PRE-ANNEXATION AGREEMENT Stroble and Soltes Property City of Moab, Utah

THIS AGREEMENT is made and entered into this 11th_ day of October, 2011, between the CITY OF MOAB, a Utah municipal corporation ("the City"), acting through its City Council, and The William Ralph Stroble Living Trust and Harley M. Soltes, Richard S. Soltes, and Karen L. Soltes ("Applicants"):

RECITALS:

- A. Applicants own a parcel of real property situated in Grand County, Utah consisting of 37.35 acres, more or less. The parcel is more particularly described in Exhibit A hereto and is depicted on the copy of the Official Annexation Map attached as Exhibit B hereto. The parcel is referred to herein as "the Property".
- B. Applicants propose to develop the Property with a commercial development. A Development Plan has not been created because Applicants do not have a developer at this time.
- C. The Property is located in an unincorporated area of Grand County, Utah. Applicants intend to develop its property in accordance with City of Moab regulations.
- D. Applicants intend to agree to the annexation of the Property into City limits according to the terms and conditions of this agreement and Moab City Code.
- E. The City of Moab Planning Commission and the Moab City Council, being fully advised as to the situation and having considered the matters at duly noticed public meetings, have concluded that it is in the best interests of the City of Moab to enter into this Agreement and have made all necessary findings of fact and conclusions of law in support thereof.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, and for other good and valuable consideration, Applicants and the City of Moab agree as follows:

SECTION ONE WATER AND SEWER SERVICES

1.1 The parties agree that the Property is currently within the boundaries of the Spanish Valley Water and Sewer Improvement District. The parties agree that water and sewer services will be provided by said District before and after annexation of the Property into City limits. The City hereby assumes no responsibility or liability for the provision of water and sewer service, or the maintenance of the water and sewer system servicing the Property.

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SECTION TWO OTHER AGREEMENTS

- 2.1 Applicants agree to develop the Property in accordance with a future development plan as submitted in the future and approved by the City. Said development plan shall be followed with all conditions of approval as may be identified by the Moab Planning Commission.
- 2.2 In order for development plans to be approved, appropriate measures must be taken to address storm water drainage during and after construction. The property owner/developer shall use City of Moab standards when developing storm water management plans. If a development will be discharging into a Grand County storm water management facility or structure, the more stringent of City of Moab and Grand County storm water management standards shall apply.
- 2.3 Construction activities that disturb one or more acres of land must be authorized under the Utah Pollutant Discharge Elimination System (UPDES) General Permit for Construction Activities. Construction documents shall include appropriate Best Management Practices. A Storm Water Pollution Prevention Plan shall be prepared, approved, kept on the construction site at all times, and fully adhered to during the construction process per the requirements of the UPDES General Permit for Construction Activities.
- 2.4 All development shall incorporate storm water management plans designed to manage and control water discharges at or below historic levels and safely convey storm water flow from Moab Rim through the property. All onsite storm water management facilities shall be privately owned and maintained.

SECTION THREE ANNEXATION

- 3.1 Applicants and its successors, grantees and assigns irrevocably consent to and petition for annexation of the Property and release any right of protest or opposition to any future annexation of the Property, or any portion thereof, pursuant to the terms of this Agreement. Contemporaneous with the signing of this agreement, Applicants agrees to submit a petition for annexation to the City.
- 3.2 The City agrees to initiate annexation proceedings for the Property at such time the Property meets all legal requirements for annexation. At such time, Applicants agrees to execute any supplemental documents necessary to give effect to this Agreement and facilitate the lawful annexation of the Property. The parties agree that the ultimate decision to annex shall rest in the discretion of the City Council. At such time as an

annexation ordinance is adopted, the Property shall be entitled to all rights, and shall be subject to all responsibilities, applicable generally to other persons and properties within the City municipal limits, e.g., sales taxation, police protection, code enforcement and the like, except that water and sewer services shall be supplied as provided in this Agreement.

- 3.3 Upon annexation, Applicants agrees to dedicate any public roads within the Project and on the Property to the City of Moab. Said dedication shall be in the form of a warranty deed.
- 3.4 Upon annexation, the parties expressly agree that the Property shall be subject to the provisions of the zoning district approved for the Property upon annexation, including compliance with all use restrictions of the zone as generally applied to other properties within the same zoning district.
- 3.5 Upon annexation, Applicants agree that the Property will be subject to review and approval of flood elevation data and that any development contemplated after annexation shall be required to meet National Flood Plain Insurance Program rules for such development.
- 3.6 Contemporaneous with the execution of this Agreement, Applicants agrees to execute a restrictive covenant in the form contained in Exhibit D, which covenant shall bind the property and inform all successors and assigns that the property is subject to annexation when legally feasible. The covenant shall be recorded in the Grand County land records.
- 3.7 Applicants preferred zoning for the property is C-4 (General Commercial Zone) as established in Moab Municipal Code Section 17.27.

SECTION FOUR GENERAL PROVISIONS

- 4.1 This Agreement shall be binding on and inure to the benefit of the successors and assigns of the Project and Property. The Agreement may be transferred, provided that Applicants shall obtain an assumption by the transferree of future commercial development obligations under this Agreement, and Applicants shall be released from any further obligations under this Agreement as to the parcel so transferred.
- 4.2 Failure of a party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such party to exercise at some future time said right or any other right it may have hereunder.
- 4.3 This Agreement, including the exhibits hereto, constitutes the entire agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement shall not be modified or amended except in writing, mutually agreed to and accepted by both parties.

- 4.4 Should any party hereto employ an attorney for the purpose of enforcing this Agreement, and whether or not an action has actually commenced, the prevailing party shall be entitled to receive from the other party reimbursement for all attorney's fees and all costs and expenses.
- 4.5 All notices hereunder shall be given in writing by certified mail, postage prepaid, at the following addresses:

To the City of Moab:

City of Moab 217 East Center Street Moab, Utah 84532 Attn: City Manager

To Applicants(s):

William Ralph Stroble, Trustee for The William Ralph Stroble Living Trust 12786 FM 346 W Bullard, TX 75757

and

Harley M. Soltes, 12691 Linvog Road Kingston, Washington 98346

- 4.6 This Agreement is entered into pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Utah.
- 4.7 This Agreement does not create any third party beneficiary rights. It is specifically understood by the parties that; (a) the Project is a private development; (b) the City of Moab has no interest in, responsibilities for, or duty to third parties concerning any improvements to the Property, unless the City accepts the improvements pursuant to this Agreement; and (c) Applicants shall have full power and exclusive control of the Property, subject to the conditions of this Agreement.
- Any default, dispute, difference or disagreement hereunder shall be referred to a single mediator agreed upon by the parties, or if no mediator can be agreed upon, a mediator shall be selected in accordance with the mediation rules of the American Arbitration Association.
- 4.9 If any provision of this Agreement, or the application of such provisions to any person or

such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

- 4.10 In the event of any protest or similar legal or administrative challenge to any annexation under this Agreement, Applicants shall cooperate with the City in providing necessary information or testimony to support the annexation.
- 4.11 Upon annexation, the Property shall be entitled to all rights and benefits, and be subject to all legal obligations to the same extent as all other City of Moab residents, except as is provided otherwise by the express terms of this agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the City of Moab, acting by and through the Moab City Council, which has duly authorized execution, and by Applicants, as of the date(s) specified below.

City of Mpab	
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Mayor David L. Sakrison	Da
Dailiel & Stenta	
Rachel Elliogh Stenta	
City Recorder.	

William Ralph Stroble, trustee for the William Ralph Stroble Living Trust

By: fullcan Ralph Stroble	Shork Date:	2-10-	201Z
William Ralph Stroble	/		

My commission expires: 9-30-14.

On the 162 day of 7ebruary, 2012 personally appeared before me William Ralph Stroble, Trustee for the William Ralph Stroble Trust, who duly acknowledged before me that he executed the same.

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My Commission Expires:

Residing in: Smith Coun

State of <u>TexPs</u>)

County of <u>Smith</u>)

By Harley M. Soltes, Date Date	2012	
ard S. Soltes and Karen L. Soltes		
By Harley M. Soltes, Attorney in Fact for Richard S. Soltes Date	012_	
By Harley M. Soltes, Attorney in Fact for Karen L. Soltes Date	0(2_	
ne 13 day of February, 2012, personally appeared before me Har	rley M. Soltes,	
Individually, and as Attorney in Fact for Karen L. Soltes and Attorney in Fact for Richard S.		
Soltes, the signer of the within instrument, who duly acknowledged before me that to me that he		
uted the same.		
Commission Expires: 9/17/15 Residing in: Skagit County	dema	
(cof Washington) State of Washington) State of Washington (commission expires) September 17, 2015		
Commission Expires: 9/17/15 Residing in: Skagit County KAREN T. ZUIDEMA NOTARY PUBLIC STATE OF WASHINGTON	Richard S.	

SCHEDULE OF EXHIBITS

Exhibit A - Legal Description of the Property

Exhibit B - Copy of the Official Annexation Map

Exhibit C- Not Applicable

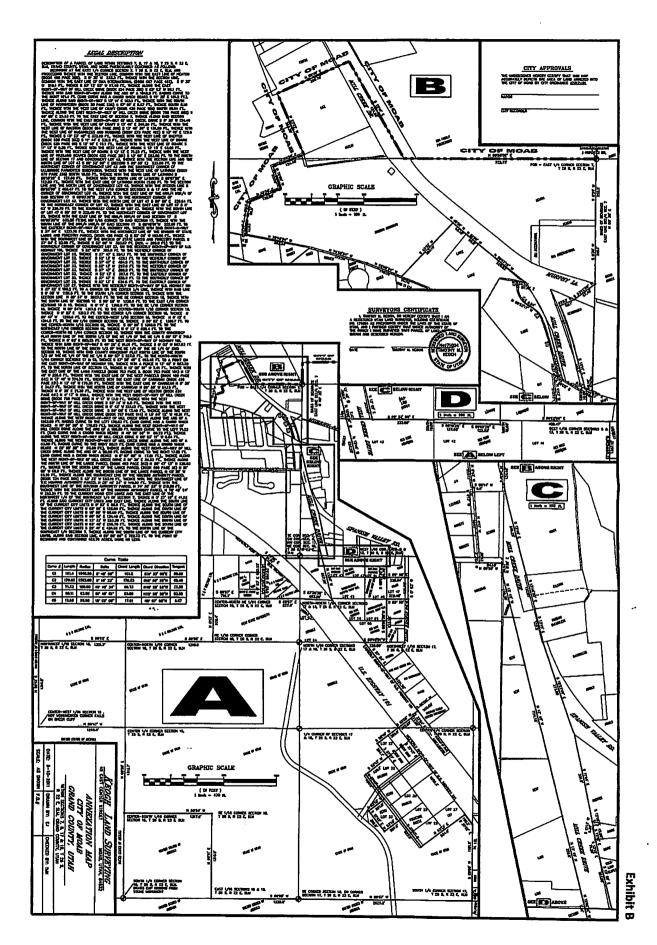
Exhibit D- Restrictive Covenant Form

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Exhibit A

STROBLE-SOLTES

LOTS 5, 63 AND 64 SECTION 17, T 26 S, R 22 E, SLB&M



WHEN RECORDED MAIL TO: City of Moab 115 West 200 South Moab, Utah 84532

EXHIBIT D

RESTRICTIVE COVENANT FOR ANNEXATION

WHEREAS, The William Ralph Stroble Living Trust and Harley Soltes, ("Declarants"), are the owners of certain lands, more particularly described in Attachment A, which property is located in the unincorporated area of Grand County, Utah.

WHEREAS, Declarants and the City of Moab (the "City") have entered into a Pre-Annexation Agreement providing for the annexation of said Property.

NOW THEREFORE, the Declarants, and the City stipulate and agree as follows:

- 1. All of the property described in Attachment A is subject to a Pre-Annexation Agreement with the City of Moab.
- 2. Declarants, its successors, and assigns, irrevocably consents to annexation and waives protest of annexation for the lands described herein consistent with the terms of the Pre-Annexation Agreement. Declarants shall execute supplementary documents, including an annexation petition as provided in the Pre-Annexation Agreement.
- 3. Except as provided in the pre-annexation agreement, the City shall provide municipal services to the Property.
- 4. Annexation shall be committed to the discretion of the City and may only occur in conformity with the provisions of state law.
- 5. This covenant shall not be construed to obligate the City to appropriate funds or otherwise engage in capital facilities contraction. The decision to extend, replace, enlarge, or otherwise construct capital facilities shall be committed to the sole discretion of the City.
- 6. In the event that Declarants should fail or refuse to execute necessary documents, or otherwise cooperate in annexation as provided herein, the City may specifically enforce this covenant in a court of competent jurisdiction. In any legal proceeding to enforce this covenant the City shall be entitled to recover its reasonable attorney fees and court costs.

RESTRICTIVE COVENANT FOR ANNEXATION

7. The covenant shall attach to, and run with the lands described, and shall bind any grantees or successors in interest. This covenant shall terminate automatically upon the completion of annexation for all of the lands described herein.

Approved and accepted on the date set forth below.

Declarants:

William Ralph Stroble, trustee for the William Ralph Stroble Living Trust

William Kaiph Stroble, trustee for the William Kaiph Stroble Living Trust
By: William Ralph Stroble Date: Z-10-2012
My commission expires: 9-30-14.
On the 16th day of February, 2012 personally appeared before me William Ralph
Stroble, Trustee for the William Ralph Stroble Trust, who duly acknowledged before me that he
Executed the same. LUAN SMITH MY COMMISSION EXPIRES September \$0, 2014 My Commission Expires: Residing in: MY County
State of <u>Texas</u> State of <u>Smith</u> State of <u>Texas</u> State of <u>State of texas</u> State of <u>State of texas</u> State of <u>Texas</u> State of <u>State of texas</u> State of <u>St</u>
County of <u>Smith</u>)
Harley M. Soltes By Harley M. Soltes Date

Richard S. Soltes and Karen L. Soltes

Harley M. Soltes, Attorney in Fact for

Richard S. Soltes

V(13 | 2012

By Harley M. Soltes, Attorney in Factorial Fac		
On the 13 day of February, 201	2, personally appeared before me Harley M. Soltes,	
Individually and as Attorney in Fact for Karen L. Soltes and Attorney in fact for Richard S.		
Soltes, the signer of the within instrument, who duly acknowledged before me that he executed		
the same.	Ton Ind	
My Commission Expires: 9/17/15	Notary Public Karen Zuidema Residing in: Skagit County	
State of Washing ton) County of Skagit	KAREN T. ZUIDEMA NOTARY PUBLIC STATE OF WASHINGTON	
County of Skagit)	COMMISSION EXPIRES SEPTEMBER 17. 2015	

City of Moab

By: Mayor David L. Sakrison

Rachel Ellison, City Recorder