

# RESOLUTION 03-03-2014

## A RESOLUTION OF SANTAQUIN CITY APPROVING AN AMENDMENT TO THE AHLIN PROPERTY DEVELOPMENT AGREEMENT REGARDING THE PHASING OF REQUIRED DEVELOPMENT INFRASTRUCTURE IMPROVEMENTS BETWEEN SANTAQUIN CITY, RICH BARTON, AND IREWOOD NEVADA, LLC.

**WHEREAS**, the Annexation and Development Agreement for the Ahlin Annexation Project Area was entered into October 18, 2000 and was recorded in the official records of the Utah County Recorder December 11, 2000 as Entry No. 97996:2000 (the "Development Agreement"); and


**WHEREAS**, Mr. Rich Barton and Irewood Nevada, LLC., have acquired title to all of the real property that is described in the Development Agreement, except for approximately 24 acres that contains the City's Pressurized Irrigation Pond, making them party to all rights, responsibilities, and obligations under the Development Agreement; and

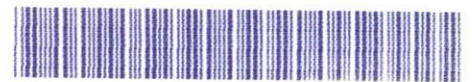
**WHEREAS**, Mr. Rich Barton, Irewood Nevada, LLC., and Santaquin City desire to clarify the terms of the Development Agreement pertaining to phasing of required development infrastructure.

**NOW THEREFORE, LET IT BE RESOLVED**, that the governing body of Santaquin City approves the First Amendment to the Ahlin Annexation and Development Agreement between Santaquin City, Mr. Rich Barton and Irewood Nevada, LLC which clarifies the phasing of required development infrastructure (See Attached).

Approved the 5<sup>th</sup> day of March, 2014.

  
Kirk Hunsaker, Mayor

  
Susan B. Farnsworth, City Recorder



ENT 15215:2014 PG 1 of 15  
JEFFERY SMITH  
UTAH COUNTY RECORDER  
2014 Mar 06 1:46 PM FEE 38.00 BY ED  
RECORDED FOR SANTAQUIN CITY CORPORATION

**FIRST AMENDMENT TO  
AHLIN ANNEXATION AND DEVELOPMENT AGREEMENT**

THIS FIRST AMENDMENT TO AHLIN ANNEXATION AND DEVELOPMENT AGREEMENT (the "Amendment") is entered into as of the 5 day of March, 2014 by and among Rich Barton ("Barton"), IREWOOD NEVADA, LLC, a Nevada limited liability company ("Irewood") and SANTAQUIN CITY, a fifth class city of the State of Utah ("City" or "Santaquin") (together, the "Parties").

**RECITALS**

A. WHEREAS, the Annexation and Development Agreement for the Ahlin Annexation Project Area was entered into October 18, 2000 and was recorded in the official records of the Utah County Recorder December 11, 2000 as Entry No. 97996:2000 (the "Development Agreement") a copy of which is attached hereto as Exhibit A; and

B. WHEREAS, Barton and Irewood have acquired title to all of the real property that is described in the Development Agreement ("the Land"), except for approximately 24 acres that contains the City's Pressurized Irrigation Pond; and

C. WHEREAS, the Parties desire to enter into this Amendment to clarify and modify certain development parameters for the Land as more particularly set forth herein; and

D. WHEREAS, the Parties acknowledge that this Amendment does not modify any provisions of the Development Agreement affecting any part of the Ahlin Annexation other than the Land; and

E. WHEREAS, Barton and Irewood have agreed to cooperate with the City as reasonably necessary to comply with the terms of the Development Agreement and this Amendment, and agree to be bound by the terms of this Amendment, as evidenced by their signatures below; and

F. WHEREAS, Barton and Irewood intend to take all steps necessary to develop the Land according to the Development Agreement and this Amendment; and

G. WHEREAS, this Amendment shall modify the Development Agreement with respect to the Land only as specifically set forth herein, and all provisions of the Development Agreement which are not specifically amended herein shall continue in full force and effect.

H. WHEREAS, the modifications set forth in this Amendment are consistent with the planning objectives and goals of the City for the Development Agreement approved pursuant to Ordinance No. 12-3-2000.

NOW, THEREFORE, in consideration of the foregoing recitals and the covenants hereafter set forth, the sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

## SECTION I. DEFINITIONS

Unless the context requires a different meaning, any term or phrase used in this Amendment that is not otherwise defined herein shall have the meaning given in the Development Agreement. Terms defined herein are as follows:

1.1 **“Developer”** means any individual or entity, its assigns and successors in interest, whether in whole or in part, which may or may not include an Owner, that seeks approval of a final plat for subdivision of development of all or any portion of the Land or the establishment of any Project.

1.2 **“ERU”** means Equivalent Residential Unit as the term is defined in the Santaquin City Land Uses Ordinances.

1.3 **“Frontage Road”** means the road that is described in the Development Agreement that is to be constructed on the Land adjacent to I-15 and which shall run from 900 South to I-15 exit 242, commonly known as the South Santaquin interchange. The phasing plan contemplated and approved for such road is attached hereto as Exhibit B.

1.4 **“Owners”** for purposes of this Amendment means BARTON and IREWOOD who own all of the Land.

1.5 **“Plat A”** for purposes of this Amendment means that project and the area shown in Exhibit C, which is attached hereto.

1.6 **“Preliminary Plat”** means that preliminary plat for development of the Land that was approved by the City, a copy of which is attached hereto as Exhibit D.

1.7 **“Project”** means the improvement and development of the Land pursuant to the Development Agreement, as amended hereby.

1.8 **“Warranty Bond”** means ten percent of the City engineers cost of construction as outlined and set forth in the Santaquin City Code.

1.9 **“Development Standards”** means the Santaquin City construction Standard Specifications and Drawings adopted by resolution of the City Council on June 20, 2012, and as may be amended from time to time.

## SECTION II. SPECIFIC AMENDMENTS

The Development Agreement shall be specifically amended as follows:

2.1 **Construction of Frontage Road.** The parties agree that the provisions of the Development Agreement that require that the construction of the Frontage Road be completed as part of the first phase of development of the Property shall be amended to provide for construction and completion of the Frontage Road as follows:

2.1.1 The construction of the Frontage Road shall not be required as a prerequisite to development of the Land, a Project, or Phase 1 except as required by the City Development Standards and those stipulations outlined in this agreement.

2.1.2 No Frontage Road construction shall be required as part of the approval of Plat A but Plat A must otherwise meet full compliance with City construction standards.

2.1.3 Developer shall construct Phases 1 through 3 of the Frontage Road in phases as outlined in Exhibit B of this agreement.

2.1.4 The City shall establish an escrow account ("Escrow") for the purpose of receiving and holding monies received from Developer for the purpose of assuring completion of that portion of the Frontage Road described in Phases 1 and 2 of Exhibit B. No interest shall accrue on any monies placed in the Escrow. Notwithstanding any provision of this First Amendment, the City neither represents, nor guarantees that the amounts deposited into the Escrow will be sufficient to commence or complete all or any portion of the Frontage Road.

2.1.5 The Developer shall deposit into Escrow an amount equal to \$3,333 per lot or \$7,042 per acre being platted in a Project, whichever is more. Deposit of these funds shall take place with the closing of each lot. However, the requirement for deposits to the Escrow shall cease when a bond, including Warranty Bond, that satisfies the applicable provisions of the Santaquin City Code and Development Standards, is posted for completion of the Phase 2 Frontage Road. Within 30 days of said bonds being posted, all amounts deposited into the Escrow shall be returned to the Owners or Developers who deposited the same, or their designees.

2.1.6 Within thirty (30) days after City's acceptance of the Frontage Road improvements, as required in Exhibit "B" attached hereto, City agrees to disburse funds from Escrow to Developer(s) on a pro rata basis according to amounts contributed to Escrow and percentage of work completed.

2.1.7 All bonding provisions of the Santaquin City Land Use Ordinances shall apply to all Projects, which includes construction of the Frontage Road. The Escrow may be drawn upon, in accordance with bonding provisions of the Santaquin City Land Use Ordinances.

2.1.8 The Parties agree that in no event shall any final plat be approved which when combined with all previously approved final plats for Projects on the Land would cause the aggregate number of approved ERUs to exceed 150 without the Phase 2 Frontage Road being fully constructed.

2.1.9 In the event that no appropriate bond for the completion of Phase 2 is delivered to the City within five (5) years of the execution of this Agreement, the City may withdraw funds from the Escrow and use said funds to reimburse the City for any and all costs: first, of the enforcement of the Development Agreement and/or this Amendment (including reasonable attorneys' fees); and next to pay for the costs of the completion of the Phase 2 Frontage Road.

2.1.10 Any development adjacent to or including a portion of the master planned right-of-way for the Frontage Road must include full improvements of that portion of the Frontage Road adjacent to or included within the Project area as outlined in Phase 3 of Exhibit B, together with all Phase 3 improvements between that portion of the Frontage Road and either the existing street improvements at 900 South, or the South Santaquin I-15 interchange, so that all portions of the Property with Phase 3 improvements shall be connected to either 900 South or to the South Santaquin I-15 Interchange.

2.1.11 Developer(s) shall install and maintain all landscaping within the Frontage Road in accordance with the terms and specifications of Exhibit "B" attached hereto.

2.1.12 The Parties agree that only the Owner and Developer are responsible for the timing and/or sequence of the development of the Land under the Development Agreement and this Amendment; that the City shall have no responsibility to allocate any portion of the 150 ERU's described in 2.1.8 and the Parties waive any and all claims against the City relating to the allocation of the ERU's between the Owners of the Land.

2.1.13 Any improvements provided by the City as described in Phase 4 of the Frontage Road Phasing Plan in Exhibit "B" attached hereto shall be constructed at the sole discretion of the City. Owners hereby waive any and all claims against the City regarding any determination regarding if and when said improvements shall be constructed.

2.2 **Maximum Densities.** The parties hereby agree that the maximum density for development of the Property shall not exceed the maximum density shown on the Preliminary Plat. The parties also agree that the maximum density for that portion of the property designated on the Preliminary Plat as Phase 1 shall not in any case exceed the maximum density shown on Phase 1 of the Preliminary Plat and that the maximum density for that portion of the property designated on the Preliminary Plat as Phase 2 shall not in any case exceed the maximum density for that portion of the property designated on the Preliminary Plat as Phase 2.

2.3 **Irewood Property Use.** The Irewood Property shall be allowed the uses provided for in the zoning ordinance existing as of June 4, 2012 and a net density of not less than 3.56 units per acre for the residential area within the Irewood Property and the Irewood Property shall continue to qualify for the same PUD density bonus as existed on June 4, 2012. Further, no additional restrictions on the development, use, type and quality of construction and density of the Irewood Property via overlay zones, conditional use, variances or zone change shall impact or effect said property it being the intent of the parties that the Irewood Property shall be developed in accordance with the zoning and development agreement affecting said property.

2.4 **Access Between Owners' Properties.** Owners agree that prior to any recordation of a plat for development on the Land, access across the Barton property will be provided to Irewood. Such access shall fully satisfy all obligations of the City set forth in paragraph 9 of the Agreement between Irewood and the City dated June 4, 2012 to assure access to the Irewood property. Irewood releases and shall hold harmless the City for any and all further responsibility to provide such access as per the June 4, 2012 Agreement.

2.5 **Extension of Utilities and Services.** The parties acknowledge that the Development Agreement anticipated that the owners of the Land would jointly and cooperatively develop the Land and would provide access and utilities to all parts of the Land. Owners agree that each Project shall be designed and constructed in such a manner that will accommodate the extension of road ways and utilities and related infrastructure to all of the Land as contemplated in the Development Agreement and illustrated in the phasing plan attached hereto as Exhibit E (Phasing Plan). The Phasing Plan anticipates the Barton property will develop first and extend utilities and roads to the Irewood property with the third phase of development. Developers will provide, at their sole expense, such extensions to Owners' properties in accordance with the City approved Phasing Plan. Any changes to the Phasing Plan must be approved by all Parties to this agreement.

2.6 **Indemnification.** Owners hereby agree to indemnify and hold harmless the City and its officers, agents and employs from any and all damages and claims of third parties arising from or related to this Amendment.

2.7 **City Improvements.** All improvements constructed on the Land shall comply with all applicable City and State regulations.

2.8 **Enforcement by City.** The City may require that any Owner or Developer enforce the design guidelines and may enforce all City Development Standards and regulations applicable within the City generally.

2.9 **Water System Improvement.** The City Council acknowledges that an 8-inch water line must be designed and constructed between Canyon Road and Pole Canyon Road in order to cure existing water system deficiencies in the area and provide for future development capacity. Developer agrees to design and construct said water line with Plat A and will be reimbursed by the city for the actual costs of such work. The actual costs of construction must be established through open, competitive bidding processes, in which the Developer agrees to utilize the lowest responsible bidder for the work.

### SECTION III. MISCELLANEOUS

3.1 **Incorporation of Recitals, Introductory Paragraphs, and Exhibits.** The Recitals contained in this Amendment, the introductory paragraph preceding the Recitals, and all Exhibits referred to or attached hereto are hereby incorporated into this Amendment as if fully set forth herein.

3.2 **Other Miscellaneous Terms.** The singular shall include the plural; the masculine gender shall include the feminine; "shall" is mandatory; "may" is permissive.

3.3 **Severability.** If any provision of this Amendment or the application of any provision of this Amendment to a particular situation is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Amendment shall continue in full force and effect.

3.4 **Construction.** This Amendment has been reviewed and revised by legal counsel for Developer, Owner and the City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Amendment.

3.5 **Further Assurances, Documents and Acts.** Each Party hereto agrees to cooperate in good faith with the others, and to execute and deliver such further documents and to take all further acts reasonably necessary in order to carry out the intent and purposes of this Amendment and the actions contemplated hereby. All provisions and requirements of this Amendment shall be carried out by each Party as allowed by law.

3.6 **Assignment.** Neither this Amendment nor any of the provisions, terms or conditions hereof can be assigned by the Developer or the Owner to any other party, individual or entity without assigning the rights as well as the obligations under this Amendment and complying with the other provisions herein concerning assignments. The rights of the City under this Amendment shall not be assigned, but the City is authorized to enter into a contract with a third party to perform obligations of the City to operate and maintain any infrastructure improvement so long as such party adequately and reasonably maintains and operates such facility or improvement.

3.7 **Amendment to Run with the Land.** A Memorandum of this Amendment shall be recorded against the Land and shall be deemed to run with the land.

3.8 **Governing Law and Dispute Resolution.** This Amendment shall be governed by and construed in accordance with the laws of the State of Utah. Any and all disputes arising out of or related to this Amendment or the Parties' performance hereunder shall be submitted to mediation before a mutually-acceptable mediator prior to initiation of litigation or any other binding or adjudicative dispute resolution process. The Parties shall: (i) mediate in good faith; (ii) exchange all documents which each believes to be relevant and material to the issue(s) in dispute; (iii) exchange written position papers stating their position on the dispute(s) and outlining the subject matter and substance of the anticipated testimony of persons having personal knowledge of the facts underlying the dispute(s), and; (iv) engage and cooperate in such further discovery as the Parties agree or mediator suggests may be necessary to facilitate effective mediation. Mediator, venue, and related costs shall be shared equally by the Parties to the dispute. Venue of the mediation shall be the State of Utah. In the event the Parties are unable to agree upon a mediator, the mediator shall be appointed by a court of competent jurisdiction. This provision shall be specifically enforceable according to its terms, including but not limited to an action to compel mediation. The prevailing party in any action to enforce in whole or in part this mediation clause or in any subsequent arbitration or mediation shall be entitled to reimbursement of attorneys' fees and costs incurred in said action. In the event any dispute arising hereunder is not resolved through mediation, the parties to that dispute may pursue any other remedy allowed by law.

3.9 **Notices.** Any notice or communication required hereunder between the Parties must be in writing, and may be given either personally or by registered or certified mail, return receipt requested or by facsimile. If given by registered or certified mail, the same shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the Party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered, a notice is given when delivered to the Party to whom it is addressed. If given by facsimile to the address and number for such Party set forth below (provided, however, that the notice is not effective unless a duplicate copy of the facsimile notice is promptly given by one of the other methods permitted under this paragraph), the notice is deemed to have been given upon receipt by the other Party. Any Party hereto may at any time, by giving ten (10) days written notice to other Parties hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the address set forth below:

If to City to:

With a copy to:

Susan Farnsworth	Nielsen & Senior
Santaquin City Recorder	15 W. South Temple, Suite 1700
275 West Main Street	Salt Lake City, Utah 84101
Santaquin, Utah 84655	Email: bbr@ns-law.com
Facsimile: (801) 754-3526	Attention: Brett B. Rich

If to Rich Barton to:

With a copy to:

	Jimmy DeGraffenreid
69 E. Hudson Lane	30 E. Deer Meadow Circle
Elk Ridge Utah 84651	Woodland Hills Ut 84651

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If to Irewood Nevada, LLC to:

With a copy to:

Alan Thomson	Glen Roberts
2411 N. 750 East	334 E. Southfield Road
Provo Utah 84602	Spanish Fork Utah 84660

3.10 **No Third Party Beneficiary.** This Amendment is made and entered into for the sole protection and benefit of the Parties and their assigns, subject to the provisions of the Development Agreement. No other Party shall have any right of action based upon any provision of this Amendment whether as third party beneficiary or otherwise.

3.11 **Counterparts and Exhibits.** This Amendment may be executed in duplicate counterparts, each of which is deemed to be an original. This Amendment consists of eight (8) pages, and an additional five (5) exhibits, which together constitute the entire understanding and agreement of the Parties to this Amendment. The following exhibits are attached to this Amendment and incorporated herein for all purposes:

- Exhibit A Ahlin Annexation and Development Agreement
- Exhibit B Frontage Road Phasing Plan
- Exhibit C Foothill Village Plat A
- Exhibit D Preliminary Plat
- Exhibit E Barton Property Phasing Plan

3.12 **Duration.** This Amendment shall continue in force and effect until all obligations under the Development Agreement relating to the Land have been satisfied.

3.13 **Acknowledgment.** By its signature below Owners acknowledge that the property owned by such owner at the time of execution of this Amendment shall be subject to all of the terms and conditions of this Amendment upon execution by all Parties.

IN WITNESS WHEREOF, this Amendment has been executed by the City of Santaquin, acting by and through its City Council and by each of the Owners by duly authorized persons as of the 5 day of ~~February~~, 2014.  
*March*


SANTAQUIN CITY  
*[Signature]*, Mayor


ATTEST:

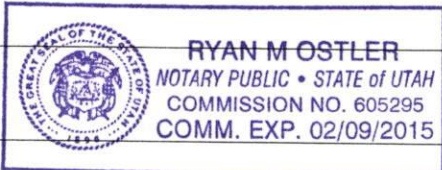
By: *[Signature]*  
Susan B. Farnsworth, City Recorder







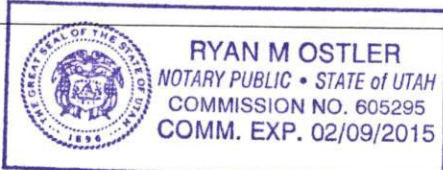
State of Utah  
County Of Utah  
Subscribed and sworn/affirmed to before me this  
25 day of Feb, 2014,  
  
  
\_\_\_\_\_  
Notary Public

**IREWOOD NEVADA, LLC:**  
  
  
\_\_\_\_\_  
By: Alan Thomson, Manager



State of Utah  
County Of Utah  
Subscribed and sworn/affirmed to before me this  
25 day of Feb, 20  ,  
  
  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
**Rich Barton**



**Exhibit A: Annexation and Development Agreement**

mail to  
Santaquin City

ENT 97996:2000 PG 1 of 9  
RANDALL A. COVINGTON  
UTAH COUNTY RECORDER  
2000 Dec 11 3:12 pm FEE 0.00 BY SB  
RECORDED FOR SANTAQUIN CITY

## ANNEXATION AND DEVELOPMENT AGREEMENT

This Agreement is made and entered into this 18th day of October, 2000, by and between Santaquin City, a municipality and political subdivision of the State of Utah, (hereinafter "the City" and Warren L. Ahlin and Thelma Ahlin, as Managers of Ahlin A Bar Ranch, L.C., a Utah Limited Liability Company, Edwin T. Ahlin and Colleen S. Ahlin, as Managers of Ahlin Farms, L.C., a Utah Limited Liability Company, Warren L. Ahlin, individually, Edwin T. Ahlin, individually, Colleen S. Ahlin, individually, Thelma Ahlin, individually, Warren L. Ahlin, as Trustee of the Warren L. Ahlin Family Trust, Thelma Ahlin, as Trustee of the Thelma Ahlin Family Trust, Edwin T. Ahlin, as Trustee of the Edwin T. Ahlin Family Trust, Colleen S. Ahlin, as Trustee of the Colleen S. Ahlin Family Trust, Ted S. Ahlin, individually, Mark E. Ahlin, individually, and Warren L. Ahlin and Edwin T. Ahlin as Managers of Ahlin Real Estate, L.C., a Utah Limited Liability Company, and their successors and assigns, (hereinafter the "Applicant").

WHEREAS, the State of Utah has enacted legislation which requires municipalities to adopt an annexation policy declaration as a condition precedent to annexing unincorporated territory having more than five acres; and,

WHEREAS, the City desires to annex territory on its boundaries; and,

WHEREAS, urban development should occur within cities and the City desires to encourage urban development within its boundaries rather than allowing urban development on the City's periphery; and,

WHEREAS, the City is authorized to inter annexation and development agreements in appropriate circumstances in order to promote orderly development of property within its boundaries and to provide other benefits in connection with such developments; and,

WHEREAS, it is further understood and agreed that the performance of the obligations set forth herein are independent of and in addition to compliance by the Applicant with all applicable laws, ordinances, requirements and regulations of the City.

NOW THEREFORE, in consideration of the foregoing goals and objectives and the covenants and promises set forth below, the parties agree as follows:

1. **PURPOSE OF THIS AGREEMENT** The purpose of this agreement is to provide for the annexation of certain real property into the City, to designate the zoning that will attach to the property upon its annexation, and to provide for the development of the Annexation within the boundaries of the City in accordance with the development plan approved by the City Planning Commission and the City Council.

2. **ANNEXATION** The City, pursuant to a petition filed by a majority of the

land owners within the area proposed for annexation, and in accordance with the authority granted by statute, agrees to adopt a resolution/ordinance of annexation and thereby to annex the area described on the annexation plat which is attached hereto and incorporated herein by this reference into Santaquin City. The area to be annexed is part of the unincorporated area of Utah County, State of Utah. It is further agreed that this proposed annexation meets all requirements of State Law.

3. **DESCRIPTION OF LAND** The property to be annexed is located in Utah County, State of Utah and is described in Exhibit "A" attached hereto.

4. **ZONING AND DENSITY CLASSIFICATION** The City hereby agrees that this property shall be zoned R-15 and may be included in the Planned Unit Development Ordinance and may have a density of 3.56, or less, as per those respective ordinances. The concept is that the Applicant shall have a mixed use of single family, town homes and other uses consistent with the submitted concept plan and within the approved density shall be allowed as may be approved by the City. There is approximately 37 acres of commercial property that shall be zoned C-1. (All uses that are customarily accessory and incidental to both zoning designations shall apply and both zoning designations will be subject to the requirements as prescribed in that section of the Zoning Ordinance of Santaquin City.) Upon annexation the Property will become subject to all ordinances, regulations, mater plans, subdivision regulations and land use regulations of the City. The density and master plan will be determined in light of the master plan, open space and entry corridor policies of the City. The Applicant shall record prior to the sale of any lots, any necessary deed, covenants, conditions and restrictions that will preclude the re-subdivision and further density development of this property. In addition, the Applicant, will use its best efforts to grant to the City a scenic easement in the open space property which encumbrance will exist in perpetuity and preclude the further development of this land.

5. **DEVELOPMENT TO CONFORM TO APPROVED PLAN** All development shall be subject to and in accordance with the approved plans to be submitted to the Council. The development shall comply with all applicable building, subdivision, sewer, water and other ordinances as may be established from time to time by the City. All required bonds shall be in place in the approved amounts prior to the commencement of any development work on the property.

6. **ROADS** All roads shall be designed to the City's standards and in accordance with the applicable zoning designation, including adequate provision for ingress and egress and construction traffic as determined by the City. All roads shall be approved by the City Engineer. The Applicant shall provide collector roads in conformity with the Master Plan and shall provide a frontage corridor, including all right-of-way, along the east side of I-15 to the Santaquin South exit of I-15. The Applicant shall also be responsible to comply with requirements imposed by UDOT and to obtain any necessary right-of ways and permits required by UDOT or Santaquin City.

7. **SURFACE WATER RUN-OFF CONTROL** The Applicant shall detain all surface water run-off on site. At such time as the Master Plan for Surface Water Run-Off is approved by the City, the applicant shall be required to comply with the requirements and standards set forth in the Master Plan. Applicant understands that it may be required to install dry pipe to comply with said Master Plan. All storm drainage will be handled through detention and infiltration. The Applicant shall perform percolation tests for each proposed detention area to ensure that drainage meets the City Engineers approval. The spring flood run-off, coming from the Basin at the mouth of Santaquin Canyon, which crossed this property must also be discussed and plans made to provide for the protection of the future property owners in this development. (This plan should include all parties to the original agreement to establish the flood control basin. Clyde Naylor, Utah County Engineer, should be contacted regarding the plan.) Prior to the sale of any commercial lot and prior to the issuance of a building permit for a commercial lot, the developer shall obtain the City Engineer's approval for said lot to ensure that the storm drainage will be contained and infiltrated.

8. **SEWER** The Applicant will be required to connect into the City Sewer System and to install the necessary sewer line at the Applicant's sole expense. The size of the sewer line shall be sufficient to carry the flow from the property to the sewer lagoons as determined by the City Engineer. The City Engineer and the Applicant shall also decide on the placement of the sewer line previous to its installation. Should the Applicant be required to oversize the sewer line such that it provides more flow and capacity for the City than that actually used by the property, (i.e if the infrastructure and facilities installed by Applicant are able to service other properties than that of the Applicant), Applicant shall be entitled to reimbursement as provided in Santaquin City Subdivision Ordinance; or as may be agreed upon by the City and Applicant through a credit or reimbursement of impact fees collected by the City. The Applicant may work in concert with the Summit Ridge Development Group and install a joint sewer system. The Applicant shall obtain the necessary permits from all applicable authorities for the boring and placement of the sewer pipe under roads, free-ways, ditches or other obstructions for installation of a trunk line to an existing facility or to new facilities which go all the way to the sewer lagoons.

9. **WATER SYSTEM IMPROVEMENTS AND EXTENSIONS** The Applicant shall install all culinary water system improvements and on-site improvements as may be necessary to provide adequate pressure and flow as determined by the City Engineer. In order to provide adequate pressure and flow it may be necessary for Applicant to make improvements to the existing system, including, a water tank, spring development, drill a well or major distribution lines and pump stations. Applicant shall be entitled to reimbursement as provided in Santaquin City Subdivision Ordinance; or as may be agreed upon by the City and Applicant through a credit or reimbursement of impact fees collected by the City. The reimbursement shall be determined by the City Engineer and the Applicant based upon an analysis by the City Engineer as to the impact of the above stated infrastructure on the Santaquin City water system as a whole. (i.e if the

infrastructure and facilities installed by Applicant are able to service other property beside that of the Applicant.)

**10. WATER EXACTION FEE** The Applicant shall provide the required water shares and or make payment in lieu of said water shares to Santaquin City. The water share exaction or payment in lieu of shall be computed as set forth in Exhibit "B" attached hereto. Santaquin City Water Ordinances. The total water shares for the annexed property shall be jointly held in escrow jointly owned by Applicant and Santaquin City. Applicant may continue to use the water for its intended purpose. Prior to the recording of each plat within the annexed property, the Applicant shall convey that portion of the water to the total acreage of the recorded plat to the City. In the event that the Applicant fails to develop the property as set forth in this Agreement and by reason of any substantial breach of this Agreement, the Applicant shall convey the remaining water rights held in escrow to the City. In the event that it is necessary for the Applicant to transfer water rights, the Applicant shall provide along with the conveyance of water an engineers permanent change application. In the event that the Applicant, or any agents or assignees of the Applicant apply for any additional acreage to be annexed, the water right or equivalent will be transferred to the City. It is also agreed that all such water rights conveyed to the City shall be used for the water exaction for that annexation. This paragraph shall not limit the City to require additional water rights as defined in the water ordinances for any future annexation. The parties agree and understand that the amount of water conveyed to Santaquin City shall be considered as of the point of delivery to Santaquin City's existing system.

**11. UTILITY & GAS LINES** The Applicant agrees to install natural gas, electrical lines, cable television, telephone lines for development of the property.

**12. CITY FEES** Upon annexation, the Property is for all purposes part of the City, and is fully subject to all of its policies, ordinances, regulations, and tax levies, including levies for previously issued bonds. Except as set forth in this Agreement, all subdivisions and building fees, building permits, engineering inspection and general impact fees will be imposed on the annexed property in the same manner that they are applied elsewhere in the City.

**13. FULL DEVELOPMENT** The Applicant shall use due diligence to develop the property upon the execution of this agreement and shall immediately commence the engineering and layout of the property so that the first phase can be approved within one year from the date of this Agreement. Failure on the part of the Applicant to meet the schedule set out above will cause the annexation to become null and void.

**14. INTEGRATION** The foregoing constitutes the full and complete agreement by and between these parties and shall supersede all prior oral or written agreements, representations or discussions. This agreement shall be binding on the successors and assigns of the parties hereto.

15. **AMENDMENT OF AGREEMENT** This agreement may be amended only in writing and signed by the parties hereto or their successors and assigns.

16. **ASSIGNMENT** This agreement may not be assigned by the Applicant without the express written approval of the City. The City shall require the assigned to be able to demonstrate financial ability to complete the development.

17. **SEVERABILITY** If any portion, part or paragraph of this agreement shall be held or deemed to be illegal, unconstitutional, inoperative or otherwise unenforceable, the same shall not affect any other section, paragraph, provision or provisions contained herein, nor shall it render the same invalid, inoperative or unenforceable to any extent whatsoever.

18. **AGREEMENT TO RUN WITH THE LAND** This agreement shall be recorded against the Property and shall be deemed to run with the Property. This Agreement shall be binding upon and inure to the benefit of all successors in interest to the Property.

19. **NO JOINT VENTURE, PARTNERSHIP OR THIRD PARTY RIGHTS**

This Annexation and Development Agreement does not create any joint venture, partnership, undertaking or business arrangement between the parties hereto, nor any rights or benefits to third parties.


20. **ATTORNEY FEES AND COSTS** In the event of a breach of this Agreement, the breaching party shall pay to the enforcing party all reasonable costs of enforcement, with or without suit, including a reasonable attorney's fee, together with such other legal cost as may be authorized by law.

This annexation agreement has been authorized by a resolution, duly adopted by the Mayor and City Council of Santaquin, Utah at a regularly scheduled meeting of that body, pursuant to public notice thereof, held on the 18 day of October, 2000. A true and correct copy of the resolution is attached hereto and incorporated herein by this reference.

CITY OF SANTAQUIN

ATTESTED BY

  
MAYOR

  
CITY RECORDER

Warren L Ahlin  
WARREN L. AHLIN, AS MANAGER OF  
AHLIN A BAR RANCH, L.C., A UTAH  
LIMITED LIABILITY COMPANY

Thelma Ahlin  
THELMA AHLIN, AS MANAGER OF  
AHLIN A BAR RANCH, L.C., A UTAH  
LIMITED LIABILITY COMPANY

Edwin T Ahlin  
EDWIN T. AHLIN, AS MANAGER OF  
AHLIN FARMS, L.C., A UTAH  
LIMITED LIABILITY COMPANY

Colleen S Ahlin  
COLLEEN S. AHLIN, AS MANAGER OF  
AHLIN FARMS, L.C., A UTAH  
LIMITED LIABILITY COMPANY

Warren L Ahlin  
WARREN L. AHLIN, INDIVIDUALLY

Edwin T Ahlin  
EDWIN T. AHLIN, INDIVIDUALLY

Colleen S Ahlin  
COLLEEN S. AHLIN, INDIVIDUALLY

Thelma Ahlin  
THELMA AHLIN, INDIVIDUALLY

Warren L Ahlin  
WARREN L. AHLIN, AS TRUSTEE OF  
THE WARREN AHLIN FAMILY TRUST

Thelma Ahlin  
THELMA AHLIN, AS TRUSTEE OF  
THELMA AHLIN FAMILY TRUST

Edwin T Ahlin  
EDWIN T. AHLIN, AS TRUSTEE OF  
THE EDWIN T. AHLIN FAMILY TRUST

Colleen S Ahlin  
COLLEEN S. AHLIN, AS TRUSTEE OF  
COLLEEN S. AHLIN FAMILY TRUST

Ted S Ahlin  
TED S. AHLIN, INDIVIDUALLY

Mark E Ahlin  
MARK E. AHLIN, INDIVIDUALLY

Warren L Ahlin  
WARREN L. AHLIN, AS MANAGER OF  
AHLIN REAL ESTATE, L.C., A UTAH  
LIMITED LIABILITY COMPANY

Edwin T Ahlin  
EDWIN T. AHLIN, AS MANAGER OF  
AHLIN REAL ESTATE, L.C., A UTAH  
LIMITED LIABILITY COMPANY



STATE OF UTAH )

: ss.

COUNTY OF UTAH )

ENT 97996:2000 PG 7 of 9

On the 19 day of October, 2000 personally appeared before me Warren L. Ahlin and Thelma Ahlin, as Managers of Ahlin A Bar Ranch, L.C., a Utah Limited Liability Company, Edwin T. Ahlin and Colleen S. Ahlin, as Managers of Ahlin Farms, L.C., a Utah Limited Liability Company, Warren L. Ahlin, individually, Edwin T. Ahlin, individually, Colleen S. Ahlin, individually, Thelma Ahlin, individually, Warren L. Ahlin, as Trustee of the Warren L. Ahlin Family Trust, Thelma Ahlin, as Trustee of the Thelma Ahlin Family Trust, Edwin T. Ahlin, as Trustee of the Edwin T. Ahlin Family Trust, Colleen S. Ahlin, as Trustee of the Colleen S. Ahlin Family Trust, Ted S. Ahlin, individually, Mark E. Ahlin, individually, and Warren L. Ahlin and Edwin T. Ahlin as Managers of Ahlin Real Estate, L.C., a Utah Limited Liability Company, who being duly sworn did sign and execute the same.

*Susan B. Farnsworth*  
NOTARY PUBLIC

Residing at: *Santaquinn*  
My commission expires *11-29-01*

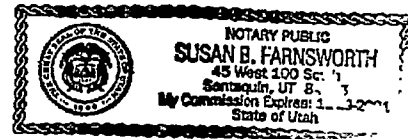


TABLE 2  
SANTAQUIN CITY  
WATER REQUIRED FOR ANNEXATION  
AND USERS OUTSIDE OF THE CITY

1 ACRE REQUIREMENT

**According to the study:**

1. The City will require 3 acre feet of water for every acre that can be developed within the annexation (this computation excludes the streets.)
2. The City is basing the cost analysis on the current value of Summit Creek Irrigation Company water shares, and the relationship of Summit Creek Water to the requirement above.
3. Each share of Summit Creek Water is equivalent to 1.8 Acre Feet.
4. Each acre of land that can be developed would require 1.67 shares of Summit Creek Water.
5. If the land to be annexed meets the criteria stated in the ordinance of the requirements for "unwatered" land, then an assessment of \$1650. per acre foot will be levied. This computes to \$4950.00 per acre of land that can be developed in lieu of water (this computation will exclude the streets.)

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS IS A TRUE AND ACCURATE MAP OF THE TRACT OF LAND TO BE ANNEXED TO SANTAQUIN CITY, UTAH COUNTY, UTAH.

BOUNDARY DESCRIPTION

BEGINNING AT A POINT ON THE EXISTING SANTAQUIN CITY BOUNDARY LINE, SAID POINT BEING LOCATED N00°05'18"W ALONG THE SECTION LINE 687.54 FEET AND EAST 1354.45 FEET FROM THE SOUTHWEST CORNER OF SECTION 11, TOWNSHIP 10 SOUTH, RANGE 1 EAST, S.L.B.&M.; THENCE ALONG THE FOLLOWING COURSES & DISTANCES:

COURSE	DISTANCE	REMARKS
EAST	176.15	
ALONG AN ARC	L- 2448.06	R=11,579.03 $\Delta$ =12°06'49" CH: N41°06'08"E 2,443.50
N47°09'30"E	232.62	
S89°19'56"W	685.13	
N00°39'00"W	136.04	
S64°22'49"E	144.63	
S89°32'00"E	200.00	
N25°23'00"E	180.00	
N89°32'00"W	201.34	
N25°37'11"E	1842.86	
N88°43'53"E	622.76	
N00°22'17"E	85.20	
N00°22'21"E	181.30	
N88°21'11"E	612.79	
S02°53'49"E	11.54	
N88°57'52"E	61.05	
S02°07'34"E	57.62	
S88°59'58"W	65.05	
S02°28'43"E	653.65	
N46°59'53"E	507.42	
S00°04'32"E	1788.84	
S00°04'33"E	2624.08	
S88°48'41"W	2620.56	
S89°19'21"W	1869.47	
N61°03'41"E	202.73	
ALONG AN ARC	L- 363.54	R=1,223.24 $\Delta$ =17°01'40" CH: N42°41'14"E 362.20
N36°23'31"E	262.97	
NORTH	102.31	
CONTAINS: 286.44 ACRES		

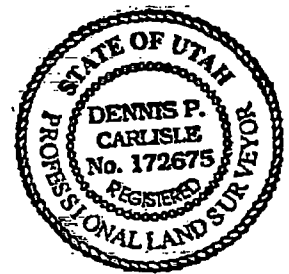
BASIS OF BEARING: ALONG THE SECTION LINE AS SHOWN HEREON

*Dennis P. Carlisle*

PROFESSIONAL LAND SURVEYOR

*Nov. 15, 2000*

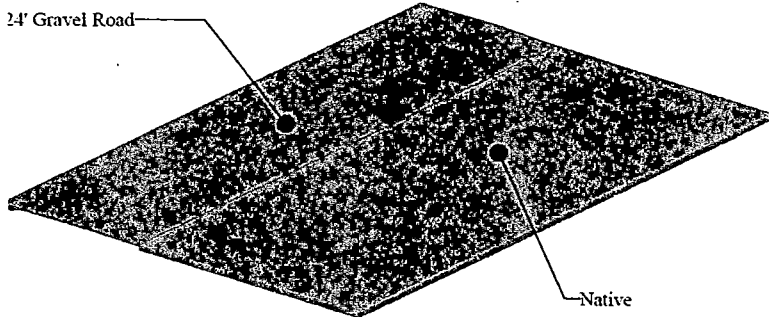
DATE



SURVEYOR'S SEAL

**Exhibit B: Frontage Road Phasing Plan**

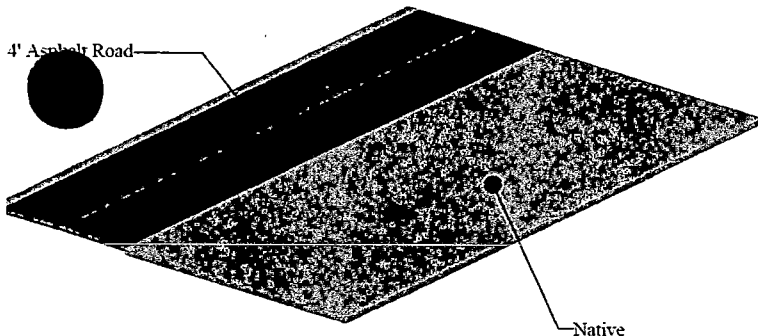
**Phase 1**



**Phase 1 Description:**

Coincident to construction of a second Project or phase on the Land, Developer shall provide a 24' wide emergency access road that will be constructed from the I-15 south Santaquin interchange to existing street improvements in 900 south. A public right-of-way easement, in favor of Santaquin City, shall also be provided across the length of the access road. Such road does not need to be paved, but must have a carrying capacity for all City emergency response vehicles and equipment.

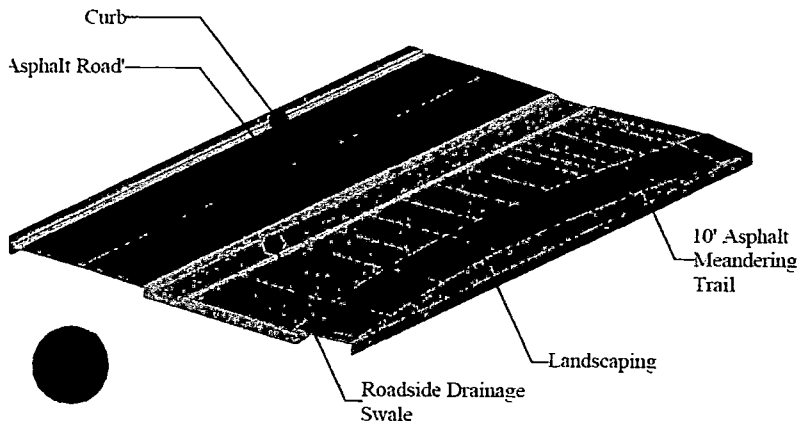
**Phase 2**



**Phase 2 Description:**

Prior to 150 equivalent residential units being constructed on the Land, Developer shall provide a 24' wide asphalt surface road that shall be constructed from the I-15 south Santaquin interchange to existing street improvements in 900 south. The road must be bonded (as per the terms of Section 2 of this Amendment) and constructed to meet city rural local road standards, excepting the right-of-way width which shall meet the Frontage Road Cross Section standards. The payments to Escrow, outlined in Section 2 of this Amendment, shall go toward these improvements.

**Phase 3**

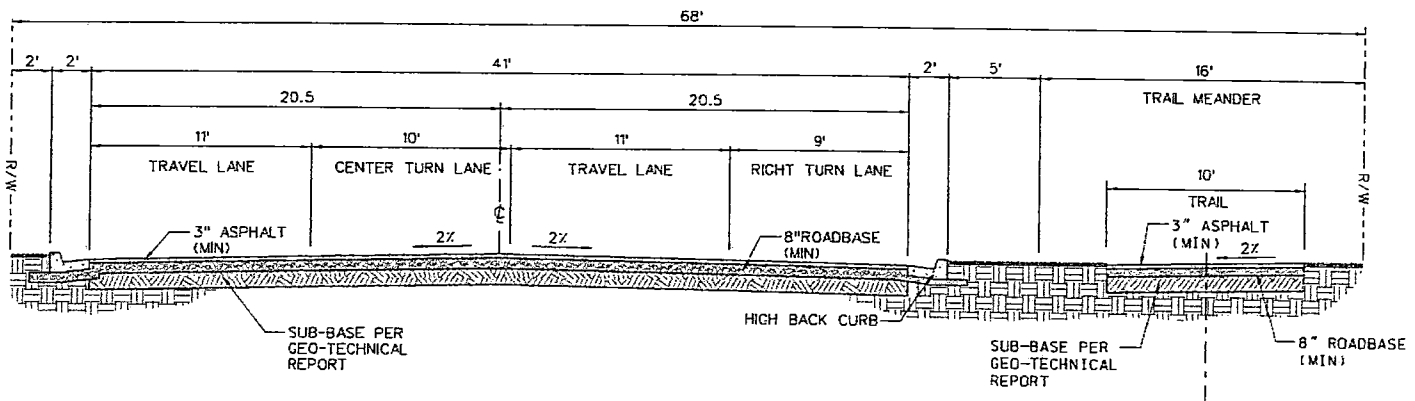
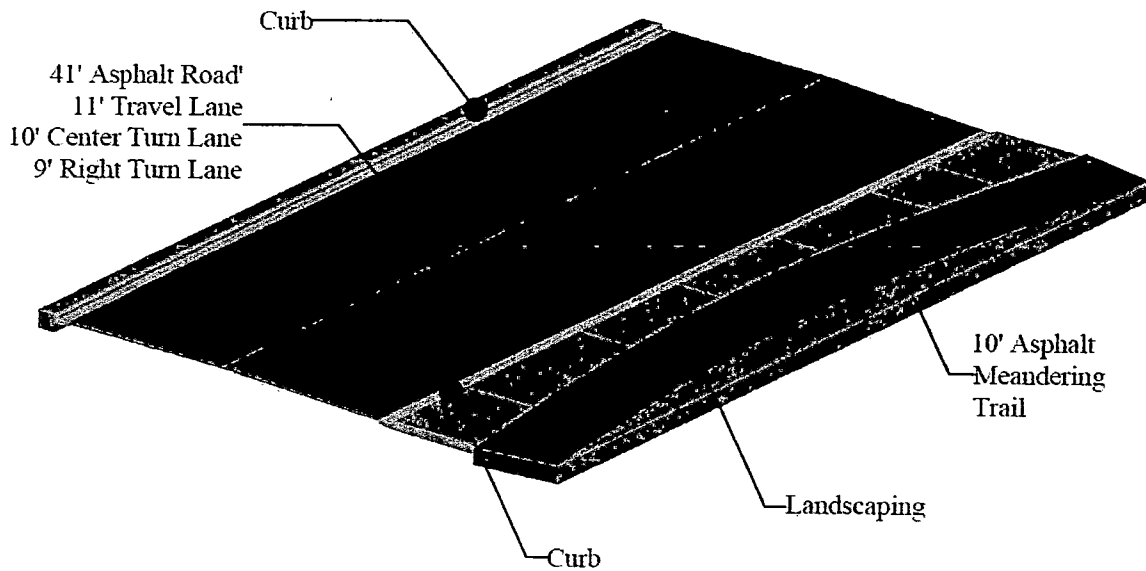


**Phase 3 Description:**

Developer shall provide full Frontage Road right-of-way and phase 3 improvements when a Project or phase boundary abuts the Frontage Road corridor as shown on the Preliminary Plan in Exhibit D. The City shall reimburse portions of the trail improvements where such are included in capital improvement plans and paid by Developer. Curbing will be on the west side but landscaping and a drainage swale will be maintained by the developer on the east side of the road. Developer

shall be responsible to install and pay for the curb & gutter and Frontage Road improvements and a sidewalk equivalent amount towards the 10' asphalt trail. City shall be responsible for the costs of installing the park portion of the Frontage Road including lawn and trees and the remainder cost of the 10' asphalt meandering trail.

### Phase 4



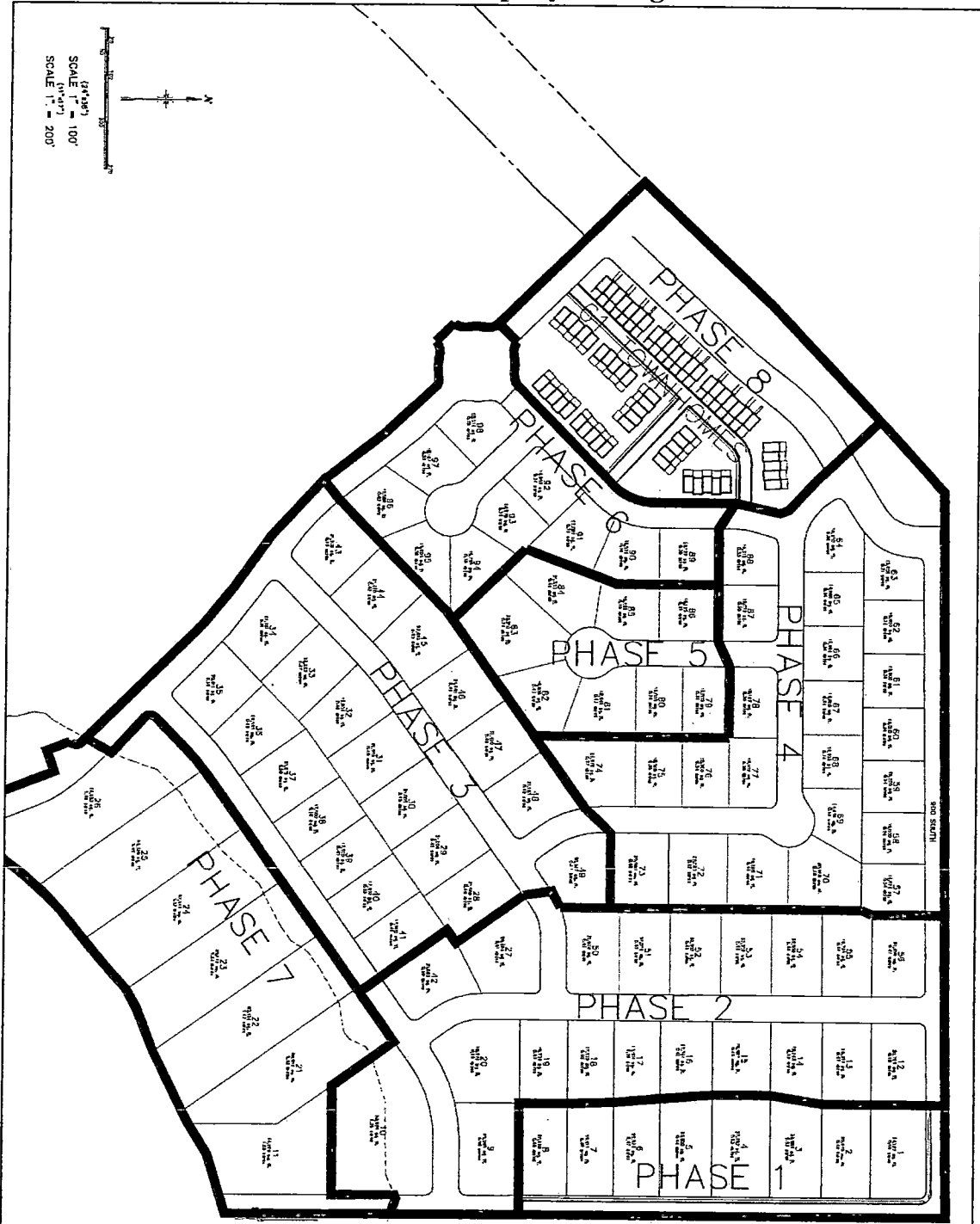
### Phase 4 Description

Phase 4 includes complete buildout of the planned asphalt surface, curb and gutter on both sides of the road, and maintained landscaping and trail on the east side of the road. It is anticipated that the City will complete phase 4 as needed.





Exhibit E: Barton Property Phasing Plan



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FOOTHILL VILLAGE SUB. PLAT "A"  
**ATLAS ENGINEERING L.L.C.**  
 OWNER/DEVELOPER  
 JIM SCHAFER RD  
 SANTAQUIN, UTAH  
 801-832-5450  
 PHONE: 801-655-0566  
 FAX: 801-655-0109  
 35 WEST 200 NORTH #2  
 SPANISH FORK, UT 84560

PHASING PLAN  
 SANTAQUIN CITY, UTAH

SHEET NO.  
 1