

**Development Agreement for
Sheridan Ranch Development Subdivision**

This agreement is made and entered into as of this 23rd day of November, 2021, by and between the City of Sheridan, a municipal Corporation in the State of Wyoming, hereinafter known as the "City", and **Carlton Construction, LLC** hereinafter known as the "Developer." The City and Developer for their mutual benefit and consideration agree to the terms and conditions as listed herein for the development of the Sheridan Ranch Development subdivision:

Section 1. GENERAL CONDITIONS

- A. The terms of this agreement shall be binding on all heirs, successors, and assigns of the Developer.
- B. The development of the Sheridan Ranch Development subdivision, is subject to the requirements in Appendix B (Subdivisions) of the Sheridan City Code, as well as adopted City of Sheridan Standards for Street and Utility Construction.
- C. Public improvements provided by the Developer for the Sheridan Ranch Development subdivision shall consist of the following as per plans and specifications approved by the City Engineer:
- Site grading
 - Drainage improvements
 - Installation of water, sewer, and storm sewer mains and infrastructure
 - Paving, curb, gutter and sidewalk for Tin Cup Circle and Black Tooth Way
 - City of Sheridan will fund the requested additional 5 feet width of sidewalk on the West side of Black Tooth Way.
- D. The Developer shall provide financial assurances for public improvements pursuant to and in conformance with Sheridan City Code, Appendix B., Sections 701 and 702, including 10% contingency fee. Financial assurances shall cover the following costs established by the awarded bid amounts provided:
1. Tin Cup Circle Street Improvements - \$365,315
 2. Black Tooth Way Street Improvements - \$269,363
 3. PUD Water System - \$175,658
 4. Black Tooth Way Water System - \$34,775
 5. Sheridan Ranch PUD Sewer System - \$83,866
 6. Black Tooth Way Sewer System - \$37,069
 7. Sheridan Ranch PUD Storm Drainage System - \$29,200
 8. Black Tooth Way Storm Drainage System - \$40,075
 9. Financial Assurance (10%) - \$103,532 (Warranty)

The financial assurances shall have appropriate amounts released upon verification by the City Engineer of completion of each portion of infrastructure or phase of development.

- E. Developer shall provide test results, inspection reports and suitable as-built drawings, certified by a registered professional engineer, verifying satisfactory completion for roadway improvements and water and sewer utilities for the Sheridan Ranch Development subdivision. Water and sewer utilities shall be approved and accepted by City prior to issuance of further building permits for the Sheridan Ranch Development subdivision. Acceptance of sewer utilities will include video inspection by City personnel. Verification for services of franchise utilities must be provided prior to Preliminary Acceptance.
- F. 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 and sidewalks to avoid interference with, or damage to, any service or utility properly installed in a platted easement. The Developer shall be responsible for repairs to any City utilities for which lack of coordination led to damage.
- G. Sidewalks will be installed by the Developer along the east and west side of Black Tooth Way and attached along Tin Cup Circle prior to the issuance of a Certificate of Occupancy.
- H. The Developer will install an internal pedestrian walking path with ADA approved surface through the central common area with curb ramp as shown on the approved landscape plan.
- I. Any pedestrian pathway or sidewalk disturbed by building construction or installation of utilities for the Sheridan Ranch Development subdivision shall be restored by the Developer to at least its condition prior to the damage caused by the building construction or installation of utilities for the Sheridan Ranch Development subdivision.
- J. Building permits will be issued as per the requirements of the Building Department and Appendix B, Section 707 of Sheridan City Code.

Section 2. COMPLIANCE WITH TERMS AND CONDITIONS

The Developer agrees to comply with the terms of this Agreement, including all deadlines, contained in Section 1. Should the Developer fail to comply with any of the conditions in Section 1 of this Agreement, the City will send a letter to the Developer listing the conditions for which the Sheridan Ranch Development subdivision, is not compliant. The City reserves the right to withhold any future development approvals for the Sheridan Ranch Development subdivision, and pursue any other enforcement means available under Sheridan City Code and state statute, if the Developer does not propose appropriate remedies which are reasonably acceptable to the City to eliminate the non-compliance(s) within Three (3) weeks of the date of the letter of non-compliance.

Section 3. EFFECTIVE DATE

This Agreement shall be effective upon the date listed in the first paragraph on page 1.

Section 4. TERMINATION

This Agreement may be amended, revised, or terminated only by the mutual consent of both parties.

Section 5. SEVERABILITY

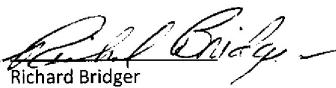
If any provision or portion of this agreement is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this agreement shall remain in full force and effect.

Section 6. GOVERNMENTAL IMMUNITY

Nothing in this Agreement shall in any way be deemed a waiver of any of the requirements or immunities provided by the Wyoming Governmental Claims Act.

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

For the City of Sheridan:


Richard Bridger
Mayor

For the Developer:

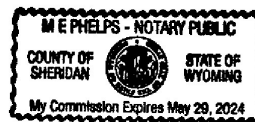

Carlton Construction, LLC
By: (Authorized Agent)

Attest:


City Clerk

The above and foregoing Agreement was
Subscribed, Sworn to, and Acknowledged
before me by Casey Carlton this 28th day of
November, 2021.
My commission expires May 29, 2024

Notary Public



IRREVOCABLE LETTER OF CREDIT

Borrower: Carlton Construction LLC
PO Box 788
Big Horn, WY 82833

Lender: First Interstate Bank
Sheridan Sugarland Branch
1613 Coffeen Avenue
P. O. Box 8499
Sheridan, WY 82801-1899

Beneficiary: The City of Sheridan
55 Grinnell Plaza
Sheridan, WY 82801

NO.: 330012470

EXPIRATION DATE. This letter of credit shall expire upon the close of business on 04-24-2023 and all drafts and accompanying statements or documents must be presented to Lender on or before that time (the "Expiration Date").

AMOUNT OF CREDIT. Lender hereby establishes at the request and for the account of Borrower, an Irrevocable Letter of Credit in favor of Beneficiary for a sum of Four Hundred Ninety-five Thousand & 00/100 Dollars (\$495,000.00) (the "Letter of Credit"). These funds shall be made available to Beneficiary upon Lender's receipt from Beneficiary of sight drafts drawn on Lender at Lender's address indicated above (or other such address that Lender may provide Beneficiary in writing) during regular business hours and accompanied by the signed written statements or documents indicated below.

WARNING TO BENEFICIARY: PLEASE EXAMINE THIS LETTER OF CREDIT AT ONCE. IF YOU FEEL UNABLE TO MEET ANY OF ITS REQUIREMENTS, EITHER SINGLY OR TOGETHER, YOU SHOULD CONTACT BORROWER IMMEDIATELY TO SEE IF THE LETTER OF CREDIT CAN BE AMENDED. OTHERWISE, YOU WILL RISK LOSING PAYMENT UNDER THIS LETTER OF CREDIT FOR FAILURE TO COMPLY STRICTLY WITH ITS TERMS AS WRITTEN.

DRAFT TERMS AND CONDITIONS. Lender shall honor drafts submitted by Beneficiary under the following terms and conditions:

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligations under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

USE RESTRICTIONS. All drafts must be marked "DRAWN UNDER First Interstate Bank IRREVOCABLE LETTER OF CREDIT NO. 330012470 DATED 12-07-2021," and the amount of each draft shall be marked on the draft. Only Beneficiary may complete a draft and accompanying statements or documents required by this Letter of Credit and make a draw under this Letter of Credit. This original Letter of Credit must accompany any draft drawn hereunder.

Partial draws are not permitted under this Letter of Credit.

PERMITTED TRANSFEREES. The right to draw under this Letter of Credit shall be nontransferable, except for:

- A. A transfer (in its entirety, but not in part) by direct operation of law to the administrator, executor, bankruptcy trustee, receiver, liquidator, successor, or other representative at law of the original Beneficiary; and
- B. The first immediate transfer (in its entirety, but not in part) by such legal representative to a third party after express approval of a governmental body (judicial, administrative, or executive).

TRANSFEREES REQUIRED DOCUMENTS. When the presenter is a permitted transferee (i) by operation of law or (ii) a third party receiving transfer from a legal representative, as described above, the documents required for a draw shall include a certified copy of the one or more documents which show the presenter's authority to claim through or to act with authority for the original Beneficiary.

COMPLIANCE BURDEN. Lender is not responsible for any impossibility or other difficulty in achieving strict compliance with the requirements of this Letter of Credit precisely as written. Beneficiary understands and acknowledges: (i) that unless and until the present wording of this Letter of Credit is amended with Lender's prior written consent, the burden of complying strictly with such wording remains solely upon Beneficiary, and (ii) that Lender is relying upon the lack of such amendment as constituting Beneficiary's initial and continued approval of such wording.

NON-SEVERABILITY. If any aspect of this Letter of Credit is ever declared unenforceable for any reason by any court or governmental body having jurisdiction, Lender's entire engagement under this Letter of Credit shall be deemed null and void ab initio, and both Lender and Beneficiary shall be restored to the position each would have occupied with all rights available as though this Letter of Credit had never occurred. This non-severability provision shall override all other provisions in this Letter of Credit, no matter where such provision appears within this Letter of Credit.

GOVERNING LAW. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Wyoming without regard to its conflicts of law provisions, and except to the extent such laws are inconsistent with the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600. This Agreement has been accepted by Lender in the State of Wyoming.

EXPIRATION. Lender hereby agrees with Beneficiary that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to Lender on or before the Expiration Date unless otherwise provided for above.

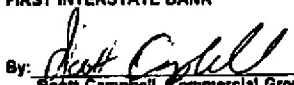
LETTER OF CREDIT DEMAND. In the event of advances under this Line of Credit, according to the terms and conditions of Letter of Credit No. 330012470, such principal sum, together with accrued interest and all other sums due hereunder, shall, at the Lender's option, be payable on demand or, in the absence of demand, no later than seven (7) days after the date of such advance.

AUTOMATIC EXTENSION OF MATURITY DATE. At the option of Lender, the maturity date of this Note will be automatically extended for an additional period of one (1) year from the present, or any future maturity date, unless the Borrower notifies the Lender at the above address at least one hundred eighty (180) days prior to the then present maturity date, that the Borrower elects not to renew and/or extend Letter of Credit No. 330012470 for an additional period of one (1) year. Upon receipt by Lender of such nonrenewal notice, the Lender is instructed to issue cancellation of Letter of Credit No. 330012470.

Dated: December 7, 2021

LENDER:

FIRST INTERSTATE BANK

By: 
Scott Campbell, Commercial Group Manager II

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FEES: \$44.00 PK AGREEMENT - LEGAL
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK

IRREVOCABLE LETTER OF CREDIT

Borrower: Carlton Construction LLC
PO Box 768
Big Horn, WY 82833

Lender: First Interstate Bank
Sheridan Sugarland Branch
1613 Coffeen Avenue
P. O. Box 6499
Sheridan, WY 82801-1899

Beneficiary: City of Sheridan
55 Grinnell Plaza
Sheridan, WY 82801

NO.: 101002653

EXPIRATION DATE. This letter of credit shall expire upon the close of business on 04-24-2023 and all drafts and accompanying statements or documents must be presented to Lender on or before that time (the "Expiration Date").

AMOUNT OF CREDIT. Lender hereby establishes at the request and for the account of Borrower, an Irrevocable Letter of Credit in favor of Beneficiary for a sum of Two Hundred Twenty-five Thousand & 00/100 Dollars (\$225,000.00) (the "Letter of Credit"). These funds shall be made available to Beneficiary upon Lender's receipt from Beneficiary of sight drafts drawn on Lender at Lender's address indicated above (or other such address that Lender may provide Beneficiary in writing) during regular business hours and accompanied by the signed written statements or documents indicated below.

WARNING TO BENEFICIARY: PLEASE EXAMINE THIS LETTER OF CREDIT AT ONCE. IF YOU FEEL UNABLE TO MEET ANY OF ITS REQUIREMENTS, EITHER SINGLY OR TOGETHER, YOU SHOULD CONTACT BORROWER IMMEDIATELY TO SEE IF THE LETTER OF CREDIT CAN BE AMENDED. OTHERWISE, YOU WILL RISK LOSING PAYMENT UNDER THIS LETTER OF CREDIT FOR FAILURE TO COMPLY STRICTLY WITH ITS TERMS AS WRITTEN.

DRAFT TERMS AND CONDITIONS. Lender shall honor drafts submitted by Beneficiary under the following terms and conditions:

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligations under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

USE RESTRICTIONS. All drafts must be marked "DRAWN UNDER First Interstate Bank IRREVOCABLE LETTER OF CREDIT NO. 101002653 DATED 12-07-2021," and the amount of each draft shall be marked on the draft. Only Beneficiary may complete a draft and accompanying statements or documents required by this Letter of Credit and make a draw under this Letter of Credit. This original Letter of Credit must accompany any draft drawn hereunder.

Partial draws are not permitted under this Letter of Credit.

PERMITTED TRANSFEREES. The right to draw under this Letter of Credit shall be nontransferable, except for:

- A. A transfer (in its entirety, but not in part) by direct operation of law to the administrator, executor, bankruptcy trustee, receiver, liquidator, successor, or other representative at law of the original Beneficiary; and
- B. The first immediate transfer (in its entirety, but not in part) by such legal representative to a third party after express approval of a governmental body (judicial, administrative, or executive).

TRANSFEREES REQUIRED DOCUMENTS. When the presenter is a permitted transferee (i) by operation of law or (ii) a third party receiving transfer from a legal representative, as described above, the documents required for a draw shall include a certified copy of the one or more documents which show the presenter's authority to claim through or to act with authority for the original Beneficiary.

COMPLIANCE BURDEN. Lender is not responsible for any impossibility or other difficulty in achieving strict compliance with the requirements of this Letter of Credit precisely as written. Beneficiary understands and acknowledges: (i) that unless and until the present wording of this Letter of Credit is amended with Lender's prior written consent, the burden of complying strictly with such wording remains solely upon Beneficiary, and (ii) that Lender is relying upon the lack of such amendment as constituting Beneficiary's initial and continued approval of such wording.

NON-SEVERABILITY. If any aspect of this Letter of Credit is ever declared unenforceable for any reason by any court or governmental body having jurisdiction, Lender's entire engagement under this Letter of Credit shall be deemed null and void ab initio, and both Lender and Beneficiary shall be restored to the position each would have occupied with all rights available as though this Letter of Credit had never occurred. This non-severability provision shall override all other provisions in this Letter of Credit, no matter where such provision appears within this Letter of Credit.

GOVERNING LAW. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Wyoming without regard to its conflicts of law provisions, and except to the extent such laws are inconsistent with the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600. This Agreement has been accepted by Lender in the State of Wyoming.

EXPIRATION. Lender hereby agrees with Beneficiary that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to Lender on or before the Expiration Date unless otherwise provided for above.

LETTER OF CREDIT DEMAND. In the event of advances under this Line of Credit, according to the terms and conditions of Letter of Credit No. 101002653, such principal sum, together with accrued interest and all other sums due hereunder, shall, at the Lender's option, be payable on demand or, in the absence of demand, no later than seven (7) days after the date of such advance.

AUTOMATIC EXTENSION OF MATURITY DATE. At the option of Lender, the maturity date of this Note will be automatically extended for an additional period of one (1) year from the present, or any future maturity date, unless the Borrower notifies the Lender at the above address at least one hundred eighty (180) days prior to the then present maturity date, that the Borrower elects not to renew and/or extend Letter of Credit No. 101002653 for an additional period of one (1) year. Upon receipt by Lender of such nonrenewal notice, the Lender is instructed to issue cancellation of Letter of Credit No. 101002653.

Dated: December 7, 2021

LENDER:

FIRST INTERSTATE BANK

By: 

Scott Campbell, Commercial Group Manager II

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FEES: \$44.00 PK AGREEMENT - LEGAL
EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK



2021-774955 12/17/2021 8:31 AM PAGE: 5 OF 5
 FEES: \$44.00 PK AGREEMENT - LEGAL
 EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK



FIRST FEDERAL
 BANK & TRUST

IRREVOCABLE STANDBY LETTER OF CREDIT

Letter of Credit Number: 01-801311-18

Amount: U.S. \$ 419,410.00 (four hundred and nineteen thousand four hundred and ten dollars and zero cents U.S. DOLLARS)

This Letter of Credit is issued on December 6, 2021 by Issuer in favor of the Beneficiary for the account of Applicant. The parties' names and their addresses are as follows:

APPLICANT:

SYSTEM LAND, LLC
Entity Type: Limited Liability Company
 1811 S Sheridan Ave.
 Sheridan, WY 82801

BENEFICIARY:

CITY OF SHERIDAN, WYOMING
Entity Type: Domestic Government Unit
 55 E Grinnell Plaza
 Sheridan, WY 82801

ISSUER:

FIRST FEDERAL BANK & TRUST
 671 Illinois Street
 Sheridan, WY 82801

1. LETTER OF CREDIT. Issuer establishes this Irrevocable Standby Letter of Credit (Letter of Credit) in favor of Beneficiary in the amount indicated above. Beneficiary may draw on this Letter of Credit with a Draft (or Drafts, if the maximum number of drawings is greater than one). Each Draft shall be signed on behalf of Beneficiary and be marked "Drawn under First Federal Bank & Trust Letter of Credit No. 01-801311-18 dated December 6, 2021." Drafts must be presented at Issuer's address shown above on or before the Expiration Date. The presentation of any Draft shall reduce the Amount available under this Letter of Credit by the amount of the draft.

This Letter of Credit sets forth in full the terms of Issuer's obligation to Beneficiary. This obligation cannot be modified by any reference in this Letter of Credit, or any document to which this Letter of Credit may be related.

This Letter of Credit expires on the Expiration Date.

2. DRAWINGS. Partial drawings shall not be permitted under this Letter of Credit. "Draft" means a draft drawn at sight.

3. DOCUMENTS. Each Draft must be accompanied by the following, in original and two copies except as stated:

- A. The original Letter of Credit, together with any amendments.
- B. A sight draft drawn by Beneficiary on Issuer.
- C. A signed statement by Beneficiary including the following statement: Applicant has failed to complete the specified improvements in accordance with our engineering standards within the required time period and these funds are necessary to finance the completion of those improvements.
- D. The following other documents: None.

Issuer shall be entitled to accept a draft and the documentation described above, as required by the terms of this Letter of Credit, from any person purporting to be an authorized officer or representative of Beneficiary without any obligation or duty on the part of Issuer to verify the identity or authority of the person presenting the draft and such documentation.

4. EXPIRATION DATE. This Letter of Credit expires at the close of business at Issuer's address at 12:00 AM Mountain Standard Time (Time) on December 6, 2022 (Date). Issuer agrees to honor all Drafts presented in strict compliance with the provisions of this Letter of Credit on or before the Expiration Date.

5. NON-TRANSFERABLE. This Letter of Credit is not transferable.

6. APPLICABLE LAW. This Letter of Credit is governed by the International Standby Practices 1998 (ISP98). This Letter of Credit is also governed by the laws of Wyoming, except as those laws conflict with the International Standby Practices 1998 (ISP98).

ISSUER:

First Federal Bank & Trust

By 
 Lee Kahm, Vice President

Date 12-8-2021

System Land, LLC
 Standby Letter Of Credit
 WY/4JMARTINE0000000002647040N

Wolters Kluwer Financial Services ©1996, 2021 Bankers Systems™

Initials LK
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NO. 2021-774955 AGREEMENT - LEGAL
 EDA SCHUNK THOMPSON, SHERIDAN COUNTY CLERK
 CITY OF SHERIDAN 55 GRINNELL PLZ
 SHERIDAN WY 82801-3930