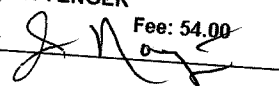


Recording Requested By and
When Recorded Return to:

City Clerk
City of McCall
216 East Park Street
McCall, Idaho 83638

Instrument # 317771
VALLEY COUNTY, CASCADE, IDAHO
2007-01-24 11:30:31 No. of Pages: 18
Recorded for : MILLEMANN, PITTENGER
ARCHIE N. BANBURY
Ex-Officio Recorder Deputy  Fee: 54.00
Index to: MISCELLANEOUS RECORD

For Recording Purposes Do
Not Write Above This Line

**DEVELOPMENT AGREEMENT
ASPEN RIDGE PHASE III**

This Development Agreement is entered into by and between the City of McCall, a municipal corporation of the State of Idaho, hereinafter referred to as the "City", and Mountain West Developers, Inc., hereinafter referred to as "Mountain West", whose address is 9713 W. Umpqua River Court, Garden City, Idaho 83714, and who is the developer of the Aspen Ridge Phase III Subdivision ("the Subdivision"), which is more particularly described in the attached **Exhibit A**. WNLW, Inc. is the owner of Aspen Ridge Phase III, and consents to and approves this Agreement pursuant to its signature below.

WHEREAS, final Plat approval of the Subdivision has been granted by the McCall Planning and Zoning Commission, as SUB 05-6.

WHEREAS, the said approvals contained various conditions regarding which the City and Mountain West have reached agreement and which agreement the City and Mountain West desire to memorialize.

WHEREAS, application for the Preliminary Plat for the Subdivision occurred prior to the enactment of the City Code as it was revised on March 16, 2006, therefore the terms of this Development Agreement are subject to the McCall City Code as it existed immediately prior to March 16, 2006. Any references to the McCall City Code in this Agreement shall refer to the McCall City Code as it existed immediately prior to March 16, 2006.

WHEREFORE, the City of McCall and the Mountain West do enter into this Agreement and for and in consideration of the mutual covenants, duties and obligations herein set forth, do agree as follows:

**ARTICLE I
LEGAL AUTHORITY**

- 1.1 This Development Agreement is made pursuant to and in accordance with the provisions of Section 3-21-270 of the McCall City Code.

**ARTICLE II
WATER SYSTEM IMPROVEMENTS**

- 2.1 Onsite Water. The onsite Potable Water Delivery System for the Subdivision (“the Onsite Water System”) will be constructed by Mountain West, pursuant to the plans which have been reviewed and approved by the City of McCall and the Idaho Department of Environmental Quality. The Onsite Water System will provide potable water for all platted Units within the Subdivision. Construction of the Onsite Water is completed. The Onsite Water System will be owned and operated by the City of McCall. Mountain West is responsible for 100% of the cost of construction of the onsite water system.

**ARTICLE III
SEWER SYSTEM IMPROVEMENTS**

- 3.1 The applicant is subject to the amended wastewater policy (Resolution-06-08) that was adopted by the McCall City Council February 23, 2006. The wastewater policy restricts the issuance of building permits on a formula basis. Accordingly, building permits for lots in the subdivision will be issued in conformance with the wastewater policy, as now enacted, and as may be modified by Council in the future.
- 3.2 Onsite Sewer. The onsite central sewage collection system for the Subdivision (“the Onsite Sewer System”) will be constructed by Mountain West, pursuant to the plans which have been reviewed and approved by the City of McCall and the Idaho Department of Environmental Quality. The Onsite Sewer System will provide sewage collection service for all platted Units within the Subdivision. Construction of the Onsite Sewer System is completed. The Onsite Sewer System will be owned and operated by the City of McCall. Mountain West is responsible for 100% of the cost of construction of the onsite sewer system.

**ARTICLE IV
STATE BOARD OF HEALTH REVIEW**

- 4.1 No building or shelter, which will require a water supply or a sewage disposal facility for people using the premises where such building or shelter is located shall be erected until written approval is first obtained from the State Board of Health, and in accordance with Idaho Code, Section 50 -1324 or as it may be amended.

**ARTICLE V
IRRIGATION WATER**

- 5.1 This subdivision is subject to the provisions of Idaho Code Section 31-3805 regarding the delivery of Irrigation water.

**ARTICLE VI
SEWER, WATER AND BUILDING PERMIT FEES**

- 6.1 The lots in the development are subject to sewer and water hookup fees and building permit fees payable to the City of McCall. The City of McCall has

imposed limitations on the issuance of building permits, which may factor into the development timetable.

ARTICLE VII ENGINEERING APPROVAL

- 7.1 The applicant has obtained a letter from Betsy Roberts, City Engineer, CH2MHILL dated December 12, 2006, a copy of which is attached at **Exhibit C**, recommending approval of the Final Plat for the Subdivision; however, there were additional items mentioned in the letter that remain to be completed, which items shall be completed before a building permit is issued.

ARTICLE VIII ARMY CORP OF ENGINEERS REVIEW

- 8.1 The applicant shall comply with the wetlands management conditions of approval as noted in a letter from Gregory Martinez of the Army Corp of Engineers, dated August 16, 2006 – see NWW NO. 062100015.

ARTICLE IX ADDITIONAL PARKING CONSIDERATION

- 9.1 The applicant has addressed the need for additional parking for guests and recreational equipment has been addressed at section 7.5 of the CCRs. These provisions of the CC&Rs shall not be modified in a manner which reduces the number or size of parking spaces without the prior approval of the City.

ARTICLE X REGIONAL LIFT STATION OBLIGATION

- 10.1 WNLW, Inc. agrees to pay its proportionate share of costs related to the construction of a regional lift station being constructed in accordance with that certain Lease Option Agreement entered into by and between the City and Silvertip, LLC, dated August 3, 2004, as amended by the Amendment to Lease/Option Agreement dated January 24, 2006, and as amended by the Second to Lease/Option Agreement dated March 24, 2006, and as it may be further amended. It is anticipated that the proportionate share to be contributed by WNLW, Inc. will be approximately 34.79% of the total cost of the said lift station. The City and WNLW, Inc. shall agree upon an allocation for WNLW's contribution for the lift station, and a method of payment, prior to recording the plat for the Subdivision.

ARTICLE XI NOXIOUS WEED REMOVAL

- 11.1 Mountain West is responsible for removal of noxious weeds in the Subdivision, for so long as it owns such property. The developer also owns one lot in Aspen Ridge Phase II, which is located adjacent to the Subdivision. Mountain West shall spray that lot, as well as the road right of way for Aspen Ridge Phases I and II for noxious weeds. Additionally, Mountain West shall contact the owners of Lots 77, 78 and 79, which have large infestations of noxious weeds, and offer to

spray their lots for noxious weeds. Evidence of the offer to and the response of the property owners shall be provided to the City before building permits are issued in the Subdivision. Mountain West will also send correspondence to all owners in Aspen Ridge Phases II and III notifying them that it is their obligation to control noxious weeds on their property, and evidence of the same shall be provided to the City before building permits are issued in the Subdivision. All spraying to be done by Mountain West shall be completed by August 31, 2007, and the same shall not be a condition of the issuance of building permits.

ARTICLE XII LOCAL IMPROVEMENT DISTRICT

- 12.1 The Subdivision is encumbered by a Local Improvement District (LID). At the closing of the sale of each Unit in the Subdivision from WNLW, Inc. and/or Mountain West to a third party, WNLW, Inc. shall pay to the City of McCall such amount as is calculated in accordance with Idaho law by the City with regard to each Unit's obligation under the LID.

ARTICLE XIII RULES AND REGULATIONS SIGNAGE

- 13.1 Mountain West shall post and maintain a "rules and regulations sign" at the entryways to the Aspen Ridge 3 until it is fully developed. The signs shall be intended for subcontractors performing work and shall include: 1) no dogs; 2) no loud music; 3) no alcohol or drugs; 4) no abusive language; 5) dispose of personal trash and site debris; 6) clean up mud and/or dirt that is deposited from the construction parcel onto the streets; 7) installation of temporary construction fence that would keep debris from being blown off site by the wind; 8) no burning of construction or other debris on the property. After posting, it shall be the obligation of the Aspen Ridge Phase III Homeowners' Association to maintain the sign.

ARTICLE XIV DARK SKIES ORDINANCE

- 14.1 The Applicant has addressed the provisions of McCall's Dark Skies Ordinance by requiring compliance with the McCall City Code in the Subdivision Design Guidelines. The applicant shall address the lighting issues noted in the letter from Betsy Roberts, City Engineer, CH2MHILL dated December 12, 2006, a copy of which is attached at **Exhibit C**. Mountain West is responsible for 100 percent of the cost to install such lighting.

ARTICLE XV WRITTEN CONSTRUCTION PLAN/HOURS OF OPERATION

- 15.1 The applicant shall file a written construction plan for City staff's approval prior to applying for a building permit in accordance with MCC-9.6.08. This plan shall include the requirement that all site development work, infrastructure, construction, logging or other associated work involving heavy equipment or power tools shall be limited to the hours of 7:30 A. M. to 10:00 P.M. in accordance with McCall City Code 5-5-030 (G) 2.

**ARTICLE XVI
SLASH PILE REMOVAL**

- 16.1 The applicant shall contact private property owners within earlier phases of the subdivision and offer to remove the numerous piles of unburned or chipped slash piles which were created during construction of earlier phases of the subdivision. Evidence of the offer to and the response of the property owners shall be provided to the City before building permits are issued. Mountain West will also send correspondence to all other owners in Aspen Ridge Phases II and III that have piles of unburned or chipped slash piles, to notify them that it is their obligation to remove them, and evidence of the same shall be provided to the City before building permits are issued in the Subdivision. All removal of piles of unburned or chipped slash piles to be done by Mountain West shall be completed by July 15, 2007, and the same shall not be a condition of the issuance of building permits.

**ARTICLE XVII
POWER AND TELEPHONE**

- 17.1 Electrical power for the Subdivision will be provided by Idaho Power. The Subdivision power distribution system is completed. Mountain West is responsible for 100% of the cost of construction of the power distribution system.
- 17.2 Telecommunications for the Subdivision will be provided by Frontier Communications. The Subdivision telecommunications system is completed. Mountain West is responsible for 100% of the cost of construction of the telecommunications system.

**ARTICLE XVIII
STREETS AND EMERGENCY ACCESS**

- 18.1 Mountain West shall design and construct the subdivision's internal streets to City standards (60' ROW) with the exception of Peninsula Place (30' ROW) which is essentially a driveway for units 57-62. All subdivision streets are to remain private but are available to the public for access purpose. The Private Streets, as defined in the Declaration of Private streets, are completed to a subgrade surface. The Private Streets will be completed to a paved surface by **November 30, 2007**. Mountain West shall be responsible for 100% of the cost of construction of the streets. The emergency access street from the internal street to Aspen Ridge Lane, known as Cattail Way, shall have a right-of-way of forty feet and a paved surface of twenty feet.

**ARTICLE XIX
BIKE PATH**

- 19.1 WNLW, Inc. shall construct a bicycle path adjacent to the subdivision to City standards along Spring Mountain Boulevard north to Lick Creek Road in spring of 2007, to be completed to a gravel surface by August 15, 2007. The City is responsible for paving the path. The construction shall include landscaping and temporary irrigation during establishment. The bike path will be owned and

maintained by the City of McCall. WNLW, Inc. is responsible for 100 percent of the cost of construction of the bike path to a gravel surface.

ARTICLE XX LIGHTING AND MONUMENTATION

- 20.1 Mountain West shall construct signage improvements as have been approved by the City of McCall, and shall complete lot corner monumentations, not later **November 30, 2007**. Mountain West is responsible for 100% of the cost of construction of the signage improvements and the lot corner monumentation.

ARTICLE XXI POND MAINTENANCE AGREEMENT

- 21.1 The parties hereby confirm and agree that the City has maintenance obligations related to the pond located on Common Area I, pursuant to the Golf Course Long Term Maintenance and Operation Agreement, recorded with the Valley County, Idaho Recorder as Instrument No. 215999 on January 19, 1996 and as Instrument No 217888 on May 3, 1996. A Pond Maintenance Easement has been provided to the City for access to the pond and adjacent wetlands to perform these obligations pursuant to Section 9.12 of the Supplemental Declaration for Aspen Ridge Phase III.

ARTICLE XXII FINANCIAL ASSURANCES

- 22.1 Mountain West shall guarantee 120% of the estimated cost to complete all of the public improvements for the Subdivision described in this Development Agreement that are not yet completed and have not been prepaid, as detailed at the attached **Exhibit B**, in accordance with the provisions of M.C.C. Section 3-22-270(B) and (C), as follows:
- 22.1.1 Onsite Water. Onsite water is completed.
 - 22.1.2 Onsite Sewer. Onsite sewer is completed
 - 22.1.3 Power. Power facilities are completed
 - 22.1.4 Phone. Telephone facilities are completed
 - 22.1.5 Roads. The estimated cost to complete paving of the Subdivision Roads is **\$138,850.00**. 120% of that sum (i.e. **\$166,620.00**) will be guaranteed by Mountain West prior to Final Plat recordation by means of a Letter of Credit, in accordance with the terms of M.C.C. § 3-21-270 (C)(3).
 - 22.1.6 Bike Path. The estimated cost to complete the bike path is **\$12,500.00**. 120% of that sum (i.e. **\$15,000.00**) will be guaranteed by WNLW, Inc. prior to Final Plat recordation by means of a Letter of Credit, in accordance with the terms of M.C.C. § 3-21-270 (C)(3).

22.1.7 Lighting, Signage and Monumentation. The estimated cost to complete lighting and signage improvements and monumentation is **\$10,700.00**. 120% of that sum (i.e. **\$12,840.00**) will be guaranteed by Mountain West prior to Final Plat recordation by means of a Letter of Credit, in accordance with the terms of M.C.C. § 3-21-270 (C)(3).

22.2 For any public improvements described above that are not completed by December 31, 2007, in the event City determines that the remaining cost of completion will exceed the existing financial guaranty, Mountain West shall, upon request of the City provide then current estimates of the cost of completion of the improvements. In the event the cost estimates exceed those used to calculate the original guaranty, and if City determines the existing guaranty is inadequate, Mountain West shall increase the amount of the guaranty to insure that 120% of the new estimated cost is covered pursuant to M.C.C. § 3-21-270 (C).

ARTICLE XXIII DEFAULT

23.1 In the event MOUNTAIN WEST, its successors, assigns or subsequent owners of the Property or any other person acquiring an interest in the Property, fail to faithfully and materially comply with all of the terms and conditions included in this agreement, such failure to comply will be deemed a default hereunder. In that event, CITY shall have the following options:

- a. This agreement, and the commitments contained herein may be terminated, and the zoning designation reversed, if CITY provides written notice of MOUNTAIN WEST default, and provides the hearing required by I.C. 67-6509. Provided, however, no such termination or reversal shall occur unless CITY provides written notice of the default and MOUNTAIN WEST fails to cure such default within the time permitted in 23.1(d) below.
- b. Enforcement of this agreement may be sought in an action at law or in equity in Valley County District Court.
- c. A waiver by CITY of any default by MOUNTAIN WEST of any one or more of the covenants or conditions hereof shall apply solely to the breach waived and shall not bar any other rights or remedies of CITY or apply to any subsequent breach of any covenants or conditions.
- d. Notwithstanding anything to the contrary herein, in the event of a material default of the agreement, the parties agree that CITY and/or MOUNTAIN WEST shall have thirty (30) days after delivery of notice of such default to correct the same prior to the non-defaulting party's seeking of any remedy provided for herein; provided, however, that in the case of any such default which cannot with diligence be cured within such thirty (30) day period, if the defaulting party shall commence curing the same within the thirty (30) day period and prosecute the curing of same with diligence and continuity, then the time within which such default may be cured shall be extended for such period as may be necessary to complete the curing of the same, but in any event not to exceed (6) months; and provided

further, however, no default by a subsequent owner of a portion of the property shall constitute a default by MOUNTAIN WEST for the portion of the property still owned by MOUNTAIN WEST.

- e. In the event the performance of any obligation to be performed hereunder by any party hereto is delayed for causes that are beyond the reasonable control of the party responsible for such performance, which shall include, with limitation, acts of civil disobedience, strikes or similar causes, the time for such performance shall be extended by the amount of time of such delay.
- f. In addition to the remedies set forth above, in the event of a default by MOUNTAIN WEST, or any other party claiming an interest herein, CITY may withhold building permits for any remaining lots or buildings within the development until such time as the default is cured.

ARTICLE XXIV MISCELLANEOUS

- 24.1 This Agreement may be modified only by means of a subsequently executed and acknowledged written agreement.
- 24.2 In the event that a judicial dispute arises regarding the enforcement or breach of this Agreement, then the prevailing party in such dispute shall be entitled to recover its attorneys fees and costs reasonably incurred, including fees and costs incurred on appeal.
- 24.3 If any term, provision, commitment or restriction of this Development Agreement or the application thereof to any party or circumstances shall, to any extent be held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.
- 24.4 After its execution, this Development Agreement shall be recorded in the office of the Valley County Recorder, at the expense of Mountain West. Each commitment and covenant contained in this Agreement shall constitute a burden on, shall be appurtenant to, and shall run with the Subdivision Property. This Development Agreement shall be binding on the City, WNLW, Inc., and Mountain West and their respective heirs, administrators, executors, agents, legal representatives, successors and assigns; provided, however, that if all or any portion of the Subdivision Property is divided, each owner of a legal lot shall only be responsible for duties and obligations associated with an owner's parcel and shall not be responsible for duties and obligations or defaults as to other parcels or lots within the Property. Mountain West shall not be relieved of its responsibilities and duties under this Agreement absent an agreement with the City which designates a successor to Mountain West, who accepts such responsibilities and duties as are then remaining.
- 24.5 Any notice which a party may desire to give to another party must be in writing and may be given by personal delivery, by mailing the same by registered or certified mail, return receipt requested postage prepaid, or by Federal Express or

other reputable overnight delivery service, to the party to whom the notice is directed at the address of such party set forth below:

McCall: City Clerk
City of McCall
216 East Park
McCall, Idaho 83638

Mountain West: Daniel C. Fulkerson, President
Mountain West Developers, Inc.
9713 W. Umpqua River Court
Garden City, Idaho 83714
Phone: 208.830.4170

With copy to:
Amy Pemberton
Millemann, Pittenger, McMahan & Pemberton LLP
P.O. Box 1066
McCall, Idaho 83638


or such other address and to such other persons as the parties may hereafter designate in writing to the other parties. Any such notice shall be deemed given upon delivery if by personal delivery, upon deposit in the United States mail, if sent by mail pursuant to the foregoing.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed, effective on the day and year first above written.

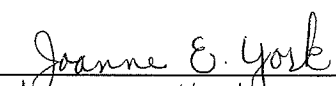
MOUNTAIN WEST DEVELOPERS, INC.

CITY OF MCCALL

By: 
DANIEL C. FULKERSON, President

By: 
William A. Robertson, Mayor

ATTEST:

By: 
Joanne E. York, City Clerk

CONFIRMED AND APPROVED BY, the undersigned Owner of Aspen Ridge Phase III, as of the day and year first above noted.

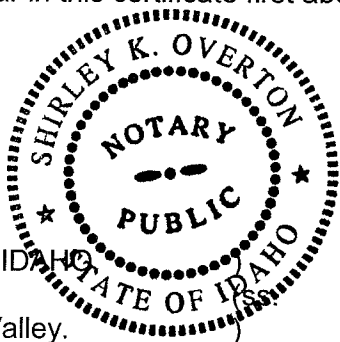
WNLW, INC.
An Idaho corporation

By: *Marvin E. Whiteman, Jr.*
Marvin E. Whiteman, Jr., President

STATE OF IDAHO,)
(ss.
County of Valley.)

On this 26 day of Dec, 2006, before me, Shirley K. Overton, a Notary Public in and for said State, personally appeared William A. Robertson known or identified to me to be the **Mayor of the City of McCall**, who executed the said instrument, and acknowledged to me that said municipality 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.

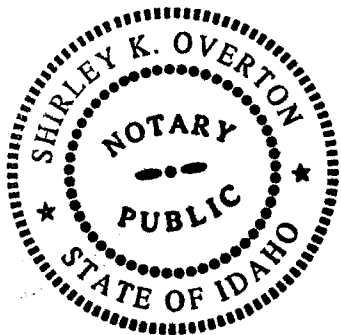


Shirley K. Overton
NOTARY PUBLIC FOR IDAHO
My Commission Expires: 11-21-08

STATE OF IDAHO)
County of Valley.)

On this 26 day of Dec, 2006, before me, Shirley K. Overton, a Notary Public in and for said State, personally appeared Danne E. York known or identified to me to be the **City Clerk of the City of McCall**, who executed the said instrument, and acknowledged to me that said municipality 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.



Shirley K. Overton
NOTARY PUBLIC FOR IDAHO
My Commission Expires: 11-21-08

STATE OF IDAHO,)
) ss.
County of Valley.)

On this 19th day of January, 2007, before me,
Rashelle Troupe, a Notary Public in and for said State, personally appeared
Daniel C. Fulkerson, known or identified to me to be the President of **Mountain West
Developers, Inc.**, the corporation that executed the instrument or the person who executed the
instrument on behalf of said company, and acknowledged to me that such 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.

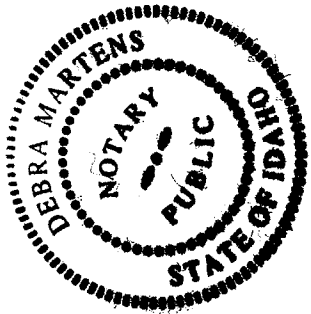


Rashelle Troupe
NOTARY PUBLIC FOR IDAHO
My Commission Expires: 08/16/2012

STATE OF IDAHO,)
) ss.
County of Valley.)

On this 19th day of January, 2007, before me,
Debra Martens, a Notary Public in and for said State, personally appeared
Marvin E. Whiteman, Jr., known or identified to me to be the President of **WNLW, Inc.**, the
corporation that executed the instrument or the person who executed the instrument on behalf
of said company, and acknowledged to me that such 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.



Debra Martens
NOTARY PUBLIC FOR IDAHO
My Commission Expires: 6/1/2008

**DEVELOPMENT AGREEMENT
EXHIBIT A**

THOMAS W. KERR
PLS 998

KERR SURVEYING
PO Box 853 404 E. Park

ROD M. SKIFTUN

PLS

9585

McCall, ID 83638
208-634-2686 / Fax 208-634-4042

JANUARY 21, 2005

**ASPEN RIDGE
Phase III**

25.868 Acres
City of McCall, Valley County, Idaho

A parcel situate in the NE 1/4 of Section 10, T. 18 N., R. 3 E., B.M., in the City of McCall, Valley County, Idaho, more particularly described as follows:

Commencing at a brass cap marking the corner common to Sections 2, 3, 10, and 11, T. 18 N., R. 3 E., B.M., City of McCall, Valley County, Idaho, the **REAL POINT OF BEGINNING**:

Thence, S. 0°04'46" W., 391.62 feet along the line common to Sections 10 and 11, to a 5/8" rebar marking the northeast corner of Lot 127, Aspen Ridge Subdivision, Phase I, as recorded in Book 9, on Page 45 of Plats, as Instrument No. 279772, in the Office of the Recorder of Valley County, Idaho,

thence, S. 52°10'13" W., 459.25 feet along the northerly boundary of said Lot 127 to a 5/8" rebar on the northerly right-of-way of Aspen Ridge Lane,

thence, S. 69°02'15" W., 650.98 feet along said northerly right-of-way to a 5/8" rebar,

thence, 419.53 feet along said northerly right-of-way on a curve to the left, whose delta angle is 24°02'15", radius is 1,000.00 feet, and whose long chord bears S. 57°01'07" W., 416.46 feet, to a 5/8" rebar,

thence, 152.03 feet along said northerly right-of-way on a curve to the right, whose delta angle is 87°06'25", radius is 100.00 feet, and whose long chord bears S. 88°33'12" W., 137.81 feet to a 5/8" rebar,

thence, N. 47°53'35" W., 42.67 feet along said northerly right-of-way to a 5/8" rebar,

thence, 37.42 feet along said northerly right-of-way on curve to the right, whose delta angle is 85°46'10", radius is 25.00 feet, and whose long chord bears N. 04°55'38" W., 34.03 feet to a 5/8" rebar, on the easterly right-of-way of Spring Mountain Boulevard,

thence, 840.20 feet along said easterly right-of-way on a non-tangent curve to the left, whose delta angle is 65°56'41", radius is 730.00 feet, and whose long chord bears N. 04°59'06" E., 794.58 feet,

thence, 223.76 feet along said easterly right-of-way on curve to the right, whose delta angle is 17°48'23", radius is 720.00 feet, and whose long chord bears N. 19°05'03" W., 222.86 feet,

thence, 75.01 feet along said easterly right-of-way on curve to the left, whose delta angle is $05^{\circ}10'40''$, radius is 830.00 feet, and whose long chord bears N. $12^{\circ}46'12''$ W., 74.98 feet, to the line common to said Sections 3 and 10, as shown on that particular Record of Survey as recorded in Book 8 on Page 4. as Instrument No. 278934 in the Office of the Recorder of Valley County, Idaho,
thence, S. $89^{\circ}56'39''$ E., 1513.25 feet along said common line to the Point of Beginning, containing 25.868 acres.

Bearings based on plat of Aspen Ridge Subdivision No. 1, Instrument No. 279772.

**DEVELOPMENT AGREEMENT
EXHIBIT B**

Cost to Complete Financially Assured Improvements

Improvement	Cost	120% of Cost
Road Construction	40,850	
Road Paving	98,000	
Subtotal	138,850	166,620
Lighting & Signage	6,200	
Monumentation	4,500	
Subtotal	10,700	12,840
Bike Path Construction	12,500	15,000
Total Amount Financially Assured	162,050	194,460

**DEVELOPMENT AGREEMENT
EXHIBIT C**

Letter from Betsy Roberts, City Engineer, CH2MHILL dated December 12, 2006



CH2MHILL

CH2M HILL
322 East Front Street
Suite 200
Boise, ID 83702-7359
Tel 208.345.5310
Fax 208.345.5315

December 12, 2006

Amy Pemberton
706 North 1st
PO Box 1066
McCall, ID 83638

Subject: Aspen Ridge Phase III – Final Plat Review

Dear Ms. Pemberton:

We have reviewed the re-submittals for: the Final Plat materials, received December 4, 2006; and the Grading and Drainage Plan with the water and sewer test results, received December 8, 2006. Based upon these re-submittals, we have the following comments:

Plat sheets:

- Please add the following words to the groundwater note on the plat as shown in italics:

“Groundwater levels may be seasonally within 6” of the existing surface in some areas of this subdivision, requiring special construction methods. The owner of each lot shall be responsible for placing the bottom of the crawl space a minimum of 2 feet above elevation 5028.00 feet, which corresponds to the maintained high water level of the pond. The reference benchmark is elevation 5030.90 feet on the top of the concrete weir at the southwest outlet of the pond. Due to fluctuations in ground water levels each year, there is no guarantee that this level will keep the crawl space free of water. If dewatering is necessary no groundwater shall be conveyed to the sanitary sewer system.”

- We received the county surveyor’s letter and Rod Skiftun’s re-submittal to that letter. We feel all of the county surveyor’s comments have been adequately addressed.

Plat Documents:

All past plat governing document comments, per CH2M HILL review letters, have been adequately addressed.

Amy Pemberton
Page 2
December 12, 2006

We recommend approval of the Final Plat contingent upon the addition of the groundwater note above. However, we require the following prior to approving the grading and drainage portion of the construction plans:

Grading and Drainage:

Kim Allen has submitted the piezometer data and has re-submitted her construction plans which adequately address the CH2M HILL review letters' comments. It was noticed, however, during the site visit for the preliminary water and sewer inspection that the cuts for the road in the southeast section of the development are fairly steep. Please cover these slopes during the winter and spring to reduce erosion. The McCall Drainage Management Guidelines (DMG) detail temporary BMP options. Re-vegetate these slopes upon the completion of the road work. Please note these comments on the construction plans.

Lighting and Signage Plan:

Although this is a private development, submitted prior to the enactment of the new city codes, Aspen Ridge III is still subject to the provisions of the dark skies ordinance. This is a listed, additional condition of approval per the Planning and Zoning Commission Final Plat Report, revised December 5, 2006. This condition must be met to receive a building permit. The current, submitted lighting and signage plan does not provide enough information to be approved. Please provide the following information for City staff review:

- Lighting along Spring Mountain Blvd and within the Aspen Ridge III development:
 - Provide the specifications for the height of the luminary, the type of cut-off fixture and the wattage of the light.
- Signage:
 - Provide the height of signs, note that they will be reflective, and detail the colors used for each type of signage.

Please provide a copy of the revised Lighting and Signage Plan to the City of McCall.

Water and Sewer Systems:

We are aware that the water and sewer portions of the construction plans were approved on July 18, 2006. However, prior to final acceptance of the water and sewer systems by the City, the following must be completed:

- The second water Bac-T test shows a presence of total coliforms at Hydrant 2. We understand that a retest sample has been taken and that Kim Allen will send that result to CH2M HILL after she receives it. Please send a copy of all Bac-T tests to the City, c/o Levi Brinkley.

Amy Pemberton
Page 3
December 12, 2006

- We understand that Kim Allen performed a water pressure test on October 23, 2006 and all lines tested successfully. Please send CH2M HILL and the City (c/o Levi Brinkley) written details describing the different zones that were tested, the pressure it was tested at, the pressures after 2 hours, and the calculations if the pressure dropped showing the leakage is within allowable the allowable leakage per ISPWC Division 400, Section 3.6.
- We have reviewed the sewer pressure and hydrostatic test results performed by Pipeline Inspection Services, Inc on October 23, 2006. The results are adequate.
- We have reviewed the CCTV video DVD created by Pipeline Inspection Services, Inc. Their results show infiltration at two service connections: at the service connection downstream of MH 3.15 toward MH 3.14, 68.2' from MH 3.15; and at the service connection downstream of MH 3.13 toward MH 3.12, 64.3' from MH 3.13. These service connections need to be corrected and re-videoed to show the completed work before the final sewer inspection. Please send a copy of the re-videoed service connections to the City, c/o Levi Brinkley.
- Please send a copy of the original CCTV video DVD and written CCTV results, and a copy of the pressure tests and hydrostatic test results to the City, c/o Levi Brinkley.
- Please give approximately 2 weeks notice to CH2M HILL to schedule the final water and sewer systems inspection.

Please send us a digital submittal of the construction plans at this time. Please contact us with any questions.

Sincerely,

CH2M HILL



Betsy Roberts, P.E.
City Engineer



Jennifer Bass
Assistant Development Coordinator

cc: Michelle Groenevelt / City of McCall
Steve Hasson / City of McCall
Daniel Fulkerson / Mountain West Developers, Inc.
Kim Allen / Allen Consulting
Amanda Carrington / CH2M HILL/BOI