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 08-071-0001, 0003, 0004, 0005
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 08-069-0001 to 0006, 0008 to 0009
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 SHERYL L. WHITE, DAVIS CNTY RECORDER
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 REC'D FOR FARMINGTON CITY CORP

FARMINGTON RANCHES
DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into as of the 3/ day of August, 2000, by and between FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and BOYER WHEELER FARM, LC, a Utah limited liability company, hereinafter referred to as the "Developer."

RECITALS:

- A. Developer owns approximately 719 acres of land which is situated at approximately 100 North and 1525 West within the City, which real property is more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Property").
- B. Developer desires to develop a project on the Property to be known as Farmington Ranches (the "Project"). Developer has submitted an application to the City seeking approval of the Project as a conservation subdivision in accordance with the City's ordinances.
- C. Developer submitted a schematic plan for the Project that has been accepted by the City's planning staff and the City Council on July 23, 1999. The schematic plan for the Project provides for the development of one church site, one elementary school site, 540 single-family lots, and approximately 413 acres designated as Conservation Land, which shall be subject to permanent conservation easement(s) in the form attached hereto as Exhibit "B" restricting development on such Conservation Land in accordance with the City's Laws.
- D. Concurrently with the negotiation of this Agreement, Developer has submitted a master plan (the "Project Master Plan") for the Project to the City which includes a general land use plan, street plan, open space designations, trails plan, utility master plan, drainage master plan and development guidelines for the Project. The development of the Property is subject to and shall conform with the Project Master Plan, which the City has determined is in compliance with the City's General Plan for transportation, culinary water, secondary water and storm drains.
- E. The number of single-family residential dwelling units in the Project shall be 540 units. The Project may include the following approximate lot counts, plus or minus: 86 lots comprising one acre or more, 46 lots comprising one-half to one acre, 46 lots comprising 20,000 square feet to one-half acre, and 362 lots comprising 10,000 to 20,000 square feet each.
- F. Unless otherwise provided herein, both the Property and the Project are subject to and shall conform with this Agreement as well as all of the City's ordinances, rules and regulations including, but not limited to, the provisions of the City's General Plan, Zoning and Subdivision Ordinances, and any permits issued by the City pursuant to the City's ordinances (collectively, the "City's Laws").

G. Those portions of the Project not comprising public rights of way, single family lots, the church site and the school site shall be designated as conservation meadows subject to permanent conservation easement(s) in the form attached hereto as Exhibit "B," restricting development on such Conservation Land in accordance with the City's Laws. E 1624056 B 2713 P 1099

H. This Agreement contains various general requirements and conditions for the design and development of the Property and the Project. Persons and/or entities hereafter developing the Property, or any portions thereof, shall accomplish such development in accordance with the City's Laws and the provisions of this Agreement. Every development located on the Property, including related open space, shall comply with the terms of this Agreement. In the event the Developer sells all or portions of the Project to one or more developers (the "Subsequent Developers") following the date of this Agreement, the Subsequent Developers shall develop the Property in accordance with this Agreement.

AGREEMENT

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

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

2. **Property Zoning.** That portion of the Property at or above the elevation of 4,218 feet above sea level is presently zoned "AE" and that portion of the Property which is located below 4,218 feet above sea level is presently zoned "A." Developer hereby agrees that, upon completion of the Project, all portions of the Property not included within public rights of way, single family lots, the church site and the school site may be rezoned by the City to "AA."

3. **Project Master Plan.** In connection with the City's review and approval of this Agreement, the City has simultaneously reviewed, considered and held all public hearings necessary for the lawful approval of the Project Master Plan. The Project Master Plan is attached hereto as Exhibit "C," has been approved by the City, and by this reference shall be made a part hereof. The Property shall be developed by the Developer and/or the Subsequent Developers in accordance with the Project Master Plan. All submittals must comply with the approved Project Master Plan, including the approved Project Development Guidelines attached thereto and forming a part thereof. The approved Project Master Plan may be amended from time to time with the mutual consent of the City Council (after recommendation from the Planning Commission) and the Developer and/or Subsequent Developers, as the case may be; provided, however, the number of single family residential dwelling units in the Project shall not be less than 540. Any proposed amendments or modifications to the Project Master Plan shall be submitted to the City for review and approval. Any approved modifications shall then be incorporated into and made a part of the approved Project Master Plan.

4. **Subdivision of the Property.** The Project Master Plan does not constitute a subdivision of the Property or any portion thereof. Any subdivisions of the Property hereafter shall comply with the City's Laws. A specific site plan or subdivision plat for each portion of the Project as the case may be, which is developed by the Developer or any Subsequent Developer will be required and shall be submitted for approval by the City in accordance with the City's development standards, the Project Master Plan, and the City's Laws. All portions of the Project receiving final subdivision and/or site plan approval must be developed in strict accordance with the approved final plat and final approved site plan for that portion of the Project. No amendments or modifications to the approved final subdivision plats and/or site plans for any portion of the Project shall be made by the Developer or Subsequent Developers without the written consent of the City. Notwithstanding the provisions contained in this Agreement, nothing contained herein shall be construed as granting final plat and/or final site plan approval to the Developer or any Subsequent Developers for any building or portion of the Project.

5. **Development of the Project.** The Project shall be developed by the Developer and/or Subsequent Developers in accordance with all of the requirements contained herein. It is the desire and intent of the parties hereto that development of the Project will proceed in such a manner as to benefit the residents of the City as well as the Developer.

a. **Compliance with City's Laws.** The Project, and all portions thereof, shall be developed in accordance with the City's Laws, the Project Master Plan, this Agreement and all applicable, approved final subdivision plats and/or final site plans.

b. **Specific Projects.** The Developer has proposed and shall be entitled to develop one church site, one elementary school site, and 540 single-family lots (the "Specific Projects") for the Property. All Specific Projects proposed by the Developer shall be reviewed for regulatory approval by the City in accordance with the City's Laws. Notwithstanding the foregoing, the City shall not require a reduction in the gross densities set forth on the Project Master Plan or a modification of the general configuration or proposed uses set forth thereon except to the extent actually required by the existing land use regulations of the City, it being expressly agreed that the City's execution of this Agreement represents a present exercise of its legislative discretion and approval of the gross densities, general configuration and proposed uses set forth on the Project Master Plan and that such densities, general configuration and proposed uses are not subject to reduction or modification except to the extent actually required by the existing land use regulations of the City. The Developer has proposed the following Specific Projects to the City, approximately:

- i. 83 single-family lots comprising one acre or more;
- ii. 46 single-family lots comprising one-half to one acre;
- iii. 46 single-family lots comprising 20,000 square feet to one-half acre lots;

- iv. 365 single-family lots comprising 10,000 to 20,000 square foot lots;
- v. 413 acres of open space;
- vi. one church site;
- vii. one elementary school site.

c. Phasing. The Property may be developed in accordance with the Project Master Plan in phases. Phasing of the Property and the Project shall take into account orderly development of the Property and Project, coordination in connection with the installation of infrastructure improvements, traffic circulation patterns, future utility capacity needs, availability of access, adequacy of utilities and related considerations, and providing of open space at various intervals of development as provided herein. Phasing of the Property shall be determined by the Developer subject to the approval of the City, which approval shall not be unreasonably delayed or withheld. Developer's proposed phasing plan is attached hereto as **Exhibit "D"** and by this reference is made a part hereof.

d. Conservation Land Requirements. The Developer shall preserve open space within the Property as shown on the Project Master Plan designated as "Conservation Land." All Conservation Land as identified in the Project Master Plan shall be preserved by permanent conservation easement(s) in the form attached hereto as **Exhibit "B"** or other acceptable methods of protection and preservation. The conservation easement(s) shall be recorded in conjunction with the recording of the phase or phases with which the particular parcel of Conservation Land is associated; provided, however, that all such conservation easements must be recorded prior to or concurrently with the last phase of the Project. Unless excess Conservation Land has previously been subjected to the terms of a conservation easement, the Conservation Land associated with each phase shall be sized so as to represent approximately the same percentage of the total Conservation Land as the number of lots included in the associated phase represents to the total number of lots in the Project. No separate parcel[s] of Conservation Land shall be associated with the church or elementary school site. The configuration of the Conservation Land actually made subject to conservation easements shall generally conform with the Project Master Plan. The Developer has submitted a maintenance plan for all Conservation Land contained within the Project pursuant to the requirements of the City's Laws (the "Maintenance Plan"), which Maintenance Plan is attached to the Project Master Plan and forms a part thereof. All Conservation Land shall be maintained in accordance with the Maintenance Plan. The underlying fee of the Conservation Land may be owned by the Developer or an affiliate thereof, a homeowners' association, private non-profit conservation entity, the State of Utah, or the City. The grantee of the conservation easement(s) shall be the City or a tax-exempt, non-profit organization qualified under Section 501(c)(3) and/or 170(h)(3) of the Internal Revenue Code, and mutually acceptable to the City and the fee title owner, whose purpose

and expertise includes the preservation, protection, or enhancement of land in its natural, scenic, historical, agricultural and/or open space condition.

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e. Project Development Guidelines. The Property and Project shall be developed in accordance with the Project Development Guidelines approved by the City prior to or concurrently with this Agreement, which are part of the Project Master Plan (the "Project Development Guidelines"). The City may require the Developer and/or the Subsequent Developers to submit supplemental development guidelines where the Developer and/or the Subsequent Developers propose exceptional or unusual uses not previously designated or clearly identified in the Project Master Plan which shall be reviewed and approved by the City prior to any final subdivision plat and/or final site plan approvals for such uses.

6. Streets and Traffic. Streets within the Project shall be developed in accordance with the City's Master Transportation Plan and shall be constructed prior to or concurrent with development on adjacent lots or parcels and in accordance with the City's Laws.

Developer shall post a bond acceptable to the City for and fully improve one-half (1/2) of the 1525 West Street right-of-way the entire distance that such right-of-way runs adjacent to the eastern boundary of the Property prior to recordation of the final plat of each phase abutting 1525 West Street. Improvements for the 1525 West Street shall include but are not limited to curb and gutter on both the east and west side of the street, asphalt for the full travel width of the street, road base, sidewalk on the west side, and all related underground public improvements and utilities. Developer shall not be required to bond for or construct any improvements to the east side of the 1525 West Street right-of-way beyond the back-of-curb on the east side of the right-of-way. Contemporaneously herewith, the City and Developer shall enter into a pioneering agreement in the form attached hereto as **Exhibit "E,"** which pioneering agreement shall provide for the reimbursement of Developer for the costs of developing the applicable project improvement portions of the east side of the 1525 West Street right-of-way by landowners adjoining the east side of the said right-of-way when and as such landowners develop their respective properties.

In cooperation with the developer of the Farmington Greens Project (the "Farmington Greens Developer"), Developer shall fully improve the entire Clark Lane right-of-way from the point where the said right-of-way intersects with the projected eastern-most boundary of Farmington Greens Project to the western boundary of the 1100 West street right-of-way. Developer's cost participation in the foregoing shall be limited to seventy-five and seven tenths percent (75.7%). Said improvement of Clark Lane shall be commenced after City completes the installation of the Water Loop Line Phase pursuant to Section 9 herein. The City shall enter into a written agreement with the Farmington Greens Developer requiring said developer to pay twenty-four and three tenths percent (24.3%) of the cost of all the Clark Lane improvements described above. Developer's share of the cost of the Clark Lane improvements described in this subparagraph shall be paid by the Developer at the time of construction. The City will subsequently reimburse Developer's share of the cost of paving (including sub-grade and base preparation) the center fifteen (15) feet of that portion of Clark Lane described herein on a pro-rata basis to the Developer and the Farmington Greens Developer from traffic impact fees as the same are received by the City (the "Clark Lane Reimbursement Amount")

pursuant to a reimbursement agreement to be entered into between the Developer and the City contemporaneously herewith. Contemporaneously herewith, the City and Developer shall enter into a pioneering agreement in the form attached hereto as **Exhibit "F,"** which pioneering agreement shall provide for the reimbursement of Developer for its share of the cost of the Clark Lane project improvement costs (less Developer's share of the Clark Lane Reimbursement Amount) by landowners adjoining the applicable portions of Clark Lane when and as such landowners develop their respective properties.

Developer acknowledges that the City is presently conducting a transportation impact fee study which is not complete at this time. When approved, the City shall collect a transportation impact fee, which shall be determined by the City based upon the City's study, on a lot by lot basis as building permits are issued for each respective lot. In the interim, the Developer agrees to allow the City to collect a transportation fee of \$500 per lot for each lot within the Project on a lot by lot basis as building permits are issued for each respective lot. Each of the foregoing fees shall be paid by the party obtaining the building permit.

All streets running through or adjacent to parcels designated for the keeping and maintenance of "Class B" animals and/or building lots exceeding 20,000 square feet in size shall comply with City street development standards whereby multi-purpose trails designed for equestrian use shall be constructed on one side of the right-of-way in lieu of the required sidewalk.

7. **Wetlands.** Developer shall obtain all required permits from the U.S. Army Corps of Engineers prior to the development of any phase of the Property with respect to wetlands. Any plans to mitigate wetlands from the Property shall be provided by the Developer to the City during the subdivision process.

8. **Trail Location and Maintenance.** Trails through the Project may provide access to Conservation Land through more than one route from 1525 West to the Great Salt Lake. Notwithstanding the foregoing, the "Cross Project Trail" and the "Great Salt Lake Shoreline Trail" shall be located within the Project as approximately shown on **Exhibit "C."** As shown on **Exhibit "C,"** a portion of the Cross Project Trail consists of the multi-purpose trails or sidewalks which may be constructed within the street right-of-ways for various residential phases of the Project. Except for those portions of the Cross Project Trail to be constructed within the street right-of-ways for various residential phases of the Project, Developer agrees, without cost to the City, to convey by special warranty deed to the City a twenty (20) foot right-of-way for the aforesaid Cross Project Trail and Great Salt Lake Shoreline Trail prior to recordation of each phase of the Project in which the trail is located or with which it is associated. The City hereby agrees to maintain, without cost to the Developer, the Cross Project Trail and the Great Salt Lake Shoreline Trail illustrated on **Exhibit "C"** and shall accept and own said trail rights-of-way. The City further agrees to provide to the Developer a letter acknowledging Developer's donation of the trail rights-of-way. Developer agrees, if required by the City, to hereafter bond for and construct improvements for the Cross Project Trail and the Great Salt Lake Shoreline Trail in conjunction with the development of each abutting or inclusive phase of the Project; provided, however, that if the Developer is required by the City to bond for and

construct the Cross Project Trail and the Great Salt Lake Shoreline Trail (excepting those portions within a phase of the Project consisting of multi-purpose trails within street rights-of-way), the City shall reimburse Developer for the costs of such bonding and construction pursuant to the terms and conditions of a reimbursement agreement (the "Reimbursement Agreement"), which Reimbursement Agreement shall be entered into contemporaneously with this Agreement.

Prior to receiving the conveyance of the Cross Project and Great Salt Lake Shoreline Trail rights-of-way, the location or centerline of the trail shall be staked the entire length of the trail by the Developer for City inspection. The City or Developer may, after consulting with the other, adjust the aforesaid trail locations due to unforeseen circumstances including, but not limited to, natural physical features, adjustments to phase boundaries within the Project, or manmade improvements such as irregular topography, wetlands, irrigation ditches, storm drain facilities, etc. In addition, prior to receiving the conveyance of the Cross Project and Great Salt Lake Shoreline Trail rights-of-way, the City shall have a non-exclusive easement (the "Trail Easement") for ingress and egress over the anticipated trail rights-of-way (the "Trail Easement Area"); provided, the City shall indemnify and hold the Developer harmless from and against any and all damages that the Developer may incur by reason of public access to the Trail Easement Area by reason of the Trail Easement. The Trail Easement shall automatically terminate upon conveyance to the City of the rights-of-way for the Cross Project Trail and the Great Salt Lake Shoreline Trail and shall be in the form attached hereto as **Exhibit "G."** It is anticipated that all other trails in the Project, except those constituting multi-purpose trails located within street rights-of-way, shall not be owned or maintained by the City. All such trails shall be identified on the final plat and/or site plan for each phase shown on the Project Master Plan.

9. **Culinary Water System.** Due to inadequate existing culinary water capacity in the West Farmington area of the City, it is necessary to acquire, design and construct a 2,000,000-gallon culinary water reservoir on property located in southeast Farmington, together with water transmission lines, distribution lines, well, pumps and related facilities, all at specific locations and elevations determined by the City to be necessary to provide water and fire protection storage for the Property and other lands located in the City west of the reservoir site (all of which is referred to herein as the "Water System Development Project"). The Water System Development Project shall be accomplished in three (3) phases, involving participation by the City, Developer and the Farmington Greens Developer. Utilizing previously collected water development impact fees, the City agrees to advance approximately 13.95% of the cost of each of the three (3) phases of the Water System Development Project (the "City Requirement"). The balance of the costs (the "Developers' Combined Requirement") (i.e. approximately 86.05%) with respect to the Water System Development Project shall be funded with prepaid culinary water development impact fees and advances of additional funds from the Developer and the Farmington Greens Developer as provided herein, with respect to the Developer, and as provided in a separate development agreement between the City and the Farmington Greens Developer, with respect to Farmington Greens. Unless either Developer or the Farmington Greens Developer elects to opt out as specifically provided below, Developer's portion of the Developers' Combined Requirement shall be equal to 75.7% (i.e. approximately 65.15% of the cost for the Water System Development Project) (the "Developer's

Share") and the Farmington Greens Developer's portion shall be 24.3% (i.e. approximately 20.90% of the cost of the Water System Development Project) (the "Farmington Greens Share"). Developer hereby agrees to participate in paying a portion of the cost for the Water System Development Project in accordance with the provisions of this Agreement. The City shall enter into a written development agreement with the Farmington Greens Developer requiring said developer to pay the Farmington Greens Share of the Water System Development Project described herein that is consistent with the terms hereof.

The first phase of the Water System Development Project consists of the construction of water distribution lines to be installed within the 1525 West Street right-of-way from Shepard Lane located on the east side of I-15 to the intersection of Clark Lane and running thence east to 1100 West Street and running south along 1525 West Street from the intersection of Clark Lane to the south end of Developer's property abutting 1525 West Street (the "Water Loop Line Phase"). Developer hereby agrees to prepay water development impact fees to the City in the amount of Three Hundred Twenty-Three Thousand Four Hundred and no/100 Dollars (\$323,400.00). In consideration for the prepayment of water development impact fees in the amount of \$323,400, Developer shall receive credits towards culinary water impact fees for 3/4" connections due that pertain directly to the Project in an amount equal to One Hundred Fifty (150) culinary water connections. In addition, Developer agrees to advance to the City an additional sum (the "Phase 1 Reimbursement Amount") that, when combined with the foregoing prepayment of impact fees, equals the Developer's Share of the estimated cost of constructing the Water Loop Line Phase. The Phase I advance amount shall be One Hundred Thirty-Nine Thousand Nine Hundred Seventy-Nine and no/100ths Dollars (\$139,979.00). This amount shall include up to \$10,000.00 for the acquisition of required rights-of-way and real property in connection with the same (the "Phase 1 Advance"). The City agrees to pay the City Requirement with respect to constructing the Water Loop Line Phase. In addition, the City agrees to pay and indemnify and hold Developer harmless from and against any amounts in excess of \$10,000.00 that the City is required to pay for the acquisition of required rights-of-way and real property in connection with the Water Loop Line Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Water Loop Line Phase, including any easement acquisition costs, within thirty (30) days following the execution of this Agreement, Developer shall cause to be issued to the City an irrevocable standby letter of credit from a federally insured bank in a form satisfactory to the City in the amount of the Phase 1 Advance, securing Developer's obligations to advance Developer's share of the costs for the Water Loop Line Phase. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Water Loop Line Phase. In the event Developer shall fail to advance the requested funds to the City within the required time for any reason, the City shall have the right to draw on the letter of credit in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All funds advanced by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Water Loop Line Phase. In the event of any cost overruns in the Water Loop Line Phase, the Developer shall be informed thereof by the City and shall pay any additional sums required to cover the costs for said Phase in the manner provided herein, provided, however that the Phase

1 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. The City agrees to negotiate with private property owners, if required, to purchase land and condemn land and/or easements, if necessary, to install the Water Loop Line Phase. Subject to the City's successful acquisition of any required pipeline easements, the City shall complete the Water Loop Line Phase so as to provide service for one hundred fifty (150) single-family lots within the Property no later than six (6) months from the date of this Agreement. The City agrees, upon proper application for the same by Developer, to issue to Developer one hundred fifty (150) single-family building permits for the Project, said home sites to be served by the Water Loop Line Phase. The City and Developer further agree that if the Farmington Greens Developer fails to cause to be posted a letter of credit with respect to the Farmington Greens Share of the estimated cost of the Water Loop Line Phase when and as the said letter of credit is to be posted pursuant to the development agreement between the City and the Farmington Greens Developer, then Developer may cause to be posted an additional letter of credit in the amount of the Farmington Greens Share of the Water Loop Line Phase. Upon causing to be posted such additional letter of credit, Developer shall be deemed to have agreed to prepay culinary water impact fees and advance said additional sums to the City pursuant to the terms stated in this paragraph, and the City shall be deemed to have agreed that, upon proper application for the same by Developer, the City shall issue to Developer an additional fifty-one (51) single-family building permits for the Project. Developer further agrees that if it fails to cause to be posted the letter of credit in the amount of the Developer's Share of the Water Loop Line Phase required by this paragraph when and as the same is required hereunder, the City shall be relieved of its obligation to issue the one hundred fifty (150) building permits contemplated herein and that the Farmington Greens Developer may cause to be posted an additional letter of credit in the amount required of Developer hereunder and thereby become entitled to receive such building permits with respect to the Farmington Greens Project.

The second phase of the Water System Development Project consists of acquisition of the site for the water storage reservoir and related appurtenances and piping easements pertaining thereto, obtaining easements for required distribution and transmission lines and related facilities, and the design and engineering for the 2,000,000-gallon culinary water reservoir on the site acquired therefor and the water distribution lines, transmission lines, well, pumps and related facilities in southeast Farmington at specific locations and elevations determined by the City as being appropriate (the "Acquisition and Design Phase"). Developer agrees to prepay culinary water development impact fees (eighty 3/4" connections) in the amount of One Hundred Seventy-Two Thousand Four Hundred and no/100 Dollars (\$172,400.00) and to advance to the City Six Thousand Two Hundred Nine and no/100 Dollars (\$6,209.00), which amount represents a portion of the reimbursable contributions being paid by the Developer. The prepayment of fees and the advance equal the Developer's Share of the estimated cost of completing the Acquisition and Design Phase (the "Phase 2 Reimbursement Amount"). The City agrees to pay the City Requirement with respect to completing the Acquisition and Design Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Acquisition and Design Phase, including any acquisition or condemnation costs, within thirty (30) days following the execution of this Agreement, Developer shall cause to be issued to the City an irrevocable standby letter of credit from a federally insured bank in a form satisfactory to the City in the amount of the Phase 2 Reimbursement Amount securing Developer's obligation to

advance the Phase 2 Reimbursement Amount. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Acquisition and Design Phase. In the event Developer shall fail to advance the requested funds to the City within the required time for any reason, the City shall have the right to draw on the letter of credit in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All funds advanced by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Acquisition and Design Phase. In the event of any cost overruns in the Acquisition and Design Phase, the Developer shall be informed thereof by the City and shall pay any additional sums required to cover the costs for the Acquisition and Design Phase in the manner provided herein; provided, however that the Phase 2 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. In the event no additional building permits above the initial 150 are issued to the Developer for the Project, the \$172,400 prepaid for culinary water development impact fees shall be added to the Phase 2 Reimbursement Amount. In the event the Developer fails to pay said additional sums for any reason, the City shall not be obligated to approve any further permits or development on the Property until mutually satisfactory arrangements are made between the Developer and the City; provided, however, that the ability of the City to withhold such approvals shall not be applicable with respect to the 150 building permits or the phase(s) of the Project with respect to which such building permits were or will be issued. The City agrees to negotiate with private property owners as required to purchase land and/or condemn land and/or easements, if necessary, preparatory to constructing and installing the water reservoir and water distribution lines and related piping. Developer shall not have any right, title or interest in or to the reservoir site, easements, or to the design and plans acquired and/or prepared as part of the Acquisition and Design Phase. In the event the City determines it necessary to condemn property for the water reservoir and/or easements for the distribution lines or other facilities, the Developer shall pay Developer's pro rata share of the costs of condemnation incurred by the City, including legal fees, appraisal fees, title work and costs and amounts awarded by the court pursuant to a judgment of condemnation, provided however that Developer and the Farmington Greens Developer shall be given notice of legal counsel selected by the City, the fee arrangement, and may request that other counsel be retained; if Developer and the City do not agree on counsel, the City Attorney, a representative of the Farmington Greens Developer, and the Developer's representative shall select counsel.

The third phase of the Water System Development Project consists of the construction of the culinary water storage reservoir, water transmission lines, distribution lines, water well, pumps, and all related facilities thereto, all at specific locations and elevations determined by the City to be necessary to provide water and fire protection storage for the Property and other lands located in the City west of the reservoir site (the "Construction Phase") Upon completion of the Acquisition and Design Phase, the Developer will submit the construction plans and specifications to contractors qualified to perform the work required by such construction plans and specifications and will negotiate for and receive bids from such contractors. Upon Developer's receipt of a bid acceptable to Developer and the Farmington Greens Developer, Developer shall submit the same to the City for the City's review and approval, which shall be in the City's sole and exclusive discretion. If the City

determines the bid is acceptable, Developer will enter into such contracts as are necessary to accomplish the completion of the Construction Phase, provided, however, that Developer's obligation to enter into such contracts shall be contingent upon the City's contemporaneous execution of an administration contract with Developer pursuant to which the City shall agree to administer such construction contracts at no charge to the Developer. The said administration contract shall provide for the City's administration of the funds advanced by the Developer and the Farmington Greens Developer pursuant to the terms hereof and shall include appropriate indemnifications of the Developer as mutually agreed by City and Developer. Assuming the execution of the appropriate construction contracts and the administration contract, Developer hereby agrees to prepay culinary water development impact fees to the City in the amount of Six Hundred Eighty-Three Thousand Four Hundred Fifty Two and no/100 Dollars (\$683,452 00). This amount represents prepaid fees for Three Hundred Seventeen 3/4" connections. In addition, Developer agrees to advance to the City an additional sum of One Hundred Forty-One Thousand Four Hundred Seventy-Two and no/100 Dollars (\$141,472.00) (the "Phase 3 Reimbursement Amount") that, when combined with the foregoing impact fee advance, equals the Developer's Share of the estimated cost of completing the Construction Phase (the "Phase 3 Advance"). The City agrees to pay the City Requirement with respect to completing the Construction Phase. In order to provide security and to ensure the availability of funds necessary to pay the costs of the Construction Phase, prior to the acceptance of any bid for the Construction Phase or any portions thereof, Developer shall cause to be issued to the City an irrevocable standby letter of credit from a federally insured bank in a form satisfactory to the City in the amount of the bid for the Construction Phase, or any portions thereof if the City elects to proceed with portions of the Construction Phase in segments rather than all in one integrated contract, securing Developer's obligations to advance Developer's Share of the costs for the Construction Phase and any portion thereof for which a bid is awarded. Thereafter, funds shall be paid by Developer to the City within ten (10) days following a written request therefor to Developer from the City in order to pay the Developer's Share of the City's actual costs incurred in connection with paying the costs of the Construction Phase or any portions thereof for which bids are awarded. In the event Developer shall fail to prepay the culinary water development impact fees due to the City and/or advance the Phase 3 Reimbursement Amount to the City within the required time for any reason, the City shall have the right to draw on the letter of credit in order to obtain the requested funds. Drawings may be made by a sight draft signed by the City Manager or the Mayor. All funds prepaid or advanced by the Developer pursuant to this subparagraph shall be used to pay Developer's Share of the costs of the Construction Phase or any portions thereof for which bids are awarded upon the mutual agreement of the City and the Developer. In the event of any cost overruns or change orders in the Construction Phase, or any portions thereof, the Developer shall be informed thereof by the City and shall pay any additional sums required to cover the costs for said Phase in the manner provided herein; provided, however that the Phase 3 Reimbursement Amount shall be increased by the amount of any such additional sums paid by the Developer to the City. . In the event the Developer fails to pay said additional sums for any reason, the City shall not be obligated to approve any further permits or development on the Property until mutually satisfactory arrangements are made between the Developer and the City; provided, however, that the ability of the City to withhold such approvals shall not be applicable with respect to the 150 building permits or the phases of the Project with respect to which such building permits were or are expected to be issued. Subject to the City's

successful acquisition of the reservoir site and any required easements, the City shall complete the reservoir and related facilities so as to provide water service to the Property no later than fifteen (15) months after completion of acquisition of the reservoir site and required easements by the City.

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In the event that the Developers' Combined Requirement with respect to the cost of completing the Construction Phase, as established by the bids received by Developer for the Construction Phase, exceeds Eight Hundred Twenty-Four Thousand Nine Hundred Twenty-Four and no/100 Dollars (\$824,924) (the "Opt Out Amount"), Developer and/or the Farmington Greens Developer may elect each for themselves, in their sole and absolute discretion, to not prepay culinary water development impact fees and to advance funds towards the completion of the Construction Phase, in which event the party making such election (the "Opt Out Party") shall have no further obligation whatsoever with respect to the completion of the Construction Phase. Notwithstanding the foregoing, if any of the City, Developer or the Farmington Greens Developer, as the case may be, elects in writing to prepay the impact fees and advance fees towards the completion of the Construction Phase an amount in excess of such party's respective pro rata share of the cost of the Construction Phase (including cost overruns) (the "Put Amount"), such that the Opt Out Party's respective pro rata share will not exceed that contemplated in the Opt Out Amount, then the Opt Out Party shall prepay the impact fees and advance the sums required of such Opt Out Party and shall participate in the Construction Phase pursuant to the terms hereof. The Put Amount shall be reimbursed to the party prepaying the impact fees and advancing sums pursuant to such party's reimbursement agreement with the City on a preferential basis vis a vis any reimbursement due to the Opt Out Party, such that no reimbursement shall be due to such Opt Out Party until the entire Put Amount has been reimbursed to the party prepaying and advancing said sums. After the Put Amount has been reimbursed to the party prepaying and advancing the said sums, any further reimbursement shall be reimbursed to the Developer and the Farmington Greens Developer in accordance with their respective pro rata share of the Developers' Combined Requirement.

Estimated costs for each of the three Phases of the Water System Development Project are set forth in the Farmington City Culinary Six-Year Capital Facilities Plan dated July 6, 2000, including the column entitled "Boyer/Farmington Greens Development Project Needs" and the "Cost of Water Development" analysis dated July 6, 2000, which are attached hereto as Exhibit "H" and by this reference are made a part hereof.

The City will reimburse Developer the Clark Lane, Phase 1, Phase 2 and Phase 3 Reimbursement Amounts (collectively the "Reimbursement Amount") pursuant to the terms of a written reimbursement agreement to be entered into between the parties contemporaneously herewith. Reimbursement of the Reimbursement Amount shall be due pursuant to the terms of the reimbursement agreement notwithstanding the election of Developer to opt out of the Construction Phase pursuant to the provisions of this Section. Because of the Developer's prepayment of the culinary water development impact fees due in connection with the Project, no additional culinary water development impact fees shall be assessed against the Property or in connection with the development of the Property. Notwithstanding the foregoing, the City shall assess and collect water meter connection fees for the water meter, yoke, and the establishment of the water service account,

at the time of issuance of building permits, LCG JMB

12 which fees are approximately Two Hundred Eighty-five and 00/100 Dollars per building permit as of the date of this agreement. LCG

In addition, if the home builder or homeowner elects to upsize the connection beyond that prepaid by Developer, such home builder or homeowner shall pay to the City, when a building permit is issued, the difference between the cost of the upsized meter and that prepaid by the Developer. The number and sizes of prepaid connections is set forth on **Exhibit "I,"** attached hereto. Any reimbursement made to the Developer shall be made from water development impact fees actually collected by the City and pursuant to the terms of the reimbursement agreement between the City and Developer.

10. **Drainage and Flood Plain.** The City agrees to waive all drainage impact fees if Developer conveys and discharges all storm water from the Project and all storm water from properties above the Project that have historically flowed through the existing natural drainage channel traversing the Property directly to the Great Salt Lake. Such storm water conveyance and discharge shall be in accordance with a drainage plan encompassing the entire Project prepared by the Developer and reviewed and approved by the City Engineer. Storm water emanating from properties above the Project shall be limited in amount to their historical flows, and Developer shall have no obligation to convey or discharge increased or accelerated flows due to development of the properties located above the Project. Notwithstanding the foregoing sentence, Developer agrees to accept, without charge to the City, up to one hundred twenty percent (120%) of the historical flows emanating from properties above the Project; provided, however, Developer shall have no obligation to accept such increased flows if they in any manner result in an increase in the amount of jurisdictional wetlands located within the Project or if they otherwise require the elimination of any residential lots within the Project. Developer shall grant without cost to the City a storm drain easements through the Property at locations mutually acceptable to Developer and the City consistent with the terms of this Section 10.

Developer shall identify the Federal Emergency Management Agency (FEMA) 100-year flood plain on all phases of the Project. No phase containing a FEMA flood plain shall be considered for final approval from the City until Developer demonstrates to the City a substantial effort to obtain a Conditional Letter of Map Revision (CLOMR) or a Letter of Map Revision (LOMR) from the Federal Emergency Management Agency (FEMA) to remove the flood plain designation from the FEMA Flood Insurance Rate Map (FIRM). Effort shall be deemed "substantial" if Developer identifies undetermined base flood elevations and completes and submits to FEMA a CLOMR or LOMR application including required engineering studies and other related information.

11. **Sewer, Pressure Irrigation, and Other Utilities.** Developer shall install natural gas, underground electrical service, sanitary sewer, culinary and pressure irrigation water supply systems, and surface water drain systems for the entire Project up to the boundary lines of the Project and the off-site improvements required to serve the Project. Such installation shall be done according to the reasonable and customary design and construction standards of the utility providers and the City Engineer.

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

12. **Public Improvements.** Unless otherwise agreed to in writing by the City, all public improvements and infrastructure shall be constructed and installed at the Developer and/or the Subsequent Developers' sole expense in accordance with the City's construction standards and the City's Laws. No dwelling unit or other structure intended for human habitation shall be constructed or built under high-voltage power lines or within public utility easements.

13. **Landscaping and Buffer Requirements.** The Developer and each Subsequent Developer, at their sole expense, shall install landscaping in accordance with the Project Development Guidelines. The Developer and Subsequent Developers shall comply with all landscaping requirements contained in the Project Master Plan and the Project Development Guidelines.

14. **Conditional Use Permit.** The proposed church, the elementary school and certain conservation land uses are conditional uses and shall be reviewed and approved pursuant to the City's Laws. Notwithstanding the final outcome of the conditional and site plan review process for the proposed church and elementary school, the total number of residential lots within the Project shall be 540 single-family dwelling lots. Developer shall make application for a conditional use permit in accordance with the requirements of the City's Laws for the church, the school and those conservation land uses which are designated as conditional uses

15. **Architectural Requirements.** The architecture of structures located within the Project shall comply with the City's Laws and the Protective Covenants, as defined hereafter, for the particular phase of the Project. The Architectural control committee shall review and stamp when approved all plans prior to the submittals of plans to the City in conjunction with a building permit application or other applications.

16. **Easements.** Appropriate easements, including temporary construction easements, for public improvements, in locations shown on approved subdivision plats submitted by Developer or as otherwise specifically identified pursuant to the written agreement of the City and Developer, will be granted at no cost to the City and its contractors by the Developer and Subsequent Developers for the construction of any public improvements required to be done by the City in connection with the development of the Project.

17. **Protective Covenants.** Prior to the issuance of any building permits with respect to each phase of the Project, the Developer shall prepare for the City's review and approval a Declaration of Covenants, Conditions and Restrictions (the "Protective Covenants"). Within fifteen (15) days following approval of the Protective Covenants for a particular phase of the Project by the City, or upon recording of the final plat for such phase, whichever is later, the Developer shall record the Protective Covenants for such phase at the office of the Davis County Recorder, State of Utah.

a. Home Owners Association. Where common areas or facilities are required to be maintained within a particular phase, the Protective Covenants for such phase shall establish a Home Owners Association (the "Owners Association") for the purpose of preserving the quality of development and the maintenance of any common facilities or areas in the given phase. The Protective Covenants for each phase shall establish the structure, procedures, authority and remedies of the Owners Association, including the right to make assessments and to lien defaulting properties and owners. The Protective Covenants shall require the Owners Association to maintain the Conservation Land within their respective phases in accordance with the requirements of the Maintenance Plan.

b. Architectural Control Committee. The Protective Covenants for each phase shall establish an architectural control committee for the purpose of preserving the quality of all development and maintenance of the private and common properties within such phase. The protective covenants shall establish the structure, procedures, authorities and remedies of the architectural control committee.

c. Guidelines and Approval. The Protective Covenants shall establish guidelines and procedures administered by the architectural control committee. Those guidelines may pertain to elements of site planning, transportation and access, building design, surface and subsurface water drain systems, storm water management, service, trash, storage, screening, lighting, signs, construction activities and maintenance, for private and common properties within the Project. The protective covenants shall comply with the requirements of the City's Laws pertaining thereto.

d. Large Animal Disclosure. A deed acknowledgment shall be provided to property owners in the Project which states to those receiving the deed that they are moving into an area where there are property owners who have a right to maintain large "Class B" (see Chapter 29 of the Farmington City Zoning Ordinance) animals on their properties and that a primary objective of the development is to protect said property rights.

18. Building Permits. The City shall not issue any building permit on any lot within an approved phase of the Project until:

a. Water, fully operational fire hydrants, sewer, irrigation and all underground utilities located under the street surface including necessary storm drains, surface and subsurface drainage facilities are installed and accepted by the City and/or appropriate agencies.

b. Developer shall provide continuous access to lots through the phase by a serviceable street acceptable to the City with an all-weather surface sufficient to provide access for emergency vehicles.

c. The Developer agrees, at the earliest time weather permits, to install, at Developer's sole expense, permanent hard surface material on all streets in the phase in accordance with City specifications.

19. Approval Process.

a. City's Right of Review Subject to the Terms of This Agreement and Applicable City Laws. The City has the right to approve or disapprove any required site plan and/or the preliminary plat and final plat for each phase of the Project, together with any proposed changes therein, in accordance with the City's Laws and the Project Master Plan. Reviews shall be conducted for the purpose of determining whether the plats and/or site plans submitted comply with the requirements of the City and the terms of the Project Master Plan and this Agreement. In the event the plats or plans are not approved by the City, the City shall specify in writing the reasons for disapproval to the Developer and/or the Subsequent Developers. Upon receipt of this approval, the Developer and/or Subsequent Developers may revise their applications, plats, plans and supporting documents or portions thereof to be consistent with the requirements of the City and the previously-approved plans and drawings and may resubmit such revised applications, plats, plans and supporting documents to the City for approval. All plats and site plans approved by the City shall comply in all respects with all applicable zoning and development ordinances of the City as well as the Project Master Plan including applicable Project Development Guidelines. Site plan review and approval from the City will be required for the church and school sites located within the Project.

b. Dedication or Donation. Concurrent with obtaining final subdivision plat approval and/or site plan approval for each portion of the Project, the Developer and/or Subsequent Developers agree, at the City's request, to promptly grant and convey as a donation Conservation Land and/or satisfactory easements to the City for access and public improvements, if any, required by the City in connection with such phase. In addition, the Developer and/or Subsequent Developers shall dedicate to the City title to all streets in each portion of the Project, together with public utility easements as required by the City in areas acceptable to Developer. The multi-purpose trail systems located within street rights-of-way within a phase of the Project shall be designed, constructed and approved at Developer and/or Subsequent Developer's sole expense in accordance with the Project Master Plan and the plans prepared by the Developer and approved by the City, and shall be dedicated to the City. If required by the City, improvements for the Great Salt Lake Shore Line Trail and the Cross Project Trail shall, subject to reimbursement from the City in accordance with the Reimbursement Agreement, be designed and constructed at Developer and/or Subsequent Developer's expense in accordance with the Project Master Plan and the plans prepared by the Developer and approved by the City, and said improvements shall be dedicated to the City. In the alternative, the Developer shall dedicate the required rights-of-way for the Great Salt Lake Shore Line Trail and the Cross Project Trail to the City, and the City shall design and construct such trails at its expense. It is acknowledged by the Developer that the rights-of-way for the Cross Project Trail and Great Salt Lake Shoreline Trail shall be conveyed to

the City by Developer without cost to the City. The Developer and/or Subsequent Developers will take such actions as are necessary to obtain release of any monetary encumbrances on any property to be conveyed or dedicated to the City at the time of final plat and/or site plan approval for that portion of the Project. The City shall have the right to inspect all public improvements prior to acceptance of a conveyance thereof.

c. Development Regulations/Vesting. The Developer has proposed and shall be entitled to develop the specific projects and/or land uses identified in the Project Master Plan, as the same may be amended by the City and Developer; provided, the Property shall be developed in accordance with the City's Laws which are in effect on the date of this Agreement, together with the requirements set forth in this Agreement, except when future modifications are required under circumstances constituting a compelling public interest by federal, state, county and/or City laws and regulations promulgated to protect the public's health, safety, and welfare. In the event that local, state or federal law precludes compliance with one or more provisions of this Agreement, such provisions shall be modified or suspended only as necessary to comply with such local, state and federal laws and the remainder of this Agreement shall remain in full force and effect to the extent that performance of the remaining provisions would not be inconsistent with the intent of this Agreement. Notwithstanding the above, all development on the Property or any portion thereof shall be subject to and shall comply with any future amendments or changes to the Uniform Building Code, American Association of State Highway Transportation Official Standards, and the American Waterworks Association Standards. The parties agree that the City is restricted in its authority to limit its police power by contract and that the limitations, reservations, and exceptions set forth herein are intended to reserve to the City all of its police power that cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to the City all such power and authority that cannot be restricted by contract.

d. Payment of Fees. Unless provided otherwise in this Agreement or the Reimbursement Agreement, the Developer and/or the Subsequent Developers shall pay to the City all of their respective required fees, including but not limited to impact fees, in a timely manner which are due or which may become due pursuant to the City's Laws and regulations in connection with their respective developments within the Property or Project or any portions thereof.

20. Construction Standards and Requirements.

a. General. All construction on any portion of the Project shall be conducted and completed in accordance with the City's Laws and the provisions of this Agreement. Prior to awarding any construction contract for any improvements to be dedicated to public use following construction, the Developer shall submit all plans and specifications to the City Engineer for review and comment. Prior to occupancy, final "as built" drawings shall be provided by Developer and/or Subsequent Developers to the City without cost for such

portion of the Project. Improvements for the Project shall be constructed for each phase in coordination with and as may be required for any proposed future phases of the Project and as such improvements are required to provide reasonably necessary and customary access and municipal services to each portion of the Project. Developer shall at Developer's expense construct public improvements and install such landscaping as reasonably required by the City as indicated in this Agreement and the Project Master Plan.

b. Building Permits. No buildings or other structures shall be constructed within the Project without Developer and/or the Subsequent Developers in question first obtaining building permits in accordance with the City's Laws.

c. Security for Infrastructure Improvements. Security to guarantee the installation and completion of all public improvements located within the Project or any portion thereof shall be provided by the Developer and/or the Subsequent Developers in the form of surety bonds as required by and satisfactory to the City in accordance with the City's Laws.

d. Indemnification and Insurance During Construction.

i. Indemnification. During construction and until the date of acceptance (commencement of the warranty period) of the applicable improvement by the City, the Developer and/or the Subsequent Developers hereby agree to indemnify and hold the City and its officers, employees, agents and representatives harmless from and against all liability, loss, damage, costs, or expenses, including attorneys' fees and court costs arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which: (A) shall occur within the phase of the Project such improvement is being constructed in or occur in connection with any off-site work done for or in connection with such phase; and (B) which shall be caused by any acts done thereon, or any errors or omission of the Developer, the Subsequent Developers or their agents, servants, employees, or contractors. The Developer and/or the Subsequent Developers shall not be responsible for (and such indemnity shall not apply to) any negligent acts or omissions of the City, or of its agents, servants, employees, or contractors. In addition, Developer and/or the Subsequent Developers shall indemnify and hold the City and its officers, employees and representatives harmless from and against any claims, liability, costs and attorney's fees incurred on account of any change in the nature, direction, quantity or quality of historical drainage flows resulting from the Project or the construction of any improvements therein. The Developer and/or the Subsequent Developers shall not be responsible for (and the indemnities stated herein shall not apply to) any matter for which the City is in fact granted immunity under the Utah Governmental Immunity Act.

- ii. Insurance. During the period from the commencement of work on the Project and ending on the date when the warranty period commences with respect to the Project, the Developer shall furnish, or cause to be furnished, to the City satisfactory certificates of insurance from reputable insurance companies evidencing death, bodily injury and property damage insurance policies in the amount of at least \$1 million dollars single limit, naming the City as an additional insured. Developer and/or all Subsequent Developers shall require all contractors and other employees performing any work on the Project to maintain adequate workman's compensation insurance and public liability coverage.
- e. City and Other Governmental Agency Permits. Before commencement of construction or development of any buildings, structures or other work or improvements within any portion of the Project, the Developer or the Subsequent Developer shall, at its expense, secure, or cause to be secured, any and all permits which may be required by the City or any other governmental agency having jurisdiction over the work or affected by its construction or development
- f. Rights of Access. Representatives of the City shall have the reasonable right of access to the Project and any portion thereof during any period of construction, to inspect or observe the Project and/or any work thereon.
- g. Compliance with Law. Subject to the provision of Paragraph 19(c) of this Agreement, the Developer and/or the Subsequent Developers shall comply with all applicable federal, state and local laws, ordinances, rules and regulations pertaining to Developer's and/or the Subsequent Developer's activities in connection with the Project, and any portion thereof, including the City's Laws.
- h. Inspection and Approval by the City. The City may, at its option, perform periodic inspections of the improvements being installed and constructed by the Developer, the Subsequent Developers or their contractors. No work involving excavations shall be covered until the same has been inspected by the City's representatives and the representatives of other governmental entities having jurisdiction over the particular improvements involved. The Developer or the Subsequent Developers as the case may be shall warrant the materials and workmanship of all improvements installed in each phase, for a period of twenty-four (24) months from and after the date of final inspection and approval by the City of the improvements in that phase. All buildings shall be inspected in accordance with the provisions of the Uniform Building Code.
- i. Use and Maintenance During Construction. The Developer and any successor Subsequent Developers covenant and agree that during construction, they shall devote the Project and the Property to the uses respectively specified therefor in the Project Master Plan, as restricted and limited by this Agreement until such documents are terminated or modified by written agreement with the City. During construction, the Developer and the Subsequent

Developers shall keep the Project and all affected public streets free and clear from any unreasonable accumulation of debris, waste materials and any nuisances, and shall contain construction debris and provide dust control so as to prevent scattering via wind and water.

21. **Default.** In the event any party fails to perform its obligations hereunder or to comply with the terms hereof, then within thirty (30) days after giving written notice of default the non-defaulting party may, at its election, have the following remedies:

- a. All rights and remedies available at law and in equity, including, but not limited to, injunctive relief, specific performance and/or damages.
- b. The right to withhold from Developer or any Subsequent Developer all further approvals, licenses, permits or other rights associated with the Project or any development described in this Agreement, except for permits associated with the improvement of lots previously sold by Developer or any Subsequent Developer in an approved and completed phase of the Project, until such default has been cured.
- c. The right to draw on any security posted or provided in connection with the Project.
- d. The rights and remedies set forth herein shall be cumulative.

Developer shall also be in default under this Agreement under the following circumstances if not cured within thirty (30) days after notice of default is given:

- i. **Insolvency.** Developer shall be adjudicated a bankrupt or makes any voluntary or involuntary assignment for the benefit of creditors, or bankruptcy, insolvency, reorganization, arrangement, debt adjustment, receivership, liquidation or dissolution proceedings shall be instituted by or against Developer; and, if instituted adversely, the one against whom such proceedings are instituted consents to the same or admits in writing the material allegations thereof, or said proceedings shall remain undismissed for 150 days.
- ii. **Misrepresentation.** Developer has made a materially false representation or warranty in any agreement.
- iii. **Adverse Change.** Any action, event or condition of any nature which has a material adverse effect upon Developer's ability to perform under this Agreement.

Notwithstanding any other provision in this Section 21 to the contrary, upon Developer's failure to advance the Phase 3 Advance or the letter of credit securing Developer's obligation to make such advance (except pursuant to Developer's option to opt out stated above), Developer shall forfeit

its right to receive the Phase 1 and Phase 2 Reimbursement Amount; provided, however, that such forfeiture shall be the City's sole and exclusive remedy with respect to such default, the Developer shall be excused from any further obligation with respect to the Water System Development Project, and this Agreement shall otherwise continue in full force and effect for up to, but not to exceed, a total of one hundred fifty (150) single family lots. E 1624056 B 2713 P 1118

22. **Assignability.** Developer shall be entitled to sell or transfer any portion of the Property and/or Project subject to the terms of this Agreement upon written notice to the City. In the event of a sale or transfer of the Property or Project, or any portion thereof, the Seller or transferor and the buyer or transferee shall be jointly and severally liable for the performance of each of the obligations contained in this Agreement unless prior to such transfer an agreement satisfactory to the City, delineating and allocating between Developer and the transferee the various rights and obligations of the Developer under this Agreement, has been approved in writing by the City Council. Prior to such sale or transfer, Developer shall obtain from the buyer or transferee a written statement executed by the transferee in recordable form acknowledging the existence of this Agreement and agreeing to be bound thereby. Said written statement shall be signed by the buyer or transferee's duly authorized representative, notarized and delivered to the City Manager prior to the transfer or sale.

23. **Notice.** All notices required or desired to be given hereunder shall be in writing and shall be deemed to have been given on the date of personal service upon the party for whom intended or if mailed, by certified mail, return receipt requested, postage prepaid, and addressed to the parties at the following addresses:

To the City: Farmington City
Attn: City Manager
130 North Main Street
Farmington, UT 84025

To the Developer: Boyer Wheeler Farm, LC
c/o The Boyer Company
127 South 500 East, Suite 100
Salt Lake City, Utah 84102

Any party may change its address for notice under this Agreement by giving written notice to the other party in accordance with the provisions of this paragraph

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

25. **Entire Agreement.** This Agreement, together with the Exhibits attached hereto, documents referenced herein and all regulatory approvals given by the City for the Property and/or Project contain the entire agreement of the parties with respect to the subject matter hereof and supersede any prior promises, representations, warranties, inducements or understandings between the parties which are not contained in such agreements, regulatory approvals and related conditions.

26. **Headings.** Headings contained in this Agreement are intended for convenience only and are in no way to be used to construe or limit the text herein.

27. **Non Liability of City Officials and Employees.** No officer, representative, agent or employee of the City shall be personally liable to the Developer, or any successor in interest or assignee of the Developer, in the event of any default or breach by the City, or for any amount which may become due Developer, or its successors or assignees, or for any obligation arising under the terms of this Agreement.

28. **No Third Party Rights.** The obligations of Developer and the City set forth in this Agreement shall not create any rights in or obligations to any other persons or parties except to the extent otherwise provided herein.

29. **Binding Effect.** This Agreement shall be binding upon the parties hereto and their respective officers, agents, employees, successors and assigns. The covenants contained herein shall be deemed to run with the Property and the parties agree that a copy of this Agreement may be recorded by either party in the office of the Davis County Recorder, State of Utah.

30. **Termination.** Notwithstanding anything in this Development Agreement to the contrary, it is hereby agreed by the parties hereto that in the event the Project, including all phases thereof, is not completed within ten (10) years from date of this Agreement, or in the event the Developer does not comply with the Project Master Plan and the provisions of this Development Agreement, the City shall have the right, but not the obligation, at the sole discretion of the City, to terminate this Development Agreement and/or to not approve any additional phases for the Project. Any termination may be effected by the City, by giving written notice of intent to terminate to the in the manner provided herein for giving notices. Thereafter the Developer shall have sixty (60) days during which the Developer shall be given the opportunity to correct any alleged deficiencies and to take appropriate steps to complete the Project. In the event the Developer fails to satisfy the concerns of the City with regard to such matters, the City shall be released from any further obligations under this Agreement and may elect to terminate the same.

31. **Jurisdiction.** The parties to this Agreement and those subject thereto hereby agree that any judicial action associated with the Agreement shall be taken in Second District Court of Davis County, Utah, or other District Court of the State of Utah if a change of venue is granted.

32. **No Waiver.** Any party's failure to enforce any provision of the Agreement shall not constitute a waiver of the right to enforce such provision. The provisions may be waived only in a

writing by the party intended to be benefitted by the provisions, and a waiver by a party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or other provisions.

33. **Severability**. If any portion of the Agreement is held to be unenforceable, any enforceable portion thereof and the remaining provisions shall continue in full force and effect.

34. **Force Majeure**. Any prevention, delay or stoppage of the performance of any obligation under this Agreement which is due to strikes; labor disputes; inability to obtain labor, materials, equipment or reasonable substitutes therefor; acts of nature; governmental restrictions, regulations or controls; judicial orders; enemy or hostile government actions; wars; civil commotions; fires or other casualties or other causes beyond the reasonable control of the party obligated to perform hereunder shall excuse performance of the obligation by that party for a period of equal to the duration of that prevention, delay or stoppage. Any party seeking relief under the provisions of this paragraph shall notify the other party in writing of a force majeure event within fifteen (15) days following occurrence of the claimed force majeure event.

35. **Knowledge**. The parties have read this Agreement and have executed it voluntarily after having been apprised of all relevant information and risks and having had the opportunity to obtain legal counsel of their choice.

36. **Supremacy**. In the event of any conflict between the terms of this Agreement and those of any document referred to herein, this Agreement shall govern.

37. **No Relationship**. Nothing in this Agreement shall be construed to create any partnership, agency, joint venture or fiduciary relationship between the parties.

38. **Priority**. This Agreement shall be recorded against the Property senior to the Protective Covenants, all Property Owner Association covenants, and any debt security instruments encumbering the Property.

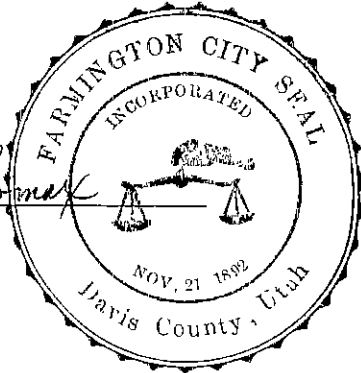
39. **Amendment**. This Agreement may be amended only in writing signed by the parties hereto.

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

"CITY" 1624056 B 2713 P 1121

ATTEST:

Margy L. Loman
City Recorder



FARMINGTON CITY

By: *Gregory A. Beebe*
Mayor

"DEVELOPER"

BOYER WHEELER FARM, LC, a Utah limited liability company, by its Managing Member,

THE BOYER COMPANY, LC, a Utah limited liability company,

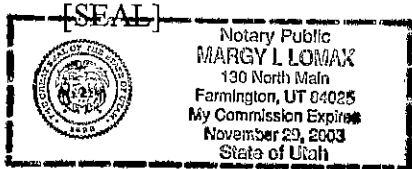
By: *Sam Gardner*
Its: MANAGER

CITY ACKNOWLEDGMENT

STATE OF UTAH)
)
:SS
COUNTY OF DAVIS)

E 1624056 B 2713 P 1122

On the 31st day of August, 2000, personally appeared before me Gregory S Bell, who being duly sworn, did say that he is the Mayor of Farmington City, a municipal corporation of the State of Utah, and that the foregoing instrument was signed in behalf of the City by authority of its governing body and said Gregory S Bell acknowledged to me that the City executed the same.



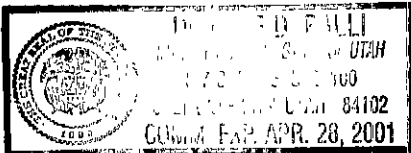
Margy L. Lomax
Notary Public

DEVELOPER ACKNOWLEDGMENT

STATE OF UTAH)
)
:SS
COUNTY OF Salt Lake)

On the 29 day of August, 2000, personally appeared before me Ken C. Gardner, who being by me duly sworn did say that he is the MANAGER of The Boyer Company, LC, a Utah limited liability company, the Managing Member of Boyer Wheeler Farm, LC, a Utah limited liability company, and that the foregoing instrument was signed in behalf of said limited liability company by authority of a resolution of its members; and he acknowledged to me that said limited liability company executed the same.

[SEAL]



Denise L. Balli
Notary Public

EXHIBIT "A"

(Legal Description of Property)

(Legal Description of Property)

BOUNDARY DESCRIPTION

BEGINNING AT A POINT WHICH IS NORTH 0°15'24" WEST 680.20 FEET ALONG THE SECTION LINE FROM THE EAST QUARTER CORNER OF SECTION 27, TOWNSHIP 3 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, DAVIS COUNTY, UTAH AND RUNNING THENCE SOUTH 89°27'22" WEST 658.74 FEET; THENCE SOUTH 2°02'47" EAST 167.88 FEET; THENCE SOUTH 11°52'56" EAST 626.12 FEET; THENCE NORTH 89°44'44" WEST 574.91 FEET TO THE MEANDER LINE OF THE GREAT SALT LAKE; THENCE ALONG SAID MEANDER LINE THE FOLLOWING 4 COURSES AND DISTANCES: NORTH 40°00'00" WEST 1914.00 FEET, NORTH 03°40'43" WEST 1280.83 FEET, NORTH 13°00'00" WEST 2970.00 FEET, NORTH 09°55'45" EAST 2415.76 FEET TO A SECTION LINE; THENCE NORTH 89°51'10" EAST 2821.47 FEET ALONG SAID SECTION LINE; THENCE SOUTH 0°09'07" EAST 1400.00 FEET; THENCE NORTH 89°51'10" EAST 18.48 FEET TO A SECTION LINE; THENCE NORTH 0°09'07" WEST ALONG SAID SECTION LINE 1400.00 FEET TO THE NORTHEAST CORNER OF SAID SECTION 22; THENCE NORTH 89°45'48" EAST 1178.78 FEET ALONG THE SECTION LINE; THENCE SOUTH 0°14'12" EAST 192.06 FEET; THENCE NORTH 89°45'48" EAST 1327.06 FEET TO THE WEST LINE OF 1525 WEST STREET; THENCE ALONG SAID STREET LINE SOUTH 0°01'15" WEST 2450.85 FEET TO A QUARTER SECTION LINE; THENCE SOUTH 0°09'56" EAST 805.74 FEET ALONG SAID STREET LINE; THENCE SOUTH 89°14'58" WEST 1176.68 FEET; THENCE SOUTH 0°10'24" EAST 1802.72 FEET; THENCE NORTH 89°49'35" EAST 1176.38 FEET TO THE WEST LINE OF 1525 WEST STREET; THENCE ALONG SAID WEST LINE SOUTH 0°09'56" EAST 19.80 FEET TO THE SECTION LINE; THENCE SOUTH 89°49'35" WEST 1177.40 FEET ALONG THE SECTION LINE TO A FENCE LINE; THENCE ALONG A FENCE LINE SOUTH 0°03'29" WEST 587.41 FEET TO A FENCE CORNER; THENCE SOUTH 89°52'45" WEST 1316.73 FEET ALONG A FENCE TO THE SECTION LINE; THENCE ALONG THE SECTION LINE SOUTH 0°15'24" EAST 1374.04 FEET TO THE POINT OF BEGINNING CONTAINING 719.2 ACRES.

- MICROFILM MEMO -
 LEGIBILITY OF TYPING OR PRINTING
 UNSATISFACTORY IN THE DOCUMENT
 WHEN FILMED.

EXHIBIT "B"

E 1624056 B 2713 P 1125

(Form Conservation Easement)

WHEN RECORDED, MAIL TO:

Farmington City Corporation

P. O. Box 160

Farmington, UT 84025

E 1624056 B 2713 P 1126

CONSERVATION EASEMENT

(OPEN SPACE AND FARMLAND)

THIS CONSERVATION EASEMENT is made this 31st day of August, 2000, by **BOYER WHEELER FARM, LC**, a Utah limited liability company (hereinafter "Grantor"), whose address is c/o The Boyer Company, 127 South 500 East, Suite 100, Salt Lake City, Utah 84102, in favor of Farmington City, a municipal corporation, (hereinafter "Grantee"), whose mailing address is P. O. Box 160, Farmington, UT 84025.

RECITALS:

WHEREAS, Grantor is the sole owner in fee simple title of certain real property located in Farmington City, Davis County, State of Utah, which property is more particularly described herein at Section 2, hereinafter referred to as the "Property"; and

WHEREAS, the Property possesses unique and sensitive natural, scenic, open space, wildlife, farmland, floodplain, and/or wetland values (collectively referred to as "conservation values") of great importance to the Grantor, the Grantee, Farmington City, and the public; and

WHEREAS, Grantor intends that the conservation values of the Property be preserved and maintained by continuation of the use of the Property in such a way which does not significantly impair or interfere with those values and which provides for appropriate ecological, agricultural, open space, recreational and educational uses of the Property; and

WHEREAS, Grantor intends to preserve and protect the conservation values of the Property in perpetuity through this Easement and dedication of the same to Grantee.

WHEREAS, Grantee is a tax exempt entity under Section 501(c) of the *Internal Revenue Code* qualified to acquire a conservation easement under the terms of *Utah Code Ann.* § 57-18-3, as amended.

NOW, THEREFORE, in consideration of the above and the covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of Utah, particularly the Utah Land Conservation Easement Act as set forth in *Utah Code Ann.* § 57-18-1,

et seq., as amended, with the intention of making an irrevocable easement in perpetuity, Grantor hereby agrees and conveys as follows.

1. Conveyance. Grantor hereby grants and warrants to Grantee, a perpetual conservation easement as hereinafter defined (the "Easement") over and across all the Property to preserve, restore and protect the natural, ecological, water, wildlife, open space, farmland, wetland, floodplain, scenic, educational and aesthetic values present on the Property, to have and to hold unto Grantee, its successors and assigns forever.

2. Property. The Property subject to this Easement consists of approximately 413 acres of the Farmington Ranches Conservation Subdivision Development located in Township _____, Range _____, Salt Lake Base and Meridian, Farmington City, Davis County, State of Utah, as more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference.

3. Current Use and Condition of Property. The Property presently consists of wetlands, pasture lands, agricultural structures including barn and silos, and natural open spaces and is located at approximately 100 North and 1500 West, Farmington, Utah. The existing and permitted conditions and uses of the Property are more particularly described on the Use Map set forth in Exhibit "B," attached hereto and incorporated herein by this reference. The Property has the following specific conservation values: unique, sensitive, natural, ecological, educational, scientific, scenic, aesthetic, wildlife, farmlands, water resources, wetlands, riparian communities, floodplains and open space.

4. Purpose. Grantor is the fee simple title owner of the Property and is committed to preserving the conservation values of the Property. The purpose of this Easement is to assure that the Property will be retained forever in its natural, scenic, agricultural and/or open space condition and to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property. Any use of the Property which may impair or interfere with the conservation values, unless expressly permitted in this Easement, is expressly prohibited. Grantor agrees to confine use of the Property to activities consistent with the purposes of this Easement and preservation of the conservation values of the Property.

5. Duration. The duration of the Easement shall be perpetual.

6. Permitted and Conditional Uses.

(a) Subject to the terms and conditions set forth in this Easement, the following activities and/or uses of the Property are permitted:

(i) Conservation of open land in its natural state.

(ii) Agricultural uses, including raising crops, class "B" livestock, as defined by Farmington City Ordinances, and associated buildings, structures and, as approved by Farmington City, necessary access roads, excluding commercial livestock operations involving swine, poultry and mink, in designated areas only as delineated on Exhibit "B."

(iii) Pastureland for sheep, cows and horses in designated areas only as delineated on Exhibit "B."

(iv) Equestrian facilities for class "B" animals, as defined by Farmington City Ordinances, in designated areas only as delineated on Exhibit "B;" provided, enclosed riding arena(s) shall require a conditional use permit from the City of Farmington in accordance with the provisions of Subsection (b).

(v) Underground utility facilities and easements for drainage, sewer, water, or other public facilities and purposes, including easements for maintenance access to such facilities, in locations as approved by the City of Farmington, subject to restoration of the Property to its natural condition within a reasonable time frame not to exceed ninety (90) days, unless otherwise agreed to in writing by the Grantee, which restoration shall be conducted to the reasonable satisfaction of the Grantee to protect and preserve the conservation values of the Property. Nothing contained herein shall prevent the continued use of existing above-ground utility facilities to the extent permitted by law as delineated on the Use Map set forth in Exhibit "B."

(vi) Public streets approved by the City of Farmington in designated areas as set forth on approved subdivision plat(s).

(vii) Although fencing is not encouraged, existing fences may be repaired and replaced, and new fences may be built on the Property as necessary and appropriate in connection with permitted or conditional uses such as grazing and equestrian uses. New fences may also be built on the Property located within Conservancy Lots, if permitted by law.

(viii) Existing agricultural structures and improvements may be repaired, reasonably enlarged and replaced at their current locations as delineated on Exhibit "B." Although not encouraged, new buildings and other structures or improvements to be used primarily for agricultural purposes, including residential structures used solely to house farm owners, tenants and employees, may be built on the Property in designated areas as delineated on Exhibit "B" as a conditional use in accordance with the provisions of Subsection (b).

(ix) Livestock grazing may be permitted on the Property in designated areas as delineated on Exhibit "B," provided that good range stewardship and proper management of livestock is provided. Livestock grazing shall not exceed a degree of use described as good to excellent by the United States Department of Agriculture - Natural Resource Conservation Service, and shall not materially degrade or deteriorate the range resource, wildlife habitat or conservation values of the Property.

(b) Subject to the terms and conditions set forth in this Easement, the following activities and/or uses of the Property may be permitted as a conditional use, subject to obtaining a conditional use permit from the City of Farmington for such use in accordance with City Ordinances regarding the same:

(i) Non-commercial and non-motorized recreational use of the Property, such as trails, bikeways, playing fields and playgrounds, in designated areas only as delineated on Exhibit "B."

(ii) Community open space uses, such as village greens, commons, picnic areas, community gardens, trails, and similar low-impact passive recreational uses, excluding motorized vehicles, firearm shooting ranges and commercial uses, in designated areas only as delineated on Exhibit "B."

(iii) Agricultural uses, including raising crops and class "C" livestock, as defined by Farmington City Ordinances, and associated buildings and structures, excluding commercial livestock operations involving swine, poultry and mink, in designated areas only as delineated on Exhibit "B."

(iv) Educational structures and improvements in designated areas as delineated on Exhibit "B." The establishment of such structures and improvements shall be limited to education purposes and shall be consistent with the conservation and agricultural uses of the Property. Residential use of such structures may be permitted as part of the conditional use permit solely to house conservation easement management or enforcement personnel.

(v) Water structures, improvements, marshlands, wetlands, riparian communities and ponds may be established, restored, constructed and maintained on the Property, provided such structures or improvements are consistent with the conservation purposes of this Easement.

7. Prohibited Uses. Any activity on or use of the Property not specifically listed as a permitted use or activity as set forth herein and/or any activity on or use of the Property which is inconsistent with the purpose of this Easement or detrimental to the conservation values is

expressly prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

- (a) Any residential, commercial or industrial activity, except as expressly permitted in this Easement. It is expressly acknowledged that a portion of the underlying fee of real property protected by this Easement may be contained in individual private lot ownership in such areas designated as Conservancy Lots on Exhibit "B." While residential use may be made of the portions of the Conservancy Lots lying outside the Easement Property, the portions of such Conservancy Lots included within the Easement Property shall be subject to all the terms and conditions of this Easement, including the prohibition against any residential use of such property.
- (b) Any development, construction or location of any man-made modification or improvements such as buildings, structures, fences, roads, parking lots, or other improvement on the Property, except as expressly permitted in this Easement.
- (c) Any filling, dredging, excavating, mining, drilling, or exploration for and extraction of oil, gas, minerals or other resources from the Property.
- (d) Any dumping or storing of ashes, trash, garbage or junk on the Property.
- (e) The manipulation or alteration of natural watercourses, wetlands, or riparian communities, except as expressly permitted herein or as approved by the City of Farmington as designated on approved subdivision plat(s), necessary for the use of the Property and then, in any event, only to the extent that such manipulation or alteration shall not result in a significant injury to or the destruction of significant conservation values.
- (f) Burning of any materials on the Property, except as necessary for agricultural, drainage and fire protection purposes.
- (g) The use of motor vehicles, including snowmobiles, all-terrain vehicles, motorcycles and other recreational vehicles, except as may be necessary to maintain and operate the Property and to maintain and operate utility lines running through the Property in accordance with the terms and conditions of such approved use and the maintenance plan for the Property.
- (h) Hunting or trapping for any purpose other than predatory or problem animal control on the Property.
- (i) Establishment or maintenance of any grazing or livestock feedlots on the Property, which shall be defined for purposes of this Easement as a permanently constructed confined area or facility within which the land is not grazed or cropped

annually, for purposes of engaging in the business of the reception and feeding of livestock for hire.

(j) Any agricultural use of the Property not expressly permitted herein.

(k) Advertising of any kind or nature on the Property and any billboards or signs; provided, directory and information signs may be displayed describing the Conservation Easement and prohibited or authorized use of the same.

(l) Any cutting of trees or vegetation, except as necessary for fire protection, thinning, elimination of diseased growth, control of non-native plant species, maintenance of landscaped areas, and similar protective measures or those activities relating to permitted agricultural uses.

(m) The change, disturbance, alteration, or impairment of the significant natural ecological features and values of the Property or the destruction of other significant conservation interests on the Property.

(n) The division, subdivision or *de facto* subdivision of the Property; except for subdivision and dedication of the Property as necessary to dedicate approved trails within the Property, including the Great Salt Lake Shoreline Trail and the Cross Project Trail, as specifically delineated on Exhibit "B," or as necessary and desirable to dedicate a portion of the underlying fee to a qualified conservation organization in accordance with the purposes and intent of this Easement for the preservation, protection and enhancement of the conservation values of the Property.

(o) Changing the topography of the Property by placing on it any soil, dredging spoils, land fill, or other material, except as necessary to conduct specific agricultural purposes or to construct other structures, conditions or improvements as permitted herein.

(p) All other uses and practices inconsistent with and significantly detrimental to the stated objectives and purpose of the Easement.

8. Rights of the Grantee. Grantor confers the following rights upon Grantee to perpetually maintain the conservation values of the Property and to accomplish the purpose of this Easement.

(a) Grantee has the right to enforce the terms of this Easement for the purpose of preserving and protecting the conservation values of the Property.

(b) Grantee has the right to enter upon the Property at reasonable times to monitor or to enforce compliance with this Easement and to inspect and enforce the rights

herein granted; provided that such entry shall not unreasonably interfere with the Grantor's use and quiet enjoyment of the Property. Grantee shall give reasonable notice of any such entry onto portions of the Property contained in individual private lot ownership as designated on Exhibit "B" as Conservancy Lots.

(c) Grantee has the right to enjoin and prevent any activity on or use of the Property that is inconsistent with the terms or purposes of this Easement and to preserve and protect the conservation values of the Property.

(d) Grantee has the right to require restoration of the areas or features of the Property which are damaged by activity inconsistent with this Easement.

(e) Grantee has the right to place signs on the Property which identify the Property as being protected by this Easement, exclusive of those portions of the Property contained in individual private lot ownership as designated on Exhibit "B" as Conservancy Lots.

(f) Grantee has the right to enter on the property to study and make ecological and scientific observation of the Property and its ecosystems, exclusive of those portions of the Property contained in individual private lot ownership as designated on Exhibit "B" as Conservancy Lots, unless otherwise permitted by such owners.

9. Duties of the Grantor. Grantor retains ownership rights of the underlying fee simple title to the Property which are not expressly restricted by this Easement. In accordance with rights reserved in Grantor by this Easement, Grantor shall be subject to all terms, conditions and restrictions of this Easement and shall have the affirmative duty to refrain from conducting or causing to be conducted any action inconsistent with the purpose and provisions of this Easement and to take reasonable actions to preserve and protect the aesthetic, open space, farmland, floodplain, wetland and/or wildlife habitat values of the Property.

10. Enforcement of Easement.

(a) Notice and Demand. If Grantee determines that Grantor is in violation of this Easement, or that a violation is threatened, the Grantee may provide written notice to the Grantor of such violation and request corrective action to cure the violation or to restore the Property. In the event Grantee determines that the violation constitutes immediate and irreparable harm, such notice shall not be required.

(b) Failure to Act. If, for a 30-day period after the date of the written notice from Grantee to Grantor, the Grantor continues violating the Easement, or if the Grantor does not abate the violation and implement corrective measures requested by the Grantee, the Grantee may bring an action in law or in equity to enforce the terms of the Easement. The Grantee is also entitled to enjoin the violation through injunctive relief, seek specific

performance, declaratory relief, restitution, reimbursement of expenses or an order compelling restoration of the Property. If the court determines that the Grantor has failed to comply with this Easement, the Grantor agrees to reimburse Grantee for all reasonable costs and attorneys fees incurred by the Grantee compelling such compliance.

(c) **Absence of Grantor.** If the Grantee determines that the Easement is, or is expected to be, violated, the Grantee shall make good-faith efforts to notify the Grantor. If, through reasonable efforts, the Grantor cannot be notified, and if the Grantee determines that circumstances justify prompt action to mitigate or prevent impairment of the conservation values, then the Grantee may pursue its lawful remedies without prior notice and without waiting for Grantor's opportunity to cure. Grantor agrees to reimburse Grantee for all costs reasonably incurred by Grantee in pursuing such remedies.

(d) **Actual or Threatened Non-Compliance.** Grantor acknowledges that actual or threatened events of non-compliance under this Easement constitute immediate and irreparable harm. The Grantee is entitled to invoke the equitable jurisdiction of the court to enforce this Easement.

(e) **Injunctive Relief and Restoration.** Any violation of the Easement shall be subject to termination through injunctive proceedings with the imposition of temporary restraining orders or through any other legal means, it being recognized that monetary damages and/or other non-injunctive relief would not adequately remedy the violation of the covenants and restrictions of the Easement. In addition, subject to the provisions set forth herein, the Grantee shall have the right to enforce the restoration of the portions of the Property affected by activities in violation of the Easement to the condition which existed at the time of the signing of this instrument.

(f) **Cumulative Remedies.** The remedies set forth herein are cumulative. Any, or all, of the remedies may be invoked by the Grantee if there is an actual or threatened violation of this Easement.

(g) **Waiver.** A delay in enforcement shall not be construed as a waiver of the Grantee's right to enforce the terms of this Easement.

11. Permitted Construction and Maintenance Activities.

(a) Grantor hereby reserves the right to enter upon the Property to conduct the following activities: to construct such structures and improvements permitted herein in conjunction with permitted and conditional uses of the Property.

(b) Grantor reserves the right to use, maintain, establish, construct and improve water sources, water courses, marshlands and ponds within the Property for uses permitted by this Easement, provided Grantor does not significantly impair or disturb the

natural course of the surface water drainage or runoff flowing over the Property. Grantor may alter the natural flow of water over the Property in order to improve drainage of agricultural soils, reduce soil erosion, or improve the agricultural or wetlands potential of the Property, provided such alteration is consistent with the conservation purpose of this Easement. Grantor retains and reserves the right to use any appurtenant water rights sufficient to maintain the agricultural and educational productivity of the Property. Grantor shall not transfer, encumber, lease, sell or otherwise sever any water, mineral or other rights from title to the Property itself.

(c) This Easement is subject to the rights of Grantor, Farmington City or any other agency or utility to enter upon the Property for the construction, installation, operation and maintenance of subsurface utilities as permitted herein. After exercise of rights retained herein, Grantor or the permitted entity or utility company in interest, shall take reasonable actions to restore the Property to its natural condition existing prior to the conduct of any of the foregoing activities.

12. Extinguishment of Development Rights. Except as otherwise reserved to the Grantor in this Easement, all development rights appurtenant to the Property are hereby released, terminated and extinguished, and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise or used for the purpose of calculating permissible lot yield of the Property or any other property.

13. Maintenance. The Property shall be maintained by Grantor in accordance with the Maintenance Plan set forth as Exhibit "C," attached hereto and incorporated herein by this reference. Grantor shall be solely responsible for the upkeep and maintenance of the Property.

14. Taxes. Grantor shall pay all taxes, assessments, fees and charges of whatever description levied on or assessed against the Property, including any taxes imposed upon, or incurred as a result of, this Easement, and shall furnish Grantee with satisfactory evidence of payment upon request. If Grantee is ever required to pay any taxes or assessments on its interest in the Property, Grantor shall reimburse Grantee for the same.

15. Indemnification. Grantor shall hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents and contractors, and the successors and assigns of each of them, collectively referred to as the "Indemnified Parties," from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' fees, arising from or with respect to the Property, unless due to the gross negligence or willful misconduct of Grantee. Grantor shall keep the Property insured with comprehensive general liability insurance against claims for personal injury, death and property damage and shall name Grantee as an additional insured party on all such insurance policies, providing Grantee evidence of such insurance upon request.

16. Transfer of Grantee's Interest. If the Grantee determines that it no longer is able to enforce its rights under this instrument or that it no longer desires to enforce the rights, or desires to assign enforcement rights to a qualified organization under Section 501(c)(3) and/or 170(h)(3) of the *Internal Revenue Code*, the Grantee shall be entitled to convey in whole or in part all of its rights under this instrument and deliver a copy of this instrument to an organization designated by the Grantee and described in or contemplated by Section 501(c)(3) and/or 170(h)(3) of the Code, or the comparable provision in any subsequent revision of the Code, to ensure that the Easement is enforced. Furthermore, the Grantee is hereby expressly prohibited from subsequently transferring the Easement, whether or not for consideration, unless (a) the Grantee, as a condition of the subsequent transfer, requires that the conservation purposes which the Easement is intended to advance continue to be carried out; and (b) the transferee is an organization qualifying at the time of the transfer as an eligible donee under Section 501(c)(3) and/or 170(h)(3) of the Code and regulations promulgated thereunder.

17. Cessation of Grantee's Existence. If Grantee shall cease to exist or if the Grantee is no longer authorized to acquire and hold conservation easements, then this Easement shall become vested in another entity. Any successor entity shall be a qualified organization for the purposes of Section 501(c)(3) and/or 170(h)(3) of the *Internal Revenue Code*.

18. Termination of the Easement. This Easement may be extinguished only by an unexpected change in condition which causes it to be impossible to fulfill the Easement's purpose or by exercise of eminent domain in accordance with the provisions set forth herein. The fact that the Grantee may have title to the Property and therefore may become an Owner for purposes of this Easement shall not cause a termination of this Easement by operation of the doctrine of merger or otherwise. The Grantee shall not voluntarily or willingly allow the termination of any of the restrictions of this instrument, and if any or all of the restrictions of the Easement are nevertheless terminated by a judicial or other governmental proceeding, any and all compensation received by the Grantee as a result of the termination shall be used by the Grantee in a manner consistent with the conservation purposes of the Easement. If subsequent circumstances render the purposes of this Easement impossible to fulfill, then this Easement may be partially or entirely terminated only by judicial proceedings.

19. Transfer of Grantor's Interest. The Grantor shall incorporate the terms of this Easement in any deed or other legal instrument by which it divests itself of any interest in all or any portion of the Property, including, without limitation, a leasehold interest. Any such transfer of interest shall be subject to the restrictions set forth in this Easement. The failure of the Grantor to perform any act required by this Paragraph shall not impair the validity of this Easement or limit its enforceability in any way. Upon proper and permitted conveyance of title to the Property, the Grantor shall be released from its obligations under this Easement.

20. Notices. Any notice, demand, request, consent, approval, or communication shall be in writing and served personally or sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the following:

To Grantee:

E 1624056 B 2713 P 1136

To Grantor:

Boyer Wheeler Farm, LC
 Atten: H. Roger Boyer
 127 South 500 East, Suite 100
 Salt Lake City, Utah 84102

or to such other address as the Grantee or Grantor shall from time to time designate by written notice.

21. Title Warranty. Grantor warrants that it has good and sufficient title to the Property, free from all encumbrances except those set forth in Exhibit "D," attached hereto and incorporated herein by this reference, and hereby promises to defend the same against all claims that may be made against it.

22. Subsequent Encumbrances. This Easement shall not restrict the right of Grantor or its successors or assigns to execute, deliver and record mortgages on the Property or to grant other rights or easements in respect of the Property, subject to the terms and conditions set forth herein. The grant of any easement or use restriction that might diminish or impair the agricultural viability of the Property or otherwise diminish or impair the conservation values of the Property is prohibited. Any lien or security interest of a mortgage and any easement or other right created subsequent to the date hereof shall be subject to and subordinate to this Easement.

23. Environmental Warranty. Grantor warrants that it has no actual knowledge or threatened release of hazardous substances or wastes on the Property, as such substances and wastes are defined by applicable law, and hereby promises to indemnify Grantee against, and hold Grantee harmless from, any and all loss, cost, claim, liability or expense, including reasonable attorney's fees arising from or with respect to any release of hazardous waste or violation of environmental laws with respect to the Property, unless due to the gross negligence or willful misconduct of Grantee.

24. Recordation. The Grantee shall record this instrument in timely fashion in the official records of Davis County, Utah, and may re-record it at any time as may be required to preserve its rights in this Easement.

25. Controlling Law. The interpretation and performance of this Easement shall be governed by the laws of the State of Utah.

26. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the Easement to effect the purpose of this Easement and the policy and purpose of *Utah Code Ann. § 57-18-1*, et seq., as amended, and related provisions. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

27. Severability. If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

28. Joint Obligation. Subject to the provisions set forth herein, the obligations imposed by this Easement upon Grantor or Grantors shall be joint and several.

29. Successors. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the Grantee, the Grantor, and their respective personal representatives, heirs, successors, and assigns, and shall continue as a servitude running in perpetuity with the Property.

30. Entire Agreement. This Easement, together with all exhibits, sets forth the entire agreement of the parties with respect to the subject matter hereof and supercedes all prior discussions and understandings.

31. Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

IN WITNESS WHEREOF, Grantor has executed this instrument on the day and year first above written.

E 1624056 B 2713 P 1138

GRANTOR:
BOYER WHEELER FARMS, LC

Kelvin Boyer
By: *Manager*
Its: Manager and Member

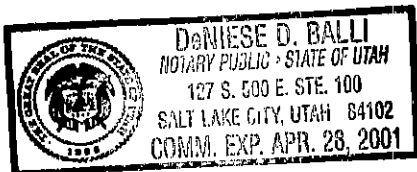
GRANTEE:
FARMINGTON CITY CORPORATION

Gregory S Bell
By: Gregory S Bell
Its: Mayor

GRANTOR'S ACKNOWLEDGMENT

STATE OF UTAH)
)
) :SS.
COUNTY OF Salt Lake)

On the 29 day of August, 2000, personally appeared before me Kem C. GARNER who being by me duly sworn did say that ~~she~~/he is the managing member of **BOYER WHEELER FARMS, LC**, a Utah limited liability company, and that the within and foregoing instrument was signed on behalf of said limited liability company by authority of its Articles of Organization and duly acknowledged to me that said limited liability company executed the same.

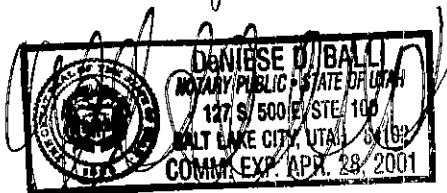


Denise D. Balli
Notary Public

GRANTEE'S ACKNOWLEDGMENT

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

On the 31 day of August, 2000, personally appeared before me Gregory A. Bell who being by me duly sworn did say that ~~she~~/he is the Mayor of Farmington City and that the within and foregoing instrument was signed on behalf of said City and duly acknowledged to me that said City executed the same.



Margy L. Lomax
Notary Public

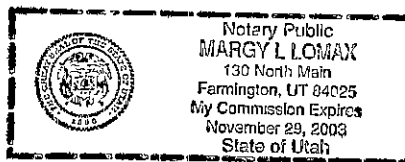
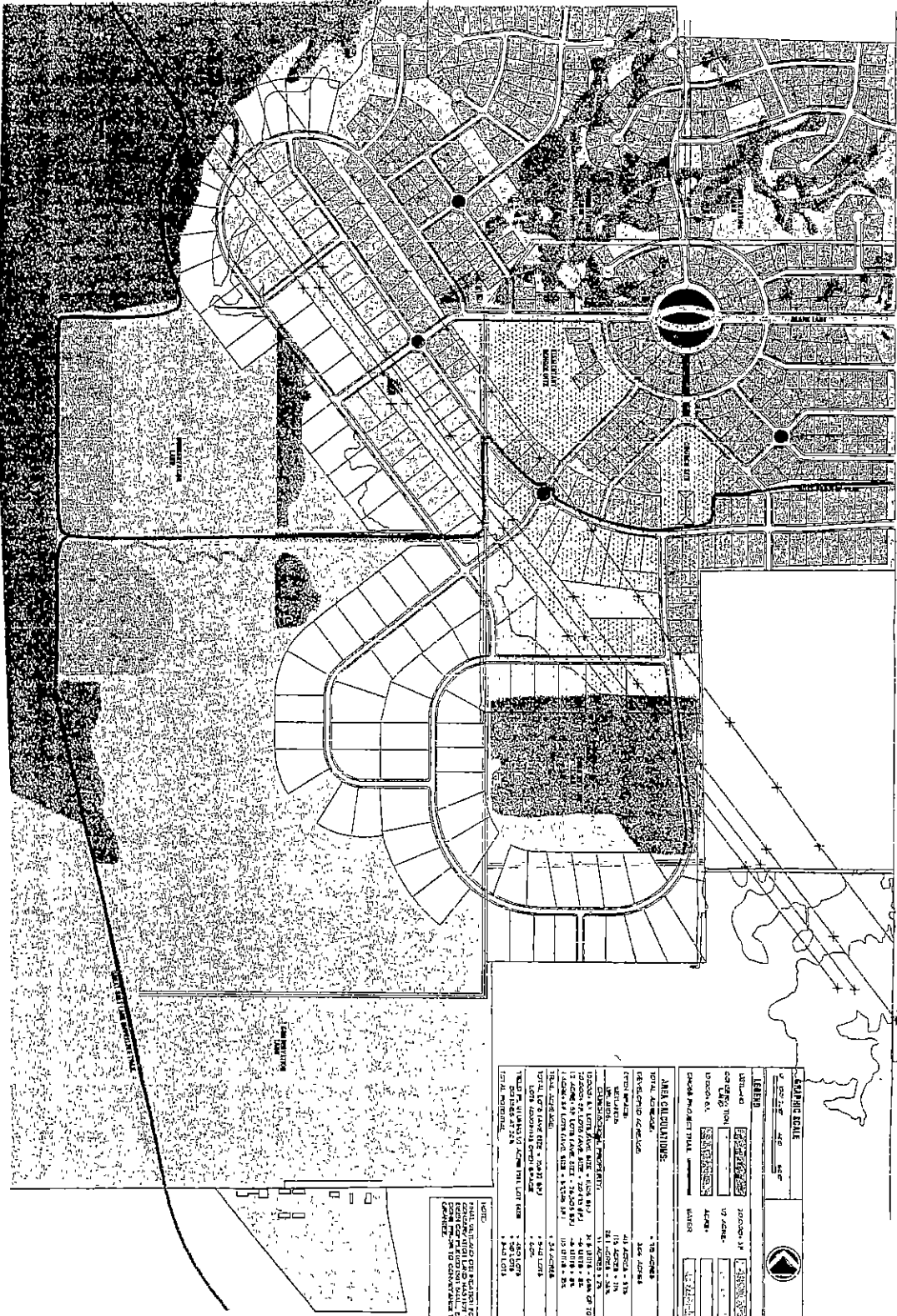


EXHIBIT "A"

LEGAL DESCRIPTION OF EASEMENT AREA

EXHIBIT "B"
USE MAP OF EASEMENT



ISSUANCE DATE	
DATE	BY
2000-04-14	DAVID R. HARRIS
PROJECT NAME	
FARMINGTON RANCHES	
OWNER	
DAVID R. HARRIS	
DESIGNER	
DIXON & ASSOCIATES	
SCALE	
AS SHOWN	
PROJECT TOTAL	
100.00 ACRES	
AREA CALCULATIONS	
TOTAL ACRES	
100.00	
DEVELOPED ACRES	
100.00	
TOTAL PROJECT AREA	
100.00	
NOTES	
1. THIS PLAN IS A PRELIMINARY PLAN AND IS SUBJECT TO THE REVIEW AND APPROVAL OF THE LOCAL GOVERNMENT AND THE STATE ENGINEER.	
2. THE DESIGNER HAS CONDUCTED VISUAL INSPECTIONS OF THE SITE AND HAS FOUND NO OBVIOUS OBSTACLES TO THE PROPOSED DEVELOPMENT.	
3. THE DESIGNER HAS CONDUCTED SURVEYS OF THE SITE AND HAS FOUND NO OBVIOUS OBSTACLES TO THE PROPOSED DEVELOPMENT.	
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10. THE DESIGNER HAS CONDUCTED SURVEYS OF THE SITE AND HAS FOUND NO OBVIOUS OBSTACLES TO THE PROPOSED DEVELOPMENT.	

NOTE: THIS PLAN IS A PRELIMINARY PLAN AND IS SUBJECT TO THE REVIEW AND APPROVAL OF THE LOCAL GOVERNMENT AND THE STATE ENGINEER.

EXHIBIT B
MAINTENANCE AGREEMENT

DATE	2/19/2000
FARMINGTON RANCHES	
BIRMINGHAM, UTAH	
Dixon & Associates Architecture, Planning, Interiors 142 East 200 South, Suite 202 Salt Lake City, Utah 84111 Phone: (801) 595-8400 Fax: (801) 595-8900	

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EXHIBIT "C"
MAINTENANCE PLAN

MAINTENANCE PLAN
Farmington Ranches
Conservation Subdivision

SECTION 1 - PURPOSE

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The purpose of this Maintenance Plan is to supplement the development criteria for the development of Farmington Ranches contained in the Development Agreement, the Conservation Easement, and the Covenants, Conditions and Restrictions in order to fix maintenance responsibility and provide additional maintenance guidelines, where necessary. The Maintenance Plan is intended to provide guidelines and fix responsibility for areas within Farmington Ranches that are designated as Conservation Land.

SECTION 2 - PROPERTY

The Conservation Land subject to this Maintenance Plan is located in the Farmington Ranches Conservation Subdivision, an approximately 719 acre project located in Township _____, Range _____, Salt Lake Base and Meridian, Farmington City, Davis County, State of Utah, as more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference.

SECTION 3 - MAINTENANCE AREAS

Four "Maintenance Areas" are designated in this plan as follows.

- a. Neighborhood Open Space such as village greens, landscaped turnabouts, landscaped roundabouts, entry features, etc., all of which are colored in red on the Project Master Plan attached hereto as Exhibit "B" and incorporated herein by this reference.
- b. Cross Project and Shoreline Trails colored in blue on Exhibit "B."
- c. Project setbacks colored in orange on Exhibit "B."
- d. Upland and Wetland Open Space Property colored in yellow on Exhibit "B."
- e. Upland and Wetland Open Space Property within Conservancy Lots outlined in purple on Exhibit "B."

SECTION 4 - OWNERSHIP OF CONSERVATION LAND

The respective ownership of the "Maintenance Areas" shall be as follows.

- a. Neighborhood Open Space: The Farmington Ranches Homeowners Association or its authorized successors or assigns, subject to the Conservation Easement.
- b. Cross Project and Shoreline Trails: Farmington City or its authorized successors

or assigns, subject to the Conservation Easement.

c. Project Setbacks. The Farmington Ranches Homeowners Association or its authorized successors or assigns, subject to the Conservation Easement.

d. Upland and Wetland Open Space: Boyer Wheeler Farm, L.C., or its authorized successors or assigns and/or Farmington Ranches Homeowners Association, subject to the Conservation Easement.

e. Upland and Wetland Open Space within Conservancy Lots: Fee title property owner, subject to the Conservation Easement.

SECTION 5 - MAINTENANCE GUIDELINES AND RESPONSIBILITIES

Neighborhood Open Space: Landscaping and irrigation systems shall be installed and maintained by the property owner in accordance with the landscape plan submitted as part of each phase of the project. Neighborhood Open Space may consist of flowers, trees, grass, shrubs, ground cover or natural vegetation. All Neighborhood Open Space shall have automatic irrigation systems installed, where applicable. These spaces shall be maintained, groomed and manicured by the property owner on a regular schedule sufficient to keep them in an attractive and clean condition.

Cross Project and Shoreline Trails: These areas shall be developed in accordance with the Development Agreement and shall be maintained by the property owner in accordance with Farmington City ordinance.

Project Setback Areas: Any areas disturbed during construction shall be revegetated in natural vegetation. These areas shall be kept in natural vegetation and shall be cleaned by the property owner at periodic intervals sufficient to keep these areas in an attractive, clean, and natural appearance. All such areas shall be kept in a neat and clean condition, free of debris and trash.

Upland and Wetland Open Space outside and inside Conservancy Lots: The owner of the property shall maintain the Upland and Wetland Open Space. Wetlands shall be maintained in accordance with the rules and regulations of the U.S. Army Corps of Engineers.

SECTION 6 - FUNDING MEANS FOR MAINTENANCE AND OPERATIONS

Estimates regarding staffing needs, insurance requirements, and associated costs for applicable maintenance areas shall be provided by the respective responsible party prior to recordation of the final plat for each phase of the Farmington Ranches development.

Neighborhood Open Space and Project Setback Areas: All members of the Farmington Ranches Homeowners Association shall be assessed annual assessments, special assessments, and maintenance charges pursuant to the protective covenants, conditions and restrictions recorded

with each phase of the Farmington Ranches development necessary to operate and maintain Neighborhood Open Space areas and project setback areas in an attractive and clean condition consistent with the approved landscape plan for each phase.

Cross Project and Shoreline Trails: Maintenance funds for these areas will be provided from the Farmington City General Fund so long as Farmington City remains the property owner.

Upland and Wetland Open Space: The Developer, or its assignee, shall fund any long-term capital improvements as well as regular yearly operating and maintenance costs associated with the Upland and Wetland Open Space.

Upland and Wetland Open Space within Conservancy Lots: Maintenance of these areas shall be all at the sole expense of the property owner.

SECTION 7 - MODIFICATION

Any changes to this Maintenance Plan must be approved by the City.

SECTION 8 - CORRECTIVE ACTION.

The City may enter the premises and take corrective action, including extended maintenance. The costs of such corrective action may be charged to the property owner, condominium association, homeowners association, conservation organization, or individual property owners who make up a condominium or homeowners' association and may include administrative costs and penalties. Such costs shall become a lien on said properties. Notice of such lien shall be filed by the City in the County Recorder's Office. Documents creating or establishing any association or conservation organization shall reference the City's corrective action authority set forth herein.

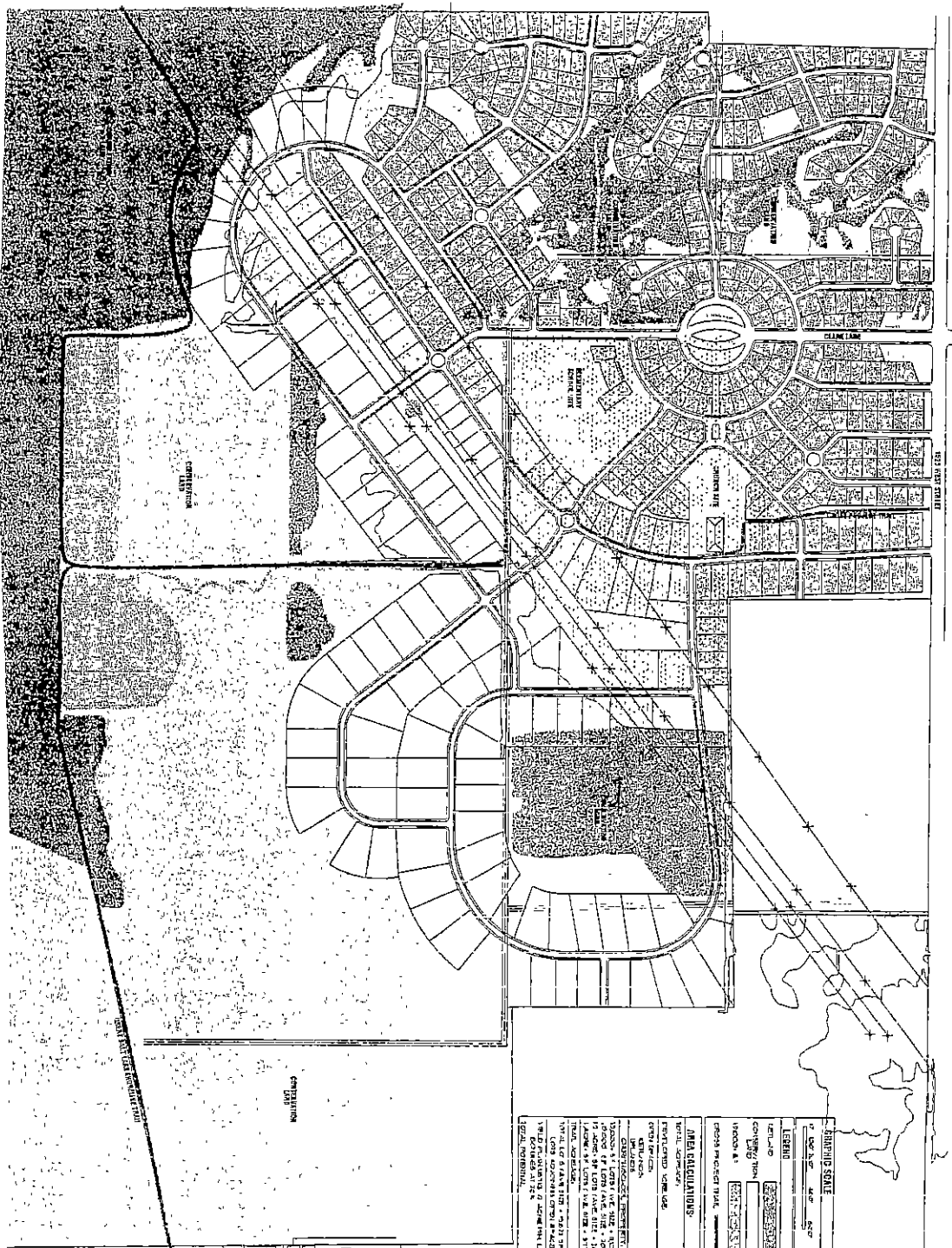
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EXHIBIT "D"

LIST OF ACCEPTED ENCUMBRANCES

EXHIBIT "C"
(Project Master Plan)

E 1524056 J 2713 P 1142



UTAH STATE PLANNING BOARD

PROJECT NO. SHEET NO.

DATE:

DESIGNED BY:

CHECKED BY:

APPROVED BY:

SCALE:

AREA CALCULATIONS

TOTAL ACRES:

TOTAL LOTS:

TOTAL AREA:

TOTAL LOT AREA:

TOTAL OPEN SPACE:

TOTAL IMPAVED AREA:

TOTAL GREEN SPACE:

TOTAL UTILITIES:

TOTAL SERVICES:

TOTAL UTILITIES AND SERVICES:

TOTAL IMPAVED AND SERVICES:

TOTAL GREEN AND SERVICES:

TOTAL UTILITIES, SERVICES, AND GREEN:

TOTAL IMPAVED, GREEN, UTILITIES, AND SERVICES:

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EXHIBIT 'C'
PROJECT MASTER PLAN

DATE:

FARMINGTON RANCHES		SHEET NO.
FARMINGTON, UTAH		A-0



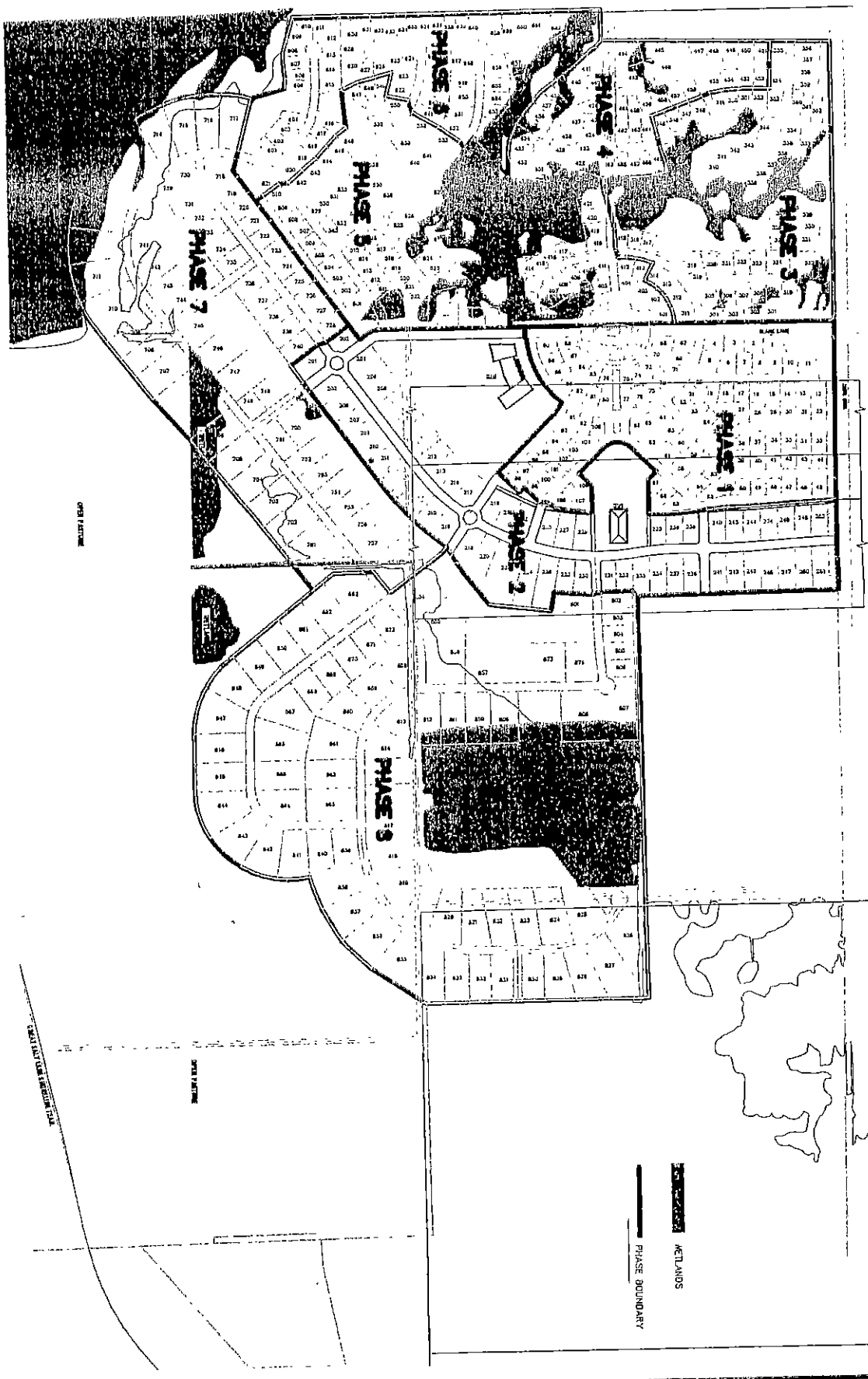
Dixion & Associates
Architecture Planning Interiors

142 East 200 South, Suite 202
Salt Lake City, Utah 84111
Phone (801) 595-4400
Fax (801) 595-6900



GRAPHIC SCALE 900'
0' 150' 300' 450' 600'
Scale: 1"=300'


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NO.	REVISIONS	BY	DATE

DRAWN	DATE	CHECKED	DATE

THE BOYER COMPANY
FARMINGTON UTAH

 **FORSCHREN ASSOCIATES, INC.**
390 EAST 200 SOUTH 500 WEST
SALT LAKE CITY, UTAH 84119
(801) 581-1700

FARMINGTON RANCHES
PHASING PLAN

58127

Farmington Ranches Conservation Subdivision

Project Development Guidelines

SECTION 1 - PURPOSE

The purpose of these Project Development Guidelines, also referred to herein as "Development Guidelines", is to supplement the development criteria for the development of Farmington Ranches contained in the Development Agreement and Covenants, Conditions and Restrictions and to ensure that the overall planning philosophy is carried out as each portion of the community is built. All construction within Farmington Ranches shall comply with Covenants, Conditions and Restrictions and be approved by the Architectural Control Committee (ACC). City Laws shall apply to all issues and standards that are not clearly and specifically addressed in these Development Guidelines. In order to resolve any ambiguity on the part of these Development Guidelines as they may relate to City Laws, it is agreed that matters relating to health and safety only shall generally be interpreted in favor with City Laws and generally accepted engineering standards.

Along with the Development Guidelines, a procedure for architectural review will be established to evaluate every proposal for development in the community. This shall be accomplished by the Architectural Control Committee established by the Owner's Association. The purpose of this review by the Architectural Control Committee is to ensure that the high standards of the community set forth in this document are upheld in each phase of development.

These Development Guidelines are intended to govern development in Farmington Ranches and, as such, may be subject to change where the Developer and City determine that the change would be in the best interest of Farmington Ranches and Farmington City as a whole.

The Development Guidelines are binding on any persons, entity, company or firm which intends to engage in home construction within Farmington Ranches.

SECTION 2 - DEVELOPMENT CONCEPT

Farmington Ranches will be a conservation subdivision developed on approximately 719 acres in the western portion of Farmington City (the "City") on the shores of the Great Salt Lake. Farmington Ranches has evolved through a careful planning process. The Boyer Wheeler Farm, L.C. (the "Developer") of Farmington Ranches, performed environmental, engineering, and planning studies all of which have been incorporated into the "Project Master Plan." Farmington Ranches is envisioned to provide a variety of land uses which may include a church, an elementary school, a variety of residential uses from quarter acre residential lots to one acre custom estates, and open space. The development will be clustered so as to preserve large contiguous blocks of wetlands, and a cross project and shoreline trail.

Developer will design each phase of the project consistent with the Project Master Plan and will control the architecture through the Design Guidelines as interpreted and implemented by the Farmington Ranches Architectural Control Committee. All home builders within Farmington Ranches requiring a building permit from the City will be required to present written evidence to the City that the Architectural Control Committee has approved its plans prior to City issuance of a building permit.

It is anticipated that Farmington Ranches will be developed in multiple phases. Within each phase of construction there may be a variety of land uses. The phased construction of Farmington Ranches will respond to the possibility of variation in market demand for residential development without compromising the intent or general design of the Project Master Plan for Farmington Ranches delineated from the outset of the project. Subject to the Development Agreement, the Developer will submit preliminary and final plats which for the City's consideration and approval. The size, order and the number of phases will be determined by the Developer after consultation with the City.

Farmington Ranches is located adjacent to the Great Salt Lake in close proximity to the Farmington Bay Bird Refuge which is managed by the Utah State Department of Natural Resources. In accordance with the Development Agreement and Conservation Easements, Farmington Ranches is designed to promote the goals of this unique eco-system by preserving natural vegetation, geologic features, wildlife habitat and open space and also minimizing the amount of grading and earth work to develop the streets and lots. A cluster type development has been utilized to minimize disturbance of wetlands or sensitive terrain. The design will attempt to incorporate the natural drainage courses with minimal improvements so as to avoid disturbing the natural scenic beauty of the Farmington Bay/Great Salt Lake area. Careful attention will be given to revegetation of the disturbed areas within the Conservation Easement.

SECTION 3 - THE DEVELOPMENT PLAN

Farmington Ranches is a conservation subdivision and has been conceived as a comprehensive master planned residential community, enhanced and supported by other non-residential uses.

A. Planning Objectives

The planning objectives for Farmington Ranches consistent with the approved Project Master Plan and Development Agreement are intended to accomplish the following:

- Provide an aesthetic residential community of neighborhoods offering a variety of housing sizes and prices of high quality design and value to the consumer.
- Provide open space as depicted on the Project Master Plan by clustering development within the uplands in the northeast area of the site.
-

- Provide the opportunity to live within a unique natural environment and quality community lifestyle with the Wasatch Mountains east of the development providing a scenic drop back for this development.
- Provide a comprehensive plan for open spaces incorporating a cross project and shoreline trail easement which will provide access through the community and to the Farmington Bay Bird Refuge.

B. Phasing Strategy

The phasing strategy for Farmington Ranches is intended to accomplish the following in a progressive, orderly and timely manner:

- Supply major utility and infrastructure construction during initial phases of development.
- Provide an orderly development pattern to accommodate safe, efficient traffic circulation.

Developer shall bond for and guarantee the installation of infrastructure within a phase with each final plat map in accordance with the Development Agreement and the City's Laws.

C. Land Use

The Project Master Plan has been approved by the City and has placed development into four categories: 1) Residential; 2) Institutional (non-residential); 3) Special Use; and 4) Open Space. This is designed to provide flexibility in developing Farmington Ranches by allowing the market to influence the residential and commercial product. Over the life of the project, the product will be determined and submitted to the City as a series of preliminary plats consistent with Project Master Plan. This allows the product to respond to the market and will ensure that the City will have an opportunity for review as each preliminary plat map is submitted.

1) Residential

A range of residential uses and building types will be provided. The residential product will provide for first-time homebuyers, young families, and horse property. The approved overall residential density of the project will be 540 dwelling units. The concept being utilized provides flexibility but also ensures to the City that the approved density will not be exceeded.

a) Allowable Uses in the Residential Areas shall include the following subject to meeting Farmington City Zoning Ordinance requirements:

- Permanent detached residential housing.

- Garages, barns, stables, coops, corrals or other similar structures, accessory buildings, structures and uses related and ancillary to a permitted use.
- Fences, walls and trellises, signs and entry monuments.
- Swimming pools and other recreational structures and amenities.
- Trails and other open space uses.
- Home occupations.
- Nursery or greenhouses.
- Assisted living facilities.

2) Institutional

Land designated for an elementary school and church. Development applications for both uses will be subject the conditional use and site plan review process as outlined in the Farmington City Zoning Ordinance.

3) Special Use Area

The Special Use area will become the project entry to Farmington Ranches.

4) Open Space

A major element and benefit of the project is the large network of open space connecting wetland and wildlife habitat area or uplands to the Great Salt Lake that is being left in its existing or natural state. The use of this space shall be governed by the Conservation Easement and the Development Agreement

Cross project and shoreline trail easements will be integrated into the final design consistent with the Project Master Plan.

D. Community Support Facilities

1) Community Support Facilities Locations

Community Support Facilities, as defined herein, may be located in the project. Sites for these parcels range in size generally from 3 to 12 acres and will be located generally along collector roads or adjacent to open space lands. The intended use of these parcels is for public or municipal services such as schools and churches. Outside the developed or platted areas, open space and trails will be protected from development through conservation easements or transfer of property to the City.

Underground utilities, drainage improvements and other compatible facilities in the non-platted, natural open space areas may be allowed by the City as required to support the community.

2) Trails

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Cross project and shoreline trail easements as designated on the Project Master Plan will be used to interconnect areas of Farmington Ranches. The trails may eventually connect to offsite trail networks in Farmington, Kaysville, and Davis County. These trails will be built and maintained in accordance with the Development Agreement. The location of trails shall be shown on each Preliminary Plat for review and approval by the City and incorporated into the Final Plat Map design. Upon final inspection and acceptance by the City, all trails shall thereafter be maintained by the City.

3) Open Space

Open space shall be set aside consistent with the Project Master Plan for protection through the use of conservation easements. Indiscriminate clearing of native vegetation is prohibited.

4) Church

The provision for a church site is an important element of the Project Master Plan. The Church facility architecture and landscape design shall be subject to approval by the Architectural Control Committee and subject to City approval.

5) School

Development of an elementary school is a necessary and desired element of the Project. The location of new school shall be generally in accordance with the Project Master Plan. The Davis County School District has indicated, for planning purposes only, that there may be the need for (1) one elementary school within Farmington Ranches. The school site should be approximately 12 net acres with good pedestrian and vehicular access and circulation. A joint use school/park location or corner location is encouraged. Developer will cooperate with the School District and the City for an adequate school site to serve the residents of Farmington Ranches.

SECTION 4 - DEVELOPMENT STANDARDS

A. Streets - General

Streets are only schematically shown on the approved Farmington Ranches Project Master Plan. Analysis of each development phase will be performed as each preliminary plat map is proposed and submitted to the City for review and approval. The final design and street alignments shall be determined with each preliminary plat map. These streets will be constructed by the Developer in tandem with the development of each phase and dedicated to the City. Streets will be planned within each individual phasing plan and constructed by the Developer or other developer and

dedicated to the City. Where private drives occur, they will be made a part of adjacent property and will be maintained by owners.

The Developer must design at preliminary plat review street sections, and their site specific design and application that conform with City ordinances and are appropriate based on civil engineering design prepared by qualified licensed professionals.

B. Site Layout and Design - Single Family Detached Residential

Residential development must comply with the Farmington Ranches Covenants, Conditions and Restrictions which require special attention to architectural details and landscaping. Standards that apply to any one product type are listed in the appropriate, subsequent section and are subject to an appropriate grading and drainage plan.

1. Lot Layout and Land Use Relationships - Single-Family Detached Residential

The land use relationships of Farmington Ranches shall conform to the Project Master Plan approved by the City. It is currently anticipated that the Developer shall prepare and submit all preliminary plats and final plats directly to the City for approval without the review and approval of the Architectural Control Committee. In the event that Developer makes a bulk land sale of non-platted land to another developer or builder, the other Developer or builder shall submit the lot layouts and/or preliminary plat maps to the City for approval.

2. Height and Setback Restrictions - Single-Family Detached Residential

All plot plans for residential lots shall be approved by the Architectural Control Committee prior to building permit applications to the City and shall conform to the height and setback requirements set forth in the Covenants, Conditions and Restrictions and City ordinances.

C. Site Amenities and Design Features

1. Project Entries

Farmington Ranches may be designed to provide an integrated design of landscaping, monumentation and signage compatible with the surrounding environment.

A project entry serves to introduce and define the limits of the community and is intended to impart a subtle, tasteful introduction to the community.

The Farmington Ranches entry may consist of a defined geographic area which may contain some combination of an entry feature, decorative walls, landscaping, special lights and signing.

All monuments and signage shall be approved by the Developer and the City. Entry features, monuments and signage shall be owned and maintained by the Owner's Association. All signage will comply with City Ordinances.

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2. Street Lighting

Lighting shall be utilized as necessary to provide the functional requirements of safety, security and identification. Street intersections, cross-walks and other areas may be lighted as necessary for public safety. Light sources shall meet City approved lighting standards and shall be shielded and directional, discretely illuminating only essential areas. Street light locations shall be proposed by the Developer and approved by the City.

3. Landscaping and Revegetation

Landscaping and revegetation shall conform to the Development Agreement.

The major community entry is located on Clark Lane as one enters the property. This major entry will be highlighted by being within a passive park-like setting designed to illustrate the natural beauty of Farmington Ranches.

4. Visual Impacts

Whenever residential building development occurs within Farmington Ranches, the design elements shall conform to the Covenants, Conditions and Restrictions.

EXHIBIT "D" E 1624056 B 2713 P 1158

(Proposed Phasing Plan)

EXHIBIT "E"

(Form Pioneering Agreement - 1525 West Street)

EXHIBIT "E"

PUBLIC IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the ____ day of June, 2000, by and between FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and BOYER WHEELER FARM, L.C., a Utah limited liability company, hereinafter referred to as the "Developer."

RECITALS:

WHEREAS, the Developer is developing a subdivision within Farmington City at approximately 1525 West and Clark Lane (100 North), referred to as the Farmington Ranches Subdivision; and

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

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

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

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows.

1. **Developer's Obligation.** Developer hereby agrees to install improvements for the east half of 1525 West Street the entire distance that such right-of-way runs adjacent to the eastern boundary of the property all as fully described in the Farmington Ranches Development agreement between the Developer and the City. Such improvements shall include but are not limited to curb and gutter, asphalt, road base, and all related underground public improvements and utilities on the east half of the street.

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

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

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

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

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

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

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

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

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

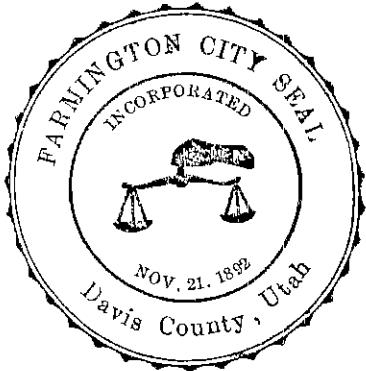
“CITY”

FARMINGTON CITY

ATTEST:

Margy L. Lomax
City Recorder

By: Gregory Beel
Mayor



“DEVELOPER”

By: John V. Anderson
Its: Manager

EXHIBIT "F"

(Form Pioneering Agreement - Clark Lane)

EXHIBIT "F"

PUBLIC IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the ____ day of June, 2000, by and between FARMINGTON CITY, a Utah municipal corporation, hereinafter referred to as the "City," and BOYER WHEELER FARM, L.C., a Utah limited liability company, hereinafter referred to as the "Developer."

RECITALS:

WHEREAS, the Developer is developing a subdivision within Farmington City at approximately 1525 West and Clark Lane (100 North), referred to as the Farmington Ranches Subdivision; and

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

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

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

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

1. **Developer's Obligation.** Developer, in cooperation with the developer of Farmington Greens, hereby agrees to install improvements for 75.7% of the Clark Lane right-of-way from the point where the 1100 West right-of-way intersects with the projected eastern most boundary of Farmington Greens Project to the Western boundary of the 1100 West Street right-way all as fully described in the Farmington Ranches Development agreement between the Developer and the City. The Clark Lane right of way improvements shall include but are not limited to curb and gutter, asphalt, road base, and all related underground public improvements and utilities.

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

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

E 1624056 # 2713 P 1165

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

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

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

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

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

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

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

E 1624055 B 2713 P 1166

“CITY”

FARMINGTON CITY

ATTEST:

Margie Lomax
City Recorder

By: [Signature]
Mayor

“DEVELOPER”

By: [Signature]
Its: [Signature]



EXHIBIT "G" E 1624056 B 2713 P 1167

(Form Trail Easement)

03\Agmt\Boyer (Farm Ranches DA)-9
August 8, 2000

WHEN RECORDED, PLEASE RETURN TO:

E 1624056 B 2713 P 1168

**DECLARATION OF TEMPORARY TRAIL EASEMENT
AND RESTRICTIONS**

THIS DECLARATION OF TEMPORARY TRAIL EASEMENT AND RESTRICTIONS (the "Declaration") is entered into this ____ day of August, 2000, by and between BOYER WHEELER FARM, L.C., a Utah limited liability company ("Developer"), whose address is 127 South 500 East, Suite 100, Salt Lake City, Utah 84102, and FARMINGTON CITY, a Utah municipal corporation ("City"), whose address is 130 North Main Street, P.O. Box 160, Farmington, Utah 84025.

RECITALS:

A. Developer owns and is developing approximately 719 acres of land which is situated at approximately 100 North and 1525 West within City, which is known as Farmington Ranches (the "Property").

B. City and Developer have entered into a Development Agreement for Farmington Ranches dated the ____ day of August, 2000 (the "Development Agreement") wherein Developer agreed, subject to certain conditions, to grant City on a temporary basis a non-exclusive easement for ingress and egress over certain anticipated trail rights-of-way (the "Trail Easement Area"), which Trail Easement Area is located on the Property and is more particularly described in **Exhibit "A"** attached hereto and by this reference made a part hereof.

C. City desires that Developer grant to City the said easement over the Trail Easement Area, and Developer desires to grant such easement for the purposes of and subject to the terms, conditions, and restrictions set forth below.

AGREEMENT:

NOW, THEREFORE, for the foregoing purposes and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and City hereby consent, acknowledge, and agree to all of the following terms and provisions:

1. Grant of Trail Easement.

1.1 Trail Easement. Developer hereby grants and conveys to City a temporary non-exclusive easement (the "Trail Easement") upon and across the Trail Easement Area, for the purpose of ingress and egress only, and subject to all easements, encumbrances, deed gaps, restrictions, and rights-of-way appearing of record or enforceable in law and equity.

1.2 Limitation; Alteration.

1.2.1 Limitation. The right-of-way and easement granted in Paragraph 1.1 shall be limited to use for such purposes and to such extent as may be customary to the use of the Trail Easement Area for public recreational trail and path use.

1.2.2 Alteration of Trail Easement Area. Subject to all of the terms and conditions hereof, Developer may alter, relocate, or change the configuration of the Trail Easement Area; provided, however, that after such alteration, relocation, or change, the Trail Easement Area shall be such that City shall continue to have the general right of ingress and egress contemplated herein.

2. Duration. Notwithstanding any other provision of this Declaration to the contrary, the Trail Easement shall cease, and all right, title, and interest of City, its successors and assigns therein shall terminate automatically upon the following: Developer's conveyance to City, by special warranty deed in favor of City, of a twenty (20) foot right-of-way for the [**Cross Project Trail / Great Salt Lake Shoreline Trail**], as said terms and right-of-way are more particularly described in the Development Agreement.

3. Modification. This Declaration and any right-of-way, easement, or restriction contained herein may be terminated, extended, modified, or amended upon proper recordation of a written document evidencing the same, executed and acknowledged by Developer and City in the Office of the Davis County Recorder.

4. Covenants Run With Land. The right-of-way, easement, and restrictions contained in this Declaration (whether affirmative or negative in nature): (a) shall create equitable servitudes upon the Trail Easement Area; (b) shall constitute covenants running with the land; (c) shall bind every person having any fee, leasehold, or other interest in any portion of the Trail Easement Area at any time or from time to time to the extent that such portion is affected or bound by the right-of-way, easement, or restriction in question, or to the extent that such right-of-way, easement, or restriction is to be performed on such portion; and (d) shall inure to the benefit of and be binding upon Developer and City, their respective successors and assigns, their respective tenants, subtenants and concessionaires, customers, invitees, guests, and licensees.

5. Indemnification by City. City agrees to indemnify, defend, and hold harmless Developer and its successors and assigns from and against and with respect to any claim, liability, obligation, loss, damage, deficiency, assessment, judgment, cost, or expense (including, without limitation, reasonable attorneys' fees and expenses, and costs and expenses reasonably incurred in

investigating, preparing, or defending against any litigation, claim, action, suit, proceeding, or demand of any kind or character), for or on account of any injury, loss, or damage received or sustained by any person or property, real or personal, which arises out of or is any way connected with the public use of the Trail Easement or the Trail Easement Area.

6. Titles and Captions. Paragraph titles or captions to this Declaration are for convenience only and shall not be deemed to be part of this Declaration and in no way define, limit, augment, extend, or describe the scope, content, or intent of any part or parts of this Declaration.

7. Pronouns and Plurals. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine, or neuter forms and the singular form of nouns, pronouns, and verbs shall include the plural and vice versa. Each of the foregoing genders and plurals is understood to refer to a corporation, partnership, or other legal entity when the context so requires.

8. Applicable Law. This Declaration shall be construed in accordance with and governed by the laws of the State of Utah.

9. Severability. In the event that any provision herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Declaration and shall in no way affect any other provision herein contained. If such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10. Exhibits. All Exhibits referred to herein and attached hereto are hereby incorporated herein by this reference.

[Signatures appear on following page]

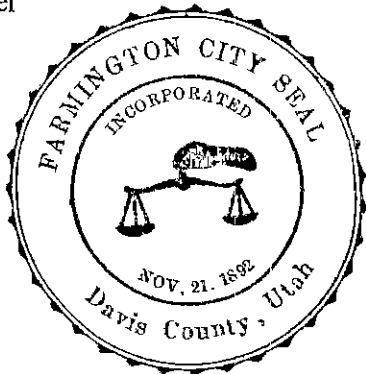
IN WITNESS WHEREOF, this Declaration of Temporary Trail Easement and Restrictions is executed as of the date first above written.

"CITY" E 1624056 B 2713 P 1171.

FARMINGTON CITY

ATTEST:

Margaret Lomax
City Recorder



By: Gregory S. Bell
Gregory S. Bell, Mayor

"DEVELOPER"

BOYER WHEELER FARM, LC, a Utah limited liability company, by its Managing Member,

THE BOYER COMPANY, LC, a Utah limited liability company,

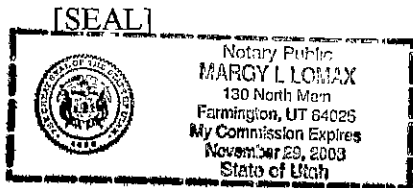
By: John L. Gardner
Its: Manager

CITY ACKNOWLEDGMENT

STATE OF UTAH)
)
:SS
COUNTY OF DAVIS)

E 1624056 B 2713 P 1172

On the 31st day of August, 2000, personally appeared before me Gregory S. Bell, who being duly sworn, did say that he is the Mayor of Farmington City, a municipal corporation of the State of Utah, and that the foregoing instrument was signed in behalf of the City by authority of its governing body and said Gregory S. Bell acknowledged to me that the City executed the same.

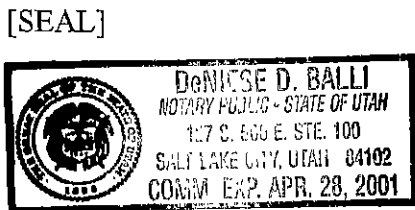


Margy L. Lomax
Notary Public

DEVELOPER ACKNOWLEDGMENT

STATE OF UTAH)
)
:SS
COUNTY OF Salt Lake)

On the 29 day of August, 2000, personally appeared before me Kem C. GARDNER, who being by me duly sworn did say that he is the MANAGER of The Boyer Company, LC, a Utah limited liability company, the managing member of Boyer Wheeler Farm, LC, a Utah limited liability company, and that the foregoing instrument was signed in behalf of said limited liability company by authority of a resolution of its members; and he acknowledged to me that said limited liability company executed the same.



Denise D. Balli
Notary Public

EXHIBIT "A"
TO
DECLARATION OF TEMPORARY TRAIL EASEMENT AND RESTRICTIONS

(Legal Description of Trail Easement Area)

EXHIBIT "A"

TEMPORARY TRAIL EASEMENT

A STRIP OF LAND 20 FEET IN WIDTH LYING 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 23, TOWNSHIP 3 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, THENCE NORTHERLY ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 23, NORTH 00°09'08" WEST, A DISTANCE OF 2127.81 FEET; THENCE LEAVING SAID WEST LINE, EAST, A DISTANCE OF 215.23 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 34°15'13" WEST, A DISTANCE OF 41.00 FEET; THENCE SOUTH 53°51'19" WEST, A DISTANCE OF 53.73 FEET; THENCE SOUTH 88°43'06" WEST, A DISTANCE OF 330.39 FEET; THENCE SOUTH 89°28'21" WEST, A DISTANCE OF 582.52 FEET; THENCE SOUTH 89°19'47" WEST, A DISTANCE OF 833.36 FEET; THENCE SOUTH 89°05'47" WEST, A DISTANCE OF 400.21 FEET; THENCE SOUTH 88°51'06" WEST, A DISTANCE OF 631.00 FEET TO A POINT LYING NORTH 52°30'20" WEST, A DISTANCE OF 3319.88 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 23 AND THE TERMINOUS OF THIS DESCRIPTION.

THE ABOVE DESCRIBED STRIP OF LAND IS TEMPORARY AND FOR THE PURPOSE OF INGRESS-EGRESS ONLY.

EXHIBIT "H"

(Project Needs and Cost of Water Development)

E 1624056 B 2713 P 1175

Exhibit H

FARMINGTON CITY WATER SYSTEM IMPROVEMENTS FOR FARMINGTON RANCHES / FARMINGTON GREENS

Boyer / Farmington Green Development Farmington Ranches Farmington Greens Farmington City
 Project Needs Portion of Costs 65.15% Portion of Costs 20.90% Portion of Costs 13.95%

Phase I	Location	Description	Quantities	Units	Unit Cost	Total Amount	Impact Expense	Boyer / Farmington Green Development Project Needs	Farmington Ranches Portion of Costs	Farmington Greens Portion of Costs	Farmington City Portion of Costs
WATER LOOP LINE PHASE											
	1525 W from Shepard Lane near Set Court to Clark Lane	12-inch PVC at 1525 West	6100	LF	\$ 35.00	\$ 213,500.00	\$ 213,500.00	\$ 213,500.00			
	Clark Lane and up Clark Lane to 1100 West	12-inch PVC at Clark Lane	2700	LF	\$ 35.00	\$ 94,500.00	\$ 94,500.00	\$ 94,500.00			
		Lump Sum				\$ 150,000.00	\$ 150,000.00	\$ 150,000.00			
		Job				\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
		Job				\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
		Lump Sum				\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
		Lump Sum				\$ 30,000.00	\$ 30,000.00	\$ 30,000.00			
	1525 West from Clark Lane South along Boyer	10-inch PVC	1700	LF	\$ 30.00	\$ 51,000.00	\$ 51,000.00	\$ 51,000.00			
		Subtotal				\$ 659,000.00	\$ 659,000.00	\$ 659,000.00			
		Engineering				\$ 85,350.00	\$ 85,350.00	\$ 85,350.00			
		Contingency				\$ 56,900.00	\$ 56,900.00	\$ 56,900.00			
		Total Costs PHASE I				\$ 711,250.00	\$ 711,250.00	\$ 711,250.00	\$ 463,379.00	\$ 148,651.00	\$ 99,220.00

						\$ 124,165.00	\$ 124,165.00	\$ 124,165.00			
		Property 1.4 acres	1.4			\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
		job				\$ 15,000.00	\$ 15,000.00	\$ 15,000.00			
		job				\$ 3,500.00	\$ 3,500.00	\$ 3,500.00			
		job				\$ 1,500.00	\$ 1,500.00	\$ 1,500.00			
		job				\$ 20,000.00	\$ 20,000.00	\$ 20,000.00			
		Subtotal				\$ 174,165.00	\$ 174,165.00	\$ 174,165.00			
		Contingency				\$ 13,500.00	\$ 13,500.00	\$ 13,500.00			
		Contingency				\$ 187,665.00	\$ 187,665.00	\$ 187,665.00			
		Total Costs PHASE II				\$ 86,609.60	\$ 86,609.60	\$ 86,609.60	\$ 178,669.00	\$ 57,323.00	\$ 38,261.80

						\$ 625,000.00	\$ 625,000.00	\$ 625,000.00			
		20-inch DIP	1600	LF	\$ 45.00	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00			
		Lump Sum				\$ 64,800.00	\$ 64,800.00	\$ 64,800.00			
		Well Const. & Transmission Pipeline				\$ 472,000.00	\$ 472,000.00	\$ 472,000.00			
		Booster Pump Station at Well No. 2				\$ 43,000.00	\$ 43,000.00	\$ 43,000.00			
		Lump Sum				\$ 297,360.00	\$ 297,360.00	\$ 297,360.00			
		12-inch DIP	3900	LF	\$ 45.00	\$ 175,500.00	\$ 175,500.00	\$ 175,500.00			
		Subtotal				\$ 1,082,610.00	\$ 1,082,610.00	\$ 1,082,610.00			
		Engineering 7%				\$ 75,782.70	\$ 75,782.70	\$ 75,782.70			
		Contingency				\$ 108,261.00	\$ 108,261.00	\$ 108,261.00			
		Total Costs PHASE III				\$ 1,266,653.70	\$ 1,266,653.70	\$ 1,266,653.70	\$ 824,924.00	\$ 265,822.00	\$ 175,907.70

						\$ 2,107,665.00	\$ 2,107,665.00	\$ 2,107,665.00			
		Subtotal (construction costs)				\$ 1,775,775.00	\$ 1,775,775.00	\$ 1,775,775.00			
		Plus Engineering (15%)				\$ 316,149.75	\$ 316,149.75	\$ 316,149.75			
		Plus Contingency (10%)				\$ 210,766.50	\$ 210,766.50	\$ 210,766.50			
		Total Estimated Cost				\$ 2,634,588.25	\$ 2,634,588.25	\$ 2,634,588.25	\$ 1,466,992.00	\$ 471,796.00	\$ 313,389.50

F 10 10 40 01 0 B 07 13 P 1176

EXHIBIT "I"

(Number and Sizes of Prepaid Water Meter Connections)

E 1624056 B 2713 P 1177

Exhibit I.

Farmington City
 Cost of Water Development For
 South/West Farmington Area

Page 11 78

6-Jun-2000

	Proposed Fees For Development
Total Cost for Development of Area	<u>\$ 2,252,177.50</u>
Developers Pre-Paid Impact Fees	
Initial Developers:	
The Boyer Co. (Wheeler Farms) (75.7%)	
540 lots, School (6 lots) & Church site (1 lot) = 547 lots total (547*2156)	1,179,332.00
191 lots with 1" connections \$3665 each	
356 lots with 3/4" Connections \$2156 each	
Total Water Impact Fees for Development	<u>1,179,332.00</u> <u>1,179,332.00</u>
Farmington Greens (24.3%)	
176 Lots (176*2156)	379,456.00
42 lots with 1" connections \$3665 each	
134 lots with 3/4" connections \$2156 each	
Total Water Impact Fees for Development	<u>379,456.00</u> <u>379,456.00</u>
Total Fees for Initial developments	<u>\$ 1,558,788.00</u> <u>\$ 1,558,788.00</u>
Remainder of Costs Requiring Additional Financing	\$ 693,389.50
Less Amt Paid by CITY	\$ 313,389.50
*** Developers Portion (to be paid back by city)	<u>\$ 380,000.00</u>
Wheeler Farms is 75.7 % of Initial Development which equals	===== 287,660.00
Farmington Greens is 24.3 % of Initial Development which equals	92,340.00

Farmington City Portion of Water Development

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