision") is an eighteen lot residential subdivision described and defined in the official plat thereof recorded December 27, 1995, as Instrument No. 385534, the Replat of Lots 2 and 5, Griffin Ranch Subdivision, recorded December 26, 1996, as Instrument No. 397686, and the Replat of Lots 13 and 14, Griffin Ranch Subdivision, recorded January 30, 1998, as Instrument No. 410250, records of Blaine County, Idaho.
2. The Subdivision Association is the homeowners association for the Subdivision as provided for in the Declaration Establishing Covenants, Conditions and Restrictions for Griffin Ranch Subdivision, the First Amendment to Declaration Establishing Covenants, Conditions and Restrictions for Griffin Ranch Subdivision, the Second Amendment to Declaration Establishing Covenants, Conditions and Restrictions for Griffin Ranch Subdivision, and the Third Amendment to Declaration Establishing Covenants, Conditions and Restrictions for Griffin Ranch Subdivision recorded in the records of Blaine County, Idaho December 27, 1995 as Instrument No. 385533, March 18, 1996 as Instrument No. 388137, September 26, 1996, as Instrument No. 394844, and October 14, 1998, as Instrument No. 419784, respectively (collectively the "Subdivision CCR's").
3. Blaine County has approved the resubdivision of Lots 1, 2A, 3 and 4 of the Subdivision into the Griffin Ranch P.U.D. Subdivision (the "PUD"), a planned unit development, pursuant to and in accordance with the requirements of Chapter 6 of Title 10 of the Blaine County Code and as described and defined in the Preliminary Plat for the PUD, a copy of which is attached hereto as Exhibit A (the "PUD Preliminary Plat").
4. The final plat for Phase 1 of the PUD has been approved by Blaine County and recorded October 14, 1999 as Instrument No. 432492, records of Blaine County, Idaho, a copy of which is attached hereto as Exhibit B (the "PUD Phase 1 Plat").
5. The PUD Association is the homeowners association for the PUD as provided for in the Declaration Establishing Covenants, Conditions and Restrictions for Griffin Ranch P.U.D. Subdivision, recorded October 14, 1999 as Instrument No. 432493, records of Blaine County, Idaho

(the "PUD CCR's").

6. That part of the private portion of Griffin Ranch Road as shown on the Preliminary Plat which is located in the PUD has been conveyed by the developer of the Subdivision and PUD, GGA Limited Liability Co., a Washington limited liability company qualified to do business in the State of Idaho ("GGA"), to the Associations. The portion of Griffin Ranch Road which will be dedicated to Blaine County and become a public road upon the completion of Phase 2 of the PUD is owned by GGA and, until dedicated, remains a private road as shown on the PUD Phase 1 Plat. Since Griffin Ranch Road traverses, provides access to and benefits portions of the Subdivision and the PUD, the Subdivision CCR's and PUD CCR's (both documents are hereafter referred to collectively as the "CCR's") require the Associations to jointly own, operate, maintain and repair the private portions of Griffin Ranch Road located within the PUD (the "Road").

7. The Associations own an irrigation and fire protection system (the "Irrigation and Fire Protection System") as more fully described in the CCR's which provides water for irrigating the lots and common areas within the Subdivision and PUD and for fire protection. The Associations also own the irrigation water rights for the Irrigation and Fire Protection System described in the CCR's (the "Water Rights"). The CCR's require the Associations to jointly operate, maintain and repair the Irrigation and Fire Protection System and to protect and perfect the Water Rights.

NOW THEREFORE, the Associations agree to jointly own, operate, maintain, manage and improve the Road and the Irrigation and Fire Protection System, and to protect and perfect the Water Rights, according to the terms and conditions of this Agreement which are as follows:

TERMS AND CONDITIONS

1. Recitals. All of the above recitals are an integral part of this Agreement and are incorporated herein by reference.

2. CCR's. This Agreement, and the duties and obligations of the Associations set forth in this Agreement, are subject to all of the terms, conditions and restrictions of the CCR's.

3. Effective Date. This Agreement shall become effective as of the date of the last signature hereto.

4. The Road.

a. Obligations. The Associations shall provide snow removal for, repair, maintain and improve the Road in compliance with any applicable local governmental laws, ordinances and regulations to provide access from public roads to the lots and common areas within the Subdivision and PUD. Unless otherwise determined by the boards of directors of both Associations, the Associations shall obtain, from reputable insurance companies authorized to do business in the State of Idaho, and maintain in effect comprehensive public liability insurance insuring the Associations, their members, directors, officers, agents and employees, and GGA, against any liability incident to the use, maintenance or repair of the Road, with limits of liability

as follows: not less than One Million Dollars (\$1,000,000) per person and One Million Dollars (\$1,000,000) per occurrence with respect to personal injury or death, and property damage.

b. Expenses. The Associations shall share equally all costs and expenses incurred in carrying out their obligations with respect to the Road.

5. The Irrigation and Fire Protection System.

a. Obligations. The Associations shall be responsible for operating, maintaining, repairing and improving the Irrigation and Fire Protection System to provide water for irrigation of the lots and common areas within the Subdivision and PUD in the amounts and for the irrigation of those acres specified in the CCR's pursuant to the Water Rights and subject to the laws of the State of Idaho and rules and regulations of the Idaho Department of Water Resources ("IDWR") and for fire protection. The Associations' obligations extend only to the point of stubout at the lot line of each individual lot or common area within the PUD and the Subdivision. From and after the stubout, all pipes, valves, sprinkler heads, fire protection systems and all other equipment used in the delivery of water for irrigation and fire protection of the premises, shall be the sole responsibility of the owner of the lot or common area. Therefore, as an example, all costs incurred in installing, operating, maintaining, repairing and improving pipes, valves, sprinkler systems, pumps and other irrigation equipment from and after the stubouts on the common areas of the PUD shall be the sole responsibility of the PUD Association. The Associations shall provide year round access to the fire hydrants within the Subdivision and the PUD for any fire protection needs within this area of Blaine County and shall protect the Irrigation and Fire Protection System from freezing. The Associations may purchase at their option any liability or other type of insurance they deem appropriate or necessary to insure themselves from damages to or liability arising from or related to the Irrigation and Fire Protection System.

b. Water Rights. The Associations shall own the irrigation water rights as more fully described in the CCR's. The Associations may apply for and obtain upon approval by IDWR such changes or transfers of the points of diversion or places of use of any of these water rights as they, in their sole discretion, determine to be advisable for the more efficient administration of the Irrigation and Fire Protection System and use of the irrigation water rights. The Associations shall be responsible for actively pursuing and perfecting any claims to these water rights in the Snake River Basin Adjudication ("SRBA").

c. Expenses. All costs and expenses incurred in carrying out their obligations with respect to the Irrigation and Fire Protection System and Water Rights shall be shared by the Associations pro rata according to the respective total number of irrigable acres in the Subdivision and the phases of the PUD for which the final plat has been recorded as follows:

PUD STATUS	PUD ASSOCIATION		SUBDIVISION ASSOCIATION	
	IRRIGABLE ACRES	%GE SHARE	IRRIGABLE ACRES	%GE SHARE
Phase 1 Completed	81.0 acres	28.1%	207.2 acres	71.9%
Phases 1 and 2 Completed	146.7 acres	50.9%	141.5 acres	49.1%
Phases 1, 2 and 3 Completed	201.5 acres	69.9%	86.7 acres	30.1%

In determining the irrigable acres and respective shares for the Associations, those Lots in the PUD which remain subject to the Subdivision CCR's and are not subject to the PUD CCR's are included in the Subdivision Association's irrigable acres. Therefore, (a) Lots 1A, 2B and 16 as shown on the PUD Phase 1 Plat are included in the Subdivision Association when Phase 1 of the PUD has been completed, (b) Lot 16 of Phase 1 of the PUD and the lands proposed for Phase 3 of the PUD, which will be known as Lot 2C when the Phase 2 final plat is recorded, are included in the Subdivision Association when Phases 1 and 2 of the PUD have been completed, and (c) Lot 16 of Phase 1 of the PUD is included in the Subdivision Association when the Phases 1, 2 and 3 of the PUD have been completed. The Associations' respective shares of these costs and expenses shall then be charged to all Lots and Common Area parcels within the PUD and Lots in the Subdivision served by the Irrigation and Fire Protection System, whether or not such PUD Lot or Subdivision Lot is improved, on a pro rata basis according to the maximum number of irrigable acres for each Lot or parcel, pursuant to Section 7.4.2 of the PUD CCR's and Section 6.03 of the Subdivision CCR's.

6. Administration of Agreement. A joint board, consisting of one (1) representative of each Association designated by their respective boards of directors (the "Joint Board") shall be responsible for administering the performance of this Agreement. The Joint Board shall review the costs and expenses incurred during the first year of the term of this Agreement and thereafter establish annual maintenance schedules and budgets for the obligations described in this Agreement. The budget shall be funded by the Associations according to their shares of the expenses as set forth above. The Joint Board may employ the services such property managers, accountants, bookkeepers, attorneys and other professionals, and to hire such employees, contractors or other personnel as it deems necessary and appropriate to carry out its obligations under this Agreement.

7. Failure to Make Payments. In the event either party hereto fails or is otherwise unable to pay its share of the expenses described above (the "Defaulting Association"), the other Association (the "Non-defaulting Association") is authorized to make such payment or payments. Any amounts so advanced by the Non-defaulting Association shall bear interest at the rate of five percentage points over the prime rate published in the "Money Rate" section of the Wall Street Journal from the date of any such advance, and all advanced amounts and interest accrued thereon shall be due from the Defaulting Association within ninety days after written demand for payment from the Non-defaulting Association. If payment is not then timely made in full to the Non-

defaulting Association, the Non-defaulting Association shall then be subrogated to the assessment lien rights of the Defaulting Association pursuant to the Subdivision CCR's or PUD CCR's, as the case may be, to the extent of the amount remaining unpaid and accrued interest thereon, which lien may then be enforced against each Lot and the Owners thereof in the Defaulting Association.

8. Indemnity. The Associations hereby indemnify and hold each other harmless from and against any debts, liens, judgments or charges of any nature arising out of the ownership, use, operation, maintenance, repair or improvement of the Road or the Irrigation and Fire Protection System by reason of any act of one Association not authorized by the other and from and against each other's share of all payments due or to become due including, without limitation, taxes, assessments, maintenance, landscaping, repair and any other cost or expenses relating to the Road or the Irrigation and Fire Protection System. Should either party hereto incur expenses in the defense or prosecution of any action arising from or relating to the Road or the Irrigation and Fire Protection System, then the other party hereby agrees to share equally in the cost of such defense or prosecution, whether or not litigation is instituted and on appeal. The Associations shall, jointly and severally, indemnify and hold GGA harmless from and against any debts, liens, judgments or charges of any nature arising out of the ownership, use, operation, maintenance, repair or improvement of the Road or the Irrigation and Fire Protection System, except those which are properly assessed against any Lot or other parcel in the Subdivision or PUD owned by GGA.

9. General Provisions.

a. Amendment. This Agreement may be amended only upon the unanimous written agreement of the Associations.

b. Termination. This Agreement shall terminate only upon the unanimous written agreement of the Associations.

c. Notices. Any and all notices, designations, consents, offers, acceptances or any other communications provided for herein shall be given in writing and hand delivered or sent by registered or certified mail, addressed to the president of the Subdivision or PUD at that individual's address designated by that individual.

d. Necessary Acts. Both parties hereto agree to perform any further acts and execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.

e. Persons Bound. This Agreement shall be binding upon, and inure to the benefit of, the Associations and their assigns, permitted transferees and legal successors.

f. No Partnership. Nothing contained in this Agreement shall be deemed to form a partnership, joint venture or any other business combination or entity. Neither party hereto shall make any representation to any third party which in any way obligates the other party or makes the other party liable for any cost or expense and neither party hereto shall have authority to take any action which binds the other without the other's consent.

g. Attorneys Fees. In the event either party hereto retains an attorney for the purpose of enforcing any right or duty arising out of this Agreement, the non-prevailing party in such dispute shall pay the prevailing party's reasonable attorneys fees, whether or not litigation is actually instituted and including attorney fees on appeal.

h. Governing Law. The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Idaho.

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IN WITNESS WHEREOF, the Associations have executed this Agreement on the dates set forth below.

GRIFFIN RANCH HOMEOWNERS
ASSOCIATION, INC.

Date: 11-19-99

By: Wendy S. Griffin
Wendy S. Griffin, President

GRIFFIN RANCH P.U.D. SUBDIVISION
HOMEOWNERS ASSOCIATION, INC.

Date: 11-19-99

By: Wendy S. Griffin
Wendy S. Griffin, President

EXHIBIT A

PRELIMINARY PLAT OF PUD

FINAL PLAT OF PHASE 1 OF PUD

1. The first part of the document is a list of names and titles, including "The Hon. Mr. Justice" and "The Hon. Mr. Justice".

- CONRADI N. HILL, JR. (2004) PRINTER :
DAVIDA HILFENSTADT, WTC.
RICHARD, W. HILL