

General Subdivision Agreement

Mountain Shadows Subdivision

This agreement is made and entered into as of this 23rd of August, 2001, by and between the City of Sheridan, a municipal corporation in the State of Wyoming, hereinafter known as the City, and P&P Partnership, a limited partnership, hereinafter known as Developer.

WITNESSETH:

WHEREAS, the Developer is the owner of the subdivision known as the Mountain Shadows Subdivision, approved by the City Council at its regular meeting July 2, 2001, being more particularly described in the attached copy of the subdivision plat and labeled Exhibit "A"; and

WHEREAS, the Developer intends to develop said subdivision as a residential subdivision all in accordance with the specific terms and conditions set forth herein, and in accordance with the rules and regulations governing subdivision development in the City of Sheridan; and

WHEREAS, the City and the Developer desire to set forth their agreements with respect to the development of the Mountain Shadows Subdivision, including public improvements and infrastructure required by the City in new subdivisions;

NOW, THEREFORE, in consideration of the premises above and the terms and conditions set forth below, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Developer hereby agree as follows:

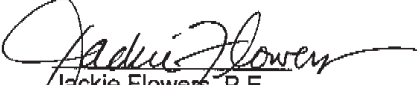
- I. The development of the Mountain Shadows Subdivision will take place in a manner consistent with the requirements in Appendix B (Subdivisions) of the Sheridan City Code, the City of Sheridan Standards for Street and Utility Construction, and good construction practice.
- II. Phase I cash payment in lieu of parkland as per Appendix B, Sec. 507-b and c shall be paid prior to issuance of building permits within the subdivision. Said cash payment shall be calculated using the value derived from the table in Sec. 507-c. Phase II cash payment in lieu of parkland shall be paid prior to issuance of building permits for Phase II, but no later than December 1, 2003.
- III. a) An Irrevocable Letter of Credit has been issued to the City in the amount of \$1,309,888.00 for Phase I construction costs as shown on the Letter of Credit #10568885 issued by First Interstate Bank on August 15, 2001. The total shown is derive from the Mountain Shadows Subdivision Phase I Cost Schedule issued by Pilch Engineering In July, 2001(see Attachment A). Said total equals \$1,016,008.00 construction cost, plus a ten percent (10%) contingency fund of \$101,600.00 , plus an eight percent (8%) inspection and surveying fee of \$81,280.00 , plus a parkland payment of \$11,000.00, plus an MDU utility fee of \$100,000.00. The Letter of Credit shall have appropriate amounts released upon verification of completion of each portion or phase of the development. The Letter of Credit shall contain funds sufficient to complete the parkland cash-in-lieu payment and complete street and utility construction, including all costs and materials, inspections, and surveying.

(b) After completion and final inspection of Phase I construction, an Irrevocable Letter of Credit shall be issued to the City in an amount sufficient for Phase II construction costs a minimum of thirty days (30 days) prior to start of construction. This Letter of Credit shall have appropriate amounts released upon verification of completion of each portion or phase of the development.
- IV. The Developer agrees there will be no final inspection for occupancy until the following items are completed:

1. Phase I water and sewer mains, storm sewer, irrigation piping, sidewalks, curb and gutter, and streets must be installed as shown on Sheets 1 through 11 of the Mountain Shadows Subdivision Street and Utility Plans by Mentock Willey Consultants (see Attachment B). Completion dates shall be tentatively set as per the Phase I Construction Schedule in Attachment A and as specifically referenced in this agreement. Developer will submit a revised construction schedule no later than December 31, 2001 to reflect revised construction completion dates, if necessary.
- V. Residential building permits will be issued as per requirements of the Building Department when sewer, water, and grading is completed.
- VI. Notwithstanding the stipulations in Section IV and V above, the City and Developer agree that one building permit for one residence may be issued at the start of construction of street and utility improvements for purposes of display and demonstration.
- VII. The Developer agrees Phase I site grading will be set to rough grade not later than September 15, 2001.
- VIII. The Developer agrees that water and sewer service lines will be extended from the main to the property line prior to the installation of curb and gutter. Water and sewer stub-out will be set a minimum of five feet from the side property line on the lot.
- IX. Placement of ancillary utilities and services in platted easements, including but not limited to: cable television, gas, electricity, and telephone service, will be coordinated with the installation of water and sewer service lines to avoid interference with, or damage to, any service or utility properly installed in a platted easement.
- X. This Agreement may be amended, revised, or terminated only by the mutual consent of both parties. Amendments to attachments shall be permitted without requiring formal amendment to this agreement.
- XI. The effective date of this agreement shall be the day and year first written above.

IN WITNESS WHEREOF, the parties execute this agreement as of the date set forth above.

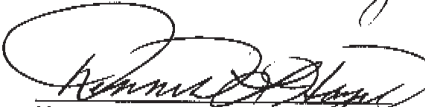
For the City of Sheridan:

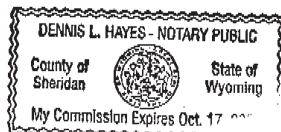

Jackie Flowers P.E.
Assistant Director of Public Works

For the Developer:


Thomas Pilch, P.E.
P&P Enterprises

The above and foregoing Agreement was Subscribed, Sworn to, and Acknowledged before me this 23rd day of August, 2001.


Notary Public



My commission expires 10/17/2002



First Interstate Bank
Sheridan Office
4 South Main Street
P.O. Box 2007
Sheridan, WY 82801-2007
307 674-7411

August 15, 2001

City of Sheridan
P.O. Box 848
Sheridan, Wyoming 82801

RE: Irrevocable Letter of Credit #10568885

City of Sheridan:

We hereby establish an Irrevocable Letter of Credit in your favor for P & P Enterprises, a Limited Partnership up to an aggregate amount of \$1,309,888.00. The issue date of this Letter of Credit is August 15, 2001, and the expiration date is August 15, 2002. This commitment is to provide the necessary funds, not to exceed an aggregate amount of \$1,309,888.00 for the completion of the improvements for the Mountain Shadows Subdivision as required by the City of Sheridan Subdivision and Plat Ordinance and approved by the City Engineer.

Upon expiration of this Letter of Credit, the Bank may, but is not required to, issue a new Letter of Credit for the balance of uncompleted improvements as determined by the City Engineer, and if issued, such Letter of Credit may, but is not required to, be renewable on an annual basis at a reduced amount as the improvements are completed.

Funds are available by your draft or other demand for payment accompanied by:

1. Written notification of your intent to draw upon said account ten (10) business days prior to the demand of said account; and
2. The notarized statement of the Sheridan City Engineer, stating that P & P Enterprises, a Limited Partnership has failed to complete the improvements as detailed in the Sheridan Subdivision and Plat Ordinance regarding the Mountain Shadows Subdivision, and specifying the nature and extent of the failure.

Communications with respect to this Letter of Credit shall be addressed to Richard A Destefano, First Interstate Bank, P.O. Box 2007, Sheridan, Wyoming 82801, and specific reference shall be made to the number on this Letter of Credit #10568885.

It is hereby represented that the undersigned is an officer of First Interstate Bank and is duly authorized by the Board of Directors to execute this Letter of Credit.

Except so far as otherwise stated, this documentary credit is subject to the "Uniform Customs and Practice for Documentary Credits" (1993 revision International Chamber of Commerce Publication No. 500).

Sincerely,

Richard A Destefano
Vice President

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