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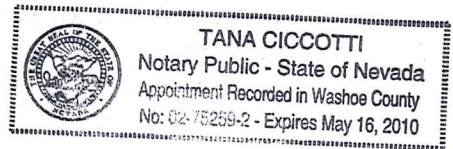
STATE OF NEVADA
COUNTY OF WASHOE

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: **09/15/2006 - 09/22/2006**, for exact publication dates please see last line of Proof of Publication below.

Subscribed and sworn to before me

Signed:

Julia Kaga
SEP 28 2006



Tana Ciccotti

Proof of Publication

NOTICE OF ADOPTION WASHOE COUNTY ORDINANCE NO. 1315 NOTICE IS HEREBY GIVEN THAT: Bill No. 1494, Ordinance No. 1315 entitled: AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 ADOPTING THE DEVELOPMENT AGREEMENT CASE NO. DA06-003 FOR TENTATIVE PARCEL MAP CASE NO. PM05-001, APPROVED BY THE PARCEL MAP REVIEW COMMITTEE OF WASHOE COUNTY ON FEBRUARY 18, 2005. was adopted on September 12, 2006 by Commissioners Galloway, Humke, Sferrazza, and Weber, with Chairman Larkin absent. This ordinance shall be in full force and effect from and after September 22, 2006. Typewritten copies of the ordinance are available for inspection by all interested persons at the office of the County Clerk, 75 Court Street Reno, Nevada, and can be found on the County Clerk's website, www.washoecounty.us/clerks. AMY HARVEY, Washoe County Clerk and Clerk of the Board of County Commissioners No. 319667 Sept 15, 22, 2006

SUMMARY: An ordinance adopting Development Agreement Case No. DA06-003 for Tentative Parcel Map Case No. PM05-001.

BILL NO. 1494

ORDINANCE NO. 1315

AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 ADOPTING THE DEVELOPMENT AGREEMENT CASE No. DA06-003 FOR TENTATIVE PARCEL MAP CASE No. PM05-001, APPROVED BY THE PARCEL MAP REVIEW COMMITTEE OF WASHOE COUNTY ON FEBRUARY 18, 2005.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE DO ORDAIN:

SECTION 1. The Development Agreement for Howard and Debra Bennett, Case No. DA06-003, including its attached exhibits and references, for Tentative Parcel Map Case No. PM05-001 located in the Warm Springs Specific Plan, is an acceptable document governing the development of the referenced property in Washoe County.

Proposed on the 22nd day of August 2006.

Proposed by Commissioner Humke.

Passed on the 12th day of September 2006.

Vote:

Ayes: Galloway, Humke, Ferrazza, Weber

Nays: none

Absent: Larkin

Bonnie Heber

Chairman
Washoe County Commission

ATTEST:

Dancy L. R. Chief Deputy
County Clerk

This ordinance shall be in force and effect from and after the 22nd day of September 2006.

APN# _____

Recording Requested by:

Name: Washoe County Clerk

Address: _____

City/State/Zip: _____

When Recorded Mail to:

Name: Washoe County Clerks Office

Address: _____

City/State/Zip: _____

Mail Tax Statement to:

Name: _____

Address: _____

City/State/Zip: _____



(for Recorder's use only)

Ordinance No. 1315
(Title of Document)

Please complete Affirmation Statement below:

I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does not contain the personal information of any person or persons.
(Per NRS 239B.030)

-OR-

I the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording does contain the personal information of a person or persons as required by law:

(State specific law)

Stacy Gonzales
Signature

Deputy Clerk
Title

Stacy Gonzales
Printed Name

This page added to provide additional information required by NRS 111.312 Sections 1-2 and NRS 239B.030 Section 4.

This cover page must be typed or printed in black ink.

(Additional recording fee applies)

SUMMARY: An ordinance adopting Development Agreement Case No. DA06-003 for Tentative Parcel Map Case No. PM05-001.

BILL NO. 1194

ORDINANCE NO. 1315

AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 ADOPTING THE DEVELOPMENT AGREEMENT CASE No. DA06-003 FOR TENTATIVE PARCEL MAP CASE No. PM05-001, APPROVED BY THE PARCEL MAP REVIEW COMMITTEE OF WASHOE COUNTY ON FEBRUARY 18, 2005.

THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE DO ORDAIN:

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Proposed on the 22nd day of August 2006.

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Passed on the 12th day of September 2006.

Vote:

Ayes: Galloway, Humke, Ferrazza, Weber

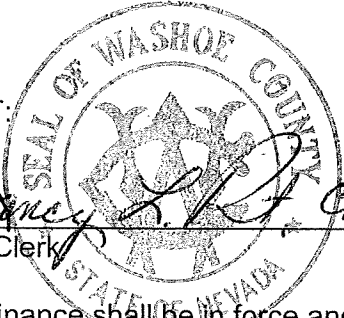
Nays: none

Absent: Larkin

Bonnie Heber

Chairman
Washoe County Commission

ATTEST:


Dancy L. R. Chief Deputy
County Clerk

This ordinance shall be in force and effect from and after the 22nd day of September 2006.

DEVELOPMENT AGREEMENT

Washoe County and Howard D. and Debra L. Bennett

This Development Agreement (the "Agreement") is effective on the date of recordation by Washoe County of this Agreement following its adoption by ordinance by the Washoe County Board of Commissioners ("Effective Date"), and is entered into by and between Washoe County, Nevada (hereinafter "County") and Howard D. And Debra L. Bennett, his agents and successors including developers and eventual subdivided-parcel-owners (hereinafter "Owner") (collectively hereinafter the "Parties").

WITNESSETH:

WHEREAS, the County is authorized, pursuant to Nevada Revised Statutes ("NRS") §278.0201, *et seq.*, and Washoe County Development Code ("Code") §110.814.00, *et seq.*, to enter into binding development agreements with persons having legal or equitable interests in real property for the purpose of establishing and strengthening long range plans for property development and providing for developer funding of certain public facilities to serve new development;

WHEREAS, Owner represents that he has complete and sole fee title ownership of the subject real property, the legal description of which is set forth on Exhibit "A" attached hereto and shown in the next identified exhibit (hereinafter the "Property");

WHEREAS, Owner has submitted and County has tentatively approved the initial preliminary parcel maps for development of the Property ("Project"), copies of which are attached hereto as Exhibit "B" ("Maps"), APN 077-340-38 and the expiration dates of which were recently extended by the parties until April 12, 2007 pursuant to an "interim development agreement" and ordinance approved by the County;

WHEREAS, the Parties desire to enter into this Agreement in accordance with NRS and Code, as applicable, to promote the health, safety and general welfare of the County's inhabitants, to help provide some public services, uses and infrastructure, for which Owner voluntarily offers to pay, to secure to Owner certain land development safeguards and rights, and to achieve the goals and purposes for which development agreement law was enacted;

WHEREAS, it is further the Parties' desire that this Agreement satisfy certain of the infrastructure and development provisions of the County's specific plan for part of the general

Warm Springs area in which this Property is located, the specific plan being known as the Warm Springs Specific Plan ("WSSP"), which was approved by the Washoe County Board of Commissioners on September 22, 1992, and amended to add a financing plan by said Commission on April 18, 1995; and

WHEREAS, the County is underway with a review and update of the formal area plan for the general Warm Springs area ("Area Plan"), which may produce significant changes to the WSSP this year, including possible updated fees and schedule, different development vision, and altered infrastructure needs and financing structure.

NOW, THEREFORE, the Parties agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are incorporated herein by this reference and shall aid in the interpretation of this Agreement.
2. **Permitted Uses, Density, Height, and Size of Structures.** Pursuant to NRS §278.0201 and Code §110.814.20, this Agreement must set forth the maximum height and size of structures to be constructed on the Property as well as the density of uses and the permitted uses of the land. The Parties agree that the Property shall be divided and the Project constructed strictly for single residential purposes in accordance with the Maps, the WSSP, the Code, and the NRS all in effect on the date of the County's tentative map approval of the Maps and as reflected in this Agreement, including its attached exhibits. Owner shall subdivide to a density only as shown on the Maps. However, Owner and his successors reserve the option to further subdivide the Property and its parcels in the future, pursuant to then existing law, if and when the WSSP, Area Plan, Code and the Washoe County Health Department permit it. This Paragraph 2 is, however, made subject to the provisions of Paragraph 6 below.
3. **Development And Infrastructure.**
 - 3.1 **Development Standards Handbook.** The Parties have jointly drafted, in accordance with the Code and WSSP, the Project's Development Standards Handbook ("Handbook"), which is attached hereto as Exhibit "C" and incorporated herein by this reference. Construction and use of the Project shall be in accordance with the Handbook.
 - 3.2 **WSSP HOA & CC&Rs.** As set forth in the WSSP, the Property shall be made subject to a master homeowners' association and master declaration of covenants, conditions and restrictions ("cc&rs") governing the entire WSSP area for the purposes identified in the WSSP, until the related WSSP requirements are modified or repealed, if at all, through the Area Plan update process. The association and the cc&rs shall be completed to the satisfaction of the County Community Development Department and the Washoe County District Attorney.
 - 3.3 **Disclosure Statement.** The Parties have jointly drafted, in accordance with the Code and WSSP, a Disclosure Statement ("Disclosure"), which is attached hereto as Exhibit "D" and incorporated herein by this reference. The purpose of the Disclosure is to provide all buyers specific information about certain aspects of the WSSP and this Agreement, and how those may affect their long-term ownership. The Disclosure is not intended to be comprehensive in all aspects of the acquisition of certain parcels. It is meant to only provide basic information about aspects of the WSSP and this Agreement that are required to be disclosed. A signed and

notarized copy of the Disclosure must be provided to all future property owners and must accompany all building permit applications submitted to the County. The purpose of this requirement is to ensure that all future owners of property within the Warm Springs community are aware of the requirements of the WSSP and this Agreement.

3.4 Water and Septic. Owner does not intend at this time to subdivide at any greater density than as shown on the Maps, which permits Owner to install septic and well facilities on each new parcel instead of connecting to community water and sewer facilities likely to be built by another area property owner known as the Warm Springs Ranch. Owner waives connection to community water and sewer systems at this time. Owner shall install the referenced septic and well facilities pursuant to applicable law and regulations existing at the time of issuance of each of the related well and septic permits. Owner and his successors may in the future connect to a community water or sewer system, pursuant to then existing law, if and when the WSSP, Area Plan, Code and the Washoe County Health Department permit it.

4. Financing.

4.1 Infrastructure Related Fees.

4.1.1 *Fee Commitments.* Owner offers to and agrees hereby to pay all fees described in this Agreement and its exhibits. The duty to pay said fees and any increased or decreased fees negotiated as mentioned below, shall run with the Property and be binding upon and inure to the benefit of the successors and assigns of the Parties. These fees shall be paid to County on or before the time of the recording of each final parcel map.

4.1.2 *Fee Area.* The area encompassed within the WSSP is hereby designated as the "Fee Area" for the imposition of fees and the collection of funds under the provisions of this Agreement.

4.1.3 *Special Fee Revenue Fund.* Except as otherwise specifically provided in this Agreement, all fees collected pursuant to this Agreement shall be placed in a special, segregated, interest-bearing revenue fund (a "Special Fund") for each fee category and shall be used solely for the purpose of constructing the applicable capital improvements or providing refunds or reimbursements (as defined in Paragraph 4.6 herein) in accordance with this Agreement. The County, through its Director of Community Development and/or its Finance Director, shall maintain detailed records to identify the development(s) from which fees were collected, for which purpose and how said fees were spent.

4.1.4 *Fee Changes.* So long as the Project does not change from the use described in the Maps and conditions thereto, and except as otherwise provided in this Agreement, the fees set forth in this Agreement shall not increase without the written consent of the Parties except that the fees shall be adjusted to reflect changes in actual construction costs, but only as such costs are adjusted during the regular review of the Capital Improvements Program (CIP) for the WSSP. The CIP is attached as Exhibit "E," entitled Financing Concept Plan for the WSSP, and is incorporated herein by this reference. Notwithstanding this, Owner's fee obligations as defined in this Agreement may be altered or repealed, but not increased, subject however to Paragraph 5 below, by the update to the Area Plan and WSSP, possibly to

include refunds of certain fees paid. Owner understands and agrees that no guarantee is expressed herein by the County and that this Agreement does not affect the update process nor ultimate amended Area Plan and WSSP in any respect whatsoever.

4.2 Fees – Roads, Drainage, Planning, Water, Parks, Open Space, and Utilities. At the recording of each final map for any phase of the Project, the fees set forth in this Agreement shall be paid by Owner to County as follows:

4.2.1 *Roadway Fees.* Owner agrees to pay to the County all roadway fees shown in the Fee Schedule for the Project attached hereto as Exhibit "F" (hereafter "Roadway Fees"). These fees shall be set aside in a Special Fund specifically for the construction of the first phase of the Spine Road or other collector roads as defined in the phasing plan for roadways set forth in Exhibit "E". County shall disburse these fees for the purpose of design and construction of the roadways or to reimburse Owner if Owner constructs collector roads to County specifications. These fees are separate and apart from the Regional Road Impact Fee (RRIF) (Paragraph 4.3.1), which is collected at building permit. The Roadway Fees are also separate and apart from the property owners' current fees collected by PVGID for the maintenance of public roadway easements.

4.2.2 *Storm Drainage Fees.* Owner agrees to pay to the County all storm drainage fees shown in the Fee Schedule for the Project attached hereto as Exhibit "F" (hereafter "Drainage Fees"). These fees shall be set aside in a Special Fund specifically for the construction of Spine Road Drainage Improvements as defined in the plan for storm drainage set forth in Exhibit "E". These fees shall be reimbursed to Owner only if Owner constructs said drainage improvements to County specifications.

4.2.3 *Planning Fees.* Only those planning fees paid pursuant to this Agreement (hereafter "Planning Fees") shall be placed in a Special Fund specifically for the repayment of certain planning costs incurred by particular property owners as noted in the CIP (Page G-xxii of Appendix G of the WSSP). Owner shall be credited Planning Fees as noted in the Fee Schedule attached as Exhibit "F." Pursuant to Paragraph 4.6.2 below, all Planning Fees accumulated in the Special Fund shall be used to reimburse said particular property owners who paid the cost of preparing the WSSP. Owner would otherwise pay Planning Fees as shown in the Fee Schedule (Exhibit "F").

4.2.4 *Community Water System Fees.* Owner agrees to pay to the County all community water system fees shown in the Fee Schedule for the Project attached hereto as Exhibit "F" (hereafter "Water System Fees"). These fees shall be placed in a Special Fund specifically for the purchase of land for, as well as the design and construction of, the Community Water System as defined in the plan set forth in Exhibit "E". All Water System Fees accumulated in the account shall be applied by the County or other government entity to design and construct this water system or used to reimburse Owner if Owner constructs said system to County specifications.

4.2.5 *Parks and Open Space Fees.* Owner agrees to pay to the County all parks and open space fees shown in the Fee Schedule for the Project attached hereto as Exhibit "F" (hereafter "Park Fees"). These fees shall be placed in a Special Fund specifically for the purchase

of land for, as well as the design and construction of, certain parks and open space as defined in the plan set forth Exhibit "E". All Park Fees accumulated in the account shall be applied by the County or other government entity to design and construct the parks and open space or used to reimburse Owner if Owner constructs said parks and open space to County specifications. The Park Fees are separate and apart from the Residential Construction Tax (Paragraph 4.3.2 below), which is collected at building permit.

4.2.6 *Public Facilities Fees – Police and Fire.* Owner agrees to pay to the County all public facilities' fees shown in the Fee Schedule for the Project attached hereto as Exhibit "F" (hereafter "Facilities' Fees"). These fees shall be placed in a Special Fund specifically for the purchase of land for, as well as the design and construction of, the police and fire public facilities otherwise known in and defined in Exhibit "E" as "Community Facilities". All Facilities' Fees accumulated in the account shall be applied by the County or other government entity to design and construct these public facilities or used to reimburse Owner if Owner constructs these facilities to County specifications.

4.3 Existing RTC and County Fees.

4.3.1 *Existing RTC Regional Road Impact Fee (RRIF).* Owner understands and agrees that in addition to the Roadway Fees discussed in Paragraph 4.2.1 above, the Project is subject to the current RRIF, which shall be paid by Owner to County pursuant to applicable RRIF law at issuance of building permits.

4.3.2 *Existing Park Tax – Residential Construction Tax (RCT).* Owner understands and agrees that in addition to the Park Fees discussed in Paragraph 4.2.5 above, the Project is subject to the current RCT for parks to be paid by Owner to County pursuant to applicable RCT law at issuance of building permits or as otherwise may be lawfully agreed to in writing by Washoe County Department of Regional Parks and Open Space. If Owner constructs the parks and open space to County specifications, then Owner shall be credited or refunded in accordance with such procedures for credit or refund.

4.4 Credits. The County's Director of Community Development shall make determinations of credit in accordance with this Agreement. Credits apply only to the respective Special Fund set forth in Paragraph 4.2 above and shall not be transferable to other Special Funds. Credits may only be used upon substantiation of the completion of improvements, or in the case of planning fees, evidence of payment of fees.

4.4.1 *Credits for Roadway Fees, Drainage Fees, Water System Fees, Park Fees, and Facilities' Fees.* Credit against fees paid to Special Funds shall be based on the actual cost of the provision of those facilities or the independently appraised value of the dedication, whichever is applicable. The actual cost or value shall be credited against the total amount due based upon the Per Fee Unit that is established by this Agreement and identified in Exhibit F hereto.

%% 4.4.2 *Credits for Planning Fees.* Only those particular property owners who paid the cost of preparing the initial WSSP, or their successors, shall be eligible for Planning Fees credit. Owner is eligible for Planning Fees' credit as one of the original payees and the

total amount of credits for the Maps, assuming all parcels are recorded, is estimated at the amount set forth in Exhibit F hereto.

4.5 Credit Waiver. Owner must apply any Credits at the time of the filing of a final parcel map. Owner's failure to do so for a particular final map shall be deemed a waiver of those Credits to that particular final map. Said Credits may be used on future parcel maps.

4.6 Refund/Reimbursements of Fees.

4.6.1 *Refunds*. Except as otherwise provided in this Agreement, upon completion of that category's capital improvements as identified in the CIP for the entire WSSP area, the County shall refund to current WSSP property owners all remaining fees in that category's fund (the "Refund"), less an administrative fee equal to the administrative costs incurred by the County. Refunds may be awarded only if the Director finds from all circumstances and evidence that: (i) the actual cost of all improvements made in that category of CIP improvement is less than all respective fees paid into that category; (ii) excess funds exist in the Special Fund; and (iii) no additional funds are required to complete the respective improvements required within the WSSP.

4.6.2 *Planning Fees' Reimbursement* In addition to the Credits provided for in this Agreement, the Owner may choose to be reimbursed for the actual Planning Fees paid through a reimbursement (the "Reimbursement"). However, in no event shall the combination of Credits and Reimbursements total more than the actual Planning Fees paid. Any Reimbursement made shall reduce the amount of Credit available. Conversely, any Credit obtained shall likewise reduce the amount of Reimbursement available. A request for Reimbursement shall be submitted by Owner to the County's Community Development Department within 30 days of the postmark date of notice mailed to Owner of the determination of actual costs made by the County's Director of Community Development. Should the Planning Fees Special Fund not have sufficient funds to allow for full Reimbursement, then the County shall repay, on a quarterly basis, from whatever funds have been collected during the preceding quarter into said fund until the full amount of Reimbursement is paid.

4.6.3 *Prorata Refunds/Reimbursements*. If more than one valid application for a Refund or Reimbursement is made and approved, the County shall allocate the funds available for reimbursement between the applicants based on the ratio of the actual costs incurred in each respective fee category or the ratio of the planning fees paid by the applicants.

4.6.4 *Director's Decision and Appeals*. Administrative decisions regarding Refunds or Reimbursements may be appealed by the affected Owner to the Washoe County Planning Commission by filing with the County's Department of Community Development a statement of the grounds of the appeal within ten (10) days of the postmark date of notice mailed to Owner of the written administrative decision. The County's Director of Community Development will schedule such appeal on the Planning Commission agenda for the next regularly scheduled meeting occurring at least twenty-one (21) calendar days after receipt of the appeal statement. If the Planning Commission reverses the decision of the Director of Community Development, it shall direct the Director to recalculate the fee in accordance with its findings. In no case shall the Planning Commission have the authority to negotiate the amount of the fee. If the Planning

Commission affirms the decision of the Director of Community Development, the affected Owner may appeal to the County Board of Commissioners within ten (10) calendar days of the Planning Commission hearing by filing a notice of appeal with the County's Department of Community Development. The County shall consider and render a decision on the appeal in a prompt manner.

4.7 Dedication and Maintenance of Facilities. Owner may be required to offer certain facilities, to include roadways, for dedication to the County at the time of the filing of a final map. Dedication of facilities or roadways to PVGID may also be required.

5. SADs and GIDs. Owner offers to and hereby agrees to waive protest to participation in any special assessment or general improvement district proceedings and agrees to cooperate fully therewith.

6. Reliance, Uncertainties and Subsequent Actions.

6.1 Reliance by the Parties. The Parties understand and acknowledge that the other relies upon the assurances, arrangements and promises set forth in this Agreement and its exhibits, all of which permit the construction and completion of the Project in accordance with the terms of and the uses, densities, heights, sizes and other similar matters defined in this Agreement and its exhibits.

6.2 Uncertainties. The Parties understand and acknowledge that circumstances beyond the control of either party could defeat their mutual intent that the Project be constructed in the manner contemplated by this Agreement. Among such circumstances is water availability or other limited natural resources, waste disposal limitations, federal regulation of air and water quality, and the Area Plan update and possible amended WSSP. The parties recognize that unforeseeable circumstances could affect each other's ability to perform obligations hereunder.

6.3 Subsequent Actions. Owner acknowledges and agrees this Agreement does not relieve the Owner from compliance with existing, changed, modified or amended rules, regulations, laws, ordinances, resolutions, fees or codes of other governmental agencies. Such rules, regulations, laws, ordinances, resolutions, fees or codes of governmental entities must be complied with by the Owner and are not locked in nor a part of this Agreement. Owner further acknowledges and agrees this Agreement does not prevent the County in a subsequent action applicable to the Property from adopting different law, provisions or conditions that do not conflict with the terms in and the law governing this Agreement, except that any subsequent action by the County shall not prevent the development of the Property pursuant to this Agreement. It is not the intent of the Parties nor shall this Paragraph be construed as excusing the County of any obligation hereunder or depriving Owner of any right under this Agreement, which can be performed and without impairment of the County's emergency powers and obligation to obey and enforce state and federal law (Code §110.814.05(c) and (d)).

6.3.1 Exceptions.

6.3.1.1 Amended WSSP. Notwithstanding this Paragraph 6 and any other contradictory term in this Agreement, Owner understands and agrees that certain possible changes to the WSSP as adopted through the current update process to the Warm Springs Area

Plan shall be binding upon Owner, successors and the Property no matter whether the final map or a building permit has been approved or issued, and Owner agrees to immediately cooperate and comply with such changes as may be contained within the updated Area Plan and amended WSSP. This Paragraph 6.3.1.1 is limited to those certain possible changes to the WSSP that concern homeowners' associations, cc&rs, water and sewer, non-paved-road maintenance and related costs and fees. This Paragraph 6.3.1.1 shall also constitute a covenant running with the land of the Property.

6.3.1.2 *Public Health & Safety Law.* Notwithstanding this Paragraph 6 and any other contradictory term in this Agreement, Owner understands and agrees that at the time of submission to the County for any map or permit (including without limitation final maps and building permits) related to the Project the then existing laws (whether local, state or federal) affecting public health and safety (as typically used for example in the building, health and fire codes' sectors) shall apply. This Paragraph 6.3.1.2 shall constitute a covenant running with the land of the Property.

7. Conflicting Laws.

7.1 Conflicting State or Federal Rules. In the event that any conflicting state or federal laws or regulations enacted after the date of this Agreement prevent or preclude compliance with one or more provisions of this Agreement or require changes in plans, maps or permits approved by the County, this Agreement shall remain in full force and effect as to those provisions not affected, and the conflicting laws or regulations shall not be applied retroactively.

7.1.1 *Notice and Copies.* Either party, upon learning of any such matter, will provide the other party with written notice thereof and provide a copy of any such law, regulation or policy or an account of any such action or inaction together with a statement of how any such matter conflicts with the provisions of this Agreement; and

7.1.2 *Modification Conferences.* The parties shall, within thirty (30) calendar days of the notice referred to in the preceding subsection, meet and confer in good faith and attempt to modify this Agreement to bring it into compliance with any such federal or state law or regulation, or accommodate any such action or inaction.

7.2 County Commission Hearings. In the event County believes that an amendment to this Agreement is necessary pursuant to this Paragraph 7, the proposed amendment shall be scheduled for hearing before the County Commission and noticed pursuant to law (including NRS §278.0205(2)). The County Commission shall determine the exact nature of the amendment or suspension necessitated by such federal or state law or regulation or action or inaction. Owner shall have the right to offer oral and written testimony at the hearing. The Commission's decision is subject to judicial review as set forth in Paragraph 9.3 below.

7.3 Cooperation in Securing Permits. County shall use its best efforts to cooperate with Owner in securing any County permits, licenses or other authorizations that may be required as a result of the Commission's decision. It is the responsibility of the owner to pay all applicable fees in connection with securing the permits.

8. Review, Default and Termination.

8.1 Frequency of Reviews. As required by NRS §278.0205 and Code §110.814.35, at least once every twenty-four (24) months during the Term of this Agreement Owner shall provide to the County's Community Development Department and County shall review in good faith a report demonstrating Owner's good faith and material compliance with the provisions of this Agreement and outlining any issues regarding the County's performance during the preceding twenty-four (24) months. The County's Director of Community Development shall promptly report to the County Commission on the topics of the Owner's report and satisfaction of this Agreement. If at the time of review an issue not previously identified in writing is required to be addressed, the review, at the request of either party, shall be continued to afford sufficient time for response.

8.2 Opportunity to be Heard. Any party requesting an opportunity to be heard by the County Commission on this review matter shall be given such opportunity within a reasonable time following submission of the Director's report to the Commission.

8.3 Procedures in the Event of Default. In the event of any default with any provision of this Agreement, the nondefaulting party shall send by regular mail to the other a courtesy notice not less than thirty (30) calendar days prior to declaring a default under this Agreement. This thirty-day period shall be measured from the date of postmark of the notice. The courtesy notice shall detail the alleged default, any action necessary to cure the default and, where appropriate, the manner and period of time in which the alleged default may be satisfactorily cured. During the period of time the default letter is pending, the defaulting party shall not be considered in default for the purposes of termination or institution of legal proceedings. If the default is corrected, then no default shall exist and the noticing party shall take no further action. If the default is not corrected within thirty (30) calendar days, the following shall occur:

8.3.1. *Set Hearing, Notice and Possible Freeze.* The party noticing a default shall set the matter for hearing before the County Commission. This hearing shall occur at the Commissions' meeting that follows after the minimum seven (7) business day mentioned in this Paragraph 8.3.1 plus the time necessary for publication and noticing pursuant to law. Said parties shall send a letter to the other party, by certified mail return receipt requested, and by regular mail, providing notice of intent to present the matter to the Commission, the date set for the Commission's public hearing of same, and notice of at least seven (7) business days before the hearing date of an additional opportunity to correct the default. The seven (7) or more business days will be measured from the date of postmark of the certified and regular mailing of the letter. If the default remains uncured at the expiration of these seven days the Commission shall conduct its hearing on the matter. Furthermore, if the Owner is the alleged defaulting party then the Director of Community Development may also immediately direct County staff to condition all future zoning, land use, and mapping applications for the Property so that the building permits to be issued as a result of those approvals shall not be issued until the default is corrected, subject to review by the Commission.

8.3.2 *Review by County Commission.* Following consideration of the evidence presented before the County Commission and a finding based on substantial evidence that a default has occurred by the alleged defaulting party and the default remains uncorrected, the

County Commission shall, in the event County is the defaulting party, direct County staff to immediately cure the default, and, if Owner is the defaulting party, the County may amend or terminate this Agreement and/or may ratify or authorize the suspension of building permits for the Development. Termination shall not in any manner rescind, modify, or terminate any vested right in favor of Owner, existing or received, as of the date of the termination. Should Owner elect to appeal, Owner shall have twenty-five (25) calendar days after the date of the Commission's hearing to institute legal action as set forth in Paragraph 9.3 below to determine whether the County Commission abused its discretion.

8.3.3 *Waiver*. Failure or delay in giving any notice provided for herein shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies in respect to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive such party of its right to institute and maintain any actions or proceeding which it may deem necessary to protect, assert, or enforce any of its right or remedies.

8.4 Unavoidable Delay or Default, Extension of Time for Performance. Neither party hereunder shall be deemed to be in default, and performance shall be excused, where delays or defaults are caused by war, acts of terrorism, insurrection, strikes, walkouts, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by governmental entities, failure of governmental agencies (other than County) to perform acts or deeds necessary for the performance of this Agreement, enactment of conflicting state or federal laws or regulations or similar matters beyond the control of the parties. If written notice of any such delay is given to County within thirty (30) calendar days after the commencement thereof, an automatic extension of time, unless otherwise objected to by County within ten (10) business days of such written notice, shall be granted coextensive with the period of the enforced delay, or longer as may be required by circumstances or as may be subsequently agreed to between County and Owner.

9. General Provisions.

9.1 Expiration of Agreement. The Term of this Agreement shall be for three (3) years commencing on the date of this Agreement as defined at the beginning hereof. Owner may apply once to the County Board of Commissioners for a two-year-extension of this Term provided that the law and regulations existing at the time of action by the Board to grant the extension shall thereafter govern the Property, the Project, the Maps and this Agreement. The Board's action shall be at its discretion.

9.2 Amendment or Cancellation of Agreement. Except as otherwise permitted by NRS §278.0205 and this Agreement, this Agreement may be amended from time to time or canceled only upon the mutual written agreement of the Parties.

9.3 Legal Action, Damages and Venue. The County and Owner agree that the County would not have entered into this agreement if it were liable for damages under or with respect to this Agreement. Accordingly, the County and the Owner may pursue any remedy at law or equity available for breach, except that neither the Owner nor the County shall be liable to the other or to any other person or entity for any monetary damages whatsoever. Prior to the

institution of any legal action, the party seeking legal action must give the thirty (30) day notice of default as set forth in Paragraph 8.3 above. Following such notice, a public hearing must be held by the County Commission where the allegations will be considered and a decision regarding their merits will be reached. Any judicial review of the County Commission's decision or any legal action taken pursuant to this Agreement will be heard by a court under the standard review appropriate to court review of zoning actions, and the decision of the County Commission shall be overturned or overruled if its decision is clearly arbitrary and capricious. Judicial review of the decision of the County Commission shall be limited to the evidence presented to the County Commission at the public hearing. Any judicial review or other action to enforce or interpret this Agreement shall occur in and rest exclusively with the Second Judicial District Court, State of Nevada.

9.4 Governing Law. This Agreement shall be construed and enforced in accordance with and shall be governed by the law of the State of Nevada.

9.5 Assignment.

9.5.1 *Transfer to an Affiliate of Owner*. The rights of Owner under this Agreement may be freely transferred or assigned to any entity, partnership, or corporation, which Owner controls, or in which Owner has a controlling interest, or which controls Owner; provided, such entity shall assume in writing all obligations of Owner hereunder.

9.5.2 *Third Party Assignment*. The rights and obligations of Owner under this Agreement may be freely transferred or assigned to a third party not affiliated with Owner, provided such third party assumes in writing all obligations of Owner hereunder as to the assigned or transferred portion of the Project along with a copy of the sale, transfer, conveyance, or assignment agreement wherein the third party assumes the obligations of the Owner. Upon any such assignment hereunder, the Owner shall be relieved of all obligations and liabilities under or in connection with this Agreement. In connection with the conveyance of any portion of the Property, Owner shall provide County with written notice of any sale, transfer, conveyance or assignment of any unimproved portion of the Project.

9.5.3 *Financial Transactions*. Owner has full discretion and authority to transfer, assign or encumber the Project or portions thereof in connection with financing transactions, without limitation on the size or nature of any such transaction, the amount of land involved or the use of the proceeds there from, and may enter into such transaction at any time and from time to time without permission of or notice to County.

9.6 Indemnity; Hold Harmless. Except as expressly provided in this Agreement, Owner shall hold County, its officers, agents, employees, and representatives harmless from liability for damage or claims for damage for personal injury, including death and claims for property damage which may arise from the direct or indirect operations of Owner or those of its contractors, subcontractors, agents, employees, or other persons acting on Owner's behalf, which relate to construction of the Project. Owner agrees to and shall defend County and its officers, agents, employees, and representatives from any claims and actions for damages caused or alleged to have been caused by reason of Owner's activities in connection with the Project. Owner agrees to indemnify, hold harmless, and provide and pay all costs for a defense for

County in any legal action filed in a court of competent jurisdiction by a third party challenging the validity of this Agreement. The provisions of this Paragraph 9.6 shall not apply to the extent such damage, liability, or claim is solely caused by the intentional or negligent act of County, its officers, agents, employees, or representatives.

9.7 Binding Effect of Agreement. The burdens of this Agreement bind, and the benefits of this Agreement inure to, the parties' respective successors in interest and shall run with the land until the completion of performance of this Agreement or its earlier revocation or termination as provided herein.

9.8 Relationship of Parties. It is understood that the contractual relationship between County and Owner is such that Owner is an independent contractor and not an agent of County for any purpose.

9.9 Notices. Unless otherwise provided in this Agreement, all notices, demands and correspondence required or provided for under this Agreement shall be in writing and delivered in person or sent by overnight courier or mailed by certified mail postage prepaid, return receipt requested. Notices shall be addressed as follows:

To County: WASHOE COUNTY
 Department of Community Development
 Current Planning Division
 PO Box 11130
 Reno, NV 89520-0027

To Owner: Howard D. and Debra L. Bennett
 8510 Bella Oaks Dr.
 Sparks, Nv. 89436

Either party may change its address by giving notice in writing to the other and thereafter notices, demands and other correspondence shall be addressed and transmitted to the new address. Notices given in the manner described shall be deemed delivered on the day of personal delivery or the delivery date by overnight courier or mail is first attempted.

9.10 Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

9.11 Waivers. All waivers of the provisions of this Agreement must be by written consent of all parties hereto.

9.12 Recording Amendments. Promptly after County's execution of this Agreement, an executed original of this Agreement shall be recorded in the Official Records of Washoe County, Nevada. All amendments hereto must be in writing signed by the appropriate officers of County and Owner in a form suitable for recordation in the Official Records of Washoe County,

Nevada. Upon the completion of performance of this Agreement or its earlier revocation or termination, a statement evidencing said completion or revocation signed by appropriate officers of County and Owner shall be recorded in the Official Records of Washoe County, Nevada.

9.13 Headings, Exhibits, Cross-references. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All exhibits attached to this Agreement and the recitals at the front of this Agreement are incorporated herein by the references thereto contained herein. Any term used in an exhibit hereto shall have the same meaning as in this Agreement unless otherwise defined in such exhibit. All references in this Agreement to Paragraphs, Sections and Exhibits shall be to Paragraphs, Sections and Exhibits of or to this Agreement, unless otherwise specified. Copies of the Exhibits shall be retained and maintained by the Department of Community Development at 1101 East Ninth Street, Reno and shall be available for inspection.

9.14 Severability of Terms. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect, provided that the invalidity, illegality or unenforceability of such term does not materially impair the parties' ability to consummate the transactions contemplated hereby. If any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall, if possible, amend this Agreement so as to affect the original intention of the parties.

9.15 Voluntary Agreement. Owner acknowledges that he had the option of conducting his own public facilities needs assessment but instead voluntarily chose to accept the WSSP. Owner further acknowledges and agrees that he voluntarily, willingly and without protest and duress freely enters into this Agreement and accepts the terms and conditions herein.

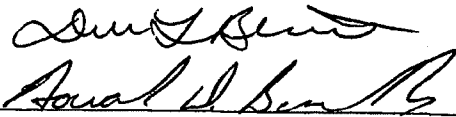
IN WITNESS WHEREOF, this Agreement has been executed by the parties on the date stated.

COUNTY OF WASHOE

OWNER

By: _____

Robert Larkin, Chair
Board Of County Commissioners



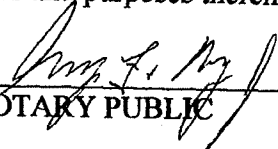
Howard D. Bennett Jr.
Debra L. Bennett

ATTEST:

County Clerk

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

On this 14 day of July, 2006, personally appeared before me, a Notary Public in and for said County and State, HOWARD D BENNETT SR & DEBRA L BENNETT known to me and who acknowledged to me that he executed the foregoing instrument freely and voluntarily and for the uses and purposes therein mentioned.



NOTARY PUBLIC

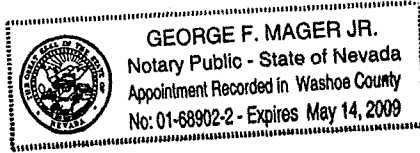


EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

PARCEL 3 OF PARCEL MAP #3093, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA ON SEPTEMBER 11, 1996 AS FILE NO. 2029426 OF OFFICIAL RECORDS.

PARCEL 2:

AN EASEMENT FOR INGRESS AND EGRESS OVER THOSE AREAS SHOWN AS "ROADWAY EASEMENTS" N PARCEL MAP #2145, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA ON JUNE 10, 1987 AS FILE NO. 1169516 OF OFFICIAL RECORDS AND PARCEL MAP #3093, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA ON SEPTEMBER 11, 1996 AS FILE NO. 2029426 OF OFFICIAL RECORDS.

PARCEL 3:

AN EASEMENT FOR INGRESS AND EGRESS AS GRANTED TO THE PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT AS SET FORTH IN A DOCUMENT RECORDED NOVEMBER 12, 1976 AS DOCUMENT NO. 434927 IN BOOK 1024, PAGE 191 OF OFFICIAL RECORDS, WASHOE COUNTY, NEVADA.

Shon Morton, Title Officer

dd

EXHIBIT C

APPROVED PROPERTY DEVELOPMENT STANDARD HANDBOOK

**DEVELOPMENT
STANDARDS
HANDBOOK**

**APN 077-340-38
MR. & MRS. BENNETT**

DEVELOPMENT STANDARDS HANDBOOK FOR APN 077-340-38

DEVELOPMENT STANDARDS

Introduction

The Bennett property, APN 077-340-38, is one of the parcels within the Warm Springs Specific Plan (WSSP). The property is 10 acres in size. There will be 2 lots of 5 acres each. (Refer to Project Map, Figure 1.)

Objective

To develop a community that capitalizes on the rural and equine character of the Warm Springs area while utilizing resources efficiently and effectively, and giving consideration to design, marketability, and aesthetics.

Agriculture

The Specific Plan protects existing adjacent agricultural uses from potential development conflicts. The CC&Rs and all final maps shall contain a note of restriction that states, "No formal written or verbal complaints can be filed with Washoe County and no lawsuits or other legal proceedings can be brought against any legal agricultural use." Each purchaser will sign a disclosure statement that reiterates the same information.

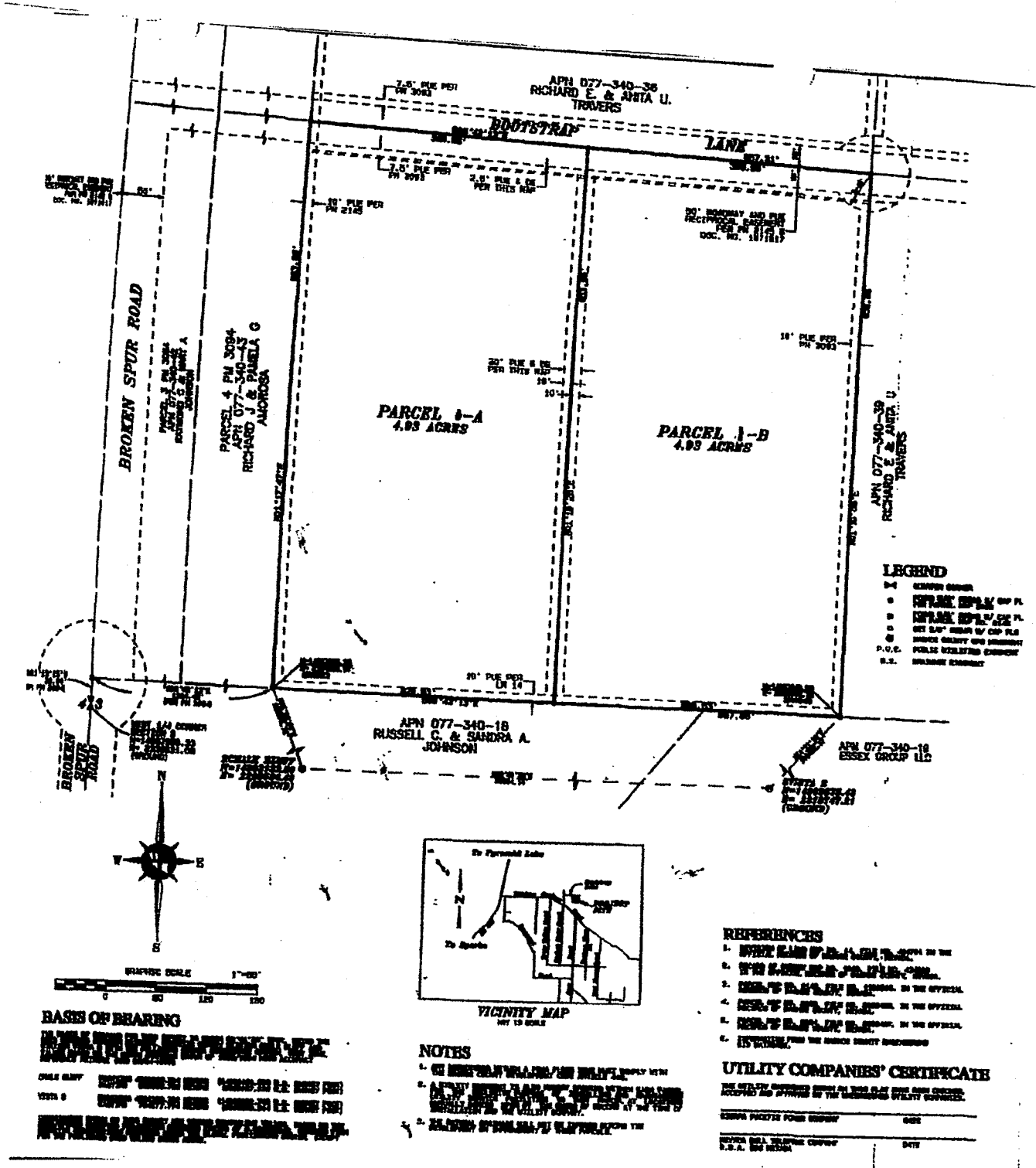
RESIDENTIAL DESIGN GUIDELINES

The purpose of this handbook is to describe the principles, policies, standards, and deed restrictions that will control development of the APN 077-340-38 to ensure that it is built and maintained as envisioned in the master planning process for the Warm Springs Specific Plan area.

Lot Concepts Standards

The individual lot concepts are designed to promote the rural character of the Warm Springs Valley. The lots have designated building envelopes, transition zones, and required open space. Where there is a difference between what is illustrated in the Individual Lot Concept Plans and what the text states, the plans shall take precedence over the text. (Refer to the Tentative Parcel Map, Figure 1, and the Individual Lot Concept Plans.)

Figure 1
Project map



Building Envelopes

The building setbacks from the street vary to provide a more rural atmosphere to the streetscape. All lots have an established building envelope as defined by the Individual Lot Concept Plans. Building side and rear yard setbacks shall conform to current Washoe County Code requirements if these requirements are more stringent than those within the Development Standards Handbook.

Buildings may be located anywhere within the designated building envelope. All buildings, structures, or storage of any type will be confined to this area on each lot.

A landscaped/irrigated zone with a minimum depth of 30 feet is required around all dwellings. This landscaped/irrigated zone must utilize fire retardant/resistant landscaping. For additional fire protection, the landscaping within the building envelope should be thinned and maintained so as not to present a hazard to the homeowner or adjacent property owners.

The landscaped/irrigated zone may encroach into the transition zone. All disturbed areas within the building envelope that are not landscaped, will be revegetated with a combination of native shrubs, grass, and wildflower seed mixtures specified in this document. The relationship between building envelopes is designed to provide an open space corridor and to provide necessary space for additional possible subdivision. (Refer to Individual Lot Concepts, Figures 2-A, 2-B.

Transition Zone

The designated transition zone portion of the lot provides an extension of usable yard area but does not permit structures. The zone provides a transition from the open space to the developed portion of each lot. The only fencing that shall be permitted within the transition zone is Open Ranch Style Fencing, White Rail PVC Fencing, or temporary painted-metal panelized fencing. The landscaping for the transition zone has been considered under and is incorporated into the Water Allocation. Horses and 4-H animals are limited to the transition zone and building envelope unless pasture has been provided by securing the requisite water rights.

Open Space

The designated open space portion of the lot will be left undisturbed, and temporarily fenced off during construction to prohibit use by construction activities. All open space areas shall be maintained by the individual property owner. These open space corridors are designated to protect the existing, rural character of the valley. Open space areas may continue existing, established agricultural or ranching uses and are exempt from the limitations imposed by the section on "Animals" later in this Development Standards Handbook.

No use of motorized vehicles, other than vehicles actively engaged in ranching or farming activities, is allowed within the designated open space areas. Open space corridors may be utilized as a non-motorized trail system for equestrian use. The only fencing that shall be

permitted within the open space area is Open Ranch Style Fencing, White Rail Synthetic Fencing, or temporary painted-metal Panelized Fencing. Water rights, in accordance with the Optional Water Usage Landscape (see page 17 under Water Allocation), must be purchased for maintenance of pasture for animals enclosed within the open space.

The open space in the Warm Springs Specific Plan shall be left in natural vegetation or agricultural use. If disturbed, it shall be reseeded as specified in the section on Revegetation of Open Space/Drainageways. Plant selection should include only drought tolerant and low water demand material (refer to plant list in Appendix A). These attributes contribute to the decreased average annual residential water demand that is mandated for implementation of the Warm Springs Specific Plan.

Viewsheds

The proposed building envelopes, as illustrated by Figures 2-A, 2-B, are staggered and setbacks are increased to afford views and vistas from each building envelope to the surrounding valleys and mountains.

ARCHITECTURE

All buildings must incorporate an architectural theme or identity that is complementary and compatible with the Warm Springs Specific Plan area and its surroundings. All building plans shall be submitted to the WSSP Architectural Review Committee to ensure this policy is enforced in a way that encourages creative design. No mobile homes are allowed except for construction purposes. To enhance the development and maintain the rural character, buildings and structures shall adhere to the following guidelines. (Refer to Conceptual "Western Ranch" Theme Home, Figures 8a.)

Exterior Walls and Trims

Building materials must support the "western ranch" theme and be approved by the WSSP Architectural Review Committee. Exterior siding and wall colors must be earth tone and harmonize with the surrounding landscape. No gloss finishes are allowed.

Large unbroken expanses of the same wall material shall be avoided. Trim shall be used on all exterior walls to create highlight and shadow. All reflective material (e.g., chimney stacks, flashings, exhaust vents and pipes, etc.) must be painted to match or blend with surrounding materials.

Figure 2-A
Individual Lot Concept for Parcel 1-A

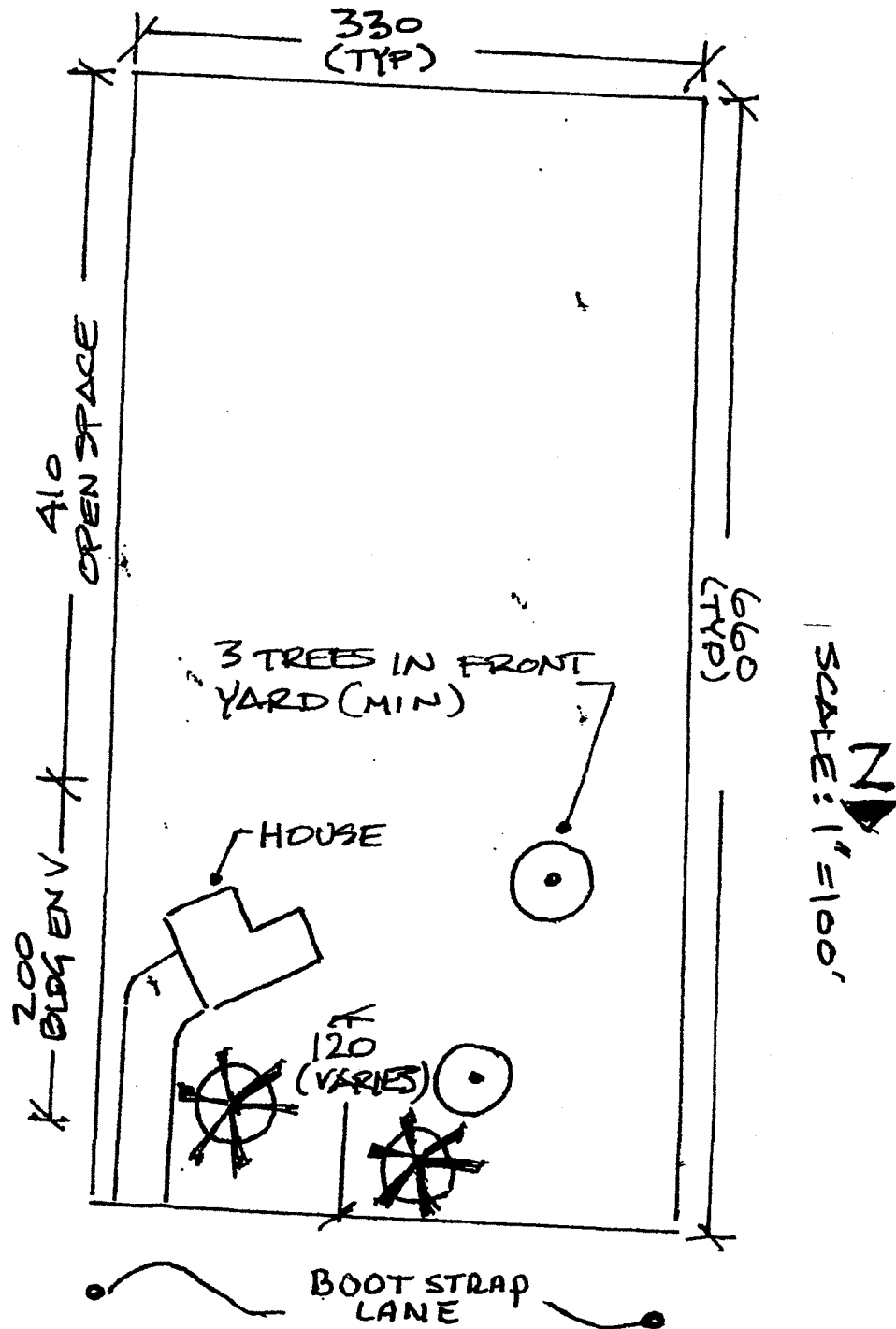
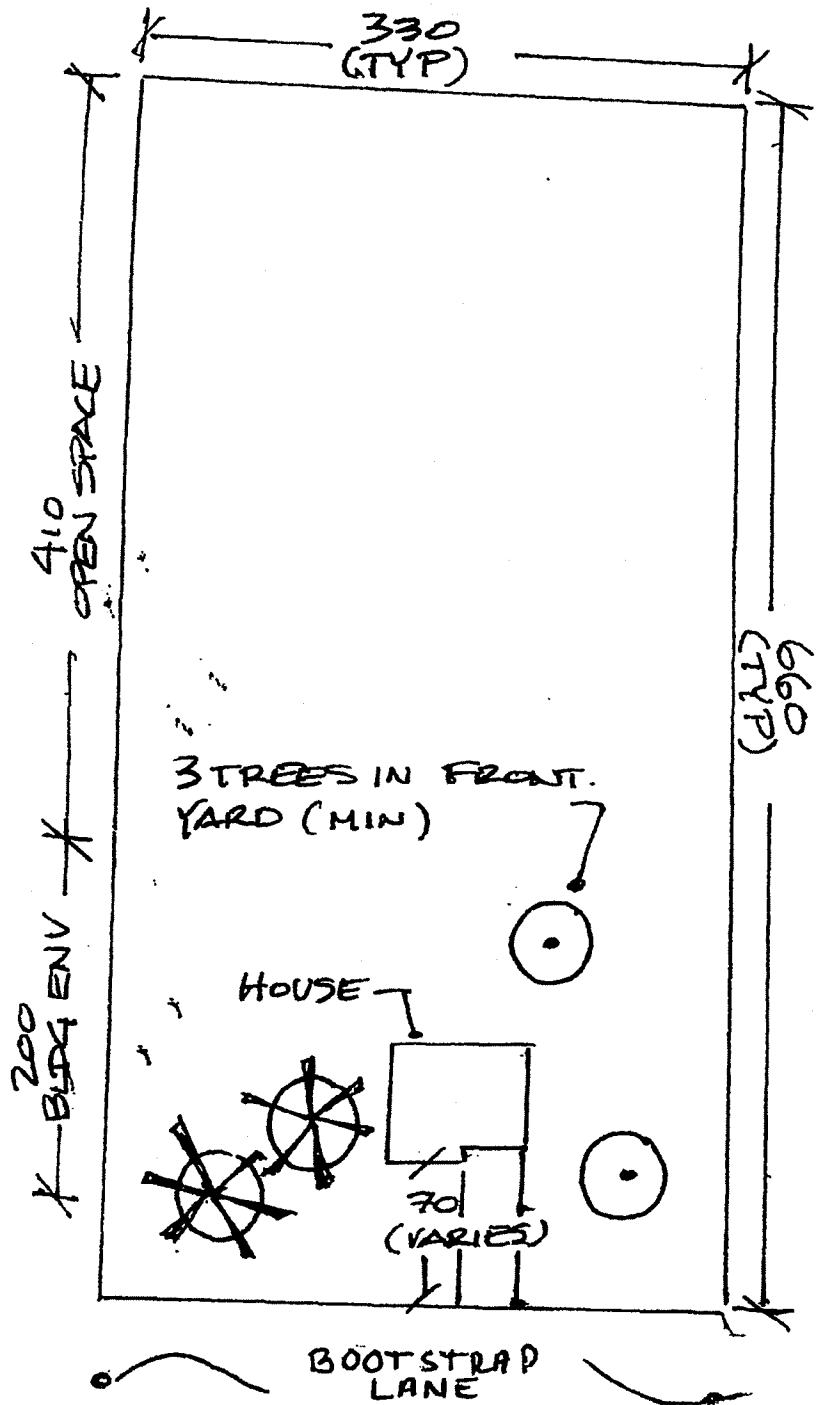


Figure 2-B
Individual Lot Concept for Parcel 1-B



Roofing

Roofing materials shall be earth tone and of a color that harmonizes with the surrounding area and color scheme of the structure. To support an architectural theme consistent with the Warm Springs Specific Plan, building materials for roofs shall be limited to slate, concrete tile, or architectural composition, extra-dimensional 30-year roofing. Flat roofs shall not be allowed. Metal non-reflective and colored roofs may be permitted with Architectural Review Committee approval. All reflective material (e.g., chimney stacks, flashings, exhaust vents and pipes, etc.) must be painted to match or blend with surrounding materials.

Building Heights

To promote an architectural theme consistent with the Warm Springs Specific Plan, single story homes are encouraged, but all homes shall be limited to two stories and, in accordance with Washoe County Development Code requirements, 35 feet in height. (Refer to Conceptual "Western Ranch" Theme Home, Figures 8a.)

Completion of Construction

Construction of any improvement, once commenced, shall be pursued diligently to completion within 18 months of commencement. Improvements not so completed or upon which construction has ceased for ninety (90) consecutive days or which have been partially or totally destroyed and not rebuilt within a reasonable period shall be deemed nuisances. The Homeowners Association may remove any such nuisance or repair or complete the same at the cost of the owner provided the owner has not commenced required work within thirty (30) days from the posting of a notice by the Homeowners Association to commence such work upon the property. Such notice shall state the steps that will be taken to eliminate the nuisance.

MISCELLANEOUS

Animals

No more than two (2) horses or 4-H animals, limited to cattle or sheep, will be allowed. Such animals will only be permitted within the building envelope and transition zone unless additional water rights are acquired for pastureland within the open space. Adequate ground cover to eliminate dust and prevent erosion shall be maintained at all times. As many as four (4) customary household pets are allowed provided they are not kept for commercial purposes and are kept reasonably confined so as not to become a nuisance. Horses, animals, and household pets shall not unreasonably interfere with the comfort, privacy, or safety of other properties. Animals shall be kept in accordance with Washoe County rules and regulations. The homeowners association shall have the authority to determine whether the animals unreasonably interfere with the comfort, privacy, or safety of other properties.

Homeowners may provide irrigated pasture as an exercise area or for supplemental feed in which the animals may be kept when not stabled or corralled. Livestock may be considered an optional

use for water allocated for landscape use. Pasturelands for animals will require additional water rights to be dedicated to Washoe County. Irrigated pastures require additional water rights at 4 acre-feet/year per acre. 1¼ acres of irrigated pasture would require the dedication of a total of 5 acre-feet of water. (Refer to Optional Usage Water Consumption Table 2A in the Landscape/Irrigation Section.)

Travel Trailers, Motor Homes, and Boat Storage

Travel trailers, motor homes, other recreational vehicles, or boats and trailers may only be stored within the building envelope. This may occur either within enclosed structures or in the side or rear yards if such yards are completely screened from any street, lot parcel, or open space area and the minimum distance from the screening material maintains the zoning requirements for that yard. Screening shall be consistent with the designated neighborhood privacy fence. (Refer to Figure 5.)

Utilities

All individual services to each unit for all lot sizes shall be underground from the neighborhood service line. All on site utility lines to outbuildings, detached accessory structures, pump houses, etc., shall be underground.

Mailboxes

Individual property owners will not have US Mail delivered to their property. Mailbox will be located at north west corner of Broken spur and Whisky Springs .

Garbage and Refuse Disposal

There shall be no burning of trash, garbage or other like household refuse, nor shall any property owner accumulate on their lot junked or unsightly vehicles or litter, refuse or garbage, except in receptacles provided for such purposes.

Concealment of Fuel Storage Tanks and Trash Receptacles

Fuel storage tanks, limited to propane or heating oil and every receptacle for ashes, trash, rubbish or garbage shall be so placed and kept as not to be visible from any street, lot, parcel, or open space except at the times when refuse collections are made.

Antennas

Satellite dishes and home radio antennas shall be screened from view from any adjacent parcels, streets, or open space by locating in side or rear yards behind screen fences at a minimum. Screen fences for this purpose shall maintain the minimum distance from the screening material to that yard property line that meet the zoning requirements.

Nuisances

No noxious or offensive activities, odors, or nuisances shall be permitted on any lot or parcel in the development. No refuse, animal manure, unsightly or abandoned vehicles, debris, noxious materials, discarded personal effects, and construction materials not for immediate use shall be permitted on any lot or portion thereof. It is incumbent upon all property owners to maintain their lots and yards in a neat, orderly, and well-groomed manner, whether said lots are vacant or improved. The Homeowners Association shall be responsible for timely enforcement for this provision.

CONSERVATION

All building construction shall utilize methods of energy conservation and the use of low water demand features. Table 1 provides a list of recommended and mandatory energy and water conservation features, which will be incorporated into the building construction.

**TABLE 1
CONSERVATION FEATURES**

Mandatory Conservation Features
Water saving fixtures, showerheads, and toilets.
Dual glaze 1/4" air space windows and sliding glass doors.
Thermostat setback times.
Recommended Conservation Features
State-of-the-art water saving appliances such as washing machines and dishwashers.
The use of trash compactors to limit the use of garbage disposals in sinks.
Passive solar design.
Solar water heater.
Zoned heating controls.
Plumbed gray water storage and distribution for irrigation of landscaping. ⁱ

ⁱ Upon approval of the Washoe County District Health Department.

Building design and orientation shall be considered in conservation of energy. All buildings will be designed and oriented to benefit from passive solar heating if practicable. Passive solar construction guidelines and energy conservation measures for Northern Nevada are available through the Sierra Pacific Power Company.ⁱⁱ

ⁱⁱ More information may be obtained from the Passive Solar Industries Council, 1090 Vermont Avenue, Suite 1200, Washington D.C. 20005, (202) 371-0357.

Homes will be designed to utilize the following minimum guidelines of energy conservation in site and architectural design. Simple alterations in building design and siting can enable the use of the sun, wind, landform, and vegetation to provide for supplemental heating, cooling, and insulation for a structure.

Energy Conservation Guidelines

- All buildings should be located and oriented to benefit from passive solar heating. The desirable exposure is towards the south, southeast, or southwest. The simple east-west orientation of a rectangular building in northern Nevada has been found to reduce energy consumption by 40%.
- Site development should use plant materials and landforms to enhance energy conservation. Coniferous trees planted along the windward side of the property can act as a windbreak to deflect winter winds. Shrubs and trees planted against the structure can help to insulate the building. Deciduous trees planted on the south side of the structure will shade the building during the summer and enable sun to penetrate during the winter. The creation of earth berms on the windward side can reduce heat loss due to wind and help to insulate the structure. (Refer to the Individual Minimum Landscape Concepts - Figures 3-A, 3-B .The structure should be designed to keep energy needs for heating and cooling to a minimum. Passive energy conservation measures include the following:
 - Good insulation
 - Location of active living spaces on south side
 - Location of closets, mud-room, garages, or storage space on north and east sides
 - Air-lock entries
 - Concentration of windows on south side
 - Reduction in number and size of openings on north side
 - Maximum use of double-glazing
 - Building overhangs to shield windows from summer sun and to admit winter sun
 - Use of paved surfaces, rock or masonry on south side to absorb radiation
- Active solar energy systems shall be permitted if the solar panels are integrated into the architectural design. If not integrated into the roof or body of the structure, they may not be placed on the roof and they must be screened from public view.

DOMESTIC WATER ALLOCATION

The Warm Springs Specific Plan mandates compliance with a per lot water allocation. The designated water allocation for this subdivision is 1.12 acre-feet/year per lot, which is equivalent to 364,896 gallons per year. Domestic water use for the average household is 70,260 gallons per year and landscape water use is at a minimum of 75,208 gallons per year. This leaves 217,428 gallons of water for selection of optional landscape elements. Livestock pasture irrigation may require dedication of additional water rights beyond the 1.12 acre-feet/year. Each lot owner is required to incorporate the following list of minimum required landscape elements into their landscaping. No less than 50% of the required landscaping shall be oriented to the front yard of the lot. (Refer to the Minimum Landscape Concepts, Figures 3-A, 3-B .The plant selection includes only drought tolerant and low water demand material. Those aspects of the permitted

plants contribute to the decreased average annual residential demand for water that is mandated for implementation of this plan.

The landscaping and irrigation plans must be submitted to the Architectural Control Committee for review and approval. This should be done at time of building permits for structures but may also be done separately.

The minimum required landscape elements for each lot shall be:

- 2,000 square feet of lawn area;
- 5 evergreen or deciduous trees within the front yard setback (1 must be a specimen tree with a two inch caliper size).
- 5 deciduous or evergreen trees within the building envelope (15 gallon minimum);
- 12 evergreen shrubs (1 gallon minimum); and
- 12 deciduous shrubs (1 gallon minimum).

A minimum of five (5) trees is required within the front yard(s) as defined by Washoe County Code. Plant material per neighborhood, should be kept similar to strengthen neighborhood unity and identity.

The required landscape elements, plus the estimated domestic water use, will utilize approximately 147,468 gallons per year. 217,428 gallons per year remains for optional use.

**Table 2
Residential Water Usage - Gallons Per Year**

Lot	Allocated Water	Domestic Use	Required Landscaping	Total	Residual/ Optional Available
±<# of> acres ⁶	1.12 AFY or 364,896 gal.	70,260 gal.	77,208 gal.	147,468 gal.	217,728 gal.

Table 2A provides a list of optional water use estimates for differing types of landscaping. These may be used in any combination on any lot provided the water allocation per lot is not exceeded. The intent is to mandate compliance with the designated water allocation while at the same time providing alternatives to permit variety in individual landscape designs. The plant selection includes only drought tolerant and low water demand material. Those aspects of the permitted plants contribute to the decreased average annual residential demand for water that is mandated for implementation of this plan.

Selection of materials should contain a mixture of plants with fast, medium, and slow growth rates and a variety of sizes should be planted to provide a more natural appearance.

All surface water drainageways within the subdivision shall be graded to resemble a natural drainage swale and incorporated in the overall design. There will be no linear, uniform width drainageways. Drainageways should be lined with native wildflowers, grasses, shrubs, and scattered rocks and boulders to slow water velocities.

The amount of water required for one acre of pasture irrigation is 4 acre-feet/year. For 1¼ acres of pasture, a total of 5 acre-feet/year is required. As many as 5 acre-feet/year per lot of water rights may be permitted through the State Engineers Office. These water rights will be used to irrigate the pasture and/or livestock on each lot.

Table 2A
Optional Landscape Uses - Water Consumption

Item	Quantity	Yearly Water Use
Turf	100 sq. ft.	2,108 gallons
Vegetable/Flower Garden	100 sq. ft.	1,612 gallons (based on 16 week watering season)
Deciduous Shrub	1 each	744 gallons
Evergreen Shrub	1 each	930 gallons
Deciduous Tree	1 each	1,330 gallons
Evergreen Tree	1 each	1,662 gallons
Livestock	1 each	7,300 gallons
Pasture ⁱⁱⁱ	1,000 sq. ft.	29,645 gallons

ⁱⁱⁱ The Water Allocation for Pasture applies only when additional water rights have been purchased from a private party and transferred to the receiving parcel by the State Engineer.

As long as no more than 1,800 gallons per day are utilized, additional optional landscaping may be installed. Examples are provided to illustrate this potential. The total utilization does not equal 364,896 gallons due to the fact that much less water is used during the winter months. (Refer to Landscaping for Optional Water Usage, Figures 4-A, 4-B .

Additional information on the constraints placed upon the use of water and the standards employed within the WSSP are included with this document as Attachment A, Excerpted and Abridged Information from the Warm Springs Specific Plan.

Figure 3-A
 Minimum Landscape Concept Plan for Parcel 1-A

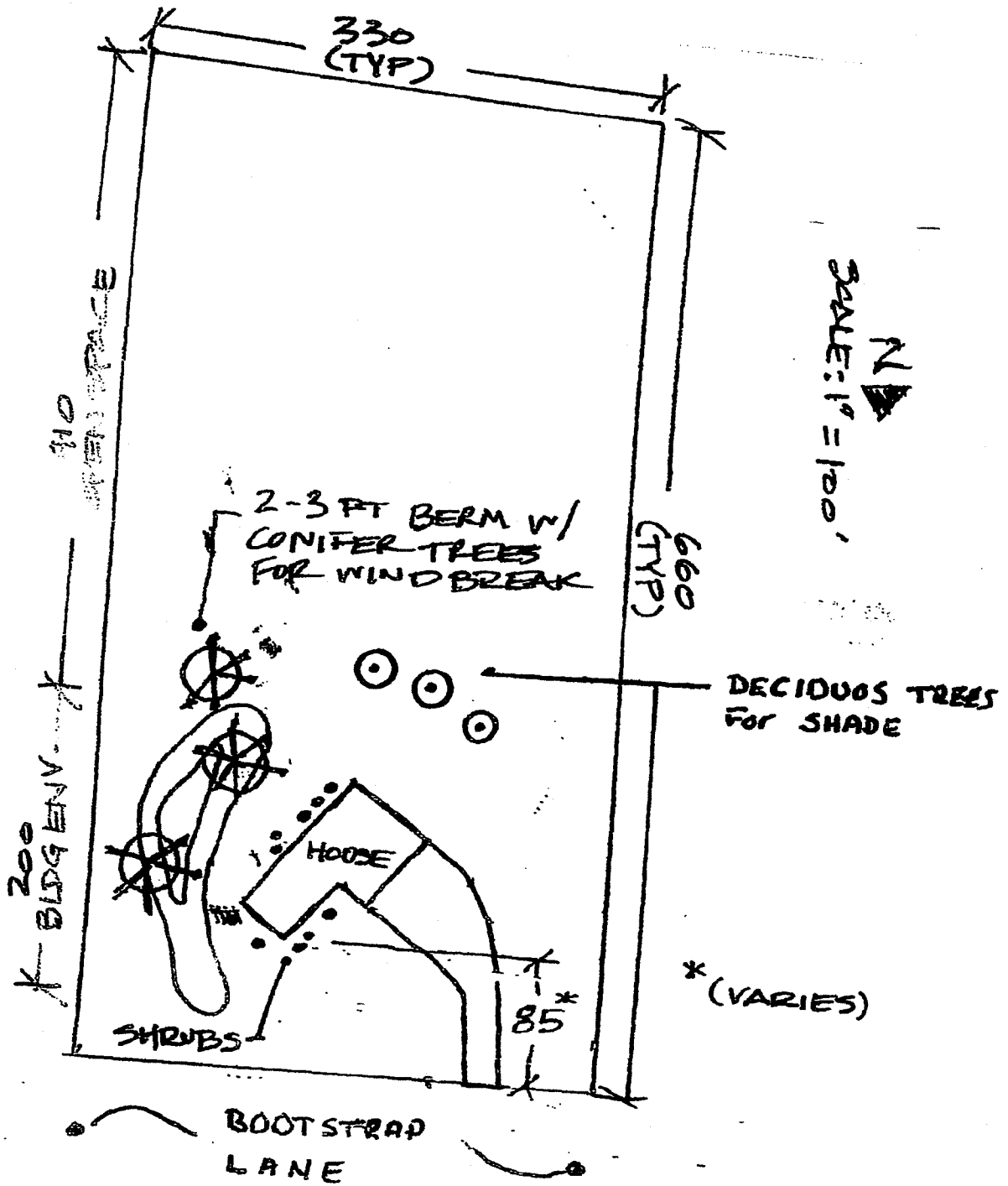


Figure 3-B
Minimum Landscape Concept Plan for Parcel 1-B

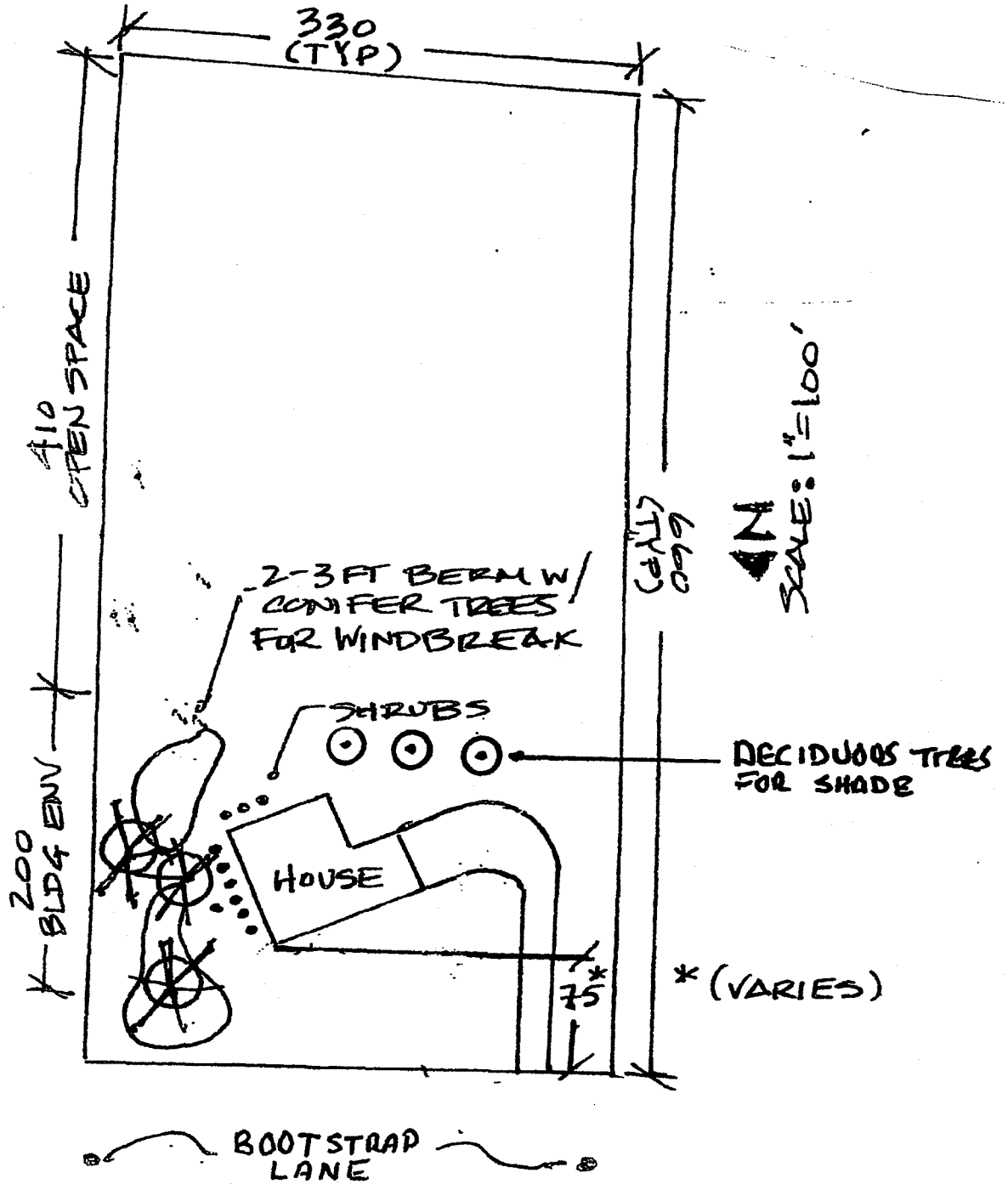


Figure 4-A
Landscaping for Optional Water Usage for Parcel 1-A

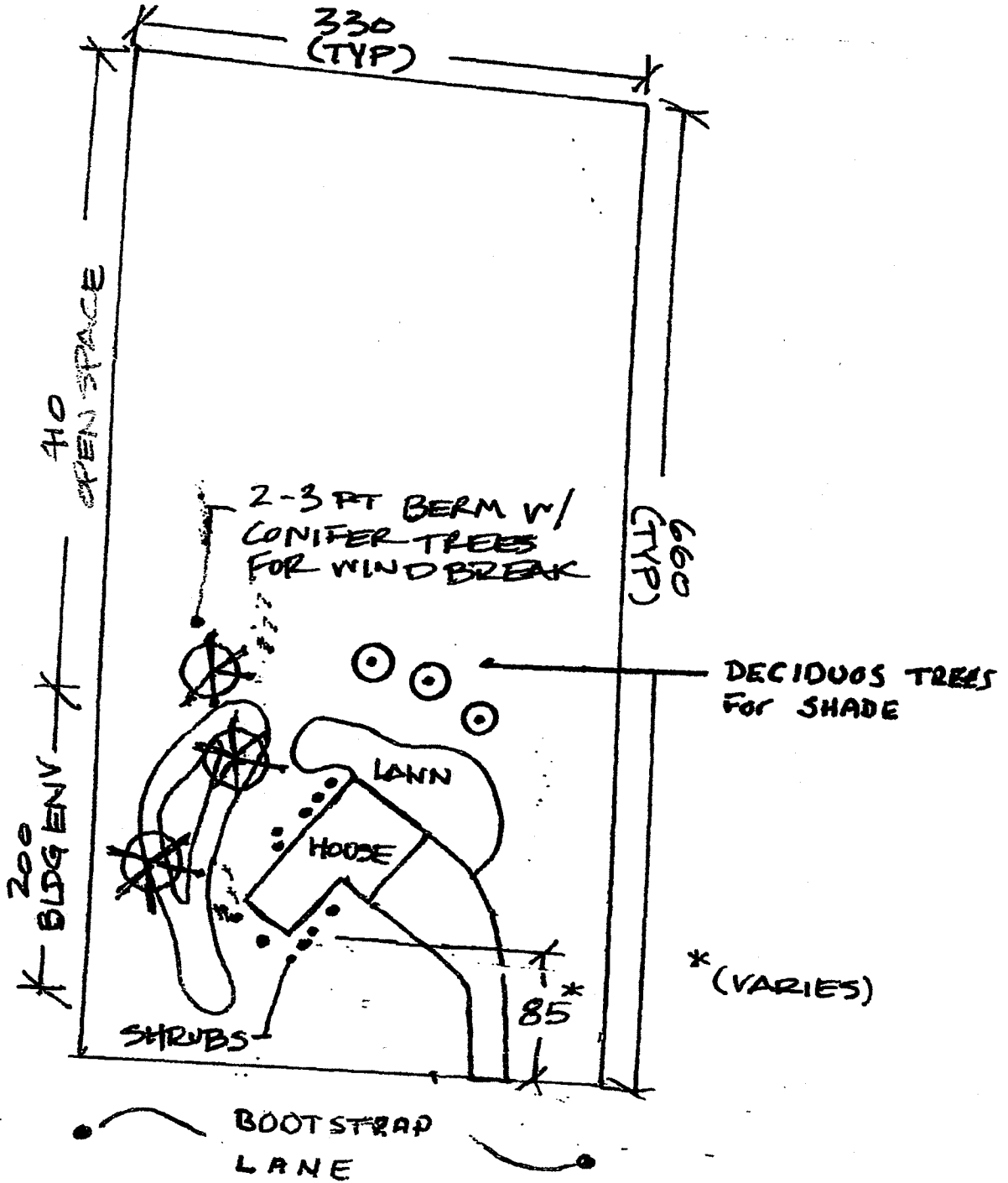
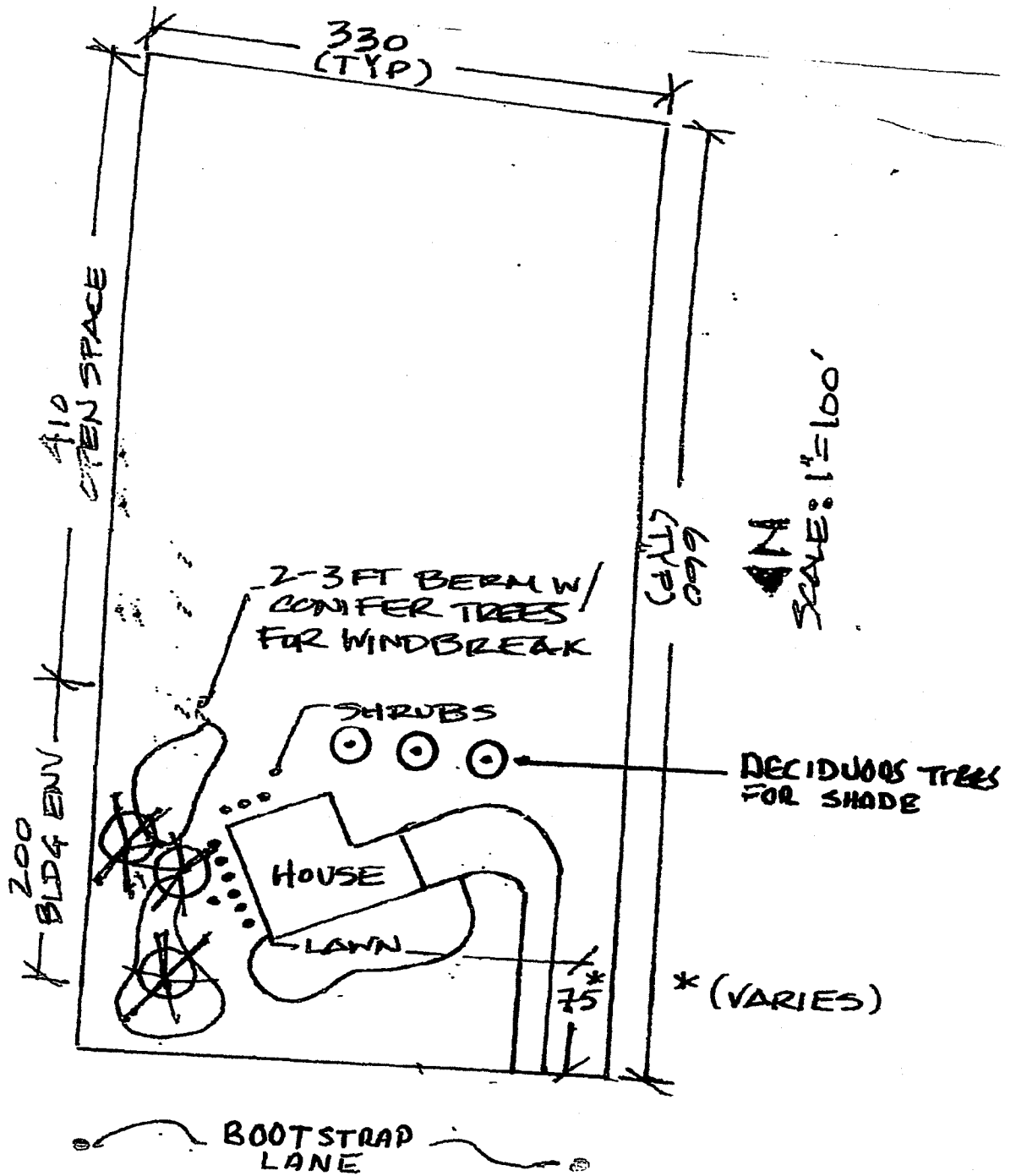


Figure 4-B

Landscaping for Optional Water Usage for Parcel 1-B



Maintenance

All plant material and lawn areas shall be kept in healthy condition. Any dead plant material shall be removed and replaced within 30 days.

References

Appendix B includes an abridged excerpt from the Warm Springs Specific Plan that explains the water budget for the hydrographic basin and provides part of the rationale for the stringent landscaping and irrigation requirements. This excerpt has been slightly amended from the text of the actual plan to reflect some updates and actions of the State Engineer.

Revegetation of Open Space/Drainageways

All open space areas, other than those in agricultural use, shall be left in native material.

Areas designated as Open Space that are currently in agricultural use will allow grading. If noxious weeds are in abundance, the owner may employ a weed management plan developed by an appropriate land reclamation specialist. As development occurs and agricultural practices are abandoned, it will be the property owner's responsibility to ensure that these areas will be over-seeded with a native grass mixture as described in Table 3. A gradual transition of plant material is desired.

The soils and precipitation in Warm Springs Valley greatly reduce plant species available for revegetation. The species selected will survive with little or no supplemental irrigation water being applied after establishment.

The potential combination of mixtures for most areas is listed in Table 3.

Indian Ricegrass must be drill seeded at 3-4 inches below the surface. Pubescent Wheatgrass and Globe Mallow should be drill seeded to a depth of one-half inch below the surface. Kochia and Winterfat should be hydroseeded.

Basin Wildrye (*elymus cinereus*) should be substituted for ricegrass in clay soil areas. Wildrye is not adapted to shallow soils and placement should be monitored. The seed should be drill seeded no deeper than 1/2 inch below the surface. Wildrye will require more supplemental irrigation water than ricegrass during the first year, but once established will survive with no additional water.

Seeding should be completed during late fall. This will assure seed is placed ready to germinate when soil moisture and temperature conditions are ideal the following spring. Temporary above ground irrigation is not recommended but may be necessary in order to establish plants if seed is installed during summer months.

To improve establishment chances, seeded area should be hydromulched at a rate of 2,000 lbs./acre. Supplemental irrigation water can be applied the first growing season. Irrigation should be light and infrequent. This will promote root development that will be essential once irrigation water is eliminated. Water used for this purpose must be deducted from the given available water. After the system is abandoned, the water may be reallocated to other uses.

Table 3
Seed Mix for the Conversion of Agricultural Land

Common Name	Botanical Name	Amount Pure Live Seed
Scarlet Globe Mallow	<i>Sphaeralcea coccinea</i>	1 lb./acre
Indian Ricegrass	<i>Oryzopsis Hymenoides</i>	8 lbs./acre
Immigrant Forage Kochia	<i>Kociha prostrata</i>	2 lb./acre
Winterfat	<i>Eurotia lanata</i>	6 lbs./acre
Pubescent wheatgrass	<i>Elytrigia Intermedia</i>	8 lbs./acre

IRRIGATION

1. Irrigation Requirements

Each residential lot will be required to install an irrigation system with automatic controller and back flow prevention device to meet Washoe County/State health codes. The irrigation system shall include an overhead spray system for any turf areas, with uniform head to head coverage and matched sprinkler head precipitation rates. Temporary irrigation systems may be in use for two (2) seasons only. The system shall also include a drain down method for winterization. All trees, shrubs, and ground covers shall be watered with drip systems with separate control clocks or a dual program controller. Each tree, shrub, or ground cover shall be watered with individual drip emitters or collectively in groups with micro sprayers.

2. Landscape and Irrigation Plan Submittal Requirement

Each future homeowner or builder will be required to submit landscape, grading, and irrigation plans to Homeowners Association and the Architectural Review Committee for approval as a part of the building permit application process. The plans shall be prepared by a qualified landscape industry professional, landscape contractor, or a landscape architect.

The landscape plan shall include a site base map prepared to a 1"=20' minimum scale with the house and driveway footprint, property lines, utility locations, etc. This base map must clearly show proposed landscape areas with square footage area calculations to meet the water usage requirement specified in this document. In addition to the above, the landscape plan must include:

- A plant species list keyed to plant locations on the plan. The plant list must include plant sizes and quantities;
- The amount of water calculated for established landscape;

- An indication of surface material(s) in non-landscaped areas; and
- Agricultural soils test results and proposed soils improvement/amendment methods.

The irrigation plan shall be prepared to scale on the same base map as the landscape plan. The irrigation plan must include the following:

- Point of connection to water source;
- Location, type of installation detail of back flow prevention device;
- Remote control valve location, manufacturer's name, product number, size and gallons per minute for each lateral zone;
- Irrigation main and lateral line type, size, and depth of bury;
- Sprinkler head locations, manufacturer's name, product number, nozzle size and number, radius gallons per minute and pounds per square inch (psi) operation rate;
- Drip system valve locations and sizes, lateral line type and location, emitter type, product number, and amount per plan and;
- Control clock manufacturer's name, product number, and installation location.

The grading plan shall be prepared to scale on the same base map as the landscape and irrigation plan. The grading plan must include the following:

- Limits of grading and construction;
- Existing and proposed contours, including berming for energy conservation and drainage away from structures;
- Paving or surface treatment for walkways and driveways;
- Location and type of temporary fencing to protect open space and native vegetation from construction traffic; and
- Revegetation of disturbed areas, seeding quantity, and need for temporary irrigation.

3. Maintenance

All irrigation systems shall be maintained in good operating condition. The irrigation system shall be extended to any new plant material at the time of installation.

Within twelve (12) months of completion of the main dwelling unit, each lot or parcel shall be completely landscaped with automatic irrigation systems in place and operating. All landscaping shall be maintained to harmonize with and sustain the attractiveness of the development.

FENCING

General Considerations: All property from the building envelope to the street shall be kept free and open. Fencing will be consistent within the neighborhood for this development. Wood fencing will be treated with a light or medium brown stain that will increase wood durability. Stains should be consistent in tone on the individual properties but no one property will be required to match exactly with neighbors. Owners are required to keep fencing in good working order and have a well-maintained appearance.

Solid Wood or Synthetic Material (with the appearance of wood) Privacy Fence, with a height of up to 6 feet, may be constructed within the building envelope as long as it is limited to the rear of the house. Such a fence may be used in the side yard for screening such features as RV storage area, satellite dishes, trash receptacles, fuel storage tanks, dog runs, or a patio. Otherwise, side yards will not be enclosed with a privacy fence. Fences should tie into a structure or other terminus point. A typical type and style privacy fence has been established to promote neighborhood unity. (Refer to Privacy Fencing, Figure 5.)

Open Ranch Style Fencing in the side and rear yards within the building envelope, transition zone, or open space, may be used to define space and circulation areas or accent gardens and will be limited to three rails and four feet in height. (Refer to Split Rail Fencing, Figure 6.) The fencing should be of a consistent height and end at some transition point such as the house. The fencing may be stained but not painted.

White Rail Synthetic Material Fencing material will be used to enclose pasturelands, stable runs, corrals, and the perimeter of the property other than in the front yard area between the residence and the street. The fence shall be four rail and 54 inches in height (Refer to White Rail Fencing, Figure 7.) White rail PVC fencing may also be constructed within the designated building envelope in substitute for the Open Ranch Style Fencing. Fencing for pasture beyond the limits of the building envelope will not be permitted unless pasture is established and grasses are irrigated in accordance with Table 2A. Under this scenario, pasture fencing will be the white PVC rail and the irrigated pasture area should adjoin the building envelope on a least two sides.

EXTERIOR LIGHTING

The functional objectives in providing exterior area lighting are to illuminate areas necessary for safe and comfortable use. In certain situations, area lighting can add to the aesthetic appeal of a site by highlighting architectural features of a building or illuminating pathways and landscape

plantings. In these instances, only the special features of a building or landscape should be illuminated. It should be noted that the standards and guidelines contained in this section address area lighting on individual properties, and not overhead street lighting along public and private rights-of-way.

Standards

Exterior lights shall not blink, flash, or change intensity. String lights, building or roofline tube lighting, reflective or luminescent wall surfaces are prohibited. Exterior lighting shall not be attached to trees except for the Christmas season. Driveway, walkway, and building lights shall be directed downward. Fixture mounting height shall be as low as possible and appropriate for the purpose. Illumination for aesthetic or dramatic purposes of any building or surrounding landscape utilizing exterior light fixtures projected above the horizontal is prohibited. Seasonal lighting displays and lighting for special events which conflict with other provisions of this section may be permitted on a temporary basis.

Guidelines

Lighting Design - Exterior lighting should be designed as an integral part of the architecture and landscape and should be located in a manner that minimizes the impact of lighting upon adjacent structures and properties.

Lighting Levels - Avoid consistent overall lighting and overly bright lighting. The location of lighting should respond to the anticipated use and should not exceed the amount of light actually required by users. Lighting for pedestrian movement should illuminate entrances, changes in grade, path intersections, and other areas along paths, which if left unlit, would cause the user to feel insecure. Lighting suppliers and manufacturers have lighting design handbooks that can be consulted to determine fixture types, illumination needs, and light standard heights.

Fixture Design - Exterior lighting fixtures should be simple in design and should be well integrated with other architectural site features.

Structural Lighting - Night lighting of building exteriors should be done in a selective fashion: highlight special recognizable features; keynote repeated features; or use the play of light and shadow to articulate the facade. The purpose of illuminating the building should be to add visual interest and support building identification. Harsh overall lighting of a facade tends to flatten features and diminish visual interest.

Lighting Height - As a rule, the light source should be kept as low to the ground as possible while ensuring safe and functional levels of illumination. Area lighting should be directed downward with no splay of lighting directed off-site. The height of light fixtures of standards must meet Washoe County standards. Lighting should be directed downward in order to avoid sky lighting. Any light source over 10 feet height must incorporate a cutoff shield to prevent the light source from being directly visible from areas off-site. The height of luminaries should be in scale with the setting.

Figure 5
Privacy Fencing

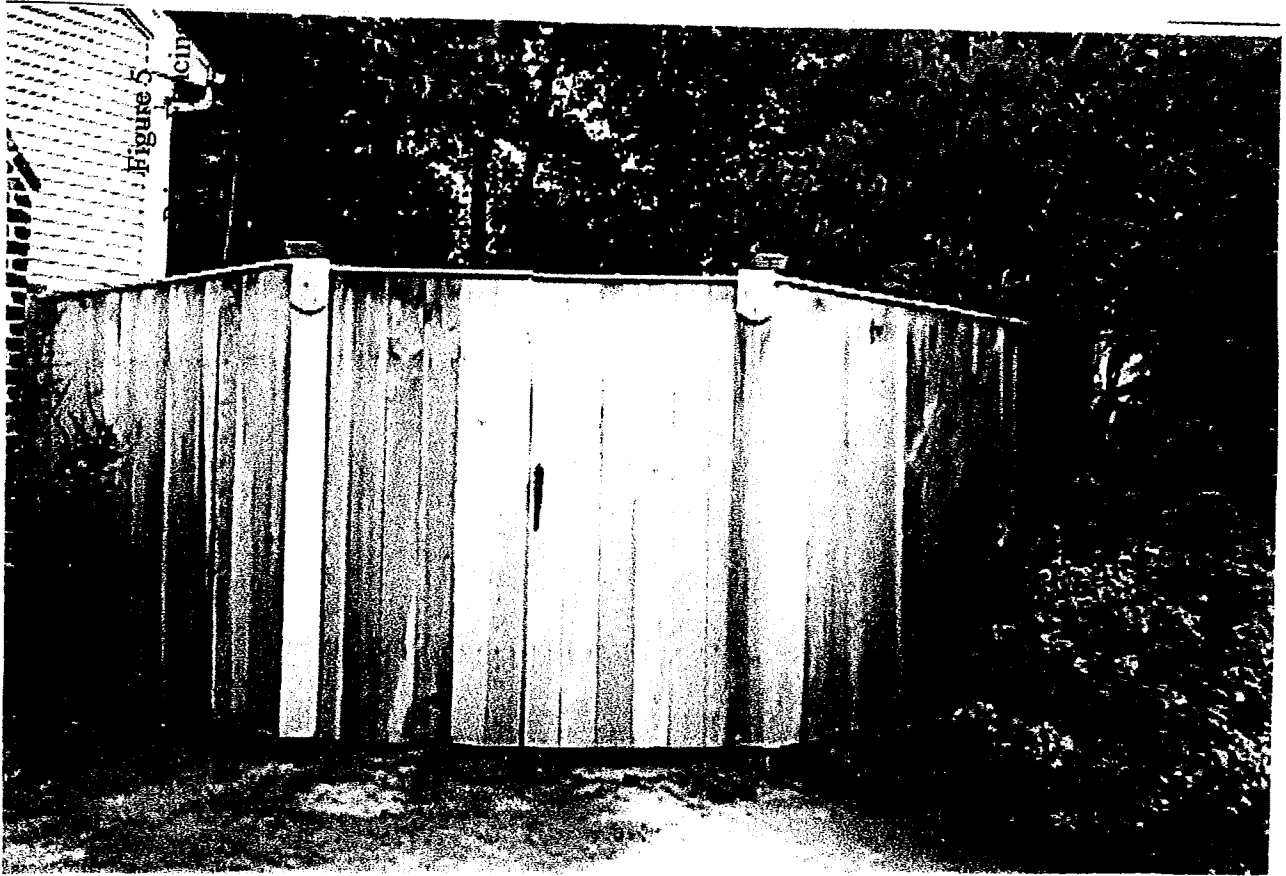
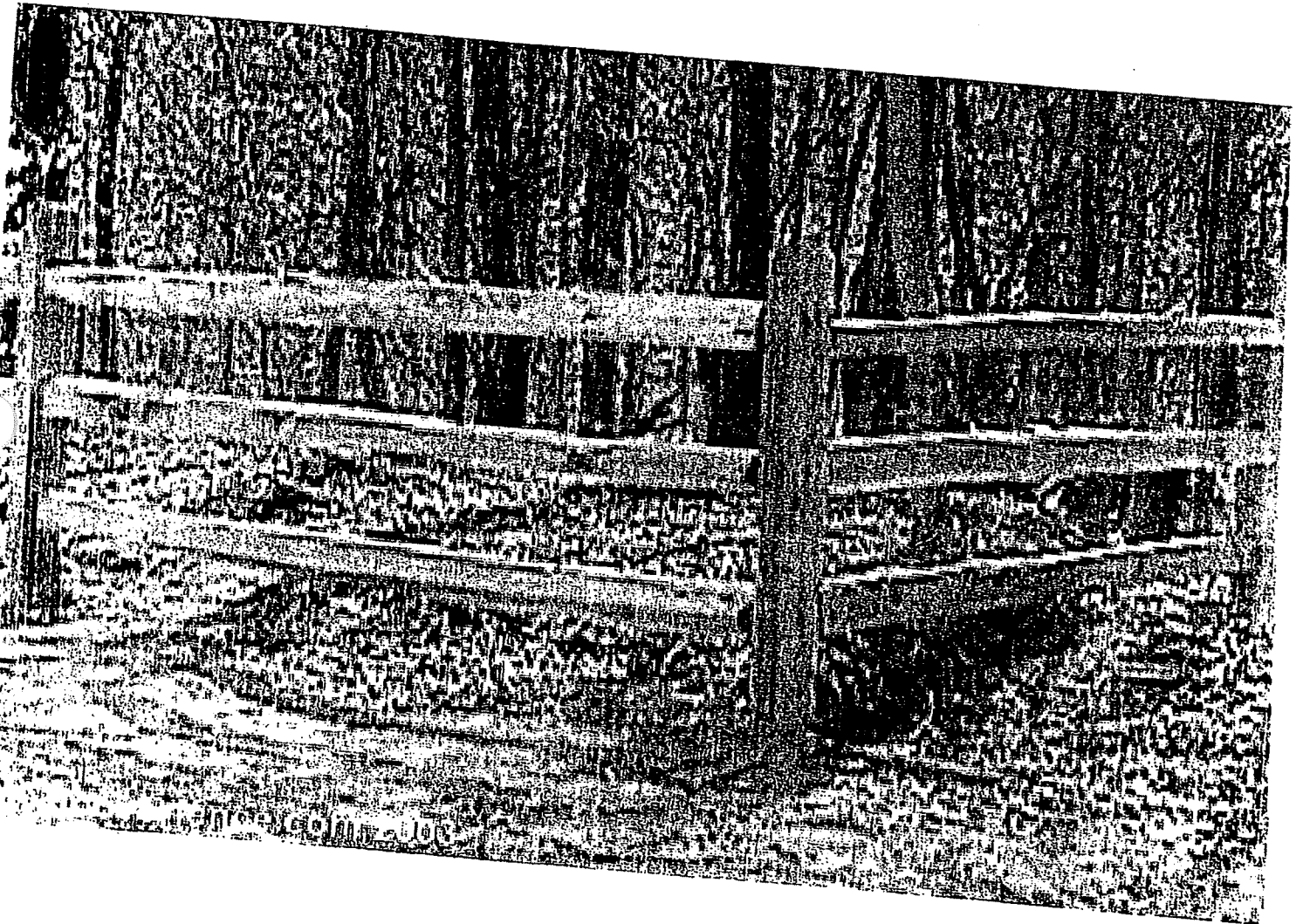


Figure 6
Split Rail Fencing



APN 077-340-38

Figure 7
White Rail Fencing

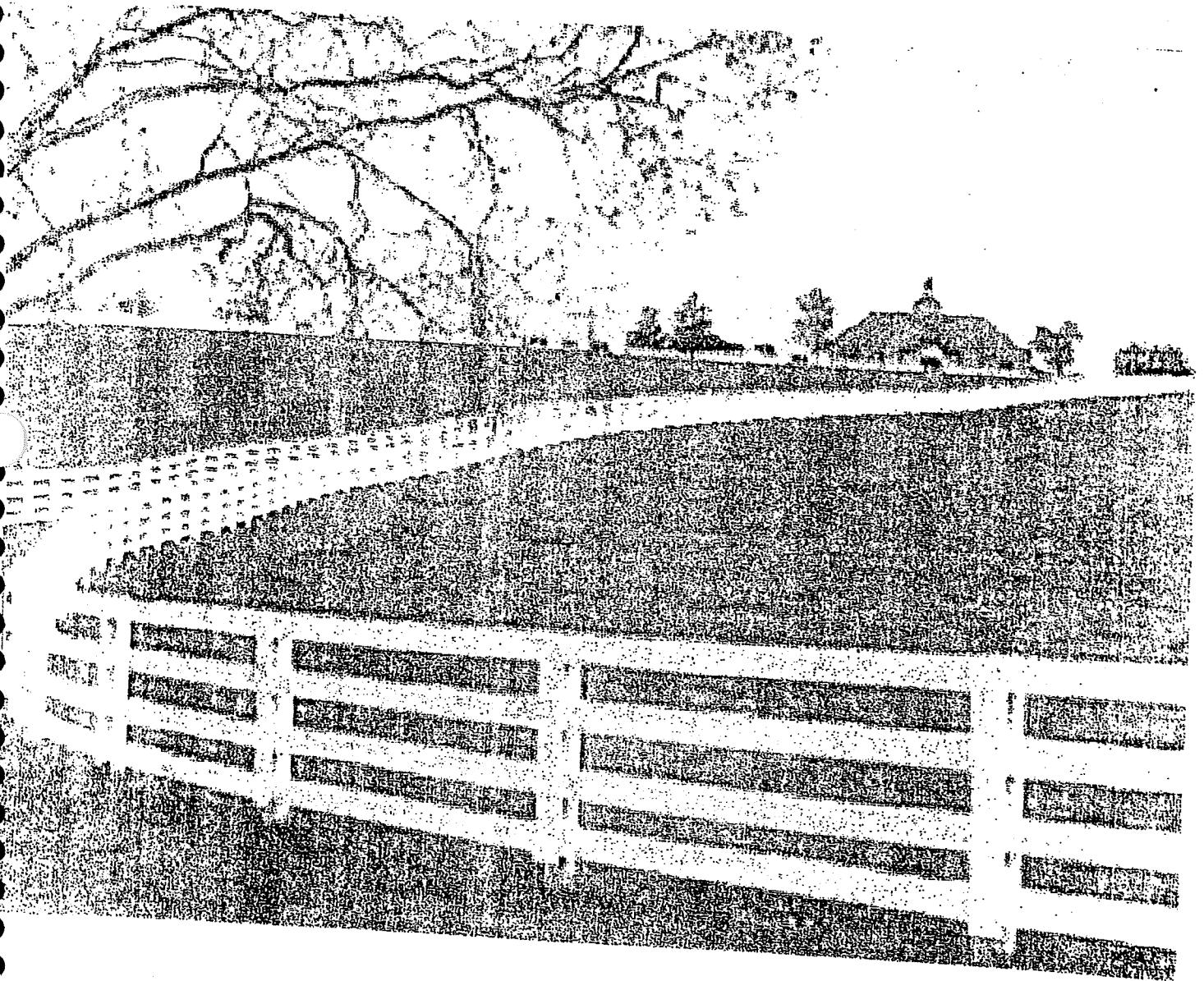


Figure 8a
Conceptual "Western Ranch" Theme Home



CERTIFIED COPY

The foregoing document is a full, true and correct copy of the original on file and of record in my office.

Date:

September 20, 2010

AMY HARVEY, County Clerk in and for the County of Washoe, State of Nevada.

By

Deputy Clerk

Pursuant to NRS 239B.030 the SSN may be redacted, but in no way affects the legality of the document.



WASHOE COUNTY RECORDER

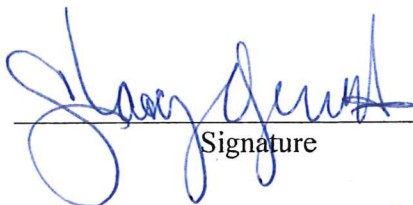
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Stacy Gonzales

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