

RESOLUTION No. 2-02-2011

**A RESOLUTION OF THE SANTAQUIN CITY COUNCIL AUTHORIZING
THE EXECUTION OF AN AGREEMENT WITH
SUMMIT RIDGE COMMUNITIES LLC**

A. WHEREAS, Summit Ridge Communities LLC ("SRC"), a Utah limited liability company, is the developer of certain property in the City; and

B. WHEREAS, SRC and the City previously entered into an agreement providing for reimbursement of certain costs incurred by SRC for property improvements expected to benefit both SRC and certain other real property in the City; and

C. WHEREAS, the parties agree that certain funds are now appropriate for reimbursement to SRC and that SRC is also responsible to reimburse the City for certain costs incurred by the City in the improvement of trails as anticipated in the Annexation and Development Agreement associated with the property; and

D. WHEREAS, the parties desire to enter into an agreement to resolve the issues related to the reimbursement of funds;


**NOW THEREFORE, BE IT RESOLVED BY THE SANTAQUIN CITY
COUNCIL THAT:**

1. The Council approves and authorizes the Mayor to execute the settlement agreement between the City and Summit Ridge Communities LLC, a copy of which is attached hereto as Exhibit A.
2. This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED this 16 day of February, 2011.


James E. DeGraffenried, Mayor

ATTEST:


Susan B. Farnsworth
Santaquin City Recorder





A Community Prospering in Country Living

(Agriculture, Equestrian, Recreation)

February 14, 2011

Santaquin City is preparing an agreement to be signed by Brian Seager, representing Summit Ridge Communities, LLC, and to be ratified by the Santaquin City Council on Wednesday, February 16, 2011. The agreement will entail the following general provisions:

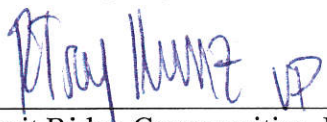
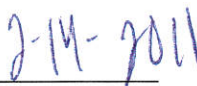
Summit Ridge Communities

- Will provide a Letter of Credit in the amount of \$195,512.91 for improvements to be installed within the Sunset Trails Subdivision.
- Will immediately pay to the City \$33,084.35 which will be applied to the outstanding debt of \$48,084.35 for improvements the City made within the Sunset Trails Subdivision. The remaining \$15,000 owed for the City installed improvements will be paid to the City within 12 months of the agreement.
- Will assure \$8,167.60 is paid to the City for monies owed on street light improvements around the KARS convenience store.

Santaquin City

- Will release \$99,900 to Summit Ridge Communities as water and sewer impact fee reimbursements as outlined in paragraph 3.2.4 of the Annexation and Development Agreement between Santaquin City and Summit Ridge Communities, dated October 25, 2006, and recorded October 31, 2006. This \$99,900 amount is based on the number of building permits issued within Summit Ridge during quarters II, III and IV of 2010.
- Will release future water and sewer impact fee reimbursements to HG Utah 1, LLC rather than Summit Ridge Communities.
- Will withhold 25% of the \$195,512.91 letter of credit for a period of two years after completion of the subdivision improvements. The 10% retained by the City shall be held as warranty against improvement defects in accordance with City Bonding and development guarantee procedures.
- May call on the Letter of Credit if the \$15,000 to be paid within 12 months is not paid in the required time.

By signing this document, Summit Ridge Communities acknowledges receipt of the \$99,900, their agreement with the general provisions, and their understanding of the process Santaquin City is undergoing in this matter.


Summit Ridge Communities, LLC 
Date