



CITY OF BULLHEAD CITY

COUNCIL COMMUNICATION

MEETING DATE: October 5, 2010

SUBJECT: Development Agreement for Completion of Improvements for North Fork at Laughlin
DEPT OF ORIGIN: City Attorney
DATE SUBMITTED: September 28, 2010
SUBMITTED BY: Garnet Emery, City Attorney

SUMMARY:

North Fork at Laughlin Ranch is a subdivision located in Bullhead City just off the Bullhead Parkway in the vicinity of Landon Drive. The plat was approved by the City Council on January 16, 2007 (see attached Council Communication dated January 8, 2007). The development commenced but ended up running short of development capital. The developer ceased work, local contractors who had worked for the developer exercised liens for work completed, filed suit, and eventually obtained title to the development earlier this year. During this same time the City took actions to collect on the bond for the remaining construction items needing completion under Phase 1 of the development. The bonding company later entered into a settlement agreement with the City that required payment of \$1,200,000 to the City, which the City Council approved on November 17, 2009. After the City's receipt of the funds the local contractors who were perfecting their rights to the development, filed a notice of claim on April 8, 2010, with the City concerning the disposition of the \$1,200,000 in bond funds. Since that time the parties have worked towards and reached a settlement which works to disburse the bond funds for the completion of Phase 1 of the development and releases the City from all claims relating to the development and disbursement of funds.

FISCAL IMPACT:

REVIEWED BY:

Erick Vera
 Finance Department

Initial Project Costs: None.

Future Ongoing Costs: None.

Physical Impact (on people/space): None.

Residual or Support/Overhead/Fringe Costs: Ongoing compliance and acceptance inspections and activities.

ATTACHMENTS:

1. Development Agreement for Completion of Improvements for North Fork at Laughlin Ranch.

LEGAL REVIEW:

APPROVED AS TO FORM:

Garnet Emery
 City Attorney

RECOMMENDATION: MOTION TO ADOPT AND APPROVE THE DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH, AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT, AND DIRECT THE CITY MANAGER TO MAKE DISBURSEMENTS AND TO CARRY OUT ALL ACTIONS NECESSARY FOR THE FULL IMPLEMENTATION OF THE AGREEMENT.

APPROVED FOR SUBMITTAL BY:

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Department Director

Tommy Carter
 City Manager

Resolution No. _____

Continued To: _____

Ordinance No. _____

Referred To: _____

Approved _____

Denied _____

Other _____

File No. _____



CITY OF BULLHEAD CITY

COUNCIL COMMUNICATION

MEETING DATE: 1/16/2007

SUBJECT: Subdivision S05-015 – North Fork at Laughlin Ranch, Unit 1, Tract 5151

DEPT OF ORIGIN: DSD – Planning & Zoning

DATE SUBMITTED: January 8, 2007

SUBMITTED BY: Janice D. Paul, Development Services Director

SUMMARY:

This is a request for approval of the final plat, improvement plans, financial assurance, and an allocation of Colorado River water for North Fork at Laughlin Ranch, Unit 1, Tract 5151.

The North Fork at Laughlin Ranch subdivision is located east of the Bullhead Parkway between the Hillcrest Park manufactured home park and the Desert Shores subdivisions. The overall project will consist of 583 single-family home sites with open space parcels located throughout. The overall site contains approximately 247 acres. All lots will measure at least 6,000 sq.ft. Public streets will provide access to the property with private streets providing circulation within the subdivision. The project will be developed in three phases.

Before you now is the final plat for North Fork at Laughlin Ranch, Unit 1, consisting of 60.36 acres divided into 100 lots and 12 parcels. This is the first of the three proposed phases.

The final plat submittal has been routed to all applicable city, county, and state departments, and local utilities. All necessary approvals have been granted and are located in the case file. The mylar for the final plat can be signed after the City Council has formally approved the request.

A financial assurance in the amount of \$4,799,767.68 has been provided in the form of a performance bond. The City Engineer has approved the total amount and the City Attorney has approved the form of the assurance.

In accordance with Chapter 16.56 of the city code, an allocation of Colorado River water is necessary. The project engineer has requested a 32.9-acre foot allocation. This amount will be deducted from the City's contract service area total.

Lastly, the developer was required to discuss "voluntary development fees" in good faith within the context of the proposed development and impacts on the community. Staff contacted the developer, Mr. David Lords, on several occasions. Based on these discussions and efforts, Mr. Lords decided not to enter into a development agreement or pay the "voluntary development fees" at this time. He was aware of the preliminary Development Impact Fee Report from Tischler-Bise and felt it was best to pay the fees as recommended in this Report if ultimately adopted by the City Council.

FISCAL IMPACT:

REVIEWED BY:

Finance Department

Initial Project Costs: None

Future Ongoing Costs: None

Physical Impact (on people/space): None

Residual or Support/Overhead/Fringe Costs: None

LEGAL REVIEW:

APPROVED AS TO FORM:

City Attorney

ATTACHMENTS:

A copy of the financial assurance and the final plat.

RECOMMENDATION:

Motion to approve the final plat, improvement plans, financial assurance, and an allocation of Colorado River water for North Fork at Laughlin Ranch, Unit 1, Tract 5151.

<p>__ JDP __ Typist Initials</p> <p><i>JDP</i></p> <p>APPROVED FOR SUBMITTAL BY: _____</p> <p>Department Director</p> <p>_____</p> <p>City Manager</p>	<p>CITY CLERK-S USE ONLY - COUNCIL ACTION TAKEN</p> <table border="1"><tr><td data-bbox="760 310 1101 340">Resolution No. _____</td><td data-bbox="1133 310 1474 340">Continued To: _____</td></tr><tr><td data-bbox="760 340 1101 369">Ordinance No. _____</td><td data-bbox="1133 340 1474 369">Referred To: _____</td></tr><tr><td data-bbox="760 369 1101 399">Approved _____</td><td data-bbox="1133 369 1474 399">Denied _____</td></tr><tr><td data-bbox="760 399 1101 428">Other _____</td><td data-bbox="1133 399 1474 428">File No. _____</td></tr></table>	Resolution No. _____	Continued To: _____	Ordinance No. _____	Referred To: _____	Approved _____	Denied _____	Other _____	File No. _____
Resolution No. _____	Continued To: _____								
Ordinance No. _____	Referred To: _____								
Approved _____	Denied _____								
Other _____	File No. _____								

RESOLUTION NO. 2010-_____

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF BULLHEAD CITY, ARIZONA, APPROVING AND ADOPTING THE DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH.

WHEREAS, The City is in receipt of bond funds acquired as a result of incomplete work required under Phase 1 of the plat for North Fork at Laughlin Ranch; and

WHEREAS, Local contractors and property owners have acquired the real property interest in the North Fork at Laughlin Ranch from the original developer and desire to complete the work under Phase 1 left incomplete by the original developer; and

WHEREAS, Two of the parties with real property interests stated above (McCormick Construction Company and Laughlin Ranch Owner's Association) desire to resolve the notice of claim brought by them against the City as a result of the City's receipt of the bond funds above; and

WHEREAS, The City desires to see the development move forward in the midst of difficult economic times as well as settle the pending notice of claim; and

WHEREAS, A.R.S. §§ 9-500.05 and 34-201(L) authorize the disposition and actions taken under the agreement.

NOW THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Bullhead City approves the attached DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH; and further, authorizes the Mayor to execute the agreement and directs the City Manager to make disbursements and to carry out all actions necessary for the full implementation of the agreement.

Passed, adopted and approved by the Mayor and Council of the City of Bullhead City, Arizona, the 5th day of October 2010.

Jack Hakim, Mayor

APPROVED AS TO FORM:

ATTEST:


Garnet K. Emery, City Attorney

Diane Heilmann, City Clerk
(SEAL)

When recorded, mail to:
City Clerk, City of Bullhead City
2355 Trane Road
Bullhead City, Arizona 86442-5733

**DEVELOPMENT AGREEMENT FOR COMPLETION OF
IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH**

This Development Agreement for Completion of Improvements for North Fork at Laughlin Ranch ("Agreement") is entered into and effective this ____ day of _____, 2010, between the Parties below identified. Except for the City, the Parties listed below are collectively referred to as "the Owners".

PARTIES:

City of Bullhead City ("City")
an Arizona municipal corporation
2355 Trane Road
Bullhead City, Arizona 86442-5733

JPMorgan Chase Bank, N.A. ("Chase")
a New York corporation authorized
to do business in the State of Arizona
c/o John P. Lynch, Commercial OREO
Commercial Real Estate Special Credits
201 North Central Avenue
AZ1-1325
Phoenix, Arizona 85004

McCormick Construction Co. ("McCormick")
an Arizona Corporation
c/o John McCormick
PO Box 22628
Bullhead City, Arizona 86439-2628

Laughlin Ranch Owners Association ("LROA")
an Arizona not for profit corporation
c/o D & E Management
3900 Frontage Road, Suite 1
Bullhead City, Arizona 86442

The Stinkweed Investment Company, LLC ("Stinkweed")
an Arizona limited liability company
Joe Squire/Lauren Hendrix
26 West 560 South
Orem, Utah 84058

RECITALS:

- A. City approved the final plat for North Fork at Laughlin Ranch, Unit 1, Tract 5151 ("North Fork") on or about January 16, 2007. The plat was recorded February 9, 2007. A copy of the final plat is attached and incorporated herein as Exhibit "A." In accordance with Bullhead City Code § 16-52.010(D)(3) and A.R.S. § 9-463.01(C)(6) and (8), the required improvements for North Fork were assured through the posting of a performance bond by the original developer. The original developer failed to timely complete the subdivision improvements, and otherwise defaulted in its obligations under the Bullhead City Code.
- B. The original developer defaulted on its obligations to Chase. Chase subsequently foreclosed the interest of the original developer and now owns Lots 54-100 and adjoining common areas of North Fork as depicted in Exhibit "A."
- C. The original developer failed to pay McCormick for work completed on the subdivision. McCormick commenced litigation to foreclose its mechanic's lien, which litigation resulted in McCormick becoming the owner of Lots 1-53 of North Fork and adjoining common areas as depicted in Exhibit "A." McCormick subsequently conveyed the common areas adjacent to Lots 1-53 to LROA as set out in Exhibit "B."
- D. LROA is, or will be, the owner of all private streets, improvements thereon, and the open space and park parcels located in North Fork. LROA will be responsible for the ongoing maintenance of these areas.
- E. Stinkweed is the owner of Parcel I in North Fork as depicted in Exhibit "A."
- F. As a result of the original developer's default in performance and the failure to complete the improvements in North Fork, the City resorted to the performance bond posted by the original developer, and accepted a cash settlement to pay for the completion of the improvements in North Fork in accordance with Bullhead City Code § 16.52.050.

G. McCormick and LROA have filed a claim against the City to require the City to complete the subdivision improvements with the bond proceeds.

H. All Parties desire to enter into this Agreement to resolve all disputes and facilitate the completion of the improvements in North Fork.

I. This Agreement is authorized pursuant to A.R.S. §§ 9-500.05 and 34-201(L).

AGREEMENT:

Now, therefore, in mutual consideration of the covenants and consideration herein contained, the sufficiency of which is hereby acknowledged, the Parties agree:

1. **Recitals.** The Recitals are a true and correct statement of facts and are incorporated herein and made a part of this Agreement as though fully set forth herein.
2. **Subdivision Improvements.** The required improvements yet to be completed, and the remedial work to be completed, (collectively the "Work") have been identified and agreed to by the Parties as evidenced by the description of the Work attached as Exhibit "C" and incorporated herein. Owners further understand the Work includes all tasks associated with the Work, including but not limited to, surveying, materials testing, governmental and regulatory agency approvals and the provision of as-built plans as required by the City.
3. **Costs of Improvements.** The engineer's estimate for the Work is incorporated into Exhibit C. The Parties agree that the engineer's estimate is only an estimate and the Work may or may not be completed for that amount. The Owners agree that notwithstanding the estimate above, the City's obligation to issue any payment under this Agreement is limited to no more than one million two hundred thousand dollars (\$1,200,000), plus accrued interest as earned under the Local Government Investment Pool.
4. **Completion of Work.** The Owners have agreed to complete the Work with the bond proceeds, however, if for any reason bond proceeds do not cover all costs to complete the Work the Owners are still under obligation to complete the Work in a timely manner with Owner funds. Upon completion of the Work and inspection and acceptance of improvements by the City, North Fork will be deemed complete, and the plat in good standing. The City shall inspect and accept the infrastructure in accordance with its customary practices.

5. **Payment for Work.** The City shall use the bond funds on deposit to pay for Work certified as complete by the Owners, and approved by the City. Certification of Work completed will be accompanied with a payment application submitted by an Owner or authorized contractor for Work completed at North Fork which has been approved as complete by the City. Owner is entitled to submit for payment from the City for that portion of the Work which has been completed but not more often than once a month. The request for payment will be substantially in the form set forth in Exhibit "D" Payment Request, attached and incorporated herein by this reference. Each application for reimbursement must be signed off by the Owners' project engineer.

6. **Indemnification.**

The Owners agree to indemnify and hold harmless the City, its affiliates, employees, agents, assigns and successors from any liability for claims, suits, losses, damages to persons or property including investigation, expert witness and attorney's fees arising as a result of Owners' negligence in completing the Work; provided however, that under no circumstances will Owners be liable for consequential damages.

7. **Notices.** All notices, filings, consents, approvals and other communications provided for herein or given in connection herewith must be in writing or given personally (which includes other similar commercial delivery services as those provided by Fed Ex, UPS) or sent by United States mail in a postage pre-paid envelope addressed to the other at the address provided herein:

City: City of Bullhead City
City Manager
2355 Trane Road
Bullhead City, Arizona 86442-5733

Copy to: City of Bullhead City
City Attorney
2355 Trane Road
Bullhead City, Arizona 86442-5733

Chase: JPMorgan Chase Bank, NA
c/o John P. Lynch, Real Estate Special Credits
201 North Central Avenue, AZ1-1325
Phoenix, Arizona 85004

McCormick: McCormick Construction Co.
c/o John McCormick, III
PO Box 22628
Bullhead City, Arizona 86439-2628

LROA: Laughlin Ranch Owners Association
c/o David Lords
D & E Management
3900 Frontage Road, Suite 1
Bullhead City, Arizona 86442

Copy to: Jamie Kelley
Kelley, Moss & Holden, PLLC
2031 Highway 95
Bullhead City, Arizona 86442

Stinkweed: The Stinkweed Investment Company, LLC
c/o Joe Squire/Lauren Hendrix
26 West 560 South
Orem, Utah 84058

or to other addresses that either Party from time to time may designate in writing. Notices given by mail are deemed delivered 72 hours following deposit in the U.S. Postal Service, provided that the end of the 72 hour period falls on a day which the U.S. Postal Service makes regular delivery, in which case the notice is deemed delivered on the next day that the U.S. Postal Service delivers. Notices delivered personally (as defined above) are deemed received upon actual delivery to the offices listed above.

8. **No Third Party Beneficiaries.** There are no third party beneficiaries to this Agreement and no person or entity not a party to this Agreement will have any right or cause of action under this Agreement.

9. **Conflict of Interest.** This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.

10. **Additional Acts and Documents.** The Parties agree to do all things and take all actions, and to make, execute and deliver other documents and instruments, as are reasonably requested to carry out the provisions intent and purpose of this Agreement.

11. **Attorneys Fees.** If it becomes necessary for a Party of this Agreement to bring an action at law or other proceedings to enforce any of the terms or provisions of this Agreement, the successful Party in the action or proceeding is entitled to an award of its reasonable attorney's fees with the amount to be determined in accordance with A.R.S. § 12-341.01.

12. **Amendments.** No amendment is authorized under this Agreement except by written document executed by City and Owners.

13. **Assignment.** This Agreement may not be assigned, without the express written consent of each Party. This prohibition against assignment does not preclude Owners from entering into subcontracts as may be necessary to complete the Work. Notwithstanding the preceding, Chase may assign its rights under this Agreement without the consent of the Parties so long as: the assignee expressly agrees in writing to the terms of this Agreement; and that Chase provides notice of the executed assignment and acceptance by the assignee to the Parties not more than ten (10) days from the date of execution of assignment.

14. **Good Standing; Authority.** Each of the Parties represents and warrants to the other: a) that it is a duly formed and validly existing corporation or a municipal corporation of the State Arizona; and b) that the individuals executing this Agreement on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each is signing.

15. **Force Majeure.** The time for performance of any Party will be reasonably extended by any causes that are beyond the control of the Party required to perform, such as an act of God, civil or military disturbance, labor or material shortage, or acts of terrorism.

16. **Release of Claims.** Concurrent with execution of this Agreement the Owners agree to execute the Release of Claims in the forms as set out the attached Exhibits E, F and G.

17. **Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing with respect to the subject matter of this Agreement, and contains all of the covenants and agreements between the Parties with respect to the subject matter.

18. **Exhibits.** The following Exhibits have been attached to and are incorporated into this Agreement:

- | | |
|-----------|-------------------------------|
| Exhibit A | North Fork Plat |
| Exhibit B | Conveyance to LROA |
| Exhibit C | Work to be completed |
| Exhibit D | Payment Request |
| Exhibit E | Release of Claims - Chase |
| Exhibit F | Release of Claims - McCormick |
| Exhibit G | Release of Claims - LROA |
| Exhibit H | Release of Claims - Stinkweed |

This Agreement is effective as of the date of the last signature affixed below.

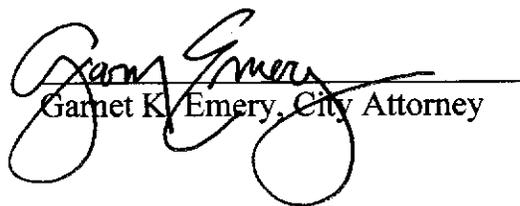
CITY OF BULLHEAD CITY,
an Arizona municipal corporation

Jack Hakim, Mayor

ATTEST:

Diane Heilmann, City Clerk (SEAL)

APPROVED AS TO FORM:



Garnet K. Emery, City Attorney

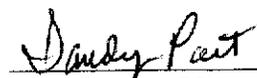
[see following pages for remaining signatures]

MCCORMICK CONSTRUCTION CO.
an Arizona corporation



John McCormick III, Vice-President

LAUGHLIN RANCH OWNERS ASSOCIATION, INC.
an Arizona not for profit corporation



Sandy Port, Vice-President

[see following pages for remaining signatures]

JPMORGAN CHASE BANK, N.A.
a New York corporation authorized to
do business in the State of Arizona



John P. Lynch, Vice-President
Commercial OREO
Commercial Real Estate Special Credits

[see following page for remaining signature]

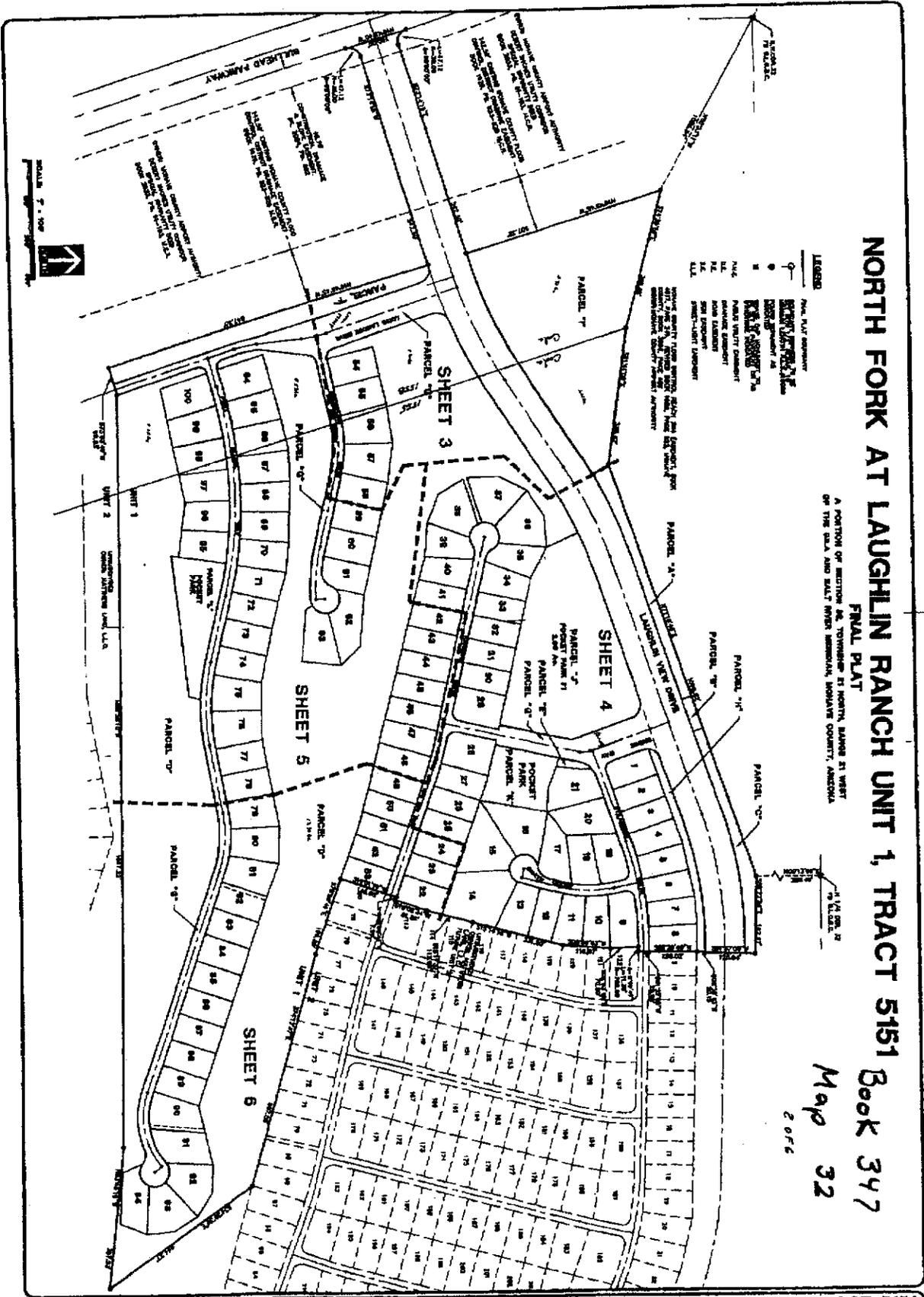
STINKWEED INVESTMENT COMPANY, LLC
an Arizona limited liability company



Joe Squire, Manager

[end of signatures]

EXHIBIT A



NORTH FORK AT LAUGHLIN RANCH UNIT 1, TRACT 5151
 FINAL PLAT
 Book 347
 Map 32

2 of 6

	NORTH FORK AT LAUGHLIN RANCH UNIT 1, TRACT 5151 Anderson - Nelson, Inc. Engineering - Surveying - Site Grading Plans - Subdivision Development - Hydrology Construction Management - Computer Services		4143 N. 12th St., Suite 200 Phoenix, Arizona 85014 (602) 273-1850 Phoenix, AZ 85018-4877
	FINAL PLAT		

EXHIBIT B

4E

When recorded return to:
Kelley, Moss & Holden, PLLC
2031 Highway 95
Bullhead City, AZ 86442

Mail tax bill to:
Laughlin Ranch Owners Association, Inc.
3900 Frontage Road, Suite 1
Bullhead City, AZ 86442

FEE# 2010051392

OFFICIAL RECORDS
OF MOHAVE COUNTY
CAROL MEIER,
COUNTY RECORDER



08/25/2010 02:44 PM Fee: \$14.00

PAGE: 1 of 4

EXEMPT A.R.S. § 11-1134 (A)(7)

QUIT CLAIM DEED

For the consideration of Ten Dollars, and other valuable consideration, I or we,

McCORMICK CONSTRUCTION CO., an Arizona corporation,

hereby quit claim to

**LAUGHLIN RANCH OWNERS ASSOCIATION, INC., an Arizona
not for profit corporation,**

all right, title or interest in the following described property situated in Mohave County,
Arizona:

**PARCELS A, B, C, E, H, J and K, of NORTH FORK AT LAUGHLIN
RANCH, UNIT 1, TRACT 5151, according to the plat thereof, recorded
February 9, 2007, at Fee No. 2007-013008, in the office of the County
Recorder of Mohave County, Arizona, and those portions of PARCELS D
and G of said subdivision lying outside the property described in Exhibit A
attached hereto.**

Dated this 23rd day of August, 2010.

McCORMICK CONSTRUCTION CO.,
an Arizona corporation

By: John L. McCormick, III
By: JOHN L. McCORMICK, III
Its: Authorized Agent

EXHIBIT B

STATE OF ARIZONA)
) SS
COUNTY OF MOHAVE)

On this the 23rd day of August, 2010, before me the undersigned, personally appeared John L. McCormick, III, who acknowledged himself to be the Authorized Agent of McCormick Construction Co., an Arizona corporation and that he, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Kelley Crenshaw
Notary Public

My Commission Expires:

7-30-2014

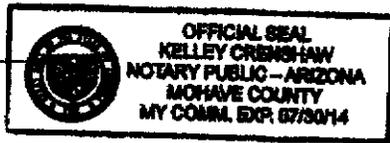


EXHIBIT B

TS: 08-24783-AZ

EXHIBIT "A"

THE LAND REFERRED TO IS SITUATED IN THE STATE OF ARIZONA, COUNTY OF MOHAVE, CITY OF BULLHEAD CITY, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF SECTION 32, TOWNSHIP 21 NORTH, RANGE 21 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MOHAVE COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

THAT PORTION LYING EASTERLY OF THE BULLHEAD PARKWAY AND SOUTHEASTERLY OF THE MOHAVE COUNTY FLOOD CONTROL DISTRICT DRAINAGE EASEMENT AS SHOWN IN BOOK 1626 RECORDS, PAGE 823, OFFICIAL RECORDS OF MOHAVE COUNTY, ARIZONA.

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 32; THENCE SOUTH 00 DEGREES 16 MINUTES 49 SECONDS WEST ALONG THE EASTERLY LINE OF SAID SECTION 32, A DISTANCE OF 1013.12 FEET TO THE PROPOSED CENTER LINE OF LAUGHLIN VIEW DRIVE AND TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SECTION LINE SOUTH 00 DEGREES 16 MINUTES 49 SECONDS WEST, A DISTANCE OF 1563.10 FEET TO THE NORTHEAST CORNER OF AVALON ESTATES AT DESERT SHORES, TRACT 5123, FINAL PLAT AS RECORDED IN RECEIPTION NO. 2004-093825;

THENCE DEPARTING SAID SECTION LINE AND ALONG SAID AVALON ESTATES PLAT BOUNDARY SOUTH 85 DEGREES 25 MINUTES 27 SECONDS WEST, A DISTANCE OF 348.64 FEET;

THENCE CONTINUING ALONG SAID PLAT BOUNDARY SOUTH 75 DEGREES 13 MINUTES 00 SECONDS WEST, A DISTANCE OF 335.00 FEET;

THENCE CONTINUING ALONG SAID AVALON ESTATES PLAT BOUNDARY SOUTH 64 DEGREES 45 MINUTES 07 SECONDS WEST, A DISTANCE OF 320.86 FEET TO A POINT ON A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 2200.00 FEET SAID CURVE IS ALONG THE CENTER LINE OF LONDON DRIVE AS RECORDED ON SAID AVALON ESTATES FINAL PLAT AND ON TALON POINTE AT DESERT SHORES, TRACT 5119, FINAL PLAT RECORDED IN RECEIPTION NO. 2004-24225;

THENCE ALONG SAID CENTER LINE OF SAID CURVE THROUGH A CENTRAL ANGLE OF 36 DEGREES 47 MINUTES 28 SECONDS ON ARC LENGTH OF 1412.67 FEET;

THENCE NORTH 19 DEGREES 55 MINUTES 58 SECONDS WEST, A DISTANCE OF 50.01 FEET TO A POINT ON A CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 2150.00 FEET SAID POINT IS ON THE NORTHERN RIGHT-OF-WAY OF LONDON DRIVE AS SHOWN ON DESERT SHORES, UNIT 1, TRACT 5009, FINAL PLAT AS RECORDED IN RECEIPTION NO. 2001-14321;

THENCE ALONG SAID RIGHT-OF-WAY AND THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 02 DEGREE 03 MINUTES 03 SECONDS AND ARC LENGTH OF 76.96 FEET;

THENCE DEPARTING SAID LONDON DRIVE RIGHT-OF-WAY AND ALONG SAID DESERT SHORE, UNIT 1 PLAT BOUNDARY NORTH 16 DEGREES 45 MINUTES 45 SECONDS WEST, A DISTANCE OF 365.00 FEET;

THENCE CONTINUING ALONG SAID PLAT BOUNDARY NORTH 66 DEGREES 29 MINUTES 39 SECONDS WEST, A DISTANCE OF 371.31 FEET;

THENCE CONTINUING ALONG SAID PLAT BOUNDARY SOUTH 73 DEGREES 14 MINUTES 15 SECONDS WEST, A DISTANCE OF 910.71 FEET TO THE EAST LINE OF SAID MOHAVE COUNTY FLOOD CONTROL DISTRICT DRAINAGE EASEMENT;

THENCE ALONG SAID BASEMENT NORTH 16 DEGREES 45 MINUTES 45 SECONDS WEST, A DISTANCE OF 2438.00 FEET;

THENCE NORTH 71 DEGREES 34 MINUTES 38 SECONDS EAST, A DISTANCE OF 2.48 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 35.00 FEET;

THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL OF 88 DEGREES 20 MINUTES 22 SECONDS AN ARC LENGTH OF 53.96 FEET;

RECORDER'S MEMO: Legibility
Questionable For Good Reproduction

EXHIBIT B

THENCE NORTH 71 DEGREES 34 MINUTES 38 SECONDS EAST, A DISTANCE OF 228.03 FEET;

THENCE SOUTH 74 DEGREES 13 MINUTES 37 SECONDS EAST, A DISTANCE OF 2643.34 FEET;

THENCE NORTH 85 DEGREES 37 MINUTES 59 SECONDS EAST, A DISTANCE OF 857.39 FEET;

THENCE SOUTH 65 DEGREES 07 MINUTES 42 SECONDS EAST, A DISTANCE OF 110.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY HAVING A RADIUS OF 1600.00 FEET;

THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 15 DEGREES 29 MINUTES 50 SECONDS AN ARC LENGTH OF 437.77;

THENCE NORTH 09 DEGREES 22 MINUTES 28 SECONDS EAST, A DISTANCE OF 342.31 FEET;

THENCE SOUTH 80 DEGREES 37 MINUTES 32 SECONDS EAST, A DISTANCE OF 245.15 FEET TO THE POINT OF BEGINNING.

A PORTION OF THE LAND IS CURRENTLY DESCRIBED AS:

LOTS 54 THROUGH 100, INCLUSIVE, PARCELS "F" AND "L" AND PORTIONS OF PARCELS "D" AND "G" OF NORTH FORK AT LAUGHLIN RANCH UNIT 1, TRACT 5151, ACCORDING TO THE FLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MOHAVE COUNTY, ARIZONA RECORDED FEBRUARY 9, 2007 AS FEB NO. 2007-13008.

**RECORDER'S MEMO: Legibility
Questionable For Good Reproduction**

EXHIBIT C

ANDERSON-NELSON, INC.
ENGINEERING DEPARTMENT
CONSTRUCTION ESTIMATE

Date: July 21, 2010

Final

Sh Sheet 1 of 2

Project No. 7611.0

Description North Fork @ Laughlin Ranch
Cost to Complete Unit 1

PAY ITEM	DESCRIPTION	APPROX. QTY.	UNITS	UNIT PRICE	AMOUNT
PAVING					
1	SURVEY MONUMENTS	43	EA.	\$400.00	\$17,200.00
2	SUBGRADE EXCAVATION AND HAUL OFF	19,681	S.Y.	\$3.55	\$69,867.55
3	BLUE TOP AND FINISH SUBGRADE	19,681	S.Y.	\$1.25	\$24,801.25
4	PLACE AND FINISH 5.5" ABC	4,610	S.Y.	\$8.71	\$30,933.10
6	3" AC	4,610	S.Y.	\$12.34	\$56,887.40
6	PLACE AND FINISH 8.5" ABC	15,071	S.Y.	\$9.99	\$150,559.29
7	3" AC	15,071	S.Y.	\$12.34	\$185,978.14
8	6" VERTICAL CURB	2,850	L.F.	\$16.25	\$46,312.50
9	FOG SEAL	34,006	S.Y.	\$0.70	\$23,804.20
10	HEAD WALL - MAG 501-2 15" SINGLE	8	EA.	\$3,420.00	\$27,360.00
11	HEAD WALL - MAG 501-2 36" DOUBLE	2	EA.	\$11,000.00	\$22,000.00
12	HEAD WALL - MAG 501-2 36" SINGLE	1	EA.	\$9,025.00	\$9,025.00
13	HEAD WALL - MAG 501-3 80" QUINTUPLE	1	EA.	\$37,800.00	\$37,800.00
14	HEAD WALL - MAG 501-2 18" SINGLE	1	EA.	\$3,705.00	\$3,705.00
15	FINE GRADE/BACKFILL CURB	15,700	L.F.	\$2.60	\$40,820.00
16	ADJUST WATER VALVE	16	EA.	\$400.00	\$6,400.00
17	ADJUST MANHOLE	12	EA.	\$525.00	\$6,300.00
18	STREET LIGHTS	32	EA.	\$2,600.00	\$83,200.00
19	8' SIDEWALK	19,720	S.F.	\$4.15	\$81,838.00
20	HANDICAP RAMP	2	EA.	\$1,550.00	\$3,100.00
21	STREET SIGNS	1	LUMP SUM	\$14,300.00	\$14,300.00
22	STRIPING	1	LUMP SUM	\$9,960.00	\$9,960.00
SUBTOTAL					\$951,749.43
CONTINUES ON NEXT PAGE					

EXHIBIT C

**ANDERSON-NELSON, INC.
ENGINEERING DEPARTMENT
CONSTRUCTION ESTIMATE**

Date: July 21, 2010
Sheet 2 of 2

X Final

Project No. 7611.0

Description North Fork @ Laughlin Ranch
Cost To Complete Unit 1

PAVING					
23	BARRICADE	2	EA.	\$800.00	\$1,600.00
24	RIP RAP	1,704	S.F.	\$2.65	\$4,515.60
25	PARK IMPROVEMENT CONTINGENCY FUND	1	LUMP SUM	\$100,000.00	\$100,000.00
SUBTOTAL					\$106,115.60
OFF SIGHT					
26	OFF SIGHT IMPROVEMENTS (Bullhead Parkway)	1	LUMP SUM	\$32,103.20	\$32,103.20
	Includes sawcut, remove existing asphalt, subgrade excavation and haul off, all ABC, asphalt and traffic control.				
SUBTOTAL					\$32,103.20
CONTINGENCY					\$60,000.00
TOTAL					\$1,149,968.23
ENGINEERING					\$36,700.00
GRAND TOTAL					\$1,185,668.23

R:\Cost Estimate\7611\LaughlinRanch.xls

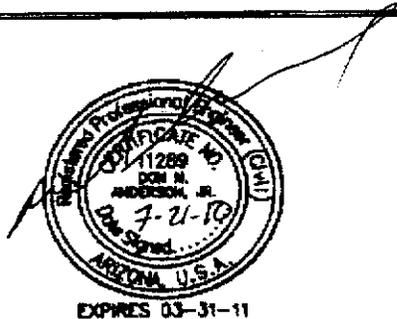


EXHIBIT C

Anderson- Nelson, Inc.

4143 N. 12th Street, Suite 200
Phoenix, Arizona 85014
(602) 273-1850
(602) 273-0264 FAX

July 21, 2010

City of Bullhead City
Engineering Department
2355 Trane Road
Bullhead City, AZ 86442

**Re: North Fork at Laughlin Ranch, Unit I
Bullhead City, Arizona**

Dear Gentlemen:

Anderson-Nelson, Inc is pleased to submit the following proposal for engineering and surveying services for the above referenced project. The overall scope of service is to perform construction staking for the improvements not yet completed in Unit I and to prepare certified As-built improvement drawings for submittal to the City of Bullhead City. The specific scope of services is as follows:

Surveying:

1. Stake curb and gutter.
2. Subgrade and ABC blue tops.
3. Mark saw-cut lines.
4. Stake missing headwalls.
5. Stake 8 ft. wide meandering sidewalk.
6. Set monument straddlers.
7. Layout pavement striping.
8. As-built survey for all of Unit I improvements
9. Check for and reset all missing lot corners.
10. Prepare certified As-built mylar drawings of the water, sewer, paving and street light improvement plans

ADEQ Processing:

1. Prepare and submit a new application for a Type 4.01 General Aquifer Protection Permit, Notice of Intent to Discharge for A Sewage Collection System, for construction of wastewater facilities.
2. Prepare and submit the necessary documentation and test results for a Request For Discharge Authorization for a sewage collection system constructed under a Type 4.01 General Permit.

Development Agreement
Page 18 of 24

EXHIBIT D



City of Bullhead City, Arizona
2355 Traue Road
Bullhead City, AZ 86442

Payment Request Form

Vendor: _____
Address: _____
City, State & Zip: _____

<u>Date</u>	<u>Description</u>	<u>Amount</u>
-------------	--------------------	---------------

Total Amount Due _____

Vendor Signature

Date

Payment Approval Signature

Date

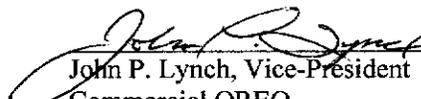
Account Code (Finance Use Only)

EXHIBIT E
to DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR
NORTH FORK AT LAUGHLIN RANCH

RELEASE OF ALL CLAIMS BY
JPMORGAN CHASE BANK, N.A.

In return for the promises, covenants and consideration as stated in the DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH ("Agreement") and dated the 27th day of SEPTEMBER, 2010, between the City of Bullhead City, an Arizona municipal corporation ("City"), JPMorgan Chase Bank, N.A., a New York corporation authorized to do business in the State of Arizona ("Chase"), McCormick Construction Co., an Arizona corporation ("McCormick"), the Laughlin Ranch Owners Association, an Arizona non-profit corporation ("LROA"), and The Stinkweed Investment Company, LLC, an Arizona limited liability company ("Stinkweed"), Chase does hereby agree to fully, finally, and forever release and discharge the City and any and all affiliated corporations, partnerships, other business entities, including present and former officers, elected officials, directors, employees, partners, shareholders, attorneys, agents and any other affiliated parties or entities from and against any and all manner of demands, actions, causes of action, claims, liabilities, suits, debts, accounts, books, covenants, contracts, controversies, damages, losses, expenses, torts, promises, judgments, claims and demands whatsoever in law or in equity which Chase may have had, now has, or which it may have even though now presently unknown or unexpected or hereafter discovered for or by reason of any manner arising out of or relating to the facts and circumstances relating to the original developer or development of North Fork and any City approvals, actions or inactions, Chase' or any other party's acquisition of the property subject to the North Fork plat, the current engineering or construction plans or construction and the disbursement of bond monies intended to facilitate the improvements. This release is meant to be all encompassing of the issues stated. Furthermore, this release includes the parties, their successors, predecessors, assigns, heirs, personal representatives, administrators and executors and marital communities and other affiliated entities and affiliated persons as set forth above. Chase further agrees that this release shall not be pleaded by Chase as a bar to any claims or suit. The individual signing below affirms that he or she is authorized and empowered to bind Chase under this release. Chase understands that this release does not apply to obligations created by the Agreement.

JPMorgan Chase Bank, N.A.


John P. Lynch, Vice-President
Commercial OREO
Commercial Real Estate Special Credits

9/27/10
Date

SUBSCRIBED AND SWORN to before me this 27th day of September, 2010.

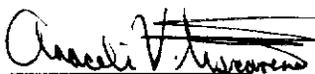

Notary

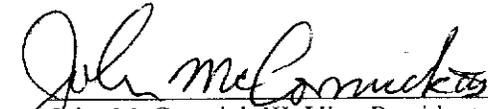


EXHIBIT F
to DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR
NORTH FORK AT LAUGHLIN RANCH

RELEASE OF ALL CLAIMS BY
MCCORMICK CONSTRUCTION CO.

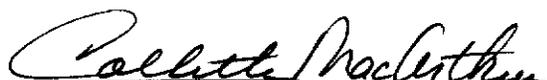
In return for the promises, covenants and consideration as stated in the DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH ("Agreement") and dated the ____ day of _____, 2010, between the City of Bullhead City, an Arizona municipal corporation ("City"), JP Morgan Chase Bank, N.A., a New York corporation authorized to do business in the State of Arizona ("Chase"), McCormick Construction Co., an Arizona corporation ("McCormick"), the Laughlin Ranch Owners Association, an Arizona non-profit corporation ("LROA"), and The Stinkweed Investment Company, LLC, an Arizona limited liability company ("Stinkweed"), McCormick does hereby agree to fully, finally, and forever release and discharge the City and any and all affiliated corporations, partnerships, other business entities, including present and former officers, elected officials, directors, employees, partners, shareholders, attorneys, agents and any other affiliated parties or entities from and against any and all manner of demands, actions, causes of action, claims, liabilities, suits, debts, accounts, books, covenants, contracts, controversies, damages, losses, expenses, torts, promises, judgments, claims and demands whatsoever in law or in equity which McCormick may have had, now has, or which it may have even though now presently unknown or unexpected or hereafter discovered for or by reason of any manner arising out of or relating to the facts and circumstances relating to the original developer or development of North Fork and any City approvals, actions or inactions, McCormick's or any other party's acquisition of the property subject to the North Fork plat, the current engineering or construction plans or construction and the disbursement of bond monies intended to facilitate the improvements. This release specifically withdraws, requests no action on and releases the same issues as listed in a notice of claim submitted to the City and dated April 8, 2010. This release is meant to be all encompassing of the issues stated. Furthermore, this release includes the parties, their successors, predecessors, assigns, heirs, personal representatives, administrators and executors and marital communities and other affiliated entities and affiliated persons as set forth above. McCormick further agrees that this release shall not be pleaded by McCormick as a bar to any claims or suit. The individual signing affirms that he is authorized and empowered to bind McCormick under this release. McCormick understands that this release does not apply to obligations created by the Agreement.

McCormick Construction Co.


John McCormick III, Vice-President

9/20/10
Date

SUBSCRIBED AND SWORN to before me this 20th day of September, 2010.


Notary

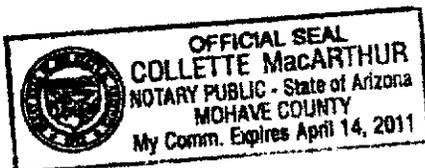


EXHIBIT G
to DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR
NORTH FORK AT LAUGHLIN RANCH

RELEASE OF ALL CLAIMS BY
LAUGHLIN RANCH OWNERS ASSOCIATION

In return for the promises, covenants and consideration as stated in the DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH ("Agreement") and dated the ____ day of _____, 2010, between the City of Bullhead City, an Arizona municipal corporation ("City"), JP Morgan Chase Bank, N.A., a New York corporation authorized to do business in the State of Arizona ("Chase"), McCormick Construction Co., an Arizona corporation ("McCormick"), the Laughlin Ranch Owners Association, an Arizona non-profit corporation ("LROA"), and The Stinkweed Investment Company, LLC, an Arizona limited liability company ("Stinkweed"), LROA does hereby agree to fully, finally, and forever release and discharge the City and any and all affiliated corporations, partnerships, other business entities, including present and former officers, elected officials, directors, employees, partners, shareholders, attorneys, agents and any other affiliated parties or entities from and against any and all manner of demands, actions, causes of action, claims, liabilities, suits, debts, accounts, books, covenants, contracts, controversies, damages, losses, expenses, torts, promises, judgments, claims and demands whatsoever in law or in equity which LROA may have had, now has, or which it may have even though now presently unknown or unexpected or hereafter discovered for or by reason of any manner arising out of or relating to the facts and circumstances relating to the original developer or development of North Fork and any City approvals, actions or inactions, LROA's or any other party's acquisition of the property subject to the North Fork plat, the current engineering or construction plans or construction and the disbursement of bond monies intended to facilitate the improvements. This release specifically withdraws, requests no action on and releases the same issues as listed in a notice of claim submitted to the City and dated April 8, 2010. This release is meant to be all encompassing of the issues stated. Furthermore, this release includes the parties, their successors, predecessors, assigns, heirs, personal representatives, administrators and executors and marital communities and other affiliated entities and affiliated persons as set forth above. LROA further agrees that this release shall not be pleaded by Chase as a bar to any claims or suit. The individual signing below affirms that he or she is authorized and empowered to bind LROA under this release. LROA understands that this release does not apply to obligations created by the Agreement.

Laughlin Ranch Owners Association

Sandy Port
Sandy Port, Vice-President

9/21/10
Date

SUBSCRIBED AND SWORN to before me this 21st day of September, 2010.

Kelley Crenshaw
Notary

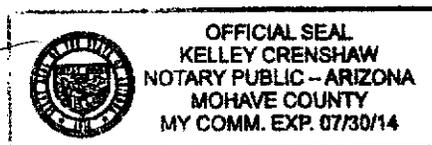


EXHIBIT H
to DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR
NORTH FORK AT LAUGHLIN RANCH

RELEASE OF ALL CLAIMS BY
STINKWEED INVESTMENT COMPANY

In return for the promises, covenants and consideration as stated in the DEVELOPMENT AGREEMENT FOR COMPLETION OF IMPROVEMENTS FOR NORTH FORK AT LAUGHLIN RANCH ("Agreement") and dated the ____ day of _____, 2010, between the City of Bullhead City, an Arizona municipal corporation ("City"), JP Morgan Chase Bank, N.A., a New York corporation authorized to do business in the State of Arizona ("Chase"), McCormick Construction Co., an Arizona corporation ("McCormick"), the Laughlin Ranch Owners Association, an Arizona non-profit corporation ("LROA"), and The Stinkweed Investment Company, LLC, an Arizona limited liability company ("Stinkweed"), Stinkweed does hereby agree to fully, finally, and forever release and discharge the City and any and all affiliated corporations, partnerships, other business entities, including present and former officers, elected officials, directors, employees, partners, shareholders, attorneys, agents and any other affiliated parties or entities from and against any and all manner of demands, actions, causes of action, claims, liabilities, suits, debts, accounts, books, covenants, contracts, controversies, damages, losses, expenses, torts, promises, judgments, claims and demands whatsoever in law or in equity which Stinkweed may have had, now has, or which it may have even though now presently unknown or unexpected or hereafter discovered for or by reason of any manner arising out of or relating to the facts and circumstances relating to the original developer or development of North Fork and any City approvals, actions or inactions, Stinkweed's or any other party's acquisition of the property subject to the North Fork plat, the current engineering or construction plans or construction and the disbursement of bond monies intended to facilitate the improvements. This release specifically withdraws, requests no action on and releases the same issues as listed in a notice of claim submitted to the City and dated April 8, 2010. This release is meant to be all encompassing of the issues stated. Furthermore, this release includes the parties, their successors, predecessors, assigns, heirs, personal representatives, administrators and executors and marital communities and other affiliated entities and affiliated persons as set forth above. Stinkweed further agrees that this release shall not be pleaded by Chase as a bar to any claims or suit. The individual signing below affirms that he or she is authorized and empowered to bind Stinkweed under this release. Stinkweed understands that this release does not apply to obligations created by the Agreement.

Stinkweed Investment Company

Joe Squife
Joe Squife, Manager

9/21/10
Date

SUBSCRIBED AND SWORN to before me this 21st day of Sept, 2010.

[Signature]
Notary

