

RML05RMF

TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	DEVELOPMENT IMPROVEMENTS AGREEMENT
NAME OF CONTRACTOR:	REDLANDS MESA, LLC.
PROJECT/SUBDIVISION:	REDLANDS MESA FILING 7
LOCATION:	WEST RIDGES BLVD. & MARIPOSA DRIVE
TAX PARCEL #:	2945-204-58-001
FILE #:	FP-2005-167
CITY DEPARTMENT:	PUBLIC WORKS AND PLANNING
YEAR:	2005
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

DEVELOPMENT IMPROVEMENTS AGREEMENT

COPY

1. **Parties:** The parties to this Development Improvements Agreement ("Agreement") are Redlands Mesa, LLC, ("Developer") and the **City of Grand Junction**, Colorado ("City").

For valuable consideration, the receipt and adequacy of which is acknowledged, the Parties agree as follows:

2. **Effective Date:** The Effective Date of the Agreement shall be the date that it is signed by the Community Development Director, which shall be no sooner than recordation of the final plat or final plan approval whichever first occurs.

RECITALS

The Developer seeks permission to develop property, described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The Property, known as Redlands Mesa Filing 7 has been reviewed and approved under Community Development file # EP-2005-167 ("Development" or "the Development").

The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements to the Property and limiting the harmful effects of substandard development.

A further purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself; this Agreement is not executed for the benefit of materialmen, laborers or others providing work, services or material to the Developer and/or the Property or for the benefit of the owner(s), purchaser(s) or user(s) of the Property.

The mutual promises, covenants and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and City's land development ordinances and regulations.

DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer shall design, construct and install, at its own expense, those on-site and off-site improvements listed on Exhibit B attached and incorporated by this reference ("Improvements" or "the Improvements").

3a. On and after the Effective Date of this Agreement the Developer agrees to pay the City for its Administration and Inspection of the Development. The hourly rate for those services is \$45.00/hour. Administration and Inspection includes but is not limited to the time expended by the City's planner, engineer, construction inspector and attorney in directing, advising, correcting and enforcing by means other than

litigation, this agreement and/or the approved development plan. Making disbursements and calling/collecting Guarantees are Administration and Inspection services and shall be charged at \$45.00/hour. See, paragraph 19 concerning attorneys' / litigation fees.

3b. The scope of this project is such that the City may have to engage independent consultants(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others for which Developer is responsible hereunder.

3c. The Developer's obligation to complete the Improvements is and shall be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement the Developer shall supply a guarantee. The Developer is required to post security in an amount of \$986,185.51 (110% of the amount for the Improvements) in a form and with terms acceptable to the City ("Guarantee"). The Guarantee shall be in the form of a cash deposit made to the City, a letter of credit or a disbursement agreement in a form and with content approved by the City Attorney. The Guarantee specific to this Agreement is attached as Exhibit C and is incorporated by this reference as if fully set forth.

Select one: Cash Letter of Credit (LOC) Disbursement Agreement

5. **Standards:** The Developer shall construct the Improvements according to the City's standards and specifications.

6. **Warranty:** The Developer shall warrant the Improvements for one year following Acceptance by the City. "Warrant" or "Warranty" as used herein means the Developer shall take such steps and incur such costs as may be needed so that the Improvements or any portion or phase thereof as repaired and/or replaced, shall comply with the Development's construction plans and/or site plan, City standards and specifications at the end of the warranty period. The Developer shall warrant each repaired and/or replaced Improvement or any portion or phase thereof for one year following Acceptance of such repair and/or replacement.

6a. Upon Acceptance the Developer shall provide a Maintenance Guarantee in an amount of \$ 130,961.78 (Line G3 Exhibit B, City Security).

6b. The Maintenance Guarantee shall be secured by a letter of credit, cash escrow or other form acceptable to the City.

7. **Commencement, Completion and Abandonment Periods:** The Developer shall commence work on the Improvements within 30 days from the Effective Date of this Agreement; that date is known as the "Commencement Date."

7a. The Developer shall complete the Improvements by the end of the twelfth month from the Effective Date of this Agreement; that date is known as the "Completion Date."

7b. The Developer shall not cease construction for any period of more than 60 consecutive days. If construction is ceased for 60 or more consecutive days the Director may deem the Development abandoned ("the Abandonment Period").

7c. The Commencement date and the Completion Date are as follows:

Commencement Date: July 5, 2005
Completion Date: July 1, 2006

8. Compliance with Law: The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations when fulfilling its obligations under their Agreement. When necessary to protect the public health, safety or welfare, the Developer shall be subject to laws, ordinances and regulations that become effective after the Effective Date.

9. Notice of Defect: The Developer by and through his/her/its engineer shall provide timely written notice to the issuer of the Guarantee and the Director when the Developer and/or his/her/its engineer has knowledge, that an Improvement or any part or portion of any Improvement either does not conform to City standards or is otherwise defective.

9a. The Developer shall correct all non-conforming construction and/or defects within thirty (30) days from the issuance of the notice by his/her/its engineer of a/the defect.

10. Acceptance of Improvements: The City shall not accept and/or approve any or all of the Improvements until the Developer presents a document or documents for the benefit of the City showing that the Developer owns the Improvements in fee simple, or as accepted by the City Attorney, and that there are no liens, encumbrances or other restrictions on the Improvements other than those that have been accepted by the City Attorney.

10a. Approval and/or acceptance of any Improvement(s) does not constitute a waiver by the City of any right(s) that it may have on account of any defect in or failure of the Improvement that is detected or which occurs after approval and/or acceptance.

10b. Acceptance by the City shall only occur when the City Engineer, sends a writing to such effect ("Acceptance").

11. Reduction of Security: Upon Acceptance of any Improvement(s) the amount which the City is entitled to draw on the Guarantee shall be reduced by an amount of \$855,223.73 (Line G2 Exhibit B, Total Improvement Costs).

11a. At the written request of the Developer, the City shall execute a certificate verifying Acceptance of the Improvement and thereafter waiving its right to draw on the Guarantee to the extent of such amount. A Developer in default under this Agreement has no right to such certification.

12. Use of Proceeds: The City shall use funds deposited with it, drawn or guaranteed pursuant to this Agreement only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements or paying Administration and Inspection fees.

13. Events of Default: The following conditions, occurrences or actions shall constitute a default by the Developer:

13a. Developer's failure to complete each portion of the Improvements on or before the Completion Date;

13b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvements within the applicable warranty period;

13c. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer. In such event the City may immediately declare a default without prior notification to the Developer;

13d. Notification to the City, by any lender with a lien on the Property, of a default by Developer on any obligation to such lender. In such event, the City may immediately declare a default without prior notification to the Developer.

13e. With regard to the Property or any portion thereof: initiation of any foreclosure action regarding any lien or encumbrance; or initiation of mechanics lien(s) procedure(s); or assignment or conveyance of the Property in lieu of foreclosure. In such event the City may immediately declare a default without prior notification to the Developer.

13f. Notification to the City from the bank issuing the Guarantee that it will not renew the Guarantee at a time when security is still required hereunder and no substitute collateral acceptable to the City has been provided by the Developer.

13g. Except as provided, the City may not declare a default until written notice has been sent to the Developer at the address shown in the development file. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.

14. Measure of Damages: The measure of damages for breach of this Agreement by the Developer shall be the reasonable cost of satisfactorily completing the Improvements, plus reasonable expenses. Expenses may include but are not limited to

contracting costs, collection costs and the value of planning, engineering, legal and administrative staff time devoted to the collection/completion of the Improvements. For Improvements upon which construction has not begun, the estimated costs of the Improvements as shown on Exhibit B shall be *prima facie* evidence of the minimum cost of completion; however, the maximum amount of the Developer's liability shall not be established by that amount or the amount of the Guarantee.

15. City's Rights Upon Default: When any event of default occurs, the City may draw on the Guarantee or proceed to collect any other security to the extent of the face amount of the Guarantee less eighty percent (80%) of the estimated cost (as shown on Exhibit B) of all Improvements for which the City has given its Acceptance and no warranty work is reasonably required. The City may also exercise its rights to disbursement of loan proceeds or other funds under the City improvements disbursement agreement.

15a. The City shall have the right to complete Improvements itself or it may contract with a third party for completion.

15b. The Developer grants to the City, its successors, assigns, agents, contractors and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining, inspecting and repairing the Improvements.

15c. The City may assign the proceeds of the Guarantee or other funds or assets that it may receive in accordance with this Agreement to a subsequent developer or lender that has acquired the Property by purchase, foreclosure or otherwise.

15d. That developer or lender shall then have the same rights of completion as the City if and only if the subsequent developer or lender agrees in writing to complete or correct the Improvements and provides to the City reasonable security for that obligation.

15e. These remedies are cumulative in nature and are in addition to any other remedies the City has at law or in equity.

16. Indemnification: The Developer expressly agrees to indemnify and hold the City, its officers, employees, agents and assigns ("City") harmless from and against all claims, costs and liabilities of every kind and nature, for injury or damage received or sustained by any person or entity in connection with or on account of the performance or non-performance of work at the Property and/or the Improvements and/or the Development that is being done pursuant to this Agreement.

16a. The Developer further agrees to aid and defend the City in the event that the City and/or the Improvements is named as a defendant in an action concerning the performance of work pursuant to this Agreement except for a suit wherein the Developer states claim(s) against the City.

16b. The Developer is not an agent, partner, joint venturer or employee of the City.

17. **No Waiver:** No waiver of any provision of this Agreement by the City shall be deemed or constitute a waiver of any other provision nor shall it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both the City and the Developer; nor shall the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The City's failure to exercise any right under this Agreement shall not constitute the approval of any wrongful or other act by the Developer or the acceptance of any Improvement.

18. **Amendment or Modification:** The parties to this Agreement may amend or modify this Agreement only by written instrument executed on behalf of the City by the City Manager or his designee and by the Developer or his/her/its authorized officer. Such amendment or modification shall be properly notarized before it may be deemed effective.

19. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, shall be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. The City shall be entitled to claim the value of its in-house attorneys at the rate of \$125.00 per hour. If relief is awarded to both parties the attorney's fees may be equitably divided between the parties by the decision maker.

20. **Vested Rights:** This Agreement does not guarantee, represent or certify that the Developer is entitled to any other approval(s) required by the City, before the Developer is entitled to commence development beyond the scope of this Agreement or to transfer ownership of the Property being developed.

21. **Integration:** This Agreement, together with the exhibits and attachments thereto constitutes the entire Agreement between the parties. No statement(s), promise(s) or inducements(s) that is/are not contained in this Agreement shall be binding on the parties.

22. **Third Party Rights:** No person or entity who or which is not a party to this Agreement shall have any right of action under or be a beneficiary of this Agreement.

23. **Time:** For the purpose of computing the Abandonment Period and Commencement and Dates, such times in which war, civil disasters or acts of God occurs or exist shall not be included if such prevents the Developer or City from performing its obligations under the Agreement. The Developer must notify the City in writing if/when it asserts impossibility of performance under this paragraph. The City may reject the Developer's assertion, if it finds, in writing that the condition(s) that the Developer asserts do not exist.

24. **Severability:** If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or

unenforceability shall not affect the validity of any other part, term or provision. The rights of the parties shall be construed as if the part, term or provision was never part of the Agreement.

25. **Benefits:** The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld but any unapproved assignment is void.

25a. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also shall be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property.

25b. There is no prohibition on the right of the City to assign its rights under this Agreement.

25c. Upon written request from the Developer the City shall expressly release the original Developer's Guarantee and/or contract obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City shall constitute a release of the original Developer from his liability under this Agreement.

25d. When the City has issued its Acceptance regarding the Improvements, the City agrees to state the same in writing, with appropriate acknowledgments.

25e. The City shall sign a release only after all warranty periods, as extended by litigation, repair or alteration work, have expired.

26. **Notice:** Any notice required or permitted by this Agreement shall be deemed effective two calendar days after deposit with the United States Postal Service, first class, postage prepaid and addressed as follows:

If to Developer: Ronald D. Austin, Manager Name -Developer/Company
 Redlands Mesa, LLC Address (Street and Mailing)
 2299 W. Ridaes Blvd.
 Grand Junction, CO 81503 City, State & Zip Code
 (970) 255 7400 Telephone and Fax Numbers
 (970) 245 6055
 _____ E-mail

Cc:

If to City: Office of the City Attorney
 250 North 5th Street
 Grand Junction, CO 81501

Cc: Community Development Department
250 North 5th Street
Grand Junction, CO 81501

27. **Recordation:** Developer shall pay the costs to record a memorandum of this Agreement (Exhibit D) in the records of the Mesa County Clerk and Recorder's Office. The Developer may, at his/her/its option record the entire agreement.

28. **Immunity:** Nothing contained in this Agreement constitutes a waiver of the City's sovereign or other immunity under any applicable law.

29. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this Agreement whether arising out of or relating to the Agreement, the Guarantee, the Maintenance Guarantee or any action based arising out of or under this Agreement shall be deemed to be proper only if such action is commenced in Mesa County, Colorado.

29a. The Developer expressly waives his/her/its right to bring such action in or to remove such action to any other court whether state or federal.

30. **Liability before Acceptance:** The City shall have no responsibility or liability with respect to any street or other Improvement(s), notwithstanding the use of the same by the public, unless the street or other Improvement shall have received Acceptance by the City.

30a. If the City allows a street to be constructed in stages, the Developer of the first one-half street opened for traffic shall construct the adjacent curb, gutter and sidewalk in the standard location and shall construct the required width of pavement from the edge of gutter on the side of the street nearest the property to enable an initial two-way traffic operation without on-street parking.

30b. Developer shall also construct and pay for end-transitions, intersection paving, drainage facilities and adjustments to existing utilities necessary to open the street to traffic.

30c. The City shall not issue its written Acceptance with regard to any Improvement(s) including any street, storm drainage facility, sewer, water facility or other required Improvement(s), until the Developer:

- (i) furnishes to the City Engineer as-built drawings in reproducible form, blue line stamped and sealed by a professional engineer and in computer disk form and copies of results of all construction control tests required by City specification;
- (ii) provides written evidence to the City Engineer under signature of a qualified expert that the earth, soils, lands and surfaces upon in and under which the Improvement(s) have been constructed or which are necessary for the Improvements are free from toxic, hazardous and other regulated substances or materials;

(iii) provides written evidence to the City Attorney that the title to lands underlying the improvements are free and clear from all liens and encumbrances, except those items and encumbrances which may be approved in writing by the City Attorney; and (iv) provides written evidence, certified by the Developer's engineer, that the work was systematically inspected and tested and that the materials and the compaction of the materials that are required to be compacted, were in conformance with City-approved plans and specifications.

By: REDLANDS MESA LLC

Ronald D. Austin 12/29/05
Developer Date
Ronald D. Austin, Manager

COPY

Name (printed)

Corporate Attest:

Name Date

City of Grand Junction
250 North Fifth Street
Grand Junction, CO 81501

Katherine M. Portman 1-18-06
Community Development Dept. Date

6/13/2003

TYPE LEGAL DESCRIPTION BELOW, USING ADDITIONAL SHEETS AS NECESSARY.
USE SINGLE SPACING WITH A ONE INCH MARGIN ON EACH SIDE.

EXHIBIT A

Filing 7, Redlands Mesa Planned Development
Grand Junction, Mesa County, Colorado

EXHIBIT B

IMPROVEMENTS COST ESTIMATE

DATE: November 30, 2005

DEVELOPMENT NAME: Redlands Mesa Filing 7

LOCATION: Grand Junction, Colorado

**Note: "strike through" items are completed and removed from the cost estimate.
The "City Security" amount is based on the original total.**

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
A. SANITARY SEWER					
1	8" SDR-35 PVC Main	LF	2988	\$ 50.00	\$ 149,400.00
2	4" C900 Force Main	EA	46	\$ 40.00	\$ 1,840.00
3	4" SDR-35 Service Line	LF	1304	\$ 35.00	\$ 45,640.00
4	4" Service Tap	EA	25	\$ 40.00	\$ 1,000.00
5	Standard Manhole	EA	21	\$ 2,200.00	\$ 46,200.00
6	Drop Manhole	EA	1	\$ 2,400.00	\$ 2,400.00
7	Connect to Existing Manhole	EA	2	\$ 500.00	\$ 1,000.00
8	Concrete Encasement	LF	40	\$ 25.00	\$ 1,000.00
9	Epoxy Coat Manhole	EA	1	\$ 150.00	\$ 150.00
10	8" Cap	EA	3	\$ 150.00	\$ 450.00
11	4" Cap	EA	2	\$ 125.00	\$ 250.00
Subtotal Part A Sanitary Sewer					\$ 249,330.00
B. DOMESTIC WATER					
1	8" C900 CL150 Main	LF	2434	\$ 30.00	\$ 73,020.00
2	4" C900 CL150 Main	LF	419	\$ 21.00	\$ 8,799.00
3	8" Gatevalve	EA	4	\$ 800.00	\$ 3,200.00
4	4" Gatevalve	EA	3	\$ 450.00	\$ 1,350.00
5	8" Fittings (Including Thrustblocks)	EA	5	\$ 250.00	\$ 1,250.00
6	4" Fittings (Including Thrustblocks)	EA	1	\$ 150.00	\$ 150.00
7	8" Cap (Including Thrustblock)	EA	2	\$ 150.00	\$ 300.00
8	4" Cap (Including Thrustblock)	EA	2	\$ 125.00	\$ 250.00
9	Services	EA	25	\$ 250.00	\$ 6,250.00
10	3/4" Copper Service Line	LF	1033	\$ 19.00	\$ 19,627.00
11	Fire Hydrant with Valve	EA	4	\$ 2,500.00	\$ 10,000.00
					\$ -
Subtotal Part B - Domestic Water					\$ 124,196.00
C1 STREETS					
1	Subgrade Prep	SY	13384	\$ 1.30	\$ 17,399.20
2	20" Class 6 Aggregate Base Course	SY	4103	\$ 13.00	\$ 53,339.00
3	18" Class 6 Aggregate Base Course	SY	2907	\$ 12.00	\$ 34,884.00
4	7" Class 6 Aggregate Base Course	SY	2504	\$ 7.00	\$ 17,528.00

5	6" Class 6 Aggregate Base Course (Under Concrete Only)	SY	3870	\$	6.00	\$	23,220.00
6	3" Hot Bituminous Paving, Grading	SY	9514	\$	7.50	\$	71,355.00
7	6.5' Mount. Curb, Gutter & Sidewalk	LF	1723	\$	16.40	\$	28,257.20
8	3' Mountable Curb & Gutter	LF	1540	\$	9.00	\$	13,860.00
9	2' Vertical Curb & Gutter	LF	2208	\$	8.00	\$	17,664.00
10	8" Thick Concrete Corners & Ramps	SY	251	\$	40.00	\$	10,040.00
11	6" Thick Concrete For Mail Facility	SY	21	\$	30.00	\$	630.00
12	10' Detached Concrete Sidewalk	LF	1082	\$	24.00	\$	25,968.00
13	Rock Retaining Walls	FF				\$	-
14	Stop Signs	EA	3	\$	450.00	\$	1,350.00
15	Street Signs (Mount on Stop)	EA	3	\$	150.00	\$	450.00
16	Street Lights	EA	3	\$	1,100.00	\$	3,300.00
17	End of Road Markers	EA	3	\$	250.00	\$	750.00
18	Traffic Control	LS	1	\$	500.00	\$	500.00
						\$	-
						\$	-
C2	BRIDGES					\$	-
						\$	-
	Subtotal Part C - Streets and Bridges					\$	320,494.40
D1	EARTHWORK						
4	Mobilization	LS	4	\$	5,000.00	\$	5,000.00
2	Clearing and Grubbing	AC	5.5	\$	500.00	\$	2,750.00
3	Unclassified Excavation (Unadjusted)	CY	37487	\$	6.50	\$	243,665.50
4	Unclassified Embankment (Unadjusted)	CY	15567	\$	3.00	\$	46,701.00
5	On-site Spoil (Unadjusted)	CY	21920	\$	1.00	\$	21,920.00
6	Watering (Dust Control)	LS	1	\$	5,000.00	\$	5,000.00
7	Silt Fence/Berm	LF	2179	\$	2.25	\$	7,814.25
8	Outlet Trap	EA	1	\$	4.50	\$	697.50
9	Inlet Protection	EA	6	\$	75.00	\$	1,125.00
10	Rock Check Dam	EA	1	\$	75.00	\$	1,125.00
11	Mud Traps	EA	1	\$	500.00	\$	500.00
12	Straw Rolls	LF	2690	\$	5.50	\$	6,336.00
13	Maintenance	LS	1	\$	1,500.00	\$	1,500.00
D2	REMOVALS AND RESETTING						
1	Removal of Asphalt	SY				\$	-
2	Removal of Miscellaneous Concrete	SY				\$	-
3	Remove Curb and Gutter	LF				\$	-
4	Removal of Culverts	LF				\$	-
5	Remove Structures	EA				\$	-
6	Remove Signs	EA				\$	-
7	Remove Fence	LF				\$	-
8	Adjust Manhole	EA	30	\$	390.00	\$	11,700.00
9	Adjust Valvebox	EA	11	\$	190.00	\$	2,090.00
10	Relocate or Adjust Utilities	LS				\$	-

D3	SEEDING AND SOIL RETENTION					
1	Sod	SY			\$	-
2	Seeding (Native)	AC	5.5	\$ 500.00	\$	2,750.00
3	Seeding (Bluegrass/Lawn)	SY or AC			\$	-
4	Hydraulic Seed and Mulching	SY or AC			\$	-
5	Soil Retention Blanket	SY			\$	-
D4	STORM DRAINAGE FACILITIES					
1	Finish Grading (incl. Channels, Swales, and Ponds)	LS	4	\$ 7,500.00	\$	7,500.00
2	12" HDPE	LF	887	\$ 25.00	\$	22,425.00
3	18" HDPE	LF	616	\$ 35.00	\$	21,560.00
4	12" Concrete Flared End Section	EA	4	\$ 500.00	\$	500.00
5	18" Concrete Flared End Section	EA	4	\$ 600.00	\$	600.00
6	48" Storm Drain Manhole	EA	9	\$ 1,800.00	\$	16,200.00
7	Single Curb Opening Storm Drain Inlet	EA	6	\$ 2,000.00	\$	12,000.00
8	9" Rip-Rap	SF	10	\$ 20.00	\$	200.00
9	12" Rip-Rap	SF	24	\$ 22.00	\$	528.00
	Subtotal Part D - Grading and Drainage				\$	27,215.50
E1	IRRIGATION					
1	6" Class 200 IPS Irrigation Pipe	LF	2041	\$ 10.00	\$	20,410.00
2	2" Class 200 IPS Irrigation Pipe	LF	513	\$ 5.00	\$	2,565.00
3	1" Service Pipe	LF	958	\$ 4.00	\$	3,832.00
4	3" Class 200 Sleeve	LF	190	\$ 5.00	\$	950.00
5	6" Fitting With Thrust Block	EA	24	\$ 75.00	\$	1,800.00
6	2" Fitting With Thrust Block	EA	4	\$ 75.00	\$	300.00
7	Service Riser	EA	25	\$ 160.00	\$	4,000.00
E2	LANDSCAPING					
1	Design/Architecture	LS			\$	-
2	Earthwork	CY			\$	-
3	Hardscape Features	LS			\$	-
4	Plant Material & Planting	LS	1	\$ 10,000.00	\$	10,000.00
5	Irrigation System	LS	1	\$ 5,000.00	\$	5,000.00
6	Curbing	LF			\$	-
7	Retaining Walls & Structures	LS			\$	-
8	1 Year Maintenance Agrmnt.	LS			\$	-
9	Topsoil				\$	-
					\$	-
					\$	-
E	Subtotal Part E - Landscaping and Irrigation				\$	48,857.00
	Subtotal Construction Costs				\$	770,092.90

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F.	Miscellaneous Items				
1	Construction staking/surveying	%	2.00%	\$ 770,092.90	\$ 15,401.86
2	Developer's inspection cost	%		\$ 770,092.90	\$ -
3	General construction supervsn	%	3.00%	\$ 770,092.90	\$ 23,102.79
4	Quality control testing	%	2.00%	\$ 770,092.90	\$ 15,401.86
5	Construction traffic control	%		\$ 770,092.90	\$ -
6	City inspection fees	%	0.50%	\$ 770,092.90	\$ 3,850.46
7	As-builts	%	2.00%	\$ 770,092.90	\$ 15,401.86
8	Dry Utility Trenching	LF	4764	\$ 1.50	\$ 7,146.00
8	Dry Utility Sleeves	LF	172	\$ 8.00	\$ 1,376.00
8	3' Crushed Granite Path	SF	690	\$ 5.00	\$ 3,450.00

% = Percentage of total site construction costs

E	Subtotal Part F - Miscellaneous Items				\$ 85,130.83
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G.	COST SUMMARY				
1	Total Improvement Costs			Original	\$ 1,309,617.79
2	Total Improvement Costs			Revised	\$ 855,223.73
3	City Security (10%)				\$ 130,961.78
3	Total Guarantee Amount				\$ 986,185.51

NOTES

- All prices shall be for items complete in place and accepted.
- All pipe prices shall include excavation, pipe, bedding, backfill, and compaction.
- Water main shall include pipe, excavation, bedding, backfill, bends, and appurtenances not itemized elsewhere.
- All concrete items shall include Aggregate Base Course where required by the drawings.
- Fill in the pipe type for irrigation pipe and sleeves.
- Reconditioning shall be calculated to at least 6" outside of back of walk on both sides.
- Units can be changed if desired, simply annotate what is used.
- Additional lines or items may be added as needed.

KENLANDS MESA, LLC
Ronald Austin, Manager 12/29/05
 Signature of Developer Date
 (If corporation, to be signed by President and attested to by Secretary together with the corporate seals.)

I have reviewed the estimated costs and time schedule shown above and, based on the construction drawings submitted to date and the current cost of construction, I take no exception to the above.

Erin Shel 1/10/06
 City Development Engineer Date

Gatherman M. Portman 1-18-06
 Community Development Date



Bank of Colorado
GRAND JUNCTION

COPY
original returned to Brad Higginbotham 10-17-06
Affiliate of Pinnacle Bancorp

IRREVOCABLE LETTER OF CREDIT

City of Grand Junction
C/o Director of Community Development
250 N. 5th Street
Grand Junction, CO 81501

Irrevocable Letter of Credit No. 2688290093

Dated: December 19, 2005

Expiration: December 19, 2006 subject to the automatic extensions stated below.

Dear Sirs:

We hereby establish our Irrevocable Letter of Credit No. 268829003 in favor of the City of Grand Junction at the request of and for the account of Redlands Mesa, LLC (Developer) in the amount of None Hundred Eighty Six Thousand One Hundred Eighty Six Dollars and No/00 (\$986,186.00) U. S. dollars.

This Letter of Credit is subject to the following terms and conditions:

- 1) it is effective upon signature
- 2) it expires on December 19, 2006 subject to the automatic extensions discussed below;
- 3) this Letter of Credit is available by sight draft(s) drawn and marked "Drawn under Bank of Colorado (Bank) Letter of Credit No. 2688290093 dated December 19, 2005";
- 4) this Letter of Credit is established for the use and benefit of the City of Grand Junction by reason of the Redlands Mesa, LLC (Developer) being obligated to pay or perform in accordance with the provisions of the Grand Junction Zoning and Development Code;
- 5) the following statement signed by an authorized designee of the City of Grand Junction must accompany the sight drat.
- 6) **Redlands Mesa, LLC (Developer) has failed to comply with the terms, conditions, provisions and requirements of the Grand Junction Zoning and Development Code and/or plans, specifications or agreements relating to the construction of improvements required by the City of Grand Junction. The monies received from this drawing are required to construct those improvements. The City of Grand Junction therefore requests the payment of \$ _____.**


200 Grand Avenue
P.O. Box 968
Grand Junction
Colorado 81502
Tel (970) 245-1600
Fax (970) 245-9538

2903 F Road
Grand Junction
Colorado 81504
Tel (970) 245-1600
Fax (970) 263-2101

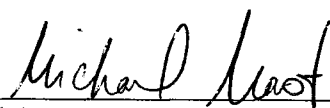
COPY

- 7) It is a condition of this Letter of Credit that it will be automatically extended for a period of six (6) months from the present or any future expiration date unless: (a) the underlying obligation has been performed, released or satisfied, (b) this Letter of Credit has been called in full or (c) the Bank notifies the City of Grand Junction at 250 N. 5th Street Grand Junction, CO 81501, by certified mail return receipt requested, at least ninety (90) days prior to such expiration date that we elect not to further extend this Letter of Credit.
- 8) Except as stated above no modifications or revocations may be made by the undersigned to this Letter of Credit without the express written approval of the City's Director of Community Development or his designee;
- 9) This Letter of Credit is neither negotiable nor assignable;
- 10) Partial drawings are permitted;
- 11) We hereby agree that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored on due presentation and delivered of documents, which may be done by first class mail, facsimile, in person or by any other reasonable business practice on or prior to the expiration or any extension thereof of this Letter of Credit;
- 12) Except as otherwise stated herein, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision) and to the extent that it does not conflict with Article 5 of the Uniform Commercial Code of the State of Colorado

BANK OF COLORADO

By 

E. Chris Launer, President

By: 

Michael Mast, V.P.

AUTHORIZATION
by Limited Liability Company

1. ENTITY CERTIFICATIONS. I, Rochelle Mullen, certify that:

- A. I am Manager, designated to act on behalf of REDLANDS MESA, LLC, Federal Tax Identifying Number 84-1443534 (Limited Liability Company).
- B. I am authorized and directed to execute an original or a copy of this Authorization to Financial Institution, and anyone else requiring a copy.
- C. Limited Liability Company is properly formed and validly existing under the laws of Colorado and that Limited Liability Company has the power and authority to conduct business and other activities as now being conducted.
- D. Limited Liability Company has the power and authority to adopt and provide this Authorization and to confer the powers granted in this Authorization; the designated Agents have the power and authority to exercise the actions specified in this Authorization; and Limited Liability Company properly adopted these authorizations and appointed the Agents and me to act on its behalf.
- E. Limited Liability Company will not use any trade or fictitious name without Financial Institution's prior written consent and will preserve Limited Liability Company's existing name, trade names, fictitious names and franchises.
- F. Limited Liability Company will notify Financial Institution before reorganizing, merging, consolidating, recapitalizing, dissolving or otherwise materially changing ownership, management or organizational form. Limited Liability Company will be fully liable for failing to notify Financial Institution of these material changes.

2. GENERAL AUTHORIZATIONS. I certify Limited Liability Company authorizes and agrees that:

- A. BANK OF COLORADO (Financial Institution) is designated to provide Limited Liability Company the financial accommodations indicated in this Authorization.
- B. All prior transactions obligating Limited Liability Company to Financial Institution by or on behalf of Limited Liability Company are ratified by execution of this Authorization.
- C. Any Agent, while acting on behalf of Limited Liability Company, is authorized, subject to any expressed restrictions, to make all other arrangements with Financial Institution which are necessary for the effective exercise of the powers indicated within this Authorization.
- D. The signatures of the Agents are conclusive evidence of their authority to act on behalf of Limited Liability Company.
- E. Unless otherwise agreed to in writing, this Authorization replaces any earlier related Authorization and will remain effective until Financial Institution receives and records an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of this Authorization must be accompanied by documentation, satisfactory to Financial Institution, establishing the authority for the change.
- F. Limited Liability Company agrees not to combine proceeds from collateral securing any debts owed to Financial Institution with unrelated funds.
- G. Financial Institution may verify credit history of Limited Liability Company by obtaining a credit report from a credit reporting agency or any other necessary means.

3. SPECIFIC AUTHORIZATIONS. The following persons (Agents) are authorized to act on behalf of Limited Liability Company in fulfilling the purposes of this Authorization:

Name and Title	Signature	Facsimile Signature
ROCHELLE MULLEN, MANAGER		

Limited Liability Company authorizes and directs the designated Agents to act, as indicated, on Limited Liability Company's behalf to:

- A. Borrow money or obtain other credit or financial accommodation from Financial Institution on behalf of and in the name of Limited Liability Company on the terms agreed to with Financial Institution. The designated agents may execute and endorse promissory notes, acceptances or other evidences of indebtedness.
This power may only be exercised by ROCHELLE MULLEN and requires one authorized signature.
- B. Grant a security interest, lien or other encumbrance to Financial Institution in any or all real or personal property that Limited Liability Company now owns or may acquire in the future for the payment or performance of debts, liabilities and obligations of every type and description owed now or in the future by Limited Liability Company to Financial Institution.
This power may only be exercised by ROCHELLE MULLEN and requires one authorized signature.
- C. Receive and acknowledge receipt for funds, whether payable to the order of Limited Liability Company or an Agent, without additional certification as to the use of the proceeds.
This power may only be exercised by ROCHELLE MULLEN and requires one authorized signature.
- D. Periodically amend, restructure, renew, extend, modify, substitute or terminate any agreements or arrangements with Financial Institution that relate to this Authorization.
This power may only be exercised by ROCHELLE MULLEN and requires one authorized signature.
- E. Execute other agreements that Financial Institution may require, and perform or cause to be performed any further action necessary to carry out the purposes of this Authorization.
This power may only be exercised by ROCHELLE MULLEN and requires one authorized signature.

4. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Authorization.

SIGNATURES. By signing, I certify and agree to the terms contained in this Authorization on behalf of Limited Liability Company on December 19, 2005. I also acknowledge receipt of a copy of this Authorization.

AUTHORIZATION'S SIGNER:

REDLANDS MESA, LLC

By _____
Rochelle Mullen, Manager

Notary or Acknowledgment Here (Optional)

FOR FINANCIAL INSTITUTION USE ONLY

Acct/Loan # _____ Authorization and agreement completed and effective _____ by _____
for the Financial Institution.

Request for Taxpayer Identification Number and Certification

Give form to the
 requester. Do not
 send to the IRS.

Name (as reported on your income tax return)
 REDLANDS MESA, LLC
 Business name, if different from above

Check appropriate box: Individual/
 Sole Proprietor Corporation Partnership Other **LLC** Exempt from
 backup withholding

Address (number, street, and apt. or suite no.)
 2299 W RIDGES BLVD
City, state, and ZIP code
 GRAND JUNCTION, CO 81503

Requester's name and address (optional)
 BANK OF COLORADO
 200 GRAND AVENUE
 GRAND JUNCTION, CO 81501

List account number(s) here (optional)
 2688290093

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								

or

Employer identification number								
8	4	1	4	4	3	5	3	4

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a J.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a U.S. person if you are:

- an individual who is a citizen or resident of the United States,
- a partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

◆ any estate (other than a foreign estate) or trust. See Regulation section 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

**APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT**

BANK OF COLORADO

Bank of Colorado - Grand Junction
Bank Name
P.O. Box 968
Address
Grand Junction, CO 81502

Date December 16 2005
L/C No. 2688290093
US \$ 986,186.00

TERMS OF THE LETTER OF CREDIT

The undersigned hereby requests that you issue an Irrevocable Standby Letter of Credit with the following terms and conditions:

Available by drafts payable _____ drawn on us

when accompanied by the following documents:

A statement issued and signed by the beneficiary certifying that the account of _____
_____ is _____ days past due under the terms of
_____, therefore payment is demanded under this letter of credit.

Copy of invoices for which claim is made.

OTHER: See attached City of Grand Junction letter.

COPY

Except as otherwise expressly stated herein, this Letter of Credit is subject to all applicable provisions of Uniform Customs and Practice for Documentary Credits, 1983 Revision, International Chamber of Commerce Publication No. 400.

Redlands Mesa, LLC
Firm Name
2299 W. Ridges Blvd.
Grand Junction, CO 81503
Address

Phone (970) 255-7400

Very truly yours,

Rochelle Mullen
Name of Applicant

Signed By: _____

By: _____

RECORDING MEMORANDUM
Exhibit D

City of Grand Junction
Community Development Department Community Development
File: # FP-2005-167

This memorandum relates to and confirms that certain Development Improvements Agreement and/or Maintenance Guarantee concerning land in Mesa County, Colorado. The Agreement is by and between Redlands Mesa, LLC (Developer) and the City of Grand Junction (City) pertaining to Redlands Mesa, Eling 7 (Project), located at Mariposa Drive and W. Ridges Blvd

(Subject subdivision is more particularly depicted and described in the recording found at Plat Book 4100, Pages 1-5.)

The Developer of the Project was required by law to install and construct certain public and private improvements, the completion of which was guaranteed by a Development Improvements Agreement and/or Maintenance Guarantee. The Project is required to be constructed in accordance with the approval by the City pursuant to and in accordance with the Zoning and Development Code all as more fully detailed and described in City of Grand Junction development file # FP-2005-167.

The Developer and the City of Grand Junction by and through the signatures of the undersigned have determined and agreed to the type, quality and amount of improvements required and/or necessitated by the approval of the Project and that the improvements are guaranteed by and through the Development Improvements Agreement and /or Maintenance Guarantee. Furthermore, the Developer and the City agree that the Development Improvements Agreement and/or Maintenance Guarantee are contractual in nature and that the obligations under the Development Improvements Agreement and/or Maintenance Guarantee shall not be assigned except as provided in the agreement(s).

By virtue of this notice being recorded in the land records of the Mesa County Clerk and Recorder, subsequent owners and/or those that claim by, through or under the Developer are on notice of the Developer's obligations under the agreement(s).

NOW THEREFORE, the Developer and an official of the City of Grand Junction, both possessing and representing by their signatures that they possess sufficient authority, do hereby memorialize the relative, rights and obligations contained in the Development Improvement Agreement and/or Maintenance Guarantee herein characterized.

DEVELOPER:

By: Ronald D Austin 3/10/06
Date

(Print Name) Ronald D. Austin

CITY OF GRAND JUNCTION:

In accordance with the above, I hereby certify that the Development Improvement Agreement and/or Maintenance Guarantee are made of record by this memorandum and that the same may be inspected and/or copied at the City of Grand Junction, Community Development Department, 250 N. 5th Street, Grand Junction Colorado.

Kathleen M Poston 3-15-06
Community Development Department Date

COPY

RELEASE OF RECORDING MEMORANDUM
City of Grand Junction
Community Development Department
FILE # FP-2005-167

This Release relates to a Recording Memorandum dated 3-15, 2008, by and between Redlands Mesa, LLC (Developer) and the City of Grand Junction, pertaining to Redlands Mesa, Phase 7 (Project), located at Maniposa Dr. & W. Ridge Blvd, recorded at Book 4115, Page 248, Mesa County Clerk and Recorders Office.

WHEREAS, the Developer has installed and constructed certain public and private improvements at and for the Project, which completion was guaranteed by the execution of a Development Improvements Agreement and/or Maintenance Guarantee and provision of a Guarantee, and;

WHEREAS, the City of Grand Junction and other agencies possessing authority over the Project, and/or the improvements, have inspected the improvements and have accepted the same.

NOW THEREFORE, officials of the City of Grand Junction, duly representing their agencies, possessing and representing by their signatures affixed hereto, that they possess sufficient authority to accept improvements and may release the Development Improvements Agreement and/or Maintenance Guarantee, pertaining to the improvements under their jurisdiction, do accept, sign and release said Development Improvements Agreement and/or Maintenance Guarantee.

CITY OF GRAND JUNCTION:

City Engineer: [Signature] Date: 10/17/06

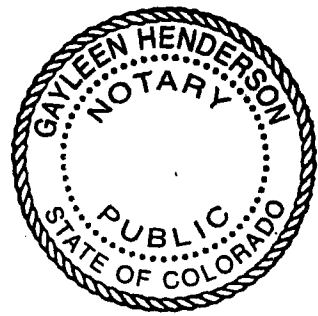
Planner: [Signature] Date: 10-17-06

In acknowledgement with the above signatures, I hereby certify that the improvements as specified in the Development Improvements Agreement and/or Maintenance Guarantee have been completed and accepted in accordance with the provisions of the Grand Junction Zoning and Development Code, and are hereby released, subject to the required warranty period.

[Signature] 10-17-06
Community Development Department Date

The foregoing instrument was executed before me this 17th day of October, 2008, by Katherine Portner, of the Community Development Department for the City of Grand Junction, Colorado.

Witness my hand and official seal:
[Signature]
Notary Public



My commission expires on 10/29/2009

Scott Peterson - Letter of Credit - Redlands Mesa Filing #7 - FP-2005-167

From: Scott Peterson
To: julie.hayden@bankofcolorado.com
Date: 12/22/2010 10:39 AM
Subject: Letter of Credit - Redlands Mesa Filing #7 - FP-2005-167
CC: Greg Moberg; Jamie Beard; Leslie Ankrum; Lisa Cox

Julie,

I have reviewed the subdivision file for Redlands Mesa Filing No. 7 in regards to the Letter of Credit (No. 2689004903) in the amount of \$17,250. This LOC was to secure the installation of required landscaping adjacent to the right-of-way of West Ridges Blvd. Unfortunately this landscaping has never been installed to date. In order for the City to release this LOC back to you and your client (Redlands Mesa LLC), I would need the new owner for the subdivision (BrightStar) to provide a new Development Improvements Agreement (DIA) and issue a new LOC or provide some other type of financial security to the City to cover the installation of the landscaping.

Hope that answers your question and if I can be of further service, please feel free to contact me.

Thank you

Scott Peterson
Senior Planner
City of Grand Junction
(970) 244-1447
scottp@gjcity.org



Bank of Colorado
GRAND JUNCTION

Affiliate of Pinnacle Bancorp

January 10, 2011

RECEIVED

JAN 13 2011

**COMMUNITY DEVELOPMENT
DEPT.**

City of Grand Junction
C/o Director of Community Development
250 N. 5th Street
Grand Junction, CO 81501

RE: Irrevocable Letter of Credit No. 2689004903
Dated: October 16, 2006
Expiration: October 16, 2006 subject to automatic extensions.
Redlands Mesa, LLC

Dear Sirs,

Please accept this letter as our notification that we will not be extending the above letter of credit. The current expiration date is April 16, 2011. Once this date has passed please cancel the letter of credit and return the original to us.

Feel free to contact me if you have any questions.

Sincerely,

E. Chris Launer
Branch President

200 Grand Avenue
P.O. Box 968
Grand Junction
Colorado 81502
Tel (970) 245-1600
Fax (970) 245-9538

2903 F Road
Grand Junction
Colorado 81504
Tel (970) 245-1600
Fax (970) 263-2101



January 17, 2011

Bank of Colorado
Attn: Mr. E. Chris Launer, Branch President
200 Grand Avenue
PO Box 968
Grand Junction, CO 81502

RE: Redlands Mesa, LLC/Redlands Mesa Filing 7/FP-2005-167
Letter of Credit #2689004903
Certified Mail #7008 2810 0000 5414 3733

Dear Mr. Launer:

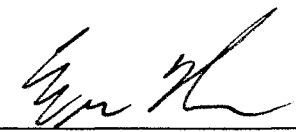
The Bank of Colorado has provided a letter of credit in the amount of \$17,250.00 for certain improvements to be constructed by Redlands Mesa, LLC (Developer), in connection with a development within the City of Grand Junction known as Redlands Mesa Filing 7.

This letter shall constitute NOTICE by the City of Grand Junction that the Improvements have not been satisfactorily and timely constructed by the Developer and as well as a DEMAND that the Bank of Colorado immediately release and tender funds in the amount of \$17,250.00 to the City of Grand Junction pursuant to the terms of the letter of credit and the Development Improvements Agreement executed by Redlands Mesa, LLC, copies of which are attached hereto.

OFFICE OF THE CITY ATTORNEY

CITY ENGINEER


Shelly S. Dackonish, Senior Staff Attorney


Eric Hahn, Engineer

encl.

cc: Redlands Mesa Development, LLC
Attn: Rochelle Mullen
14301 FNB Parkway, Suite 115
Omaha, NE 68154
Certified Mail #7008 2810 0000 5414 3740

Greg Moberg, Planning Services Supervisor
Tim Moore, Public Works & Planning Director
Scott Peterson, Senior Planner
Leslie Ankrum, Sr. Administrative Assistant



Bank of Colorado

GRAND JUNCTION

Affiliate of Pinnacle Bancorp

IRREVOCABLE LETTER OF CREDIT

City of Grand Junction
c/o Director of Community Development
250 N. 5th Street
Grand Junction, CO 81501

Irrevocable Letter of Credit No. 2689004903

Dated: October 16, 2006

Expiration: October 16, 2007 subject to the automatic extensions stated below

Dear Sirs:

We hereby establish our Irrevocable Letter of Credit No. 2689004903 in favor of the City of Grand Junction at the request of and for the account of Redlands Mesa LLC (Developer) in the amount of Seventeen Thousand Two Hundred & Fifty Dollars & No/00 (\$17,250.00) U.S. Dollars.

This Letter of Credit is subject to the following terms and conditions:

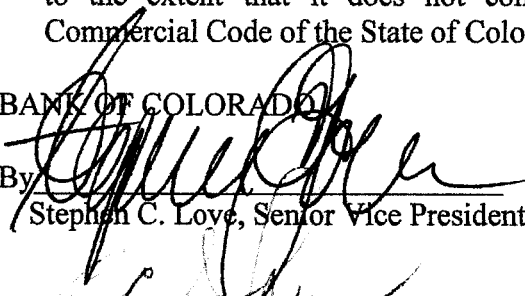
- 1) it is effective upon signature
- 2) it expires on October 16, 2007 subject to the automatic extensions discussed below;
- 3) this Letter of Credit is available by sight draft(s) drawn and marked "Drawn under Bank of Colorado (Bank) Letter of Credit No. 2689004903 dated October 16, 2006";
- 4) this Letter of Credit is established for the use and benefit of the City of Grand Junction by reason of the Redlands Mesa, LLC (Developer) being obligated to pay or perform in accordance with the provisions of the Grand Junction Zoning and Development Code;
- 5) the following statement signed by an authorized designee of the City of Grand Junction must accompany the sight draft;
- 6) _____ (Developer) has failed to comply with the terms, conditions, provisions and requirements of the Grand Junction Zoning and Development Code and/or plans, specifications or agreements relating to the construction of improvements required by the City of Grand Junction. The monies received from this drawing are required to construct those improvements. The City of Grand Junction therefore requests the payment of \$_____.
- 7) It is a condition of this Letter of Credit that it will be automatically extended for a period of six (6) months from the present or any future expiration date unless; (a) the underlying obligation has been performed, released or satisfied, (b) this Letter of Credit has been called in full or (c) the Bank notifies the City of Grand Junction at 250 N. 5th Street Grand Junction, CO 81501, by certified

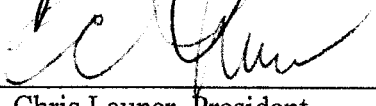
200 Grand Avenue	2903 F Road
P.O. Box 968	Grand Junction
Grand Junction	Colorado 81504
Colorado 81502	Tel (970) 245-1600
Tel (970) 245-1600	Fax (970) 263-2101
Fax (970) 245-9538	

mail return receipt requested, at least ninety (90) days prior to such expiration date that we elect not to further extend this Letter of Credit.

- 8) Except as stated above no modifications or revocations may be made by the undersigned to this Letter of Credit without the express written approval of the City's Director of Community Development or his designee;
- 9) this Letter of Credit is neither negotiable nor assignable;
- 10) partial drawings are permitted;
- 11) we hereby agree that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored on due presentation and delivery of documents, which may be done by first class mail, facsimile, in person or by any other reasonable business practice on or prior to the expiration or any extension thereof of this Letter of Credit;
- 12) except as otherwise stated herein, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision) and to the extent that it does not conflict with Article 5 of the Uniform Commercial Code of the State of Colorado

BANK OF COLORADO

By 
Stephen C. Love, Senior Vice President

By 
E. Chris Launer, President

10-01-07
Kathy [unclear]
[unclear]
([unclear])

DEVELOPMENT IMPROVEMENTS AGREEMENT

1. **Parties:** The parties to this Development Improvements Agreement ("Agreement") are Redlands Mesa, LLC, ("Developer") and the **City of Grand Junction**, Colorado ("City").

For valuable consideration, the receipt and adequacy of which is acknowledged, the Parties agree as follows:

2. **Effective Date:** The Effective Date of the Agreement shall be the date that it is signed by the Community Development Director, which shall be no sooner than recordation of the final plat or final plan approval whichever first occurs.

RECITALS

The Developer seeks permission to develop property, described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The Property, known as Redlands Mesa - Filing 7 has been reviewed and approved under Community Development file # FP-2005-167 ("Development" or "the Development").

The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements to the Property and limiting the harmful effects of substandard development.

A further purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself; this Agreement is not executed for the benefit of materialmen, laborers or others providing work, services or material to the Developer and/or the Property or for the benefit of the owner(s), purchaser(s) or user(s) of the Property.

The mutual promises, covenants and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and City's land development ordinances and regulations.

DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer shall design, construct and install, at its own expense, those on-site and off-site improvements listed on Exhibit B attached and incorporated by this reference ("Improvements" or "the Improvements").

3a. On and after the Effective Date of this Agreement the Developer agrees to pay the City for its Administration and Inspection of the Development. The hourly rate for those services is \$45.00/hour. Administration and Inspection includes but is not limited to the time expended by the City's planner, engineer, construction inspector and attorney in directing, advising, correcting and enforcing by means other than

litigation, this agreement and/or the approved development plan. Making disbursements and calling/collecting Guarantees are Administration and Inspection services and shall be charged at \$45.00/hour. See, paragraph 19 concerning attorneys'/ litigation fees.

3b. The scope of this project is such that the City may have to engage independent consultants(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others for which Developer is responsible hereunder.

3c. The Developer's obligation to complete the Improvements is and shall be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement the Developer shall supply a guarantee. The Developer is required to post security in an amount of \$ 17,250 (~~120% of the amount for the Improvements~~) in a form and with terms acceptable to the City ("Guarantee"). The Guarantee shall be in the form of a cash deposit made to the City, a letter of credit or a disbursement agreement in a form and with content approved by the City Attorney. The Guarantee specific to this Agreement is attached as Exhibit C and is incorporated by this reference as if fully set forth.

Select one: Cash _____ Letter of Credit (LOC) Disbursement Agreement _____

5. **Standards:** The Developer shall construct the Improvements according to the City's standards and specifications.

6. **Warranty:** The Developer shall warrant the Improvements for one year following Acceptance by the City. "Warrant" or "Warranty" as used herein means the Developer shall take such steps and incur such costs as may be needed so that the Improvements or any portion or phase thereof as repaired and/or replaced, shall comply with the Development's construction plans and/or site plan, City standards and specifications at the end of the warranty period. The Developer shall warrant each repaired and/or replaced Improvement or any portion or phase thereof for one year following Acceptance of such repair and/or replacement.

6a. Upon Acceptance the Developer shall provide a Maintenance Guarantee in an amount of \$ N/A (Line G2, Exhibit B, City Security).

6b. The Maintenance Guarantee shall be secured by a letter of credit, cash escrow or other form acceptable to the City.

7. **Commencement, Completion and Abandonment Periods:** The Developer shall commence work on the Improvements within 30 days from the Effective Date of this Agreement; that date is known as the "Commencement Date."

7a. The Developer shall complete the Improvements by the end of the twelfth month from the Effective Date of this Agreement; that date is known as the "Completion Date."

7b. The Developer shall not cease construction for any period of more than 60 consecutive days. If construction is ceased for 60 or more consecutive days the Director may deem the Development abandoned ("the Abandonment Period").

7c. The Commencement date and the Completion Date are as follows:

Commencement Date: _____
Completion Date: N/A Oct. 1, 2007

8. Compliance with Law: The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations when fulfilling its obligations under their Agreement. When necessary to protect the public health, safety or welfare, the Developer shall be subject to laws, ordinances and regulations that become effective after the Effective Date.

9. Notice of Defect: The Developer by and through his/her/its engineer shall provide timely written notice to the issuer of the Guarantee and the Director when the Developer and/or his/her/its engineer has knowledge, that an Improvement or any part or portion of any Improvement either does not conform to City standards or is otherwise defective.

9a. The Developer shall correct all non-conforming construction and/or defects within thirty (30) days from the issuance of the notice by his/her/its engineer of a/the defect.

10. Acceptance of Improvements: The City shall not accept and/or approve any or all of the Improvements until the Developer presents a document or documents for the benefit of the City showing that the Developer owns the Improvements in fee simple, or as accepted by the City Attorney, and that there are no liens, encumbrances or other restrictions on the Improvements other than those that have been accepted by the City Attorney.

10a. Approval and/or acceptance of any Improvement(s) does not constitute a waiver by the City of any right(s) that it may have on account of any defect in or failure of the Improvement that is detected or which occurs after approval and/or acceptance.

10b. Acceptance by the City shall only occur when the City Engineer, sends a writing to such effect ("Acceptance").

11. Reduction of Security: Upon Acceptance of any Improvement(s) the amount which the City is entitled to draw on the Guarantee shall be reduced by an amount of \$ N/A (Line G1, Exhibit B, Total Improvement Costs).

11a. At the written request of the Developer, the City shall execute a certificate verifying Acceptance of the Improvement and thereafter waiving its right to draw on the Guarantee to the extent of such amount. A Developer in default under this Agreement has no right to such certification.

12. Use of Proceeds: The City shall use funds deposited with it, drawn or guaranteed pursuant to this Agreement only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements or paying Administration and Inspection fees.

13. Events of Default: The following conditions, occurrences or actions shall constitute a default by the Developer:

13a. Developer's failure to complete each portion of the Improvements on or before the Completion Date;

13b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvements within the applicable warranty period;

13c. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer. In such event the City may immediately declare a default without prior notification to the Developer;

13d. Notification to the City, by any lender with a lien on the Property, of a default by Developer on any obligation to such lender. In such event, the City may immediately declare a default without prior notification to the Developer.

13e. With regard to the Property or any portion thereof: initiation of any foreclosure action regarding any lien or encumbrance; or initiation of mechanics lien(s) procedure(s); or assignment or conveyance of the Property in lieu of foreclosure. In such event the City may immediately declare a default without prior notification to the Developer.

13f. Notification to the City from the bank issuing the Guarantee that it will not renew the Guarantee at a time when security is still required hereunder and no substitute collateral acceptable to the City has been provided by the Developer.

13g. Except as provided, the City may not declare a default until written notice has been sent to the Developer at the address shown in the development file. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.

14. Measure of Damages: The measure of damages for breach of this Agreement by the Developer shall be the reasonable cost of satisfactorily completing the Improvements, plus reasonable expenses. Expenses may include but are not limited to

contracting costs, collection costs and the value of planning, engineering, legal and administrative staff time devoted to the collection/completion of the Improvements. For Improvements upon which construction has not begun, the estimated costs of the Improvements as shown on Exhibit B shall be *prima facie* evidence of the minimum cost of completion; however, the maximum amount of the Developer's liability shall not be established by that amount or the amount of the Guarantee.

15. City's Rights Upon Default: When any event of default occurs, the City may draw on the Guarantee or proceed to collect any other security to the extent of the face amount of the Guarantee less eighty percent (80%) of the estimated cost (as shown on Exhibit B) of all Improvements for which the City has given its Acceptance and no warranty work is reasonably required. The City may also exercise its rights to disbursement of loan proceeds or other funds under the City improvements disbursement agreement.

15a. The City shall have the right to complete Improvements itself or it may contract with a third party for completion.

15b. The Developer grants to the City, its successors, assigns, agents, contractors and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining, inspecting and repairing the Improvements.

15c. The City may assign the proceeds of the Guarantee or other funds or assets that it may receive in accordance with this Agreement to a subsequent developer or lender that has acquired the Property by purchase, foreclosure or otherwise.

15d. That developer or lender shall then have the same rights of completion as the City if and only if the subsequent developer or lender agrees in writing to complete or correct the Improvements and provides to the City reasonable security for that obligation.

15e. These remedies are cumulative in nature and are in addition to any other remedies the City has at law or in equity.

16. Indemnification: The Developer expressly agrees to indemnify and hold the City, its officers, employees, agents and assigns ("City") harmless from and against all claims, costs and liabilities of every kind and nature, for injury or damage received or sustained by any person or entity in connection with or on account of the performance or non-performance of work at the Property and/or the Improvements and/or the Development that is being done pursuant to this Agreement.

16a. The Developer further agrees to aid and defend the City in the event that the City and/or the Improvements is named as a defendant in an action concerning the performance of work pursuant to this Agreement except for a suit wherein the Developer states claim(s) against the City.

16b. The Developer is not an agent, partner, joint venturer or employee of the City.

17. **No Waiver:** No waiver of any provision of this Agreement by the City shall be deemed or constitute a waiver of any other provision nor shall it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both the City and the Developer; nor shall the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The City's failure to exercise any right under this Agreement shall not constitute the approval of any wrongful or other act by the Developer or the acceptance of any Improvement.

18. **Amendment or Modification:** The parties to this Agreement may amend or modify this Agreement only by written instrument executed on behalf of the City by the City Manager or his designee and by the Developer or his/her/its authorized officer. Such amendment or modification shall be properly notarized before it may be deemed effective.

19. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, shall be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. The City shall be entitled to claim the value of its in-house attorneys at the rate of \$125.00 per hour. If relief is awarded to both parties the attorney's fees may be equitably divided between the parties by the decision maker.

20. **Vested Rights:** This Agreement does not guarantee, represent or certify that the Developer is entitled to any other approval(s) required by the City, before the Developer is entitled to commence development beyond the scope of this Agreement or to transfer ownership of the Property being developed.

21. **Integration:** This Agreement, together with the exhibits and attachments thereto constitutes the entire Agreement between the parties. No statement(s), promise(s) or inducements(s) that is/are not contained in this Agreement shall be binding on the parties.

22. **Third Party Rights:** No person or entity who or which is not a party to this Agreement shall have any right of action under or be a beneficiary of this Agreement.

23. **Time:** For the purpose of computing the Abandonment Period and Commencement and Dates, such times in which war, civil disasters or acts of God occurs or exist shall not be included if such prevents the Developer or City from performing its obligations under the Agreement. The Developer must notify the City in writing if/when it asserts impossibility of performance under this paragraph. The City may reject the Developer's assertion, if it finds, in writing that the condition(s) that the Developer asserts do not exist.

24. **Severability:** If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or

unenforceability shall not affect the validity of any other part, term or provision. The rights of the parties shall be construed as if the part, term or provision was never part of the Agreement.

25. **Benefits:** The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld but any unapproved assignment is void.

25a. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also shall be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property.

25b. There is no prohibition on the right of the City to assign its rights under this Agreement.

25c. Upon written request from the Developer the City shall expressly release the original Developer's Guarantee and/or contract obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City shall constitute a release of the original Developer from his liability under this Agreement.

25d. When the City has issued its Acceptance regarding the Improvements, the City agrees to state the same in writing, with appropriate acknowledgments.

25e. The City shall sign a release only after all warranty periods, as extended by litigation, repair or alteration work, have expired.

26. **Notice:** Any notice required or permitted by this Agreement shall be deemed effective two calendar days after deposit with the United States Postal Service, first class, postage prepaid and addressed as follows:

If to Developer: Rochelle Mullen Name -Developer/Company
14301 FNB PKWY. #115 Address (Street and Mailing)
Durango, NE 688154
(402) - 496-7200 City, State & Zip Code
() Telephone and Fax Numbers
rmullen@gwrwealth.com E-mail

Cc:

If to City: Office of the City Attorney
250 North 5th Street
Grand Junction, CO 81501

Cc: Community Development Department
250 North 5th Street
Grand Junction, CO 81501

27. **Recordation:** Developer shall pay the costs to record a memorandum of this Agreement (Exhibit D) in the records of the Mesa County Clerk and Recorder's Office. The Developer may, at his/her/its option record the entire agreement.

28. **Immunity:** Nothing contained in this Agreement constitutes a waiver of the City's sovereign or other immunity under any applicable law.

29. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this Agreement whether arising out of or relating to the Agreement, the Guarantee, the Maintenance Guarantee or any action based arising out of or under this Agreement shall be deemed to be proper only if such action is commenced in Mesa County, Colorado.

29a. The Developer expressly waives his/her/its right to bring such action in or to remove such action to any other court whether state or federal.

30. **Liability before Acceptance:** The City shall have no responsibility or liability with respect to any street or other Improvement(s), notwithstanding the use of the same by the public, unless the street or other Improvement shall have received Acceptance by the City.

30a. If the City allows a street to be constructed in stages, the Developer of the first one-half street opened for traffic shall construct the adjacent curb, gutter and sidewalk in the standard location and shall construct the required width of pavement from the edge of gutter on the side of the street nearest the property to enable an initial two-way traffic operation without on-street parking.

30b. Developer shall also construct and pay for end-transitions, intersection paving, drainage facilities and adjustments to existing utilities necessary to open the street to traffic.

30c. The City shall not issue its written Acceptance with regard to any Improvement(s) including any street, storm drainage facility, sewer, water facility or other required Improvement(s), until the Developer:

(i) furnishes to the City Engineer as-built drawings in reproducible form, blue line stamped and sealed by a professional engineer and in computer disk form and copies of results of all construction control tests required by City specification;

(ii) provides written evidence to the City Engineer under signature of a qualified expert that the earth, soils, lands and surfaces upon in and under which the Improvement(s) have been constructed or which are necessary for the Improvements are free from toxic, hazardous and other regulated substances or materials;

(iii) provides written evidence to the City Attorney that the title to lands underlying the Improvements are free and clear from all liens and encumbrances, except those items and encumbrances which may be approved in writing by the City Attorney; and
(iv) provides written evidence, certified by the Developer's engineer, that the work was systematically inspected and tested and that the materials and the compaction of the materials that are required to be compacted, were in conformance with City-approved plans and specifications.

By:

Rochelle Muller 10.26.06

Developer

Date

Name (printed)

Rochelle Muller - Manager of Redlands Mesa Development, LLC

Corporate Attest:

Carol A. Poirere 10/26/06

Name

Date

City of Grand Junction
250 North Fifth Street
Grand Junction, CO 81501

Kathleen M. Poirere 10-30-06
Community Development Dept. Date

6/13/2003

EXHIBIT B

IMPROVEMENTS COST ESTIMATE (Landscape Only)

DATE: October 27, 2007

DEVELOPMENT NAME: Redlands Mesa Filing 7

LOCATION: Grand Junction, Colorado

Note: "strike through" items are completed and removed from the cost estimate.

Item #	Item Description	Unit	Quantity	Unit Price	Extended Price
A. SANITARY SEWER					
1	8" SDR 35 PVC Main	LF	2088	\$ 50.00	\$ 104,400.00
2	4" C900 Force Main	EA	46	\$ 40.00	\$ 1,840.00
3	4" SDR-35 Service Line	LF	1304	\$ 35.00	\$ 45,640.00
4	4" Service Tap	EA	25	\$ 40.00	\$ 1,000.00
5	Standard Manhole	EA	21	\$ 2,200.00	\$ 46,200.00
6	Drop Manhole	EA	1	\$ 2,400.00	\$ 2,400.00
7	Connect to Existing Manhole	EA	2	\$ 500.00	\$ 1,000.00
8	Concrete Encasement	LF	40	\$ 25.00	\$ 1,000.00
9	Epoxy Coat Manhole	EA	1	\$ 150.00	\$ 150.00
10	8" Cap	EA	3	\$ 150.00	\$ 450.00
11	4" Cap	EA	2	\$ 125.00	\$ 250.00
Subtotal Part A Sanitary Sewer					\$ 249,330.00
B. DOMESTIC WATER					
1	8" C900 CL150 Main	LF	2434	\$ 30.00	\$ 73,020.00
2	4" C900 CL150 Main	LF	410	\$ 21.00	\$ 8,700.00
3	8" Gatevalve	EA	4	\$ 800.00	\$ 3,200.00
4	4" Gatevalve	EA	3	\$ 450.00	\$ 1,350.00
5	8" Fittings (Including Thrustblocks)	EA	5	\$ 250.00	\$ 1,250.00
6	4" Fittings (Including Thrustblocks)	EA	1	\$ 150.00	\$ 150.00
7	8" Cap (Including Thrustblock)	EA	2	\$ 150.00	\$ 300.00
8	4" Cap (Including Thrustblock)	EA	2	\$ 125.00	\$ 250.00
9	Services	EA	25	\$ 250.00	\$ 6,250.00
10	3/4" Copper Service Line	LF	1033	\$ 19.00	\$ 19,627.00
11	Fire Hydrant with Valve	EA	4	\$ 2,500.00	\$ 10,000.00
					\$ -
					\$ -
Subtotal Part B - Domestic Water					\$ 124,196.00
C1 STREETS					
1	Subgrade Prep	SY	13384	\$ 1.30	\$ 17,399.20
2	20" Class 6 Aggregate Base Course	SY	4103	\$ 13.00	\$ 53,339.00
3	18" Class 6 Aggregate Base Course	SY	2907	\$ 12.00	\$ 34,884.00
4	7" Class 6 Aggregate Base Course	SY	2504	\$ 7.00	\$ 17,528.00
5	6" Class 6 Aggregate Base Course (Under Concrete Only)	SY	3870	\$ 6.00	\$ 23,220.00

6	3" Hot Bituminous Paving, Grading	SY	9514	\$ 7.50	\$ 71,355.00
7	6.5' Mount. Curb, Gutter & Sidewalk	LF	1723	\$ 16.40	\$ 28,257.20
8	3' Mountable Curb & Gutter	LF	1540	\$ 9.00	\$ 13,860.00
9	2' Vertical Curb & Gutter	LF	2208	\$ 8.00	\$ 17,664.00
10	8" Thick Concrete Corners & Ramps	SY	261	\$ 40.00	\$ 10,040.00
11	6" Thick Concrete For Mail Facility	SY	21	\$ 30.00	\$ 630.00
12	10' Detached Concrete Sidewalk	LF	1082	\$ 24.00	\$ 25,968.00
13	Rock Retaining Walls	FF			\$ -
14	Stop Signs	EA	3	\$ 450.00	\$ 1,350.00
15	Street Signs (Mount on Stop)	EA	3	\$ 150.00	\$ 450.00
16	Street Lights	EA	3	\$ 1,100.00	\$ 3,300.00
17	End of Road Markers	EA	3	\$ 250.00	\$ 750.00
18	Traffic Control	LS	1	\$ 500.00	\$ 500.00
					\$ -
					\$ -
C2	BRIDGES				
					\$ -
					\$ -
	Subtotal Part C - Streets and Bridges				\$ 320,494.40
D1	EARTHWORK				
1	Mobilization	LS	1	\$ 5,000.00	\$ 5,000.00
2	Clearing and Grubbing	AC	5.5	\$ 500.00	\$ 2,750.00
3	Unclassified Excavation (Unadjusted)	CY	37487	\$ 6.50	\$ 243,665.50
4	Unclassified Embankment (Unadjusted)	CY	15567	\$ 3.00	\$ 46,701.00
5	On-site Spoil (Unadjusted)	CY	21920	\$ 1.00	\$ 21,920.00
6	Watering (Dust Control)	LS	1	\$ 5,000.00	\$ 5,000.00
7	Silt Fence/Berm	LF	2179	\$ 2.25	\$ 7,814.25
8	Outlet Trap	EA	1	\$ 4.50	\$ 697.50
9	Inlet Protection	EA	6	\$ 75.00	\$ 1,125.00
10	Rock Check Dam	EA	1	\$ 75.00	\$ 1,125.00
11	Mud-Traps	EA	1	\$ 500.00	\$ 500.00
12	Straw Rolls	LF	2690	\$ 5.50	\$ 6,336.00
13	Maintenance	LS	1	\$ 1,500.00	\$ 1,500.00
D2	REMOVALS AND RESETTING				
1	Removal of Asphalt	SY			\$ -
2	Removal of Miscellaneous Concrete	SY			\$ -
3	Remove Curb and Gutter	LF			\$ -
4	Removal of Culverts	LF			\$ -
5	Remove Structures	EA			\$ -
6	Remove Signs	EA			\$ -
7	Remove Fence	LF			\$ -
8	Adjust Manhole	EA	30	\$ 390.00	\$ 11,700.00
9	Adjust Valvebox	EA	11	\$ 190.00	\$ 2,090.00
10	Relocate or Adjust Utilities	LS			\$ -
D3	SEEDING AND SOIL RETENTION				

1	Sod	SY			\$	-
2	Seeding (Native) <i>partially complete</i>	AC	4.5	\$	500.00	\$ 2,250.00
3	Seeding (Bluegrass/Lawn)	SY or AC				\$ -
4	Hydraulic Seed and Mulching	SY or AC				\$ -
5	Soil Retention Blanket	SY				\$ -
D4 STORM DRAINAGE FACILITIES						
1	Finish Grading (incl. Channels, Swales, and Ponds)	LS	1	\$	7,500.00	\$ 7,500.00
2	12" HDPE	LF	897	\$	25.00	\$ 22,425.00
3	18" HDPE	LF	646	\$	35.00	\$ 21,560.00
4	12" Concrete Flared End Section	EA	1	\$	500.00	\$ 500.00
5	18" Concrete Flared End Section	EA	1	\$	600.00	\$ 600.00
6	48" Storm Drain Manhole	EA	8	\$	1,800.00	\$ 16,200.00
7	Single Curb Opening Storm Drain Inlet	EA	6	\$	2,000.00	\$ 12,000.00
8	9" Rip-Rap	SF	10	\$	20.00	\$ 200.00
9	12" Rip-Rap	SF	24	\$	22.00	\$ 528.00
Subtotal Part D - Grading and Drainage						\$ 26,715.50
E1 IRRIGATION						
1	6" Class 200 IPS Irrigation Pipe	LF	2041	\$	10.00	\$ 20,410.00
2	2" Class 200 IPS Irrigation Pipe	LF	513	\$	5.00	\$ 2,565.00
3	1" Service Pipe	LF	958	\$	4.00	\$ 3,832.00
4	3" Class 200 Sleeve	LF	190	\$	5.00	\$ 950.00
5	6" Fitting With Thrust Block	EA	24	\$	75.00	\$ 1,800.00
6	2" Fitting With Thrust Block	EA	4	\$	75.00	\$ 300.00
7	Service Riser	EA	26	\$	160.00	\$ 4,000.00
E2 LANDSCAPING						
1	Design/Architecture	LS				\$ -
2	Earthwork	CY				\$ -
3	Hardscape Features	LS				\$ -
4	Plant Material & Planting	LS	1	\$	10,000.00	\$ 10,000.00
5	Irrigation System	LS	1	\$	5,000.00	\$ 5,000.00
6	Curbing	LF				\$ -
7	Retaining Walls & Structures	LS				\$ -
8	1 Year Maintenance Agrmnt.	LS				\$ -
9	Topsoil					\$ -
E Subtotal Part E - Landscaping and Irrigation						\$ 17,250.00
Subtotal Construction Costs						\$ 17,250.00
F. Miscellaneous Items						
4	Construction staking/surveying	%	2.00%	\$	17,250.00	\$ 345.00

2	Developer's inspection cost	%		\$ 17,250.00	\$
3	General construction superven	%	3.00%	\$ 17,250.00	\$ 517.50
4	Quality control testing	%	2.00%	\$ 17,250.00	\$ 345.00
5	Construction traffic control	%		\$ 17,250.00	\$
6	City inspection fees	%	0.50%	\$ 17,250.00	\$ 86.25
7	As-builts	%	2.00%	\$ 17,250.00	\$ 345.00
8	Dry Utility Trenching	LF	4764	\$ 1.50	\$ 7,146.00
8	Dry Utility Sleeves	LF	172	\$ 8.00	\$ 1,376.00
8	3" Crushed Granite Path	SF	690	\$ 5.00	\$ 3,450.00

% = Percentage of total site construction costs

E Subtotal Part F - Miscellaneous Items \$ **1,638.75**

G.	COST SUMMARY				
	Total Guarantee Amount		Landscaping Only		\$ 17,250.00

NOTES

1. All prices shall be for items complete in place and accepted.
2. All pipe prices shall include excavation, pipe, bedding, backfill, and compaction.
3. Water main shall include pipe, excavation, bedding, backfill, bends, and appurtenances not itemized elsewhere.
4. All concrete items shall include Aggregate Base Course where required by the drawings.
5. Fill in the pipe type for irrigation pipe and sleeves.
6. Reconditioning shall be calculated to at least 6" outside of back of walk on both sides.
7. Units can be changed if desired, simply annotate what is used.
8. Additional lines or items may be added as needed.

Michelle Muller 10-26-06
Signature of Developer Date
(If corporation, to be signed by President and attested to by Secretary together with the corporate seals.)

I have reviewed the estimated costs and time schedule shown above and, based on the construction drawings submitted to date and the current cost of construction, I take no exception to the above.

NA _____
City Development Engineer Date

Kathleen M. ... 10-30-06
Community Development Date