Recording Requested By and When Recorded Return to:

West Jordan City

Attention: Melanutorigg

8000 South Redwood Road West Jordan, Utah 84088 11441558
07/31/2012 03:44 PM \$172-00
Book - 10041 Pm - 5863-5944
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
WEST JORDAN CITY
8000 S REDWOOD RD
WEST JORDAN UT 84088
BY: SAM, DEPUTY - WI 82 P.

For Recording Purposes Do Not Write Above This Line

DEVELOPMENT AGREEMENT ECHO RIDGE SUBDIVISION



This Development Agreement (this "Agreement") is made and entered into and made effective as of the date entered below (the "Effective Date"), by and among West Jordan City, a municipality and political subdivision of the State of Utah (the "City"), and the Developer may from time to time be collectively referred to as the "Parties."

RECITALS

- A. City entered into a Development Agreement by and between City of West Jordan and RWK Investments, LLC (hereinafter referred to as the "RWK Development Agreement"), affecting the RWK Subdivision, which was recorded by plat and later amended.
- B. The RWK Subdivision plat was recorded on October 5, 2005, and the RWK Subdivision Amended plat was recorded on October 26, 2005.
- C. Developer desires to develop Remainder Parcel 3 of the RWK Subdivision (hereinafter referred to as "Remainder Parcel 3") located at approximately 6464 Wells Park Road, which Remainder Parcel 3 is described in more detail in Exhibit A.
- D. Pursuant to the RWK Development Agreement, Developer is required to complete all of the following, at Developer's sole cost and expense:
 - (1) improve and dedicate to City the master planned street known as 6400 West from the north boundary of Remainder Parcel 3 to the south boundary of Remainder Parcel 3;
 - (2) improve Wells Park Road from 6400 West to 6600 West; and
 - (3) construct and dedicate all master planned streets and utilities within the

Development Agreement Echo Ridge Subdivision

Page 1 of 3/ 28 boundaries of Remainder Parcel 3.

- E. Pursuant to the RWK Development Agreement, City has protection strips along the dedicated right-of-way for Wells Park Road, which protection strips will be released in accordance with the 2009 City Code.
- F. Pursuant to the RWK Development Agreement, the owner, developer or applicant for development of Remainder Parcel 3 may be an assignee of some of the obligations and liabilities of the RWK Development Agreement, and the RWK Development Agreement will remain in full force an effect as to the other remainder parcel.
- G. Remainder Parcel 3 is located south of and adjacent to the Cadyn Meadows Phase 2 subdivision, which plat was-recorded-on April 7, 2010.
- H. City entered into a Deferral Agreement by and between Cadyn, LC and City of West Jordan, entitled "Deferral Agreement Cadyn Meadows Phase 2" (hereinafter referred to as the "Cadyn Meadows Deferral Agreement").
 - I. The Cadyn Meadows Deferral Agreement required the following:
 - (1) design of all improvements required for the Cadyn Meadows Phase 2 subdivision plat, inclusive of improvements deferred under the agreement;
 - (2) dedication of real property necessary for improvement of 6400 West Street and all underground utilities located therein; and
 - (3) construction of 6400 West Street and underground utilities within 6400 West Street from approximately New Bingham Highway to the south boundary of Cadyn Meadows Phase 2 subdivision.
- J. Pursuant to the Cadyn Meadows Deferral Agreement: (1) real property was dedicated to the City from approximately Dannon Way to the south boundary of Cadyn Meadows Phase 2; (2) construction of 6400 West Street and underground utilities from approximately Dannon Way to the south boundary of Cadyn Meadows Phase 2 subdivision (the "**Deferred Improvements**"),was deferred until certain condition(s) were met; and (3) Sundial, LC provided a financial guarantee for performance of said construction.
- K. Dedication of real property for 6400 West Street from approximately Dannon Way to the south boundary of Cadyn Meadows Phase 2 is complete. However, the Deferred Improvements have not been constructed, and the City has received cash payment from the financial guarantee provided by Sundial, LC.
 - L. Developer desires to modify and complete the design and construct the Deferred

Page 2 of 34 28 25 3

Improvements, and has agreed to provide a financial guarantee for performance of said construction. Consequently, the City has determined to return the cash payment to Sundial, LC and does not intend to demand any further performance under the Cadyn Meadows Deferral Agreement.

- M. Developer has prepared and presented to the City a development application for the Echo Ridge Subdivision, which is a four phase development, to be recorded as four dependent and interrelated phases upon Remainder Parcel 3 (hereinafter referred to as the "Project"), which application package has been submitted and reviewed by the City pursuant to the requirements of the 2009 City Code and related protocols and policies and other applicable zoning, engineering, fire safety and building requirements. The resulting and finally approved development plan, preliminary and final site plan(s), preliminary and final subdivision plat(s), engineering drawings, conveyance documents, title reports and other documents submitted during the City's review and approval process will be referred to herein as the "Echo Ridge Development Documents" or the "Development Documents."
- N. Pursuant to the authority of *Utah Code Ann.* § 10-9a-102(2) and the specific provisions of the 2009 City Code, the City has determined to enter into this Echo Ridge Development Agreement with Developer for the purpose of formalizing certain obligations of the Parties with respect to the Project, and such other matters as the City and the Developer have agreed.
- O. In connection with the development of the Project pursuant to the Development Documents, Article VII of this Agreement contains additional recitals and additional terms and provisions related to potential reimbursement.

AGREEMENT

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

ARTICLE I LEGAL AUTHORITY AND PURPOSE

- 1.1 City Laws and Purpose. The City and Developer represent that they have the legal authority to enter into and perform their obligations under this Agreement and that the City has determined that this Agreement effectuates the above-referenced public purposes, objectives and benefits. This Agreement and the approved Development Documents will govern the City and the Developer with respect to development of the Project.
- 1.2 Recitals and Exhibits. The above Recitals and all Exhibits hereto are hereby

0f 28 OF S

incorporated by reference into this Agreement.

- 1.3 Conditions Precedent. Each of the City and Developer is entering into this Agreement in anticipation of the satisfaction of certain conditions precedent, which, if not satisfied, will frustrate the purposes of this Agreement. Accordingly, if the Conditions Precedent are not satisfied or otherwise waived by the Parties, this Agreement shall be rendered null and void and none of the parties hereto shall have any further obligation to the other arising out of this Agreement. The Parties recognize that some of the Conditions Precedent may be satisfied contemporaneously with or prior to the execution of this Agreement, but such Conditions Precedent have been indentified herein for purposes of setting forth the intent of the Parties. For purposes of this Agreement, the following shall constitute the "Conditions Precedent":
 - 1.3.1 the final non-appealable approval and acceptance of this Agreement by the City Council;
 - 1.3.2 the final non-appealable approval and recording of the subdivision plat for the first phase; and
 - 1.3.3 approval of each and every one of the Development Documents by the appropriate approving body as set forth in the 2009 City Code; and
 - 1.3.4 assignment and acceptance of all applicable rights and obligations of the Cadyn Meadows Reimbursement Agreement to the extent that any reimbursement is sought for improvements identified in said agreement.

ARTICLE II PROJECT DEVELOPMENT

2.1 Developer Obligations.

- 2.1.1 Conveyance or Dedication of Required Easements. Developer shall convey or dedicate to the City or other applicable utility provider, at no cost, such required utility easements on or across the Project as are necessary to facilitate the extension of required utility services to and through the Project.
- 2.1.2 Public Improvements: Streets, Culinary Water, Sanitary Sewer and Stormwater. Developer shall design, construct and dedicate to the City all public streets and other public infrastructure required by the 2009 City Code and City standards and/or shown on the approved Development Documents (hereinafter referred to as the "Public Improvements"). This obligation shall survive termination of this Agreement and is intended to attach to and run with the land.

Page 4 of 21 28

A. Access and Connecting Roads.

- 1. Access and connecting roads will provide for safe and efficient circulation within, and adequate entrances and exits for the Project. All access and connecting roads shall be completed in accordance with approved plans and specifications submitted in connection with one or more dependent and interrelated subdivision plats for the various phases of the Project as set forth in the approved Development Documents. At a minimum, access roads shall include the following to be constructed in conjunction with the first phase of the Project: 6400 West from the current terminus at approximately Dannon Way to the southern boundary of the first phase; and a twenty-two and one-half foot (22.5°) wide access road with asphalted drivable surface between the first phase and Wells Park Road as shown in Exhibit B. No certificates of occupancy will be issued until these access roads are complete. Unless specifically authorized by City Code, approval of the West Jordan Fire Department is necessary for issuance of building permits.
- 2. Developer shall construct the Deferred Improvements, as defined above and in the Cadyn Meadows Deferral Agreement; provided that the design shall be the design prepared by Developer and accepted by City. Developer shall provide an improvement guarantee, as set forth in this Agreement, guaranteeing completion of the Deferred Improvements. Within sixty (60) calendar days after receiving and accepting the financial guarantee for the Deferred Improvements, City shall remit payment to Sundial, LC in the amount and as a refund of funds previously paid to the City as a financial guarantee for the Cadyn Meadows Deferral Agreement. This Agreement does not impose on the City any obligation to enforce the Cadyn Meadows Deferral Agreement for the benefit of Developer. Except for the obligation to construct the Deferred Improvements as described herein, this Agreement does not impose on the Developer any unrelated obligations of the Cadyn Meadows Deferral Agreement.
- B. <u>Transportation</u>, <u>Culinary Water</u>, <u>Sanitary Sewer and Stormwater Master Plans</u>. Without limiting the foregoing, the Developer shall be required to construct all master planned streets, culinary water, sanitary sewer and stormwater improvements running along or through the 39.5-acre Project (the "Master Planned Improvements") with the first phase of the Project, or Developer shall be responsible for a pro-rated portion, based on acreage, of the estimated cost of construction of such improvements at the start of each phase as shown in **Exhibit** C and as follows:
- 1. Phase 1, which is 14 acres, shall be responsible for 35.44% of the estimated cost of construction of the Master Planned Improvements, which is approximately \$484,067.54.

Page 5 of 21 28

- 2. Phase 2, which is 9 acres, shall be responsible for 22.78% of the estimated cost of construction of the Master Planned Improvements, which is approximately \$311,186.28.
- 3. Phase 3, which is 6.5 acres, shall be responsible for 16.46% of the estimated cost of construction of the Master Planned Improvements, which is approximately \$224,745.65.
- 4. Phase 4, which is 10 acres, shall be responsible for 25.32% of the estimated cost of construction of the Master Planned Improvements, which is approximately \$345,762.53.

To the extent that any of the Master Planned Improvements are eligible for reimbursement pursuant to this Agreement, the reimbursement provisions of this Agreement shall apply to the phase with which the eligible improvements are constructed.

An improvement guarantee shall be posted for each phase including the Master Planned Improvements, or portion thereof, contained within that phase. In addition to the improvement guarantee for each phase, Developer shall deposit cash with the City in an amount equal to the following: total estimated cost of Master Planned Improvements for the entire 39.5-acre Project, less the estimated cost of Master Planned Improvements previously constructed with completed phases, less the estimated cost of Master Planned Improvements to be constructed with the phase for which deposit is being made, less the proportionate share of subsequent phases pro-rated based on acreage, such that by the start of the last phase of the Project the City will possess all of the funding from the Developer necessary to contract for and build incomplete Master Planned Improvements. An example of the currently estimated deposit for Phase 3 is included in Exhibit C.

At the time of development of the final phase, if the Master Planned Improvements, or portion thereof, have not been built by the Developer, the City may elect to: (1) allow Developer to complete such improvements and surrender back to Developer the cash accumulated through earlier phases; (2) use the accumulated cash to contract for and build the improvements; or (3) pay the accumulated cash to others as reimbursement for constructing the improvements.

C. Required Improvements. Exhibit D, attached hereto and hereby made a part hereof, lists and otherwise describes all required and agreed improvements and dedications required of Developer in connection with the Project, all of which are accepted by Developer and agreed upon.

Page 6 of 31

- 2.1.3. Construction Standards. Notwithstanding any other provisions of this Agreement, all Public Improvements (e.g. all improvements to be dedicated to City or constructed upon property owned by City) shall be constructed in compliance with the approved Development Documents, all applicable federal, state and local laws and regulations, and City standards, specifications, and plans as adopted at the time of design.
- 2.1.4. Site Conditions. Developer warrants that Developer is familiar with all conditions at the Project site related to the construction of the Public Improvements.
- 2.1.5. Completion within Two Years. For each phase, construction of the Public Improvements contemplated in the Development Documents shall be completed within two years from the date of plat recordation. If Developer fails to complete construction of all Public Improvements within the time period set forth herein for completion, the City shall notify Developer that Developer shall have thirty (30) calendar days to complete such. If Developer fails to complete the Public Improvements within the allotted time, the City, in its discretion, may complete the construction of such Public Improvements and may recover the full cost and expense, including administrative costs for contract preparation, contract administration and construction management, of such completion from Developer's Improvement Guarantee (defined hereafter) or, if not recovered therefrom, from Developer and its principals personally.

2.1.6. Construction Process.

- A. Shop Drawings. If any shop drawings are required for the construction of the Public Improvements, Developer shall submit such drawings to the City for review and acceptance prior to the performance of the work illustrated or described in such shop drawings.
- B. <u>Changes Prohibited without Consent</u>. Following City approval of the Development Documents, Developer shall not make any changes to the Development Documents without the prior written consent of the City.
- C. Studies and Testing. Developer shall pay for and complete all soils and materials and traffic testing required by the 2009 City Code or the City's public improvement standards, specifications, and plans. The work shall be performed by testing agencies acceptable to the City Engineer. Copies of all test results shall be submitted to the City Engineer within thirty-six hours after they are issued by the testing agency. The City Engineer may request that the test reports be certified by the testing agency.

Page 7 of 31

Development Agreement Echo Ridge Subdivision

D. Inspection and Punch List. When Developer notifies the City that Developer believes the Public Improvements are completed, the City shall make an inspection and prepare a list of the items which are incomplete or unsatisfactory and need to be corrected. The City's failure to object to the completion of any item of work does not relieve Developer of the responsibility to complete the work in compliance with the Development Documents and all applicable laws and codes and the City of West Jordan public improvement standards, specifications, and plans.

2.1.7. Completion Extension.

- A. <u>Notification to City</u>. If for any reason Developer determines that the Public Improvements will not be completed within the two-year period required under this Agreement, Developer shall promptly notify the City of the delay, the reasons therefor, and the anticipated completion date.
- B. <u>Extension Request</u>. Developer may request that the City extend the completion time. Developer shall submit a construction schedule showing the anticipated completion date.
- C. <u>City's Grant of Extension</u>. The City, by and through its City Council, in its sole discretion, may grant or deny Developer's request for an extension. If the extension is denied, the City may, at its sole discretion, pursue any remedy available at law or by the terms of this Agreement based on Developer's failure to complete the Public Improvements within the two-year period. If the extension is granted, all of the terms of this Agreement shall remain in full force and effect except as modified by the new completion date. The extension may be memorialized by written amendment to this Agreement, executed by the Parties.
- D. <u>Remedies Non-Exclusive</u>. The City's extension of the completion date under this Article shall not preclude the City from exercising any rights or remedies available to the City pursuant to this Agreement.
- 2.1.8. **Deficient Materials.** If any materials used in the construction of streets and other improvements do not meet City specifications, the City Engineer, in his/her sole discretion, may require Developer to remove the deficient materials and replace them with materials approved by the City Engineer.
- 2.1.9. File Record Documents. Developer shall file with the City Engineer "Record Documents" conforming to City requirements.
- 2.1.10. Acceptance and Title.

Page 8 of 31

Development Agreement Echo Ridge Subdivision

- A. <u>City Acceptance</u>. For each phase, when the City is satisfied that the Public Improvements have been completed as required, and the City has verified at the end of the 12-month warranty period that all final repairs have been made, a letter shall be prepared and signed by the City Manager indicating acceptance of the Public Improvements for that phase. Public Improvements located on City property (including easements owned by the City or on property dedicated to the City) shall thereupon become the property of the City. Improvements located on property not owned by the City shall not become the City's property. Developer shall promptly execute and deliver to the City any documents reasonably required by the City establishing the City's ownership of the Public Improvements on the City's property.
- B. <u>Developer's Continuing Obligation</u>. Developer's obligation to perform and complete all Public Improvements in accordance with the approved Development Documents; applicable federal, state and local laws and regulations; and the City of West Jordan public improvement standards, specifications, and plans is absolute and continuing. None of the following constitute an acceptance of any or all of the Public Improvements that are noncompliant, and none of the following shall release Developer from its obligation to construct the Public Improvements in accordance with the same:
 - 1. Observations by the City Engineer;
 - 2. Use or occupancy of any Public Improvements or any part thereof by the City or the public;
 - 3. Any review of a shop drawing or sample submittal or the issuance of a notice of acceptability by the City Engineer;
 - 4. Any inspection, test, or approval by someone other than the City; or
 - 5. Any correction of defective work by the City.
- C. Acceptance is Not a Waiver of the City's Rights. The City's acceptance of defective work shall not release or relieve Developer from the warranty and guarantee provisions of this Agreement; unless the defective condition is expressly identified and accepted by the City in writing, and the City has provided a written release of warranty for the defective condition. Even if the City formally accepts a public improvement, if an unseen or unnoticed deviation from the approved engineering drawings, the 2009 City Code or the

Page 9 of 31

Development Agreement Echo Ridge Subdivision

City of West Jordan public improvement standards, specifications and plans is later discovered, or a defect in construction or materials or any other process causes a problem, the Developer is liable for all damages ensuing from that unseen or unnoticed deviation or defect.

- D. <u>City Responsibility</u>. From and after the City's acceptance of Public Improvements on City property, the City shall have the complete and sole jurisdiction over the operation and maintenance of such Public Improvements, including without limitation, sole discretion to: 1) discontinue operation and maintenance of the Public Improvements at any time; 2) convey or assign any or all City interests in the Public Improvements to any person at any time; and 3) convey or assign to any person any or all operation and maintenance responsibilities for the Public Improvements. Nothing in this Agreement shall create a duty for the City to ensure or guarantee operation of Public Improvements or construct any appurtenance necessary for operation. The City's acceptance of Public Improvements shall not relieve Developer of liability for any non-compliance in their construction.
- 2.1.11. Completion. Upon completion of all Public Improvements for each phase, the Developer shall request an inspection. The Public Improvements shall not be deemed complete until the City Engineer has verified that they are installed in accordance with the Development Documents, 2009 City Code and the City's public improvement standards, specifications, and plans, and the City Manager has provided written documentation reducing the Improvement Guarantee, as defined herein, to 10% of its initial amount.

2.1.12. Public Improvement Warranty.

- A. <u>Basic Warranty</u>. Developer warrants and guarantees to the City that all the Public Improvements, including materials and workmanship, will not be defective and will be in accordance with the Development Documents, the 2009 City Code and the City of West Jordan public improvement standards, specifications, and plans.
- B. No Warranty for Nonpublic Improvements and Common Areas of Ownership. As provided in the Development Documents and the Improvement Guarantee, Developer is expected to shoulder the same responsibility with respect to construction and completion of nonpublic improvements or common areas of private ownership as with the Public Improvements, except nonpublic improvements shall not be subject to the twelve month warranty set forth herein below.

Page 10 of 31

Development Agreement Echo Ridge Subdivision

C. Twelve-Month Warranty Period for Public Improvements. If, within twelve months after the completion of the Public Improvements, as evidenced by written approval of the City Manager, or such longer period of time as may be prescribed by laws or regulations or by the terms of any applicable special guarantee, any portion of the Public Improvements is found to be defective, Developer shall promptly, without cost to the City and in accordance with City's written instruction, correct such defective work or replace it with non-defective work.

If, during the twelve-month warranty period, emergency repairs to any of the Public Improvements become necessary (including but not limited to any repairs which, in the opinion of the City, jeopardize public safety or convenience), Developer shall complete the repairs at no cost to the City. If the City completes the repairs due to urgency or failure of the Developer to timely complete such repairs, Developer shall reimburse City within five working days of receiving the notice of amount due.

During the twelve-month warranty period, the City will provide street sweeping and snow plowing. All other maintenance shall be the responsibility of the Developer.

These provisions are intended to provide a remedy to the City in addition to the basic warranty set forth above enforceable against the Developer and its principals.

- D. Warranty for Public Landscaping Improvements. If, within twenty four (24) months after completion of the Public Landscaping Improvements, as evidenced by written approval of the City Manager, any portion of the Public Landscaping Improvements is found to be defective, Developer shall promptly, without cost to the City and in accordance with City's written instruction, correct such defective work or replace it with non-defective work. During the twenty-four month warranty period, Developer shall maintain the Public Landscaping Improvements to ensure that said improvements become established and continue to comply with the City's public improvement standards, specifications, and plans in effect on the effective date of this Agreement.
- E. <u>Developer's Failure to Correct</u>. If Developer fails to correct defective work, or in an emergency where notice and delay would cause serious risk of loss or damage, the City may have the defective work corrected or the defective work removed and replaced. Developer shall be liable for and pay for all direct, indirect and consequential costs of such correction or removal and

11 of 34 28

Page 11 of **3/**1

- replacement by the City including, but not limited to, fees and charges of engineers, architects, and other professionals.
- F. <u>Normal Wear and Tear</u>. Developer's warranty and guarantee hereunder excludes defects or damage caused by normal wear and tear under normal usage.

2.1.13.Improvement Guarantee.

- A. <u>Types of Security Devices</u>. Prior to the City executing this Agreement, unless expressly waived in writing by the City, Developer shall file with the City Engineer an Improvement Guarantee in accordance with the 2009 City Code. With the consent of the City Attorney, Developer may, during the term of this Agreement, replace an Improvement Guarantee, originally filed, with any other type of Improvement Guarantee.
- B. <u>Form of Improvement Guarantee</u>. Developer shall submit a letter of credit, which shall condition the making of draws thereon and shall contain the automatic renewal provision as provided in **Exhibit E**. The letter of credit shall be irrevocable
- E. No Third Party Beneficiaries to Improvement Guarantee. Neither this nor any other provision requiring an Improvement Guarantee shall be construed to create any rights in any third party claimant as against the City for construction of the Public Improvements. The payment of contractors and subcontractors is the sole responsibility of Developer.

2.1.14.Improvement Guarantee Releases for Public Improvements Not Including Landscaping.

A. Interim Reductions. After completing a system or systems within the phase to which the Improvement Guarantee applies, the Developer may submit a written request for reduction of the Improvement Guarantee. Written reduction requests may be made only once every thirty (30) calendar days in accordance with the 2009 City Code. The amount of the reduction shall be determined by the City Engineer and shall not exceed seventy five percent (75%) of the amount set forth in the estimated cost of Public Improvements for the system category in which reduction is sought. The total Improvement Guarantee proceeds shall not be reduced below twenty five percent (25%) of the initial face amount, plus the estimated cost of a one inch (1") thick asphalt concrete overlay for public streets. No reduction shall be authorized until such time as City has inspected the Public Improvements and found them to be in compliance with the Development Documents, City standards

Page 12 of 31 28

and the 2009 City Code. Completion of Public Improvements, even if verified by the City, shall not entitle Developer to an automatic release of any part of the Improvement Guarantee. Interim reductions not to exceed 75% of the initial amount shall be evidenced by the written authorization of the City Engineer.

The Developer shall receive written notice from the City Engineer regarding releases of partial sums. Copies of all partial releases from the City Engineer shall be sent to the City Clerk's Office for inclusion with and attachment to the Improvement Guarantee.

В. Retainage for Public Improvements. Developer expressly agrees that, notwithstanding any partial release requested by Developer and granted by the City, the maximum amount to be released upon satisfactory completion of the Public Improvements shall be 90% of the amount of the original Improvement Guarantee. The remaining 10% (herein the "Retainage"), shall not be released for twelve months following reduction to the 10% level as evidenced by written approval of the City Manager. The Retainage shall be held to insure that the covered improvements do not have any latent defects in materials or workmanship as determined by City, and that the covered improvements continue to meet City standards throughout the warranty period as set forth in this Agreement. Notwithstanding said Retainage, Developer shall be responsible for any substandard, defective, or damaged Public Improvements. At the request of Developer, the Retainage or any part thereof may be replaced with an Improvement Guarantee of a type and form permitted by the 2009 City Code and approved by City. Developer shall be responsible for any substandard or defective covered improvements if the amount is inadequate to cover any such improvements.

Reduction to the 10% level shall not occur unless and until the following have occurred: verification by the City Engineer that all covered improvements have been satisfactorily completed; the receipt by the City of any lien waivers required by the City Engineer; and provided that the City has not received any claims or notices of claim upon the Improvement Guarantee.

Final Release. At the end of the twelve month warranty period for the Public Improvements and upon the receipt by the City of any lien waivers required by the City Engineer, and provided that the City has not received any claims or notices of claim upon the Improvement Guarantee, and provided that the Public Improvements remain in good condition and Developer has performed Developer's obligations under this Agreement as verified by the City Engineer, the City Manager shall release the final ten percent (10%) of the

Page 13 of 3/1

Improvement Guarantee, as evidenced by written approval of the City Manager.

2.1.15. Other Improvement Guarantee Releases.

A. Landscaping. Developer shall not receive a reduction to the 10% level as set forth in the immediately preceding section entitled "Improvement Guarantee Releases for Public Improvements not Including Landscaping," until such time as the City Engineer verifies that all Public Landscaping Improvements have been installed in accordance with the Development Documents, the 2009 City Code and the City's public improvement standards, specifications, and plans. The ten percent (10%) retainage for Public Landscaping Improvement shall be held for twenty four (24) months, and Developer shall not receive final release of the Improvement Guarantee at the expiration of the twenty four (24) month period until all dead vegetation is replaced through replanting, provided that the erosion control and/or slope stabilization remains acceptable to the City.

2.1.16. Indemnification and Risk.

- A. <u>Developer to Indemnify the City</u>. Developer shall, at all times, protect, indemnify, save harmless and defend the City and its agents, employees, officers and elected officials from and against any and all claims, demands, judgments, expense, and all other damages of every kind and nature made, rendered, or incurred by or in behalf of any person or persons whomsoever, including the parties hereto and their employees, which may arise out of any act or failure to act, work or other activity related in any way to the Project, by Developer, Developer's agents, employees, subcontractors, or suppliers in the performance and execution of the work/development contemplated by this Agreement.
- B. <u>Builder's Risk of Loss</u>. Developer assumes the risk of loss for any damage or loss to the Public Improvements by any means or occurrence until final acceptance of the Public Improvements as evidenced by written approval of the City Manager.

2.1.17. Insurance.

A. <u>In General</u>. All policies of insurance provided shall be issued by insurance companies qualified to do business in the State of Utah and either (1) listed on the U.S. Department of the Treasury's *Listing of Approved Sureties* (*Department Circular 570*) (as amended), or (2) having a current rating of "A" or better in the most current available A.M. Best Co., Inc.'s, *Best's*

Page 14 of 3/1

Development Agreement Echo Ridge Subdivision

Insurance Reports, Property and Casualty Edition. Except in the case of workers' compensation insurance, the City shall be included as an additional named insured in all insurance policies. Developer shall cause copies of certificates of insurance to be furnished to the City concurrently with or prior to the signing of this Agreement. If requested, Developer shall also cause copies of the insurance policies required by this Agreement to be provided to the City.

- B. Worker's Compensation Insurance. In addition to other required insurance, Developer shall ensure that Developer's contractors obtain and maintain, during the construction of the Public Improvements, worker's compensation insurance as required by laws and regulations for all of contractor's employees employed at the site of the Improvements, and in case any work is subcontracted, Developer shall require the subcontractor similarly to provide worker's compensation insurance for all of the subcontractor's employees, unless such employees are covered by protection as required by laws and regulations. If Developer's employees are ever present at the site of the Public Improvements, Developer shall obtain and maintain, during the construction of the Public Improvements, workers compensation insurance as required by laws and regulations for all of Developer's employees employed at the site of the Public Improvements.
- C. Public Liability and Property Damage Liability Insurance.
 - (1) Developer shall secure and maintain, during the term of this Agreement and at all times thereafter when Developer or Developer's contractor(s) may be correcting, removing, or replacing defective work, a commercial general public liability and property damage liability insurance policy. The policy shall protect Developer and the City from claims for damages for personal injury, including accidental death, and from claims for property damage which may arise from Developer's operations under this Agreement, whether any such operation be by itself or by any contractor, subcontractor or by anyone directly or indirectly employed by either of them. The minimum amounts of such insurance shall be not less than \$2,000,000 for each occurrence, and \$3,000,000 general aggregate, and \$3,000,000 products/completed operations aggregate.
 - (2) Developer shall cause Developer's contractor(s) to secure and maintain, during the term of this Agreement and at all times thereafter when Developer's contractor(s) may be correcting, removing, or replacing defective work, a commercial general public liability and property damage liability insurance policy. The policy or policies shall protect the contractor(s) and the City from claims for damages for personal injury.

Page 15 of 31

including accidental death, and from claims for property damage which may arise from Developer's contractor's operations in connection with the Public Improvements, whether any such operation be by itself or by any contractor, subcontractor or by anyone directly or indirectly employed by either of them. The minimum amounts of such insurance shall be not less than \$2,000,000 for each occurrence, and \$3,000,000 general aggregate, and \$3,000,000 products/completed operations aggregate.

D. <u>Automobile Public Liability Insurance</u>:

- (1) Developer shall secure and maintain, during the term of this Agreement and at all times thereafter when Developer or Developer's contractor(s) may be correcting, removing, or replacing defective work, commercial automobile public liability insurance with limits not less than \$2,000,000 per occurrence, covering owned, hired, and non-owned automobiles.
- (2) Developer shall cause Developer's contractor(s) to secure and maintain during the term of this Agreement and at all times thereafter when Developer's contractor(s) may be correcting, removing, or replacing defective work, commercial automobile public liability insurance with limits not less than \$2,000,000 per occurrence, covering owned, hired, and nonowned automobiles.
- 2.2 Provision of Certain Utility Services. The City agrees that it shall make available (subject to extension of the City's system by Developer, application for service, issuance of applicable permits and payment of connection fees and applicable commodity usage rates) culinary water, sanitary sewer and storm water, as well as garbage collection on public streets for residential properties and related services provided by the City to its citizens generally. Culinary water, sanitary sewer and storm water utility services will be provided through delivery and retention systems constructed by the Developer as depicted in the Development Documents. To the extent the delivery systems are properly and timely constructed by Developer, such services shall be provided as reflected in the Development Documents.
- 2.3 Development to be Consistent with the Development Documents. Except as expressly provided in this Agreement, all development, whether by the Developer or a successor in interest, will be consistent with this Agreement and the finally approved Development Documents.
- 2.4 Parks, Trails and Pathways. The Development Documents may provide for public use spaces consistent with the requirements of the 2009 City Code and the West Jordan Trails & Open Space Master Plan. The Developer and City will cooperate in reasonably locating and/or refining the location of such open spaces, trails and pathway systems.

Page 16 of 31

Development Agreement Echo Ridge Subdivision

ARTICLE III IMPACT FEES

- 3.1 Impact Fees; Costs of Application Processing The Developer will be assessed and required to pay impact fees calculated by the City in accordance with the Utah Impact Fees Act. In addition, Developer will be responsible for paying all City fees and charges appropriately assessed for projects of the type being presented by Developer, including payment of hourly charges for all internal expert reviews and involvement. Because impact fees are assessed at the time of development, impact fees may be assessed in each phase of the Project.
- 3.2 Maintenance of Detention Basins, Planters, Trees and Other Landscaping in Street Median Spaces and Alongside Streets and Sidewalks Appurtenant to, or Within, the Development. The Developer shall legally create and empower one or more property owner associations in connection with the Project and shall impose upon one or more of these associations the long term and permanent responsibility for the maintenance of all detention basins within the Project. Buffer landscaping and parkstrips along 6400 West and Wells Park Road streets and sidewalks, including within and along public rights-of-way, shall be maintained by Developer and/or by one or more property owner associations to be created by Developer. This obligation shall survive termination of this Agreement.

ARTICLE IV DEFAULT AND COSTS

- 4.1 Failure to Perform. Developer hereby agrees that Developer shall perform all obligations imposed upon Developer pursuant to: this Agreement; the Development Documents, as approved; and all additional obligations imposed on Developer by Federal, state, City or County laws, ordinances, regulations or standards. Developer further understands and expressly agrees that failure to perform said obligations shall be deemed to be a default under this Article IV.
- **4.2 Default.** In the event of a failure by any party to comply with the commitments set forth herein, within thirty (30) days of written notice of such failure from the other party, the non-defaulting party shall have the right to pursue any or all of the following remedies, which right shall be cumulative:
 - 4.1.1 To cure such default or enjoin such violation and otherwise enforce the requirements contained in this Agreement; and
 - 4.1.2 To enforce all rights and remedies available at law and in equity including, but

Page 17 of 3/1

Development Agreement Echo Ridge Subdivision

28

not limited to, injunctive relief, specific performance and/or damages.

- 4.3 Insolvency. Insolvency, bankruptcy or any voluntary or involuntary assignment by any party for the benefit of creditors, which action(s) are unresolved for a period of 180 days shall be deemed to be a default by such party under this Article IV.
- 4.4 Court Costs and Attorneys Fees. In the event of any legal action or defense between the Parties arising out of or related to this Agreement, or any of the documents provided for herein, the prevailing party shall be entitled, in addition to the remedies and damages, if any awarded in such proceedings, to recover their costs and reasonable attorneys' fees.

ARTICLE V ASSIGNMENT AND RECORDATION

5.1 Assignment and Transfer of Development. The Developer shall not assign its obligations under this Agreement or any rights or interests herein, and except as provided below shall not convey the Project or any portion thereof, without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed if the proposed transferee: (a) shall have the qualifications and financial responsibility necessary and adequate to fulfill the obligations undertaken pursuant to this Agreement and any then applicable Development Documents; and (b) by instrument in writing, shall have expressly assumed all of the obligations of the Developer under this Agreement, and any then applicable additional agreements, and agreed to be subject to all of the conditions and restrictions arising under this Agreement or any Development Documents.

If only a portion of the Project is assigned and/or conveyed under this section 5.1, a reasonable allocation of the Developer's duties appurtenant to that portion will be made.

Developer agrees that any Developer's responsibility for constructing Master Planned Improvements and other Public Improvements in connection with the Project as originally presented and approved, and as agreed to herein, cannot be avoided by assigning portions of the Project to one or more third parties and then claiming that the Developer's or successor's building of the required Public Improvements is not justified by the impact of the remainder, or portion, of the Project.

- 5.1.1 Financing. The provisions of this Section 5.1 shall not prohibit the granting of any security interests for financing the acquisition and development of the Project, subject to the Developer complying with applicable law and the requirements of this Agreement.
- 5.1.2 Change in Ownership or Control of Developer. A change in the majority

Page 18 of 3/1

Development Agreement Echo Ridge Subdivision

28

ownership or control of the Developer shall be deemed a transfer requiring the consent of the City pursuant to the requirements of this Section 5.1.

Notwithstanding the foregoing sentence, a transfer of all or a portion of the Project or change in the majority ownership or control of the Developer is permitted without the City's consent under the following circumstances: (i) a transfer occurs to an entity that is an affiliate of the Developer, (ii) a transfer or change in ownership occurs as a result of a merger or acquisition of Developer resulting in Developer and its principal(s) having the majority interest and control of the succeeding or resulting entity, and/or (iii) a transfer occurs only by way of security for, and only for, the purpose of obtaining financing necessary to enable the Developer, or its permitted successor in interest, to perform its obligations under this Agreement or any of the Development Documents. If as a result of any of these described actions one or more new principals become associated with the Project, such principals shall sign a counterpart of this Agreement evidencing their personal guaranty of the Developer's obligations hereunder.

- 5.1.3 City-approved Transfer. In the event of a City approved transfer of any portion of the Project and upon assumption by the transferee of the Developer's obligations under this Agreement and the Development Documents, the respective transferee shall have the same rights and obligations as the Developer under this Agreement and the Development Documents, and the Developer shall be released from any further obligations with respect to that portion of the Project, provided that any successor shall first execute and deliver such agreements and instruments as the City may require to bind the successor under the terms of this Agreement and any related and subsequent agreements between the parties; and provided further that the provisions of this Agreement with respect to Master Planned Improvements and other Public Improvements shall continue as an obligation of Developer unless expressly waived in writing by the City.
- **Recordation.** After its execution, this Agreement shall be recorded in the office of the County Recorder at the expense of the Developer. Each commitment and restriction on development set forth herein shall be a burden on the real property constituting the Project, shall be appurtenant to and for the benefit of the City and shall run with the land.

ARTICLE VI GENERAL MATTERS

- **6.1** Amendments. Any alteration or change to this Agreement shall be made only after complying with the same procedures followed for the adoption and approval of this Agreement.
- 6.2 Captions and Construction. This Agreement shall be construed according to its fair and

Page 19 of 34

Development Agreement Echo Ridge Subdivision

28

plain meaning and as if prepared by all Parties hereto. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates. Furthermore, this Agreement shall be construed so as to effectuate the public purposes, objectives and benefits set forth herein. As used in this Agreement, the words "include" and "including" shall mean "including, but not limited to" and shall not be interpreted to limit the generality of the terms preceding such word.

- 6.3 Laws and Forum. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and assigns, and shall be construed in accordance with Utah law. Any action brought in connection with this Agreement shall be brought in a court of competent jurisdiction located in Salt Lake County, Utah.
- **6.4 Legal Representation.** Each of the Parties hereto acknowledge that they either have been represented by legal counsel in negotiating this Agreement or that they had the opportunity to consult legal counsel and chose not to do so. In either event this Agreement has no presumptions associated with the drafter thereof.
- 6.5 Non-Liability of City Officials. No officer, representative, agent or employee of the City shall be personally liable to Developer or any successor in interest or assignee of Developer in the event of any default or breach by the City, or for any amount which may become due the Developer, or its successors or assigns, or for any obligation(s) arising under the terms of this Agreement.
- **No Third Party Rights.** Unless otherwise specifically provided herein, the obligations of the Parties set forth in this Agreement shall not create any rights in or obligations to any other persons or third parties.
- 6.7 Force Majeure. Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes; labor disputes; inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature; governmental restrictions, regulations or controls; judicial orders; enemy or hostile government actions; wars; civil commotions; fires, floods, earthquakes or other casualties or other causes beyond the reasonable control of the party obligated to perform hereunder shall excuse performance of the obligation by that party for a period equal to the duration of that prevention, delay or stoppage. Any party seeking relief under the provisions of this paragraph must have notified the other party in writing of a force majeure event within thirty (30) days following occurrence of the claimed force majeure event.
- **Notices.** All notices shall be in writing and shall be deemed to have been sufficiently given or served when presented personally or when deposited in the United States mail, by registered or certified mail, addressed as follows:

Page 20 of 3/1

Development Agreement Echo Ridge Subdivision

199

The City:

West Jordan City

8000 South Redwood Road West Jordan, Utah 84088 Attention: City Clerk

Developer:

Etchum Legasyle 210 No Prest on Drive

Attention: Joel Kesta

Such addresses may be changed by notice to the other party given in the same manner as above provided. Any notice given hereunder shall be deemed given as of the date delivered or mailed.

- 6.9 Entire Agreement. This Agreement, together with the Exhibits attached hereto, documents referenced herein and all regulatory approvals given by the City for the Project, contain and constitute the entire agreement of the Parties with respect to the subject matter hereof and supersede any prior promises, representations, warranties, inducements or understandings between the Parties which are not contained in such agreements, regulatory approvals and related conditions. It is expressly agreed by the Parties that this Agreement and the additional agreements between the Developer and the City, as contemplated and referred to elsewhere in this Agreement, are intended to and shall govern the development. It is expressly acknowledged by the Parties that additional agreements may be entered into by or among the Parties and all such shall be included as Development Documents.
- 6.10 Effective Date. This Agreement shall be effective upon the signing and execution of this Agreement by all Parties which, upon its occurrence, shall be deemed to have occurred as of the Effective Date.
- 6.11 Termination. This Agreement shall terminate upon mutual written agreement of the parties hereto or failure of the Conditions Precedent to occur on or before two years from the effective date of this Agreement unless amended in writing, whichever occurs first.
- **6.12 Further Action.** The Parties hereby agree to execute and deliver such additional documents and to take all further actions as may become necessary or desirable to fully carry out the provisions and intent of this Agreement.
- 6.13 Effect of Agreement; Release of Claims. Nothing in this Agreement shall be construed to relieve Developer of any obligations imposed on Developer by Federal or State laws,

Page 21 of 31

- -------

Development Agreement Echo Ridge Subdivision

City and County ordinances, regulations, or standards. It is the intent of the Parties that this Agreement serve as a complete release and waiver by Developer of any and all claims Developer has or may claim to have with respect to the City's application of the 2009 City Code to the development or the imposition of any requirement expressly set forth in this Agreement or the Development Documents. Moreover, Developer hereby releases and waives any and all claims Developer may have against the City with respect to any land use application submittals, acceptances, approvals, denials or processing with respect to the Project occurring prior to the Effective Date.

ARTICLE VII REIMBURSEMENT FOR PUBLIC IMPROVEMENTS

- 7.1 Additional Recitals. The Parties hereby agree to include the following recitals in this Agreement:
 - 7.1.1 As a condition of development approval, Developer is required to and proposes to construct and install certain "Eligible Public Improvements" as defined in section 8-3B-2 of the 2009 City Code.
 - 7.1.3. The Parties agree that the Eligible Public Improvements are: lawfully required as a condition of development approval; reasonably anticipated to serve future development; located off-site or will create additional or excess capacity beyond the proportionate share attributable to Developer to reasonably service the proposed development at the City's adopted level of service standards.
 - 7.1.4. The City has adopted a policy, as set forth in section 8-3B-1 of the 2009 City Code, that the proportionate share of the cost for public improvements should be allocated to all the properties creating the need for or benefiting from the public improvements.
 - 7.1.5. Developer desires to be reimbursed for a proportionate share of the costs associated with the construction and installation of the Eligible Project Improvements which are reasonably anticipated to provide benefits to neighboring and surrounding properties ("Benefited Properties"), the owners of which are not currently participating in the cost of such Eligible Public Improvements.
 - 7.1.6 City and Developer desire to identify the Benefited Properties and their anticipated level of participation.
 - 7.1.7. Some of the Eligible Public Improvements are System Improvements, as defined in section 8-3B-2 of the 2009 City Code, for which the Developer may receive

Page 22 of 34

partial reimbursement from Impact Fees collected by the City.

7.1.8. City and Developer desire to identify those Eligible Public Improvements that are System Improvements and to clarify the portion of such System Improvements for which reimbursement may be made available through Impact Fees.

7.2 Developer's Obligations.

- 7.2.1 Developer shall, at its own expense and in accordance with the requirements of this Agreement, the Development Documents, the 2009 City Code, Federal and State laws and regulations, and all other conditions of development approval, construct and install or cause to be constructed and installed the Eligible Public Improvements identified in the attached Exhibit F as "Eligible System Improvements" and "Eligible Project Improvements," collectively referred to herein as "Eligible Public Improvements".
- 7.2.2 Developer shall, at its own expense, acquire necessary real property interests for the construction and installation of the Eligible Public Improvements and shall dedicate the acquired real property interests and Eligible Public Improvements to City, in a form approved and acceptable to the City Attorney.
- 7.2.3 Developer understands and agrees that Eligible Public Improvements will not be reimbursable unless they are approved by City in advance of development in accordance with City's ordinances, rules, regulations, and engineering standards and specifications.
- 7.2.4 Developer further understands and agrees that Eligible Public Improvements identified herein are the only improvements for which reimbursement will be made available with respect to the development of Remainder Parcel 3.

7.3 Cost Allocation and Collection from Benefited Properties for Eligible Project Improvements.

- 7.3.1 The Parties agree that the properties reasonably anticipated to benefit from the construction and installation of the Eligible Project Improvements (Partially Reimbursable from Benefited Properties) are limited to those Benefited Properties identified in **Exhibit F**, and cost allocation and collection shall be limited to only the Benefited Properties.
- 7.3.2 City shall allocate costs to the Benefited Properties as set forth in **Exhibit G**. The allocation is based on frontage, zone, area, lot, impervious area, number of connections or other fair and equitable criteria.

Page 23 of 21

Development Agreement Echo Ridge Subdivision

7.3.3 City shall require owners of the Benefited Properties that seek City approval to develop, subdivide or build, to pay to the City the appropriate allocated costs identified herein, prior to granting any development, subdivision, conditional use, or site plan approval and prior to the City issuing any building permit, with respect to the Benefited Properties. The Parties acknowledge, understand and agree that: (a) the City has no duty to collect and is not responsible to enforce this Reimbursement Agreement against any Benefited Property or person; and (b) the City is not responsible or liable if an approval, permit or action is granted inadvertently to a Benefited Property or person, unless done intentionally and by fraud.

7.4 Reimbursement Payments.

- 7.4.1 Upon collection of the allocated costs from the Benefited Properties as set forth herein, City shall pay the collected amount to Developer (each payment shall be referred to hereinafter as a "Reimbursement Payment"). Notwithstanding anything in this Agreement to the contrary, the City shall have no obligation to make any Reimbursement Payment to Developer until the allocated costs are actually received by City. The Parties acknowledge, understand and agree that:

 (a) the City is not directly responsible or liable for any Reimbursement Payment to Developer, other than to account for and pay sums received; (b) the City is not responsible in the event this Agreement is determined by a court of competent jurisdiction to be unenforceable.
- 7.4.2 Impact fee reimbursements for System Improvements identified in **Exhibit F** shall be paid in accordance with Section 8-3B-4 of the 2009 City Code, attached hereto as **Exhibit H**.
- 7.4.3 No reimbursement, whether from Benefited Properties or from impact fees, shall be due to Developer until:
 - A. The applicable Eligible Public Improvements have been fully installed, inspected, and approved by the City, and the real property and Public Improvements have been dedicated to the City by lawful conveyance through plat, warranty deed or other method acceptable to the West Jordan City Attorney;
 - B. Developer has submitted to the City Engineer the documentation required by this Agreement evidencing actual costs of the Eligible Public Improvements; and
 - C. Such reimbursement is required by the terms of this Agreement and the 2009 City Code.

Page 24 of 31

Development Agreement Echo Ridge Subdivision 28

7.5 Reimbursement Amount.

- 7.5.1 Maximum Reimbursement.
 - A. The maximum reimbursement for the Eligible Public Improvements shall be the lesser of: (1) the actual costs of Eligible Public Improvements as evidenced by the documentation submitted in accordance with the terms of this Agreement, or (2) the estimated costs of the Eligible Public Improvements as set forth in the attached **Exhibit F**, or as said sum is amended under the terms of this Agreement.
 - B. "Actual Costs" means the costs actually incurred or expended to construct or install the Eligible Public Improvements, which costs shall include disbursements to general contractors, engineers, surveyors, construction management and inspection, and land planners. Actual Costs shall not include financing costs or the cost or value of real property.
 - C. The maximum reimbursement for Eligible Public Improvements, shown in **Exhibit F**, are estimates only and shall, if actual costs are less, be decreased in accordance with actual costs. Estimated costs shall not be increased, except by written amendment to this Agreement, in accordance with the amendment provisions set forth herein. In order for an amendment to be considered by City, change orders and similar situations and circumstances must have been preapproved, in writing, by the City.
 - D. Developer shall provide to the City documentation, acceptable to the City Attorney, demonstrating the actual costs incurred by the Developer for the construction and installation of Eligible Public Improvements. Documentation shall include but not be limited to: receipts, checks, vouchers, bills, statements, bid documents, change orders, payment documents, and all other information necessary for the City to determine the actual costs incurred. Developer's failure to submit the required documentation shall result in rejection of the undocumented claimed amount.
- 7.5.2 Interest. No interest shall be included in the amount of the reimbursement, and no interest shall be paid to Developer by the City or any other person on any amounts due under this Agreement.
- 7.6 Ownership of Eligible Public Improvements. City shall own the Eligible Public Improvements in fee title absolute, together with the lands and rights-of-way dedicated to the City. Ownership shall be with the City upon: (i) completion of construction of the Eligible Public Improvements by Developer; (ii) completion of applicable warranty periods; and (iii) inspection, approval and written acceptance by the City.

Page 25 of 71
28

7.7 Termination of Reimbursement Payments. No reimbursement shall be due or payable after ten (10) years after the Effective Date, or such earlier time as the cumulative reimbursement amount reaches the maximum reimbursement; provided that reimbursement from impact fees for Eligible System Improvements shall continue until such time as the maximum reimbursement from impact fees has been reached. Impact fees may be used only for reimbursement of Eligible System Improvements and no other purpose.

IN WITNESS WHEREOF, the Parties have executed this Development Agreement.

STATE OF STA	WEST JORDAN CITY, a municipality and political subdivision of the State of Utah By: Mayor
ATTEST: City Recorder	APPROVED AS TO LEGAL FORM West Jordan City Attorney
CITY ACKNOWLEDGEMENT	By Danwellon Date: 7-31-12
STATE OF UTAH)	
: ss. County of Salt Lake	
On this 31 day of July,	20 2 before the undersigned notary public in and
CITY ACKNOWLEDGEMENT STATE OF UTAH : ss. County of Salt Lake)	APPROVED AS TO LEGAL FORM West Jordan City Attorney By Dunible Date: 7-31-17

On this 3 day of ______, 20 2 before the undersigned notary public in and for the said state, personally appeared ______, 20 the known or identified to me to be the Mayor of West Jordan City and the person who executed the foregoing instrument on behalf of said City and acknowledged to me that said City executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



Development Agreement Echo Ridge Subdivision

Notary Public for Utah
Residing at: Southland County
My Commission Expires: July 21, 20

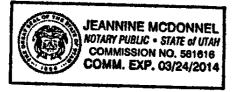
Page 26 of 3/1

Echo Ridge LC,
By Kest Manager
Katchen Lagary LL,
By: Junda, muruege

DEVELOPER ACKNOWLEDGEMENT

STATE OF UTAH)
County of Salt Lake	: ss.)
manager of	appeared Joel Kester known or identified to me to be the

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.



Notary Public for Utah

Residing at: 5 alt Lake City

My Commission Expires: 3/24/2014

EFFECTIVE DATE: June 25 2012

Development Agreement Echo Ridge Subdivision

Page 27 of 31 28

Print Address 40050.#100 SLC U+84107 **Print Address** Print Address Signature Print Address Print Address Print Name Print Address Signature Print Address Print Address s Print Name

Development Agreement Echo Ridge Subdivision

Guarantors:

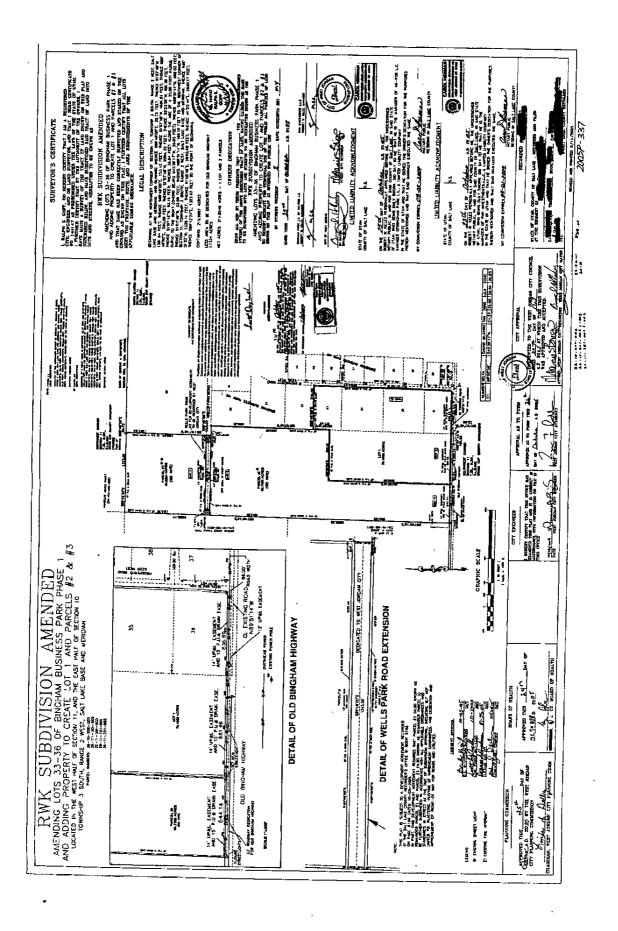
Page 28 of 21 28



Print Address

EXHIBIT A

Description of Remainder Parcel 3 (Pictoral and Legal)



LEGAL DESCRIPTION

Parcel 3, RWK Subdivision Amended, according to the official Plat thereof, recorded on October 26, 2005, under Recording Number 9534417, in Book 2005P of Plats, at Page 337, records of Salt Lake County, Utah.

The foregoing affects the following Salt Lake County Parcel Numbers: <u>26-10-226-005</u> and <u>26-10-226-006</u>.

EXHIBIT B

22.5-foot Access Road

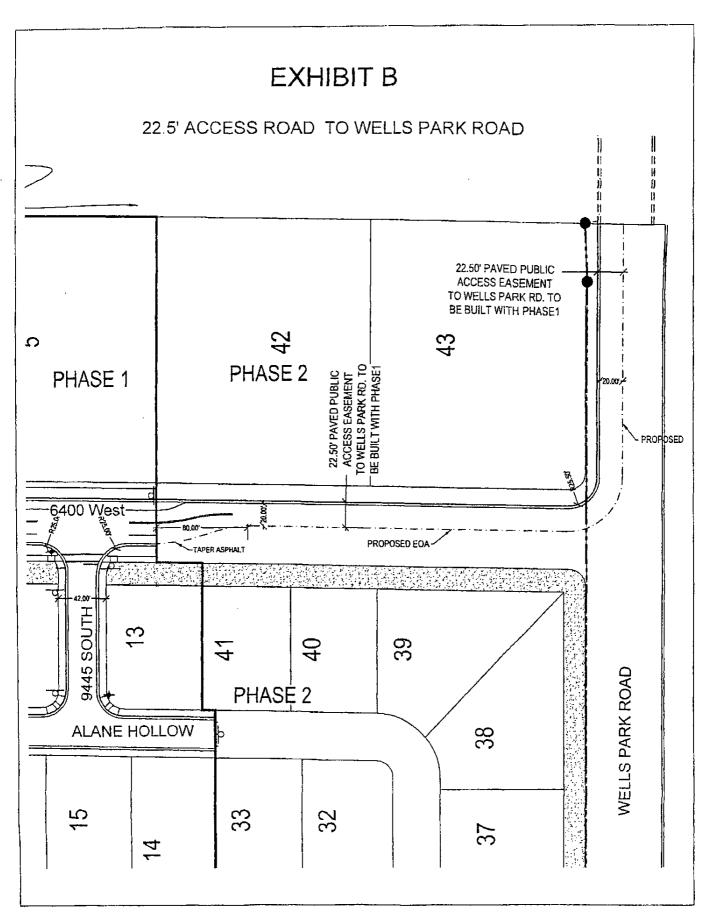


EXHIBIT C

Phasing Plan
(Drawing, Distribution of Master Planned Improvements)



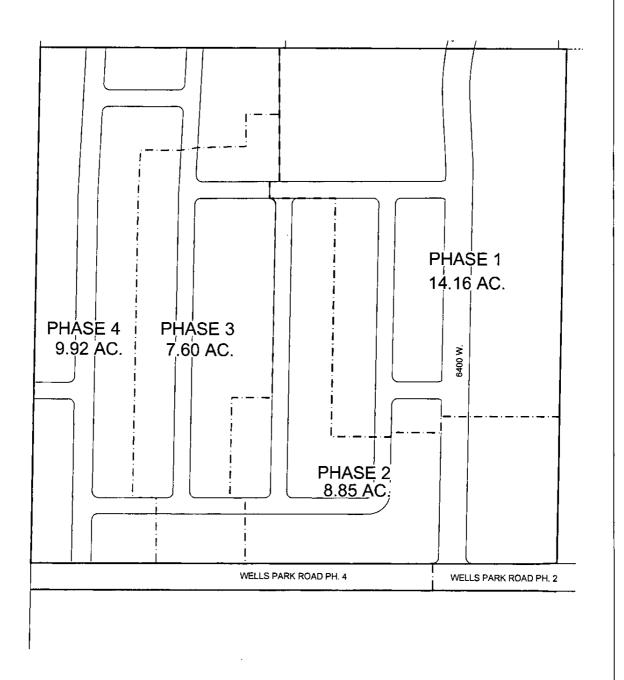


EXHIBIT C-2

Estimated Value of Required Master Planned Improvements Compared to Constructed Improvements

(Estimates of Phasing Contributions)
THESE ARE ESTIMATES ONLY TO BE USED FOR ESTIMATING PHASING CONTRIBUTIONS AND NO OTHER PURPOSE

		Value of	Cumulative	Improvements	Cumulative	
	Responsibility	Required	Required	to be	Improvements	
	By acreage	Improvements	Improvements	Constructed	Constructed	Comparison
Phase	(Percent)	(Dollars)	(Dollars)	(Dollars)	(Dollars)	(L.F.)
-1	35.44%	\$484,067.54	\$484,067.54	\$831,214.00		\$831,214.00 \$347,146.46 excess to apply to phase 2
2	22.78%	\$311,186.28	\$795,253.82	\$187,773.00		\$1,018,987.00 \$223,733.18 excess to apply to phase 3
3	16.46%	\$224,745.65	\$1,019,999.47	\$0.00		\$1,018,987.00 -\$1,012.47 cash deposit paid to City
4	25.32%	\$345,762.53	\$1,365,762.00	\$346,775.00	\$1,365,762.00	\$0.00 Phase 4 to construct improvements and
						receive deposit from Phase 3
Total	100.00%	100.00% \$1,365,762.00		\$1,365,762.00		

EXHIBIT C-3

Estimated Value of Required Master Planned Improvements ESTIMATES ONLY TO BE USED FOR ESTIMATING PHASING CONTRIBUTIONS AND NO OTHER PURPOSE

Phase 1	Offsite 6400 West	With Oversizing*	Less Reimbursement	Without Oversizing
	Road	\$187,850	\$0	\$187,850
	Sewer	\$43,750	\$0	\$43,750
	Storm	\$49,795	-\$1,960	\$47,835
	Water	\$3,000	\$0	\$3,000
	Other	\$29,110	\$0	\$29,110
	Onsite 6400 West			
	Road	\$235,121	\$0	\$235,121
	Sewer	\$26,60 0	\$0	\$26,600
	Storm	\$45,450	-\$1,875	\$43 <i>,</i> 575
	Water	\$33,500	\$0	\$33,500
	Other	\$100,278	\$0	\$100,278
	Offsite Wells Park			
	Road	\$0	\$0	\$0
	Sewer	\$14,630	-\$4,180	\$10,450
	Storm	\$11,130	-\$3,180	\$7,950
·	Water	\$4,500	-\$1,500	\$3,000
	Sewer	\$25,250	\$0	\$25,250
	Storm	\$23,445	\$0	\$23,445
}	Water	\$10,500	\$0	\$10,500
			Phase 1 Total	\$831,214

Phase 2	Onsite	With Oversizing*	Less Reimbursement	Without Oversizing
<u></u>	Road	\$133,025	\$0	\$133,025
	Other	\$54,748	\$0	\$54,748
		}	Phase 2 Total	\$187,773

Phase 3	Onsite	With Oversizing*	Less Reimbursement	Without Oversizing
	Road	\$0	\$0	\$0
	Sewer	\$0	\$0	\$0
	Storm	\$0	. \$0	\$0
	Water	\$0	\$0	\$0
l	Other	\$0	\$0	\$0
			Phase 3 Total	\$0

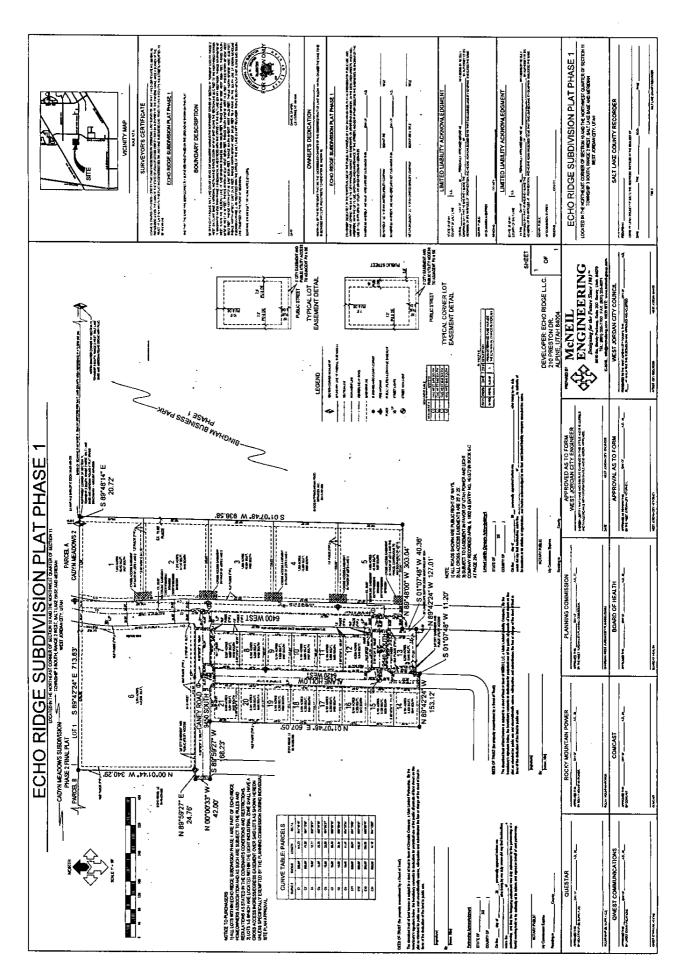
Phase 4	Wells Park	With Oversizing*	Less Reimbursement	Without Oversizing
	Road	\$257,275	\$0	\$257,275
	Sewer	\$46,375	-\$13,250	\$33,125
	Storm	\$35,875	-\$10,250	\$25,625
	Water	\$46,125	-\$15,375	\$30,750
			Phase 4 Total	\$346,775

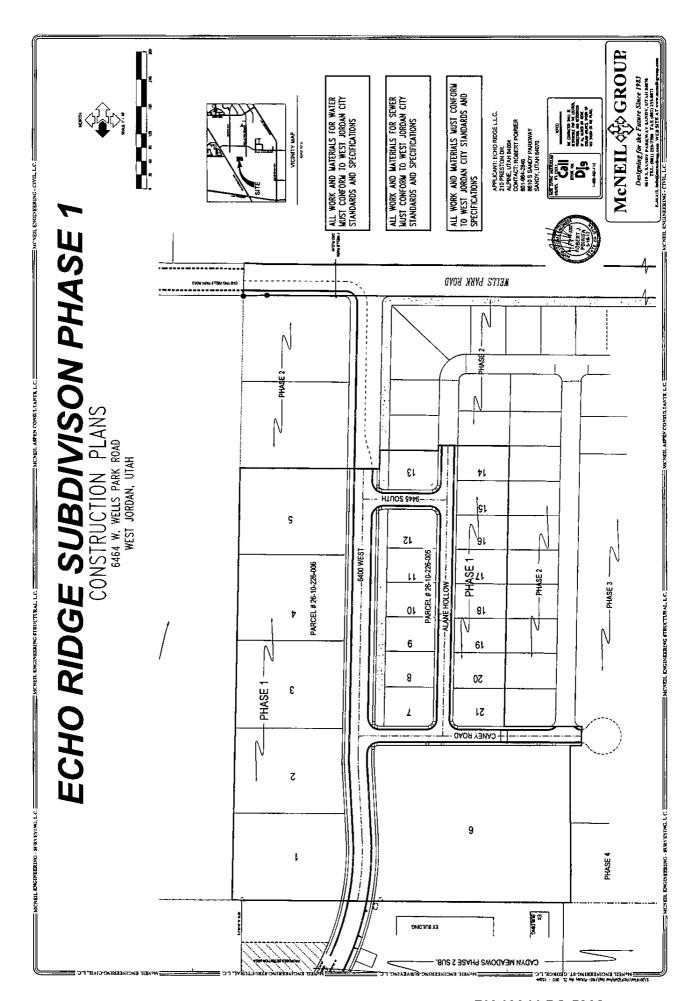
	MARKET TO THE COURT OF A LABOR DISTRICT IN A DROUGH APAIRC	A ACE 900
	TOTAL ESTIMATED COST OF MASTER PLANNED IMPROVEMENTS	\$1,365,762
ľ	INITE COLINATED COST OF INVESTED IN THE PERSONS	¥ = , = 0 = , . 0 =

^{*} Items showing \$0.00 Reimbursement do not have oversizing.

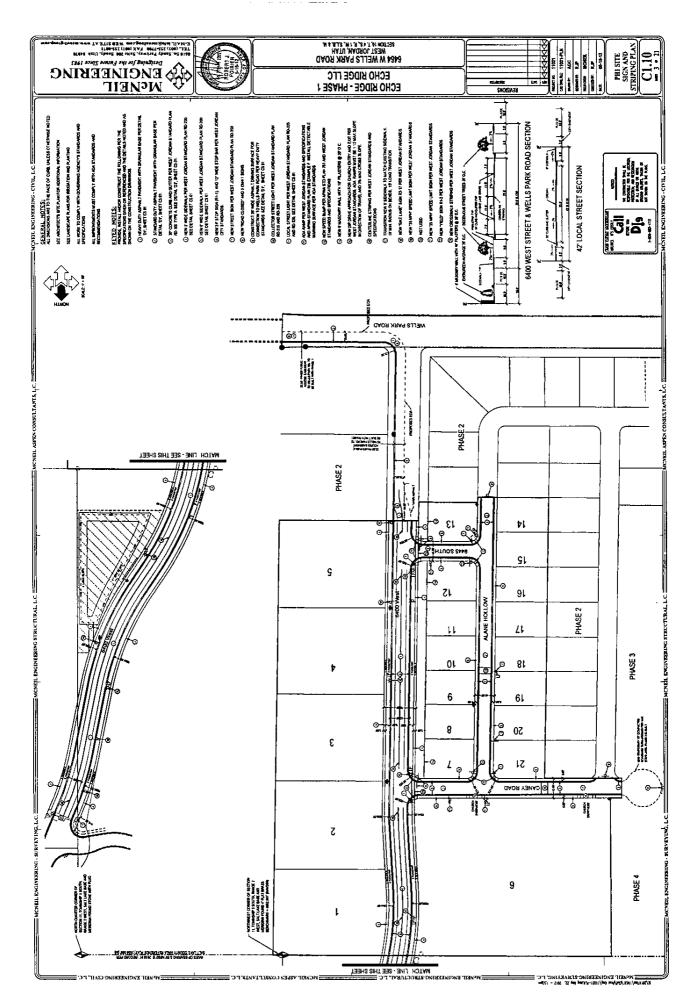
EXHIBIT D

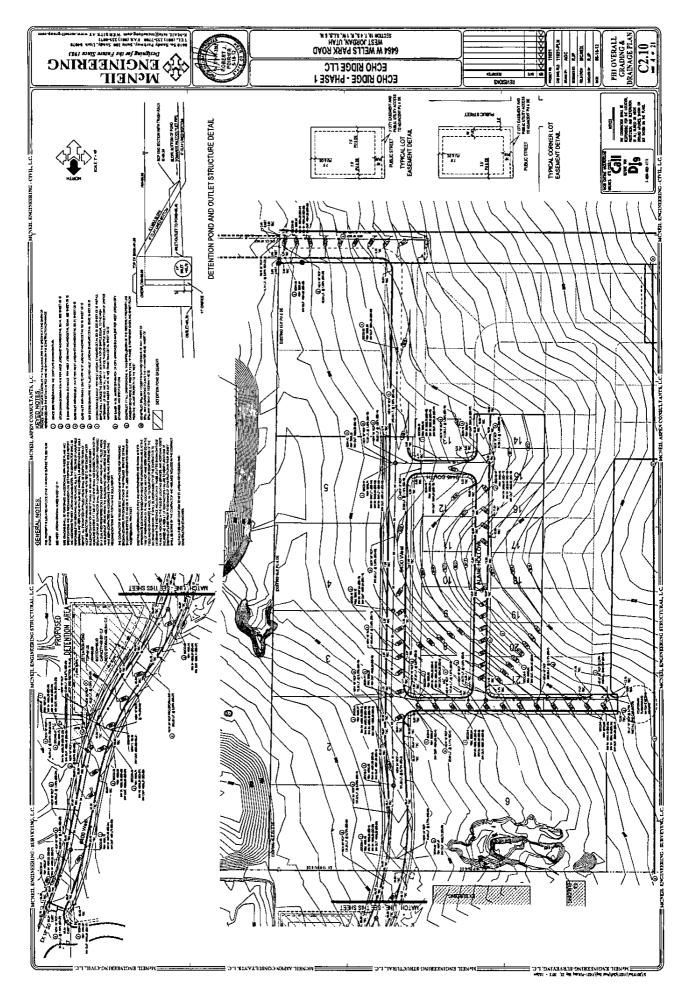
Public and Nonpublic Improvements to be Constructed and/or Dedicated by Developer (Plans and Bond Estimate)

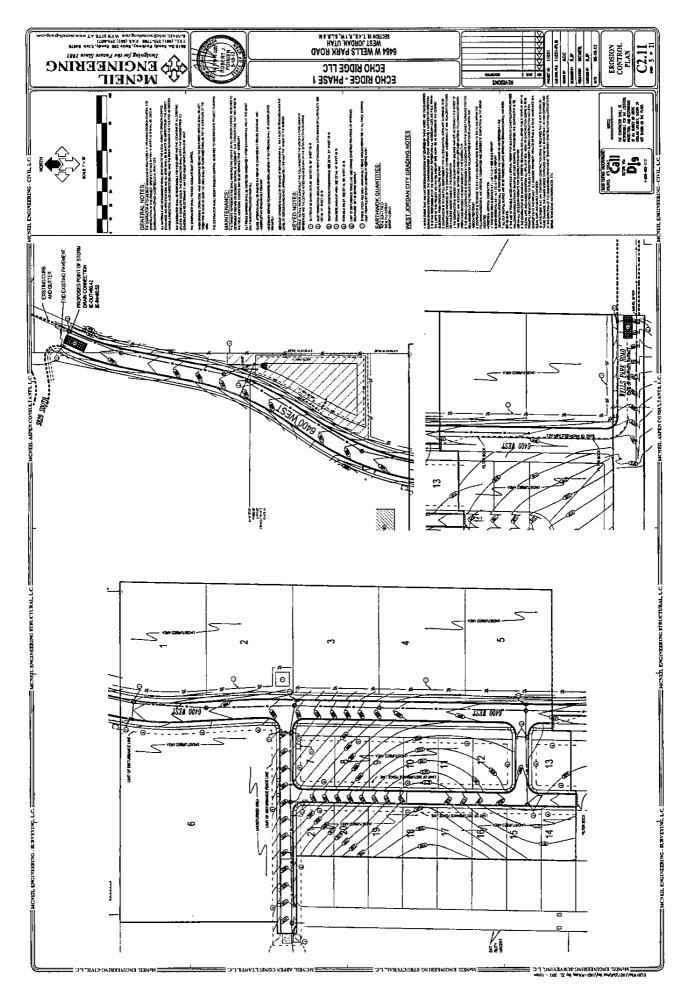


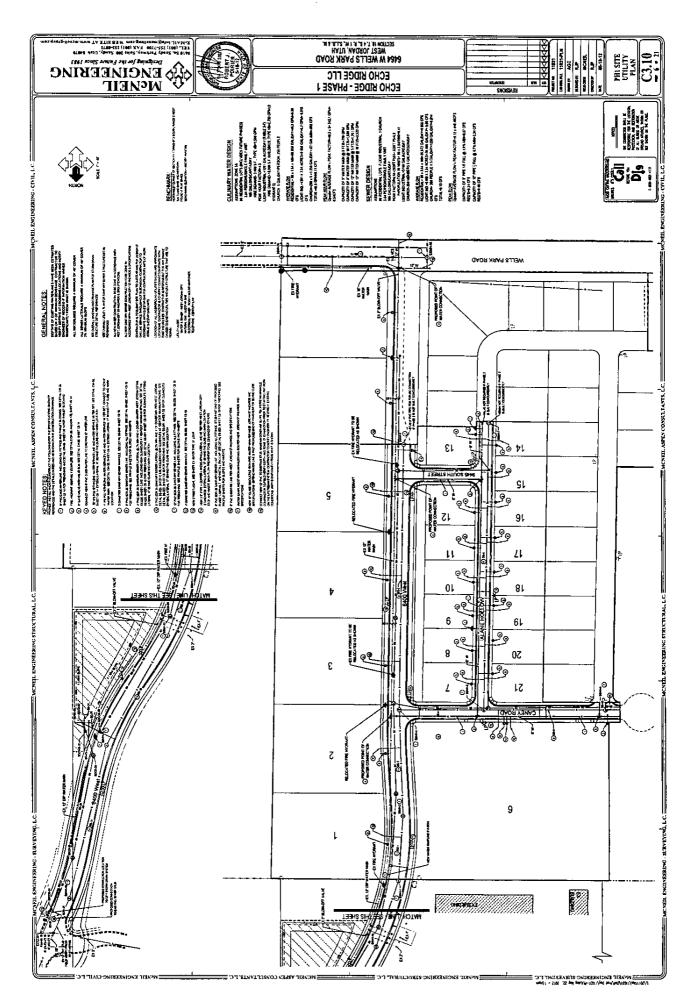


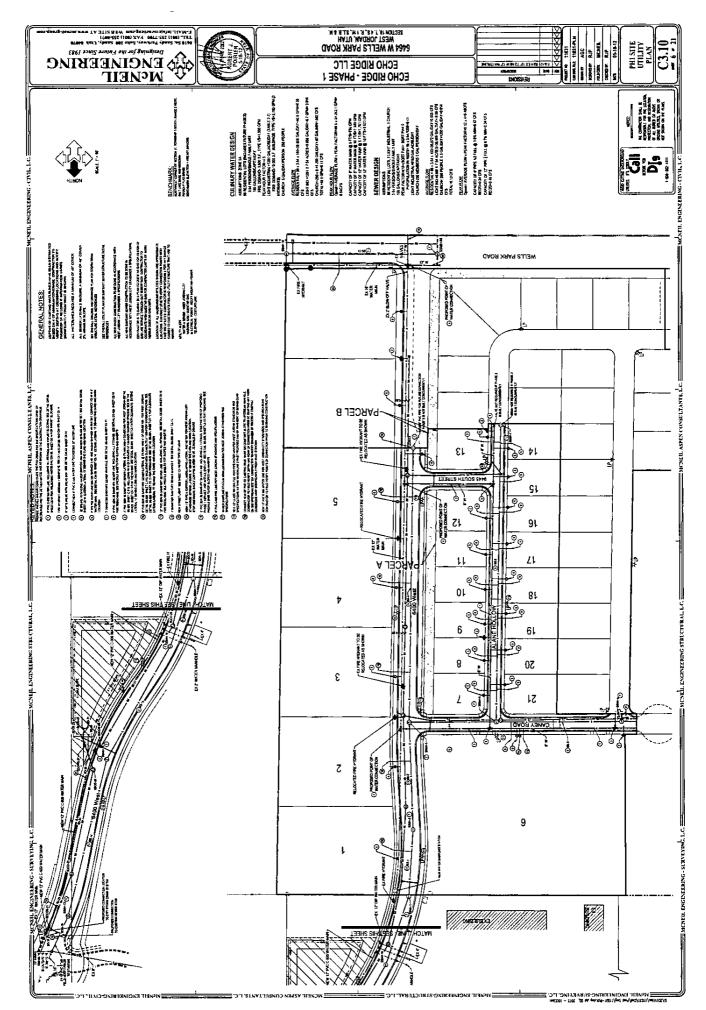
	MCNEIL MCNEIL ACCOUNTS AND STITE AT THE MENTAL STATE AT THE MENTAL	ECHO RIDGE - PHASE 1 ECHO RIDGE - PLC ECHO RIDGE - PHASE 1	TO SERVICE AND SER
EMÇNEU ENGINERING - CIVIL, L.C.	Particularies Conf. Description of the Conf	PASA And the state of the stat	The case of the ca
MUNEU EN		By Warner Company Comp	Production of the Control of the Con
INEIL ASPEN CONSULTANTS, LC.	The second secon	The control of the co	ABBEVATIONS ABBEVATIONS
DWC	The control of the co	The control of the co	A CONTRACTOR OF THE PROPERTY O
MCNEJL ENGINEERING STRUCTURAL, L.C.	Community (CANA) (A) (A) (A) (A) (A) (A) (A) (A) (A) (A TOTAL CONTROL OF THE CONTROL OF TH
27	The MANIER ALL AND THE STATE OF	Sometiment of control	
MONETA ENGINEERING: SURVEYING, L.C.	1. CORE/LINE 1. CO		The control channel orders in the 20 Novem by visiting to the control channel orders in the 20 Novem by visiting to the control channel order to the control channel or the control channel order to the control channel or the control chan

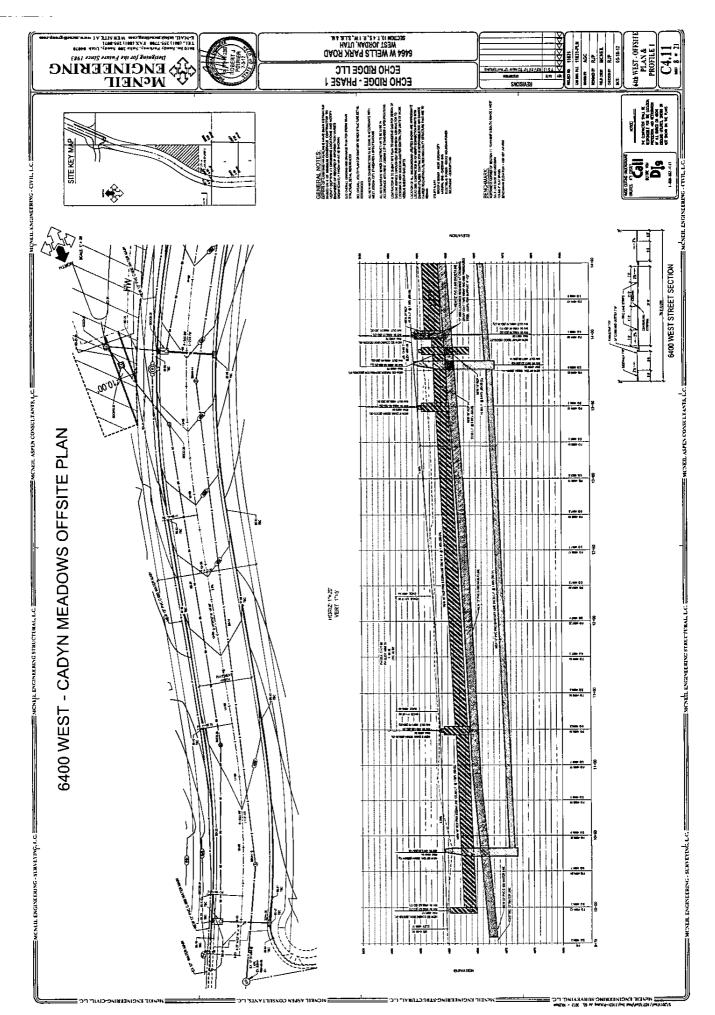


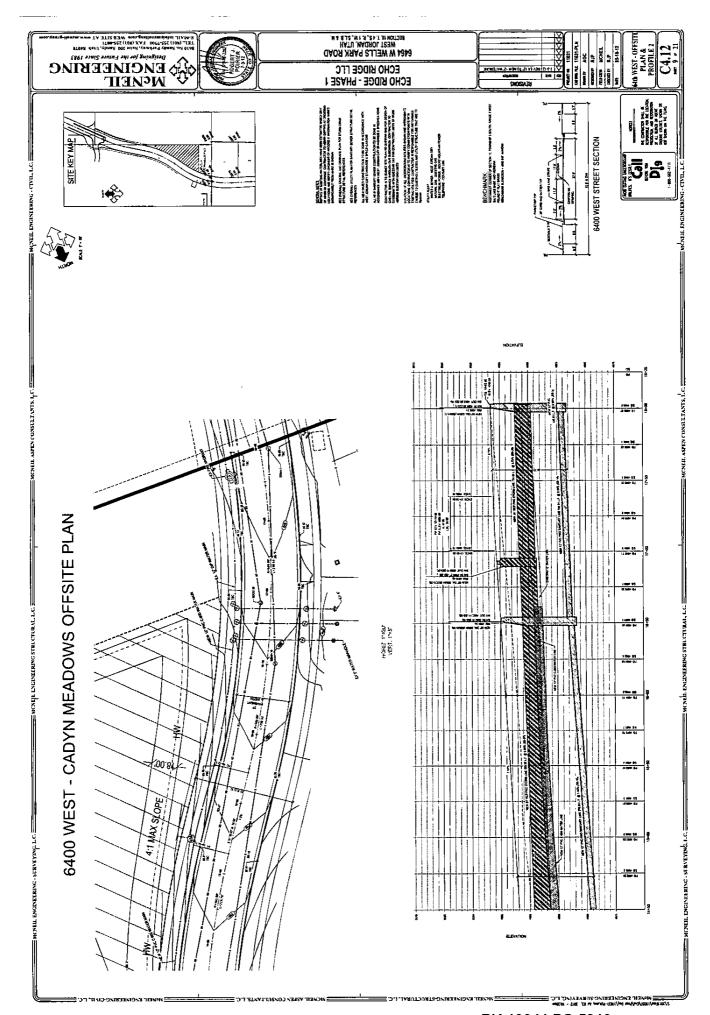


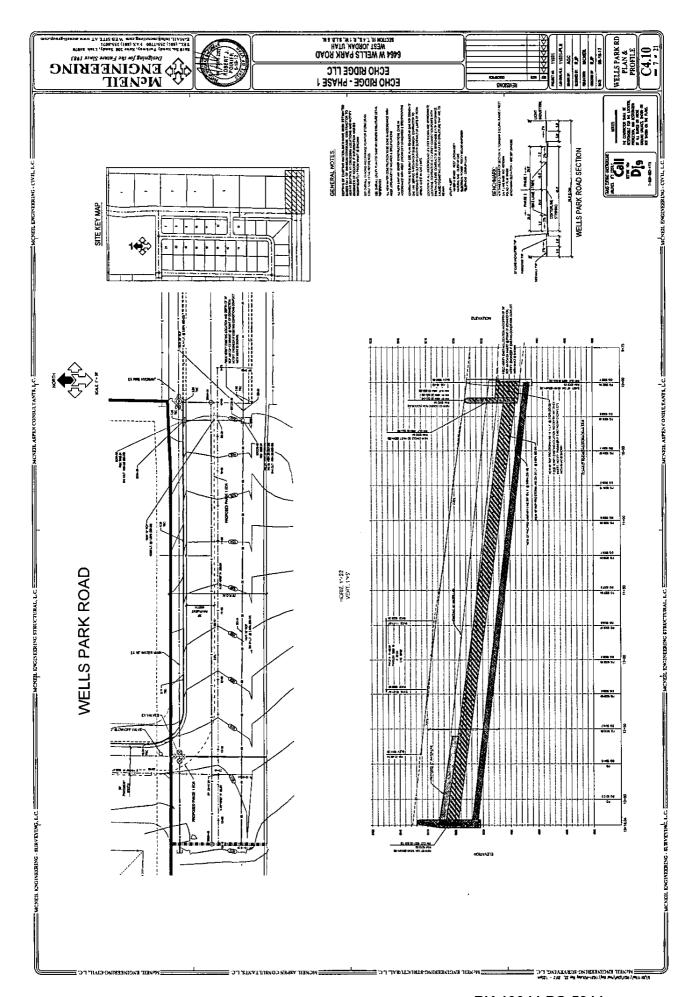


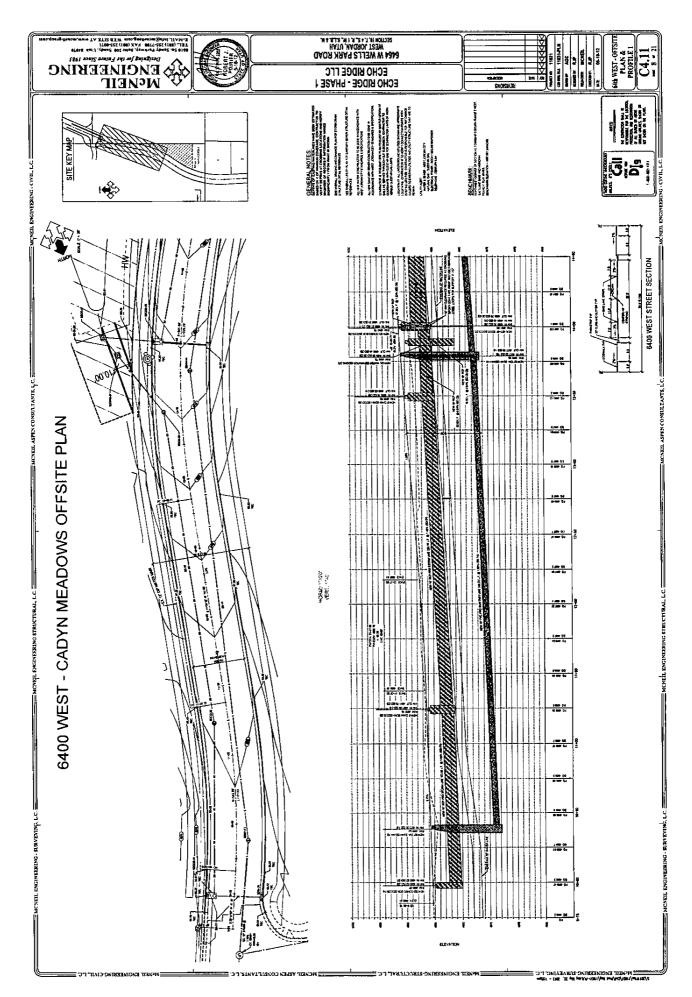


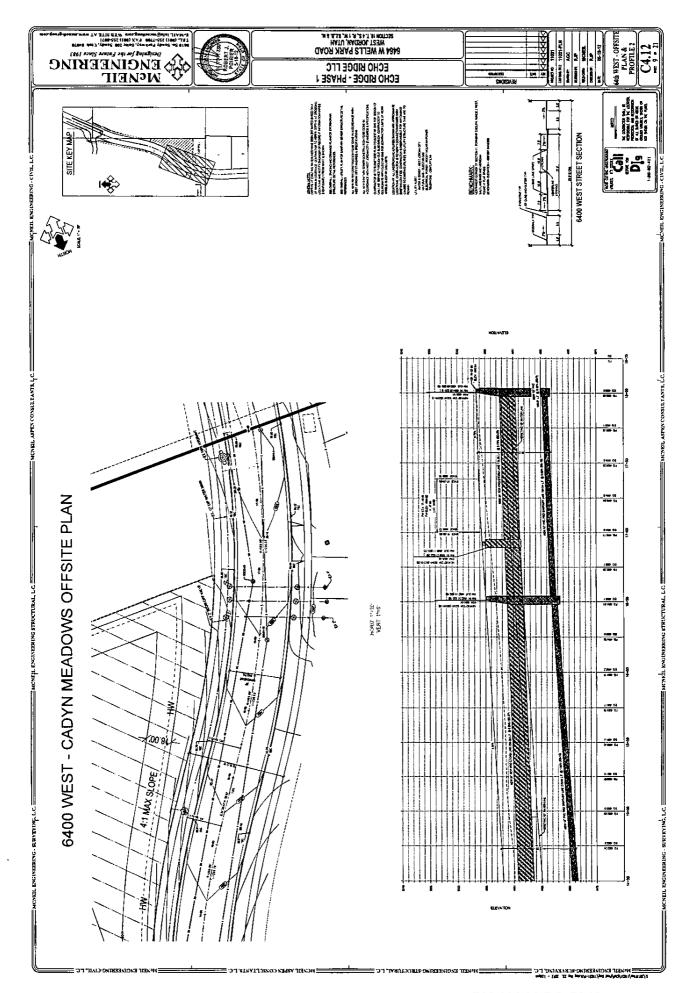


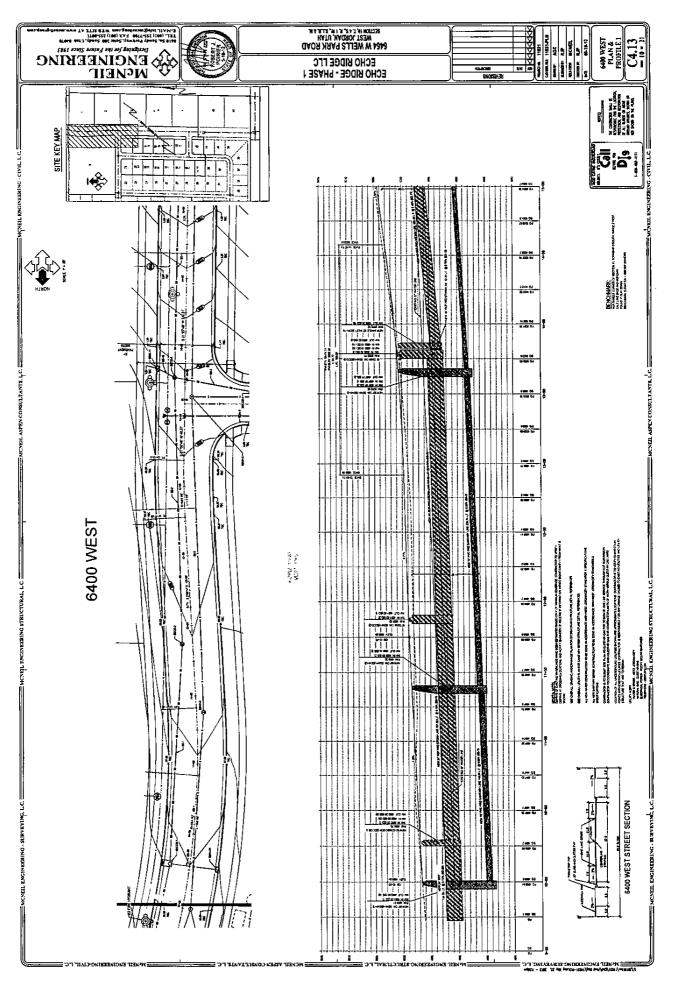


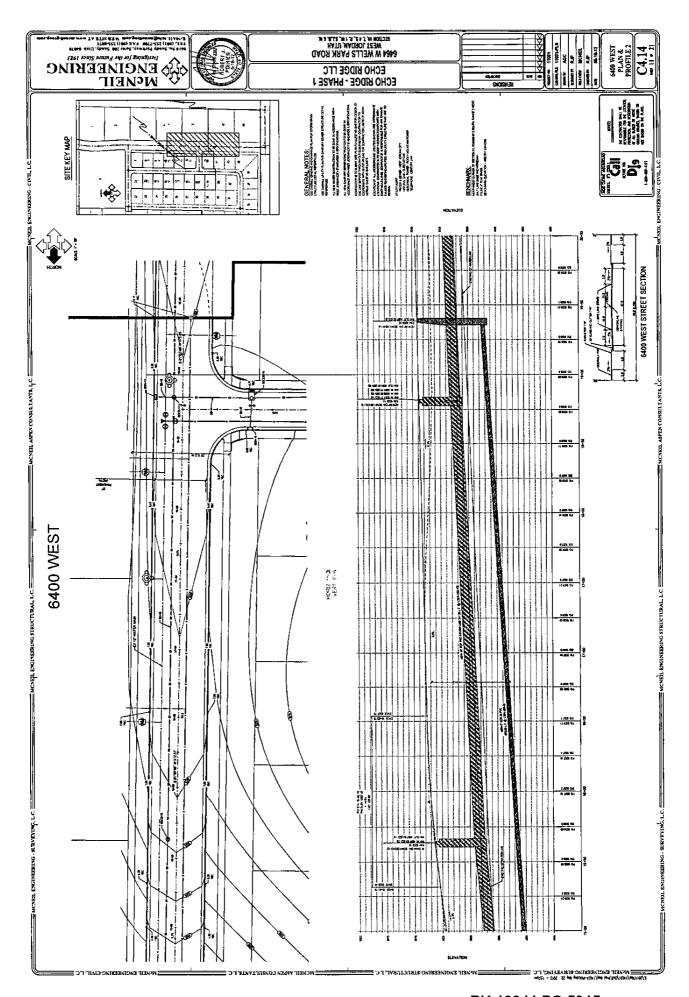


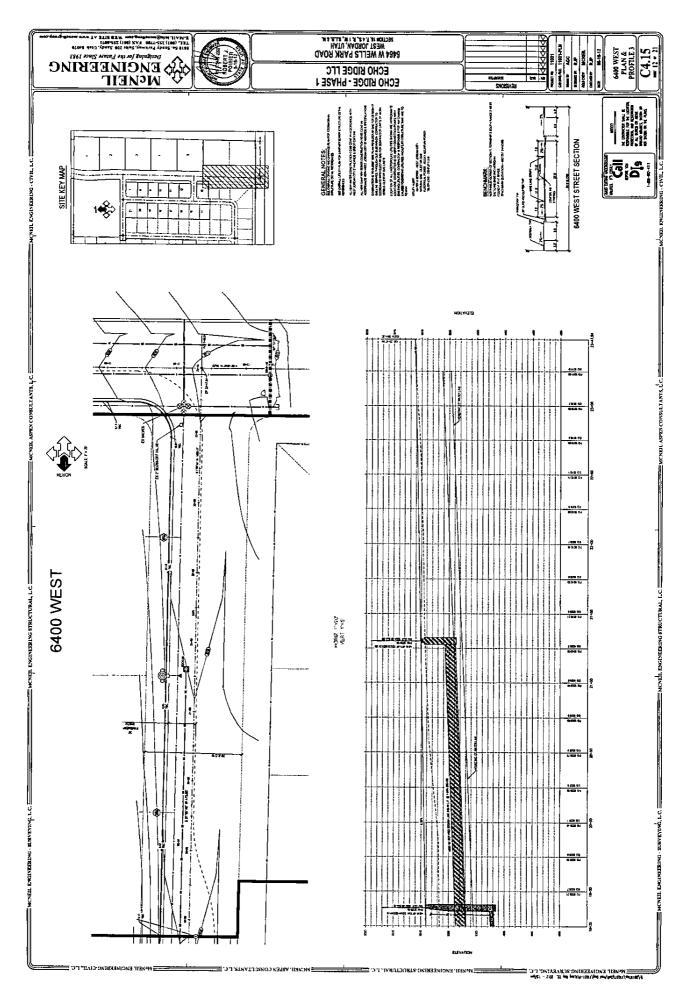


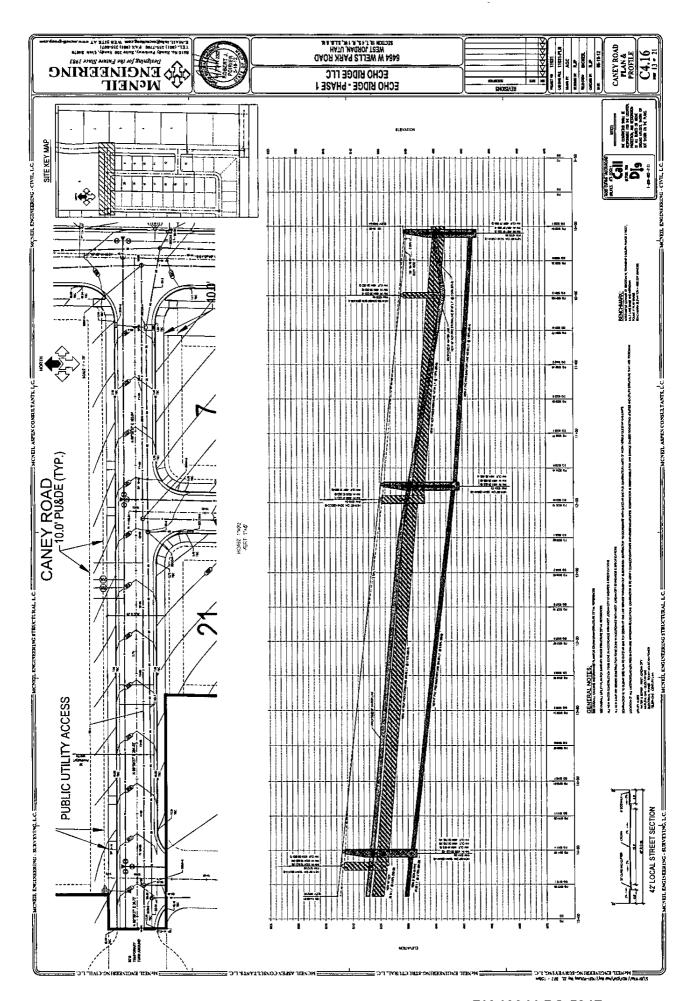


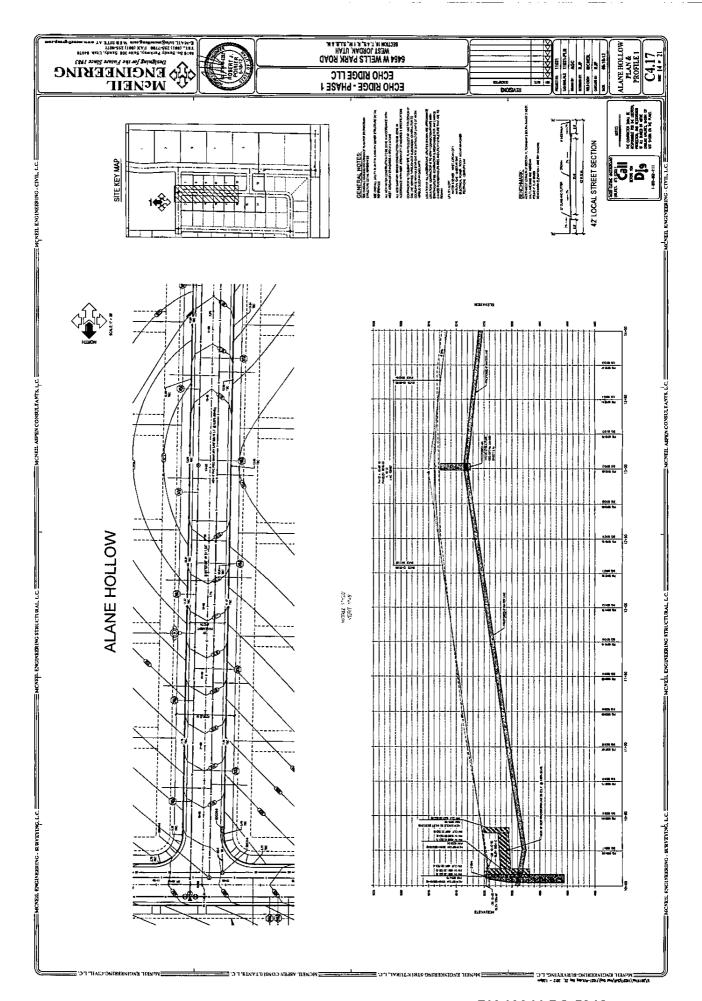


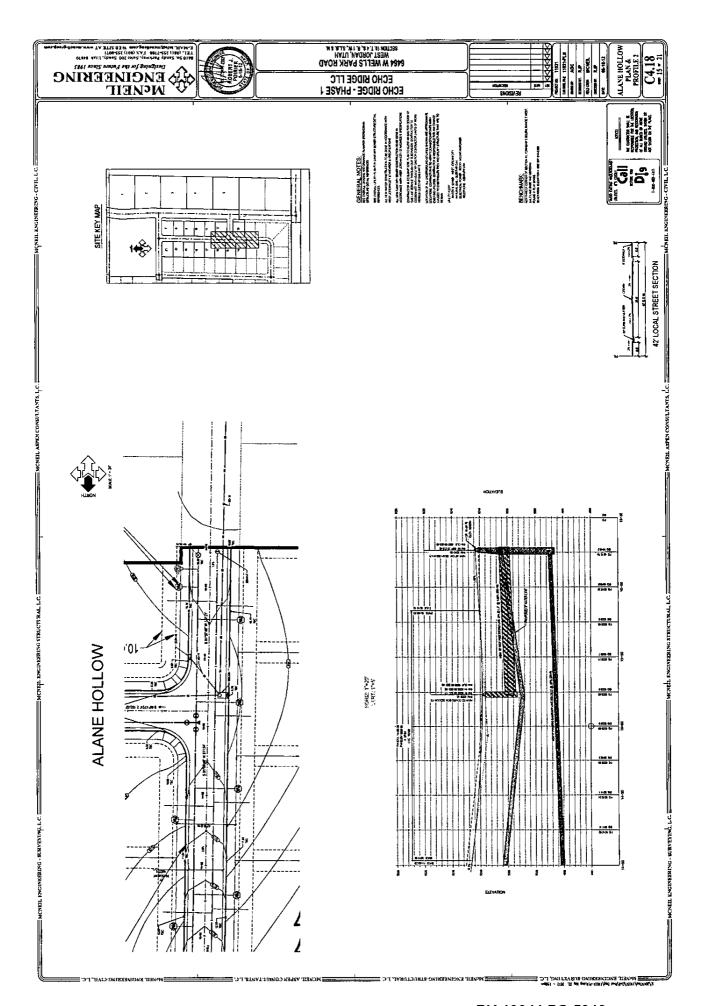


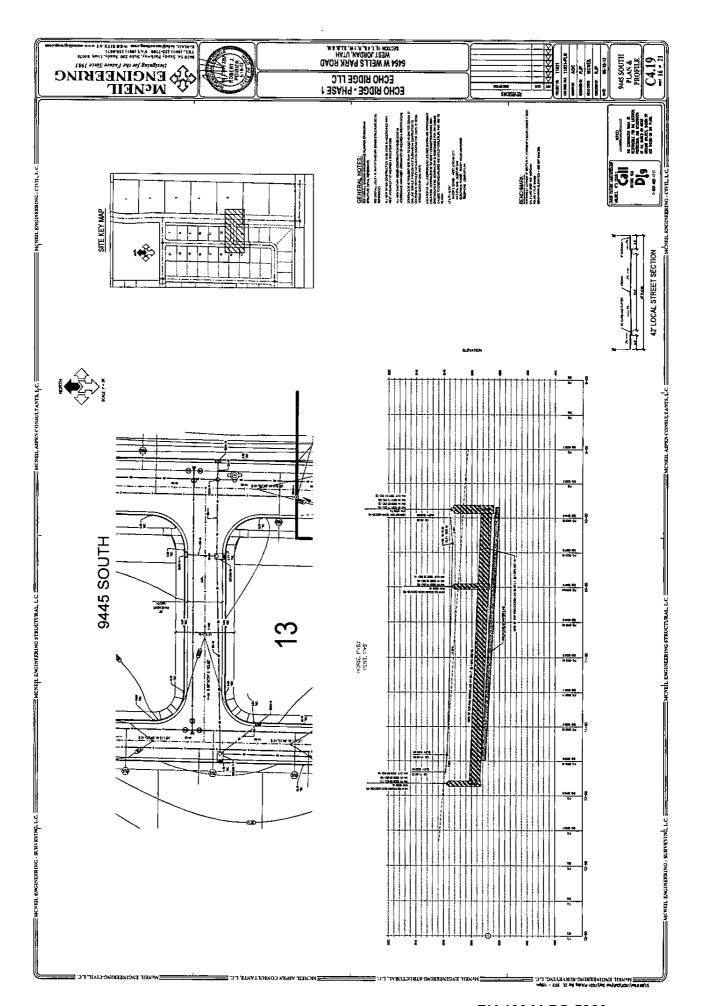


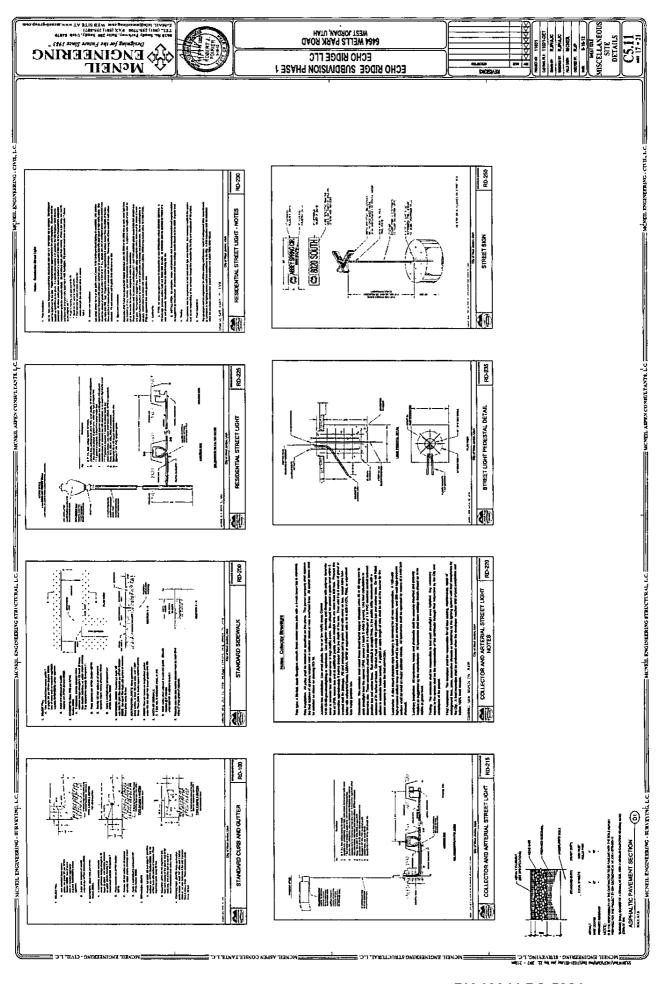


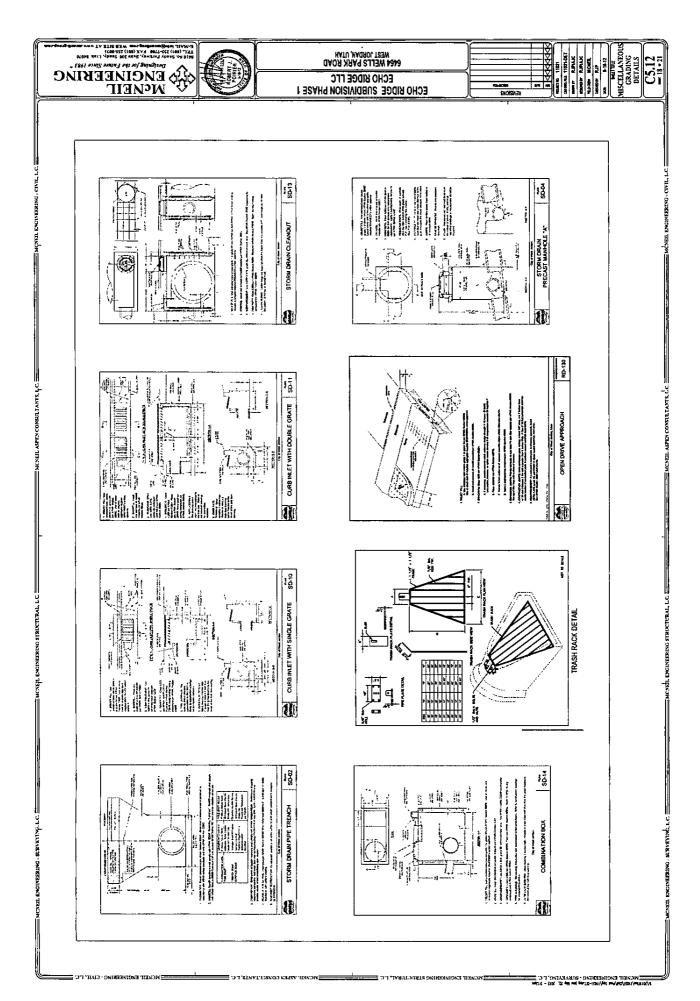


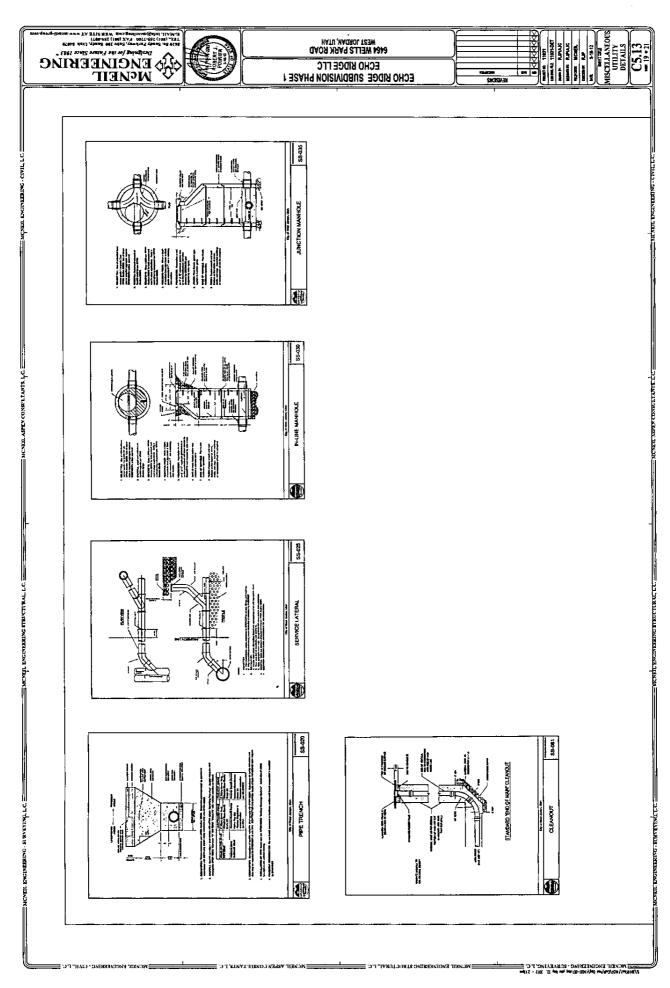


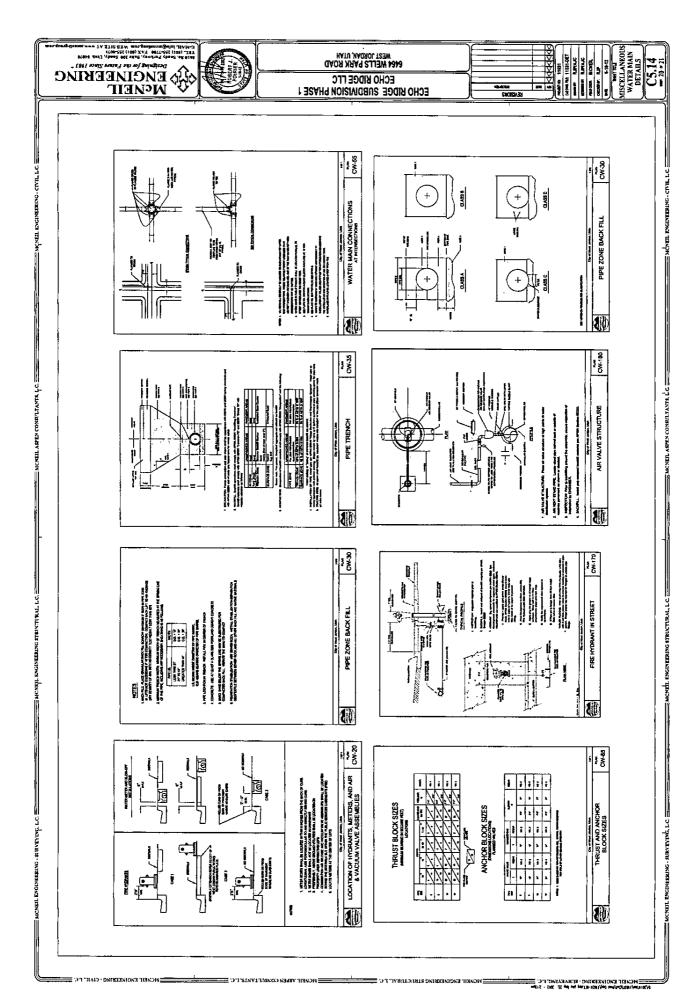


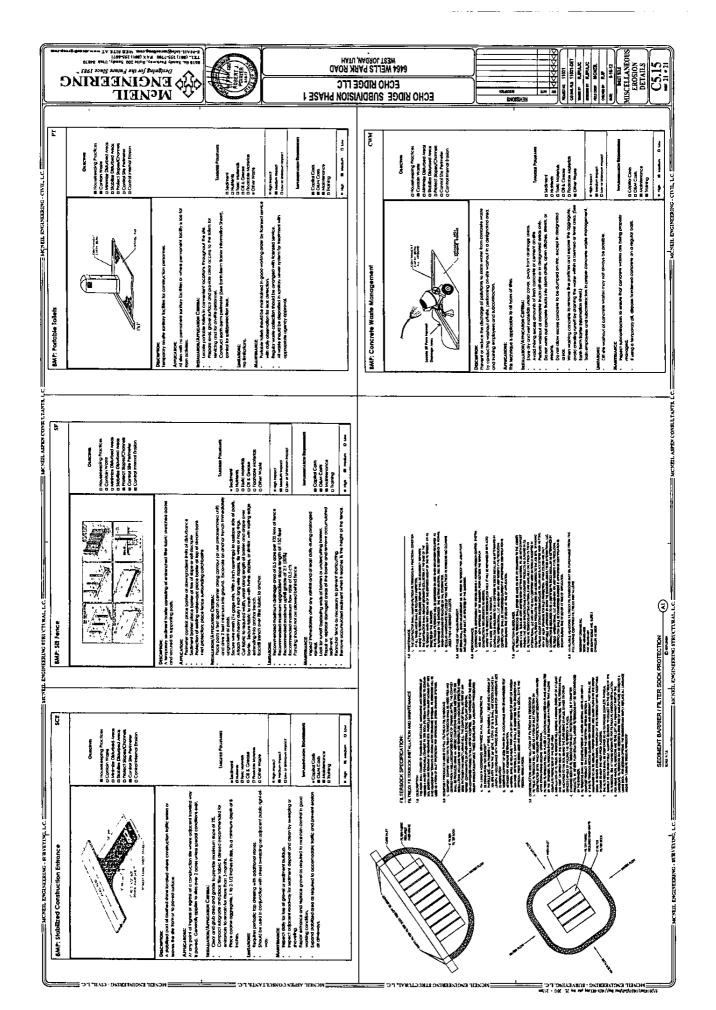












West Jordan Bond Calculation Worksheet for PUBLIC IMPROVEMENTS

Project: Echo Ridge Subdivision Phase 1 Date: 5/24/2012



DESCRIPTION	Unit	Quant.	\$/Unit	Total
Sanitary Sewer				
12" PVC Sewer	LF	1,447	\$39.00	\$56,433.00
8" PVC Sewer	LF	1,673	\$33,00	\$55,209.00
5' Manhole	EA	9	\$4,000.00	\$36,000.00
4' Manhole	EA	2	\$3,500.00	\$7,000.00
Laterals	EA	23	\$650.00	\$14,950.00
Subtotal		'		\$169,592.00
Culinary Water				
12" DIP Waterline	LF	100	\$60.00	\$6,000,00
8" PVC Waterline (Culinary)	LF	1,445	\$30.00	\$43,350.00
8" Gate Valve	EA	16	\$1,200.00	\$19,200.00
12" Fittings	EA	2	\$1,050.00	\$2,100,00
8" Fittings	EA	11	\$950.00	\$10,450.00
Fire Hydrants	EA	8	\$3,200.00	\$25,600,00
Air/Vac Valve	EA	1	\$4,200.00	\$4,200.00
Sample Station	EA	2	\$650.00	\$1,300.00
Laterals	EA	26	\$650.00	\$16,900.00
Subtotal		•		\$129,100.00
Storm Drain				
36" RCP Calss III	LF	15	\$75.00	\$1,125.00
24"RCP Class III	LF	852	\$65.00	\$55,380.00
18" RCP Class III	LF	1,259	\$47.00	\$59,173.00
15" RCP Class III	LF	1,177	\$45.00	\$52,965.00
Combination Catch/Clean Box	EA	7	\$3,500.00	\$24,500.00
Single Inlet Box	EA	11	\$1,700.00	\$18,700.00
5' Cleanout Box	EA	11	\$2,500.00	\$27,500.00
Detention Basin	CY	2,180	\$5.00	\$10,900.00
Berm	EA	1	\$8,000.00	\$8,000.00
Subtotal		· · · · · · · · · · · · · · · · · · ·		\$258,243.00
Street Improvements				
Curb & Gutter w/Road Base	LF	6,690	\$15.00	\$100,350.00
6' Sidewalk w/Road Base, Back Fill Parkstrip	LF	2,440	\$19.00	\$46,360.00
5' Sidewalk w/Road Base, Back Fill Parkstrip	LF	3,580	\$16.00	\$57,280.00
4" Asphalt w/ 15" Road Base	SF	79,670	\$3.35	\$266,894.50
3" Asphalt w/ 12" Road Base	SF	30,500	\$2.45	\$74,725,00
1-inch overlav	SF	110.170	\$1.50	\$165,255,00
Temporary turnaround	SF	5,050	\$1.50	\$7,575.00
Disabled Pedestrian Ramp	EA	8	\$260.00	\$2,080.00
Monuments	EA	5	\$300.00	\$1,500.00
Subtotal		·		\$722,019.50
Miscellaneous				
Street Signs	EA	2	\$250.00	\$500.00
Striping	LF	7160	\$0.90	\$6,444,00
Traffic Signs	EA	20	\$250.00	\$5,000.00
Mass Grading	CY	16,000	\$3.50	\$56,000.00
Speed Tables	EA	2	\$3,000.00	\$6,000.00
As-Builts (2x Mylar, 1x digital)	LS	ī	\$1,000.00	\$1,000.00
Subtotal		•		\$74,944.00
Total				\$1,353,898.50
Total				φτησοσίονοιου

Prepared By: Told Johnson Staff Engineer

Reviewed By: Molla-City Engineer

BK 10041 PG 5926

Exhibit E-Public Improvement Guarantee Required Letter of Credit Provisions

The Letter of Credit shall be issued by a federally insured bank, savings and loan, or credit union, authorized to do business in the state of Utah (the "Issuer"). The Letter of Credit shall be in a form approved by the City Attorney. The proceeds shall be available to the City by presenting a site draft at an office located within fifty (50) miles of the City.

The draw language on any Letter of Credit shall be in substantially the following form:

"The City shall be entitled to payment under this Letter subject only to the City's presenting the original of this Letter and a certified letter signed by the City Engineer stating that the City is entitled to payment of the amounts specified due to Developer's failure to pay for or perform the work as required by the Development Agreement."

The Letter of Credit shall contain the following language:

"It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless at least sixty (60) days prior to such expiration date City is notified by registered letter, return receipt requested, or overnight courier service that Issuer elects not to consider the Letter of Credit renewed for any such period."



July 12, 2012

West Jordan City 8000 South Redwood Road West Jordan, Utah 84088

Re: Irrevocable Letter of Credit

Dear City of West Jordan:

We hereby establish our Irrevocable Letter of Credit in your favor for the account of Echo Ridge, LC up to and including the aggregate amount of ONE MILLION THREE HUNDRED FIFTY THREE THOUSAND EIGHT HUNDRED NINETY EIGHT DOLLARS AND 50/100 CENTS (\$1,353,898.50) These funds are available upon written demand by the City Engineer or other authorized West Jordan City representative, stating that the improvements for "Echo Ridge Subdivision Phase 1", located in West Jordan City have not been satisfactorily completed, or are defective and in need of repair.

The written demand must be presented at Central Bank, 475 East Main St, Lehi, Utah 84043 on or before June 6, 2013. The authorized representative of the city must execute the draft.

We hereby agree that all demands submitted under and in compliance with the terms of the Letter of Credit will be duly honored on delivery of the documents as specified, if presented on or before the expiration date mentioned above at the proper office.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless at least sixty (60) days prior to such expiration date West Jordan City is notified by registered letter, return receipt requested, or overnight courier service that ISSUER elects not to consider the Letter of Credit renewed for any such period.

This Letter of Credit is governed by Utah Law and specifically by Utah Code Annotated '70A-5-101 et seq. (as amended). Jurisdiction for resolution of any disputes concerning the Letter of Credit lies in the Courts of the State of Utah.

Central Bank

Douglas Blanchard

Officer

Si SCiCentral Bank

Provo-Downtown 75 N. University 375-1000

Provo-Riverside 1300 N. State 375-5963 Provo-Mortgage Loan 95 N. University Ave 373-3336

Orem 415 N. State 224-1420 Springville 202 S. Main 489-9466

Mapleton 385 N. Main 489-5640 American Fork 175 E. Main 756-9900

Lehi 475 E. Main 766-3886 Spanish Fork 1 N. Main 798-7481

Payson 182 N. Main 465-9276

ADDENDUM 1 TO IMPROVEMENT GUARANTEE LANDSCAPING IMPROVEMENTS (LETTER OF CREDIT FORM)

1. **INCORPORATION.** This Addendum 1 is hereby incorporated into the Development Agreement, to which it is attached, for the purpose of addressing the guarantee for landscaping improvements required, by the terms of the issuance of permits and approvals, to be completed by Developer (the "Landscaping Improvements"). Terms defined in the Development Agreement, shall have the same meaning as set forth therein, **except** the following: (a) the term "Public Improvement(s)" shall also include Landscaping Improvements; and (b) if otherwise defined herein, the definition found in this Addendum 1 shall control.

ADDITIONAL TERMS AND CONDITIONS FOR LANDSCAPING IMPROVEMENTS

3. **LANDSCAPING REQUIREMENTS.** Developer shall install Landscaping Improvements pursuant to the approved final plat, site plan and approved engineering drawings. Developer shall warrant the Landscaping Improvements as set forth herein.

4. LETTER OF CREDIT. As an independent guarantee with City for the purpose of insuring Developer's completion and warranty of the Landscaping Improvements as set forth in the "West Jordan Bond Worksheet for Landscaping and Street Lights," attached hereto and incorporated herein by reference, Developer hereby files an IRREVOCABLE LETTER OF CREDIT , (herein the "Letter of Credit"), numbered 145/03438, issued by	
Central Bank., a(n) Utah Corporation, located (Issuer Name) (State of Organization)	,
at <u>475 E. Main St. Lehi, UT</u> ; <u>801-375-1000</u> , <u>801-766-5638</u> (Issuer Address) 84043 (Issuer Telephone) (Issuer Facsimile)	?
in the amount of \$	

The Letter of Credit shall be issued in favor of City to the account of Developer, in an amount not less than 100% of the estimated cost of the Landscaping Improvements as set forth in "West Jordan Bond Worksheet for Landscaping and Street Lights," attached hereto and incorporated herein by reference. The Landscaping Guarantee shall be **in addition to**, the Public Improvement Guarantee, and shall apply only to Landscaping Improvements.

The Letter of Credit shall be issued by a federally insured bank, savings and loan, or credit union (the "Issuer"), authorized to do business in Utah, and the Proceeds shall be available to the City by presenting a site draft at an office located within fifty (50) miles of City. The Letter of Credit shall contain the following provision:

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless

PLEASE INITIAL TO THE PLEASE INITIAL

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless at least sixty (60) days prior to such expiration date City is notified by registered letter, return receipt requested, or overnight courier service that Issuer elects not to consider the Letter of Credit renewed for any such period.

- 5. **INITIAL INSPECTION.** After Developer has completed the Landscaping Improvements, Developer shall request an inspection. The City will not approve the Landscaping Improvements unless installation complies with supplier and manufacturer recommendations, City ordinances, standards, and approved plans. After the City has inspected and approved landscaping, the Landscaping Guarantee may be reduced to an amount equal to ten percent (10%) of the original amount (the "Retainage"), and a twenty-four (24) month warranty period ("Warranty Period") shall commence. The guarantee reduction to ten percent (10%) and commencement of the Warranty Period shall be approved in writing by the City Manager.
- 6. WARRANTY PERIOD. Developer hereby warrants that the Landscaping Improvements shall remain free from defects in materials, workmanship or design as determined by City, such that the Landscaping Improvements continue to meet City standards for twenty-four (24) months following inspection and approval by the City and commencement of the Warranty Period. Developer expressly agrees that the Retainage shall not be released for twenty-four (24) months following commencement of the Warranty Period. Notwithstanding the Retainage, Developer shall be responsible for any substandard, defective, or damaged Landscaping Improvements.
- 7. **SECOND INSPECTION.** The Developer shall replant, reseed and stabilize, as necessary, during the Warranty Period. At the end of the Warranty Period, the City shall inspect the Landscaping Improvements. If the City determines that the landscaping area has eroded, or plant material has died or has not shown growth, the Developer shall replant, reseed and stabilize all substandard landscaping areas.
- 8. **FINAL RELEASE.** If the City determines that the plant material is established and growth has continued, the Retainage may be released to Developer. Final release shall be approved in writing by the City Manager. If the City does not approve the Landscaping Improvements at the end of the Warranty Period, Developer shall replant, reseed and stabilize all substandard landscaping areas. If any areas need to be replanted, reseeded or stabilized the City may retain a portion of the Landscaping Guarantee to insure such work is done or may make written demand for remittance of the proceeds of the Landscaping Guarantee to the City.
- 9. **DEVELOPER INDEMNIFICATION.** Developer agrees to indemnify, defend, and save harmless City, its officers, employees, agents and volunteers from and against any and all liability which may arise as a result of the installation of the Landscaping Improvements prior to completion of the Warranty Period, and from and against any and all liability which may arise as a result of any Landscaping Improvements which are found to be defective during the twenty-four (24) month warranty period covered by this Agreement. This indemnification requirement includes indemnification for claims for attorney's fees, court cost and litigation expenses, of whatever type and amount. With respect to Develoepr's agreement to defend City, as set forth

PLEASE INITIAL TO THE

above, City shall have the option to either provide its own defense, with all costs for such being borne by Developer, or require that Developer undertake the defense of City.

10. **DEMAND FOR THE USE OF PROCEEDS.** Should any Landscaping Improvements prove to be incomplete, substandard or defective within the twenty-four (24) month warranty period, City shall notify Developer in writing of such substandard or defective Landscaping Improvements. Developer shall then have thirty (30) calendar days to complete and repair the Landscaping Improvements. Should Developer fail to complete and repair the Landscaping Improvements within the required time, City may demand the Proceeds of the Landscaping Guarantee. City may use and expend all the Proceeds or such lesser amount as may be necessary to complete the Landscaping Improvements. The cost of completion of the Landscaping Improvements shall include reimbursement to City for all costs, including, but not limited to, construction costs and any Incidental Costs incurred by City in completing the Landscaping Improvements or collecting he Proceeds.

PLEASE INITIAL W

West Jordan Bond Worksheet for LANDSCAPING and STREET LIGHTS **Project: Echo Ridge Subdivision Phase 1**Date: 5/24/2012



DESCRIPTION	Unit	Quant.	\$/Unit	Total
ltem				
Street Lights 35' Pole	EA	7	\$3,900.00	\$27,300,00
Street Lights 18' Pole	EA	3	\$2,600.00	\$7,800.00
Landscaping Tree/Irrigation/sod	SF	31080	\$2.00	\$62,160.00
Irrigation 1.5" Valve lateral line	EA	2	\$1,500.00	\$3,000,00
1.5" Backflow Device (R.P.)	EA	2	\$800,00	\$1,600.00
Subtotal				\$101,860.00
Total				\$101,860.00

Prepared By: Told Johnson
Staff Engineer

BK 10041 PG 5932



July 9, 2012

West Jordan City ATTENTION: City Engineer 8000 So. Redwood Rd. West Jordan City, Utah 84088

RE: Letter of Credit 145103438 for Echo Ridge, LC on behalf of West Jordan City

As an independent guarantee with West Jordan City for the purpose of insuring Developer's completion and warranty of the Landscaping Improvements as set forth in "Exhibit A to Addendum 1," attached hereto and incorporated herein by reference, Developer herby files an IRREVOCABLE LETTER OF CREDIT, (herein the "Letter of Credit"), numbered 145103438, issued by CENTRAL BANK a Utah Corporation, located at 475 East Main St. Lehi, Utah 84043; telephone 801-375-1000, fax 801-766-5638, in the amount of \$101,860.00, (the "Landscaping Guarantee" or "Proceeds"). This Letter of Credit will expire and cease to exist on June 6, 2013.

West Jordan City shall be entitled to payment under this Letter subject only to the City's presenting the original of this Letter and a certified letter signed by the City Engineer stating that the City is entitled to payment of the amounts specified due to Developer's failure to pay for or perform the work as required by the Development Agreement. These shall be presented to Central Bank at the address listed above.

Sincerely,

Richard D. Norman

Vice President

Central Bank

5120 F 1891

Provo-Downtown 75 N. University 375-1000

Provo-Riverside 1300 N. State 375-5963 Provo-Mortgage Loan 95 N. University Ave 373-3336

Orem 415 N. State 224-1420 Springville 202 S. Main 489-9466

Mapleton 385 N. Main 489-5640 American Fork 175 E. Main 756-9900

Lehi 475 E. Main 766-3886 Spanish Fork 1 N. Main 798-7481

Payson 182 N. Main 465-9276



July 12, 2012

West Jordan City 8000 South Redwood Road West Jordan, Utah 84088 Re: Irrevocable Letter of Credit

Dear City of West Jordan:

As an independent guarantee with West Jordan City for the purpose of insuring Developer's completion and warranty of the Landscaping Improvements as set forth in "Exhibit A to Addendum 1," attached hereto and incorporated herein by reference, Developer herby files an IRREVOCABLE LETTER OF CREDIT, (herein the "Letter of Credit"), numbered 145103438, issued by CENTRAL BANK a Utah Corporation, located at 475 East Main St. Lehi, Utah 84043; telephone 801-375-1000, fax 801-766-5638, in the amount of \$101,860.00, (the "Landscaping Guarantee" or "Proceeds"). This Letter of Credit will expire and cease to exist on June 6, 2013.

These funds are available upon written demand by the City Engineer or other authorized West Jordan City representative, stating that the Landscaping Improvements for "Echo Ridge Subdivision Phase 1", located in West Jordan City have not been satisfactorily completed, or are defective and in need of repair. The written demand must be presented at Central Bank, 475 East Main St, Lehi, Utah 84043 on or before June 6, 2013. The authorized representative of the city must execute the draft.

We hereby agree that all demands submitted under and in compliance with the terms of the Letter of Credit will be duly honored on delivery of the documents as specified, if presented on or before the expiration date mentioned above at the proper office.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the present or any future expiration date unless at least sixty (60) days prior to such expiration date West Jordan City is notified by registered letter, return receipt requested, or overnight courier service that Issuer elects not to consider the Letter of Credit renewed for any such period.

This Letter of Credit is governed by Utah Law and specifically by Utah Code Annotated '70A-5-101 et seq. (as amended). Jurisdiction for resolution of any disputes concerning the Letter of Credit lies in the Courts of the State of Utah.

Sincerely,

Douglas Blanchard

Officer

Central Bank

Provo-Downtown Provo-Mortgage Loan Springville American Fork Spanish Fork 75 N. University 95 N. University Ave 1 N. Main 202 S. Main 175 E. Main 375-1000 373-3336 489-9466 756-9900 798-7481 Provo-Riverside Mapleton Lehi Payson 1300 N. State 415 N. State 385 N. Main 475 E. Main 182 N. Main 375-5963 224-1420 489-5640

465-9276

766-3886

EXHIBIT F Reimbursement – List of Improvements and Costs

EXHIBIT F

Echo Ridge City Reimbursement PHASE 1

Utilities-Wells I	Park R	<u>oad</u>						
<u>Sewer</u> 12" PVC-SDR	<u>LF</u> 318	Price per LF \$35.00	<u>Cost</u> \$11,130.00	Required 8"	Quantity 325	price/lf 25	<u>Cost</u> 8,125	Reim- bursement \$3,005
5' Manhole	Qty 1	Price each \$3,500	<u>Cost</u> \$3,500	Required 4'	Quantity 1	price ea. 2,500	<u>Cost</u> 2,500	Reim- bursement \$1,000
Water 12" DIP 12" PVC C-900	<u>LF</u> 100 708	Price per LF \$45 3 \$45	<u>Cost</u> \$4,500 \$31,860	Required 8" 8"	Quantity 100 708	<u>price/lf</u> 30 25	<u>Cost</u> 3,000 17,700	Reim- bursement \$1,500 \$14,160 Reim-
Storm drain 18" RCP	<u>LF</u> 318	Price per LF \$35	<u>Cost</u> \$11,130	Required 15"	Quantity 318	price/lf 25	Cost 7,950	bursement \$3,180
			PHASE 4					
<u>Utilities-Wells 1</u>	Park R	<u>oad</u>						Reim-
<u>Sewer</u> 12" PVC-SDR	<u>LF</u> 1025	Price per LF \$35.00	<u>Cost</u> \$35,875.00	Required 8"	Quantity 1025	price/lf 25	<u>Cost</u> 25,625	bursement \$10,250 Reim-
5' Manhole	Qty 3	Price each \$3,500	<u>Cost</u> \$10,500	Required 4'	Quantity 3	price ea. 2,500	Cost 7,500	bursement \$3,000
Storm drain 18" RCP	<u>LF</u> 1025	Price per LF \$35	<u>Cost</u> \$35,875	Required 15"	Quantity 1025	price/lf 25	<u>Cost</u> 25,625	Reim- bursement \$10,250
<u>Water</u> 12" DIP	<u>LF</u> 1025	Price per LF \$45	<u>Cost</u> \$46,125	Required 8	Quantity 1025	price/lf 30	<u>Cost</u> 30,750	Reim- bursement \$15,375
				TOTAL	REIMBURS	SEMENT		\$61,720

EXHIBIT G Benefited Properties and Costs

EXHIBIT G



PIPE UPSIZING BENEFICIARIES

1) MERLIN LONES FAMILY PARTMERSHIP LOCATED WEST OF SUBJECT PROPERTY 2) REMAINDER PARCEL 2 CHINED BY BOB KELLIS LOCATED SOUTH OF THE PROPERTY.

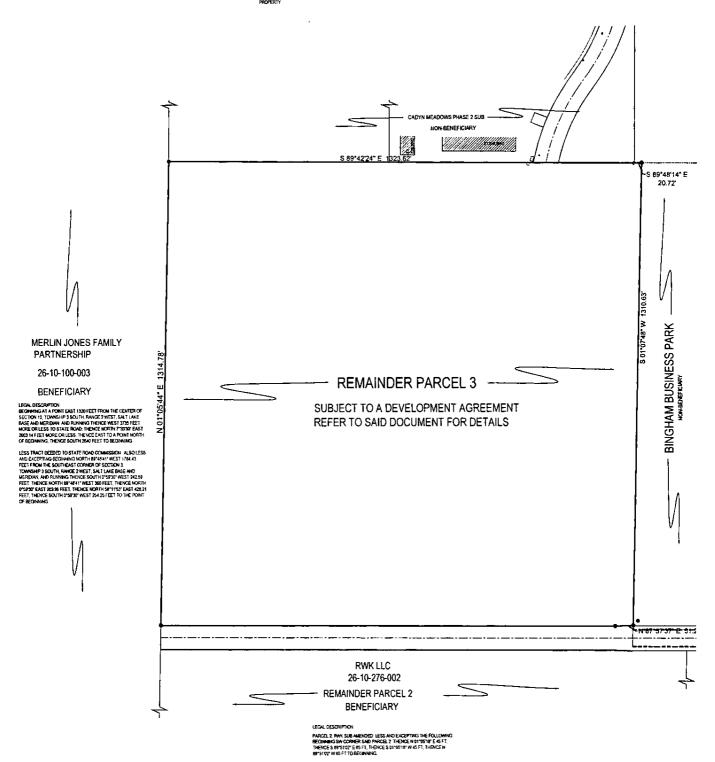


EXHIBIT H City Code Section 8-3B-4

8-3B-4: REIMBURSEMENT FOR SYSTEM IMPROVEMENTS:

- A. Authorized: Improvements specifically listed but not yet built in the city capital facilities plan (CFP) may be constructed by the developer out of the CFP planned sequence if such construction is acceptable to the city and does not create unreasonable collateral hardships to the infrastructure system. The developer may request a reimbursement agreement, pursuant to provisions of this title. The eligible costs shall not exceed the costs upon which the impact fees were established. The city manager or designee shall establish a priority for the CFP improvements, and eligible costs may be reimbursed from impact fees collected, after higher priority projects in the CFP have been adequately funded.
- B. Expiration: The reimbursement for system improvements may continue until such time as the cumulative reimbursement amount being collected as, and paid from, impact fees reaches an amount equal to the maximum reimbursement for said system improvements. No reimbursement shall be due or payable in excess of the amount of impact fees available, after higher priority projects in the CFP have been adequately funded. (2001 Code § 89-6-413; amd. 2009 Code; Ord. 09-31, 10-14-2009)

ADDENDUM NO. 1 TO THE DEVELOPMENT AGREEMENT ECHO RIDGE SUBDIVISION BY AND AMONG THE CITY OF WEST JORDAN, KETCHUM LEGACY, LC AND ECHO RIDGE, LC

The City of West Jordan, Ketchum Legacy, LC and Echo ridge, LC agree that this Addendum No. 1 shall be incorporated into the DEVELOPMENT AGREEMENT FOR ECHO RIDGE SUBDIVISION entered into by and among the City of West Jordan, Ketchum Legacy, LC and Echo Ridge, LC (Ketchum Legacy, LC and Echo Ridge, LC being referred to collectively as "Developer") as if fully set forth therein, and the following shall be incorporated into said Agreement.

- 1. Article VII, entitled Reimbursement for Public Improvements shall apply only to Phase 1 of the Project. The City and Developer may mutually negotiate and enter into future reimbursement agreements on a phase by phase basis. The application of the remainder of the DEVELOPMENT AGREEMENT FOR ECHO RIDGE SUBDIVISION ("the Development Agreement") to the future phases of the Project shall not be affected by this Addendum No. 1.
- 2. There are no "Eligible Project Improvements" in Phase 1 of the Project and thus no properties reasonably anticipated to benefit from the construction and installation of Eligible Project Improvements. Therefore, the following shall be deleted, in their entirety, from the Development Agreement:
 - a. Section 7.1.5
 - b. Section 7.1.6
- c. Section 7.3, entitled "Cost Allocation and Collection from Benefited Properties for Eligible Project Improvements" shall be deleted in its entirety.
 - d. Exhibit G.
- 3. Furthermore, the phrase "and Eligible Project Improvements, collectively" shall be deleted in section 7.2.1, limiting the definition of Eligible Public Improvements in section 7.2.1 to Eligible System Improvements.
- 4. This Addendum No. 1 shall not affect reimbursement from impact fees for Eligible System Improvements.

[SIGNATURES ON FOLLOWING PAGES]



IN WITNESS WHEREOF, the Parties have executed this Addendum No. 1 to the Development Agreement Echo Ridge Subdivision by and among the City of West Jordan, Ketchum Legacy, LC and Echo Ridge, LC.

WEST JORDAN CITY, a municipality and politi	cal subdivision of the State of Utah
By: Melissa K. Johnson, Mayor	OF WEST JORD
ATTEST: Clane	Seal) Treofund
Defuty, City Recorder	
CITY ACKNOWLEDGEMENT	West Jordan City Attorney By Tunullon Date: 7-3
STATE OF UTAH) : ss.	
County of Salt Lake)	
On this 3 day of, 20], before the said state, personally appeared the Mayor of West Jordan City and the person who behalf of said City and acknowledged to me that	No executed the foregoing instrument on
IN WITNESS WHEREOF, I have hereunto set m	y hand and seal the day and year first
Notary Public for Utah Residing at: 2011 Lake County My Commission Expires: July 31, 2017	MELANIE S. BRIGGS MOTARY PUBLIC-STATE OF UTAN COMMISSIONS 579647 COMM. EXP. 67-31-2013
Echo Ridge, LC	
By Sort	•

Ketchum Legacy, LC
By
DEVELOPER ACKNOWLEDGEMENT
STATE OF UTAH)
: ss. County of Salt Lake)
On this 70 day of, 2012, before the undersigned notary public in and for the said state, personally appeared joet kester and Shuron k, known or identified to me to be the manager of Churchy w. Litchum Ly, and the person who executed the foregoing instrument and acknowledged to me that said company executed the same.
IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.
Notary Public for Utah Residing at: Sult Lulu City My Commission Expires: 324/14
EFFECTIVE DATE:

THE CITY OF WEST JORDAN, UTAH

A Municipal Corporation

RESOLUTION NO. 12-14

A RESOLUTION AUTHORIZING THE EXECUTION BY THE MAYOR OF THE ECHO RIDGE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF WEST JORDAN AND ECHO RIDGE L.L.C.

Whereas, the City Council of the City of West Jordan has reviewed the Echo Ridge Development Agreement, (a copy of which is attached as exhibit A); and

Whereas, the City Council of the City of West Jordan desires that the Echo Ridge Development Agreement be executed by the Mayor after staff has finalized the exhibits to the agreement and it has been approved as to legal form by the West Jordan City Attorney; and

Whereas, the Mayor is authorized to execute the agreement.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH, THAT:

Section 1. City staff is directed to finalize and attach the exhibits to the Echo Ridge Development Agreement.

Section 2. After approval as to legal form, the Mayor is herby authorized and directed to execute the Echo Ridge Development Agreement with Echo Ridge L.L.C.

Section 2. This Resolution shall take effect immediately upon passage.

Adopted by the City Council of West Jordan, Utah, this 23rd day of May, 2012.

CITY OF WEST JORDAN

Mayor Melissa K. Johnson

ATTEST:

Melanie S. Briggs, City Clerk/Redo

STERIC UTAH

Voting by the City Council	"AYE"	"NAY"
Judy Hansen		
Clive M. Killpack		
Chris McConnehey	√	
Chad Nichols		
Ben Southworth		
Justin D. Stoker		
Mayor Melissa K. Johnson		