



**CITY OF SARATOGA SPRINGS
INSTALLATION OF IMPROVEMENTS
AND BOND AGREEMENT
Harvest Point Commercial Plat A
(LETTER OF CREDIT FORM)**

THIS AGREEMENT is made by and between, ATC Investments (hereinafter "Developer"), whose address is 1584 S. 580 E., AMERICAN FORK, UT 84003, the City of Saratoga Springs, a municipal corporation of the State of Utah (hereinafter "City"), whose address is 1307 North Commerce Dr. Suite 200, Saratoga Springs, Utah, 84045, and _____
CAPITAL COMMUNITY BANK a Utah or Federally chartered Bank or Savings and Loan Association authorized to do business in the State of Utah, whose address is _____
1909 W. STATE STREET, PLEASANT GROVE, UT 84062, (the "Depository").

WHEREAS, Developer desires to subdivide and/or to receive permit(s) to develop certain property located within the City, which project is known as HARVEST POINT COMMERCIAL, located at approximately 2160 N. REDWOOD RD., in the City of Saratoga Springs, Utah; and

WHEREAS, pursuant to Utah Code § 10-9a-604.5 and City Code § 19.12.05, the City is authorized to require a cash deposit or cash bond ("Performance Bond") guaranteeing that certain subdivision improvements ("Performance Bond Improvements") will be installed in a timely manner and that all of the improvements, including the Performance Bond Improvements, and all other subdivision improvements, once installed shall remain in good condition and free from all defects in materials and workmanship for a one year period following completion ("Warranty Bond"); and

WHEREAS, the City will not approve the subdivision or issue a permit unless Developer promises to install and warrant certain improvements as herein provided and security is provided for that promise and the promises herein in the aggregate amount of \$120,558.57.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Installation of Improvements. The attached Engineer's Estimate, or Bond Calculation, contains a list of required improvements including the improvements currently installed, the Performance Bond Improvements, and other improvements that have yet to be installed by the Developer (collectively "Bonded Improvements"). The Bonded Improvements are not exhaustive and are only representative of the improvements for which there is a public need for a Performance Bond and Warranty bond. Developer shall install all the Bonded Improvements as well as: (a) all improvements shown on the plans, specifications, and drawings previously reviewed and approved by the City in connection with the above-described project; and (b) all improvements required by the Planning Commission and City Council approvals, applicable development agreement, City ordinance or regulation, or City standard or specification (collectively "Subdivision Improvements"). Developer shall install the Performance Bond Improvements, Bonded Improvements, and Subdivision Improvements within twelve (12) months from the date of this Agreement. Developer

further agrees to pay the total cost of obtaining and installing the Bonded and Subdivision Improvements, including the cost of acquiring easements.

2. **Letter of Credit/Bond.** The Developer has delivered to the City an irrevocable, standby letter of credit in the aggregate amount of \$120,558.57 (“Bond” or “Letter of Credit”), attached as Exhibit B, which the Developer and City stipulate to be a reasonable preliminary estimate of the cost of the Performance Bond Improvements (“Performance Bond” or “Performance Bond amount”), or \$31,012.32, plus 10% of the Bonded Improvements (“Warranty Bond” or “Warranty Bond amount”), or \$89,546.25, to cover the Warranty Period in paragraph 3.

The Developer further agrees that if (1) the Performance Bond Improvements are not completed as required by this Agreement within the time period specified in Paragraph 1 above, or (2) the Performance Bond Improvements are not installed strictly in accordance with Paragraph 1 above and strictly in accordance with City regulations, written notice of the deficiency has been given to the Developer, and Developer has failed to remedy the deficiency within 10 calendar days after notice, or (3) the Warranty Bond Improvements fail or need to be repaired during the Warranty Period specified in Paragraph 3, then in any of these events the City may withdraw some or all of the Performance or Warranty Bond amount to install or repair any or all of the Performance Bond Improvements, Warranty Bond Improvements, and/or Bonded Improvements. The City may also use any of the Letter of Credit amount to cover its administrative costs, attorney fees, litigation costs, or any other cost incurred by the City related to the installation or repair of the Improvements. The Performance Bond and Warranty Bond shall sometimes be collectively referred to as “Bond” or “Bond Amount.”

3. **Warranty.** The Developer hereby guarantees that the Bonded Improvements installed, and every part hereof, together with the surface of the land and any improvements thereon restored by the Developer, shall remain in good condition and free from all defects in materials and workmanship during the Warranty Period, as defined below, and the Developer shall promptly make all repairs, corrections, and replacements for all defects in workmanship, materials, or equipment during the Warranty Period, without charge or cost to the City. The City may at any time during the Warranty Period inspect, photograph, or televise the Bonded Improvements and notify the Developer of the condition of the Bonded Improvements. The Developer shall thereupon immediately make any repairs or corrections required by this Paragraph. For purposes of this Agreement, “Warranty Period” means the one-year period beginning on the date on which the Bonded Improvements are certified complete by the City.

Developer agrees that if work to replace or repair the Bonded Improvements is not commenced within 10 calendar days of written notice from City, weather permitting, and completed in a reasonable time, then the City may withdraw all or any part of the Warranty Bond amount, in a single or in multiple withdrawals. Further, City shall have the right to withdraw all or any part of the Warranty Bond amount if work is not completed prior to 30 days before expiration of the 1-year warranty period.

4. **Progress Releases.** The City agrees to allow progress releases from the Performance Bond amount as the work progresses as provided herein. The City shall, when requested in writing, inspect the construction, review any necessary documents and information, determine if the work

completed complies with City construction standards and requirements, and review the Engineer's Estimate in Exhibit A. After receiving and approving the request, the City shall in writing authorize disbursement to the Developer from the Performance Bond amount in the amount of such estimate. At least 20% of the funds originally deposited to cover the Performance Bond amount shall be retained until all required improvements are installed, inspected, and accepted. Except as provided in this Agreement, neither party may request the Depository to release or disburse any funds from the Bond. The City shall not authorize more than four progress payments in total. No progress payments or releases will be made until Developer has paid an administrative fee to the City as specified in the City's Fee Schedule. No progress releases will be made from the Warranty Bond amount once the Bonded Improvements enter the Warranty Period as specified in paragraph 3.

5. Refund or Withdrawal. In the event the City determines it is necessary to withdraw funds from the Bond to complete, construct, repair, or replace the Performance Bond Improvements, Warranty Bond Improvements, and/or Bonded Improvements, the City may withdraw all or any part of the Bond and may cause the Performance Bond Improvements, Warranty Bond Improvements, and/or Bonded Improvements (or any part of them) to be constructed, completed, replaced, or repaired using the funds received from the Bond. If any such work is required, the City may also keep and an additional 15% of the cost of such work as payment for the City's overhead and administrative costs in completing the improvements and administering and enforcing this Agreement. Any funds not expended, or not a part of the 15% overhead costs, in connection with the completion or repair of said improvements shall be refunded to Developer upon completion of the improvements.

6. Preliminary Release. At the time herein provided, the City may authorize release of all funds in the Performance Bond. The Warranty Bond amount shall be retained by the Depository as security for the obligations in paragraph 3 and may be withdrawn by the City as provided in Paragraphs 3 and 5 above for any breach of such an obligation. The release provided for in this Paragraph shall occur when the City certifies in writing that the Subdivision Improvements are complete, which shall be when all of the Subdivision Improvements have been installed as required, fully inspected, and approved in writing by the City, and after "as-built" drawings have been supplied as required.

7. Final Release. Upon full performance of all of Developer's obligations pursuant to this Agreement, including the warranty obligations of Paragraph 3, the City shall notify the Depository and the Developer in writing of the final release of the Bond. After giving such notice, the City shall relinquish all claims and rights in the Bond, minus any amounts retained pursuant to this Agreement.

8. Non-Release of Developer's Obligations. It is understood and agreed between the parties that the establishment and availability to the City of the Bond as herein provided, and any withdrawals from the Bond by the City, shall not constitute a waiver or estoppel against the City and shall not release or relieve the Developer from its obligation to install and fully pay for the Subdivision Improvements as required in Paragraph 1 above, and the right of the City to withdraw from the Bond shall not affect any rights and remedies of the City against the Developer for breach of any covenant herein, any breach of any applicable development agreement, failure to comply with conditions of approval, or failure to comply with City ordinances and regulations. Further, the

Developer agrees that if the City withdraws from the Bond and performs or causes to be performed the installation or any other work required of the Developer hereunder, then any and all costs incurred by the City in so doing which are not collected by the City by withdrawing from the Bond shall be paid by the Developer, including administrative, engineering, legal, and procurement fees and costs.

9. **Dedication.** Where dedication is required by the City, the Developer shall dedicate to the City the areas shown on the subdivision or development plat as public streets and as public easements, provided however, that Developer shall indemnify the City and its representatives from all liability, claims, costs, and expenses of every nature, including attorney's fees which may be incurred by the City in connection with such public streets and public easements until the same are accepted by the City following installation and final inspection of all of the Subdivision Improvements and approval thereof by the City.

10. **Connection and Maintenance.** Upon performance by Developer of all obligations set forth in this Agreement and compliance with all applicable ordinances, resolutions, rules, and regulations of the City, whether now or hereafter in force, including payment of all connection, review, and inspection fees, the City shall permit the Developer to connect any public improvement to the City's water, sewer, secondary water, and storm drainage systems and shall thereafter utilize and maintain public improvements to the extent and in the manner now or hereafter provided in the City's regulations.

11. **Inspection.** The Subdivision Improvements, their installation, and all other work performed by the Developer or its agents pursuant to this Agreement shall be inspected at such times as the City may reasonably require and prior to closing any trench containing such Subdivision Improvements. Developer shall provide City with not less than 48 hours' notice, not counting Fridays, Saturdays, and Sundays, notifying City that Developer will be closing a trench to allow City sufficient time to send its representatives to inspect the Subdivision Improvements. The City will not send its representatives until Developer has paid all outstanding fees, and Developer agrees to not close any trenches until such fees have been paid and City representatives have inspected said trenches.

12. **Ownership.** Public improvements covered herein shall become the property of the City upon Preliminary Release, as defined herein, and the Developer shall thereafter advance no claim or right of ownership, possession, or control of the public improvements. This paragraph shall in no way relieve Developer of its obligations under paragraph 3, or any other provision of this Agreement, to warranty and guarantee that the Warranty Bond Improvements remain in good condition and free from all defects in materials and/or workmanship for a period of one year after Preliminary Release.

13. **As-Built Drawings.** The Developer shall furnish to the City, upon completion of the Subdivision Improvements, drawings showing the Subdivision Improvements, actual location of water, secondary water, and sewer laterals including survey references, and any related structures or materials as such have actually been constructed by the Developer. The City shall not be obligated to release the Bond until as-built drawings have been provided to the City.

14. **Amendment.** Any amendment, modification, termination, or rescission (other than by operation of law) that affects this Agreement shall be made in writing, signed by the parties, and attached hereto.

15. **Successors.** No party shall assign or transfer any rights under this Agreement without the prior written consent of the other first obtained, which consent shall not be unreasonably withheld. When validly assigned or transferred, this Agreement shall be binding upon and inure to the benefit of the legal representatives, successors, and assigns of the parties hereto.

16. **Other Improvement Obligations.** The obligations of Developer under this Agreement are exclusive of, and shall not be interpreted to relieve Developer of, any obligations contained in any applicable development agreement, City ordinance or regulation, or City standard or specification. Developer expressly acknowledges that additional improvements may be required pursuant to any applicable development agreement, City ordinance or regulation, or City standard or specification and that this Agreement does not supersede, replace, or take precedence over such additional requirements or obligations. Developer further agrees that its obligation to complete and warrant the Performance Bond Improvements and/or Bonded Improvements is and shall not be conditioned upon the commencement of actual construction work in the subdivision or development, upon the sale of any lots or part of the subdivision or development, or the issuance of any permits include building or occupancy permits.

17. **Other Events Constituting Failure to Perform.** In addition to those events previously or subsequently described herein, the following shall be considered failure to perform or breach of this Agreement, the occurrence of which shall entitle City to invoke any and all remedies outlined in this Agreement or any and all remedies it may have in equity or at law: Developer's abandonment of the project as determined by City, which is defined as expiration of building permits due to inactivity, expiration of approvals per City Code, or inactivity for a period of 6 months or longer excluding the months of November through February; Developer's insolvency, appointment of a receiver, or filing of a voluntary or involuntary petition in bankruptcy; the commencement of a foreclosure proceeding against the project property; and/or the project property being conveyed in lieu of foreclosure. In the event the Developer files a bankruptcy petition, Developer hereby agrees to waive the automatic stay provisions of the Bankruptcy Code and agrees that City may proceed with exercising any and all remedies herein or any remedies in equity or law.

18. **Access to Property.** Should City elect to use the Bond to complete, repair, or replace the Improvements, Developer expressly grants to City, and any contractor or other agent hired by City, the right of access to the project property.

19. **Notices.** Any notice given under this Agreement shall be in writing and shall be delivered personally, mailed by first class or express mail, or sent by e-mail at or to the following addresses:

ATC Investments
 c/o Tracy Burnham
 1584 S. 580 E.
 American Fork, Utah 84003

Tracy@decorativeinc.com

Capital Community Bank
c/o Jory Norton
1909 W. State Street
Pleasant Grove, Utah 84062
Jory@ccbankutah.com

City of Saratoga Springs
c/o Mark Christensen (or current City Manager)
1307 N. Commerce Drive, Suite 200
Saratoga Springs, UT 84045
marke@saratogaspringscity.com

Notice shall be deemed given when actually received if personally delivered, the earlier of the day actually received or the third business day after the notice is deposited in the United States mail properly addressed and postage prepaid if sent by mail, or the date a delivery receipt is received if sent by e-mail.

20. Severability. Should any portion of this Agreement for any reason be declared invalid or unenforceable, the invalidity or unenforceability of such portion shall not affect the validity of any of the remaining portions and the same shall be deemed in full force and effect as if this Agreement had been executed with the invalid portions eliminated.

21. Governing Law. This Agreement and the performance hereunder shall be governed by the laws of the State of Utah.

22. Counterparts. The fact that the parties hereto execute multiple but identical counterparts of this Agreement shall not affect the validity or efficacy of their execution, and such counterparts, taken together, shall constitute one and the same instrument, and each such counterpart shall be deemed an original.

23. Waiver. No waiver of any of the provisions of this Agreement shall operate as a waiver of any other provision, regardless of any similarity that may exist between such provisions, nor shall a waiver in one instance operate as a waiver in any future event. No waiver shall be binding unless executed in writing by the waiving party.

24. Captions. The captions preceding the paragraphs of this Agreement are for convenience only and shall not affect the interpretation of any provision herein.

25. Integration. This Agreement, together with its exhibits and the approved plans and specifications referred to, contains the entire and integrated agreement of the parties as of its date, and no prior or contemporaneous promises, representations, warranties, inducements, or understandings between the parties pertaining to the subject matter hereof, which are not contained

26. **Attorney Fees.** In the event either party hereto defaults in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including reasonable attorney fees, incurred by the other party in enforcing its rights hereunder whether incurred through litigation or otherwise. In the case either party chooses to use in-house counsel, attorney fees shall be determined by the average hourly rate of a local attorney with the same level of experience and expertise.

27. **Other Bonds.** This Agreement and the Bond do not alter the obligation of Developer to provide other bonds under applicable ordinances or rules of any other governmental entity (including the City) having jurisdiction over Developer. The furnishing of security in compliance with the requirements of the ordinances or rules of the City or other jurisdictions shall not adversely affect the ability of the City to draw on the Bond as provided herein.

28. **Time of Essence.** The parties agree that time is of the essence in the performance of all duties herein.

29. **Exhibits.** Any exhibit(s) to this Agreement are incorporated herein by this reference, and failure to attach any such exhibit shall not affect the validity of this Agreement or such exhibit. An unattached exhibit is available from the records of the parties.

30. **Indemnification.** Developer agrees to indemnify, defend, and save harmless City, its officers, employees, and agents from and against any and all claims, lawsuits, damages, proceedings, and liability which may arise as a result of the installation of the Subdivision Improvements and any action of Developer pursuant to this Agreement. This includes any claims of any third-party in paragraph 31 below. City shall have the option to either provide its own defense, with all costs for such being borne by Developer in accordance with paragraph 26, or require that Developer undertake the defense of City.

31. **No Third-Party Beneficiaries.** The benefits and protection provided by this Agreement shall inure solely to City and not to third parties, including, but not limited to, lot purchasers, contractors, subcontractors, laborers, suppliers, subsequent purchasers, builders, or developers, or others. City shall not be liable to claimants or others for obligations of Developer under this Agreement. City shall have no liability for payment of any costs or expenses of any party who attempts to make a claim under this Agreement, and shall have no obligation to make payments to, give notices on behalf of, or otherwise have obligations to any alleged claimants under this Agreement.

[SIGNATURE PAGES FOLLOWING]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized representatives this 19th day of December, 2014.

CITY:

CITY OF SARATOGA SPRINGS

[Signature]
Mark Christensen, City Manager



ATTEST:

[Signature]
Lori Yates, City Recorder

APPROVED AS TO FORM:

[Signature]
Kevin S. Thurman, City Attorney

DEVELOPER:

By: [Signature]
[print name] TRACY BLANKENHORN

Its: MANAGER

DEPOSITORY:

By: [Signature]
[print name] JORY NORTON

Its: VICE PRESIDENT

DEVELOPER'S ACKNOWLEDGEMENT

Complete if **Developer** is an **Individual**)

STATE OF UTAH)
 : ss.
COUNTY OF _____)

On this _____ day of _____, 20____, personally appeared before me _____, the signer(s) of the foregoing instrument who duly acknowledged to me that he/she/they executed the same.

NOTARY PUBLIC
Residing in _____ County, _____

(Complete if **Developer** is a **Corporation**)

STATE OF UTAH)
 : ss.
COUNTY OF _____)

On this _____ day of _____, 20____, personally appeared before me _____, who being by me duly sworn did say that he/she is the _____ of _____ a corporation, and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged to me that said corporation executed the same.

NOTARY PUBLIC
Residing in _____ County, _____.

DEPOSITORY ACKNOWLEDGEMENT

STATE OF UTAH)

: ss.

COUNTY OF UTAH)

On this 17 day of DECEMBER, 20 14, personally appeared before me JORY NORTON, who being duly sworn did say that he/she is the VICE PRESIDENT of CAPITAL COMMUNITY BANK a UTAH corporation, and that the foregoing instrument was signed in behalf of said corporation by authority of its Board of Directors, and he/she acknowledged to me that said corporation executed the same.

Steffanie Einerson
NOTARY PUBLIC
Residing in Ogden County UT



(Complete if **Developer** is a **Partnership**)

STATE OF UTAH)
 : ss.
COUNTY OF _____)

On this _____ day of _____, 20____, personally appeared before me _____ who being by me duly sworn did say that he/she/they is/are the _____ of _____, a partnership, and that the foregoing instrument was duly authorized by the partnership at a lawful meeting held by authority of its by-laws and signed in behalf of said partnership.

NOTARY PUBLIC
Residing in _____ County, _____.

(Complete if **Developer** is a **Limited Liability Company**)

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

On this 17 day of DEC, 2014, personally appeared before me TRACY BURNHAM who being by me duly sworn did say that he or she is the MANAGER of ATC INVESTMENTS LLC, a limited liability company, and that the foregoing instrument was duly authorized by the Members/Managers of said limited liability company.

Steffanie Einerson
NOTARY PUBLIC
Residing in Deer County, UT.

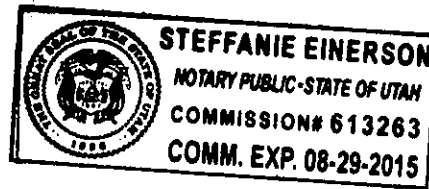


EXHIBIT "A"
Engineer's Estimate / Bond Calculation



Exhibit A

Saratoga Springs Bond Calculation

Project: Harvest Point Commercial

By: Eric Lundell

Date: February 12, 2014

Revised: July 16, 2014

Earthwork

| Earthwork Description | Unit | Quantity | Cost per Unit | Total Cost |
|-------------------------|------|----------|---------------|--------------------|
| Clear and Grub Site | ACRE | 8.81 | \$2,500.00 | \$22,025.00 |
| Offsite Import/Export | CY | 360 | \$15.00 | \$5,400.00 |
| Cut/Fill and Compaction | CY | 1,592 | \$1.50 | \$2,388.00 |
| Subtotal | | | | \$29,813.00 |

Erosion Control

| Erosion Control Description | Unit | Quantity | Cost per Unit | Total Cost |
|-----------------------------|------|----------|---------------|--------------------|
| Erosion Control* | Acre | 8.81 | \$2,500.00 | \$22,025.00 |
| Subtotal | | | | \$22,025.00 |

* Erosion control bond funds shall be eligible for release only after the City inspector has determined that the site is stabilized and all construction activity has been completed.

Sanitary Sewer

| Sanitary Sewer Description | Unit | Quantity | Cost per Unit | Total Cost |
|----------------------------------|------|----------|---------------|--------------------|
| 8" PVC Sewer | LF | 702 | \$32.50 | \$22,815.00 |
| 8" PVC Sewer (Amendment) | LF | 211 | \$32.50 | \$6,857.50 |
| 4' Manhole | EA | 4 | \$3,500.00 | \$14,000.00 |
| 4' Manhole (Amendment) | EA | 1 | \$3,500.00 | \$3,500.00 |
| Laterals | EA | 8 | \$750.00 | \$6,000.00 |
| Adjust & Collar SSMH | EA | 4 | \$350.00 | \$1,400.00 |
| Adjust & Collar SSMH (Amendment) | EA | 1 | \$350.00 | \$350.00 |
| Subtotal | | | | \$54,922.50 |

Culinary Water

| Culinary Water Description | Unit | Quantity | Cost per Unit | Total Cost |
|---|------|----------|---------------|--------------------|
| 12" DIP Waterline | LF | 950 | \$60.00 | \$57,000.00 |
| 12" Butterfly Valve | EA | 3 | \$3,500.00 | \$10,500.00 |
| Adjust and Collar Watervalve MH | EA | 3 | \$250.00 | \$750.00 |
| 12" Tee | EA | 1 | \$2,250.00 | \$2,250.00 |
| 12" Reducer to 8" | EA | 1 | \$950.00 | \$950.00 |
| Service Connections 1-1/2" to 2" with Meter | EA | 8 | \$2,500.00 | \$20,000.00 |
| Fire Hydrants with Valve | EA | 2 | \$3,750.00 | \$7,500.00 |
| Trace Wire | LF | 950 | \$0.30 | \$285.00 |
| Subtotal | | | | \$99,235.00 |

Irrigation Water

| Irrigation Water Description | Unit | Quantity | Cost per Unit | Total Cost |
|---|-------------|-----------------|----------------------|--------------------|
| 8" PVC Waterline | LF | 910 | \$35.00 | \$31,850.00 |
| 8" Gate Valve | EA | 4 | \$1,600.00 | \$6,400.00 |
| Adjust and collar water valve MH | EA | 4 | \$250.00 | \$1,000.00 |
| 8" Tee | EA | 1 | \$950.00 | \$950.00 |
| Irrigation laterals 2" with Meter (Amendment) | EA | 1 | \$2,000.00 | \$2,000.00 |
| Irrigation Lateral 3/4-1" with Meter | EA | 8 | \$1,000.00 | \$8,000.00 |
| Trace Wire | LF | 910 | \$0.30 | \$273.00 |
| Subtotal | | | | \$50,473.00 |

Storm Drain & Land Drain

| Storm Drain Description | Unit | Quantity | Cost per Unit | Total Cost |
|--------------------------------|-------------|-----------------|----------------------|---------------------|
| 24" RCP | LF | 751 | \$65.00 | \$48,815.00 |
| 18" RCP | LF | 10 | \$50.00 | \$500.00 |
| 15" RCP | LF | 881 | \$42.00 | \$37,002.00 |
| Single Inlet Box/Catch Basin | EA | 5 | \$2,500.00 | \$12,500.00 |
| 48" Manhole | EA | 2 | \$2,500.00 | \$5,000.00 |
| 60" Manhole | EA | 3 | \$2,750.00 | \$8,250.00 |
| Cleanout Box | EA | 5 | \$2,500.00 | \$12,500.00 |
| Adjust & Collar MH | EA | 5 | \$350.00 | \$1,750.00 |
| Subtotal | | | | \$126,317.00 |

Street Improvements

| Street Improvements Description | Unit | Quantity | Cost per Unit | Total Cost |
|--|-------------|-----------------|----------------------|-------------------|
| 2' Curb & Gutter w/Road Base (Hillcrest) | LF | 1,828 | \$20.00 | \$36,560.00 |
| 2' Curb & Gutter w/Road Base (Driveway Access) | LF | 450 | \$20.00 | \$9,000.00 |
| 2.5' Curb & Gutter w/ Road Base (Redwood Road) | LF | 777 | \$25.00 | \$19,425.00 |
| 5' Sidewalk w/ 6" Road Base (Hillcrest & Fall Harvest) | LF | 2,088 | \$26.00 | \$54,288.00 |
| 5' Sidewalk w/ 6" Road Base (Driveway Access) | LF | 450 | \$26.00 | \$11,700.00 |
| 8' Sidewalk w/ Road Base (Redwood Road) | LF | 940 | \$34.00 | \$31,960.00 |
| 4" Asphalt (Hillcrest) | SF | 21,936 | \$3.00 | \$65,808.00 |
| 4" Asphalt (Driveway Access) | SF | 8,100 | \$3.00 | \$24,300.00 |
| 6" Asphalt (Redwood) | SF | 5,120 | \$5.00 | \$25,600.00 |
| 6" Road Base (Driveway Access) | SF | 8,100 | \$0.75 | \$6,075.00 |
| 6" Road Base (Redwood Road) | SF | 5,120 | \$0.75 | \$3,840.00 |
| 8" Road Base (Hillcrest) | SF | 21,936 | \$1.00 | \$21,936.00 |
| 12" Granular Borrow (Driveway Access) | SF | 9,000 | \$1.00 | \$9,000.00 |
| 12" Granular Borrow (Redwood Road) | SF | 6,720 | \$1.00 | \$6,720.00 |
| 18" Granular Borrow (Hillcrest) | SF | 25,592 | \$1.60 | \$40,947.20 |
| Drive Approach (non-residential) | EA | 5 | \$750.00 | \$3,750.00 |
| ADA Ramp | EA | 3 | \$750.00 | \$2,250.00 |
| Asphalt Saw Cutting | LF | 850 | \$1.00 | \$850.00 |
| Curb inlet tie in | EA | 6 | \$500.00 | \$3,000.00 |
| Striping (4" stripe) | LF | 1,658 | \$0.67 | \$1,110.86 |

| | | | | |
|---|----|--------|----------|---------------------|
| Slurry Seal | SF | 35,156 | \$0.10 | \$3,515.60 |
| Re-Striping after Slurry Seal (4" solid stripe) | LF | 1,658 | \$0.67 | \$1,110.86 |
| Street Monuments | EA | 2 | \$600.00 | \$1,200.00 |
| Subtotal | | | | \$383,946.52 |

Miscellaneous

| Miscellaneous Description | Unit | Quantity | Cost per Unit | Total Cost |
|--|-------------|-----------------|----------------------|---------------------|
| Street Light Single Arterial | EA | 3 | \$4,800.00 | \$14,400.00 |
| Street Light Single Collector/Commercial | EA | 3 | \$4,150.00 | \$12,450.00 |
| MUTCD Traffic Signs | EA | 6 | \$500.00 | \$3,000.00 |
| Landscaping and Irrigation | SF | 27,107 | \$1.50 | \$40,660.50 |
| Bury Power Poles | LF | 1,018 | \$50.00 | \$50,900.00 |
| Lockable Fuse Boxes | EA | 6 | \$320.00 | \$1,920.00 |
| Trees in public ROW (Amendment) | EA | 18 | \$300.00 | \$5,400.00 |
| Subtotal | | | | \$128,730.50 |

| | |
|-------------------------------|---------------------|
| Total Improvement Cost | \$895,462.52 |
|-------------------------------|---------------------|

Performance Bond Amount (Estimated Cost of Remaining Improvements) \$31,012.32

Warranty Bond Amount (10% of Total Improvement Cost) \$89,546.25

| | |
|---|---------------------|
| Bond To Be Posted (Performance Bond + Warranty Bond) | \$120,558.57 |
|---|---------------------|

| | |
|--|--------------------|
| Review and Inspection Fees - GL # 10-3419-100 | \$16,547.82 |
| Lockable Fuse Box Fees - GL # 10-3424-100 | \$1,920.00 |
| Total Fees Due | \$18,467.82 |

EXHIBIT "B"
Letter of Credit

ENT 33527:2015 PG 16 of 18

Irrevocable Letter of Credit
Expiration Date: December 20, 2016

ENT 33527:2015 PG 17 of 18

December 19, 2014

City of Saratoga Springs
1307 N. Commerce Drive, Suite 200
Saratoga Springs, UT 84045

RE: Irrevocable Letter of Credit # 39900261, Harvest Point Commercial

To Whom It May Concern:

We hereby establish an Irrevocable Letter of Credit in favor of the City of Saratoga Springs ("City") for the account of Tracy Burnham ("Account Holder") in the aggregate amount not exceeding One hundred twenty thousand five hundred fifty eight and 57/100 in US Dollars (USD \$120,558.57) to expire on 12/20/2016, or a prior date authorized by the City and upon the full release of funds for work completed and repaired by Account Holder and inspected by the City. The purpose of the Letter of Credit is to secure improvements to be made and to warrant such improvements for the proposed Harvest Point Commercial subdivision in Saratoga Springs, Utah. We hereby acknowledge that under the terms of this Irrevocable Letter of Credit document, the City, exclusively, reserves the right to take the following actions:

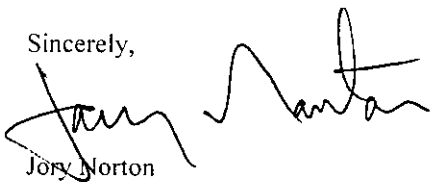
1. Authorize partial releases of funds for work completed and inspected by the City;
2. Authorize a release of funds for work completed and inspected by the City, except for \$ 89,546.25 ("Warranty Amount"), which shall be held by Capital Community Bank for 12 months from the date the City Manager issues the "Preliminary Release" for any necessary repairs during the warranty period;
3. Authorize a release ("Final Acceptance") of the Warranty Amount at the end of the 12 month warranty period;
4. Foreclose on the Irrevocable Letter of Credit, and collect all funds therein for the work that has not been completed by the developer in the time required by the City of Saratoga Springs and/or for the work which has not been repaired during the Warranty Period; and
5. Take any other action authorized by the City of Saratoga Springs Improvements and Bond Agreement ("Bond Agreement") attached as Exhibit A.

The amount specified in this letter is available for payment upon presentation of a draft drawn on Capital Community Bank bearing the clause, "Drawn under Letter of Credit No. 39900261 of Capital Community Bank dated 12/19/2014, and presented on or before 12/20/2016, after which this Irrevocable Letter of Credit shall be null and void. The draft shall be accompanied by the following information and documents:

1. The amount to be drawn;
2. A statement signed by an officer of the City of Saratoga Springs indicating that the improvements required by the Bond Agreement have not been completed or repaired in accordance with the Bond Agreement and City ordinances and that the requested draw amount represents the amount necessary to complete or repair the improvements;
3. A statement that notice of the requested draw has been furnished to the Account Holder; and
4. An original copy of this Irrevocable Letter of Credit.

We hereby engage with the drawers, endorsers, and bona fide holders of drafts under and in compliance with the terms of this credit that the same shall be duly honored on due presentation of delivery of documents as specified to [insert name of bank]. Except so far as otherwise expressly stated herein and the Bond Agreement, this Letter of Credit is subject to Uniform Customs and Practice for the Documentary Credits (1993 revision, The International Chamber of Commerce Publication No. 500).

Sincerely,



Jory Norton
Vice President
Capital Community Bank

Irrevocable Letter of Credit
Expiration Date: December 20, 2016

ENT 33527:2015 PG 18 of 18

December 19, 2014

City of Saratoga Springs
1307 N. Commerce Drive, Suite 200
Saratoga Springs, UT 84045

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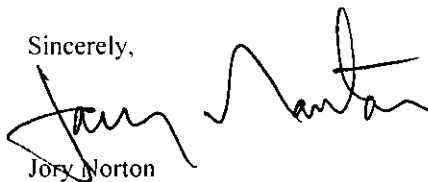
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Jory Norton
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