

SUBDIVISION DEVELOPMENT AGREEMENT

The parties to this agreement are THE CITY OF HAUSER ("CITY") and KOOTENAI COUNTY ("COUNTY")(hereinafter collectively referred to as the "CITY/COUNTY"), 6915 W. Hauser Lake Road, Post Falls, Idaho, 83854, P.O. Box 9000, Coeur d'Alene, Idaho, 83814 respectively and WATERFORD, L.L.C., 100 Miller Avenue, Suite 3 Coeur d'Alene, Idaho 83814, (hereinafter referred to as "WATERFORD"). The parties enter into this Agreement effective the 18 day of April 2002, respecting the development of Waterford Estates Subdivision("the Project") affecting the public rights of way or other public systems, equipment or property within the CITY/COUNTY. This Agreement provides for construction of subdivision improvements required by Hauser Development Code and other government agencies with proper jurisdiction.

RECITALS

A. WATERFORD executes this Agreement with full authority for the proper development of the Project in accordance with provisions of the law and the specific terms and conditions made applicable to the Project in the course of Project review by the CITY/COUNTY, as applicable. It is understood that the person(s) who execute this Agreement on behalf of WATERFORD does so in the capacity of Managing Member, and that they represent that they have full legal authority to do so. The parties to this Agreement shall accept notices at the following respective addresses and telephone numbers:

DEVELOPER

Brent Lockhart
WATERFORD, L.L.C.
100 Miller Ave, Apt. 3
Coeur d'Alene, Idaho 83814

CITY

Scott Brown
City Planner
City of Hauser
6915 Hauser Lake Road
Post Falls, Idaho 83854

COUNTY

Shireene Hale
Kootenai Co.
Planning Dept.
P.O. Box 9000
Coeur d'Alene, ID 83814

B. Subdivision lots must be provided with the improvements included in the application and preliminary plat order of decision including but not limited to survey monuments, street surfacing, drainage systems, street name signs, fire protection storage system, community water system and path system.

C. No building permit may be issued for construction of a dwelling unit, until all improvements necessary for public health and safety are constructed and substantially complete. Said requirement shall not prohibit construction of a model home or other demonstration project provided that it is not intended for sale or occupancy before all subdivision improvements are substantially complete.

D. The Owner is deemed to have satisfied the requirements for the plat to be recorded when all improvements herein required have been constructed and approved or a letter of credit is furnished in an amount specified in this agreement to assure completion of improvements.

E. The CITY/COUNTY has adopted site development standards, which require landowners to do work in the public rights of way in order to complete their site development work on projects.

F. The development is located in the COUNTY and not within the CITY limits. By way of an Area of City Impact Agreement and Ordinances the COUNTY has agreed to use the Hauser

Code for the Project but the COUNTY has the final say on development matters. Due to the joint administration of the development and the existence of other entities with jurisdictions over the improvements, the CITY will not accept the improvement as it would for improvements within the CITY boundaries. The remaining uncompleted improvements road system and water system are to be respectively accepted by the Post Falls Highway District, an Idaho quasi municipal corporation, and the Waterford Estates Property Owners, Inc., an Idaho nonprofit corporation, with the approval of DEQ. The parties desire through this agreement that all third party entities responsible for accepting any of the subdivision improvements are third party beneficiaries to this agreement. When the term CITY/COUNTY is used it shall refer to other government agencies to the extent their jurisdiction over portions of the subdivision improvements.

NOW, THEREFORE, in consideration of mutual promises and covenants contained herein the parties agree as follows:

1. REAL PROPERTY EFFECTED: The real property which is the subject of this Agreement (hereinafter the "Property") is located outside the CITY but within the CITY's area of impact. The Property is described as set forth on Attachment A which is incorporated herein by reference (Legal Description of External Boundaries of Lands Subject to Development Agreement).
2. IMPROVEMENT OBLIGATION: WATERFORD seeks the CITY/COUNTY'S agreement to enter into a Contract to construct and install the improvements listed in Attachment B in accordance with all terms, covenants and conditions of this Agreement and WATERFORD'S approved construction plans and specifications which are incorporated herein by reference. Any unique terms or conditions of improvement status, including any accelerated or delayed improvement obligations shall be set forth in Attachment B. WATERFORD agrees to guarantee continued maintenance of all improvements by WATERFORD Homeowner's Association, Inc. until such obligation is assigned as allowed herein.
3. ESTIMATED COSTS: The estimated total costs of the improvements are depicted on Attachment C for purposes of calculation of surety requirements, which accord with the requirements of ordinances of the CITY/COUNTY. Evidence of such surety shall be attached hereto and be labeled Attachment D.
4. RECORDING OF FINAL PLAT: Developer shall be solely responsible for all platting of the property. The plat shall be recorded within 30 days of the final execution of this agreement, notwithstanding any other provision of this agreement, failure to timely record shall constitute a default, upon such a default the CITY/COUNTY may immediately terminate this agreement and resort to their remedies.
5. PERFORMANCE GUARANTY: The Hauser Development Code allows a developer to install any and all required improvements prior to the recording of the final plat or the development is offered for sale. The same code requires that escrowed fund or a letter of credit be posted for the uncompleted required improvements. The same code allows for release of a portion of the security for all required improvements completed. The code requires that completed improvements must be inspected and accepted by the CITY. In this particular instance the CITY cannot accept the uncompleted improvements, except the trail located within the lands donated to the CITY. The road system and water system are to be respectively accepted by the Post Falls Highway District, Idaho quasi-municipal corporation, and the Waterford Estates Property Owners, Inc., an Idaho nonprofit corporation. The parties agree that the performance guaranty set forth in this section is a lawful guaranty consistent Hauser Development Code given the limited jurisdiction of the CITY over required

improvements and the superior jurisdiction of the Post Falls Highway District and the Waterford Estates Property Owners, Inc.

5.1. WATERFORD shall guarantee, for the sole benefit of the CITY/COUNTY, that WATERFORD will perform all of its obligations not yet completed under this Agreement. The guaranty shall be in one of the forms acceptable under CITY Code. During the term of this Agreement, WATERFORD may, with the written consent of the CITY/COUNTY; substitute for a performance guaranty submitted under this section another guaranty in the required amount and in one of the forms specified herein.

5.2. Amount of Guaranty: The guaranty shall be in an amount equal to 150% (one hundred fifty percent) of the estimated cost of all uncompleted required improvements, not including those to be constructed by private utilities. The estimated cost are set forth in cost estimate for each improvement required by this Agreement, as prepared, documented and certified by WATERFORD'S engineer (Russ Helgeson P.E.), as approved by the CITY/COUNTY. A copy of the total estimate for all required improvements and the total estimate for the remaining uncompleted improvements shall be attached hereto and incorporated herein as Attachment C.

5.3. If WATERFORD is not in default under this Agreement, the CITY/COUNTY may allow a proportionate reduction in amount of the performance guaranty. The reduction shall be apportioned to the amount of work completed in increments not less than 25% of the surety amount. However, the amount of the performance guaranty shall never be less than 25% until all of the improvements are completed and approved by the government agency with jurisdiction over all the improvements.

5.4. As soon as all required improvements are completed and accepted by the entities with jurisdiction over each of the required improvements and notice is given to CITY/COUNTY from the entity with jurisdiction then the CITY/COUNTY shall release any performance guaranty.

6. ALTERNATIVE FORMS OF PERFORMANCE GUARANTIES

6.1. ESCROW: WATERFORD may deposit funds in an escrow account with a bank or financial institution qualified by law to do business in the State of Idaho. The disbursement of the escrowed funds shall be governed by an escrow agreement in a form approved by the CITY/COUNTY.

6.2. LETTER OF CREDIT: WATERFORD may cause a bank or financial institution qualified by law to do business in the State of Idaho to issue an irrevocable letter of credit in a form approved by the CITY/COUNTY.

7. ENGINEER: WATERFORD has retained Russ Helegson as Engineer of Record, he is registered as a professional engineer under the laws of the State of Idaho, he will design and administer the construction of the improvements, including preparing plans and specifications, inspecting and controlling the quality of work and preparing the as-built data. The Engineer shall perform the work described herein in accordance with the CITY'S required procedures for consulting engineers. The Engineer of record for this project can be reached at the following address:

Russ Helgeson P.E.
Frame and Smetana P.A.
603 North 4th Street
Coeur d'Alene, Idaho 83814

WATERFORD shall promptly inform the CITY of any change in the information required under this subsection.

8. SURVEYOR: All land surveys required for the completion of improvements under this Agreement shall be made by a person registered as a professional land surveyor under the laws of the State of Idaho.

9. PLANS AND SPECIFICATIONS: WATERFORD shall submit to the CITY/COUNTY or appropriate agency, in such form as the CITY/COUNTY or appropriate agency may specify, all plans and specifications pertaining to the construction of the improvements. The CITY/COUNTY or appropriate agency may approve the plans and specifications as submitted, or indicate to WATERFORD deficiencies to be corrected to secure approval, within a reasonable time from the submission of all plans and specifications for the improvements. The CITY/COUNTY'S or appropriate agency approval of the plans and specifications is for general conformance with CITY/COUNTY Standards. Ultimate design and function remains the responsibility of WATERFORD. It shall be the responsibility of WATERFORD to correct errors and omissions found prior to final acceptance as provided herein. The site plan used as permit approval and detailed site plan and construction drawing on file with the CITY/COUNTY are hereby incorporated.

10. WORK SCHEDULE: WATERFORD shall submit to the CITY/COUNTY, in such form as the CITY/COUNTY may specify, a work schedule, which shall be Attachment E to this Agreement. The work schedule shall include a progress chart of a suitable scale, indicating the approximate percentage of work scheduled for completion at any given time. The schedule shall indicate starting and completion dates for each improvement, including CITY/COUNTY and private utility improvements. All work shall be completed by October 1, 2002.

11. MATERIALS: WATERFORD shall submit, in such form as the CITY/COUNTY may specify, detailed information concerning all materials and equipment it proposes to incorporate into an improvement. All materials shall comply with the CITY Codes. The CITY may approve the materials and equipment, or indicate to WATERFORD unacceptable material and equipment within a reasonable time after submittal. It shall be the responsibility of WATERFORD to correct errors and omissions found subsequent to CITY/COUNTY approval. Substitutions may be considered subject to review and approval of the CITY/COUNTY.

12. GENERAL STANDARDS OF WORKMANSHIP: WATERFORD shall construct all improvements in accordance with plans and specifications approved by the CITY/COUNTY, and with the terms, covenants and conditions of this Agreement. WATERFORD shall not incorporate any material or equipment into an improvement unless the CITY/COUNTY has approved its use. Unless the CITY/COUNTY specifically agrees otherwise in writing, all materials, supplies and equipment incorporated into an improvement shall be new. If, in the course of construction, conditions appear, which, in the exercise of reasonable engineering judgment, require a modification of, or substitution for, approved materials, equipment, plans, specifications or contracts to meet an acceptable standard of performance, WATERFORD shall make the modification or substitution. The CITY/COUNTY shall approve all such substitution, approval shall not be unreasonably withheld. WATERFORD shall construct all facilities in the

subdivision not otherwise subject to this Agreement in accordance with applicable statutes, ordinances and specifications.

13. PLACEMENT OF UTILITIES: WATERFORD shall place all utilities underground, except where this requirement is specifically waived under this Agreement. The CITY/COUNTY shall approve the alignment of CITY/COUNTY and private utilities.

14. WORK IN RIGHTS-OF-WAY: WATERFORD shall comply with all ordinances and secure all necessary permits and authorizations pertaining to work in public rights-of-way. WATERFORD shall coordinate and supervise the installation and construction of all utility improvements, in a manner that will prevent delays in CITY/COUNTY construction or other damage to the CITY/COUNTY and that will permit the CITY/COUNTY to properly schedule work that it will perform.

15. REQUIRED REPORTING

15.1. QUALITY CONTROL: WATERFORD shall submit to the CITY/COUNTY regularly and promptly written reports certified by the Engineer describing the results of all tests and inspections required by the CITY/COUNTY and all other test and inspection which WATERFORD may make.

15.2. CONSTRUCTION PROGRESS. If actual progress indicates that WATERFORD will not perform the work as scheduled, WATERFORD shall prepare and submit a revised schedule for the CITY/COUNTY'S consideration. CITY/COUNTY may at its sole discretion approve or reject revised schedule but the approval shall not be unreasonably rejected.

15.3. SURVEYS: WATERFORD shall furnish promptly to the CITY/COUNTY copies of all final surveys required for the completion of the improvements.

15.4. CITY/COUNTY APPROVAL:. Express or implied approval by the CITY/COUNTY of any report or inspection shall not authorize any deviation from approved plans and specifications or from the terms of this Agreement unless such express approval notes such deviation.

15.5. ENGINEER REPORT: At the completion of construction prior to acceptance by the CITY/COUNTY, the Engineer of Record shall submit to the government agency with jurisdiction over the particular improvement a report certifying that the respective improvement is constructed in accordance with plans and specifications and that they meet standards established by the government agency with jurisdiction. This certification shall include a cover letter with the engineer's professional stamp, followed by copies of all inspection records, test results and construction quality control data.

16. INDEMNIFICATION OF CITY/COUNTY: WATERFORD shall hold the CITY/COUNTY harmless against any claims made by Developer's contractors. WATERFORD shall indemnify and hold the CITY/COUNTY harmless from any claim, action or demand arising from any act or omission related to Developer's performance of duties pursuant to this Agreement. The liability assumed by WATERFORD pursuant to this section includes, but is not limited to, claims for labor and materials furnished for the construction of the improvements. Developer acknowledges that the work on the Project will take place on lands, which may be

owned or otherwise subject to control by the CITY/COUNTY. Developer shall provide insurance in amounts sufficient to satisfy the obligations of the CITY/COUNTY pursuant to the Idaho Tort Claims Act, but in no case less than one million dollars (\$1,000,000.00) per occurrence. CITY/COUNTY shall be named as an additional insured respecting the premises and conduct of the work on the project including coverage for comprehensive general liability, premise liability and automobile liability.

17. CITY/COUNTY INSPECTION: The CITY/COUNTY shall have access to all parts of the subdivision necessary or convenient for monitoring WATERFORD'S performance, inspecting, surveying, testing or performing any other work. The CITY/COUNTY may monitor the progress of the work and WATERFORD'S compliance with this Agreement and perform any inspection or test, which it deems necessary to determine whether the work conforms to this Agreement. If WATERFORD fails to notify the CITY/COUNTY of inspections, tests and construction progress as required herein, the CITY/COUNTY may require, at WATERFORD'S expense, retesting, exposure of previous stages of construction, or any other steps which the CITY/COUNTY deems necessary to determine whether the work conforms to this Agreement. Any monitoring, tests or inspections that the CITY/COUNTY orders or performs pursuant to this section are solely for the benefit of the CITY/COUNTY. The CITY/COUNTY does not undertake to test or inspect the work for the benefit of WATERFORD or any other person.

17.1. Upon receiving notice that WATERFORD has completed the improvements, the CITY/COUNTY shall schedule inspections of the improvements. The CITY/COUNTY may inspect all improvements and any other work in dedicated easements or rights-of-way.

17.2. A privately owned utility may inspect any phase of work on an improvement of which it is to assume control.

17.3. The CITY/COUNTY or appropriate privately owned utility shall inform WATERFORD in writing of any deficiencies in the work found in the course of the inspection.

17.4. WATERFORD shall, at its own expense, correct all deficiencies found by inspections. Upon receiving notice that the deficiencies have been corrected, the CITY/COUNTY or appropriate privately owned utility shall reinspect the improvements.

17.5. The CITY/COUNTY or appropriate privately owned utility may continue to reinspect an improvement until WATERFORD has corrected all deficiencies in the improvement.

17.6. Upon a written request by WATERFORD, the CITY/COUNTY may grant final acceptance of the improvements, after receipt of the of approval letter from the government agencies with approving jurisdiction, final inspection all improvements and dedication of easements and rights-of-way. The CITY/COUNTY shall also receive the assurances that the improvement and dedications meet CITY/COUNTY standards and that WATERFORD has furnished the as-built drawings and project certification.

18. STOP WORK ORDERS

18.1. In addition to the CITY/COUNTY'S existing rights to issue stop work orders, If the CITY/COUNTY determines that WATERFORD will fail to comply, or if WATERFORD does fail to comply with this Agreement or WATERFORD and/or WATERFORD'S contractors fail to comply with provisions of occupational health and safety standards promulgated by the State and Federal agencies or his actions present a threat to the public health and safety, the CITY/COUNTY may stop all further construction of improvements by posting a stop work order at the site of the nonconforming construction and notifying WATERFORD and its engineer of the order.

18.2. A stop work order shall remain in effect until the CITY/COUNTY approves:

18.2.1. Arrangements made by WATERFORD to remedy the nonconformity; and

18.2.2. Assurances by WATERFORD that future nonconformity's will not occur.

18.3 The issuance of a stop work order under this section is solely for the benefit if the CITY/COUNTY. The CITY/COUNTY does not undertake to supervise the work for the benefit of WATERFORD or any other person. No suspension of work under this section shall be grounds for any action or claim against the CITY/COUNTY or for an extension of time to perform the work.

19. OPERATION OF IMPROVEMENTS PRIOR TO FINAL ACCEPTANCE: Before final acceptance, the CITY/COUNTY may enter upon, inspect, control and operate any improvement if the CITY/COUNTY determines that such action is necessary to protect the public's health, safety and welfare.

20. FINAL ACCEPTANCE OF IMPROVEMENTS

20.1. PREREQUISITES TO ACCEPTANCE: The CITY/COUNTY shall not accept the improvements, until all the requirements of this Agreement and in the government standards for each of the governing agencies with jurisdiction over the respective improvements have been met.

20.2. SURVEY MONUMENTS AND AS-BUILT DRAWINGS:

20.2.1. Upon completing the improvements, WATERFORD shall replace lost lot corners and survey monuments per Idaho Code.

20.2.2. No later than sixty (60) days after the final inspection and prior to final acceptance, WATERFORD shall provide the government agency with jurisdiction over the particular improvement with one (1) acceptable set of reproducible as-built drawings for each improvement. A professional engineer registered under the laws of the State of Idaho to represent accurately the improvements as actually constructed shall certify the as-built drawings.

20.3. CERTIFICATE OF COMPLIANCE: WATERFORD shall furnish the CITY/COUNTY with a certificate of compliance for the work performed under this Agreement, in the form herein. Developer shall also certify that all private utility installation has been completed according to plan.

20.4. CERTIFICATE OF PAYMENT OF CONTRACTORS AND VENDORS: Prior to final acceptance, WATERFORD shall certify that all contractors and vendors have been paid and no liens or other claims have been recorded, or that he knows of no intent to file a claim or lien against the CITY/COUNTY or private utility improvements.

21. DEVELOPER'S WARRANTY

21.1. WATERFORD shall convey a reasonable warranty of the design, construction materials and workmanship of the improvements against any failure or defect in design, construction, material or workmanship for one (1) year, from the date of acceptance of the respective improvements. This warranty shall cover all direct or indirect costs of repair or replacement, and damage to the property, improvements or facilities of the CITY/COUNTY or any other person, caused by such failure or defect or in the course of repairs thereof. WATERFORD shall, by letter of credit, fund this warranty by a payment of 10% of the costs of the required improvements, as specified in Chapter VII, Section I, page 43 of the Hauser Development Code.

21.2 Routine maintenance of the improvements dedicated to the CITY/COUNTY as part of the platting process shall be the responsibility of the CITY/COUNTY following dedication and acceptance of the improvements by the CITY/COUNTY except as provided below. Routine maintenance of the improvements not dedicated and acceptance by the CITY/COUNTY or entity with jurisdiction over improvement shall be the responsibility of the Association.

22. CITY/COUNTY'S REMEDIES UNDER WARRANTY

22.1. The CITY/COUNTY shall notify WATERFORD in writing upon its discovery of any failure or defect covered by the warranty. The CITY/COUNTY shall notify WATERFORD before conducting any test or inspections to determine the cause of failure or defect to the extent the circumstances will allow and shall notify WATERFORD of the results of all such tests and inspection.

22.2. WATERFORD shall correct or make a diligent effort to correct any failure or defect covered by the warranty within thirty (30) days of receiving notice of the failure or defect from the CITY/COUNTY. WATERFORD shall correct the failure or defect at its own expense and to the satisfaction of the CITY/COUNTY. In the event that WATERFORD fails to correct the defect in a reasonable time, then the CITY/COUNTY or other governing agency with jurisdiction over the defective improvement, in its sole discretion, shall have the right and the power to use the warranty sums to make the correction.

22.3. In case of an emergency affecting public health and safety, the CITY/COUNTY may make immediate required repairs and shall notify WATERFORD and contractor as quickly as possible.

23. PERMITS, LAWS AND FEES: WATERFORD shall acquire and maintain in good standing all permits, licenses, platting approvals and other requirements necessary to its performance under this Agreement. All actions taken by WATERFORD under this Agreement shall comply with all applicable statutes, ordinances, rules and regulations. WATERFORD shall pay all fees pertaining to its performance under this Agreement in accordance with this Agreement or with laws applicable to actions contemplated. Applicable fees shall be required by CITY/COUNTY Code and resolutions adopted by the City Council implementing Code requirements.

24. NON-DISCRIMINATION: In performing its obligations under this Agreement, WATERFORD shall not discriminate against any person on the basis of race, creed, color, national origin, sex, marital status or age. In selling property or improvements in the subdivision, WATERFORD shall not discriminate against any person on the basis of race, creed, color, national origin, sex, marital status or age.

25. COST OF DOCUMENTS: All plans, reports, drawings or other documents that this Agreement requires to be provided to the CITY/COUNTY by WATERFORD shall be furnished at WATERFORD'S expense.

26. PUBLIC UTILITIES: Any public utility service contemplated by this Agreement need be provided only to areas where the service is allowed by applicable law. All utility service shall conform to the rules, regulations and tariffs of the State of Idaho to the extent they may apply.

27. TIME IS OF THE ESSENCE: Unless otherwise expressly provided herein, time is of the essence of each and every term, covenant and condition of this Agreement.

28. ASSIGNMENTS

28.1. Any assignment by WATERFORD of its interest in any part of this Agreement or any delegation of duties under this Agreement shall be void and constitute a default entitling the CITY/COUNTY to invoke any remedy herein, unless approved, in writing, by CITY/COUNTY. CITY/COUNTY agrees not to unreasonably withhold such approval. If the CITY/COUNTY agrees to an Assignment, said Assignment shall not release WATERFORD from any further liability.

28.2. WATERFORD is granted by this Agreement the right to assign its interest or delegate its duties under this Agreement:

28.2.1. To the extent that applicable codes require that assignments of contract rights be allowed;

28.2.2. To contractors and subcontractors, or to partnerships, limited liability companies or corporations in which WATERFORD may have a substantial interest, subject to restrictions contained herein, provided that performance guaranties can be provided or maintained;

28.2.3. As expressly permitted in writing by the CITY/COUNTY. The CITY/COUNTY will not unreasonably deny assignment if security of performance is maintained on a comparable basis.

29. DEFAULT – CITY/COUNTY’S REMEDIES: The CITY/COUNTY may declare WATERFORD to be in default:

29.1. If WATERFORD is adjudged bankrupt, makes a general assignment for the benefit of creditors, suffers a receiver to be appointed on account of insolvency, takes advantage of any law for the benefit of insolvent debtors; or

29.2. WATERFORD shall be in default of this agreement if WATERFORD fails in any measurable way to perform its obligations under this Agreement, except if delayed by an act or omission of the CITY/COUNTY, acts of God or other causes beyond the control of WATERFORD. In the event of default, the CITY/COUNTY shall give WATERFORD notice of the default. If WATERFORD fails to cure the default within twenty-eight (28) days of receiving the notice or specifies a cure date, if the default requires more than twenty-eight (28) days to cure, then the CITY/COUNTY may commence and proceed with the remedies set forth herein. All such notices to WATERFORD shall be in writing by certified mail, return receipt requested.

29.3. Upon a declaration of default, and failure to cure under this section of this Agreement, the CITY/COUNTY or governing agency with jurisdiction over the respective improvement may take any action available at law or equity and/or may do any one or more of the following:

29.3.1. Perform any act required of WATERFORD under this Agreement, including constructing all or any part of the improvements after giving seven (7) days notice in writing to WATERFORD. WATERFORD shall be liable to the CITY/COUNTY or governing agency with jurisdiction over the respective improvement, for any costs thus incurred. The CITY/COUNTY may deduct any costs incurred from the letter of credit.

29.3.2. Exercise its rights under any provision of this Agreement, or any performance or warranty guaranty securing WATERFORD’S obligations under this Agreement. This right shall include but not be limited to the use by the CITY/COUNTY or governing agency with jurisdiction over the respective improvement to complete the work set forth in the attached schedule and use any financial guarantee set forth herein to complete the work.

30. NON-WAIVER: The failure of the CITY/COUNTY at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision.

31. INTERPRETATION: Each document incorporated by reference herein is an essential part of this Agreement, and any requirement, duty or obligation stated in one document is as binding as if stated in all. All documents shall be construed to operate in a complementary manner and to provide for a complete project. In the event of any conflict between this agreement and the terms of the Hauser Code, the Hauser Code shall prevail. Unless stated otherwise in express terms, the duties to complete the Project in compliance with the approved plans is the sole responsibility of WATERFORD.

32. EFFECT OF STANDARD SPECIFICATIONS: The Design Standards of the CITY/COUNTY, Standards for Public Works Construction and any standards required by Federal or State regulatory agencies are incorporated by reference herein as minimum

construction standards for performance under this Agreement, except where this Agreement specifically provides otherwise.

33. AMENDMENT: The parties may amend this Agreement only by written agreement, which shall be attached as an appendix hereto.

34. JURISDICTION – CHOICE OF LAW: Any civil action arising from this Agreement shall be brought in the District Court of the First Judicial District; venue shall be in Kootenai County. The law of the State of Idaho shall govern the rights and duties of the parties under this Agreement.

35. SEVERABILITY: Any provision of this Agreement that may be declared invalid or otherwise unenforceable by a Court of competent jurisdiction shall be ineffective to the extent of such invalidity without invalidating the remaining provisions of the Agreement.

36. INTEGRATION: This instrument, including Appendixes and any writings incorporated by reference herein, embody the entire Agreement of the parties. This Agreement shall supersede all previous communications, representations or agreements, whether written or oral, between the parties hereto.

37. DEFINITIONS: Unless this Agreement expressly provides otherwise, the following definitions shall apply herein:

37.1. **“Improvements”** mean all work, which WATERFORD is required to perform by this Agreement.

37.2. **“City Improvements”** means improvements which are to be dedicated to the CITY, or which are to be operated and controlled by a CITY-owned utility.

37.3. **“Private Utility Improvement”** means improvements owned, maintained and operated by a private utility or by a private owner or homeowner's association.

37.4. **“City”**, for the purpose of administering this Agreement, means the CITY, or its chief executive or his/her administrative designee.

37.5. **“Acceptance”** means a determination that an improvement meets construction standards of the government or private agency with jurisdiction over the particular improvement.

37.6. **“Final Acceptance”** by the CITY/COUNTY means that the CITY/COUNTY is satisfied that ALL improvements required by this Agreement and the Codes of the entities with jurisdiction over the particular improvement, or as a result of the procedures required thereby, have been constructed in a satisfactory manner to comply with the specifications.

38. APPROVALS AND CONSENTS: Wherever in the Agreement consents or approvals of either party are required, they shall not be unreasonably withheld. Nothing in this provision shall compromise the general police power authority in the CITY/COUNTY in matters governmental in nature.

39. BINDING UPON LOT OWNERS: In the event that the Association is dissolved or otherwise fails to maintain the improvements required hereunder, each lot owner in the Project shall be individually responsible for a pro-rata share of the costs to maintain said improvements.

40. ASSUMPTION OF RESPONSIBILITIES BY A PRIVATE OR PUBLIC ENTITY: The responsibility for maintenance any or all of the improvements required hereunder may be assumed by a private or governmental agency at any time.

41.1 NOTICE OF ASSUMPTION. The public or private agency, excepting Highway District, seeking to assume responsibility for maintenance of certain improvements must notify the Association and the case of a private agency, must notify the CITY/COUNTY in writing of its intent to assume responsibility.

41.1.1 The notice must be in writing and must be received by the Board and City not less than Thirty (30) days before any assumption is to occur.

41.1.2 The notice must specifically identify the improvements sought to be assumed.

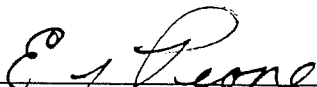
41.2 Effect of Assumption. In the event of assumption the Association shall have no further obligation for maintenance of the improvement.

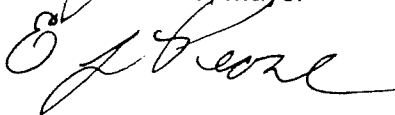
IN WITNESS WHEREOF, the parties hereto have set their hands on the date first set forth above.

CITY


KOOTENAI COUNTY

BY:


E.J. Peone, Mayor



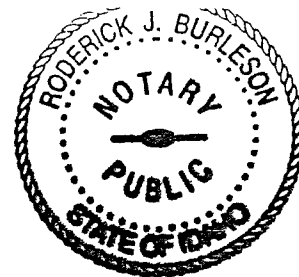
By:


Richard C. Panabaker, Chairman
Board of County Commissioners

WATERFORD, L.L.C.

By:

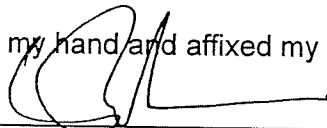

Michael J. Newell, Managing Member



STATE OF IDAHO)
) ss.
 County of Kootenai)

On this 17th day of April 2002, before me personally appeared E.J. PEONE, known to me to be the Mayor of the City of Hauser and the person who executed the foregoing Subdivision Development Agreement and acknowledged to me that he executed the same on behalf of the City in their official capacity.

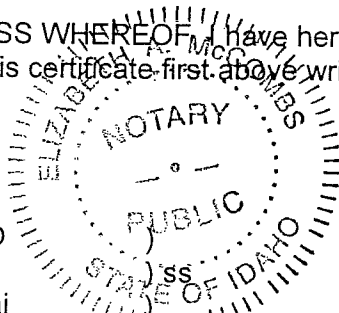
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

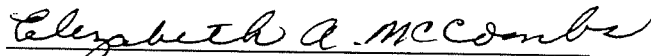

 Notary Public For Idaho
 Commission Expires 04-02-07
residing at Rathdrum

STATE OF IDAHO)
) ss.
 County of Kootenai)

On this 18th day of April 2002, before me personally appeared RICHARD C. PANABAKER, known to me to be one of the Kootenai County Commissioners and the person who executed the foregoing Subdivision Development Agreement and acknowledged to me that they executed the same on behalf of the County in their official capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

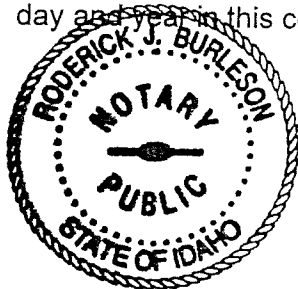


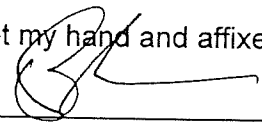

 Notary Public For Idaho
 Commission Expires 12-26-06

STATE OF IDAHO)
) ss.
 County of Kootenai)

On this 18th day of March 2002, before me personally appeared MICHAEL J. NEWELL, one of the Managing Member of WATERFORD, L.L.C., an Idaho limited liability company, known or identified to me to be the person(s), who executed the foregoing Subdivision Development Agreement on behalf of said limited liability company and acknowledged to that said company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

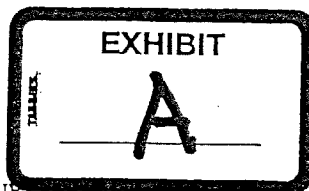



 Notary Public For Idaho residing at Rathdrum
 Commission Expires 04-02-07

ATTACHMENT 'A'
PROPERTY DESCRIPTION
FOR
WATERFORD ESTATES

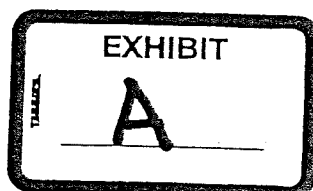
BEING A PORTION OF THE SOUTH ONE HALF OF SECTION 12, TOWNSHIP 51 NORTH,
RANGE 6 WEST. B.M., KOOTENAI COUNTY, IDAHO, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 12; THENCE ALONG
THE WESTERLY BOUNDARY LINE OF SAID SECTION 12, N 1°49'29" E, 165.07 FEET TO
THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE CONTINUING N
1°49'29" E, 65.61 FEET TO MILE POST #93; THENCE CONTINUING ALONG THE SAID
WESTERLY BOUNDARY LINE, N 0°20'38" W, 1193.29 FEET TO THE INTERSECTION
WITH THE CENTERLINE OF A PRIVATE ROADWAY; THENCE LEAVING THE SAID
WESTERLY BOUNDARY LINE FOLLOWING THE SAID CENTERLINE OF THE PRIVATE
ROADWAY THE FOLLOWING COURSES: N 74°20'04" E, 113.36 FEET TO THE POINT OF
CURVATURE OF A NON-TANGENT CIRCULAR CURVE TO THE RIGHT; THENCE 63.85
FEET ALONG SAID CURVE HAVING A RADIUS OF 179.63 FEET, A CENTRAL ANGLE OF
20°21'57", A CHORD BEARING OF N 84°40'52" E AND A CHORD DISTANCE OF 63.51
FEET; THENCE S 85°17'58" E, 13.63 FEET TO THE POINT OF CURVATURE OF A NON-
TANGENT CIRCULAR CURVE TO THE LEFT; THENCE 49.34 FEET ALONG SAID CURVE
HAVING A RADIUS OF 137.00 FEET, A CENTRAL ANGLE OF 20°38'05", A CHORD
BEARING OF N 85°27'07" E AND A CHORD DISTANCE OF 49.07 FEET; THENCE N
74°04'05" E, 327.38 FEET; THENCE N 68°53'40" E, 87.18 FEET TO THE POINT OF
CURVATURE OF A NON-TANGENT CIRCULAR CURVE TO THE RIGHT; THENCE 71.13
FEET ALONG SAID CURVE HAVING A RADIUS OF 111.69 FEET, A CENTRAL ANGLE OF
36°29'20", A CHORD BEARING OF N 83°46'41" E AND A CHORD DISTANCE OF 69.93
FEET; THENCE S 74°37'10" E, 147.89 FEET TO THE POINT OF CURVATURE OF A NON-
TANGENT CIRCULAR CURVE TO THE LEFT; THENCE 55.26 FEET ALONG SAID CURVE
HAVING A RADIUS OF 247.45 FEET, A CENTRAL ANGLE OF 12°47'43", A CHORD
BEARING OF S 78°29'58" E AND A CHORD DISTANCE OF 55.15 FEET; THENCE S
87°26'32" E, 74.44 FEET TO THE CENTERLINE OF HAUSER LAKE ROAD; THENCE
LEAVING THE SAID CENTERLINE OF THE PRIVATE ROAD FOLLOWING THE SAID
CENTERLINE OF HAUSER LAKE ROAD THE FOLLOWING COURSES: N 6°15'58" W,
117.45 FEET TO THE POINT OF CURVATURE OF TANGENT CIRCULAR CURVE TO THE
LEFT; THENCE 110.68 FEET ALONG SAID CURVE HAVING A RADIUS OF 200.00 FEET, A
CENTRAL ANGLE OF 31°42'26", A CHORD BEARING OF N 22°07'11" W AND A CHORD
DISTANCE OF 109.27 FEET; THENCE N 37°58'24" W, 176.94 FEET TO THE
INTERSECTION WITH THE NEWMAN ARM ROAD AND THE POINT OF CURVATURE OF
A NON-TANGENT CIRCULAR CURVE TO THE LEFT; THENCE LEAVING THE SAID
CENTERLINE OF HAUSER LAKE ROAD ALONG THE SAID CENTERLINE OF NEWMAN
ARM ROAD THE FOLLOWING COURSES: 334.26 FEET ALONG SAID CURVE HAVING A
RADIUS OF 537.81 FEET, A CENTRAL ANGLE OF 35°36'38", A CHORD BEARING OF N
59°11'13" W AND A CHORD DISTANCE OF 328.91 FEET; THENCE N 78°16'07" W, 95.80
FEET TO THE POINT OF CURVATURE OF A NON-TANGENT CIRCULAR CURVE TO THE



RIGHT; THENCE 225.88 FEET ALONG SAID CURVE HAVING A RADIUS OF 1409.68 FEET, A CENTRAL ANGLE OF $9^{\circ}10'51''$, A CHORD BEARING OF $N 72^{\circ}35'05'' W$ AND A CHORD DISTANCE OF 225.64 FEET; THENCE $N 69^{\circ}05'16'' W$, 206.59 FEET TO THE SAID WESTERLY BOUNDARY LINE OF SECTION 12; THENCE LEAVING THE SAID CENTERLINE OF NEWMAN ARM ROAD ALONG THE SAID WESTERLY BOUNDARY LINE OF SECTION 12, $N 0^{\circ}20'38'' W$, 344.55 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 12; THENCE LEAVING THE SAID WESTERLY BOUNDARY LINE OF SECTION 12, $S 89^{\circ}49'28'' E$, 920.09 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF SAID HAUSER LAKE ROAD; THENCE LEAVING THE SAID CENTER QUARTER LINE OF SECTION 12, $S 21^{\circ}20'53'' E$, 30.00 FEET TO THE SAID CENTERLINE OF HAUSER LAKE ROAD AND THE POINT OF CURVATURE OF A NON-TANGENT CIRCULAR CURVE TO THE LEFT; THENCE ALONG THE SAID CENTERLINE OF HAUSER LAKE ROAD THE FOLLOWING COURSES: 98.18 FEET ALONG SAID CURVE HAVING A RADIUS OF 288.51 FEET, A CENTRAL ANGLE OF $19^{\circ}29'54''$, A CHORD BEARING OF $S 58^{\circ}54'09'' W$ AND A CHORD DISTANCE OF 97.71 FEET TO A POINT OF COMPOUND CURVE TO THE LEFT; THENCE 116.80 FEET ALONG SAID CURVE HAVING A RADIUS OF 166.50 FEET, A CENTRAL ANGLE OF $40^{\circ}11'33''$, A CHORD BEARING OF $S 29^{\circ}03'26'' W$ AND A CHORD DISTANCE OF 114.42 FEET; THENCE $S 8^{\circ}57'39'' W$, 124.01 FEET; THENCE LEAVING THE SAID CENTERLINE OF HAUSER LAKE ROAD, $S 81^{\circ}02'21'' E$, 30.00 FEET TO THE EASTERLY RIGHT-OF-WAY LINE OF SAID HAUSER LAKE ROAD; THENCE $S 89^{\circ}34'35'' E$, 1076.59 FEET; THENCE $N 87^{\circ}20'15'' E$, 396.41 FEET, MORE OR LESS, TO THE APPROXIMATE MEAN HIGH WATER LINE OF HAUSER LAKE (ELEVATION 2187.0 NGVD 27); THENCE ALONG THE SAID APPROXIMATE MEAN HIGH WATER LINE THE FOLLOWING COURSES: $S 44^{\circ}23'34'' W$, 182.92 FEET; THENCE $S 18^{\circ}58'05'' W$, 362.95 FEET; THENCE $S 35^{\circ}12'26'' E$, 121.17 FEET; THENCE $N 80^{\circ}11'08'' E$, 82.57 FEET; THENCE $S 28^{\circ}58'56'' E$, 448.70 FEET; THENCE $S 47^{\circ}35'01'' E$, 829.69 FEET; THENCE LEAVING THE SAID APPROXIMATE MEAN HIGH WATER LINE, $S 67^{\circ}11'03'' W$, 767.88 FEET; THENCE $S 4^{\circ}59'39'' W$, 318.29 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF SAID HAUSER LAKE ROAD; THENCE $S 33^{\circ}36'44'' W$, 30.00 FEET TO THE SAID CENTERLINE OF HAUSER LAKE ROAD AND THE POINT OF CURVATURE OF A NON-TANGENT CIRCULAR CURVE TO THE LEFT; THENCE ALONG THE SAID CENTERLINE THE FOLLOWING COURSES: 300.71 FEET ALONG SAID CURVE HAVING A RADIUS OF 368.85 FEET, A CENTRAL ANGLE OF $46^{\circ}42'39''$, A CHORD BEARING OF $N 79^{\circ}43'43'' W$ AND A CHORD DISTANCE OF 292.45 FEET TO A POINT OF REVERSE CURVE TO THE RIGHT; THENCE 136.62 FEET ALONG SAID CURVE HAVING A RADIUS OF 200.00 FEET, A CENTRAL ANGLE OF $39^{\circ}08'20''$, A CHORD BEARING OF $N 83^{\circ}30'52'' W$ AND A CHORD DISTANCE OF 133.98 FEET; THENCE LEAVING THE SAID CENTERLINE, $S 26^{\circ}03'18'' W$, 30.00 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SAID HAUSER LAKE ROAD; THENCE $S 0^{\circ}06'46'' W$, 11.07 FEET; THENCE $S 8^{\circ}16'14'' W$, 18.69 FEET TO A FOUND IRON PIPE; THENCE $N 89^{\circ}46'20'' W$, 1083.81 FEET; THENCE $N 89^{\circ}55'47'' W$, 652.97 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING TAX NUMBERS 6327, 16340, 7348, 6875, 7352, 10354, 10355 AND 10356 AS SHOWN HEREON AND, LESS THE RIGHTS-OF-WAY OF HAUSER LAKE ROAD AND NEWMAN ARM ROAD.



AS PER REVISED PLANS DAT 6-11-01 ★

402

FRAME & SMETANA, P.A.

ATTACHMENT "B"

WATERFORD ESTATES
AMENDED BID SCHEDULE #2

MARCH, 2001

WATER

ITEM	DESCRIPTION	EST QUAN	UNIT	UNIT COST	TOTAL
1	8" C-800 WATER MAIN	51.50	LF	\$ 5.60	\$ 316.40.00
2	4" C-800 WATER MAIN	28.00	LF	\$ 2.70	\$ 78.40.00
3	2" POLY WATER MAIN	2.120	LF	\$ 2.60	\$ 5.512.00
4	TRENCH EXCAVATION	7.880	LF	\$ 5.90	\$ 45.94.00
5	8" X 8" TEE	4	EA	\$ 320.00	\$ 1,280.00
6	8" X 4" TEE	1	EA	\$ 270.00	\$ 270.00
7	4" X 4" TEE	0	EA	\$ 198.00	\$ 0.00
8	8" 90° EL	1	EA	\$ 170.00	\$ 170.00
9	8" 45° EL	3	EA	\$ 120.00	\$ 360.00
10	4" 90° EL	1	EA	\$ 120.00	\$ 120.00
11	4" 45° EL	7	EA	\$ 120.00	\$ 840.00
12	8" GATE VALVE W/VALVE BOX	1	EA	\$ 125.00	\$ 125.00
13	4" GATE VALVE W/VALVE BOX	3	EA	\$ 360.00	\$ 1,080.00
14	2" GATE VALVE W/VALVE BOX	4	EA	\$ 315.00	\$ 1,260.00
15	8" X 4" REDUCER	1	EA	\$ 140.00	\$ 140.00
16	4" X 2" REDUCER	2	EA	\$ 120.00	\$ 240.00
17	FIRE HYDRANT-COMplete INSTALLATION	7	EA	\$ 1350.00	\$ 9,450.00
18	1" WATER SERVICE	40	EA	\$ 695.00	\$ 27,800.00
19	FLUSH HYDRANT	4	EA	\$ 775.00	\$ 3,100.00
20	BELDON TELEMETRY CABLE	3,820	LF	\$ 1.40	\$ 5,348.00
21	ARV	1	EA	\$ 1000.00	\$ 1000.00
WATER TOTAL					\$ 153,854.00

ROADWAY & DRAINAGE

ITEM	DESCRIPTION	EST QUAN	UNIT	UNIT COST	TOTAL
1	ROAD STRIPPING, CLEARING, GRUBBING	2,880	LF	\$ 2.90	\$ 8,352.00
2	DRIVEWAY STRIPPING, CLEARING, GRUBB	3,390	LF	\$ 1.00	\$ 3,390.00
3	ROADWAY EXCAVATION	18,180	CY	\$ 2.20	\$ 40,196.00
4	ROADWAY EMBANKMENT	3,000	CY	\$ 0.50	\$ 1,500.00
5	ROAD SUBGRADE PREPARATION	2,880	LF	\$ 2.80	\$ 8,064.00
6	DRIVEWAY SUBGRADE PREPARATION	3,390	LF	\$ 3.25	\$ 11,017.50
7	12" BALLAST, ON-SITE MATERIAL	4,370	CY	\$ 5.60	\$ 24,472.00
8	3/4" CRUSHED ROCK	16,660	SY	\$ 2.95	\$ 49,147.00
9	2" ASPHALT, ROAD	8,330	BY	\$ 4.75	\$ 39,567.50
10	12" CMP IN PLACE	250	LF	\$ 20.00	\$ 5,000.00
11	18" CMP IN PLACE	290	LF	\$ 20.00	\$ 5,800.00
12	SWALE CONSTRUCTION	1,450	SY	\$ 1.75	\$ 2,537.50
13	BERM/DITCH CONSTRUCTION	815	LF	\$ 2.40	\$ 1,956.00
14	GRASS LINED DITCH	480	LF	\$ 7.15	\$ 3,432.00
15	TRAIL, COMPLETE	2,420	LF	\$ 17.80	\$ 43,076.00
16	HYDROSEEDING	1.50	AC	\$ 2,100.00	\$ 3,150.00
17	DRYWELL	1	EA	\$ 1950.00	\$ 1,950.00
ROAD TOTAL					\$ 258,542.50
TOTAL					\$ 411,626.50

EXCLUSIONS: Permits, Engineering, Surveying,
Rock Excavation, Rock Lined Ditches, Hauling of
Excess Materials from Excavation Offsite (Place
Onsite)

EXHIBIT

B

Page 1

ADD ALTERNATE

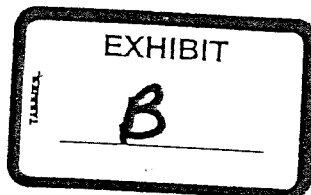
1	12" BALLAST, IMPORTED MATERIAL	4,370	CY	\$ 10.55	\$ 46,103.50
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NOTE: THE QUANTITIES IN THE BID ITEMS ARE APPROXIMATE AND PAYMENT SHALL BE MADE FOR ACTUAL QUANTITIES INSTALLED. ALSO, THE OWNER RESERVES THE RIGHT TO DELETE, INCREASE OR DECREASE ANY OF THE ITEMS. IN THE BID SCHEDULE. COMPENSATION SHALL BE AT THE UNIT PRICE WHICH SHALL INCLUDE SALES TAX IF APPLICABLE. AND THE CONTRACTOR SHALL NOT HAVE CLAIM FOR ADDITIONAL PROFITS OR INCOME. WORK RELATED ITEMS NOT SHOWN ON THE BID SCHEDULE ARE CONSIDERED INCIDENTAL. THE OWNER RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS.

KC Construction Inc.
CONTRACTOR

9/14/01
DATE

[Signature]
SIGNATURE AND TITLE PRESIDENT



FRAME & SMETANA, P.A.
WATERFORD ESTATES
AMENDED BID SCHEDULE
FOR BOOSTER SYSTEM, RESERVOIR AND WELLS

APRIL, 2001

WATER

ITEM	DESCRIPTION	EST QUAN	UNIT	UNIT COST	TOTAL
1	120,000 GALLON RESERVOIR, COMPLETE	1	LS	96748	\$ 96748
2	BOOSTER SYSTEM, COMPLETE	1	LS	24647	\$ 24647
3	WELL #1 WITH METER VAULT, COMPLETE ¹	1	LS	16796	\$ 16796
4	WELL #2 WITH METER VAULT, COMPLETE ¹	1	LS	16796	\$ 16796
5	OPERATION & MAINTENANCE MANUAL	1	LS	400 -	\$ 400 -
6	WELL SCREEN, BOTH WELLS ²	40	LF	210 -	\$ 8400 -
TOTAL					\$ 163787

¹ WELL AND METER VAULT CONSTRUCTION DOES NOT INCLUDE WELL SCREEN.

² IT IS ASSUMED THAT EACH WELL WILL NEED 20 FEET OF WELL SCREEN, ACTUAL LENGTH OF SCREEN WILL BE DETERMINED DURING DRILLING.

NOTE: THE QUANTITIES IN THE BID ITEMS ARE APPROXIMATE AND PAYMENT SHALL BE MADE FOR ACTUAL QUANTITIES INSTALLED. ALSO, THE OWNER RESERVES THE RIGHT TO DELETE, INCREASE OR DECREASE ANY OF THE ITEMS, IN THE BID SCHEDULE. COMPENSATION SHALL BE AT THE UNIT PRICE WHICH SHALL INCLUDE SALES TAX, IF APPLICABLE, AND THE CONTRACTOR SHALL NOT HAVE CLAIM FOR ADDITIONAL PROFITS OR INCOME. WORK RELATED ITEMS NOT SHOWN ON THE BID SCHEDULE ARE CONSIDERED INCIDENTAL. THE OWNER RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS.

LAURENCE Construction

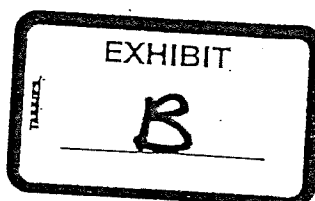
CONTRACTOR

DATE

APRIL 17, 2001

GREG LAWRENCE

SIGNATURE AND TITLE



FRAME & SMETANA, P.A.
WATERFORD ESTATES
ATTACHMENT "C"

ESTIMATED REMAINING WORK AS OF 12/31/01

WATER

ITEM	DESCRIPTION	EST QUAN	UNIT	ORIG COST	STATUS	REMAINING
1	8" C-900 WATER MAIN	2,100	LF	\$31,640.00	testing	\$2,000.00
2	4" C-900 WATER MAIN	5,185	LF	\$7,840.00	complete	\$0.00
3	2" POLY WATER MAIN	2,120	LF	\$5,512.00	complete	\$0.00
4	TRENCH EXCAVATION	7,660	LF	\$45,194.00	complete	\$0.00
5	8" X 8" TEE	1	EA	\$1,280.00	complete	\$0.00
6	8" X 4" TEE	1	EA	\$270.00	complete	\$0.00
7	4" X 4" TEE	4	EA	\$0.00	complete	\$0.00
8	8" 90° EL	1	EA	\$170.00	complete	\$0.00
9	8" 45° EL	1	EA	\$170.00	complete	\$0.00
10	4" 90° EL	1	EA	\$375.00	complete	\$0.00
11	4" 45° EL	1	EA	\$125.00	complete	\$0.00
12	8" GATE VALVE W/VALVE BOX	2	EA	\$4,060.00	complete	\$0.00
13	4" GATE VALVE W/VALVE BOX	8	EA	\$1,080.00	complete	\$0.00
14	2" GATE VALVE W/VALVE BOX	4	EA	\$1,260.00	complete	\$0.00
15	8" X 4" REDUCER	1	EA	\$140.00	complete	\$0.00
16	4" X 2" REDUCER	2	EA	\$240.00	complete	\$0.00
17	FIRE HYDRANT-COMPLETE INSTALLATION	3	EA	\$16,450.00	complete	\$0.00
18	1" WATER SERVICE	40	EA	\$27,800.00	complete	\$0.00
19	FLUSH HYDRANT	2	EA	\$3,100.00	complete	\$0.00
20	BELDON TELEMETRY CABLE	3,820	LF	\$5,348.00	complete	\$0.00
21	ARV	1	EA	\$1,000.00	complete	\$0.00
WATER TOTAL				\$153,054.00		\$2,000.00

ROADWAY & DRAINAGE

ITEM	DESCRIPTION	EST QUAN	UNIT	ORIG COST	STATUS	TOTAL
1	ROAD STRIPPING, CLEARING, GRUBBING	2,680	LF	\$7,772.00	complete	0.00
2	DRIVEWAY STRIPPING, CLEARING, GRUBB.	3,390	LF	\$3,390.00	complete	-233.00
3	ROADWAY EXCAVATION	19,180	CY	\$42,196.00	complete	0.00
4	ROADWAY EMBANKMENT	3,000	CY	\$1,500.00	complete	0.00
5	ROAD SUBGRADE PREPARATION	2,680	LF	\$7,504.00	75% compl	1,904.00
6	DRIVEWAY SUBGRADE PREPARATION	3,390	LF	\$11,017.50	75% compl	2,756.00
7	12" BALLAST, ON-SITE MATERIAL	4,370	CY	\$24,472.00	0% comple	24,472.00
8	3/4" CRUSHED ROCK	15,560	SY	\$45,902.00	0% comple	45,902.00
9	2" ASPHALT, ROAD	8,330	SY	\$39,567.50	0% comple	39,567.50
10	12" CMP IN PLACE	250	LF	\$5,000.00	50% compl	2,500.00
11	18" CMP IN PLACE	290	LF	\$5,800.00	complete	0.00
12	SWALE CONSTRUCTION	795	SY	\$3,412.50	50% compl	1,706.25
13	BERM/DITCH CONSTRUCTION	815	LF	\$1,956.00	50% compl	978.00
14	GRASS LINED DITCH	120	LF	\$7,007.00	0% comple	7,007.00
15	TRAIL, COMPLETE	2,420	LF	\$43,076.00	35% compl	27,946.00
16	HYDROSEEDING	1.50	AC	\$3,150.00	0% comple	3,150.00
17	DRYWELLS	3.00	EA	\$5,850.00	0% comple	5,850.00

ROAD TOTAL		\$258,572.50		163,505.75
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TOTAL REMAINING		411,626.50		165,505.75
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EXHIBIT

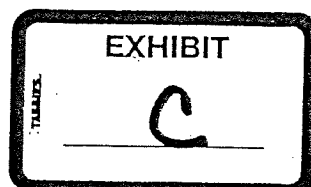
C

FRAME & SMETANA, P.A.
EDGEWOOD ESTATES
ATTACHMENT "C"

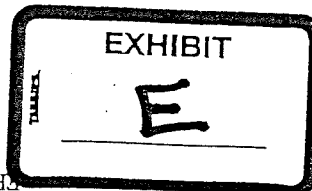
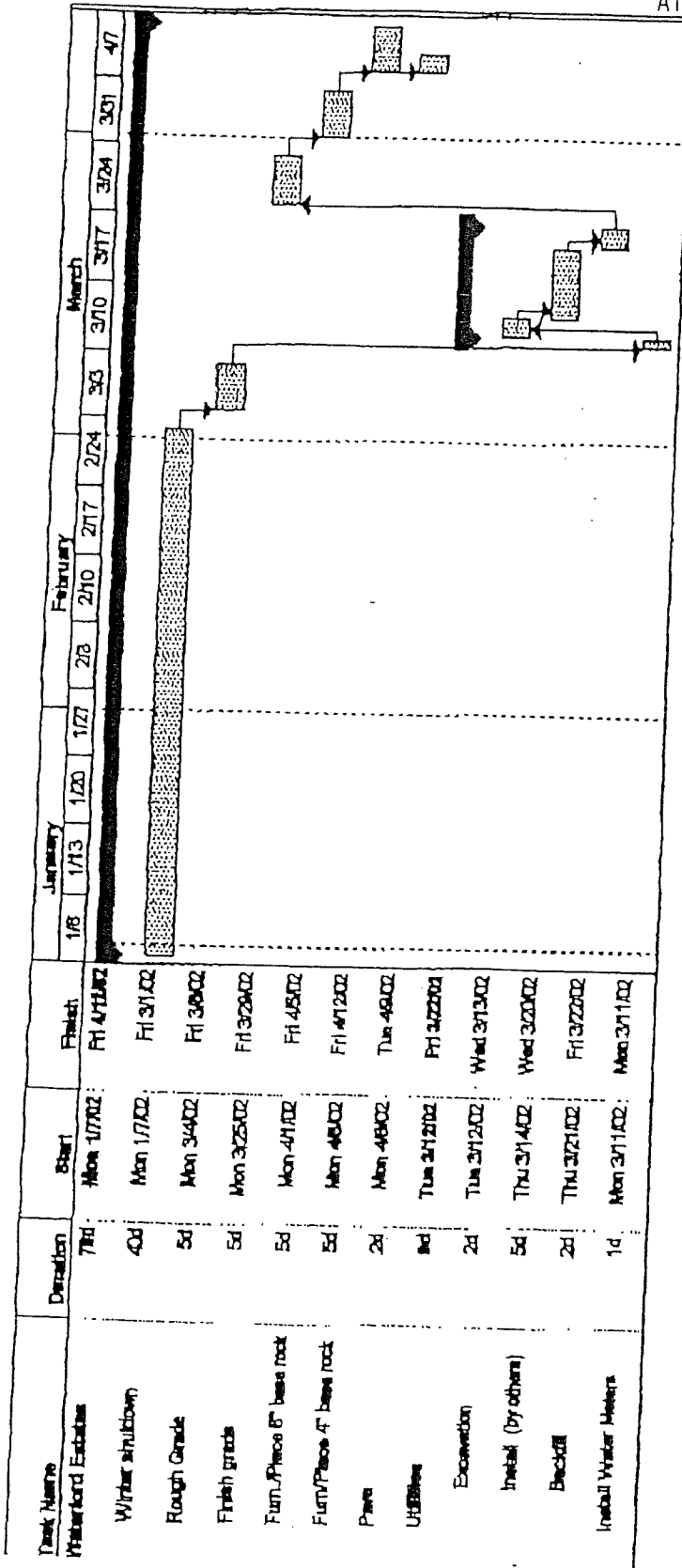
FOR BOOSTER SYSTEM, RESERVOIR AND WELLS
ESTIMATED REMAINING WORK AS OF 12/31/01

WATER

ITEM	DESCRIPTION	EST QUAN	UNIT	ORIG COST	STATUS	TOTAL
1	120,000 GALLON RESERVOIR, COMPLETE	1	LS	\$96,748.00	complete	\$0.00
2	BOOSTER SYSTEM, COMPLETE	1	LS	\$24,647.00	testing	\$2,000.00
3	WELL #1 WITH METER VAULT, COMPLETE	1	LS	\$16,796.00	95% complete	\$840.00
4	WELL #2 WITH METER VAULT, COMPLETE	1	LS	\$16,796.00	95% complete	\$840.00
5	OPERATION & MAINTENANCE MANUAL	1	LS	\$400.00	0% complete	\$400.00
6	WELL SCREEN, BOTH WELLS	40	LF	\$8,400.00	complete	\$0.00
TOTAL REMAINING				\$162,787.00		\$4,080.00



ATTACHMENT "E"



Task	Summary	Roll Up Progress
Progress	Roll Up Task	
Milestone	Roll Up Milestone	
02/06/02 15:31 FAX		
Page 1		