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**AMENDMENT NO. 1 TO
FARMINGTON GREENS (PUD) DEVELOPMENT AGREEMENT**

THIS AMENDMENT NO. 1 ("Amendment") is made and entered into as of the 24th day of September, 2002, by and between **FARMINGTON CITY**, a Utah municipal corporation, hereinafter referred to as the "City," and **PCI #1, L.L.C.**, a Utah limited liability company, and **CLAIMS, INC.**, a Utah Corporation, hereinafter collectively referred to as "Developer."

RECITALS:

A. The City and Claims, Inc., as developer, previously entered into a Development Agreement dated July 19, 2000, ("Development Agreement") pertaining to development of a project to be known as Farmington Greens PUD ("Project").

B. Claims, Inc., has assigned its rights, title and interest as well as its obligations for phases 1, 2 and 3 of the Project to PCI #1 and PCI #1 has assumed the rights and obligations of Claims, Inc., under the Development Agreement for Phases 1, 2 and 3 of the Project.

C. The parties hereto desire to amend the Development Agreement in accordance with the terms and provisions contained herein.

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RICHARD T. MAUGHAN, DAVIS CNTY RECORDER
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REC'D FOR FARMINGTON CITY CORP

AGREEMENT

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

1. **Incorporation of Recitals.** The above Recitals are incorporated into this Amendment.

2. Paragraph 4b of the Development Agreement entitled "Streets and Related Improvements" is hereby amended to read in its entirety as follows:

4.b. **Streets and Related Improvements.**

i. Developer will construct and/or improve and dedicate to the City the streets shown on final subdivision plats and/or site plans for the Project. Construction and/or improvement of the streets shall include all curb, gutter, paving, sidewalks, park strips and related utilities. All construction and improvement shall be in accordance with City-approved design and construction standards and requirements. Prior to construction, plans and specifications shall be reviewed and approved by the City Engineer.

ii. Developer shall pay to the City the sum of Eighty Six Thousand Seventeen and 01/100 Dollars (\$86,017.01) for the costs of improving one-half (½) of the 1525 West Street right-of-way the entire distance that such right-of-way runs adjacent to the western boundary of the Property which sum shall be payable to the City as follows: Forty Three Thousand Eight and 51/100 Dollars (\$43,008.51) concurrent with execution of this Amendment and the remaining Forty Three Thousand Eight and 50/100 Dollars (\$43,008.50) prior to recordation of the final plat for the fifty-second (52nd) lot from Phases 1, 2 or 3 of the Project as shown on Exhibit "X" attached hereto or one year from date of this Amendment, whichever occurs first. The costs of improvements for 1525 West Street to be paid to the City shall include, but not be limited to, actual costs incurred to provide, construct and install curb and gutter, asphalt, road base, and all related underground public improvements and utilities. The actual cost of construction of the improvements in 1525 West by the developer of Farmington Ranches (the "Farmington Ranches Developer") shall be paid by Developer to the City at the time(s) set forth above. In addition, Developer shall construct and pay all costs for sidewalk or trail on the east side of 1525 West Street.

iii. In cooperation with the Farmington Ranches Developer, Developer shall fully improve the entire Clark Lane right-of-way from the point where said right-of-way intersects with the projected eastern-most boundary of Farmington Greens to the western boundary of 1100 West Street right-of-way. Improvements to be installed and constructed by Developer for Clark Lane shall include, but are not limited to, curb and gutter on both the north and south sides of Clark Lane, fifty-two (52) feet of paving asphalt, and all related underground public improvements and utilities including, but not limited to, storm drain piping and improvements. Developer's cost participation in the foregoing shall be limited to twenty-four and three-tenths percent (24.3%) except for storm drain improvements for which Developer shall pay one hundred percent (100%). The Clark Lane improvements shall be commenced by Developer within ten (10) days after written request by the City. The City has entered into a written agreement with the Farmington Ranches Developer requiring said developer to pay seventy-five and seven-tenths (75.7%) of the cost of all the Clark Lane improvements described above except storm drain. Developer shall be obligated to construct Clark Lane and all improvements therein and to pay the costs of such construction to the contractor. Farmington Ranches' share of the cost of the Clark Lane improvements described in this subparagraph shall be paid to the City following receipt of construction draw requests by Developer from the contractor. After receipt of Farmington Ranches' funds, the City will subsequently reimburse Developer for Farmington Ranches' share of such costs, and the City will further reimburse Developer the cost of paving (including sub-grade and base preparation) the center fifteen (15) feet of that portion of Clark Lane described herein from traffic impact fees as the same are received by the City (the "Clark Lane Reimbursement Amount") pursuant to a reimbursement agreement to be entered into

between the Developer and the City contemporaneously herewith. Contemporaneously herewith, the City and Developer shall enter into a pioneering agreement in the form attached hereto as Exhibit "C," which pioneering agreement shall provide for the reimbursement of Developer for a portion of the cost of the Clark Lane improvement costs by landowners adjoining the applicable portions of Clark Lane when and as such landowners develop their respective properties.

iv. Developer shall dedicate on the basis of One Dollar (\$1.00) per square foot to the City seven (7) feet of an 80-foot right-of-way of the Clark Lane right-of-way for the entire distance that such right-of-way runs adjacent to the northern boundary of the Property. The City will pay Developer for One Dollar (\$1.00) per square foot for the seven feet upon receiving a satisfactory deed from Developer which shall be promptly delivered by Developer to the City upon the City's request. Developer further agrees to prepare and execute if necessary right-of-way dedication plats and/or subdivision plats for the Clark Lane dedications pursuant to the requirements contained herein. The dedication plats shall be recorded concurrently with the final plat of each respective phase of the Project. Developer shall install improvements in the Clark Lane right-of-way including top back of curb on the south side to top back of curb on the north side the entire distance that such right-of-way runs adjacent to the northern boundary of the Property prior to recordation of any final plats after 103 lots have been approved by the City for the Project (excluding any lots abutting on 1100 West) or two (2) years from the date of this Amendment, whichever occurs first. Improvements to be installed and constructed by Developer for Clark Lane adjacent to the northern boundary of the Property shall include, but are not limited to, curb and gutter on both the north and south sides of Clark Lane, fifty-two (52) feet of paving asphalt, sidewalk or trail on the south side, and all related underground public improvements and utilities including, but not limited to, storm drain piping and improvements. Prior to recording the final plat for the first phase of the Project, Developer shall post with the City a bond acceptable to the City covering the City Engineer's estimated costs of all of the above-described improvements for a distance of one hundred seventy-eight and one-half (178.5) feet, which is the length of the area where the first phase abuts Clark Lane. Prior to recording the final plat for any additional phase of the Project abutting Clark Lane, Developer shall post with the City a bond acceptable to the City for the City Engineer's estimated costs for all of the above-described improvements which are not included in the bond for the first phase. The City will reimburse Developer from storm drain impact fees collected by the City from the West Farmington service area in which the Property is located for the amounts expended by Developer to pay for the actual cost of the storm drain line installed in Clark Lane from 1100 West to 1525 West as a system improvement in accordance with the terms of a reimbursement agreement entered into between the parties. Developer shall not be required to bond for or construct any improvements to the north side of Clark Lane beyond the back of curb on the north side of said right-of-way. Contemporaneously herewith, the City

and Developer shall enter into a pioneering agreement in the form attached hereto as Exhibit "D," which pioneering agreement shall provide for the reimbursement of Developer for the costs of developing the north side of Clark Lane by landowners adjoining the north side of said right-of-way when and as such landowners develop their respective properties. Developer shall pay all costs of the Clark Lane improvements described in this subparagraph at the time of construction. The City will subsequently reimburse the cost of paving fifteen (15) feet of that portion of Clark Lane described herein to Developer from traffic impact fees as the same are received by the City together with Farmington Ranches' share of the costs after receipt of the same from Farmington Ranches. A cross-section of the Clark Lane right-of-way is attached hereto as Exhibit "E," and by this reference is made a part hereof.

v. Developer shall install, and pay the cost of, decorative street lighting in the Project. Such street lighting will be provided in each phase of the Project and the type and extent thereof shall be subject to review and approval of the City prior to installation. All street lighting shall conform to the City's decorative street lighting standards.

3. Paragraph 4c of the Development Agreement entitled "Trails, Recreation Parcels and Open Space Land" is hereby amended to read in its entirety as follows:

4.c. Trails, Recreation Parcels and Open Space Land.

i. Except for the Cross Project Trail described below, the interior walking, jogging and horse trails, the village green, the tot lots, and the landscaped dividers shown on the Development Plan as the "Community Common Areas" shall be conveyed in title to a homeowners association (the "HOA") or other entity acceptable to the City which shall maintain them as private property for use of Project residents only. Developer shall prepare and submit to the City a maintenance plan for all areas to be maintained by Developer and/or the HOA (the "Maintenance Plan"). The Maintenance Plan shall be set forth in the CC&R's for the Project. The HOA shall maintain all of the aforesaid areas and facilities within the Project in accordance with the Maintenance Plan. If the HOA fails to maintain for any reason, the CC&R's shall provide that the lot owners and unit owners shall be obligated to maintain the aforesaid areas and facilities within the Project in accordance with the Maintenance Plan. All open space land (consisting of the 21.91 acre parcel and the 3.32 parcel shown on the Development Plan) within the Project shall be preserved by a permanent easement in a form and with a grantee acceptable to the City which prohibits future development thereof and defines the range of permitted activities acceptable to the City, which easement shall be recorded at the time of recording the plat of the abutting Project area(s). Developer intends to voluntarily grant a conservation easement upon the open space to a qualifying 501(c)(3) or 170(b)(3)

charitable organization for the purpose of providing further protection to such land, and to receive credit for a charitable contribution, to the extent available. In order that such easement is consistent with or complimentary to the open space easement referred to in this paragraph, the form and grantee shall be acceptable to the City.

ii. Fee title for a twenty-foot-wide trail traversing through the Project shall be deeded without cost to the City by Developer for pedestrian and equestrian purposes in those areas more particularly shown on the Development Plan attached hereto as Exhibit "B" (the "Cross Project Trail"). The deed conveying the twenty-foot-wide trail area may limit uses on the trail to pedestrian, bicycle and equestrian, and may exclude all motorized vehicles except for those reasonable and necessary for maintenance and public safety (i.e., police, ambulances, emergency vehicles) with a remedy provision in the event of non-compliance with or non-enforcement of the limitations and restrictions. In addition, a twenty-foot-wide trail easement shall be granted without cost to the City by Developer over and through those areas which surround the Project on Clark Lane and 1525 West as more particularly shown on Exhibit "B" including a cross-section attached hereto (the "Perimeter Trail"). If the Perimeter Trail is installed by Developer adjacent to the right-of-way of Clark Lane and 1525 West, such trail will replace any obligation on the part of the Developer to install sidewalk in those areas adjacent to Clark Lane and 1525 West where the Perimeter Trail exists. The Cross Project Trail that traverses through the Property shall be deeded to the City as part of the recordation of the final plat and/or site plan for the first phase of the Project. Developer shall deliver the required deed to the City in recordable form prior to recordation of the first plat and/or site plan for the first phase of the Project. The City will hold the deed until the described alignment of the centerline of the trail is staked by Developer's engineer and both the City and Developer inspect the location of the stakes. The inspection shall provide the parties the opportunity to agree upon a mutually acceptable alignment for the Cross Project Trail prior to recordation of the deed in the event the trail location must be realigned due to unforeseen circumstances and problems resulting from topographic constraints and/or other on-site physical conditions. The City will, as funds permit, construct a ten-foot hard surface on the Cross Project Trail traversing through the Project and will maintain the Cross Project Trail following conveyance of the same to the City.

iii. Developer shall obtain all required permits from the U.S. Army Corps of Engineers prior to the development of any phase of the Project or portion of the Property containing any wetlands. Any plans to mitigate wetlands from the Property shall be provided by the Developer to the City during the subdivision and/or site plan process.

4. Paragraph 4e of the Development Agreement entitled "Utilities and Infrastructure" is hereby amended to read in its entirety as follows:

4.e. Utilities and Infrastructure.

i. Developer shall install or cause to be installed natural gas, underground electrical service, sanitary sewer, culinary and pressure irrigation water supply systems, and a surface water drain system which may include but not be limited to, mass grading and/or piping where necessary and as required by the City for each phase as the Project progresses up to the boundary lines of the Project and any off-site improvements required to serve the Project. Such installations shall be done according to the reasonable and customary design and construction standards of the utility providers and the City Engineer.

ii. Developer shall make arrangements with and shall comply with the requirements of the Central Davis County Sewer District to provide public sanitary sewer service to the Project and all phases thereof.

iii. Due to inadequate existing culinary water capacity in the West Farmington area of the City, it is necessary to acquire, design and construct a 2,000,000-gallon culinary water reservoir on property located in southeast Farmington, together with water transmission lines, distribution lines, well, pumps and related facilities, all at specific locations and elevations determined by the City to be necessary to provide water and fire protection storage for the Property and other lands located in the City west of the reservoir site (all of which is referred to herein as the "Water System Development Project"). The Water System Development Project shall be accomplished in three (3) phases, involving participation by the City, Developer and the Farmington Ranches Developer. Utilizing previously collected water development impact fees, the City agrees to advance approximately 13.95% of the cost of each of the three (3) phases of the Water System Development Project (the "City Requirement"). The balance of the costs (the "Developers' Combined Requirement") (i.e. 86.05%) with respect to the Water System Development Project shall be funded with prepaid culinary water development impact fees and advances of additional funds from the Developer and the Farmington Ranches Developer as provided herein, with respect to the Developer, and as provided in a separate development agreement between the City and the Farmington Ranches Developer, with respect to Farmington Ranches. Developer agrees to participate in all phases of the Water System Development Project and has waived any right it may have previously had to opt out. Developer's portion of the Developers' Combined Requirement shall be equal to 24.3% (i.e. approximately 20.90%) of the cost of the Water System Development Project (the "Developer's Share") and the Farmington Ranches Developer's portion shall be 75.7% (i.e. approximately 65.15% of the cost for the Water System Development Project) (the "Farmington Ranches Share"). Developer hereby agrees to participate in paying a portion of the cost for the Water System Development Project in accordance with the provisions of this Agreement. The City has entered into a written development agreement with the Farmington

Ranches Developer requiring said developer to pay the Farmington Ranches Share of the Water System Development Project described herein that is consistent with the terms hereof. Developer hereby agrees to pay to the City upon execution of this Amendment No. 1 the sum of \$488,056.05, less \$130,068.15 previously paid (see page 10), which represents Developer's share of the cost for the Water System Development Project.

The first phase of the Water System Development Project consists of the construction of water distribution lines which have been installed within the 1525 West Street right-of-way from Shepard Lane located on the east side of I-15 to the intersection of Clark Lane and running thence east to 1100 West Street and running south along 1525 West Street from the intersection of Clark Lane to the south end of Developer's property abutting 1525 West Street (the "Water Loop Line Phase"). Developer has prepaid culinary water development impact fees to the City in the amount of One Hundred Nine Thousand Nine Hundred Fifty-Six and no/100 Dollars (\$109,956.00). In consideration for the prepayment of said culinary water development impact fees, Developer shall be entitled to credit for Fifty One (51) prepaid 3/4-inch connections. In addition, Developer agrees to advance to the City an additional sum of Thirty-Eight Thousand Six Hundred Ninety-Five and no/100 Dollars (\$38,695.00) (the "Phase 1 Reimbursement Amount") that, when combined with the foregoing impact fee prepayment, equals the Developer's Share of the estimated cost of constructing the Water Loop Line Phase, including up to \$10,000.00 for the acquisition of required rights-of-way and real property in connection with the same (the "Phase 1 Prepayment and Advance"). The City agrees to pay the City Requirement with respect to constructing the Water Loop Line Phase. In addition, the City agrees to pay and indemnify and hold Developer harmless from and against any amounts in excess of \$10,000.00 that the City is required to pay for the acquisition of required rights-of-way and real property in connection with the Water Loop Line Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Water Loop Line Phase, including any easement acquisition costs, within thirty (30) days following the execution of this Agreement, Developer shall cause to be issued to the City an irrevocable standby letter of credit or an Improvements Agreement (Escrow Deposit Form) with a federally insured bank in a form satisfactory to the City in the amount of the Phase 1 Prepayment and Advance, securing Developer's obligations to prepay and advance Developer's share of the costs for the Water Loop Line Phase. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Water Loop Line Phase. In the event Developer shall fail to advance the requested funds to the City within the required time for any reason, the City shall have the right to draw on the letter of credit or the Account in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All funds

paid by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Water Loop Line Phase. In the event of any cost overruns in the Water Loop Line Phase, the Developer shall be informed thereof by the City and shall pay any additional sums required to cover the costs for said Phase in the manner provided herein; provided, however that the Phase 1 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. The City agrees to negotiate with private property owners, if required, to purchase land and condemn land and/or easements, if necessary, to install the Water Loop Line Phase. Subject to the City's successful acquisition of any required pipeline easements, the City shall complete the Water Loop Line Phase so as to provide service for fifty-one (51) residential building permits within the Property no later than two (2) months from the date of this Amendment. The City agrees, upon proper application for the same by Developer, to issue to Developer fifty-one (51) residential building permits for the Project, said building sites to be served by the Water Loop Line Phase. The City and Developer further agree that if the Farmington Ranches Developer fails to cause to be posted satisfactory security with respect to the Farmington Ranches Share of the estimated cost of the Water Loop Line Phase when and as the said security is to be posted pursuant to the development agreement between the City and the Farmington Ranches Developer, then Developer may cause to be posted an additional letter of credit or an Improvements Agreement in a form satisfactory to the City in the amount of the Farmington Ranches Share of the Water Loop Line Phase. Upon causing to be posted such additional letter of credit or an Improvements Agreement, Developer shall be deemed to have agreed to advance said additional sums to the City pursuant to the terms stated in this paragraph, and the City shall be deemed to have agreed that, upon proper application for the same by Developer, the City shall issue to Developer an additional 150 single-family building permits for the Project. Developer further agrees that if it fails to cause to be posted the letter of credit or an Improvements Agreement in the amount of the Developer's Share of the Water Loop Line Phase required by this paragraph when and as the same is required hereunder, the City shall be relieved of its obligation to issue the fifty-one (51) residential building permits contemplated herein and that the Farmington Ranches Developer may cause to be posted additional satisfactory security in the amount required of Developer hereunder and thereby become entitled to receive such building permits with respect to the Farmington Ranches Project.

The second phase of the Water System Development Project consists of acquisition of the site for the water storage reservoir and related appurtenances and piping easements pertaining thereto, obtaining easements for required distribution and transmission lines and related facilities, and the design and engineering for the 2,000,000-gallon culinary water reservoir on the site acquired therefor and the water distribution lines, transmission lines, well, pumps and related facilities in southeast Farmington at specific locations and elevations determined by the City as being appropriate (the "Acquisition and Design Phase"). Developer agrees to prepay

culinary water development impact fees in the amount of Fifty-Three Thousand Nine Hundred and no/100 Dollars (\$53,900.00) and in addition to advance Three Thousand Four Hundred Twenty-Three and no/100 Dollars (\$3,423.00), which amount represents a portion of the reimbursable contributions being paid to the City. The prepayment of fees and advance of sums equal the Developer's Share of the estimated cost of completing the Acquisition and Design Phase (the "Phase 2 Reimbursement Amount"). The City agrees to pay the City Requirement with respect to completing the Acquisition and Design Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Acquisition and Design Phase, including any acquisition or condemnation costs, within thirty (30) days following the execution of this Amendment, Developer shall cause to be issued to the City an irrevocable standby letter of credit or an Improvements Agreement (Escrow Deposit Form) with a federally insured bank in a form satisfactory to the City in the amount of the Phase 2 Reimbursement Amount securing Developer's obligation to advance the Phase 2 Reimbursement Amount. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Acquisition and Design Phase. In the event Developer shall fail to advance the requested funds to the City within the required time for any reason, the City shall have the right to draw on the letter of credit or an Account in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All funds advanced by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Acquisition and Design Phase. In the event of any cost overruns in the Acquisition and Design Phase, the Developer shall be informed thereof by the City and shall pay any additional sums required to cover the costs for the Acquisition and Design Phase in the manner provided herein; provided, however that the Phase 2 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. In the event no additional building permits are issued to the Developer by the City on the Project above the initial fifty-one (51), the \$53,900 prepaid by Developer for culinary water development impact fees shall be added to the reimbursable amount. In the event the Developer fails to pay said additional sums for any reason, the City shall not be obligated to approve any further permits or development on the Property until mutually satisfactory arrangements are made between the Developer and the City; provided, however, that the ability of the City to withhold such approvals shall not be applicable with respect to the 51 residential building permits or the phase(s) of the Project with respect to which such building permits were or will be issued. The City agrees to negotiate with private property owners as required to purchase land and/or condemn land and/or easements, if necessary, preparatory to constructing and installing the water reservoir and water distribution lines and related piping. Developer shall not have any right, title or interest in or to the reservoir site, easements, or to the design and plans acquired and/or prepared as part of the

Acquisition and Design Phase. In the event the City determines it necessary to condemn property for the water reservoir and/or easements for the distribution lines or other facilities, the Developer shall pay Developer's pro rata share of the costs of condemnation incurred by the City, including legal fees, appraisal fees, title work and costs and amounts awarded by the court pursuant to a judgment of condemnation, provided however that Developer and the developer of Farmington Ranches shall be given notice of legal counsel selected by the City, the fee arrangement, and may request that other counsel be retained; if Developer and the City do not agree on counsel, the City Attorney, the developer of Farmington Ranches' representative and the Developer's representative shall select counsel.

Developer and City acknowledge by this Amendment that Developer has reimbursed City for expenses incurred in the Water Loop Line Phase and Acquisition Phase of the Project in the amount of One Hundred Thirty Thousand Sixty-Eight and 15/100 Dollars (\$130,068.15). This amount consists of One Hundred Nine Thousand Nine Hundred Fifty-Six and no/100 Dollars (\$109,956.00) (prepaid water development impact fees) and Twenty Thousand One Hundred Twelve and 15/100 Dollars (\$20,112.15) (advance reimbursement amounts).

The third phase of the Water System Development Project consists of the construction of the culinary water storage reservoir, water transmission lines, distribution lines, water well, pumps, and all related facilities thereto, all at specific locations and elevations determined by the City to be necessary to provide water and fire protection storage for the Property and other lands located in the City west of the reservoir site (the "Construction Phase"). Upon completion of the Acquisition and Design Phase, the City will submit the construction plans and specifications to contractors qualified to perform the work required by such construction plans and specifications and will invite bids from such contractors. The City has received bids for all items included with the Construction Phase except for the pump house. The low bids have been reviewed and determined acceptable by the Developer. Developer hereby waives its right to opt out and agrees to participate in the Construction Phase and to pay Developer's Share of the costs of completing the Construction Phase, including the cost of the pump house when determined by the City. Accordingly, the City will enter into such contracts as are necessary to accomplish the completion of the Construction Phase. Developer hereby agrees to prepay culinary water development impact fees to the City in the amount of Two Hundred Fifteen Thousand Six Hundred and no/100 Dollars (\$215,600.00). This amount represents prepaid credits for one hundred 3/4-inch connections. In addition, Developer agrees to advance to the City an additional sum of Sixty-Six Thousand Four Hundred Eighty-Two and 05/100 Dollars (\$66,482.05) (the "Phase 3 Reimbursement Amount") that, when combined with the foregoing impact fee prepayment, equals the Developer's Share of the estimated cost of completing the Construction Phase (the "Phase 3 Advance"). The City agrees to pay the City

Requirement with respect to completing the Construction Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Construction Phase, prior to the acceptance of any bid for the Construction Phase or any portions thereof, Developer shall cause to be issued to the City an irrevocable standby letter of credit or Improvements Agreement (Escrow Deposit Form) with a federally insured bank in a form satisfactory to the City in the amount of the accepted bid or bids for the Construction Phase, or any portions thereof if the City elects to proceed with the Construction Phase in segments rather than all in one integrated contract, securing Developer's obligations to advance Developer's Share of the costs for the Construction Phase including any portion thereof for which a bid is awarded. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Construction Phase or any portions thereof for which bids are awarded. In the event Developer shall fail to prepay the culinary water development impact fees due and advance the requested reimbursable funds to the City within the required time for any reason, the City shall have the right to draw on the letter of credit or an Account in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All fees prepaid and sums advanced by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Construction Phase or any portions thereof for which bids are awarded upon the mutual agreement of the City and the Developer. In the event of any cost overruns or change orders in the Construction Phase, or any portions thereof, the Developer shall be informed thereof by the City, and Developer shall pay any additional sums required to cover the additional costs for said Phase in the manner provided herein; provided, however, that the Phase 3 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. In the event the Developer fails to pay any additional sums required for any reason, the City shall not be obligated to approve any further permits or development on the Property until mutually satisfactory arrangements are made between the Developer and the City; provided, however, that the ability of the City to withhold such approvals shall not be applicable with respect to the 51 water connections and residential building permits or the phases of the Project with respect to which such building permits were or will be issued. Subject to the City's successful acquisition of the reservoir site and any required easements, the City shall complete the reservoir and related facilities so as to provide water service to the Property no later than fifteen (15) months after completion of acquisition of the reservoir site and required easements by the City.

Estimated costs for each of the three Phases of the Water System Development Project are set forth in the Farmington City Culinary Six-Year Capital Facilities Plan dated July 6, 2000, including the column entitled "Boyer/ Farmington Greens Development Project Needs" and the "Cost of Water Development" analysis

dated July 6, 2000, which are attached hereto as Exhibit "G" (Revised) and by this reference are made a part hereof.

The City will reimburse Developer the Clark Lane, Phase 1, Phase 2 and Phase 3 Reimbursement Amounts (collectively the "Reimbursement Amount") pursuant to the terms of a written reimbursement agreement to be entered into between the parties contemporaneously herewith. Reimbursement of the Reimbursement Amount shall be due pursuant to the terms of the reimbursement agreement notwithstanding the election of Developer to opt out of the Construction Phase pursuant to the provisions of this Section. Because of the Developer's prepayment of the culinary water development impact fees due in connection with the Project for 3/4" connection, no additional culinary water development impact fees shall be assessed against the Property or in connection with the development of the Property for the 3/4" connection. Where a lot will be developed with a 1" connection, the City shall assess or charge the amount of the difference between a 3/4" connection and a 1" connection. Notwithstanding the foregoing, the City shall assess and collect water meter connection fees for the water meter, yoke, and the establishment of the water service account. In addition, if the home builder or homeowner elects to upsize the connection beyond that prepaid by Developer, such home builder or homeowner shall pay to the City, when a building permit is issued, the difference between the cost of the upsized meter and that prepaid by the Developer. The number and sizes of prepaid connections is set forth on Exhibit "H," attached hereto. Any reimbursement made to the Developer shall be made from water development impact fees actually collected by the City and pursuant to the terms of the reimbursement agreement between the City and Developer.

iv. All off-site improvements will be constructed and installed in a timely manner in order to coincide with development of the various phases of the Project.

v. Developer shall make arrangements with and shall comply with all of the requirements of the Weber Basin District to provide secondary water service to the Project and all phases thereof. Where appropriate, Developer shall construct secondary water lines and facilities for the Project in a manner acceptable to the Weber Basin District in order to ensure delivery of secondary water to properties located within the Project.

vi. A consistent street lighting plan, fencing plan and illuminated house addressing system will be developed and recommended by the Developer to the City for its review and approval.

vii. All public improvements within each phase of the Project shall be constructed and installed at the Developer's sole expense in accordance with the City's construction standards and the City's Laws.

viii. Developer shall pay to the City a storm drain fee of Seven Hundred Dollars (\$700.00) per dwelling unit (the "Temporary Storm Impact Fee") for the initial fifty-one (51) lots of the Project. Developer acknowledges that following completion of a storm drain impact fee study by the City, which is not complete at this time, the City may adopt a storm drain impact fee ("Final Storm Impact Fee") which may be applicable to all phases of the Project, including the first phase thereof. Until the Final Storm Impact Fee is adopted, the Developer shall pay the aforesaid fee for each unit in each phase of the Project prior to or at the time of recording the final plat therefor; provided, however, if the Final Storm Impact Fee is not adopted within two (2) years after the date of this Amendment, no further Temporary Storm Impact Fee shall be assessed or charged against the Property unless and until a Final Storm Impact Fee is adopted by the City. Immediately upon adoption of the Final Storm Drain Impact Fee by the City, the owners of all units within the Project, including the initial 51 lots, shall pay the difference in cost of any amount due and owing in excess of Seven Hundred Dollars (\$700.00) prior to the issuance of a building permit. Except for the initial 51 lots of the Project, the Final Storm Impact Fees adopted by the City shall be paid by Developer to the City at the date of recordation of the final plats for each phase of the Project after the initial 51 lots. In the event the Final Storm Impact Fee adopted by the City is less than Seven Hundred Dollars (\$700.00) per unit, the City shall refund the difference back to the Developer without interest on those lots or residential units on which the Temporary Storm Impact Fee was paid. The Temporary Storm Impact Fee provided herein on the initial 51 lots shall be due and payable to the City upon execution of this Amendment. Following completion of the storm sewer study by the City Engineer, any surveys generated and prepared in conjunction with such studies shall be made available to the Developer for the cost of copying the same.

5. **Effective Amendment.** Except as expressly modified and amended herein, the Development Agreement of the parties shall remain in full force and effect.

6. **Binding Effect.** This Amendment No. 1 shall be binding upon the parties hereto and their respective officers, employees, agents, members, successors and assigns.

7. **Attorneys Fees.** The parties herein each agree that should they default in any of the covenants or agreements contained herein, the defaulting party shall pay all costs and expenses, including a reasonable attorneys fee which may arise or accrue from enforcing this agreement, or in pursuing any remedy provided hereunder or by the statutes or other laws of the State of Utah, whether such remedy is pursued by filing suit or otherwise, and whether such costs and expenses are incurred with or without suit or before or after judgment.

8. **Amendment.** This Amendment may be amended only in writing signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 by and through their respective, duly authorized representatives as of the day and year first above written.

“CITY”

FARMINGTON CITY

ATTEST:

Margy L. Lomax
City Recorder

By: [Signature]
Mayor



“DEVELOPER”

PCI #1, L.L.C.
A Utah Limited Liability Company
By *Proterra Companies, Inc., manager*

By: [Signature]
Its: President

CLAIMS, INC.,
A Utah Corporation

By: [Signature]
Neuman C. Petty, President

CITY ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF DAVIS)

On the 8th day of ~~September~~ ^{October}, 2002, personally appeared before me ~~Gregory S Bell~~ ^{David M. Connors}, who being duly sworn, did say that he is the Mayor of **FARMINGTON CITY**, a municipal corporation of the State of Utah, and that the foregoing instrument was signed in behalf of the City by authority of its governing body and said ~~Gregory S Bell~~ ^{David M. Connors} acknowledged to me that the City executed the same.



My Commission Expires

11/29/05

Margy L. Lomax
Notary Public
Residing at:

Davis County, Utah



DEVELOPER ACKNOWLEDGMENT

STATE OF UTAH)
 :ss.
COUNTY OF DAVIS)

On the 24th day of September, 2002, personally appeared before me Charles W Ayerlon who being by me duly sworn did say that he is the managing member of **PCI #1, L.L.C.**, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority of its Articles of Organization and duly acknowledged to me that said limited liability company executed the same.



My Commission Expires:

08/20/06

Traci Taylor
Notary Public
Residing at:

Salt Lake City, UT

STATE OF UTAH)
)
:SS.
COUNTY OF DAVIS)

On the 24 day of September, 2002, personally appeared before me Neuman C. Petty who being by me duly sworn did say that he is the President of **CLAIMS, INC.**, and that the foregoing instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors; and they acknowledged to me that said corporation executed the same.

Marilyn Belka
Notary Public

Residing at:

Salt Lake City, UT

My Commission Expires:

2/13/05

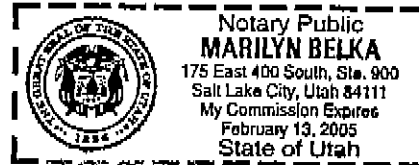


EXHIBIT "A"

FARMINGTON GREENS LEGAL DESCRIPTION

BEGINNING on East line of Road 1.21 chains West of center of Section 23, Township 3 North, Range 1 West, Salt Lake Meridian, thence North 10.84 chains along East line of said road to South line of a road thence East 22.55 chains, more or less, along South line of said road to West line of D&RG Railroad Right of Way; thence South 35° East 280.3 feet along said Right of Way; thence North 55° East 62 feet along said Right of Way; thence South 35° East 973 feet, more or less, along said Right of Way to a point 304.9 feet South of North line of Southeast Quarter of said Section 23; thence East 414 feet, more or less, to West line of a road; thence South 14.92 chains, more or less, along West line of said road to a point 20.41 chains North of South line of said Section; thence West 30 chains; thence North 4.92 chains; thence West 10.33 chains to East line of road; thence North 14.34 chains along said road to point of beginning. Excepting therefrom that portion in D&RG Railroad Right of Way.

LESS AND EXCEPTING: the beginning at a point on the East line of 1525 West, a 66 foot road, said point being West 79.860 feet and South 00°09'57" East 12.000 feet from the center of Section 23, Township 3 North, Range 1 West, Salt Lake Base and Meridian; and running thence East 305.594 feet; thence North 60°22'20" East 79.671 feet, thence South 75°10'54" East 295.072 feet; thence South 00°09'57" East 341.782 feet; thence North 89°50'03" East 300.00 feet; thence South 00°09'57" East 10.429 feet to a point on a 200.000 foot radius curve to the right, center bears South 89°50'03" West; thence Southwesterly along the arc of the curve 168.111 feet thru a central angle of 48°09'37"; thence South 42°00'20" East 336.767 feet; thence South 46°59'06" West 171.781 feet; thence South 59°47'58" West 87.375 feet; thence West 916.471 feet to the East line of said 1525 West; thence North 00°09'57" West 948.004 feet along 1525 West to the point of beginning.

pt 3/2 23 3A-1W

08-074 - 0042 - pt 7, 80%, 0045, 0038

08-074 - 0012 pt

Farmington Greens
08-006-0101-0000119

EXHIBIT "C"

PUBLIC IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the ~~6th~~ ^{October 2002} day of ~~July, 2000~~, by and between FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and CLAIMS INC., a Utah Corporation, hereinafter referred to as the "Developer."

RECITALS:

WHEREAS, the Developer is developing a subdivision within Farmington City west of the D.R.G. & W. R.R. right-of-way west of 1100 West, south of Clark Lane and east 1525 West, referred to as the Farmington Greens Subdivision; and

WHEREAS, the Developer is required by City ordinance to install certain public improvements within the Subdivision; and

WHEREAS, some of those public improvements will provide direct benefits to neighboring properties that the parties anticipate will undergo development in the foreseeable future (the "Benefitted Properties" as shown on Exhibit ___); and

WHEREAS, the Developer desires to be reimbursed for a proportionate share of the costs associated with the construction and installation of the public improvements which will benefit other neighboring properties;

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:

1. Developer's Obligation. Developer, in cooperation with the Boyer Company, hereby agrees to install improvements the entire Clark Lane right-of-way less the cost of paving (including sub-grade and base preparation) the center fifteen (15) feet from the point where said right-of-way intersects with the projected eastern-most boundary of Farmington Greens to the western boundary of 1100 West Street right-of-way all as fully described in the Farmington Greens Development agreement between the Developer and the City. Developer's cost participation in the foregoing shall be limited to twenty-four and tree-tenths percent (24.3 %). Such improvements shall include but are not limited to curb and gutter, asphalt, road base, and all related underground public improvements and utilities on the east half of the street.

2. Collection and Payment of Reimbursement. The City will require owners of the Benefitted Properties that develop, subdivide or apply for building permits to pay to the City the proportionate share of the cost of the improvements set forth in paragraph 1 prior to granting development or subdivision approval or issuing building permits. The proportionate share shall be determined based upon consideration of the street frontage, and parcel size, and other relevant factors

as of the date of this agreement of each respective Benefitted Property all as set forth in Exhibit "A" attached hereto and by this reference made a part hereof. The funds collected shall be paid by the City to the Developer.

3. Assignment. The Developer specifically agrees to accept those funds which are in fact collected by the City during the term of this Agreement as full and final payment under the terms of this Agreement. Further, the Developer agrees to hold the City and its officers, employees, agents and representatives harmless from liability for any sums which, for any reason, are not collected, provided that the City has made a good faith effort to collect such sums. In the event the City is unable to collect such sums, the City shall, upon written request from the Developer, assign to the Developer any right the City may have to collect such sum and the Developer may then take whatever legal action Developer deems appropriate to collect such sums due and owing under the Agreement. Immediately upon assignment of the right to collect such sums, Developer agrees to indemnify and hold the City and its officers, employees, agents and representatives harmless from all claims, suits, costs, expenses and attorney's fees arising from or connected with the collection of such sums.

4. Ownership and Improvements. The City shall own the public improvements which are the subject of this Reimbursement or Pay Back Agreement. Nothing in this Agreement shall be construed to alter or affect in any way Developer's obligations under any other agreement with the City relating to the installation of public improvements or reimbursement therefor.

5. Term of Agreement. It is agreed that the City will make a good faith effort to collect those sums identified in paragraph 2 for a period of ten years from the date of this Agreement or until such time as the neighboring properties proportionate share of the improvement costs has been received by the Developer, whichever occurs first.

6. Modifications. This Agreement shall not be modified or amended except in writing signed by the parties hereto.

7. Binding Effect. This Agreement shall be binding upon the parties hereto and their respective heirs, representatives, officers, employees, agents, successors in interest, and assigns

8. Validity and Severability. If any section, clause or portion of this Agreement is declared invalid by a court of competent jurisdiction for any reason, the remainder shall not be affected thereby and shall remain in full force and effect.

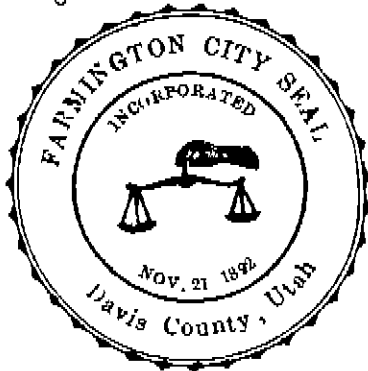
IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

"CITY"

FARMINGTON CITY

ATTEST:

Margy L. Lomax
City Recorder



By: J. Miller
Mayor

"DEVELOPER" PCI #1 LLC by
Proterra Companies, Inc., Manager

By: Michael J. Stuber
Its: President

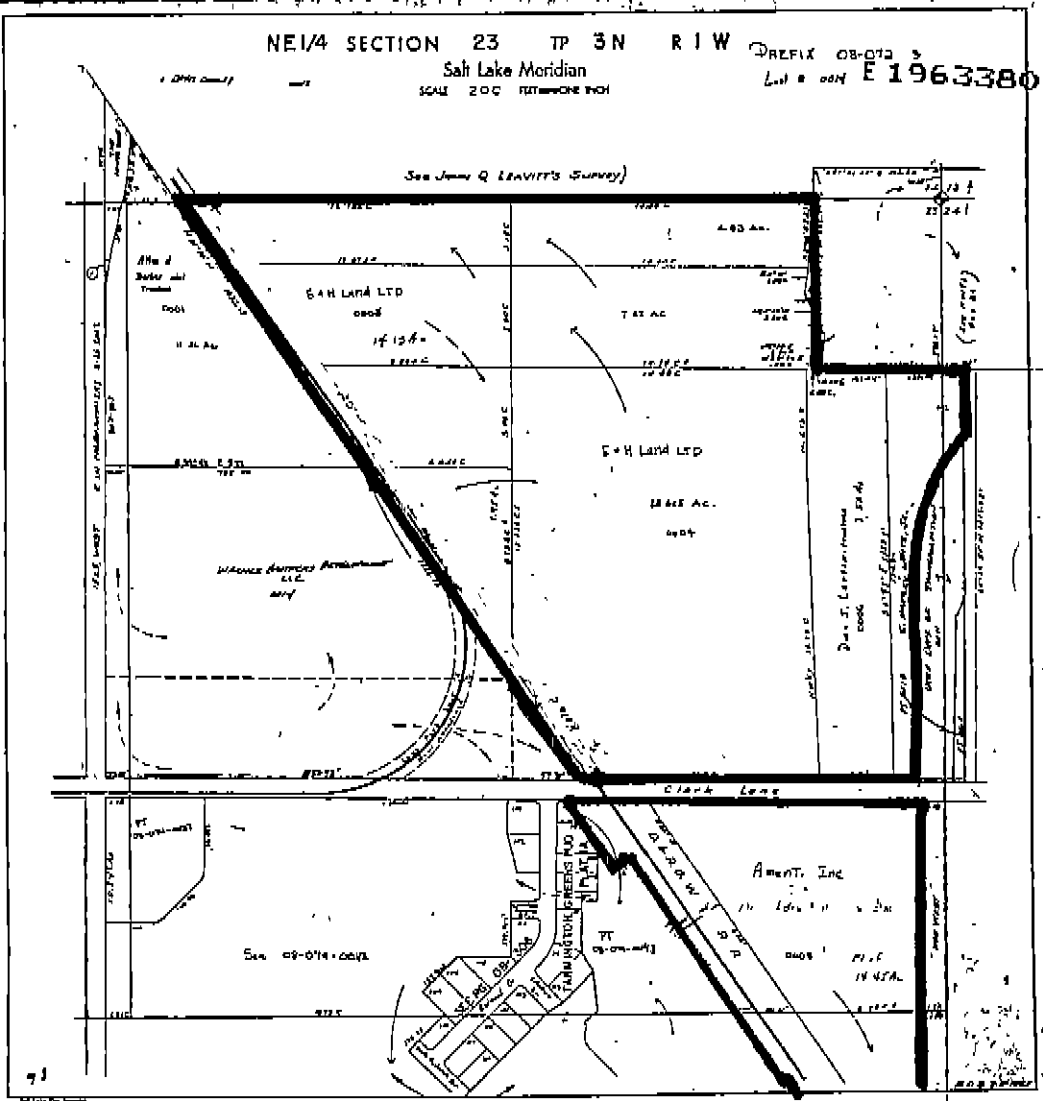
NE1/4 SECTION 23 TP 3N R1W

Salt Lake Meridian
SCALE 200 FEET TO AN INCH

PREFIX 08-072

Lot # 004

E 1963380 B 3478 P 801



08-072

Benefitted Properties

08-072-0004

08-072-0006

08-072-0010

D&RGW Railroad Right of Way

08-072-0008

EXHIBIT "D"

PUBLIC IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the 1st day of ~~July, 2000~~ ^{October 2002}, by and between FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and CLAIMS INC., a Utah Corporation, hereinafter referred to as the "Developer."

RECITALS:

WHEREAS, the Developer is developing a subdivision within Farmington City west of the D.R.G. & W. R.R. right-of-way west of 1100 West, south of Clark Lane and east 1525 West, referred to as the Farmington Greens Subdivision; and

WHEREAS, the Developer is required by City ordinance to install certain public improvements within the Subdivision, and

WHEREAS, some of those public improvements will provide direct benefits to neighboring properties that the parties anticipate will undergo development in the foreseeable future (the "Benefitted Properties" as shown on Exhibit ___); and

WHEREAS, the Developer desires to be reimbursed for a proportionate share of the costs associated with the construction and installation of the public improvements which will benefit other neighboring properties;

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:

1. Developer's Obligation. Developer, in cooperation with the Boyer Company, hereby agrees to install improvements for the north half of Clark Lane the entire distance that such right-of-way runs adjacent to the northern boundary of the property all as fully described in the Farmington Greens Development agreement between the Developer and the City. Such improvements shall include but are not limited to curb and gutter, asphalt, road base, and all related underground public improvements and utilities on the north half of the street less the cost of paving (including sub-grade and base preparation) the center 15 feet).

2. Collection and Payment of Reimbursement. The City will require owners of the Benefitted Properties that develop, subdivide or apply for building permits to pay to the City the proportionate share of the cost of the improvements set forth in paragraph 1 prior to granting development or subdivision approval or issuing building permits. The proportionate share shall be determined based upon consideration of the street frontage, and parcel size, and other relevant factors as of the date of this agreement of each respective Benefitted Property all as set forth in Exhibit "A"

attached hereto and by this reference made a part hereof. The funds collected shall be paid by the City to the Developer.

3. Assignment. The Developer specifically agrees to accept those funds which are in fact collected by the City during the term of this Agreement as full and final payment under the terms of this Agreement. Further, the Developer agrees to hold the City and its officers, employees, agents and representatives harmless from liability for any sums which, for any reason, are not collected, provided that the City has made a good faith effort to collect such sums. In the event the City is unable to collect such sums, the City shall, upon written request from the Developer, assign to the Developer any right the City may have to collect such sum and the Developer may then take whatever legal action Developer deems appropriate to collect such sums due and owing under the Agreement. Immediately upon assignment of the right to collect such sums, Developer agrees to indemnify and hold the City and its officers, employees, agents and representatives harmless from all claims, suits, costs, expenses and attorney's fees arising from or connected with the collection of such sums.

4. Ownership and Improvements. The City shall own the public improvements which are the subject of this Reimbursement or Pay Back Agreement. Nothing in this Agreement shall be construed to alter or affect in any way Developer's obligations under any other agreement with the City relating to the installation of public improvements or reimbursement therefor.

5. Term of Agreement. It is agreed that the City will make a good faith effort to collect those sums identified in paragraph 2 for a period of ten years from the date of this Agreement or until such time as the neighboring properties proportionate share of the improvement costs has been received by the Developer, whichever occurs first.

6. Modifications. This Agreement shall not be modified or amended except in writing signed by the parties hereto.

7. Binding Effect. This Agreement shall be binding upon the parties hereto and their respective heirs, representatives, officers, employees, agents, successors in interest, and assigns.

8. Validity and Severability. If any section, clause or portion of this Agreement is declared invalid by a court of competent jurisdiction for any reason, the remainder shall not be affected thereby and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

"CITY"

FARMINGTON CITY

ATTEST:

Margy L. Lomas
City Recorder



By: [Signature]
Mayor

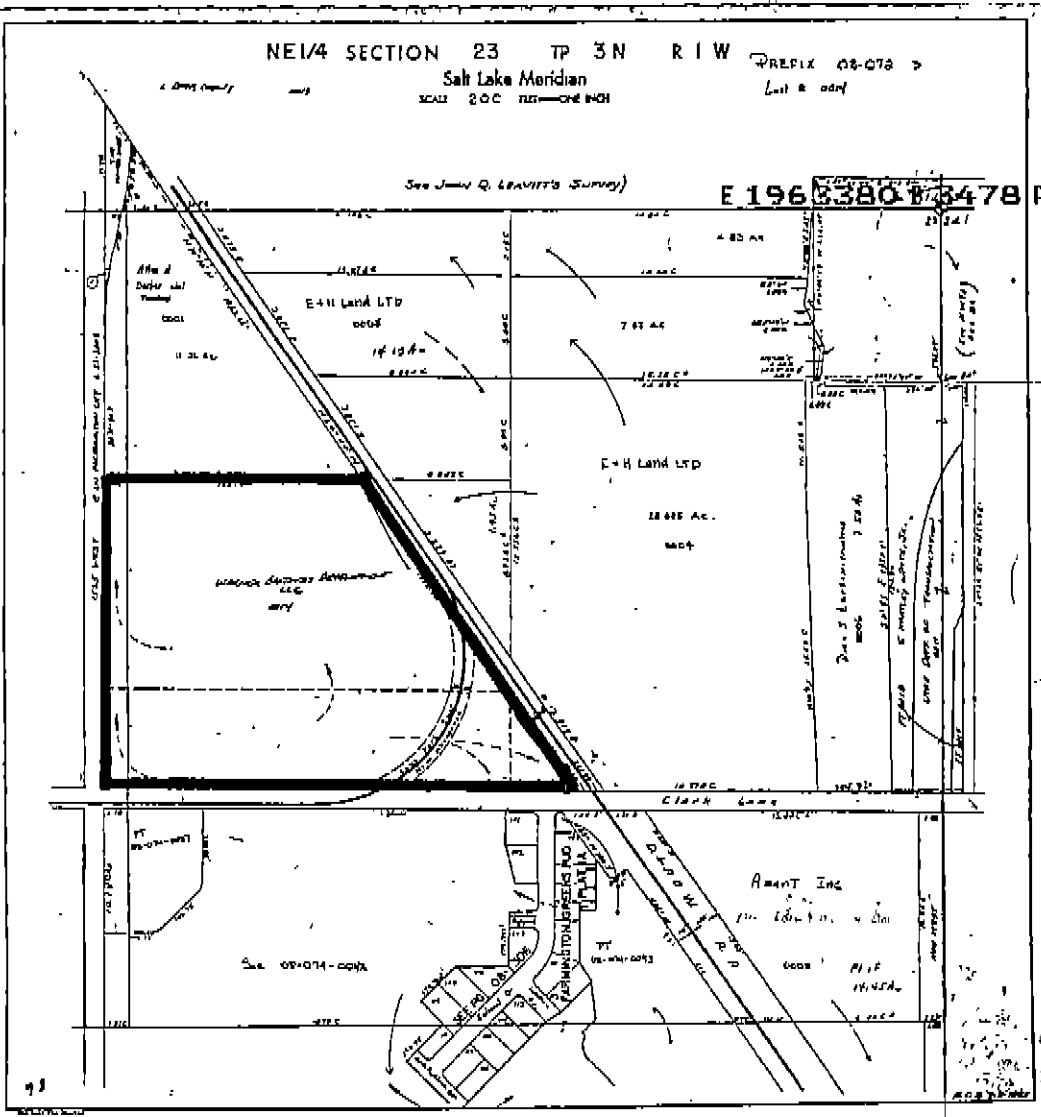
"DEVELOPER" PCI #1 LLC by
Protterra Companies, Inc. Manager

By: [Signature]
Its: President

NE1/4 SECTION 23 TP 3N R1W PREFIX 08-072 >
Salt Lake Meridian
SCALE 200 FEET=ONE INCH
Lent & son

See James Q. Leavitt's Survey

E 196838083478 P 805



072
08

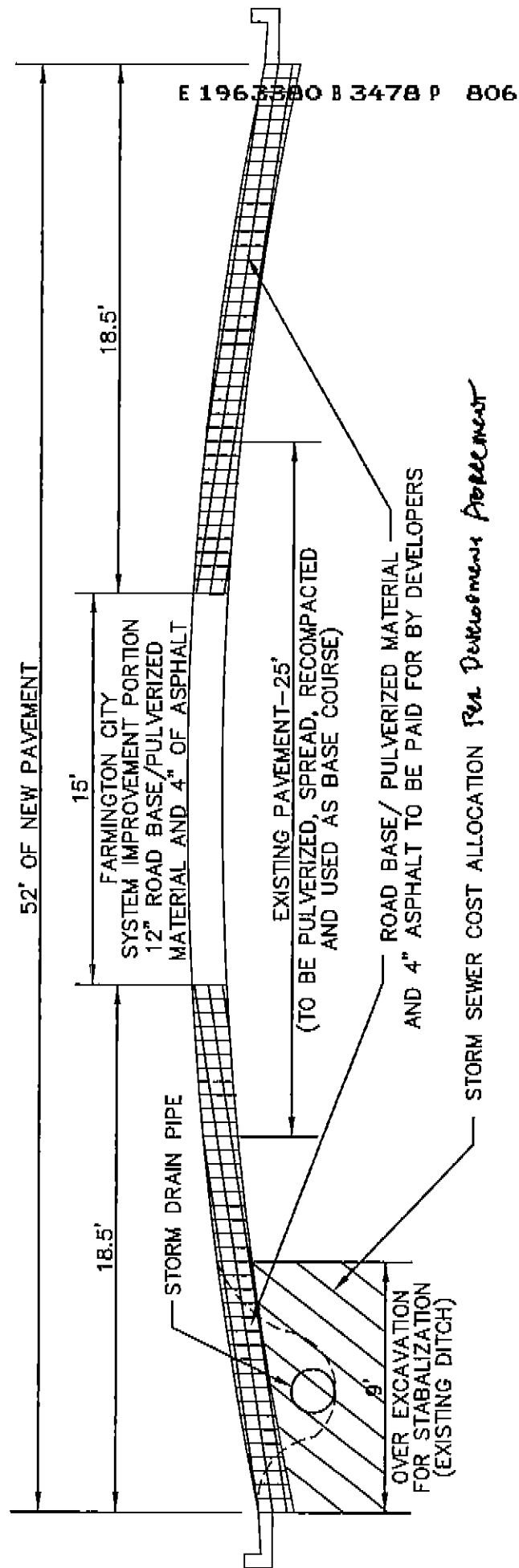
Benefitted Properties

08-072-0014

EXHIBIT "A"

EXHIBIT "E" TO AMENDED
DEVELOPMENT AGREEMENT

CLARK LANE STREET CROSS SECTION



6-Jan-2000

Exhibit G

FARMINGTON CITY WATER SYSTEM IMPROVEMENTS FOR FARMINGTON RANCHES / FARMINGTON GREENS

Phase I	Location	Description	Quantities	Unit Cost	Total Amount	Artificial Expenses	Boyer / Farmington Green Development Project Needs	Farmington Ranches Portion of Costs	Farmington Greene Portion of Costs	Farmington City Portion of Costs
WATER DUCTLINE PHASE										
	1525 West from Sheppard Corner Road	12-inch PVC at 1525 West	4100 LF	\$ 214,500.00	\$ 214,500.00	\$ 214,500.00	\$ 214,500.00	65.15%	20.94%	13.91%
	1525 West from Sheppard Corner Road	12-inch PVC at Clark Lane	35 LF	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
	1525 West from Sheppard Corner Road	12-inch PVC at Clark Lane	35 LF	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
	1525 West from Clark Lane	12-inch PVC at Clark Lane	Lump Sum	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00			
	1525 West from Clark Lane	Rail Road Boring at 1635 West	Lump Sum	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
	1525 West from Clark Lane	Rail Road Boring at Clark Lane	Lump Sum	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
	1525 West from Clark Lane	10-inch PVC	1100 LF	\$ 51,000.00	\$ 51,000.00	\$ 51,000.00	\$ 51,000.00			
		Subtotal			\$ 599,000.00	\$ 599,000.00	\$ 599,000.00			
		Engineering			\$ 65,350.00	\$ 65,350.00	\$ 65,350.00			
		Contingency			\$ 5,000.00	\$ 5,000.00	\$ 5,000.00			
		Total Costs - PHASE I			\$ 1,112,500.00	\$ 1,112,500.00	\$ 1,112,500.00	\$ 463,319.00	\$ 148,851.00	\$ 49,220.00
PHASE II										
		ACQUISITION / DESIGN PHASE								
		A. Site Acquisition Costs			\$ 124,165.00	\$ 124,165.00	\$ 124,165.00			
		1. Engineering - Preliminary plat & survey work, mfg. etc.			\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
		2. Engineering - Geotechnical & seismic			\$ 3,500.00	\$ 3,500.00	\$ 3,500.00			
		3. Cost of Approval Fees			\$ 1,500.00	\$ 1,500.00	\$ 1,500.00			
		4. Attorney Fees			\$ 17,165.00	\$ 17,165.00	\$ 17,165.00			
		5. Contamination Check, Legal, Expert witnesses, etc.			\$ 13,500.00	\$ 13,500.00	\$ 13,500.00			
		Subtotal			\$ 137,665.00	\$ 137,665.00	\$ 137,665.00			
		Contingency			\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
		Total Costs PHASE II			\$ 147,665.00	\$ 147,665.00	\$ 147,665.00	\$ 148,851.00	\$ 148,851.00	\$ 99,220.00
PHASE III										
		CONSTRUCTION PHASE								
		20-MGD Retentional Control Line	Lump Sum	\$ 525,000.00	\$ 525,000.00	\$ 525,000.00	\$ 525,000.00			
		20-inch D.P.	1800 LF	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00			
		Well No. 2 Upgrade and Expansion	Lump Sum	\$ 472,000.00	\$ 472,000.00	\$ 472,000.00	\$ 472,000.00			
		Well No. 2 Upgrade & Transmission Pipeline	Lump Sum	\$ 207,360.00	\$ 207,360.00	\$ 207,360.00	\$ 207,360.00			
		Brookside Pump Station	Lump Sum	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00			
		12-inch D.P.	3900 LF	\$ 175,500.00	\$ 175,500.00	\$ 175,500.00	\$ 175,500.00			
		Subtotal			\$ 1,692,810.00	\$ 1,692,810.00	\$ 1,692,810.00			
		Engineering 7%			\$ 121,422.70	\$ 121,422.70	\$ 121,422.70			
		Contingency			\$ 108,541.00	\$ 108,541.00	\$ 108,541.00			
		Total Costs - PHASE III			\$ 1,922,773.70	\$ 1,922,773.70	\$ 1,922,773.70	\$ 824,824.00	\$ 285,822.00	\$ 176,807.15
TOTAL COSTS										
		Subtotal (Construction costs)			\$ 2,107,665.00	\$ 2,107,665.00	\$ 2,107,665.00	\$ 1,488,592.00	\$ 471,790.00	\$ 673,383.00
		Plus Engineering (11.5 %)			\$ 315,148.75	\$ 315,148.75	\$ 315,148.75	\$ 0.00	\$ 0.00	\$ 0.00
		Plus Contingency (10 %)			\$ 210,766.50	\$ 210,766.50	\$ 210,766.50	\$ 0.00	\$ 0.00	\$ 0.00
		Total Estimated Cost			\$ 2,633,580.25	\$ 2,633,580.25	\$ 2,633,580.25	\$ 1,494,492.00	\$ 471,790.00	\$ 673,383.00

1604058 B 2713 P 1258
E 1964380 B 3478 P 807

Exhibit # E 1963380 B 3478 P 808
 Farmington City
 Cost of Water Development For
 South/West Farmington Area

6-Jun-2000

E 1624058 B 2713 P 1259

		Proposed Fees For Development
Total Cost for Development of Area		\$ 2,262,177.50
Developers Pre-Paid Impact Fees		
Initial Developers:		
The Boyer Co (Wheeler Farms) (75.7%)		
540 lots, School (8 lots) & Church site (1 lot) = 547 lots total (547*2156)	1,179,332.00	
191 lots with 1" connections \$3685 each		
356 lots with 3/4" Connections \$2156 each		
Total Water Impact Fees for Development	1,179,332.00	1,179,332.00
Farmington Greens (24.3%)		
176 Lots (176*2156)	379,456.00	
42 lots with 1" connections \$3685 each		
134 lots with 3/4" connections \$2156 each		
Total Water Impact Fees for Development	379,456.00	379,456.00
Total Fees for Initial developments	\$ 1,558,788.00	\$ 1,558,788.00
Remainder of Costs Requiring Additional Financing		\$ 693,389.50
Less Amt Paid by CITY		\$ 313,389.50
*** Developers Portion (to be paid back by city)		\$ 380,000.00
Wheeler Farms is 75.7% of Initial Development which equals		287,680.00
Farmington Greens is 24.3% of Initial Development which equals		92,340.00

Farmington City Portion of Water Development

	Capital
Capital Facilities	\$ 313,389.50
Total City Costs	\$ 313,389.50
Less City Cash Reserves Available	\$ 313,389.50
Amount Financing Required	\$ 0.00
Cost City has to payback Developers	\$ 380,000.00
Less City Cash Reserves Available	\$ 0.00
Amount Financing Required To Payback Developers	\$ 380,000.00

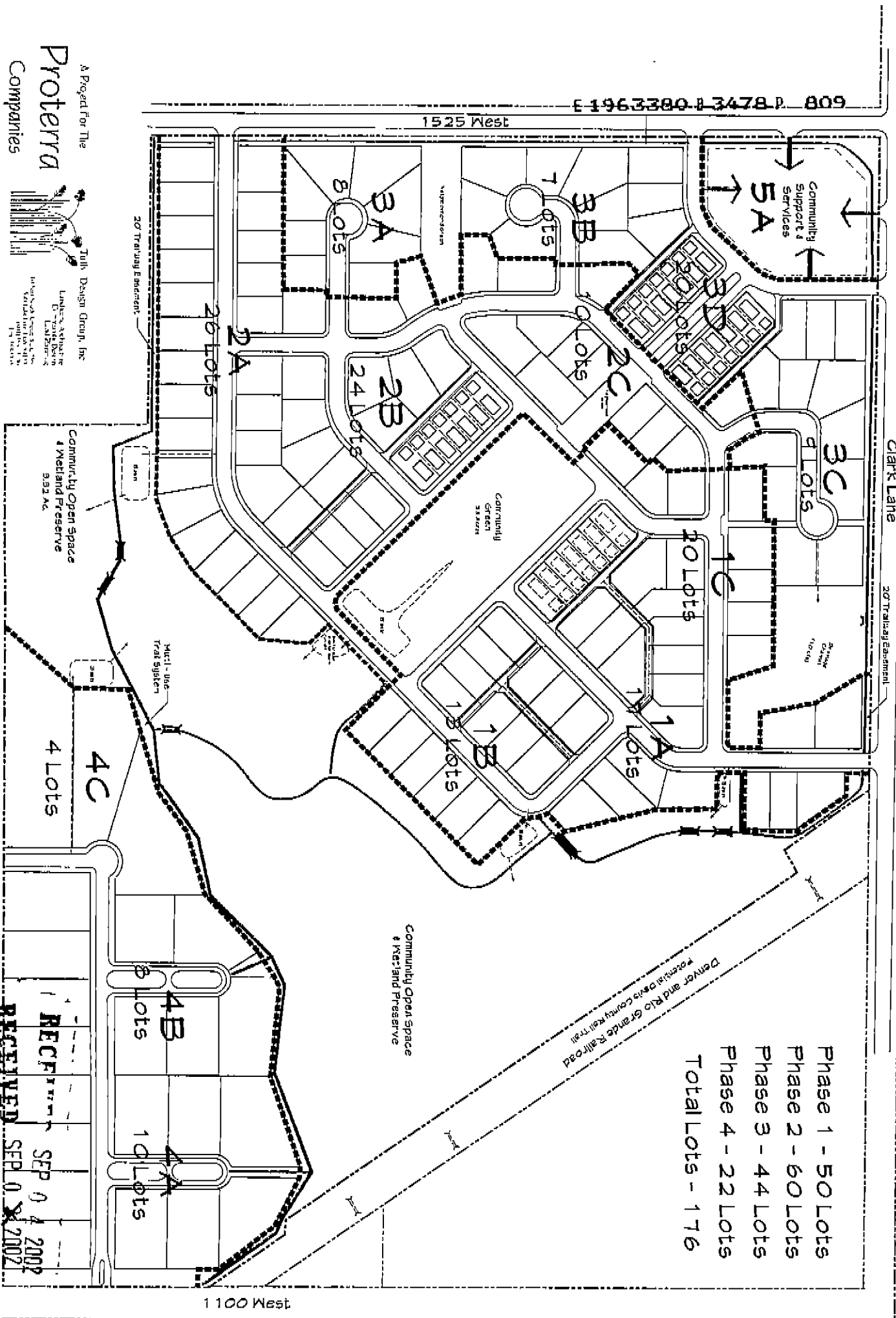
Proposed Project Phasing

Farmington Greens

EXHIBIT "X"

Phase Legend
Off Ramp

Phase 1 - 50 Lots
 Phase 2 - 60 Lots
 Phase 3 - 44 Lots
 Phase 4 - 22 Lots
Total Lots - 176



E 1963380-1-3478 P. 809

A Project For The
Protrema
 Companies

Tull Design Group, Inc.
 Landscape Architect
 1000 N. 10th St., Suite 100
 Lincoln, NE 68502
 (402) 441-1111
 Fax: (402) 441-1112

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