RETURN TO: Gore & Grewe, PS 103 E. Indiana Ave. Ste A Spokane, WA 99207

## AMENDED REVISED MASTER WATER SERVICE AGREEMENT

This Amended Revised Master Water Service Agreement (the "Agreement") is made effective this \_\_\_\_ day of \_\_\_\_\_, 2022, by GOLF CLUB ESTATES WATER ASSOCIATION, INC., an Idaho nonprofit corporation ("Corporation") which owns and operates the water system described herein to set forth the terms and conditions for water service to the Members of the Corporation.

## RECITALS

WHEREAS, Golf Club Estates Water, Inc., an Idaho nonprofit corporation, owned and operated a water system ("hereafter "water system") that provided water to Priest Lake Golf Club, Inc., owning real property commonly known as Priest Lake Golf Course and described as a portion of 25-60N-5W TAX 44 LESS TAX 61 SE LESS PLATS & TAX 62 BLK 4 TAX 1 OF LOT 5 PLGC EST PRIEST LAKE GOLF CLUB, parcel no. RP60N05W251358A; and to the lot owners of Priest Lake Golf Club Estates, Priest Lake Golf Club Estates First Addition, Priest Lake Golf Club Estates Second Addition, all as described in the PLATS THEREOF RECORDED IN BOOKS 3, 4, 6, AND 7 OF PLATS, PAGES 17, 19, 22, 29, 159, AND 192 RECORDS OF BONNER COUNTY, IDAHO, and to lot owners of any subsequent addition to Priest Lake Golf Club Estates, all of whom are Members of the Corporation; and

WHEREAS, according to a Plan of Merger, Golf Club Estates Water, Inc. was merged into Golf Club Estates Water Association, Inc., an Idaho nonprofit corporation (the "Corporation"). Golf Club Estates Water Association, Inc. was the surviving entity of the merger, and as a result of the merger, acquired all right, title and interest in and to all of the assets of Golf Club Estates Water, Inc., including but not limited to all of the water rights, easements, real property, wells, pumps, tanks, pipe lines and all other equipment for the provision of water services to the Members described above; and

WHEREAS, Golf Club Estates Water, Inc. recorded a Master Water Service Agreement under Bonner County Recorder file number 646280 on March 23, 2004, to set forth the terms and conditions of

providing water to those Members not yet connected to the water system and to those Members connected to and receiving water from the water system; and

WHEREAS, the Corporation recorded a Revised Master Water Services Agreement under Bonner County Recorder file number 911799 on September 22, 2017; and

WHEREAS, the Corporation has expanded its Membership base to include the ERU Owners (as defined by the Water Supply Agreement dated the \_\_\_\_ day of \_\_\_\_\_, 2022) of Eagle Ridge and Eagle Terrace ("Millie's Developments") owning real property located in a portion of Section 25, Township 60 North, Range 5 West, Boise Meridian, Bonner County Idaho, and legally described on Exhibit "A" Attached hereto and made part hereof; and

WHEREAS, the Corporation now hereby enters into and records this Amended Revised Master Water Service Agreement to update, amend, revise and replace the Revised Master Water Service Agreement with this Amended Revised Master Water Service Agreement.

Now therefore, based upon good and valuable consideration, the Corporation hereby adopts the following terms and conditions:

- 1. Covenants Running with the Land. For the purpose of this Agreement the Corporation and Members make the declarations set forth in this Agreement as to the covenants, conditions and restrictions to which each lot or parcel of real property described above is subject. These covenants, conditions and restrictions shall be binding upon and shall benefit all Members, Property Owners, Equivalent Residential Unit Owners (ERU), persons or entities claiming or acquiring any interest in and/or to any parcel, lot of real property described herein or any owner of an ERU, Condominium, Apartment, or other such dwelling.
- Easements. Each Member grants, bargains, sells and conveys unto the Corporation an easement for the purpose of conveying water service over, across, through and under its lot, parcel of real property, or ERU, together with but not limited to the right to excavate and refill ditches and/or trenches for the location of water pipelines and/or water mains, and the further right to remove, as is necessary, reasonable and prudent, any trees, bushes, undergrowth and other obstructions interfering with the location, construction, and maintenance of such pipelines and/or water mains. Each Member warrants that the Member is lawfully seized and possessed of its lot, parcel of real property, or ERU, that the Member has the right to grant this easement, and that the Member shall forever warrant and defend the title of the Corporation in this easement against the lawful claims of all persons whomsoever. Each Member hereby releases the Corporation from any and all claims for damages whether incidental or through the exercise of the easement rights granted herein. It is the intention of the parties to include within this easement any existing water pipelines, water mains, connections, valves, and any other equipment of the Corporation which is part of the water system.
- 3. <u>Benefits and Duties of Member</u>. Each Member shall receive the following benefits, and be subject to the following duties:
  - a. Subject to the terms of the Water Supply Agreement between the Corporation and Millie's, the Corporation shall install, maintain and operate a main distribution pipeline from the source of the water supply and allow each Member of the Corporation, subject to the terms and conditions herein and as set forth in the By-Laws of the Corporation and any amendment thereto, to connect to the main distribution pipeline at the Member's expense.

- b. Upon compliance with all requirements for hook-up, a Member shall be entitled to a single one and one-quarter (1½") inch water service line per lot, parcel, property, or ERU connecting the Member's per lot, parcel, property, or ERU to the water system. Any additional water service line shall require (1) the approval of the Board of Directors of the Corporation and a certified engineer, and (2) payment of an additional hook up fee, annual fee, and any other charges established by the Corporation serving the same per lot, parcel, property, or ERU, per additional water service line. No new water service line or change in any existing line may be made which will interfere with an existing water service line or the delivery of water therein.
- c. The Member desiring connection to the water system shall notify the Corporation and complete an application for water service, which application is subject to approval by the Corporation. The application shall require the Member to be bound by this Amended Revised Master Water Services Agreement and the By-Laws of the Corporation, or any amendments thereto. The Member shall pay a hook-up fee and/or application fee to connect to the main distribution pipeline and the Member, at the discretion of the Board of Directors, may be required to sign and record a Consent to this Revised Master Water Services Agreement with the Bonner County Auditor. These requirements must be completed in advance of commencement of service or any work to connect to the water system.
- d. To connect to the water system, each Member shall purchase and install a cut-off valve, approved by the Board of Directors of the Corporation. The cut-off valve shall be owned by the Corporation after installation and become part of the main distribution pipeline. At the discretion of a certified engineer, the cut-off valve may be installed on the Member's property, and in such case, the Member grants to the Corporation an easement to provide full access to the valve and sufficient area to replace and repair the valve at the Member's expense. The Corporation shall have the sole and exclusive right to operate and use such cut-off valve and to turn it on and off.
- e. All materials used to connect to the main distribution pipeline shall be comparable to those used by the Corporation, and the workmanship and materials must be approved prior to installation by a certified engineer or a competent inspector selected by the Board of Directors. Any pipe connected to the main distribution pipeline shall be buried at least 4'6" below the surface of the ground. The water service line shall not be backfilled, or concealed without inspection by a certified engineer and a Member of the Board of Directors. All new connections to the main distribution pipeline shall be tested for the absence of leaks and flaws prior to burial or backfill.
- f. All expenses of installation, including labor and materials, repairs and upkeep of pipe and fittings, from and including the cut-off valve at the property line of the Member to the dwelling or other portions of the Member's lot, shall be paid by the Member. A Member owns the pipe, valves and all fittings beyond the cut-off valve to the Members dwelling and is responsible for the care and maintenance thereof.
- g. In the event a Member sells or transfers the lot or parcel of the Member, the transferee shall accept and agree to be bound by the terms of this Amended Revised Master Water Services Agreement and the By-laws of the Corporation, or any amendments thereto. At the discretion of the Board of Directors a transferee or new Member may be required to sign and record a Consent to this Revised Master Water Services Agreement with the Bonner County Auditor.

- h. Waste of water shall not be permitted and it shall be a violation for any Member or water user to permit any waste of water. In the event that such waste of water occurs and is not immediately corrected to the satisfaction of the Board of Directors after notification to the Member, the Board of Directors may turn off such Member's water supply at the cut-off valve to the Member's property. The Member shall then be charged with a fee set by the Board of Directors for this shut-off, with an added fee determined by the Board of Directors upon re-connection once the situation is corrected. These actions shall not relieve the Member of the Member's annual water service charge. If a Member's water is shut off pursuant to this provision, the Member shall remain obligated to pay all Water Service Charges assessed against the Member.
- i. When a Member requests a shut-off of the cut-off valve to his property, a fee to be determined by the Board of Directors shall be charged. An additional fee, to be determined by the Board of Directors, shall be charged for any subsequent reconnection to the system. It shall be a violation for any unauthorized person to open or close, or otherwise tamper, with any main valve, curb cock, or cut-off valve connected to the main distribution pipeline.
- j. Each Member shall abide by this Agreement, the provisions of the Articles of Incorporation, Bylaws of the Corporation, and such rules and regulations as may be prescribed by the Board of Directors, and any amendments thereto.
- k. Water from the system may be used only on the lot or parcel that has been connected to the water system. A Member shall not extend the connection to the water system to any other lot, parcel, property, or Member. A Member shall not sell water or provide water to be used for any purpose other than use upon the lot or parcel connected to the water system owned by a Member.
- 1. In the event the total water supply to the Members shall be insufficient to meet all the needs of the Members, or in the event there is a shortage of water, the Corporation may prorate the water available among the various Members on such basis as is deemed equitable by the Board of Directors. The Board of Directors may also prescribe a limitation of time and/or quantity of water used for landscape irrigation, or may prohibit the use of water for landscape irrigation should the water supply be insufficient to meet all the needs of all of the Members for domestic purposes.
- 4. <u>Board of Director Powers</u>. The Member acknowledges the Board of Directors have authority under the Articles of Incorporation, By-Laws and the laws of the State of Idaho to manage the affairs of the Corporation, including but not limited to the following powers of the Board of Directors:
  - a. The Board of Directors is authorized to impose dues, fees, charges, and penalties for services provided, and to levy assessments upon all Members.
  - b. The Board of Directors shall fix the amounts of all dues, fees, charges, and penalties by resolution, from time to time, and may make assessments payable at such times or intervals, and upon such notice and by such methods, as the Board of Directors may prescribe.
  - c. The Board of Directors may take such action as they deem necessary to secure the payment of fees and assessments, including commencement of a civil action, termination of service, and/or may secure repayment by filing a lien upon real property to which Membership rights are

appurtenant. The Corporation is authorized to file a lien with the Bonner County Recorder and may foreclose the lien in the same manner as a lien of mortgage.

- 5. <u>Billing for Water Service</u>. The Corporation shall bill each Member for fees, charges, and assessments pursuant to the amount and schedule as determined by the Board of Directors. Each Member shall pay all amounts billed by the Corporation within thirty (30) days after receipt of the billing. If a Member shall fails to pay any billing within sixty (60) days of receipt of the billing, the Corporation may; at its option, terminate water service to the Member, file a lien against the lot, parcel, property, or ERU and/or take any other action to collect the past due amounts billed. In the event of such default and prior to shut-off of water and/or the filing of a lien, the Corporation shall send written notice of shut-off and/or filing of lien twenty (20) days before taking such action. The written notice shall state the amounts necessary to cure the default, the time in which to cure the default, and the actions that will be taken in the event the default is not cured.
- 6. <u>Responsibility of Corporation</u>. After a parcel is connected to the water system, the Corporation shall be responsible only to make available to the Member such water at such pressure as may be available at the point of delivery from time to time as a result of the Corporation's normal operation of its water distribution system.
- 7. <u>Availability, Quantity and Pressure</u>. The Corporation does not assure or guarantee the Members the delivery of any specific quantity of water or specific water pressure to a Member and does not assure or guarantee availability of water or pressure for fire suppression. The Corporation shall have the right to temporarily discontinue the flow of water in the main distribution pipeline at any point of delivery in order to repair, maintain, improve or replace the main distribution pipeline or other portions of the Corporation's water distribution and supply system.
- 8. <u>Inadequacy or Nonavailability</u>. The Members shall not at any time assert any claim under this Agreement against the Corporation for loss or damage which may result from the inadequacy or nonavailability of water, as to both pressure and quantity, or from leaks or other defects in the water system. The Member shall release the Corporation and shall indemnify, hold harmless and defend the Corporation from any claims or liability for loss or damage to any person or property resulting from, arising out of, or connected with the rendition of service hereunder, in the event of such inadequacy or nonavailability of water, or in the event of leaks or other defects in the water system.
- 9. <u>Compliance of Members</u>. The Corporation shall provide water to the Members of the Corporation who are in full compliance with all requirements of this Agreement, the Articles of Incorporation, Bylaws, and any other rule or regulation imposed by the Board of Directors, and any amendments thereto.
- 10. <u>Rules and Regulations</u>. All services rendered hereunder shall be furnished subject to any rules or regulations of the Corporation from time to time in force and on file at the Corporation's principal office, insofar as applicable hereto, and not inconsistent herewith.
- 11. <u>Access and Inspection</u>. The Corporation shall have the right to enter upon the Member's lot, parcel, property, or ERU after reasonable request and at reasonable times to inspect the Member's connection to the Corporation's water distribution system, the use of water by the Member, and to determine whether the Member is in compliance with all rules, regulations, policies, Bylaws, Articles of Incorporation of the Corporation, as well as the terms and conditions of this Agreement, and any amendments thereto.

Provided, however, that, in the event of an emergency or other exigent circumstances, the Corporation may, after attempting to give the type of notice to the Member as is reasonable under the circumstances go onto the Member's lot, parcel, property, or ERU to attempt to prevent or minimize personal injury or property damage.

- 12. Notice to Parties. Service of any notice permitted or required under the terms of this Agreement shall be deemed complete upon the depositing of the same in the United States Mail First Class Postage Prepaid at the address of the notified party as set forth in the records of the Corporation, or such other address that the party to be notified shall have designated to the Corporation in writing or by e-mail if a consent to receive service by e-mail is on file with the Corporation, or by causing such notice to be served personally upon the Member or an officer of the Corporation, as the case may be. In the event there is more than one (1) person who owns a lot, parcel, property, or ERU constituting the Member herein, service by mail or personal service as provided above upon any one (1) person identified as owner and Member shall be good and sufficient service upon all persons who own the lot, parcel, property, or ERU the same as though such service had been made upon each and every Member associated with a lot, parcel, property, or ERU. In addition notice may also be given by e-mail or by telephonic communication upon the consent of the party to be notified.
- 13. <u>Severability and Validity</u>. In the event any provision of this Agreement or any part thereof shall be determined, by any court of competent jurisdiction to be invalid, void or otherwise unenforceable; the remaining provisions hereunder, or parts thereof, shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby. Such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the invalid, void or unenforceable provision or part thereof
- 14. <u>Entire Agreement</u>. This Agreement along with any exhibits or attachments herein referenced, constitutes the entire Agreement between the Board of Directors and the Members.
- 15. <u>Headings</u>. Headings or titles to said sections or paragraphs of this option are solely for the convenience of the parties and shall have no effect whatsoever on the interpretation of the provisions of this agreement.
  - 16. Law Governing. This agreement shall be governed by the laws of the State of Idaho.
- 17. <u>Counterparts</u>. This Agreement may be executed in two or more parts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument
- 18. <u>Attorney Fees</u>. In the event a breach by one party necessitates the other party referring this Agreement to an attorney for enforcement, or in the event of any suit or proceeding by either party herein against the other party, in any way arising out of this Agreement; or attempting to enforce any right herein granted, the prevailing party shall be entitled to reimbursement or an award of attorney fees, including fees on appeal.
- 19. <u>Binding Effect</u>. This Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, administrators, successors and assigns of the Corporation and the Members.

ADOPTED by resolution of the Board of Directors dated this _	day of	, 2022
GOLF CLUB ESTATES WATER ASSOCIATION, INC An Idaho nonprofit corporation		
By: Its:		
CONSENTED TO BY:		
MILLIE'S 40 BREN-BURK, LLC An Idaho limited liability company		
By: Its:		
MILLIE'S 1943 JESS/BURK, LLC An Idaho limited liability company		
By: Its:		
L.T. PARTNERSHIP, LTD A Texas limited partnership		
By:		

STATE OF	)		
County of	:ss )		
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Dated this	day of	2022.	<del></del> 1
			Notary Public in and for the State of
			residing at,  My Appointment Expires:

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STATE OF_			
County of	:ss )		
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Dated this	day of	2022.	
			Notary Public in and for the State of
			residing at,  My Appointment Expires: (Notary seal must be legible for scanning and not conceal text.)

STATE OF	) :ss		
County of			
appeared befor to be his free a that he is author	te me, and said indivi- and voluntary act for prized to execute the RSHIP, LTD, to be	dual acknown the uses and instrument	ence that, is the individual who wledged that he signed this instrument and acknowledged it d purposes mentioned in the instrument; and on oath stated, and acknowledged it as the of ad voluntary act of such party for the uses and purposes
Dated this	_ day of	2022.	
			Notary Public in and for the State of
			residing at, My Appointment Expires:, (Notary seal must be legible for scanning and not conceal text.)