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IDAHO PUBLIC
UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

ARROWROCK RANCH ASSOCIATION, INC., an Idaho non-profit corporation, Complainant, vs. MAYFIELD SPRINGS WATER COMPANY, INC., an Idaho corporation, Respondent.	Case No. MSW-W-23-01 **RESPONDENT'S ANSWER TO FORMAL COMPLAINT OF ARROWROCK RANCH ASSOCIATION, INC.**

COMES NOW the Respondent, Mayfield Springs Water Company, Inc., ("Respondent"), by and through its counsel of record, Clark Wardle LLP, and by way of answer to the Formal Complaint of Arrowrock Ranch Association, Inc., ("Complaint") filed in the above-captioned action, now admits, denies, and alleges as follows:

GENERAL DENIAL

Respondent denies all allegations, assertions, claims, and other statements (collectively, "Statements") not herein specifically admitted. Respondent makes a general objection to all Statements that call for legal, rather than factual, conclusions. Respondent reserves all rights to

amend this or any other answer or denial stated herein once it has had the opportunity to complete discovery regarding any of the Statements in the Complaint. Except as specifically otherwise noted below, Respondent denies each and all Statements in the Complaint.

I. FACTUAL ALLEGATIONS

1. With regard to the allegations contained in Paragraph 1, Respondent admits.

2. With regard to the allegations contained in Paragraph 2, Respondent objects to the factual allegations therein as they call for legal conclusions; to the extent a response is required, but without waiving its objection, Respondent admits.

3. Respondent admits the allegations contained in Paragraphs 3 and 4.

4. Respondent denies the allegations contained in Paragraph 5. As an example, prior to the development of Arrowrock Ranch Subdivision No. 2, the Department of Environmental Quality for the State of Idaho ("DEQ") reviewed the plans and specifications for the development. Upon its review, DEQ concluded "The plans and specifications for the subject property appear to meet state of Idaho standards, and are approved" (emphasis added) ("DEQ Approval Letter"). A copy of the DEQ Approval Letter is attached herewith as **Exhibit-A.**

5. With regard to Paragraph 6, the property subject to the referenced Declaration is referred to herein as "Arrowrock." In connection with Arrowrock's development, several sets of restrictive covenants were recorded against Arrowrock. The set of CCRs referenced in Paragraph 6 was the Third Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Arrowrock Subdivision (Instrument No. 111059307) (the "Current CCRs") and was executed solely by Complainant. Respondent is not a party to said document, though Respondent acknowledges this language in CCRs that existed prior to the amendment and restatement ostensibly provided by the Current CCRs. Without waiving the foregoing, the

Current CCRs limit the level of service required by the Water System "to provide water for culinary, other ordinary domestic household use, and irrigation as provided in Article [V]III." Section 8.2 of Article VIII mandates an irrigation restriction which does "not permit some Building Lots in the subdivision to be fully irrigated." The restricted lots are reflected on Exhibit B to the Current CCRs, a true and accurate copy of which is attached hereto as **Exhibit B**. Upon information and belief, Complainant is not adhering to said use restrictions, which is exacerbating the pressure issues alleged by Complainant.

6. Respondent admits the allegations set forth in Paragraphs 7 - 10.

7. Respondent admits the allegations set forth in Paragraph 11 (*see* DEQ Approval Letter in **Exhibit-A**).

8. With regard to Paragraph 12, the allegations are vague. Respondent admits only that the system should meet all applicable government laws, ordinances, and regulations.

9. With regard to Paragraph 13, Respondent admits that two-sided discussions have occurred since 2019. Respondent denies the remaining allegations contained in Paragraph 13, including Complainant's characterization of such discussions. Complainant failed to include in its attached Exhibit-5 the remaining responses in its email conversation thread with Respondent which would show: (1) Respondent agreed to Complainant's suggestion to arrange a meeting with the "DEQ" to identify solutions; (2) Respondent asked that the DEQ meeting be at a time when its own executive leaders and lead water engineer could attend; and (3) Complainant agreed to "get some dates from DEQ and get back to [Respondent]". Unfortunately, Complainant never set up a meeting with DEQ and never got back to Respondent about this agreed-upon resolution approach. Instead, Complainant filed the instant Complaint. Attached

hereto as **Exhibit-C** are the emails which Complainant omitted (collectively, the "Omitted Emails").

10. Respondent denies the allegations contained in Paragraphs 14 through 18. Respondent has discussed a number of potential solutions to Complainant's alleged deficiencies and does not, in particular, agree that pump up grades are the appropriate solution. Respondent vehemently disagrees with the characterization that Respondent has refused to work with Complainant to identify a solution.

11. With regard to Paragraph 19, Respondent admits that it makes assessments to and collects from users of the Water System; Respondent denies all other allegations.

II. JURISDICTION

12. Respondent incorporates all preceding paragraphs as through fully set forth herein.

13. With regard to Paragraphs 21 through 28, no factual allegations are asserted that are capable of response. To the extent a response is required, Respondent admits that the Commission has authority to supervise and regulate public utilities and provide for enforcement. The code provisions cited speak for themselves.

III. COUNT ONE

14. Respondent incorporates all preceding paragraphs as through fully set forth herein.

15. Respondent denies the allegations set forth in Paragraphs 30 and 31.

IV. COUNT TWO

16. Respondent incorporates all preceding paragraphs as through fully set forth herein.

17. Respondent denies the allegations set forth in Paragraph 33.

V. COUNT THREE

18. Respondent objects as the allegation calls for a legal conclusion; furthermore, without waiving said objection, Respondent denies the allegation.

19. The code provision identified in Paragraph 35 speaks for itself.

20. With regard to Paragraphs 36 through 38, Respondent admits that it has made, demanded, and/or received charges for water service and/or for water to be provided by the "Water System" but denies all other allegations made therein.

AFFIRMATIVE AND OTHER DEFENSES

Respondent asserts the following affirmative and other defenses, without admission of any kind. The following affirmative and other defenses are made in the alternative. By asserting these affirmative and other defenses, Respondent does not admit it bears the burden of proof as to any of them. Respondent also gives notice that it intends to rely upon any and all such other affirmative and other defenses that may become available or apparent during the course of discovery and the progress of the above-captioned matter through the judicial process; accordingly, Respondent expressly reserves its right to amend this Answer to Complaint to assert such affirmative and other defenses.

1. Complainant's Complaint fails to state a claim upon which relief may be granted.

2. The alleged under-performance of the Water System "to meet the water demand and/or need of the users" is attributable to other intervening causes including, without limitation, the following:

a) Complainant fails to enforce its own Declaration's irrigation restriction under Article VIII, Section 8.2. This irrigation restriction expressly prohibits certain over-sized lots from fully irrigating the lot. See **Exhibit-B**. The Complainant's failure to adhere to its own Declaration in turn burdens the Water System with additional demand, which is unauthorized and disallowed under the Declaration. Complainant, therefore, has failed to mitigate its own alleged injury.

b) Excessive use of the Water System by its residential users beyond what would be reasonable, ordinary, and necessary for the adequate maintenance of landscape.

c) Excessive use of the Water System by its users beyond what is permitted by the Declaration and Idaho regulations or statute.

d) Complainant's excessive use of the Water System beyond what would be reasonable, ordinary, and necessary for the adequate maintenance of Common Area landscape.

e) Complainant's excessive use of the Water System beyond what is permitted by Idaho regulations or statute.

3. The Water System was reviewed and approved by the appropriate government agency with jurisdiction over the system design and performance. See DEQ Approval Letter attached herewith as **Exhibit-A**.

4. Complainant alleges that Respondent has "failed to act," "made excuses," and "refused or otherwise failed to act," and in support of these allegations cites to certain email correspondences in the Complaint's attached Exhibits 1 through 5. On the contrary, Complaint failed to include in its Exhibit-5 the remaining responses in its email thread with Respondent

which would show: (1) Respondent agreed to Complainant's suggestion to arrange a meeting with DEQ to identify solutions; (2) Respondent asked that the DEQ meeting be at a time when its own executive leaders and lead water engineer could attend; and (3) Complaint agreed to "get some dates from DEQ and get back to [Respondent]." Unfortunately, Complainant never set up a meeting with DEQ and never got back to Respondent. Instead, Complainant filed the instant Complaint. See Omitted Emails in **Exhibit-C**.

5. Pursuant to Rule 54 of IDAPA 31.01.01.054.05, this formal complaint should be moved to informal proceedings to better allow the parties to resolve or settle this matter. In the alternative, Respondent hereby gives notice of its desire and request to enter into an settlement proceeding pursuant to Rule 271 or Rule 272 of IDAPA 31.01.01.

REQUEST FOR RELIEF

WHEREFORE, Respondent prays for entry of judgment, as follows:

A. That Complainant's Complaint be dismissed with prejudice and Complainant take nothing thereby;

B. That this proceeding be moved to informal proceedings or, in the alternative, a passive or active settlement; and

C. For such other and further relief which Respondent is entitled to.

DATED this 22nd day of December, 2023.

CLARK WARDLE LLP

By: /s/ *Preston B. Rutter*
Preston B. Rutter
Attorneys for Respondents

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 22nd day of December, 2023, I caused a true and correct copy of the above to be served upon the following individuals in the manner indicated below:

Ryan D. Poole
Smith Knowles, P.C.
2225 Washington Boulevard, Suite 200
Ogden, UT 84401

☐ U.S. Mail
☐ Hand-Delivery
☐ Federal Express
☐ Via Facsimile
☑ Via ECF/E-Mail
rpoole@smithknowles.com

/s/ Preston B. Rutter
Preston B. Rutter

EXHIBIT A

STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

7791-06

1410 North Hilton • Boise, Idaho 83706-1255 • (208) 373-0502

Dirk Kempthorne, Governor
Toni Hardesty, Director

TSCPE-47/2006

March 16, 2006

Shay Bertola
The Westpark Company, Inc.
P.O. Box 344
Meridian, Idaho 83680

RE: Arrowrock Ranch Subdivision No. 2 *(Ada County)*
Water and Sewer Main Design and Wastewater Treatment System Expansion

Dear Mr. Bertola:

The plans and specifications for the subject project appear to meet state of Idaho standards, and are approved, based on the conditions listed below.

The Department of Environmental Quality (DEQ) directs the Land Developer or Owner or his Representative to place the following Sanitary Restriction Health Certificate on the plat.

HEALTH CERTIFICATE

Sanitary restrictions as required by Idaho Code, Title 50, Chapter 13 are in force. No owner shall construct any building, dwelling or shelter which necessitates the supplying of water or sewage facilities for persons using such premises until sanitary restriction requirements are satisfied.

DEQ will recommend the lifting sanitary restrictions, after the wastewater treatment system has been pilot tested and has demonstrated to DEQ's satisfaction, that it can achieve the effluent quality requirements outlined in the Plan and Specification Agreement signed and dated December 29, 2004, and has met all other requirements as stated in previous approval letters.

I. STANDARD CONDITIONS:

A. All conditions of this approval letter must be met. The standard conditions on the DEQ review stamp are part of this approval. Supporting reports or documents are considered to be part of the approved documents.

B. No work may begin until a copy of this approval letter and the plans and specifications bearing the DEQ approval stamp are delivered to and kept on the job site. As the project owner, you must ensure that the contractor, the construction inspector, and the certifying engineer are aware of the approval conditions.

C. This approval will be voided if: 1) construction is not completed by March 16, 2007; 2) the project is improperly constructed, operated, or maintained; or 3) the project fails to function as intended.

D. No significant deviations can be made from the approved plans and specifications without DEQ's prior written approval.

http://www.idwr.idaho.gov/water/well/injection.htm

It is the project owner's responsibility to use appropriate stormwater best management practices to prevent ground and surface water contamination.

C. Obtain a Short Term Activity Exemption from Water Quality Section Manager in the DEQ Boise Regional Office at 373-0557 if it is necessary to discharge wastewater offsite to State waters as a result of dewatering or other construction activities.

D. Section 550.02 of the *Idaho Rules for Public Drinking Water Systems* (IDAPA 58.01.08) requires that ALL materials used to construct public drinking water systems that come in contact with water be NSF approved:

> Materials which are used to construct public drinking water systems and which have water contact surfaces must comply with applicable A WW A standards and ANSI/NSF standard 61 or NSF standard 53 or 58, unless otherwise approved by the Department on a site specific basis. Corrosion control shall be taken into account during all aspects of public water system design.

This includes residential and commercial water meters. All water meters used for this project shall be NSF approved. Some water meter manufacturers still produce non-NSF 61 listed water meters. You can determine if a water meter is NSF-approved by checking the following Internet site to see if it is listed:
http://www.nsf.org/Certified /PwsComponents/Listing.asp?ProductType=Water+Meters&

Please call me with any questions at (208) 373-0150 or contact me via e-mail at larry.waters@deq.idaho.gov.

Sincerely,

Larry L. Waters
DEQ Technical Services

LLW:sjt
Enclosures: *One (1) set of approved and stamped plans and specifications*

C: Charles Ariss, P.E., DEQ Boise Regional Office
Todd Crutcher, DEQ Boise Regional Office *(w/ one set of approved plans and related documents)*
Bob Rawlings, Division of Building Safety, Plumbing Bureau, 1090 E. Watertower Street, Meridian, Idaho 83642 (*w/ checklist and vicinity map*)
Central District Health Department, 707 N. Armstrong Place, Boise, Idaho 83704 (*w/ checklist and vicinity map*)
Ada County Development Services, 200 W. Front Street, Boise, Idaho 83702
Lance Warnick, P.E., Treasure Valley Engineers, Inc., 5680 E. Franklin Road, Suite 220, Nampa, Idaho 83680
Manager's File 2, Arrowrock Ranch Subdivision No. 2
TSCPE Reading File

EXHIBIT B

ADA COUNTY RECORDER Christopher D. Rich AMOUNT 133.00 42
BOISE IDAHO 07/25/11 01:51 PM
DEPUTY Lisa Batt
RECORDED – REQUEST OF
Arrowrock Ranch Sub
111059307

THIRD AMENDED AND RESTATED

MASTER DECLARATION OF

COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

ARROWROCK RANCH SUBDIVISION

THIS THIRD AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ARROWROCK RANCH SUBDIVISION is made effective as of the 30th day of June, 2011, by Arrowrock Ranch Homeowners Association.

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ARTICLE I: RECITALS

1.1 Property Covered. The property potentially subject to this Third Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Arrowrock Ranch Subdivision ("Third Amended Declaration") is the Property included in the plat of Arrowrock Ranch Subdivision No. 1, subject to the exclusions stated below. The plat for Arrowrock Ranch Subdivision No. 1 was recorded on September 14, 2005, in the Records of Ada County, Idaho as Instrument No. 105133316. A copy of the plat is attached hereto as Exhibit A. Lot 60, Block 1, Lot 62, Block 1, and Lot 63, Block 1 are not included in the Property, and are not potentially subject to this Third Amended Declaration. Lots 1-59, Block 1, are hereby made subject to this Third Amended Declaration. Lot 61, Block 1 may be made subject to this Third Amended Declaration by future amendment.

1.2 Residential Development. Arrowrock Ranch Subdivision is a residential development, which Grantor currently intends to develop in accordance with development approvals obtained in the County of Ada, and other development plan(s) for which Grantor may from time to time obtain approval. Certain portions of the Property may be developed for quality detached single-family residential homes. The Property may contain parcels of Common Area, including streams and canals, public and/or private open space, park areas, landscaping, recreational facilities, private streets, drives, and other amenities and facilities. Any development plans or schemes for the Property in existence prior to or following the effective date of this Third Amended Declaration are subject to change at any time by Grantor, and impose no obligation on Grantor as to how the Property is to be developed or improved.

1.3 Purpose of Second Amended Declaration. The purpose of this Second Amended Declaration is to set forth the basic restrictions, covenants, limitations, easements, conditions and equitable servitudes (collectively "Restrictions") that will apply to the entire development and use of all portions of the Property. The Restrictions are designed to preserve the Property's value, desirability and attractiveness, to ensure a well integrated, high-quality development, and to guarantee adequate maintenance of the Common Area, and the Improvements located thereon in a cost effective and administratively efficient manner.

1.4 Purpose of Third Amended Declaration. The purpose of this Third Amended Declaration is to amend Section 4.12 as approved by the Members in June of 2011.

ARTICLE II: DECLARATION

Grantor hereby declares that the Property, and each lot, parcel or portion thereof, is and/or shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the following terms, covenants, conditions, easements and restrictions, all of which are declared and agreed to be in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Property, and to enhance the value, desirability and attractiveness of the Property. The terms, covenants, conditions, easements and restrictions set forth herein: shall run with the land constituting the Property, and with each estate therein, and shall be binding upon all persons having or acquiring any right, title or interest in the Property or any lot, parcel or portion thereof; shall inure to the benefit of every lot, parcel or portion of the Property and any interest therein; and shall inure to the benefit of and be binding upon Grantor, Grantor's successors in interest and each grantee or Owner and such grantee's or Owner's respective successors in interest, and may be enforced by Grantor, by any Owner or such Owner's successors in interest, or by the Association.

Notwithstanding the foregoing, no provision of this Third Amended Declaration shall be construed as to prevent or limit Grantor's right to complete development of the Property and to construct improvements thereon, nor Grantor's right to maintain model homes, construction, sales or leasing offices or similar facilities on any portion of the Property, including the Common Area or any public right-of-way, nor Grantor's right to post signs incidental to construction, sales or leasing.

ARTICLE III: DEFINITIONS

3.1 "Architectural Committee" shall mean the committee created by the Grantor or an Association pursuant to Article XII hereof.

3.2 "Articles" shall mean the Articles of Incorporation of an Association or other organizational or charter documents of an Association.

3.3 "Assessments" shall mean those payments required of Owners, Association Members, including Regular, Special and Limited Assessments of any Association as further defined in this Third Amended Declaration.

3.4 "Association" shall mean the Association.

3.5 "Association Rules" shall mean those rules and regulations promulgated by the Association governing conduct upon and use of the Property under the jurisdiction or control of the Association, the imposition of fines and forfeitures for violation of Association Rules and regulations, and procedural matters for use in the conduct of business of the Association.

3.6 "Board" shall mean the Board of Directors or other governing board or individual, if applicable, of the Association.

3.7 "Building Lot" shall mean one or more lots within the Property as specified or shown on any Plat and/or by Supplemental Declaration, upon which Improvements may be constructed. The term "Building Lot" shall include single-family residential lots, but shall not include the Common Area.

3.8 "Bylaws" shall mean the Bylaws of an Association.

3.9 "Common Area" shall mean any or all parcels of Arrowrock Ranch Subdivision Common Area, and shall include, without limitation, all such parcels that are designated as private streets or drives, common open space, common landscaped areas.

3.10 "Declaration" shall mean this Third Amended Declaration as it may be amended from time to time.

3.11 "Grantor" shall mean Powder River Development, Inc., or its successor in interest, or any person or entity to whom the rights under this Third Amended Declaration are expressly transferred by Powder River Development, Inc. or its successor.

3.12 "Improvement" shall mean any structure, facility or system, or other improvement or object, whether permanent or temporary, which is erected, constructed or placed upon, under or in any portion of the Property, including but not limited to buildings, fences, streets, drives, driveways, sidewalks, bicycle paths, curbs, landscaping, wildlife habitat improvements, signs, lights, mail boxes, electrical lines, pipes, pumps, ditches, recreational facilities, and fixtures of any kind whatsoever.

3.13 "Limited Assessment" shall mean a charge against a particular Owner and such Owner's Building Lot, directly attributable to the Owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of this Third Amended Declaration or any Supplemental Declaration, including interest thereon as provided in this Third Amended Declaration or a Supplemental Declaration.

3.14 "Association" shall mean the limited liability company, its successors and assigns, established by Grantor to exercise the powers and to carry out the duties set forth in this Third Amended Declaration or any Supplemental Declaration. Grantor shall have the power, in its discretion, to name the Association the "Arrowrock Ranch Subdivision Homeowners' Association, Inc.", or any similar name which fairly reflects its purpose.

3.15 "Member" shall mean each person or entity holding a membership in the Association.

3.16 "Owner" shall mean the person or other legal entity, including Grantor, holding fee simple interest of record to a Building Lot which is a part of the Property, and sellers under executory contracts of sale, but excluding those having such interest merely as security for the performance of an obligation.

3.17 "Person" shall mean any individual, partnership, corporation or other legal entity.

3.18 "Plat" shall mean any subdivision plat covering any portion of the Property as recorded at the office of the County Recorder, Ada County, Idaho, as the same may be amended by duly recorded amendments thereof.

3.19 "Property" shall mean those portions of the Property described on Exhibit A attached hereto and incorporated herein by this reference, including each lot, parcel and portion thereof and interest therein, including all water rights associated with or appurtenant to such property.

3.20 "Regular Assessment" shall mean the portion of the cost of maintaining, improving, repairing, managing and operating the Common Areas and all Improvements located thereon, and the other costs of an Association which is to be levied against the Property of and paid by each Owner to the Association, pursuant to the terms hereof or the terms of this Third Amended Declaration or a Supplemental Declaration.

3.21 "Special Assessment" shall mean the portion of the costs of the capital improvements or replacements, equipment purchases and replacements or shortages in Regular Assessments which are authorized and to be paid by each Owner to the Association pursuant to the provisions of this Third Amended Declaration or a Supplemental Declaration.

3.22 "Supplemental Declaration" shall mean any supplemental declaration including additional covenants, conditions and restrictions that might be adopted with respect to any portion of the Property.

3.23 "Arrowrock Ranch Subdivision Common Area" shall mean all real property in which the Association holds an interest or which is held or maintained, permanently or temporarily, for the common use, enjoyment and benefit of the entire Arrowrock Ranch Subdivision and each Owner therein, which real property is legally described in Exhibit B attached hereto and made a part hereof. Arrowrock Ranch Subdivision Common Area may be established from time to time by Grantor on any portion of the Property by describing it on a plat, by granting or reserving it in a deed or other instrument, or by designating it pursuant to this Third Amended Declaration or any Supplemental Declaration. Arrowrock Ranch Subdivision Common Area may include easement and/or license rights.

3.24 "Arrowrock Ranch Subdivision" shall mean the Property.

ARTICLE IV: GENERAL AND SPECIFIC RESTRICTIONS

4.1 Structures – Generally. All structures are to be designed, constructed and used in such a manner as to promote compatibility between the types of use contemplated by this Third Amended Declaration.

4.1.1 Use, Size and Height of Dwelling Structure. All Building Lots shall be used exclusively for purposes allowed on the final plat which includes said lot.

4.1.2 Architectural Committee Review. No Improvements which will be visible above ground or which will ultimately affect the visibility of any above ground Improvement shall be built, erected, placed or materially altered on or removed from the Property unless and until the building plans, specifications, and plot plan have been reviewed in advance by the Architectural Committee and the same have been approved in writing. The review and approval or disapproval may be based upon the following factors: design and style elements, mass and form, topography, setbacks, finished ground elevations, architectural symmetry, drainage, color, materials, physical or aesthetic impacts on other properties, including Common Areas, artistic conformity to the terrain and the other

Improvements on the Property, and any and all other factors which the Architectural Committee, in its reasonable discretion, deem relevant. Said requirements as to the approval of the architectural design shall apply only to the exterior appearance of the Improvements. This Third Amended Declaration is not intended to serve as authority for the Architectural Committee to control the interior layout or design of residential structures except to the extent incidentally necessitated by use, size and height restrictions.

4.1.3 Setbacks and Height. No residential or other structure shall be placed nearer to the Building Lot lines or built higher than permitted by the Plat in which the Building Lot is located, by any applicable zoning restriction, by any conditional use permit, or by a building envelope designated either by Grantor or the applicable Architectural Committee whichever is more restrictive. See Exhibit C.

4.1.4 Accessory Structures. Detached garages shall be allowed if in conformity with the provisions of this Third Amended Declaration, and as approved by the applicable Architectural Committee. Garages and storage sheds shall be constructed of, and roofed with, the same materials, and with similar colors and design, as the residential structure on the applicable Building Lot. No playhouses, playground equipment, pools, pool slides, diving boards, hot tubs, spas or similar items shall extend higher than five (5) feet above the finished graded surface of the Building Lot upon which such item(s) are located unless approved in advance.

4.1.5 Driveways. All access driveways shall have a wearing surface of asphalt, concrete, or other hard surface materials, and shall be properly graded to assure proper drainage.

4.1.6 Mailboxes. All mailboxes will be of consistent design, material and coloration and shall be located on or adjoining Building Lot lines at places designated by Grantor or the Architectural Committee.

4.1.7 Fencing. See Exhibit C.

4.1.8 Lighting. Exterior lighting, including flood lighting, shall be part of the architectural concept of the Improvements on a Building Lot. Fixtures, standards and all exposed accessories shall be harmonious with building design, and shall be as approved by the applicable Architectural Committee. Lighting shall be restrained in design, and excessive brightness shall be avoided.

4.1.9 Garages. Each dwelling unit shall have an attached or detached fully enclosed garage adequate for a minimum of three (3), and a maximum of five (5) standard size automobiles. A maximum of three (3) garage doors are allowed. No carports shall be allowed.

4.2 Antennae. No exterior radio antenna, television antenna, satellite dish antenna or other antenna of any type shall be erected or maintained on the Property unless it is located or screened in a manner acceptable to the applicable Architectural Committee.

4.3 Insurance Rates. Nothing shall be done or kept on any Building Lot which will increase the rate of insurance on any other portion of the Property without the approval of the Owner of such other portion, nor shall anything be done or kept on the Property or a Building Lot which would result in the cancellation of insurance on any property owned or managed by any such Association or which would be in violation of any law.

4.4 No Further Subdivision. No Building Lot may be further subdivided.

4.5 Signs. No sign of any kind shall be displayed to the public view without the approval of the applicable Architectural Committee, except: (1) such signs as may be used by Grantor in connection with the development of the Property and sale of Building Lots; (2) temporary signs naming the contractors, the architect, and the lending institution for a particular construction operation; (3) such signs identifying Arrowrock Ranch Subdivision, or informational signs, of customary and reasonable dimensions as

prescribed by the Architectural Committee may be displayed on or from the Common Area; and (4) one (1) sign of customary and reasonable dimensions as prescribed by the Architectural Committee as may be displayed by an Owner other than Grantor on or from a Building Lot advertising the residence for sale. A customary "for sale" sign not more than three (3) feet by two (2) feet shall not require Architectural Committee approval. Without limiting the foregoing, no sign shall be placed in the Common Area without the written approval of the applicable Architectural Committee. No "For Rent" signs are allowed in the Subdivision.

4.6 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate anywhere upon the Property, including Common Area or vacant Building Lots, and no odor shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to the Property or to its occupants, or to any other property in the vicinity thereof or to its occupants. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to the Property or to its occupants or to other property in the vicinity or to its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes which have been approved by the Association), flashing lights or search lights, shall be located, used or placed on the Property without the prior written approval of the Association.

4.7 Exterior Maintenance; Owner's Obligations. No Improvement shall be permitted to fall into disrepair, and each Improvement shall at all times be kept in good condition and repair. In the event that any Owner shall permit any Improvement, including trees and landscaping, which is the responsibility of such Owner to maintain, to fall into disrepair so as to create a dangerous, unsafe, unsightly or unattractive condition, or damages property or facilities on or adjoining their Building Lot which would otherwise be the Associations' responsibility to maintain, the Board of the Association, upon fifteen (15) days prior written notice to the Owner of such property, shall have the right to correct such condition, and to enter upon such Owner's Building Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association, as the case may be, for the cost thereof. Such cost shall be a Limited Assessment and shall create a lien enforceable in the same manner as other Assessments set forth in Article IX of this Third Amended Declaration. The Owner of the offending property shall be personally liable, and such Owner's property may be subject to a mechanic's lien for all costs and expenses incurred by the Association in taking such corrective acts, plus all costs incurred in collecting the amounts due. Each Owner shall pay all amounts due for such work within ten (10) days after receipt of written demand therefor, or the amounts may, at the option of the Board, be added to the amounts payable by such Owner as Regular Assessments. Each Owner shall have the remedial rights set forth herein if the applicable Associations fail to exercise their rights within a reasonable time following written notice by such Owner.

4.8 Grading and Drainage. A site plan indicating the proposed grading and drainage of a Lot must be approved by the ACC before any construction is initiated. Lot grading shall be kept to a minimum and Buildings are to be located for preservation of the existing grade(s). Builder is expressly responsible to ensure proper drainage and run off from said Building Lot.

4.9 No Hazardous Activities. No activities shall be conducted on the Property, and no Improvements constructed on any property which are or might be unsafe or hazardous to any person or property.

4.10 Unsightly Articles. No unsightly articles shall be permitted to remain on any Building Lot so as to be visible from any other portion of the Property. Without limiting the generality of the foregoing, refuse, garbage and trash shall be kept at all times in such containers and in areas approved by the applicable Architectural Committee. No clothing or fabrics shall be hung, dried or aired in such a way as to be visible to other property, and no equipment, heat pumps, compressors, containers, lumber, firewood, grass, shrub or tree clippings, plant waste, metals, bulk material, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any Building Lot except within an enclosed structure or as appropriately screened from view. No vacant residential structures shall be used for the storage of building materials.

4.11 No Temporary Structures. No house trailer, mobile home, tent (other than for short term individual use), shack or other temporary building, improvement or structure shall be placed upon any portion of the Property, except temporarily as may be required by construction activity undertaken on the Property.

4.12 No Unscreened Boats, Campers and Other Vehicles. No boats, trailers, tractors, recreational vehicles, (i.e., any trailers, campers, motor homes, automobile campers or similar vehicles or equipment) dilapidated, unrepaired or unsightly vehicles, or similar equipment, motorcycles, snowmobiles, shall regularly or as a matter of practice be parked or stored on any portion of the Property (including streets and driveways) unless enclosed by a structure or screened from view in a manner approved in writing by the Architectural Committee. Notwithstanding the foregoing, any boat, camper trailer, or recreational vehicle which is in good repair and working order may be stored on the side yard of a Lot between the front and rear of the unit, on the garage side, if screened by a six foot (6') fence. If the height of the stored item is greater than the height of the front fence, the item must be stored two feet farther from the front fence for each part of a foot the item extends above the fence, and the item must be stored two (2) feet away from any side yard fence for each part of a foot it extends above said fence. In no case will the item be allowed to be stored if its height is greater than ten (10) feet or length greater than twenty-five (25) feet. The Architectural Committee shall be the sole and exclusive judges of approved parking areas. The vehicle must not be set up as a permanent structure, and cannot be used as a separate residence.

4.13 Sewage Disposal Systems. No individual sewage disposal system shall be used on the Property. Each Owner shall connect the appropriate facilities on such Owner's Building Lot to the Sewer System provided by contract with Intermountain Sewer & Water, Corp., and will pay all charges assessed therefore.

4.14 No Mining or Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing water, oil, gas or other hydrocarbons, minerals, rocks, stones, sand, gravel or earth. This paragraph 4.14 shall not prohibit exploratory drilling or coring which is necessary to construct a residential structure or Improvements.

4.15 Energy Devices, Outside. No energy production devices, including but not limited to generators of any kind and solar energy devices, shall be constructed or maintained on any portion of the Property without the written approval of the applicable Architectural Committee, except for heat pumps shown in the plans approved by the Architectural Committee. This paragraph 4.15 shall not apply to passive solar energy systems incorporated into the approved design of a residential structure.

4.16 Vehicles. The use of all vehicles, including but not limited to trucks, automobiles, bicycles, motorcycles and snowmobiles, shall be subject to all Association Rules, which may prohibit or limit the use thereof within Arrowrock Ranch Subdivision. No on-street parking shall be permitted except where expressly designated for parking use. No parking bays shall be permitted in any side, front or backyard. Vehicles parked on a driveway shall not extend into any sidewalk or bike path or pedestrian path.

4.17 Animals/Pets. No animals, birds, insects, pigeons, poultry or livestock shall be kept on the Property unless the presence of such creatures does not constitute a nuisance. This paragraph 4.17 does not apply to the keeping of up to two (2) domesticated dogs, up to two (2) domesticated cats, and other household pets which do not unreasonably bother or constitute a nuisance to others. Without limiting the generality of the foregoing, consistent and/or chronic barking by dogs shall be considered a nuisance. Each dog in Arrowrock Ranch Subdivision shall be kept on a leash, curbed, and otherwise controlled at all times when such animal is off the premises of its owner. Such owner shall clean up any animal defecation immediately from the Common Area or public right-of-way. Failure to do so may result, at the Board's discretion, with a Limited Assessment levied against such animal owner. The construction of dog runs or other pet enclosures shall be subject to applicable Architectural Committee approval, shall be appropriately screened, and shall be maintained in a sanitary condition. Dog runs or other pet enclosures shall be placed a minimum of ten (10) feet from the side and/or rear Building Lot line, shall not be placed in any front yard of a Building Lot, and shall be screened from view so as not to be visible from Common Area or an adjacent Building Lot.

4.18 Landscaping. Builders of the initial residents on each Building Lot shall be responsible for installation, prior to occupancy, of a complete front and back yard sprinkler system, seeding or sod for the entire yard, and full and prior compliance with the landscape plan approved by the Architectural Committee. Prior to construction of Improvements, the Owner (or any Association to which such responsibility has been assigned) shall provide adequate irrigation and maintenance of existing trees and landscaping, shall control weeds, and maintain the Owner's (or Association's) property in a clean and safe condition free of debris or any hazardous condition. All trees located on common Building Lot lines shall be the joint responsibility of the adjoining Building Lot owners. All landscaped Common Areas shall be irrigated by an underground sprinkler system.

The Board and/or applicable Architectural Committee may adopt rules regulating landscaping permitted and required. In the event that any Owner shall fail to install and maintain landscaping in conformance with such rules or shall allow such Owner's landscaping to deteriorate to a dangerous, unsafe, unsightly or unattractive condition, the Board, upon fifteen (15) days' prior written notice to such Owner, shall have the right to correct such condition and to enter upon such Owner's property for the purpose of doing so, and such Owner shall promptly reimburse the Association for the cost thereof. Such cost shall be a Limited Assessment and shall create a lien enforceable in the same manner as other Assessments as set forth in Article IX.

Following commencement of any construction of any Improvement, construction shall be diligently pursued and completed as soon as reasonably practical. All landscaping on a Building Lot, unless otherwise specified by the applicable Architectural Committee, shall be completed as soon as reasonably practical following completion of the residential structure on such Building Lot. The initial landscaping shall include, as a minimum, sod in the front and side yards, sod or grass seeded in the rear yards, and four (4) flowering trees of at least two inch (2") caliper in the front yard or, alternatively, one (1) six foot (6') pine tree and two (2) flowering trees of two inch (2") caliper in the front yard. The front yard shall also include five (5) gallon plants/shrubs and ten (10) one (1) gallon plants/shrubs. Berms are encouraged subject to Architectural Committee approval. All sprinkler systems shall include the installation of a backflow valve, and landscaping shall be subject to limitations on grass and watering as described on Exhibit B, attached hereto.

4.19 Exemption of Grantor. Nothing contained herein shall limit the right of Grantor to subdivide or resubdivide any portion of the Property, to grant licenses, to reserve rights-of-way and easements with respect to Common Area to utility companies, public agencies or others, or to complete excavation, grading and construction of Improvements to and on any portion of the Property owned by Grantor, or to alter the foregoing and its construction plans and designs, or to construct such additional Improvements as Grantor deems advisable in the course of development of the Property so long as any Building Lot in the Property remains unsold. Such right shall include, but shall not be limited to, erecting, constructing and maintaining on the Property such structures and displays as may be reasonably necessary for the conduct of Grantor's business of completing the work and disposing of the same by sales lease or otherwise. Grantor shall have the right at any time prior to acquisition of title to a Building Lot by a purchaser from Grantor to grant, establish and/or reserve on that Building Lot additional licenses, reservations and rights-of-way to Grantor, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Property. Grantor may use any structures owned by Grantor on the Property as model home complexes or real estate sales or leasing offices. Grantor need not seek or obtain Architectural Committee approval of any Improvement constructed or placed by Grantor on any portion of the Property owned by Grantor. The rights of Grantor hereunder may be assigned by Grantor to any successor in interest in connection with Grantor's interest in any portion of the Property, by an express written assignment recorded in the Office of the Ada County Recorder.

4.20 Intentionally Deleted.

4.21 Commencement of Construction. Any Owner of a Building Lot shall, within a period of one (1) year following the date of purchase of a Building Lot from Grantor, commence the construction of a dwelling structure in compliance with the restrictions herein, and such construction shall be completed within six (6) months thereafter. The term "commence the construction" as used in this paragraph 4.21, shall require actual physical construction activities upon such dwelling structure upon such Building Lot.

4.22 Roof Material. See Exhibit C.

ARTICLE V: ARROWROCK RANCH SUBDIVISION HOMEOWNERS' ASSOCIATION

5.1 Organization of Arrowrock Ranch Subdivision Homeowners' Association . Arrowrock Ranch Subdivision Homeowners' Association, Inc. ("Association") shall be initially organized by Grantor as a limited liability company under the provisions of the Idaho Code relating to general limited liability companies and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws and this Third Amended Declaration. Neither the Articles nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with this Third Amended Declaration.

5.2 Membership. Each Owner, by virtue of being an Owner and for so long as such ownership is maintained, shall be a Member of the Association and no Owner shall have more than one membership in the Association. Memberships in the Association shall be appurtenant to the Building Lot or other portion of the Property owned by such Owner. The memberships in the Association shall not be transferred, pledged, assigned or alienated in any way except upon the transfer of Owner's title and then only to the transferee of such title. Any attempt to make a prohibited membership transfer shall be void and will not be reflected on the books of the Association.

5.3 Voting. Voting in the Association shall be carried out by Members who shall cast the votes attributable to the Building Lots which they own, or attributable to the Building Lots owned by Grantor. The number of votes any Member may cast on any issue is determined by the number of Building Lots which the Member, including Grantor, owns. When more than one person holds an interest in any Building Lot, all such persons shall be Members but shall share the votes attributable to the Building Lot. For voting purposes, the Association shall have two (2) classes of Members as described below.

5.3.1 Class A Members. Owners other than Grantor shall be known as Class A Members. Each Class A Member shall be entitled to cast one (1) vote for each Building Lot owned by such Class A Member on the day of the vote.

5.3.2 Class B Members. The Grantor shall be known as the Class B Member, and shall be entitled to one (1) vote for each Building Lot of which Grantor is the Owner commencing October 15, 2008. The Class B Member shall cease to be a voting Member in the Association when all Building Lots it owns are sold, provided that the Class B membership shall not cease before the expiration of ten (10) years from the date on which the first Building Lot is sold to an Owner.

Fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter being put to a vote. When an Owner casts a vote, it will thereafter be presumed conclusively for all purposes that such Owner was acting with authority and consent of all joint Owners of the Building Lot(s) from which the vote derived. The right to vote may not be severed or separated from the ownership of the Building Lot to which it is appurtenant, except that any Owner may give a revocable proxy, or may assign such Owner's right to vote to a lessee, mortgagee, beneficiary or contract purchaser of the Building Lot concerned, for the term of the lease, mortgage, deed of trust or contract. Any sale, transfer or conveyance of such Building Lot to a new Owner shall operate automatically to transfer the appurtenant voting right to the Owner, subject to any assignment of the right to vote to a lessee, mortgagee, or beneficiary as provided herein.

5.4 Board of Directors and Officers. The affairs of the Association shall be conducted and managed by a Board of Directors ("Board") and such officers as the Board may elect or appoint, in accordance with the Articles and Bylaws, as the same may be amended from time to time. The Board of the Association shall be elected in accordance with the provisions set forth in the Association Bylaws.

5.5 Power and Duties of the Association.

5.5.1 Powers. The Association shall have all the powers of a corporation organized under the general corporation laws of the State of Idaho subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles, the Bylaws, and this Third Amended

Declaration. The Association shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under Idaho law and under this Third Amended Declaration, and the Articles and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Common Area and this Third Amended Declaration's other assets, including water rights when and if received from Grantor, and affairs and the performance of the other responsibilities herein assigned, including without limitation:

5.5.1.1 Assessments. The power to levy Assessments on any Owner or any portion of the Property and to force payment of such Assessments, all in accordance with the provisions of this Third Amended Declaration. An Association set up fee of $1,450.00 shall be charged upon the closing of each Building Lot. The initial lot transfer fee shall be $250.00, which amount is subject to change by the Board of Directors of the Association.

5.5.1.2 Right of Enforcement. The power and authority from time to time in its own name, on its own behalf, or on behalf of any Owner who consents thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Third Amended Declaration or the Articles or the Bylaws, including the Association Rules adopted pursuant to this Third Amended Declaration, and to enforce by injunction or otherwise, all provisions hereof.

5.5.1.3 Delegation of Powers. The authority to delegate its power and duties to committees, officers, employees, or to any person, firm or corporation to act as manager, and to contract for the maintenance, repair, replacement and operation of the Common Area, including the private streets. Neither the Association nor the members of its Board shall be liable for any omission or improper exercise by the manager of any such duty or power so delegated.

5.5.1.4 Association Rules. The power to adopt, amend and repeal by majority vote of the Board such rules and regulations as the Association deems reasonable. The Association may govern the use of the Common Areas, including but not limited to the use of private streets by the Owners, their families, invitees, licensees, lessees or contract purchasers; provided, however, that any Association Rules shall apply equally to all Owners and shall not be inconsistent with this Third Amended Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner. Upon such mailing or delivery, the Association Rules shall have the same force and effect as if they were set forth in and were a part of this Third Amended Declaration. In the event of any conflict between such Association Rules and any other provisions of this Third Amended Declaration, or the Articles or Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Third Amended Declaration, the Articles or the Bylaws to the extent of any such inconsistency.

5.5.1.5 Emergency Powers. The power, exercised by the Association or by any person authorized by it, to enter upon any property (but not inside any building constructed thereon) in the event of any emergency involving illness or potential danger to life or property or when necessary in connection with any maintenance or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association.

5.5.1.6 Licenses, Easements and Rights-of-Way. The power to grant and convey to any third party such licenses, easements and rights-of-way in, on or under the Common Area as may be necessary or appropriate for the orderly maintenance, preservation and enjoyment of the Common Area, and for the preservation of the health, safety, convenience and the welfare of the Owners, for the purpose of constructing, erecting, operating or maintaining:

5.5.1.6.1 Underground lines, cables, wires, conduits or other devices for the transmission of electricity or electronic signals-for lighting, heating, power, telephone, television or other purposes, and the above ground lighting stanchions, meters, and other facilities associated with the provisions of lighting and services; and

5.5.1.6.2 Public sewers, storm drains, water drains and pipes, water supply systems, sprinkling systems, heating and gas lines or pipes, and any similar public or quasi-public improvements or facilities.

5.5.1.6.3 Mailboxes and sidewalk abutments around such mailboxes or any service facility, berm, fencing and landscaping abutting common areas, public and private streets or land conveyed for any public or quasi-public purpose including, but not limited to, bicycle pathways.

The right to grant such licenses, easements and rights-of-way are hereby expressly reserved to the Association and may be granted at any time prior to twenty-one (21) years after the death of the issue of the individuals executing this Third Amended Declaration on behalf of Grantor who are in being as of the date hereof.

5.5.2 Duties. In addition to duties necessary and proper to carry out the power delegated to the Association by this Third Amended Declaration, and the Articles and Bylaws, without limiting the generality thereof, the Association or its agent, if any, shall have the authority and the obligation to conduct all business affairs of the Association and to perform, without limitation, each of the following duties:

5.5.2.1 Operation and Maintenance of Arrowrock Ranch Subdivision Common Area. Operate, maintain, and otherwise manage or provide for the operation, maintenance and management of Arrowrock Ranch Subdivision Common Area (other than Local Common Area), including the repair and replacement of property damaged or destroyed by casualty loss, and maintenance of the private roads.

Specifically, the Association shall, at Grantor's sole discretion, operate and maintain all properties owned by Grantor which are designated by Grantor for temporary or permanent use by Members of the Association.

5.5.2.2 Reserve Account. Establish and fund a reserve account with a reputable banking institution or savings and loan association or title insurance company authorized to do business in the State of Idaho, which reserve account shall be dedicated to the costs of repair, replacement, maintenance and improvement of the Common Area.

5.5.2.3 Maintenance of Berms, Retaining Walls and Fences. Maintain the berms, retaining walls, fences and water amenities within and abutting Common Area. Maintain the water amenities constructed by Grantor or Association located in that certain easement in, over and through Building Lots as shown on the Plat.

5.5.2.4 Taxes and Assessments. Pay all real and personal property taxes and Assessments separately levied against Arrowrock Ranch Subdivision Common Area or against Arrowrock Ranch Subdivision, the Association and/or any other property owned by the Association. Such taxes and Assessments may be contested or compromised by the Association, provided, however, that such taxes and Assessments are paid or a bond insuring payment is posted prior to the sale or disposition of any property to satisfy the payment of such taxes and Assessments. In addition, the Association shall pay all other federal, state or local taxes, including income or corporate taxes levied against the Association, in the event that the Association is denied the status of a tax exempt corporation.

5.5.2.5 Water and Other Utilities. Acquire, provide and/or pay for water, sewer, garbage disposal, refuse and rubbish collection, electrical, telephone and gas and other necessary services for Arrowrock Ranch Subdivision Common Area, and to manage for the benefit of Arrowrock Ranch Subdivision all water rights and rights to receive water held by the Association, whether such rights are evidenced by license, permit, claim, stock ownership or otherwise. Acquire and operate the sewer system of Arrowrock Subdivision.

5.5.2.6 Insurance. Obtain insurance from reputable insurance companies authorized to do business in the State of Idaho, and maintain in effect any insurance policy the Board deems necessary or advisable, including, without limitation the following policies of insurance:

5.5.2.6.1 Fire insurance including those risks embraced by coverage of the type known as the broad form "All Risk" or special extended coverage endorsement on a blanket agreed amount basis for the full insurable replacement value of all Improvements, equipment and fixtures located within Arrowrock Ranch Subdivision Common Area.

5.5.2.6.2 Comprehensive public liability insurance insuring the Board, the Association, the Grantor and the individual grantees and agents and employees of each of the foregoing against any liability incident to the ownership and/or use of Arrowrock Ranch Subdivision Common Area. Limits of liability of such coverage shall be 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 One Million Dollars ($1,000,000) per occurrence with respect to property damage.

5.5.2.6.3 Full coverage directors' and officers' liability insurance with a limit of at least Two Hundred Fifty Thousand Dollars ($250,000).

5.5.2.6.4 Such other insurance, including motor vehicle insurance and Workmen's Compensation insurance, to the extent necessary to comply with all applicable laws and indemnity, faithful performance, fidelity and other bonds as the Board shall deem necessary or required to carry out the Association functions or to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with the management or possession of any Association funds or other property.

5.5.2.6.5 The Association shall be deemed trustee of the interests of all Owners in connection with any insurance proceeds paid to the Association under such policies, and shall have full power to receive such Owner's interests in such proceeds and to deal therewith.

5.5.2.6.6 Insurance premiums for the above insurance coverage shall be deemed a common expense to be included in the Regular Assessments levied by the Association.

5.5.2.7 Rule Making. Make, establish, promulgate, amend and repeal such Association Rules as the Board shall deem advisable.

5.5.2.8 Newsletter. If it so elects, prepare and distribute a newsletter on matters of general interest to Association Members, the cost of which shall be included in Regular Assessments.

5.5.2.9 Architectural Committee. Appoint and remove members of the Architectural Committee, subject to the provisions of this Third Amended Declaration.

5.5.2.10 Enforcement of Restrictions and Rules. Perform such other acts, whether or not expressly authorized by this Third Amended Declaration, as may be reasonably advisable or necessary to enforce any of the provisions of this Third Amended Declaration, or of the Articles or Bylaws, including, without limitation, the recordation of any claim of lien with the Ada County Recorder, as more fully provided herein.

5.6 Personal Liability. No Member of the Board, or member of any committee of the Association, or any officer of the Association, or the Grantor, or the manager, if any, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on the account of any act, omission, error or negligence of the Association, the Board, the manager, if any, or any other representative or employee of the Association, the Grantor, or the Architectural Committee, or any other committee, or any officer of the Association, or the Grantor, provided that such person, upon the basis of such information as may be possessed by such person, has acted in good faith without willful or intentional misconduct.

5.7 Budgets and Financial Statements. Financial statements for the Association shall be prepared regularly and copies shall be distributed to each Member of the Association as follows:

5.7.1 A pro forma operating statement or budget, for each fiscal year shall be distributed not less than sixty (60) days before the beginning of each fiscal year. The operating statement shall include a schedule of Assessments received and receivable, identified by the Building Lot number and the name of the person or entity assigned.

5.7.2 Within thirty (30) days after the close of each fiscal year, the Association shall cause to be prepared and delivered to each Owner, a balance sheet as of the last day of the Association's fiscal year and annual operating statements reflecting the income and expenditures of the Association for its last fiscal year. Copies of the balance sheet and operating statement shall be distributed to each Member within ninety (90) days after the end of each fiscal year.

5.8 Meetings of Association. Each year the Association shall hold at least one meeting of the Members, according to the schedule for such meetings established by the Bylaws; provided, that such meeting shall occur no earlier than April 15 and no later than May 31 each year. Only Members shall be entitled to attend Association meetings, and all other persons may be excluded. Notice for all Association meetings, regular or special, shall be given by regular mail to all Members, and any person in possession of a Building Lot, not less than ten (10) days nor more than thirty (30) days before the meeting and shall set forth the place, date and hour of the meeting and the nature of the business to be conducted. All meetings shall be held within the Property or as close thereto as practical at a reasonable place selected by the Board. The presence at any meeting in person of the Class B Member where there is such a Member, and of the Class A Members representing Owners holding at least thirty percent (30%) of the total votes of all Class A Members, shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present may adjourn the meeting to a time not less than ten (10) days nor more than thirty (30) days from the time the original meeting was scheduled. A Third meeting may be called as the result of such an adjournment, provided notice is given as provided above. At any such meeting properly called, the presence of any Member shall constitute a quorum.

ARTICLE VI: LIGHT MAINTENANCE OF STORM WATER FACILITIES

Operation and maintenance of the storm water facilities at Arrowrock Ranch Subdivision shall be governed by the operation and maintenance manual of storm drainage system in Arrowrock Ranch Subdivision, which manual may be modified from time to time at the direction of the Board of the Association.

ARTICLE VII: RIGHTS TO COMMON AREAS

7.1 Use of Arrowrock Ranch Subdivision Common Area . Every Owner shall have a right to use each parcel of Arrowrock Ranch Subdivision Common Area, which right shall be appurtenant to and shall pass with the title to every Building Lot, subject to the following provisions:

7.1.1 The right of the Association to levy and increase Assessments;

7.1.2 The right of such Association to suspend the voting rights and rights to use of, or interest in, Common Area by an Owner for any period during which any Assessment or charge against such Owner's Building Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association Rules; and

7.1.3 The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be permitted by the Articles and Bylaws and agreed to by the Members. No dedication or transfer of said Common Area shall be effective unless an instrument agreeing to such dedication or transfer signed by Members representing two-thirds (2/3) of each class of Members has been recorded.

7.1.4 The right of such Association to prohibit the construction of structures or Improvements, Improvements on all Common Areas.

7.1.5 The right of such Association to prohibit structures, Improvements, including manicured lawns and nursery plants.

7.2 Designation of Common Area. Grantor shall designate and reserve Arrowrock Ranch Subdivision Common Area in this Third Amended Declaration, Supplemental Declarations and/or recorded Plats, deeds or other instruments and/or as otherwise provided herein.

7.3 Delegation of Right to Use . Any Owner may delegate, in accordance with the respective Bylaws and Association Rules of the Association, such Owner's right of enjoyment to the Arrowrock Ranch Subdivision Common Area, to the members of such Owner's family in residence, and such Owner's tenants or contract purchasers who reside on such Owner's Building Lot. Only Grantor or the Association shall have the right to delegate the right of enjoyment to the Arrowrock Ranch Subdivision Common Area, to the general public, and such delegation to the general public shall be for a fee set by Grantor or Association.

7.4 Damages. Each Owner shall be fully liable for any damage to any Common Area which may be sustained by reason of the negligence or willful misconduct of the Owner, such Owner's resident tenant or contract purchaser, or such Owner's family and guests, both minor and adult. In the case of joint ownership of a Building Lot, the liability of such Owners shall be joint and several. The cost of correcting such damage shall be a Limited Assessment against the Building Lot and may be collected as provided herein for the collection of other Assessments.

ARTICLE VIII: IRRIGATION

8.1 No separate system . There shall not be separate domestic and irrigation water systems for the subdivision.

8.2 Limitation on Irrigation. Development restrictions do not permit some Building Lots in the subdivision to be fully irrigated. Restrictions on use of water for irrigation for each Building Lot are reflected on Exhibit B attached hereto, and incorporated herein.

ARTICLE IX: DOMESTIC WATER

9.1 Water System Each Building Lot shall have access to the Water System to be constructed by Grantor and to be owned and operated by Grantor (or Grantor's successor), subject to the provisions of Section 9.12 hereunder. Such Water System may consist of a source(s) of water supply (located on well lots), pumps, regulators, pipes and other delivery system equipment, and shall provide water for culinary, other ordinary domestic household use, and irrigation as provided in Article XIII. Owners shall have no right, title and/or interest in any water and water rights, including groundwater and groundwater rights, ditch and ditch rights, and storage and storage rights owned by Grantor.

9.2 Assessments. Grantor shall establish charges for Water System use, which charges may be adjusted from time to time and which may be assessed through the Association as a Limited Assessment in connection with each Owner's Building Lot, which assessments shall be transferred to Grantor or the owner of the Water System. Any Owner's or non-Owner's use of the Water System shall constitute an agreement to pay the charges for such use. At the initial transfer of Building Lots from Grantor, Grantor shall have the right to collect user fees from such new Owners of Building Lots, which fees shall cover the costs associated with the connection of laterals, meters or other plant exclusively for such Building Lot Owner's use. All such user fees shall be used to partially reimburse Grantor for the construction and development costs in connection with the Water System including, without limitation, administration. Notwithstanding the foregoing, all Lots shall be metered to measure use of the Water System in connection with each Lot. Grantor may use such meters to establish a reasonable monthly maximum amount of water allowed for use in connection with each Lot. If any such meter indicates that a Lot Owner uses significantly more water, as reasonably compared to the amount of water used by other Lot Owners, Grantor reserves the right to read meters regularly and to charge the Lot Owners a Limited Assessment, which Limited Assessment shall be proportionate to the amount of water used in excess of the reasonable maximum monthly amount. Such Limited Assessment shall be in addition to the portion of the Regular Assessment associated with the Water System. Additionally, if any dispute arises between Lot Owners, which dispute alleges unreasonable water use by another Lot Owner, Grantor shall use the water meters to determine the monthly water volume consumed by such Lot Owners and, if necessary, charge a Limited Assessment to any Lot Owner consuming significantly more water as reasonably compared to the amount of water used by other Lot Owners. Any Owner's or non-Owner's use of the Water System shall constitute an agreement to pay the charges and/or Assessments for such use. Grantor and its successors may also elect to charge each Owner, at a rate established by Grantor or its successors, for actual water usage as metered.

Grantor shall maintain a separate bank account in connection with the Water System and all charges and/or Assessments and reserve funds collected by Grantor relating to the Water System shall be deposited therein, and revenue in excess of paid operation and maintenance costs shall be held in reserve for future capital expenditures. When ownership of the Water System is transferred, subject to the provisions of Section 9.12, Grantor shall transfer such bank account and all funds deposited therein to the new Water System Owner in the manner agreed by Grantor and the new Water System Owner.

9.3 Financial Records and Audits. The Water System Owner may arrange periodic third party financial audits of the Water System financial records.

9.4 Liability Insurance. The Water System Owner shall obtain liability insurance for the Water System.

9.5 Backflow Systems and Assemblies. Each Lot shall be equipped with approved backflow prevention systems and assemblies. All backflow prevention assemblies installed on any Lot must be listed in the most recent edition of the University of California Foundation for Cross-Connection Control and Hydraulic Research. The backflow prevention system and assembly must be installed on the residential service line after the water meter and prior to adding connections to the residential service line. It shall be the responsibility of each Lot Owner, at such Lot Owner's sole cost and expense, to promptly replace any backflow prevention system and assembly existing on any Lot that is no longer listed on the foregoing list of approved backflow prevention systems and assemblies. Each Lot Owner, at such Lot Owner's sole cost and expense, shall ensure the correct operation of the backflow prevention system and assembly on such Lot and shall test the functioning of the backflow prevention system and assembly at least annually and report

the result of such testing to the Water System Owner. Testing must be performed by a backflow assembly tester licensed by the State of Idaho.

9.6 Water Quality. The source water quality associated with the public drinking water system meets all state and federal primary drinking water standards. It shall be noted that the water has been classified as moderately aggressive and may cause corrosion of metallic plumbing fixtures and fitting. The potential for corrosion within the water distribution system may cause the water system to complete additional lead and copper testing in the future.

All public water systems must be evaluated to determine if corrosion control treatment is needed. As with all other potential contaminants, the developer is responsible for the testing and possible treatment, but the timing is different for lead/copper testing. While source testing can indicate if corrosion is likely to be a problem, final testing can only be completed in private homes after the public drinking water system and house plumbing have stabilized after one year of use. Nevertheless, the initial owner, the developer in this case, is responsible for water quality testing at the appropriate time, and then providing treatment if required by state rules. Test results must be submitted to DEQ within fifteen (15) months after the fifth home is occupied. Five (5) homes must be tested if the system will eventually serve less than one hundred (100) homes. Ten (10) homes must be tested if the system will eventually serve one hundred (100) to five hundred (500) homes. Contact DEQ for a determination on when to test the next five (5) homes (depends on how quickly the homes are being built). The owner of the water system must obtain permission from homeowners to take the tests in the homes and it may be advisable to write that provision into the sale agreements and/or one of the homeowner's association documents.

The source water as measured is classified as moderately hard and may require home water softeners to reduce scaling and soap scum. It will be the responsibility of the individual homeowner to determine if a water softener is needed.

9.7 Easement for Maintenance. The Grantor and its successors shall have a permanent easement to go upon the Building Lots and/or Common Area in Arrowrock Ranch to operate and perform maintenance in connection with the Water System, which operation and maintenance is further described in that certain Operations Manual for Arrowrock Ranch Water on file with Grantor, the Association and the Idaho Department of Environmental Quality.

9.8 Access to Water System Facilities. Access to Water System wells, pump houses, and other facilities shall be restricted to the Water System Owner and authorized representatives and contractors of the Water System. Such facilities shall be excluded from any Common Area access rights held by Lot Owners. If the Association becomes the Water System Owner, Lot Owner(s) will not have access to Water System facilities unless the governing board of the Association has designated the Lot Owner(s) as an authorized representative of the Water System.

9.9 No Separate Water Supply. No separate or individual water supply system, regardless of the proposed use of the water to be delivered by such system, shall be permitted on any Building Lot unless such system is approved by all government authorities having jurisdiction including, without limitation, the Idaho Department of Environmental Quality, and designed, located, constructed and equipped in accordance with the requirements, standards and recommendations of Grantor, so long as Grantor is the owner of the Water System, and thereafter by the Board. No Owner may disconnect from the Water System without approval by Grantor, so long as Grantor is the owner of the Water System, and thereafter by the Board; provided, however, even if an Owner receives permission to disconnect from the Water System, such Owner shall remain responsible for any and all charges for the Water System in connection with such Owner's Building Lot.

9.10 Protection of Water Supply. Water System Owner shall take reasonable measures to protect any and all wellheads serving the Water System, including, without limitation:

9.10.1 No Parking or Chemical Storage. No parking of equipment or vehicles, storage of pesticides, herbicides, fertilizers, petroleum products or other toxic or hazardous materials shall be permitted within a fifty (50) foot radius of the wellhead;

9.10.2 No Petroleum Products. Petroleum products and other chemicals shall not be used on roads within fifty (50) feet of the wellhead;

9.10.3 No Standing Water. No standing water or storm water runoff shall be permitted within a fifty (50) foot radius of the wellhead; and

9.10.4 Compliance of Water Facilities. Design and construction of all water facilities in the Subdivision shall be in compliance with all Idaho Department of Environmental Quality and Idaho Department of Water Resources standards established to minimize the potential for groundwater contamination including IDAPA 37.03.09 – "Well Construction Standards," and IDAPA 58.01-08-550 – "Design Standards for Public Water Systems."

9.11 Termination of Service. With proper water user notification, Grantor or the Water System owner may deny or terminate water service for one of the following reasons:

9.11.1 Denying or willfully preventing access to water facilities.

9.11.2 Repeatedly exceeding the per water user consumption limit as determined by the Board.

9.11.3 Repeated violating the policies and procedures of the Association concerning water use.

9.11.4 Failure to comply with the Association's cross connection control program.

9.11.5 Failure to repair leaks for which water user is responsible in a timely manner.

9.11.6 To prevent a violation of local, state or federal health codes.

9.12 Transfer of Water System. During the development phase of the project, the Water System shall be owned by Grantor; provided, however, Grantor, in its sole discretion, shall convey fee simple title to the Water System to the Association or other public or private entity ("other Water Provider") following Grantor's receipt of written authorization for such transfer from the Idaho Department of Environmental Quality. Modifications to Water System facilities for the purposes of providing water service to nearby developments shall be made at the sole expense of the Grantor. If the Water System will be transferred to an entity other than the Association, documentation of the other Water Provider's technical, financial, and managerial capacity to operate the Water System must be provided to DEQ prior to the transfer. The Grantor may transfer ownership of the Water System after 90 percent (90%) of lots within the subdivision have requested water service.

In the event the Water System is transferred to the Association or other Water Provider, as the case may be, Grantor shall notify the Association or other Water Provider, as the case may be, in writing of the transfer and the Association or other Water Provider, as the case may be, shall be responsible for the ownership, operation and maintenance of the Water System. When Grantor transfers the Water System to the Association or other Water Provider, as the case may be, such transfer shall be free and clear of all encumbrances and liens, except current real property taxes that shall be prorated to the date of such transfer, reservations, covenants, conditions and restrictions then of record including those set forth in this Declaration.

When Grantor transfers the Water System to the Association or other Water Provider, as the case may be, the Association or other Water Provider, as applicable, shall contact the Idaho Department of Water Resources, Western Regional Office, to arrange for any and all water rights appurtenant to the Water System to be assigned to the Association or other Water Provider, as applicable. If any water rights appurtenant to the Water System have not been licensed, the Grantor shall contact the Idaho Department of Water Resources, Western Regional Office, to arrange for any and all permits appurtenant to the Water System to be assigned to the Association or other Water Provider, as applicable.

If the transfer of the Water System to the Association or other Water Provider, as the case may be, occurs prior to corrosion control treatment evaluation, Grantor shall be responsible for all corrosion control testing and treatment costs.

If Grantor has transferred the Water System to the Association, the Association shall have the right to transfer, sell or convey the Water System to a public or private entity, conditioned only upon reasonable assurances that the Water System shall be owned, operated and maintained in a manner that shall provide service from the Water System to Owners on a continuing basis with quality of service equal to the Community-Wide Standard, and service that meets all applicable governmental laws, ordinances and regulations. For purposes of this Article IX, Grantor is hereby appointed and made attorney-in-fact for the Association, with full power of attorney to consummate any such transfer of the Water System.

If the Water System is transferred to the Association, and if the Association is contemplating dissolution during any time that the Association owns and operates the Water System, the Association shall contact the Idaho Department of Environmental Quality. The Association shall contract with an entity approved in writing by the Idaho Department of Environmental Quality to own and operate the Water System, prior to the Association's dissolution. During any time that the Association owns and operates the Water System, the Association shall not dissolve without written approval of the Idaho Department of Environmental Quality.

If Grantor does not convey the Water System to the Association or other Water Provider, Grantor shall have the right to transfer, sell or convey the Water System to a public or private entity, conditioned only upon approval in writing by the Idaho Department of Environmental Quality and reasonable assurances that the Water System shall be owned, operated and maintained in a manner that shall provide service from the Water System to Owners on a continuing basis with good quality of service that meets all applicable governmental laws, ordinances and regulations. No transfer of the Water System shall occur until the Idaho Department of Environmental Quality has certified that the existing Water System is in substantial compliance with state laws, regulations and/or rules.

If Grantor transfers ownership of the Water System to the Association, the Association shall collect Regular Assessments, and may collect Limited Assessments, as set forth in Section 9.2. The amount of such Assessments shall be reviewed annually by the Association, and may be adjusted annually based on actual operation and maintenance expenses and projected future capital expenditures. Such Assessments shall include a reasonable reserve amount for future capital expenditures for facilities maintenance and replacement. If Grantor transfers ownership of the Water System to the Association, the Association shall maintain a separate bank account in connection with the Water System and all charges and/or Assessments and reserve funds collected by the Association relating to the Water System shall be deposited therein, and revenue in excess of paid operation and maintenance costs shall be held in reserve for future capital expenditures.

If Grantor transfers ownership of the Water System to another Water Provider, such other Water Provider may propose an alternative rate structure, accounting procedures, and/or auditing procedures, conditioned only upon approval in writing by the Idaho Department of Environmental Quality and reasonable assurances that the Water System shall be owned, operated and maintained in a manner that shall provide service from the Water System to Owners on a continuing basis with good quality of service that meets all applicable governmental laws, ordinances and regulations.

ARTICLE X: ASSESSMENTS

10.1 Covenant to Pay Assessments. By acceptance of a deed to any property in Arrowrock Ranch Subdivision, each Owner of such property, other than Grantor or its successors, hereby covenants and agrees to pay when due all Assessments or charges made by the Association, including all Regular, Special and Limited Assessments and charges made against such Owner pursuant to the provisions of this Third Amended Declaration or other applicable instrument.

10.1.1 Assessment Constitutes Lien. Such Assessments and charges together with interest, costs and reasonable attorney fees which may be incurred in collecting the same, shall be a

charge on the land and shall be a continuing lien upon the property against which each such Assessment or charge is made.

10.1.2 Assessment is Personal Obligation. Each such Assessment, together with interest, costs and reasonably attorney fees, shall also be the personal obligation of the Owner of such property beginning with the time when the Assessment falls due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them but shall remain such Owner's personal obligation regardless of whether he remains an Owner.

10.2 Regular Assessments . All Owners, other than Grantor, are obligated to pay Regular Assessments to the treasurer of the Association on a schedule of payments established by the Board.

10.2.1 Purpose of Regular Assessments. The proceeds from Regular Assessments are to be used to pay for all costs and expenses incurred by the Association, including legal and attorney fees and other professional fees, for the conduct of its affairs, including without limitation the costs and expenses of construction, improvement, protection, maintenance, repair, management and operation of the Common Areas, including all Improvements located on such areas owned and/or managed and maintained by such Association, and an amount allocated to an adequate reserve fund to be used for repairs, replacement, maintenance and improvement of those elements of the Common Area, or other property of the Association that must be replaced and maintained on a regular basis (collectively "Expenses").

10.2.2 Computation of Regular Assessments. The Association shall compute the amount of its Expenses on an annual basis. The Board shall compute the amount of Regular Assessments owed beginning the first day of the third month following the month in which the closing of the first sale of a Building Lot occurred in Arrowrock Ranch Subdivision for the purposes of the Association's Regular Assessment ("Initiation Date"). Thereafter, the computation of Regular Assessments shall take place not less than thirty (30) nor more than sixty (60) days before the beginning of each fiscal year of the Association. The computation of the Regular Assessment for the period from the Initiation Date until the beginning of the next fiscal year shall be reduced by an amount which fairly reflects the fact that such period was less than one year.

10.2.3 Amounts Paid by Owners. The Board can require, in its discretion or as provided in the Articles or Bylaws, payment of Regular Assessments in monthly, quarterly, semi-annual or annual installments. The Regular Assessment to be paid by any particular Owner, including Grantor, for any given fiscal year shall be computed as follows:

10.2.3.1 As to the Association's Regular Assessment, each Owner shall be assessed and shall pay an amount computed by multiplying the Association's total advance estimate of Expenses by the fraction produced by dividing the Building Lots attributable to the Owner by the total number of Building Lots in the Property.

10.3 Special Assessments .

10.3.1 Purpose and Procedure. In the event that the Board of the Association shall determine that its respective Regular Assessment for a given calendar year is or will be inadequate to meet the Expenses of such Association for any reason, including but not limited to costs of construction, reconstruction, unexpected repairs or replacement of capital improvements upon the Common Area, attorney fees and/or litigation costs, other professional fees, or for any other reason, the Board thereof shall determine the approximate amount necessary to defray such Expenses and levy a Special Assessment against the portions of the Property within its jurisdiction which shall be computed in the same manner as Regular Assessments. No Special Assessment shall be levied which exceeds twenty percent (20%) of the budgeted gross Expenses of such Association for that fiscal year, without the vote or written assent of the Owners representing a majority of the votes of the Members of such Association. The Board shall, in its discretion, determine the schedule under which such Special Assessment will be paid.

10.3.2 Consistent Basis of Assessment. Every Special Assessment levied by and for the Association shall be levied and paid upon the same basis as that prescribed for the levying and payment of Regular Assessments for such Association.

10.4 Limited Assessments. Notwithstanding the above provisions with respect to Regular and Special Assessments, a Board may levy a Limited Assessment against a Member as a remedy to reimburse the Association for costs incurred in bringing the Member and/or such Member's Building Lot into compliance with the provisions of the governing instruments for Arrowrock Ranch Subdivision.

10.5 Uniform Rate of Assessment. Unless otherwise specifically provided herein, Regular and Special Assessments shall be fixed at a uniform rate per Building Lot for all Members of the Association.

10.6 10.6 Assessment Period. Unless otherwise provided in the Articles or Bylaws, the Assessment period shall commence on January 1 of each year and terminate December 31 of the year in which the Initiation Date occurs. The first Assessment shall be pro-rated according to the number of months remaining in the fiscal year and shall be payable in equal monthly installments.

10.7 10.7 Notice and Assessment Due Date. Ten (10) days prior written notice of Regular and Special Assessments shall be sent to the Owner of every Building Lot subject thereto, and to any person in possession of such Building Lot. The due dates for installment payment of Regular Assessments and Special Assessments shall be the first day of each month unless some other due date is established by the Board. Each monthly installment of the Regular Assessment or Special Assessment shall become delinquent if not paid within ten (10) days after the levy thereof. There shall accrue with each installment that is not paid within thirty (30) days after the due date shall accrue a late fee as set by the Board. The Association may bring an action against the delinquent Owner and may foreclose the lien against such Owner's Building Lot as more fully provided herein. Each Owner is personally liable for Assessments, together with all interest, costs and attorney fees, and no Owner may exempt such Owner from such liability by a waiver of the use and enjoyment of the Common Areas, or by lease or abandonment of such Owner's Building Lot.

10.8 Estoppel Certificate. The Association, upon at least twenty (20) days prior written request, shall execute, acknowledge and deliver to the party making such request, a statement in writing stating whether or not, to the knowledge of the Association, a particular Building Lot Owner is in default under the provisions of this Third Amended Declaration, and further stating the dates to which any Assessments have been paid by the Owner. Any such certificate delivered pursuant to this paragraph 10.8 may be relied upon by any prospective purchaser or mortgagee of the Owner's Building Lot. Reliance on such Certificate may not extend to any default as to which the signor shall have had no actual knowledge.

10.9 Special Notice and Quorum Requirements. Notwithstanding anything to the contrary contained in either the Bylaws or the Articles, written notice of any meeting called for the purpose of levying a Special Assessment, or for the purpose of obtaining a membership vote in connection with an increase in the Regular Assessment, shall be sent to all Members of the Association and to any person in possession of

a Building Lot in the applicable Tract, not less than fifteen (15) days nor more than thirty (30) days before such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of the total votes of the Association shall constitute a quorum. If such quorum is not present, subsequent meetings may be called subject to the same notice requirement, and the required quorum at the subsequent meetings shall be fifty percent (50%) of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

ARTICLE XI: ENFORCEMENT OF ASSESSMENTS; LIENS

11.1 Right to Enforce. The Association has the right to collect and enforce its Assessments pursuant to the provisions hereof. Each Owner of a Building Lot, upon becoming an Owner of such Building Lot, shall be deemed to covenant and agree to pay each and every Assessment provided for in this Third Amended Declaration and agrees to the enforcement of all Assessments in the manner herein specified. In the event an attorney or attorneys are employed for the collection of any Assessment, whether by suit or otherwise, or to enforce compliance with or specific performance of the terms and conditions of this Third Amended Declaration, each Owner agrees to pay reasonable attorney fees in addition to any other relief or remedy obtained against such Owner. The Board or its authorized representative may enforce the obligations of the Owners to pay such Assessments by commencement and maintenance of a suit at law or in equity, or the Board may exercise the power of foreclosure and sale pursuant to paragraph 11.3 to enforce the liens created hereby. A suit to recover a money judgment for an unpaid Assessment shall be maintainable without foreclosing or waiving the lien hereinafter provided.

11.2 Assessment Liens.

11.2.1 Creation. There is hereby created a claim of lien with power of sale on each and every Building Lot to secure payment of any and all Assessments levied against such Building Lot pursuant to this Third Amended Declaration together with interest thereon at the maximum rate permitted by law and all costs of collection which may be paid or incurred by the Association making the Assessment in connection therewith, including reasonable attorney fees. All sums assessed in accordance with the provisions of this Third Amended Declaration shall constitute a lien on such respective Building Lots upon recordation of a claim of lien with the Ada County Recorder. Such lien shall be prior and superior to all other liens or claims created subsequent to the recordation of the notice of delinquency and claim of lien except for tax liens for real property taxes on any Building Lot and Assessments on any Building Lot in favor of any municipal or other governmental assessing body which, by law, would be superior thereto.

11.2.2 Claim of Lien. Upon default of any Owner in the payment of any Regular, Special or Limited Assessment issued hereunder, the Association may cause to be recorded in the office of the Ada County Recorder a claim of lien. The claim of lien shall state the amount of such delinquent sums and other authorized charges (including the cost of recording such notice), a sufficient description of the Building Lot(s) against which the same have been assessed, and the name of the record Owner thereof. Each delinquency shall constitute a separate basis for a notice and claim of lien, but any number of defaults may be included within a single notice and claim of lien. Upon payment to the Association of such delinquent sums and charges in connection therewith or other satisfaction thereof, the Association shall cause to be recorded a further notice stating the satisfaction of relief of such delinquent sums and charges. The Association may demand and receive the cost of preparing and recording such release before recording the same.

11.3 Method of Foreclosure. Such lien may be foreclosed by appropriate action in court or by sale by the Association establishing the Assessment, its attorney or other person authorized to make the sale. Such sale shall be conducted in accordance with the provisions of the Idaho Code applicable to the exercise of powers of sale permitted by law. The Board is hereby authorized to appoint its attorney, any officer or director of the Association, or any title company authorized to do business in Idaho as trustee for the purpose of conducting such power of sale or foreclosure.

11.4 Required Notice. Notwithstanding anything contained in this Third Amended Declaration to the contrary, no action may be brought to foreclose the lien created by recordation of the notice of

delinquency and claim of lien, whether judicially, by power of sale or otherwise, until the expiration of thirty (30) days after a copy of such claim of lien has been deposited in the United States mail, certified or registered, postage prepaid, to the Owner of the Building Lot(s) described in such notice of delinquency and claim of lien, and to the person in possession of such Building Lot(s), and a copy thereof is recorded by the Association in the Office of the Ada County Recorder.

11.5 Subordination to Certain Trust Deeds. The lien for the Assessments provided for herein in connection with a given Building Lot shall not be subordinate to the lien of any deed of trust or mortgage except the lien of a first deed of trust or first mortgage given and made in good faith and for value that is of record as an encumbrance against such Building Lot prior to the recordation of a claim of lien for the Assessments. Except as expressly provided in paragraph 11.6 with respect to a first mortgagee who acquires title to a Building Lot, the sale or transfer of any Building Lot shall not affect the Assessment lien provided for herein, nor the creation thereof by the recordation of a claim of lien, on account of the Assessments becoming due whether before, on, or after the date of such sale or transfer, nor shall such sale or transfer diminish or defeat the personal obligation of any Owner for delinquent Assessments as provided for in this Third Amended Declaration.

11.6 Rights of Mortgagees. Notwithstanding any other provision of this Third Amended Declaration, no amendment of this Third Amended Declaration shall operate to defeat the rights of the Beneficiary under any deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after the foreclosure of any such deed of trust such Building Lot shall remain subject to this Third Amended Declaration as amended.

ARTICLE XII: INSPECTION OF ASSOCIATION'S BOOKS AND RECORDS

12.1 Member's Right of Inspection. The membership register, books of account and minutes of meetings of the Board and committees of the Association shall be made available for inspection and copying by any Member of the Association or by such Member's duly appointed representatives, at any reasonable time and for a purpose reasonably related to such Member's interest as a Member at the office of the Association or at such other place as the Board of such Association shall prescribe. No Member or any other person shall copy the membership register for the purposes of solicitation of or direct mailing to any Member of the Association.

12.2 Rules Regarding Inspection of Books and Records. The Board shall establish reasonable rules with respect to:

12.2.1 Notice to be given to the custodians of the records by the persons desiring to make the inspection.

12.2.2 Hours and days of the week when such an inspection may be made.

12.2.3 Payment of the cost of reproducing copies of documents requested pursuant to this Article XII.

12.3 Director's Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association, and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and copies of documents.

ARTICLE XIII: ARCHITECTURAL COMMITTEE

13.1 Creation. Within thirty (30) days of the date on which the Grantor first conveys a Building Lot to an Owner, Grantor shall appoint three (3) individuals to serve on Arrowrock Ranch Subdivision Architectural Committee ("Architectural Committee"). Each member shall hold office until such time as such member has resigned or has been removed, or such member's successor has been appointed, as provided

herein. A member of the Architectural Committee need not be an Owner. Members of the Architectural Committee may be removed by the person or entity appointing them at any time without cause.

13.2 Grantor's Right of Appointment. At any time, and from time to time, until Grantor has sold all platted Building Lots in Arrowrock Ranch Subdivision, but not less than ten (10) years after the recording date of this Third Amended Declaration in which Grantor is the Owner of any of the Property, Grantor shall have the exclusive right to appoint and remove all members of the Architectural Committee. At all other times, the Association Board shall have the right to appoint and remove all members of the Architectural Committee. If a vacancy on the Architectural Committee occurs and a permanent replacement has not yet been appointed, Grantor or the Board, as the case may be, may appoint an acting member to serve for a specified temporary period not to exceed one (1) year.

13.3 Review of Proposed Construction. The Architectural Committee shall consider and act upon any and all proposals or plans and specifications submitted for its approval pursuant to this Third Amended Declaration, and perform such other duties as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with plans approved by the Architectural Committee. The Board shall have the power to determine, by rule or other written designation consistent with this Third Amended Declaration, which types of Improvements shall be submitted for Architectural Committee review and approval. The Architectural Committee shall have the power to hire an architect, licensed with the State of Idaho, to assist the Architectural Committee in its review of proposals or plans and specifications submitted to the Architectural Committee. The Architectural Committee shall approve proposals or plans and specifications submitted for its approval only if it deems that the construction, alterations or additions contemplated thereby in the locations indicated will not be detrimental to the habitat of the Common Areas, or appearance of the surrounding area of the Property as a whole, that the appearance of any structure affected thereby will be in harmony with the surrounding structures, and that the upkeep and maintenance thereof will not become a burden on the Association.

13.3.1 Conditions on Approval. The Architectural Committee may condition its approval of proposals or plans and specifications upon such changes therein as it deems appropriate, and/or upon the agreement of the Owner submitting the same ("Applicant") to grant appropriate easements to the Association for the maintenance thereof, and/or upon the agreement of the Applicant to reimburse the Association for the cost of maintenance, and may require submission of additional plans and specifications or other information before approving or disapproving material submitted.

13.3.2 Architectural Committee Rules and Fees. The Architectural Committee also may establish rules and/or guidelines setting forth procedures for and the required content of the applications and plans submitted for approval. Such rules may require a fee to accompany each application for approvals or additional factors which it will take into consideration in reviewing submissions. The Architectural Committee shall determine the amount of such fee in a reasonable manner. Such fees shall be used to defray the costs and expenses of the Architectural Committee, including the cost and expense of hiring an architect licensed by the State of Idaho, as provided above, or for such other purposes as established by the Board, and such fee shall be refundable to the extent not expended for the purposes herein stated.

Such rules and guidelines may establish, without limitation, specific rules and regulations regarding design and style elements, landscaping and fences and other structures such as animal enclosures as well as special architectural guidelines applicable to Building Lots located adjacent to public and/or private open space.

13.3.3 Detailed Plans. The Architectural Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, landscape plans, drainage plans, elevation drawings and descriptions or samples of exterior material and colors. Until receipt by the Architectural Committee of any required plans and specifications, the Architectural Committee may postpone review of any plan submitted for approval.

13.3.4 Architectural Committee Decisions. Decisions of the Architectural Committee and the reasons therefor shall be transmitted by the Architectural Committee to the Applicant at the

address set forth in the application for approval within thirty (30) days after filing all materials required by the Architectural Committee. Any materials submitted pursuant to this Article XIII shall be deemed approved unless written disapproval by the Architectural Committee shall have been mailed to the Applicant within thirty (30) days after the date of filing said materials with the Architectural Committee.

13.4 Meetings of the Architectural Committee. The Architectural Committee shall meet from time to time as necessary to perform its duties hereunder. The Architectural Committee may from time to time by resolution unanimously adopted in writing, designate a Architectural Committee representative (who may, but need not be one of its members) to take any action or perform any duties for and on behalf of the Architectural Committee, except the granting of variances pursuant to paragraph 13.9. In the absence of such designation, the vote of any two (2) members of the Architectural Committee, or the written consent of any two (2) members of the Architectural Committee taken without a meeting, shall constitute an act of the Architectural Committee.

13.5 No Waiver of Future Approvals. The approval of the Architectural Committee of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matter whatever subsequently or additionally submitted for approval or consent.

13.6 Compensation of Members . The members of the Architectural Committee shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties hereunder and except as otherwise agreed by the Board.

13.7 Inspection of Work. Inspection of work and correction of defects therein shall proceed as follows:

13.7.1 Upon the completion of any work for which approved plans are required under this Article XIII, the Owner shall give written notice of completion to the Architectural Committee.

13.7.2 Within sixty (60) days thereafter, the Architectural Committee or its duly authorized representative may inspect such Improvement. If the Architectural Committee finds that such work was not done in substantial compliance with the approved plans, it shall notify the Owner in writing of such non-compliance within such sixty (60) day period, specifying the particular noncompliance, and shall require the Owner to remedy the same.

13.7.3 If upon the expiration of thirty (30) days from the date of such notification, or any longer time the Architectural Committee determines to be reasonable, the Owner shall have failed to remedy such noncompliance, the Architectural Committee shall notify the Board in writing of such failure. Upon notice and hearing, as provided in the Bylaws, the Board shall determine whether there is a noncompliance and, if so, the nature thereof and the estimated cost of correcting or removing the same. If a noncompliance exists, the Owner shall remedy or remove the same within a period of not more than forty-five (45) days from the date of the announcement of the Board ruling unless the Board specifies a longer time as reasonable. If the Owner does not comply with the Board ruling within such period, the Board, at its option, may either remove the non-complying improvement or remedy the noncompliance, and the Owner shall reimburse the Association, upon demand, for all expenses incurred in connection therewith. If such expenses are not promptly repaid by the Owner to the Association, the Board shall levy a Limited Assessment against such Owner for reimbursement pursuant to this Third Amended Declaration.

13.7.4 If for any reason the Architectural Committee fails to notify the Owner of any noncompliance within sixty (60) days after receipt of the written notice of completion from the Owner, the work shall be deemed to be in accordance with the approved plans.

13.8 Non-Liability of Architectural Committee Members. Neither the Architectural Committee nor any member thereof, nor its duly authorized Architectural Committee representative, shall be liable to the

Association, or to any Owner or Grantee for any loss, damage or injury arising out of or in any way connected with the performance of the Architectural Committee's duties hereunder, unless due to the willful misconduct or bad faith of the Architectural Committee. The Architectural Committee shall review and approve or disapprove all plans submitted to it for any proposed improvement, alteration or addition, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and to the Property generally. The Architectural Committee shall take into consideration the aesthetic aspects of the architectural designs, placement of building, landscaping, color schemes, exterior finishes and materials and similar features, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of any plan or design from the standpoint of structural safety or conformance with building or other codes.

13.9 Variances. The Architectural Committee may authorize variances from compliance with any of the architectural provisions of this Third Amended Declaration, including restrictions upon height, size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. However no variances will be granted for construction of structures or Improvements, including without limitation manicured lawns, in the Common Areas. Such variances must be evidenced in writing, must be signed by at least two (2) members of the Architectural Committee, and shall become effective upon recordation in the office of the County Recorder of Ada County. If such variances are granted, no violation of the covenants, conditions or restrictions contained in this Third Amended Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Third Amended Declaration for any purpose except as to the particular Building Lot and particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting such Owner's use of the Building Lot, including but not limited to zoning ordinances or requirements imposed by any governmental or municipal authority.

ARTICLE XIV: EASEMENTS

14.1 Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Building Lot and such portion or portions of the Common Area adjacent thereto or as between adjacent Building Lots due to the unwillful placement or settling or shifting of the Improvements including but not limited to structures, walkways, bike paths, sidewalks and driveways constructed, reconstructed or altered thereon in accordance with the terms of this Third Amended Declaration. Easements of encroachment shall be valid only so long as they exist, and the rights and obligations of Owners shall not be altered in any way because of encroachments, settling or shifting of the Improvements; provided, however, that in no event shall a valid easement for encroachment occur due to the willful act or acts of an Owner. In the event a structure on any Building Lot is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Building Lot agree that minor encroachments over adjoining Building Lots that existed prior to the encroachment may be reconstructed pursuant to the easement granted by this paragraph 14.1.

14.2 Easements of Access. Grantor expressly reserves for the benefit of all the Property reciprocal easements of access, ingress and egress for all Owners to and from their respective Building Lots for installation and repair of utility services, for drainage of water over, across and upon adjacent Building Lots, and Common Areas, resulting from the normal use of adjoining Building Lots or Common Areas, and for necessary maintenance and repair of any Improvement including fencing, retaining walls, lighting facilities, mailboxes and sidewalk abutments, trees and landscaping. Such easements may be used by Grantor, and by all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Property, for pedestrian walkways, vehicular access and such other purposes reasonably necessary for the use and enjoyment of a Building Lot or Common Area.

14.3 Drainage and Utility Easements. Notwithstanding anything expressly or impliedly contained herein to the contrary, this Third Amended Declaration shall be subject to all easements heretofore or hereafter granted by Grantor for the installation and maintenance of utilities and drainage facilities that are required for the development of the Property. In addition, Grantor hereby reserves for the benefit of any Association the right to grant additional easements and rights-of-way over the Property and/or a Tract, as

appropriate, to utility companies and public agencies as necessary or expedient for the proper development of the Property until close of escrow for the sale of the last Building Lot in the Property to a purchaser.

14.3.1 Improvement of Drainage and Utility Easement Areas. The Owners of Building Lots are hereby restricted and enjoined from constructing any Improvements upon any drainage or utility easement areas as shown on the Plat of Arrowrock Ranch Subdivision or otherwise designated in any recorded document which would interfere with or prevent the easement from being used for such purpose; provided, however that the Owner of such Building Lots and the Grantor, Association or designated entity with regard to the landscaping easement described in this Article XIV, shall be entitled to install and maintain landscaping on such easement areas, and also shall be entitled to build and maintain fencing on such easement areas subject to approval by the Association Architectural Committee, so long as the same would not interfere with or prevent the easement areas from being used for their intended purposes; provided, that any damage sustained to Improvements on the easement areas as a result of legitimate use of the easement area shall be the sole and exclusive obligation of the Owner of the Building Lot whose Improvements were so damaged.

14.4 Rights and Duties Concerning Utility Easements . The rights and duties of the Owners of the Building Lots within the Property with respect to utilities shall be governed by the following:

14.4.1 Wherever utility house connections are installed within the Property, which connections or any portions thereof lie in or upon Building Lots owned by an Owner other than the Owner of the Building Lot served by the connections, the Owner of the Building Lot served by the connections shall have the right, and is hereby granted an easement to the full extent necessary therefor, to enter upon any Building Lot or to have their agent enter upon any Building Lot within the Property in or upon which said connections or any portion thereof lie, to repair, replace and generally maintain the connections as and when it may be necessary.

14.4.2 Whenever utility house connections are installed within the Property, which connections serve more than one Building Lot, the Owner of each Building Lot served by the connections shall be entitled to full use and enjoyment of such portions of said connections as service such Owner's Building Lot.

14.5 Driveway Easements. Whenever a driveway is installed within the Property which in whole or in part lies upon a Building Lot owned by an Owner other than the Owner of the Building Lot served, or installed to serve more than one Building Lot, the Owner of each Building Lot served or to be served by such driveway shall be entitled to full use and enjoyment of such other Building Lot as required to service such Owner's Building Lot or to repair, replace or maintain such driveway.

14.6 Disputes as to Sharing of Costs. In the event of a dispute between Owners with respect to the repair or rebuilding of utility connections or driveways, or with respect to the sharing of the cost therefor, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board which shall decide the dispute and, if appropriate, make an appropriate Assessment against any or all of the Owners involved on behalf of the prevailing Owner(s), which Assessment shall be collected and enforced in the manner provided by this Third Amended Declaration for Limited Assessments.

14.7 General Landscape Easement. An easement is hereby reserved to each appropriate Association, its contractors and agents, to enter those portions of Building Lots, for the purpose of installing, maintaining, replacing and restoring exterior landscaping, and natural vegetation and habitat. Such landscaping activity shall include, by way of illustration and not of limitation, the mowing of lawns, irrigation, sprinkling, tree and shrub trimming and pruning, walkway improvement, seasonal planting and such other landscaping activities within the Property as such Association shall determine to be necessary from time to time.

14.8 Overhang Easement. There shall be an exclusive easement appurtenant to each Building Lot over the Common Areas for overhanging eaves, and for any projections from the buildings, which projections shall not extend beyond the eave line.

14.9 Maintenance and Use Easement Between Walls and Lot Lines. Whenever the wall of a structure, or a fence or retaining wall, constructed on a Building Lot under plans and specifications approved by the Architectural Committee is located within three (3) feet of the lot line of such Building Lot, the Owner of such Building Lot is hereby granted an easement over and on the adjoining Building Lot (not to exceed 3 feet from the Building Lot line) for purposes of maintaining and repairing such wall or fence and eaves or other overhangs, and the Owner of such adjoining Building Lot is hereby granted an easement for landscaping purposes over and on the area lying between the lot line and such structure or fence so long as such use does not cause damage to the structure of fence.

ARTICLE XV: MISCELLANEOUS

15.1 Term. The easements created hereunder shall be perpetual, subject only to extinguishment by the holders of such easements as provided by law. The covenants, conditions, restrictions and equitable servitudes of this Third Amended Declaration shall run until October 1, 2030, unless amended as herein provided. After October 1, 2030, such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless extinguished by a written instrument executed by Members holding at least three-fourths (3/4) of the voting power of the Association and such written instrument is recorded with the Ada County Recorder. Further provided that the Association shall not be dissolved without the prior written approval of the Ada County Highway District, such consent not to be unreasonably withheld provided that a responsible successor organization shall agree to perform those maintenance responsibilities arising from applicable city and county governmental requirements.

15.2 Amendment.

15.2.1 By Grantor. Except as provided in paragraph 15.3 below, until the recordation of the first deed to a Building Lot in the Property, the provisions of this Third Amended Declaration may be amended, modified, clarified, supplemented, added to (collectively, "amendment") or terminated by Grantor by recordation of a written instrument setting forth such amendment or termination. Any amendment affecting only a particular Tract may be made by Grantor by an amendment to this Third Amended Declaration at any time up to the recordation of the first deed to a Building Lot in such Tract.

15.2.2 By Owners. Except where a greater percentage is required by express provision in this Third Amended Declaration, the provisions of this Third Amended Declaration, other than this Article XV, any amendment shall be by an instrument in writing signed and acknowledged by the president and secretary of the Association certifying and attesting that such amendment has been approved by the vote or written consent of Owners representing more than fifty percent (50%) of the votes in the Association, and such amendment shall be effective upon its recordation with the Ada County Recorder. Any amendment to this Article XV shall require the vote or written consent of Members holding ninety-five percent (95%) of the voting power of the Association.

15.2.3 Effect of Amendment. Any amendment of this Third Amended Declaration approved in the manner specified above shall be binding on and effective as to all Owners and their respective properties notwithstanding that such Owners may not have voted for or consented to such amendment. Such amendments may add to and increase the covenants, conditions, restrictions and easements applicable to the Property but shall not prohibit or unreasonably interfere with the allowed uses of such Owner's property which existed prior to the said amendment.

15.3 Mortgage Protection. Notwithstanding any other provision of this Third Amended Declaration, no amendment of this Third Amended Declaration shall operate to defeat or render invalid the rights of the beneficiary under any first deed of trust upon a Building Lot made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after foreclosure of any such first deed of trust such Building Lot shall remain subject to this Third Amended Declaration, as amended.

15.4 Notices. Any notices permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after the same has been deposited in the United States mail,

postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association, as provided in this paragraph 15.4.

15.5 Enforcement and Non-Waiver.

15.5.1 Right of Enforcement. Except as otherwise provided herein, any Owner of any Building Lot shall have the right to enforce any or all of the provisions hereof against any property within the Property and Owners thereof.

15.5.2 Violations and Nuisances. The failure of any Owner of a Building Lot to comply with any provision hereof, or with any provision of the Articles or Bylaws of any Association, is hereby declared a nuisance and will give rise to a cause of action in the Grantor, the Association or any Owner Building Lot(s) within the Property for recovery of damages or for negative or affirmative injunctive relief or both. However, any other provision to the contrary notwithstanding, only Grantor, the Association, the Board, or a duly authorized agent of any of them, may enforce by self-help any of the provisions hereof only if such self-help is preceded by reasonable notice to the Owner.

15.5.3 Violation of Law. Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property within the Property is hereby declared to be a violation of this Third Amended Declaration and subject to any or all of the enforcement procedures set forth in this Third Amended Declaration and any or all enforcement procedures in law and equity.

15.5.4 Remedies Cumulative. Each remedy provided herein is cumulative and not exclusive.

15.5.5 Non-Waiver. The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the right to enforce any such provision.

15.6 Interpretation. The provisions of this Third Amended Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property. This Third Amended Declaration shall be construed and governed under the laws of the State of Idaho.

15.6.1 Restrictions Construed Together. All of the provisions hereof shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the recitals of this Third Amended Declaration.

15.6.2 Restrictions Severable. Notwithstanding the provisions of the foregoing paragraph 15.6.1, each of the provisions of this Third Amended Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

15.6.3 Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each including the masculine, feminine and neuter.

15.6.4 Captions. All captions and titles used in this Third Amended Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

15.7 Successors and Assigns. All references herein to Grantor, Owners, any Association or person shall be construed to include all successors, assigns, partners and authorized agents of such Grantor, Owners, Association or person.

IN WITNESS WHEREOF, President of the Arrowrock Ranch Homeowners Association has set its hand this ____ day of June, 2011.

By: _____
Gerald J. Corvino, Board President

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
County of Ada)

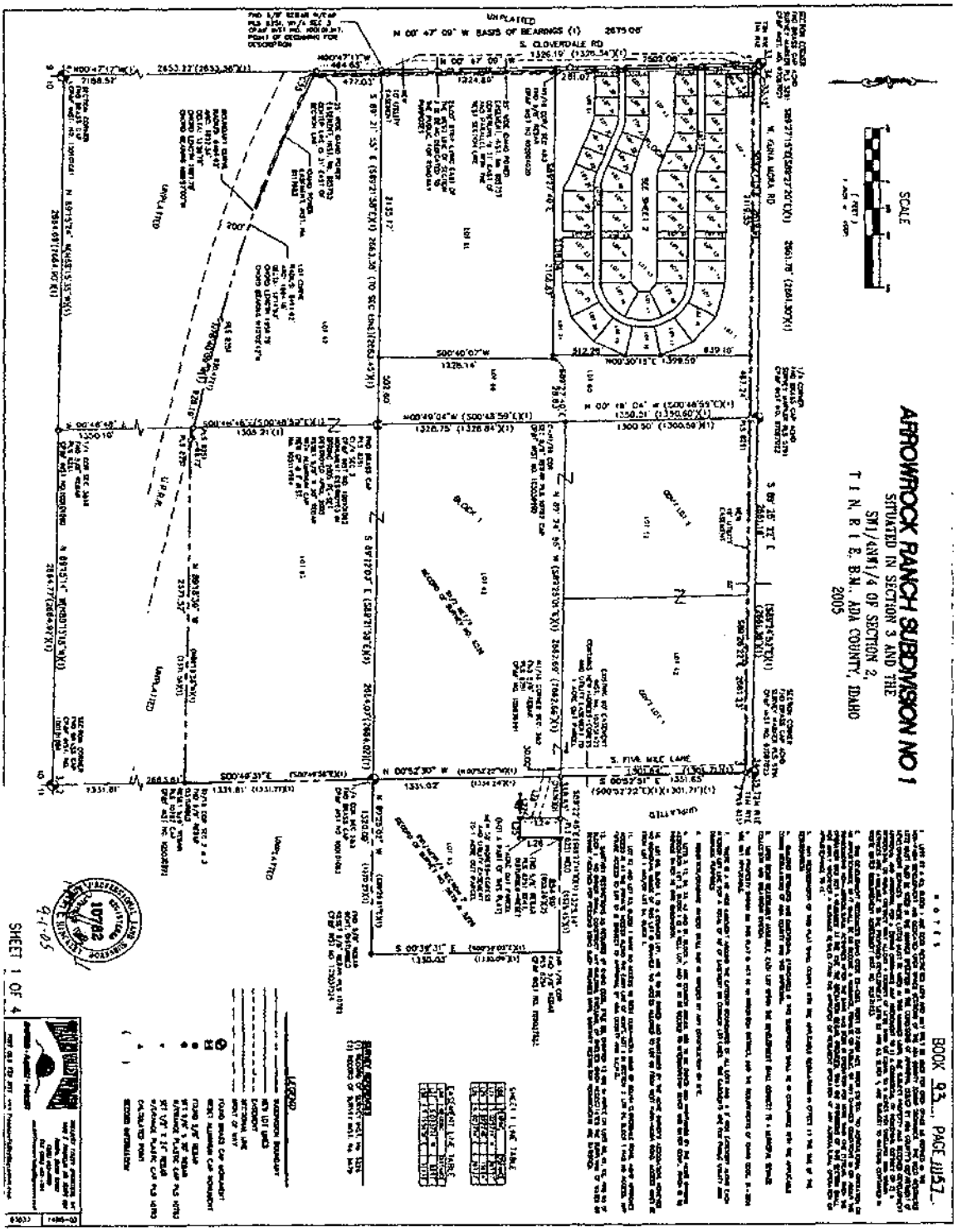
On this 22 day of July, 2011, before me, the undersigned, a Notary Public in and for said state, personally appeared Gerald J Corvino, the person who executed the instrument on behalf of said Idaho Corporation, and acknowledged to me that such Idaho corporation executed the same.

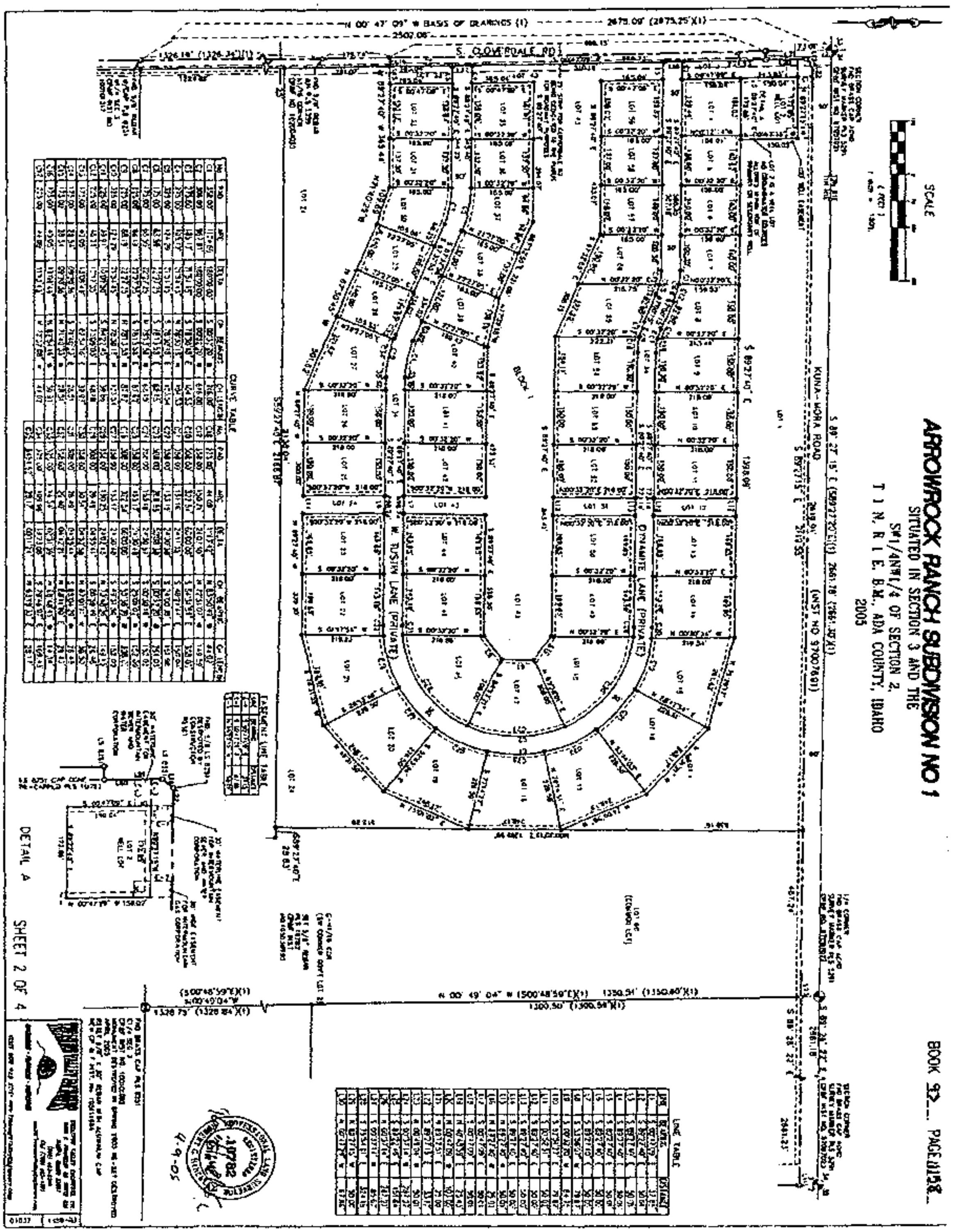
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

MARK W. EHLHARDT NOTARY PUBLIC STATE OF IDAHO

_____
Notary Public for Idaho
Residing at: Kuna, Id
My Commission Expires: 11-21-12

EXHIBIT A
PLAT




ARROWROCK RANCH SUBDIVISION NO 1
SITUATED IN SECTION 3 AND THE
SW1/4NW1/4 OF SECTION 2,
T 1 N, R 1 E, B.M., ADA COUNTY, IDAHO
2005
BOOK 92 PAGE
SCALE
S. CLOVERDALE RD
KUNA-MORA ROAD
BLOCK 1
DYNAMITE LANE (PRIVATE)
CURVE TABLE
LINE TABLE
DETAIL A
SHEET 2 OF 4

ARROWROCK RANCH SUBDIVISION NO. 1

SITUATED IN SECTION 3 AND THE
SW1/4NW1/4 OF SECTION 2
T 1 N, R 1 E, B.M., ADA COUNTY, IDAHO
2005

BOOK 93, PAGE 11159

CERTIFICATE OF OWNERS

KNOW ALL MEN BY THESE PRESENTS: THAT THE UNDERSIGNED ARE THE OWNERS OF THE REAL PROPERTY HEREAFTER DESCRIBED, AND INTEND TO INCLUDE SAID REAL PROPERTY IN THIS SUBDIVISION:

LEGAL DESCRIPTION

Land within Section 3, T1N, R1E and the SW1/4NW1/4 of Section 2, T1N, R1E, B.M., Ada County, Idaho, as follows:

BEGINNING at the West 1/4 Corner of said Section 3, marked by a 5/8 inch rebar, with a plastic cap stamped "PLS 8251" as per Corner Perpetuation Record Inst. No. 100101317, Ada County Records;

thence, along the West Line of said Section 3, North 00°47'09" West, 2502.08 feet, to a point on the boundary of that parcel of land described in Warranty Deed Inst. No. 97007831;
thence, along the boundary of said Parcel, the (eleven) 5 (five) calls:

1). North 89°13'51" East, 25.00 feet;
2). North 00°47'09" West, 103.00 feet;
3). North 40°43'39" East, 25.43 feet;
4). South 89°27'15" East, 2618.91 feet, to a found 5/8" rebar, PLS 8251;
5). South 89°26'22" East, 2651.23 feet, to a found 5/8" rebar, PLS 8251 on the line common to said Sections 3 and 2;
thence, along said common line, South 00°52'51" East, 1301.64 feet, to the North 1/16 corner marked by a found 5/8" rebar, PLS 8251;
thence along the North Line of the SW1/4NW1/4 of said Section 2, South 89°22'48" East, 318.52 feet, to a found 5/8 inch rebar, with a plastic cap marked "Hodge PLS 8575";
thence South 00°37'14" West, 287.27 feet, to a set 5/8 inch rebar, with an orange plastic cap marked "TVE PLS 10782" (hereafter noted simply as a "set 5/8 inch rebar");
thence South 89°22'46" East, 151.84 feet, to a set 5/8 inch rebar;
thence North 00°37'14" East, 287.27 feet, to a set 5/8 inch rebar on the North Line of said SW1/4NW1/4 of Section 2;
thence, along said North Line, South 89°22'48" East, 854.99 feet, to the Northeast corner of said SW1/4NW1/4, marked by a found 5/8" rebar, PLS 8251;
thence, along the East Line thereof, South 00°39'31" East, 1330.03 feet, marking the Southeast corner of said SW1/4NW1/4;
thence along the South line thereof, North 89°23'02" West, 1320.09 feet, to the 1/4 Corner common to said Sections 2 and 3, marked with a brass cap monument, as per Corner Perpetuation Record Inst. No. 104010183;
thence along the line common to said Sections 2 and 3, South 00°49'31" East, 1331.81 feet, to a set 5/8 inch rebar marking the South 1/16 corner;
thence, along the South Line of the N1/2SE1/4 of said Section 3, North 89°16'39" West, 2621.37 feet, to a found 5/8 inch rebar, marked PLS 8251 on the northerly right-of-way of the Union Pacific Railroad;
thence, along said right-of-way, North 76°40'09" West, 928.19 feet, to a 5684.62 foot radius curve to the right;
thence, along said right-of-way and the arc of said curve, 1992.34 feet, through a central angle of 13°28'18", and having a chord which bears, North 69°37'00" West, 1987.78 feet, to a point on the West Line of said Section 3;
thence, along said West Line, North 00°47'17" West, 484.65 feet, to the POINT OF BEGINNING.

Containing 500.13 acres, more or less.

ALL OF THE LOTS SHOWN ON THIS PLAT WILL BE ELIGIBLE TO RECEIVE WATER SERVICE FROM INTERMOUNTAIN SEWER AND WATER CORP., AND INTERMOUNTAIN SEWER AND WATER CORP. HAS AGREED, IN WRITING, TO SERVE ALL OF THE LOTS IN THIS SUBDIVISION. (I.C. 50-1334)

THE EASEMENTS AND PRIVATE ROADS, AS SHOWN ON THIS PLAT, ARE NOT DEDICATED TO THE PUBLIC, BUT THE RIGHT TO USE SAID EASEMENTS IS HEREBY PERPETUALLY RESERVED FOR PUBLIC UTILITIES AND SUCH OTHER USES AS DESIGNATED HEREON AND NO PERMANENT STRUCTURES ARE TO BE ERECTED WITHIN THE LINES OF SAID EASEMENTS.

A 25.00 FT WIDE STRIP ALONG THE WEST LINE OF THIS SUBDIVISION IS BEING DEDICATED TO THE PUBLIC, FOR ROADWAY PURPOSES ALONG W. CLOVERDALE RD., AS SHOWN.

ARBOR RIDGE, LLC
GREGORY B. JOHNSON, MANAGER

ACKNOWLEDGEMENT

STATE OF IDAHO } S.S.
COUNTY OF ADA }

ON THIS 15th DAY OF Aug 2005 BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED GREGORY B. JOHNSON, KNOWN OR IDENTIFIED TO ME TO BE THE MANAGER OF ARBOR RIDGE, LLC, THAT EXECUTED THE INSTRUMENT ON BEHALF OF SAID LIMITED LIABILITY COMPANY, AND ACKNOWLEDGED TO ME THAT SUCH LIMITED LIABILITY COMPANY EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST ABOVE WRITTEN.

NOTARY PUBLIC FOR Idaho
RESIDING AT Meridian ID
MY COMMISSION EXPIRES 8/30/08

ANTHONY H. MILLER

TERRY L. MILLER

ACKNOWLEDGEMENT

STATE OF IDAHO } S.S.
COUNTY OF ADA }

ON THIS 15th DAY OF August 2005 A.D., BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED ANTHONY H. MILLER AND TERRY L. MILLER, HUSBAND AND WIFE, KNOWN, OR IDENTIFIED TO ME TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME.

IN WITNESS WHEREOF: I HAVE HEREUNTO SET MY HAND AND AFFIXED MY SEAL THE DAY AND YEAR FIRST ABOVE WRITTEN

NOTARY PUBLIC FOR Idaho RESIDING IN Meridian IDAHO MY COMMISSION EXPIRES 8/30/08
NOTARY PUBLIC FOR Idaho
RESIDING AT Meridian ID
MY COMMISSION EXPIRES 8/30/08

LAVAR K. THORNTON

WILMA M. THORNTON

LAYNE THORNTON

LORI THORNTON

ACKNOWLEDGEMENT

STATE OF IDAHO } S.S.
COUNTY OF ADA }

ON THIS 15th DAY OF August 2005 A.D., BEFORE ME THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY APPEARED LAVAR K. THORNTON AND WILMA M. THORNTON, HUSBAND AND WIFE, AND LAYNE THORNTON AND LORI THORNTON, HUSBAND AND WIFE, KNOWN, OR IDENTIFIED TO ME TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME.

IN WITNESS WHEREOF: I HAVE HEREUNTO SET MY HAND AND AFFIXED MY SEAL THE DAY AND YEAR FIRST ABOVE WRITTEN.

NOTARY PUBLIC FOR Idaho RESIDING IN Meridian IDAHO MY COMMISSION EXPIRES 8/30/08
NOTARY PUBLIC FOR Idaho
RESIDING AT Meridian ID
MY COMMISSION EXPIRES 8/30/08

10782

8-11-05

SHEET 3 OF 4

31

ARROWROCK RANCH SUBDIVISION NO. 1

BOOK 93 PAGE 11160

SITUATED IN SECTION 3 AND THE
SW1/4NW1/4 OF SECTION 2
T 1 N, R 1 E, B.M., ADA COUNTY, IDAHO
2005

CERTIFICATE OF SURVEYOR

I, ROBERT G. HINCKLEY, PLS, DO HEREBY CERTIFY THAT I AM A PROFESSIONAL LAND SURVEYOR LICENSED BY THE STATE OF IDAHO, AND THAT THIS PLAT AS DESCRIBED IN THE "CERTIFICATE OF OWNERS" WAS DRAWN FROM AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY DIRECT SUPERVISION AND ACCURATELY REPRESENTS THE POINTS PLATTED THEREON, AND IS IN CONFORMITY WITH THE STATE OF IDAHO CODE RELATING TO PLATS, SURVEYS AND CORNER PERPETUATION AND FILING ACT, IDAHO CODE 55-1601 THROUGH 55-1612.

ROBERT G. HINCKLEY — PLS 10782

CENTRAL DISTRICT HEALTH DEPARTMENT

SANITARY RESTRICTIONS AS REQUIRED BY IDAHO CODE, TITLE 50, CHAPTER 13 HAVE BEEN SATISFIED BASED ON THE STATE OF IDAHO, DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ) APPROVAL OF THE DESIGN PLANS AND SPECIFICATIONS AND THE CONDITIONS IMPOSED ON THE DEVELOPER FOR CONTINUED SATISFACTION OF THE SANITARY RESTRICTIONS. BUYER IS CAUTIONED THAT AT THE TIME OF THIS APPROVAL, NO DRINKING WATER OR SEWER/SEPTIC FACILITIES WERE CONSTRUCTED. BUILDING CONSTRUCTION CAN BE ALLOWED WITH APPROPRIATE BUILDING PERMITS IF DRINKING WATER OR SEWER FACILITIES HAVE SINCE BEEN CONSTRUCTED OR IF THE DEVELOPER IS SIMULTANEOUSLY CONSTRUCTING THOSE FACILITIES. IF THE DEVELOPER FAILS TO CONSTRUCT FACILITIES OR MEET THE OTHER CONDITIONS OF DEQ, THEN SANITARY RESTRICTIONS MAY BE REIMPOSED, IN ACCORDANCE WITH SECTION 50-1326, IDAHO CODE, BY THE ISSUANCE OF A CERTIFICATE OF DISAPPROVAL, AND NO CONSTRUCTION OF ANY BUILDING OR SHELTER REQUIRING DRINKING WATER/SEPTIC FACILITIES SHALL BE ALLOWED.

BY: *Malcolm McGregor REHS*
CENTRAL DISTRICT HEALTH DEPARTMENT

DATE: *08-10-05*

APPROVAL OF ADA COUNTY HIGHWAY DISTRICT

THE FOREGOING PLAT WAS ACCEPTED AND APPROVED BY THE BOARD OF ADA COUNTY HIGHWAY DISTRICT COMMISSIONERS ON THE *23* DAY OF *March*, 200*5*

CHAIRMAN, ADA COUNTY HIGHWAY DISTRICT ACHD

APPROVAL OF COUNTY COMMISSIONERS

I, *Rick Yzaguirre*, CHAIRMAN OF THE ADA COUNTY COMMISSIONERS, ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT AT A REGULAR MEETING OF THE COMMISSIONERS HELD ON THE *13* DAY OF *Sept.*, 200*5* THIS PLAT WAS ACCEPTED AND APPROVED.

CHAIRMAN *[signature]*

CERTIFICATE OF COUNTY SURVEYOR

I, THE UNDERSIGNED, PROFESSIONAL LAND SURVEYOR FOR ADA COUNTY, IDAHO, DO HEREBY CERTIFY THAT I HAVE CHECKED THIS PLAT AND FIND THAT IT COMPLIES WITH THE STATE OF IDAHO CODE RELATING TO PLATS AND SURVEYS.

John E. Priester 9/6/05
COUNTY SURVEYOR PLS 5040

CERTIFICATE OF COUNTY TREASURER

I, THE UNDERSIGNED, COUNTY TREASURER IN AND FOR THE COUNTY OF ADA, STATE OF IDAHO, DO HEREBY CERTIFY THAT ANY AND ALL CURRENT AND/OR DELINQUENT PROPERTY TAXES FOR THE PROPERTY INCLUDED IN THIS PROPOSED SUBDIVISION HAVE BEEN PAID IN FULL. THIS CERTIFICATION IS VALID FOR THE NEXT THIRTY (30) DAYS.

[signature] 9-13-05
COUNTY TREASURER — DATE

COUNTY RECORDERS CERTIFICATE

I HEREBY CERTIFY THAT THIS INSTRUMENT WAS FILED AT THE REQUEST OF *Arbor Ridge* AT *54* MINUTES PAST *10* O'CLOCK THIS *14* DAY OF *September* 200*5*, A.D., AND WAS DULY RECORDED IN BOOK *93* OF PLATS AT PAGES *11153* THRU *11160*. INSTRUMENT NUMBER *[illegible]*

DEPUTY *[signature]*

FEE: *21.00*

J. David Navarro
EX-OFFICIO RECORDER

SHEET 4 OF 4

32

EXHIBIT B

Arrowrock Ranch Phase 1 - Irrigation Summary					
Building Lot	Area (Square Feet)	Approximate Hardscape (Square Feet)	Remaining Square Feet	Watered Square Feet	Unwatered Square Feet
4	21,534	4,000	17,534	21,780	0
5	21,654	4,000	17,654	21,780	0
6	21,840	4,000	17,840	21,780	0
7	21,887	4,000	17,887	21,780	0
8	27,807	4,000	23,807	21,780	2,027
9	32,640	4,000	28,640	21,780	6,860
10	32,700	4,000	28,700	21,780	6,920
11	32,700	4,000	28,700	21,780	6,920
13	36,983	4,000	32,983	21,780	11,203
14	36,992	4,000	32,992	21,780	11,212
15	43,560	4,000	39,560	21,780	17,780
16	43,560	4,000	39,560	21,780	17,780
17	43,560	4,000	39,560	21,780	17,780
18	43,560	4,000	39,560	21,780	17,780
19	43,560	4,000	39,560	21,780	17,780
20	43,560	4,000	39,560	21,780	17,780
21	43,560	4,000	39,560	21,780	17,780
22	36,992	4,000	32,992	21,780	11,212
23	36,983	4,000	32,983	21,780	11,203
25	32,700	4,000	28,700	21,780	6,920
26	32,700	4,000	28,700	21,780	6,920
27	33,346	4,000	29,346	21,780	7,566
28	23,128	4,000	19,128	21,780	0

29	23,114	4,000	19,114	21,780	0
30	23,810	4,000	19,810	21,780	0
31	22,605	4,000	18,605	21,780	0
32	21,773	4,000	17,773	21,780	0
35	22,597	4,000	18,597	21,780	0
36	22,605	4,000	18,605	21,780	0
37	26,331	4,000	22,331	21,780	551
38	22,605	4,000	18,605	21,780	0
39	24,278	4,000	20,278	21,780	0
40	33,728	4,000	29,728	21,780	7,948
41	32,700	4,000	28,700	21,780	6,920
42	32,700	4,000	28,700	21,780	6,920
44	36,983	4,000	32,983	21,780	11,203
45	36,974	4,000	32,974	21,780	11,194
46	43,286	4,000	39,286	21,780	17,506
47	37,673	4,000	33,673	21,780	11,893
48	43,286	4,000	39,286	21,780	17,506
49	36,974	4,000	32,974	21,780	11,194
50	36,983	4,000	32,983	21,780	11,203
52	32,700	4,000	28,700	21,780	6,920
53	32,700	4,000	28,700	21,780	6,920
54	33,658	4,000	29,658	21,780	7,878
55	31,914	4,000	27,914	21,780	6,134
56	26,982	4,000	22,982	21,780	1,202
57	23,100	4,000	19,100	21,780	0
58	22,605	4,000	18,605	21,780	0
59	22,578	4,000	18,578	21,780	0

Total Phase 1 Lots	365,515 Sq. Ft

EXHIBIT C
"AC GUIDELINES"

Arrowrock Ranch Subdivision AC Guidelines	
Description	**Guideline**
Minimum Living Space (Single-Story)	2,200+ sq. ft.
Minimum Living Space (Two-Story)	1,200+ sq. ft. for main floor, and not less than 2,400 sq. ft. total
Setbacks	Front: 30 ft.; Sides: 20 ft.; Rear: 40 ft. * setbacks apply to the residence and all other structures
Roofing Requirements	30 year architectural asphalt shingles, or better
Roof Pitch	6/12 or better, or as approved by the AC
Landscape Requirements	See paragraph 4.18
Sprinkler Systems	Full sprinkler systems
Garage Features	Detached allowed only with prior AC approval; must use same materials and similar design as main residential structure
Shops & Sheds	Allowed only with prior AC approval; must use same materials and similar design as main residential structure
Recreational Vehicles	Must be enclosed in garage or shop
Monument Yard Light	No required, but encouraged

Colored stamped concrete sidewalks, Accents on driveway and as approved by AC	Encouraged
Basketball Hoops	May not be attached to house or structure. Otherwise, as approved by AC
Fence	Grantor shall provide taupe vinyl fencing along the Subdivision's perimeter. Internal boundary fences are discouraged, but may be installed with prior AC approval in the 5 ft. black powder coated wrought iron design attached hereto as Exhibit D. Privacy fencing for pools and patios may be approved in advance by the AC in vinyl, brick, stone or stucco.

EXHIBIT D
APPROVED WROUGHT IRON FENCING DESIGN

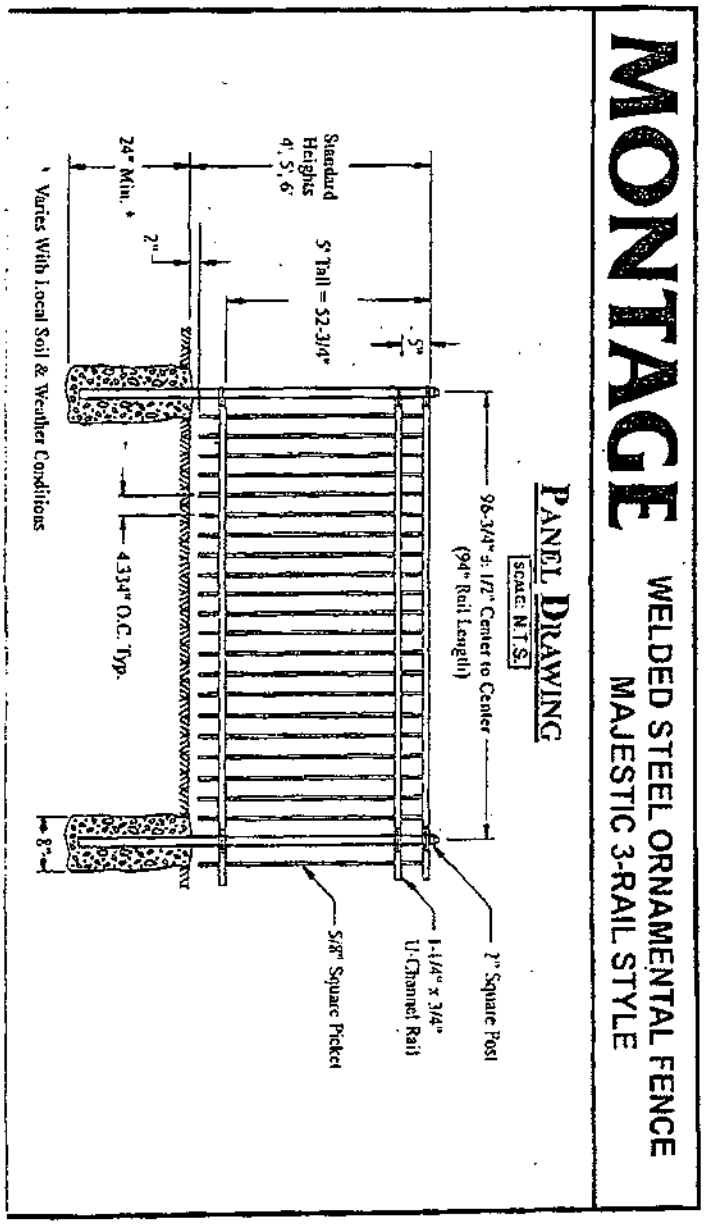


EXHIBIT C

From: Nicholas Nydegger <NYDEGGEN@msn.com>
Sent: Thursday, September 14, 2023 7:09 AM
To: Larry Squires <larry@westparkco.com>
Cc: arrowrockbd@gmail.com; Arrowrock Ranch <arrowrockranch@mgm.replypro.homes>; Hethe Clark <hclark@clarkwardle.com>; Debbie Taylor <debbie@westparkco.com>; tom@valleyhydro.com; Greg Johnson <greg@westparkco.com>; Taylor Merrill <taylor@westparkco.com>; Valerie.Greear@deq.idaho.gov; Chris Hecht <Chris.Hecht@puc.idaho.gov>; Ryan Poole <rpoole@smithknowles.com>; Cody Sprague <csprague@mountainwtr.com>
Subject: RE: Arrowrock Ranch Water Pressure/Flow Problem with Mayfield Springs Water Company

Larry,

Yes, I will get some dates from DEQ and get back with you.

Regards,

Nick Nydegger
Arrowrock Ranch

From: Larry Squires <larry@westparkco.com>
Sent: Wednesday, September 13, 2023 4:54 PM
To: Nicholas Nydegger <NYDEGGEN@msn.com>
Cc: arrowrockbd@gmail.com; Arrowrock Ranch <arrowrockranch@mgm.replypro.homes>; Hethe Clark <hclark@clarkwardle.com>; Debbie Taylor <debbie@westparkco.com>; tom@valleyhydro.com; Greg Johnson <greg@westparkco.com>; Taylor Merrill <taylor@westparkco.com>; Valerie.Greear@deq.idaho.gov; Chris Hecht <Chris.Hecht@puc.idaho.gov>; Ryan Poole <rpoole@smithknowles.com>; Cody Sprague <csprague@mountainwtr.com>
Subject: RE: Arrowrock Ranch Water Pressure/Flow Problem with Mayfield Springs Water Company

Nick,
Thanks for the response. Would you please proceed with setting up the meeting with DEQ as you suggested? Greg Johnson would like to be at the meeting, but he is out of town until after the first part of October. Please do not try and schedule anything prior to the 2nd week of October. It would be helpful to have two or three possible times to choose from as we would like to coordinate our schedules internally, and also involve a representative from the water engineer firm.

Thanks!
Larry Squires

From: Nicholas Nydegger <NYDEGGEN@msn.com>
Sent: Tuesday, September 12, 2023 10:25 AM
To: Larry Squires <larry@westparkco.com>
Cc: arrowrockbd@gmail.com; Arrowrock Ranch <arrowrockranch@mgm.replypro.homes>; Hethe Clark <hclark@clarkwardle.com>; Debbie Taylor <debbie@westparkco.com>; tom@valleyhydro.com; Mike Woodworth <mwoodworth@mountainwtr.com>; Greg Johnson <greg@westparkco.com>; Taylor Merrill <taylor@westparkco.com>; Valerie.Greear@deq.idaho.gov; Chris Hecht <Chris.Hecht@puc.idaho.gov>; Ryan Poole <rpoole@smithknowles.com>
Subject: RE: Arrowrock Ranch Water Pressure/Flow Problem with Mayfield Springs Water Company

Larry,

Here is our response to the proposals we are discussing. We still believe pump upgrades are then best choice. I appreciate your insight and efforts. Please see the included file for our full response. Let me know if you have troubles reading the file.

Best Regards,

Nick Nydegger
Arrowrock Ranch
208-867-7309

From: Larry Squires <larry@westparkco.com>
Sent: Friday, August 25, 2023 10:16 AM
To: Nicholas Nydegger <NYDEGGEN@msn.com>
Cc: arrowrockbd@gmail.com; Arrowrock Ranch <arrowrockranch@mgm.replypro.homes>; Hethe Clark <hclark@clarkwardle.com>; Debbie Taylor <debbie@westparkco.com>; tom@valleyhydro.com; Mike Woodworth <mwoodworth@mountainwtr.com>; Greg Johnson <greg@westparkco.com>; Taylor Merrill <taylor@westparkco.com>
Subject: RE: Arrowrock Ranch Water Pressure/Flow Problem with Mayfield Springs Water Company

Nick,
After reviewing the contents of your emailed letter dated August 17, 2023 with our consultants, which included Mountain Waterworks engineers and Tom Mehiel, the outside system operator, we have refined the three previously discussed options. A very brief summary of those three options