

Watertown City Council

February 24, 2026

Agenda Item: Cove at River Ridge 2 nd Addition Easement Vacation and Development Agreement	PC DATE: N/A
Request for Action: Development Agreement and Easement Vacation	CC DATE: 02.24.2026
Department: Planning	

Request:

Robert Machacek - Alliant Ventures X LLC (Applicant) and Nesvold Farms LLC (Owner) requests that the City consider the following actions for the property known by PID No. 850090620.

- Approval of the Development Agreement THE COVE AT RIVER RIDGE 2ND ADDITION subdivision.
- Vacation of drainage and utility and sanitary sewer easements located on the property identified as Parcel ID: 850090620. The easements will be platted as a part of the recently approved THE COVE AT RIVER RIDGE PHASE 2ND ADDITION Plat.

Property/Site Information:

The subject property is located on the east side of CSAH 11 between the Tuscany Village and Sugarbush subdivisions. The property surrounds the Lutheran Elementary School and is comprised of pasture, wetlands and wooded areas. There are no structures currently located on the property. The property is currently zoned Agriculture but is guided by the City's comprehensive plan as low density residential. The property has the following site characteristics:

Property Information: Cove at River Ridge Subdivision 2nd Addition

Zoning: PUD - RR

Comprehensive Plan: *Low Density Residential*

Acreage: 25.86 acres

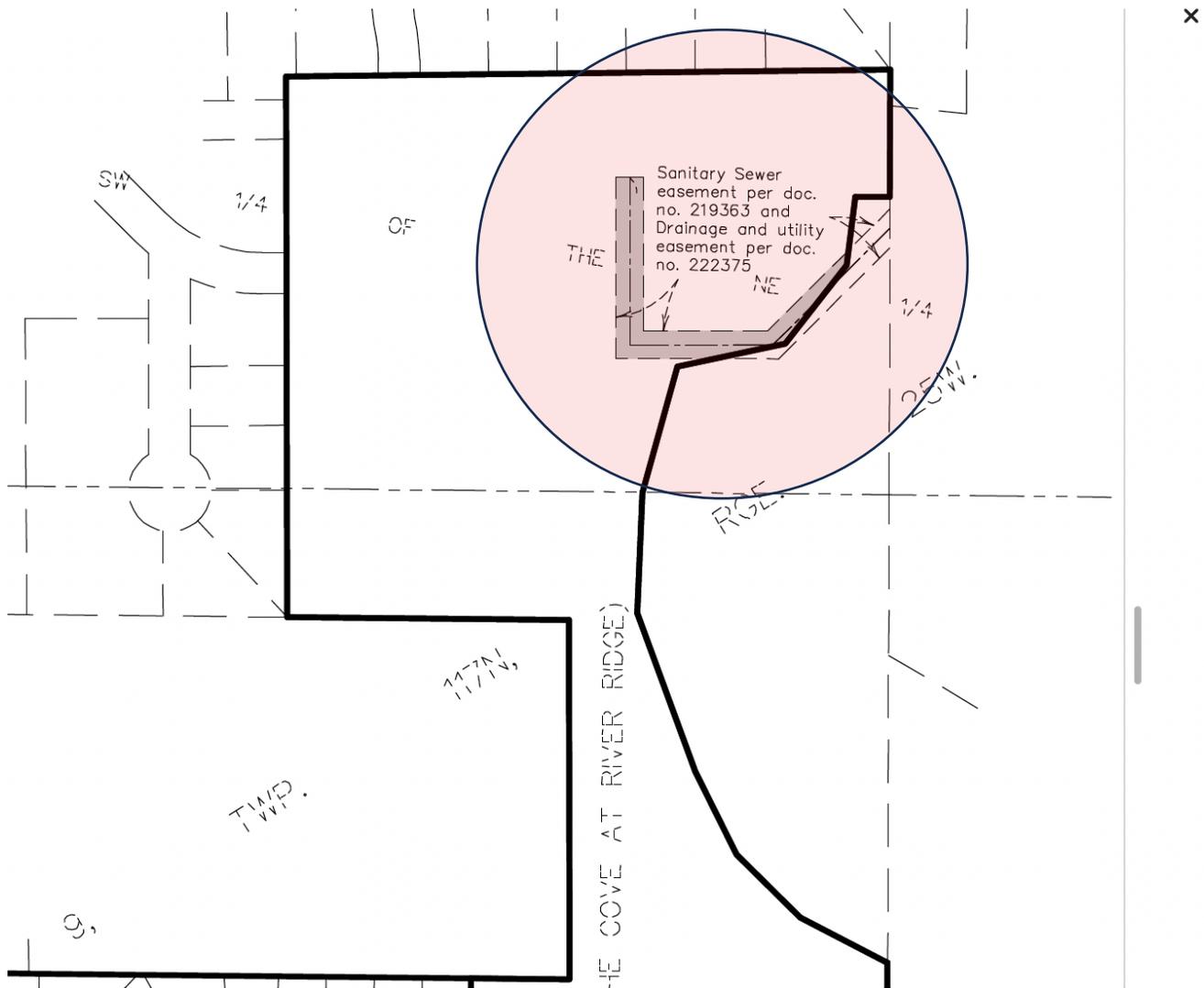
Site Location



Discussion:

The City approved the final plat for the 2nd Addition of the subdivision of this property in 2025. The city and applicant have been working to finalize all details necessary to complete a Development Agreement for the project. The city’s attorney has finalized the Development Agreement, and it is now ready to be considered by the City Council. The Development Agreement memorializes all aspects relating to the development and provides details and stipulations for the installation of the approved improvements. The Development Agreement is a formality which is required following final plat approval.

The Council is also being asked to hold a public hearing to consider vacation of existing sewer and drainage and utility easements associated with the existing sewer that runs from the east to the lift station in the northeast corner of the property. The new 2nd Addition plat will provide the city with a blanket D&U easement over and across the entire Outlot A as shown on the final plat. This easement will ensure that the city can continue to have and support the existing and future infrastructure.



Recommendation:

Council is being asked to consider approval of the Cove and River Ridge 2nd Addition Development Agreement and the Resolution approving the vacation of the noted existing sanitary sewer and drainage and utility easements with the following findings and conditions:

1. The City Attorney is hereby authorized to make any non-material changes or revisions to the development agreement prior to execution as determined necessary.
2. The Applicant shall pay all fees and post the requisite security including but not limited to SAC, WAC, park dedication fees and escrow which are included in the development agreement.
3. The Applicant shall pay for all costs associated with the City's review and approval of the development agreement and easement vacation.
4. The Applicant shall record the development agreement and easement vacation with the final plat.

Attachments:

- EASEMENT VACATION RESOLUTION
- Development Agreement

RESOLUTION NO. 2026-_____
CITY OF WATERTOWN

**A RESOLUTION VACATING THE DESCRIBED SANITARY SEWER AND
DRAINAGE AND UTILITY EASEMENTS ACROSS OUTLOT A
OF THE COVE AT RIVER RIDGE 1ST ADDITION**

THE CITY COUNCIL OF THE CITY OF WATERTOWN, MINNESOTA DOES
HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the City Council has determined that the sanitary sewer and drainage and utility easements, described below, no longer serve the public interest; and

WHEREAS, pursuant to Minnesota Statute §412.851, the City Council can vacate the drainage and utility easements across the properties legally described as:

THE COVE AT RIVER RIDGE PHASE 1ST ADDITION, OUTLOT A

WHEREAS, the City reviewed the easements and found that there is no longer a public need for the easements to be vacated, and the city will replace the easements with new drainage and utility easements platted as a part of THE COVE AT RIVER RIDGE PHASE 2ND ADDITION; and

WHEREAS, a public hearing to consider the vacation of such drainage and utility easement was held on the 24th day of February, 2026, before the Watertown City Council after due published and posted notice had been given, as well as personal mailed notice to all affected property owners by the City and all interested and affected persons were given an opportunity to voice their concerns and be heard; and

WHEREAS, any person, corporation or public body owning or controlling easements contained upon the property vacated, reserves the right to continue maintaining the same or to enter upon such way or portion thereof vacated to maintain, repair, replace or otherwise attend thereto;

WHEREAS, the Council in its discretion has determined that the vacation will benefit the public interest;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WATERTOWN, COUNTY OF CARVER MINNESOTA, that the vacation of the described drainage and utility easements is hereby granted and described as follows is hereby vacated:

Easements to be Vacated

All drainage and utility easements as described in Document No. 222375 and Sanitary Sewer easement per Document no. 219363 lying over, under and across all of the follow described property: The Southwest Quarter of the Northeast Quarter of Section 9, Township 117 North, Range 25 West, EXCEPT those parts platted as WATER'S EDGE, SUGARBUSH ADDITION, and SUGARBUSH 3RD ADDITION, Carver County, Minnesota.

And

The Northwest Quarter of the Southeast Quarter of Section 9, Township 117 North, Range 25 West, EXCEPT the South 522 feet of the North 709 feet of the West 835 feet thereof, Carver County, Minnesota. AND EXCEPT SUGARBUSH ADDITION, said Carver County.

Except:

That part of the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter, Section 9, Township 117N, Range 25 West, Carver County, Minnesota, described as follows: Commencing at the Northeast corner of said Southwest Quarter of the Northeast Quarter; thence on a Carver County bearing of South 00 degrees 06 minutes 19 seconds West (NAD' 83 1986), along the East line of said Southwest Quarter of the Northeast Quarter, a distance of 874.75 feet to the Point of Beginning; thence North 89 degrees 55 minutes 00 seconds West, a distance of 50.00 feet; thence South 07 degrees 30 minutes 00 seconds West, a distance of 100.00 feet; thence South 37 degrees 45 minutes 00 seconds West, a distance of 145.00 feet; thence South 78 degrees 00 minutes 00 seconds West, a distance of 160.00 feet; thence South 15 degrees 30 minutes 00 seconds West, a distance of 190.00 feet; thence South 02 degrees 35 minutes 00 seconds West, a distance of 175.00 feet; thence South 20 degrees 05 minutes 00 seconds East, a distance of 245.00 feet; thence South 26 degrees 35 minutes 00 seconds East, a distance of 135.00 feet; thence South 45 degrees 15 minutes 00 seconds East, a distance of 130.00 feet; thence South 62 degrees 30 minutes 00 Seconds East, a distance of 143.07 feet to the East line of said Northwest Quarter of the Southeast Quarter; thence North 00 degrees 12 minutes 14 seconds East, along said east line, a distance of 680.26 feet to the Northeast corner of said Northwest Quarter of the Southeast Quarter; thence North 00 degrees 06 minutes 19 seconds East, along said east line of the Southwest Quarter of the Northeast Quarter, a distance of 433.07 feet to the point of beginning.

BE IT FURTHER RESOLVED, that the Mayor and Administrative Services Director are hereby authorized to sign all documents necessary to effectuate the intent of this resolution.

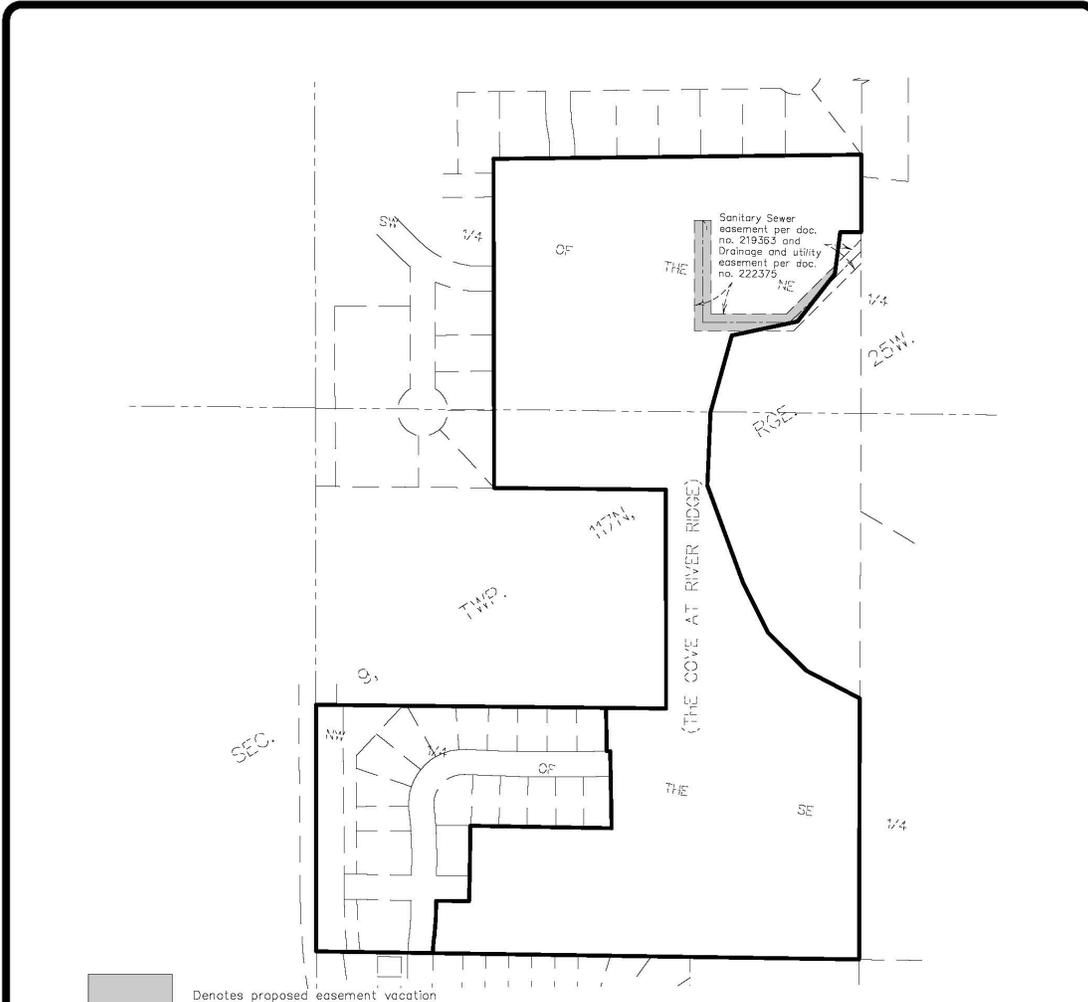
This resolution was adopted by the City Council of the City of Watertown on this 24th day of February 2026, by a vote of ___ ayes and ___ nays.

Michael Walters, Mayor

ATTEST:

Michael Sommerfeld, Admin. Services Director

EXHIBIT A
(Easement Exhibit)



 Denotes proposed easement vacation

PROPOSED DESCRIPTION FOR DRAINAGE AND UTILITY AND SANITARY SEWER EASEMENT VACATION

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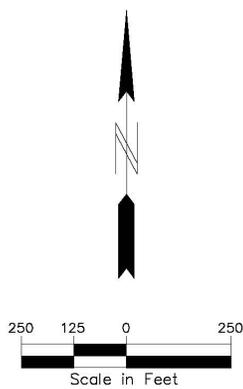
And

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* This sketch does not purport to show the existence or nonexistence of any encroachments from or onto the hereon described land, easements of record or unrecorded easements which affect said land or any improvements to said land.



<p>Sheet 1 of 1</p>	 PIONEER Engineering <small>CIVIL ENGINEERS LAND PLANNERS LAND SURVEYORS LANDSCAPE ARCHITECTS</small>	<p>Cad File: 122128-EASEMENT VACATION.dwg Date: 3-23-24 Folder #: 8800 Drawn by: KSO</p>	<p>Description Sketch for: BOB MACHACEK</p>
	<p>2422 Enterprise Drive Mendota Heights, MN 55120 (651) 681-1914 Fax: 681-9488 www.pioneereng.com</p>		

(reserved for recording information)

DEVELOPMENT CONTRACT
(Developer Installed Improvements)

***THE COVE AT RIVER RIDGE
SECOND ADDITION***

CONTRACT dated _____, 2026, by and between the **CITY OF WATERTOWN**, a Minnesota municipal corporation (“City”), and **ALLIANT VENTURES X, LLC**, a Minnesota limited liability company (the “Developer”).

1. REQUEST FOR PLAT APPROVAL. The Developer has asked the City to approve a plat for ***THE COVE AT RIVER RIDGE SECOND ADDITION*** (referred to in this Contract as the "plat"). The land is situated in the County of Carver, State of Minnesota, and is legally described on Exhibit “A” attached hereto and made a part hereof.

2. CONDITIONS OF PLAT APPROVAL. The City hereby approves the plat, subject to certain conditions in Resolution No. 2025-40, including on condition that the Developer enter into this Contract, furnish the security required by it, and record the plat with the County Recorder or Registrar of Titles within 365 days after the City Council approves the final plat.

3. RIGHT TO PROCEED. This Agreement is intended to regulate the development of the plat and the construction therein of certain public and private improvements. Within the plat or land to be platted, the

Developer may not grade or otherwise disturb the earth or remove trees, unless a grading permit has been approved by the City Engineer following approval of a preliminary plat by the City Council, construct sewer lines, water lines, streets, utilities, public or private improvements, or any buildings until all the following conditions have been satisfied:

- A. this agreement has been fully executed by both parties and filed with the City Clerk;
- B. the Developer has executed and recorded with Carver County all drainage and utility easements required for the plat by the City Engineer in the City's standard form or the easements have been dedicated to the City on the plat;
- C. the Developer has executed any applicable and required Storm Water Maintenance and Easement Agreement with Carver County;
- D. the necessary security has been received by the City from or on behalf of the Developer;
- E. the necessary insurance for the Developer and its construction contractors has been received by the City;
- F. the plat has been filed with the Carver County Recorder or Registrar of Titles' office;
- G. final constructions plans and specifications have been submitted by the Developer and approved by the City Engineer;
- H. the Developer has paid the City for all legal, engineering, and administrative expenses incurred by the City regarding the City approvals and has given the City the additional City Engineering Administration Escrow required by this Agreement;
- I. the Developer has paid any outstanding assessments and taxes for the property or any property being deeded to the City;
- J. the Developer has fulfilled any park dedication requirements as specified under this Agreement;
- K. the Developer has received all necessary permits from the MPCA, MDH, DNR, applicable watershed, Carver County, and any other agency having jurisdiction over the plat;
- L. the Developer or the Developer's engineer and the Developer's contractor(s) have initiated and attended a preconstruction meeting with the City Engineer and City staff; and

M. the City has issued a written notice that all the above conditions have been satisfied and the Developer may proceed.

4. **PHASED DEVELOPMENT.** If the plat is a phase of a multi-phased preliminary plat, the City may refuse to approve final plats of subsequent phases if the Developer has breached this Contract and the breach has not been remedied. Development of subsequent phases may not proceed until Development Contracts for such phases are approved by the City. Park dedication charges referred to in this Contract are not being imposed on outlots, if any, in the plat that are designated in an approved preliminary plat for future subdivision into lots and blocks. Such charges will be calculated and imposed when the outlots are final platted into lots and blocks.

5. **PRELIMINARY PLAT STATUS.** If the plat is a phase of a multi-phased preliminary plat, the preliminary plat approval for all phases not final platted shall lapse and be void unless final platted into lots and blocks, not outlots, within two (2) years after preliminary plat approval.

6. **CHANGES IN OFFICIAL CONTROLS.** For two (2) years from the date of this Contract, no amendments to the City's Comprehensive Plan, except an amendment placing the plat in the current metropolitan urban service area, or official controls shall apply to or affect the use, development density, lot size, lot layout or dedications of the approved plat unless required by state or federal law or agreed to in writing by the City and the Developer. Thereafter, notwithstanding anything in this Contract to the contrary, to the full extent permitted by state law, the City may require compliance with any amendments to the City's Comprehensive Plan, official controls, platting or dedication requirements enacted after the date of this Contract.

7. **DEVELOPMENT PLANS.** The plat shall be developed in accordance with the following plans. The plans shall not be attached to this Contract. With the exception of Plans A, B, C, and G the plans may be prepared, subject to the City Engineer's approval, after entering the Contract, but before commencement of any work in the plat. The City Engineer may approve minor amendments to Plan B without City Council approval. The erosion control plan may also be approved by the Carver County Soil and Water Conservation District. If the plans vary from the written terms of this Contract, the written terms shall control. The plans are:

Plan A - Plat

Plan B – Grading and Drainage Plan

Plan C – Stormwater Plan

Plan D – Landscape Plan

Plan E – Topsoil Management

Plan F – Traffic Control Plan

Plan G – Tree Removal and Mitigation Plan

8. IMPROVEMENTS. The Developer shall install and pay for the following:

A. Sanitary Sewer System

B. Water System

C. Storm Sewer System

D. Streets

E. Concrete Curb and Gutter

F. Street Lights

G. Site Grading, Stormwater Treatment/Infiltration Basins, and Erosion Control

H. Underground Utilities

I. Setting of Iron Monuments

J. Surveying and Staking

K. Sidewalks and Trails

All improvements shall be installed in accordance with the approved Plans, the City approvals, including all conditions of approval in Resolution 2025-40, the City Code, the City's Engineering Design and Construction Standards Manual, all applicable City Engineering memoranda, City standard specifications for utility and street construction; and any other applicable ordinances including codes concerning erosion and drainage prohibiting grading, and construction activity. All construction activities shall be confined to the following hours: Monday – Friday, 7:00 a.m. until 7:00 p.m.; and Saturday, 8:00 a.m. until 5:00 p.m. Construction activities are not allowed on Sundays.

The Developer shall submit plans and specifications which have been prepared by a competent registered professional engineer to the City for approval by the City Engineer. The Developer shall instruct its engineer to

provide adequate field inspection personnel to assure an acceptable level of quality control to the extent that the Developer's engineer will be able to certify that the construction work meets the approved City standards as a condition of City acceptance. In addition, the City may, at the City's discretion and at the Developer's expense, have one or more City inspectors and a soil engineer inspect the work on a full or part-time basis. The Developer, its contractors and subcontractors, shall follow all instructions received from the City's inspectors. The Developer's engineer shall provide for on-site project management. The Developer's engineer is responsible for design changes and contract administration between the Developer and the Developer's contractor. The Developer or its engineer shall schedule a pre-construction meeting at a mutually agreeable time at the City with all parties concerned, including the City staff, to review the program for the construction work.

Within 30 days after the completion of all of Improvements, and before final security is released, Developer shall provide the City with record drawings detailing the final "As Built" plans. The record drawings shall be delivered via USB thumb drive or similar device or medium, acceptable to the City, containing the following information in current AutoCAD compatible format (.dwg or .dxf files):

- Approved plat
- Utilities
- Layer names should be self-explanatory, or a list must be included as key.

If the Developer does not provide such information, the City will digitize the data. All costs associated with digitizing the data will be the responsibility of the Developer.

9. CONTRACTORS/SUBCONTRACTORS. City Council members, City employees, and City Planning Commission members, and corporations, partnerships, and other entities in which such individuals have greater than a 25% ownership interest or in which they are an officer or director may not act as contractors or subcontractors for the public improvements identified in Paragraph 8 above.

10. PERMITS. The Developer shall obtain or require its contractors and subcontractors to obtain all necessary permits, which may include, but is not necessarily limited to:

- A. Sanitary Sewer Extension Permit
- B. Watermain Extension Permit
- C. NPDES Permit for Stormwater Discharge

- D. CCWMO Erosion Control and Stormwater Management Permit
- E. Carver County Work in ROW Permit
- F. Carver County New Access Permit
- G. Wetland Conservation Act Permit
- H. U.S. Army Corps of Engineers Permit

11. DEWATERING. Due to the variable nature of groundwater levels and stormwater flows, it will be the Developer's and the Developer's contractors and subcontractors responsibility to satisfy themselves with regard to the elevation of groundwater in the area and the level of effort needed to perform dewatering and storm flow routing operations. All dewatering shall be in accordance with all applicable county, state, and federal rules and regulations. DNR regulations regarding appropriations permits shall also be strictly followed.

12. TIME OF PERFORMANCE. The Developer shall install all required public improvements by December 1, 2026, with the exception of the final wear course of asphalt on streets. The final wear course on streets shall be installed between August 15th and October 15th the first summer after the base layer of asphalt has been in place one freeze thaw cycle. The Developer may, however, request an extension of time from the City. If an extension is granted, it shall be conditioned upon updating the security posted by the Developer to reflect cost increases and the extended completion date. Final wear course placement outside of this time frame must have the written approval of the City Engineer.

13. LICENSE/INSPECTIONS. The Developer hereby grants the City, its agents, employees, officers and contractors a license to enter the plat to perform all work and inspections deemed appropriate by the City in conjunction with plat development during the construction and installation of the improvements until final certification of acceptance is approved by the City for all of Improvements and expiration of any applicable warranty period.

The City, its engineer, or its designated agents shall periodically inspect the improvements installed by the Developer, its contractors, sub-contractors or agents. Any inspections made pursuant hereto shall be done for the sole benefit of the City. The Developer hereby waives any right to rely on or to be assured of any approval by reason of any inspection. The Developer, its contractors, and subcontractors shall follow all reasonable instructions received from the City or its designated agents to allow the City an opportunity to inspect the improvement work

requiring inspection by city engineer. The Developer shall notify the City engineer at least two (2) full working days prior to the commencement of the site grading operation, laying of utility lines, sub-grade preparation, the laying of gravel base or bituminous surfacing for street construction or any other improvement work which shall be substantially buried or covered. Should the Developer fail to timely notify the City to allow the City to inspect the work, the City may at the City's option, require the Developer to uncover and/or replace or reconstruct any of the before-mentioned work in such a manner so as to provide the City with an opportunity for inspection.

Upon completion of all the work required, the City engineer or his designated representative, a representative of the contractor, and a representative of the Developer's engineer will make a final inspection of the work. Before final payment is made to the contractor by the Developer, the City engineer shall be satisfied that all work is satisfactorily completed in accordance with the approved plans and specifications and the Developer's engineer shall submit a written statement attesting to same.

14. EROSION AND WEED CONTROL. Prior to initiating site grading, the erosion control plan, Plan B, shall be implemented by the Developer and inspected and approved by the City. The City may impose additional erosion control requirements if they would be beneficial. All areas disturbed by the grading operations shall be stabilized per the MPCA Stormwater Permit for Construction Activity. Seed shall be in accordance with the City's current seeding specification which may include temporary seed to provide ground cover as rapidly as possible. All seeded areas shall be fertilized, mulched, and disc anchored as necessary for seed retention. The parties recognize that time is of the essence in controlling erosion. If the Developer does not comply with the MPCA Stormwater Permit for Construction Activity or with the erosion control plan and schedule or supplementary instructions received from the City, the City may take such action as it deems appropriate to control erosion. The City will endeavor to notify the Developer in advance of any proposed action, but failure of the City to do so will not affect the Developer's and City's rights or obligations hereunder. If the Developer does not reimburse the City for any cost the City incurred for such work within ten (10) days, the City may draw down the security, identified in Section 27, to pay any costs. No development, utility or street construction will be allowed and no building permits will be issued unless the plat is in full compliance with the approved erosion control plan.

Developer shall be responsible for the control of weeds in the Development and on all lots as long as it is the owner thereof. The Developer shall cut or spray weeds at the request of the City. In the event that weed control is not done as requested by the City, the City may do so and the Developer shall be responsible for all costs of the same and shall reimburse the City within 10 days of demand of payment. In the event the Developer does not pay the City for all costs within 10 days of demand by the City, the City may, in the discretion of the City, draw upon the Security to reimburse amounts expended hereunder and all costs and expenses relating to the same and the execution on the Security, including attorney's fees, assess the Property pursuant to Minn. Stat. §429.101 and/or seek any other remedy available. Developer shall notify all builders that they are responsible for erosion, drainage and weed control on purchased lots throughout the period of residential construction thereon, and continuing thereafter until such responsibilities are assumed by a homeowner for the purchased lots or homeowner's association.

15. GRADING. The plat shall be graded in accordance with the approved grading development and erosion control plan, Plan "B". The plan shall conform to City of Watertown specifications. Within thirty (30) days after completion of the grading and before the City approves individual building permits (except 2 model home permits on lots acceptable to the Building Official), the Developer shall provide the City with an "as constructed" grading plan certified by a registered land surveyor or engineer that all storm water treatment/infiltration basins and swales, have been constructed on public easements or land owned by the City. The "as constructed" plan shall include field verified elevations of the following: a) cross sections of storm water treatment/infiltration basins; b) location and elevations along all swales, wetlands, wetland mitigation areas if any, locations and dimensions of borrow areas/stockpiles, requisite berms; and c) lot corner elevations and house pads. The City will withhold issuance of building permits until the approved certified grading plan is on file with the City and all erosion control measures are in place as determined by the City Engineer. The Developer certifies to the City that all lots with house footings placed on fill have been monitored and constructed to meet or exceed FHA/HUD 79G specifications. The soils observation and testing report, including referenced development phases and lot descriptions, shall be submitted to the Building Official for review prior to the issuance of building permits.

Before a building permit is issued, a cash escrow of \$1,000.00 per lot shall be furnished to the City to guarantee that no damage to city streets, curb and gutter, sidewalks and compliance with the erosion control and grading requirements and the submittal of an as-built certificate of survey. Prior to the release of the required individual lot grading and erosion control security that is submitted with the building permit, an as-built certificate of survey for single family lots must be submitted to verify that the final as-built grades and elevations of the specific lot and all building setbacks are consistent with the approved grading plan for the development, and amendments thereto as approved by the City Engineer, and that all required property monuments are in place. If the final grading, erosion control and as-built survey is not timely completed, the City may enter the lot, perform the work, and apply the cash escrow toward the cost. Upon satisfactory completion of the grading, erosion control and as-built survey, the escrow funds, without interest, less any draw made by the City, shall be returned to the person who deposited the funds with the City.

A certified as-built building footing/foundation elevation survey must be submitted and approved for prior to issuance of a building permit.

16. SITE CLEAN UP. The Developer shall clean dirt and debris from streets that has resulted from construction work by the Developer, home builders, subcontractors, their agents or assigns as provided herein.

- A. Debris. During the period of unit construction, Developer shall direct the builder to provide on the building site a covered refuse dumpster or other suitable enclosed containment unit to be used for the disposal of refuse, debris, waste or other material during the construction period. Prior to any construction in the plat, the Developer shall identify in writing a responsible party and schedule for erosion control, street cleaning, and street sweeping.
- B. Ponds. Any water surface containment or holding ponds constructed by Developer as part of this Project shall be dredged, maintained, and cleaned prior to their acceptance by the City. Acceptance by the City of any such ponds for future maintenance shall be for hydrology purposes only and not for aesthetic or vegetation purposes. Final release of Developer's security shall not be made until final acceptance by the City.

- C. Televising. Upon completion of the project, Developer shall, at Developer's sole cost and expense, for inspection purposes, televise the Cove at River Ridge Second Addition sewer system and provide the City with a copy. Any obstructions found shall be removed and repairs made if necessary.
- D. Construction Site Policy. Developer agrees that Developer and Developer's contractors and subcontractors shall adhere to and be subject to all of the City's construction site policies.

17. MONUMENTATION OF LOT AND BLOCK CORNERS. In accordance with Minnesota Statutes 505.021, the final placement of iron monuments for all lot corners must be completed before the applicable security is released. The Developer's surveyor shall also submit a written notice to the City certifying that the monuments have been installed following site grading, utility and street construction.

The Developer shall place iron monuments at all lot and block corners and at all other angle points on boundary lines. Iron monuments shall be placed or verified after all street and site grading has been completed by the Developer in order to preserve the lot markers for future property owners. The Developer shall also provide a minimum of one monument within the development, set in concrete, for horizontal and vertical control for the City's benchmark system. More monuments may be required by the City engineer to serve the area. The Developer's Land Surveyor shall certify to the City in writing that all iron monuments were placed as stated above and that all lots in the subdivision comply with the City of Watertown's Zoning Ordinance so as to permit residential buildings thereon. Any iron monuments moved, destroyed or lost by activities of the Developer or Developer's agents (builders) on the property after having been originally placed, shall be replaced in the correct location by the Developer at Developer's cost. No security shall be released until this Section is satisfied.

The Developer shall place monument signs at every other lot corner of those lots abutting Outlot A to ensure that encroachment into the public space does not occur. The Developer will confer with the City on sign detail prior to installation.

18. OWNERSHIP OF IMPROVEMENTS. Upon the completion of the Improvements required to be constructed or installed by this Agreement, such Improvements (other than privately owned utilities) lying with the public easements and Right-of Way as shown on the subdivision plat and those located on City property shall

become City property without further notice or action. Provided, however, that the construction shall not be considered complete until the City engineer has made final inspection of all construction and recommended acceptance by the City and the City has made such acceptance by Council resolution, and the Developer has granted any easement required by Section 3 of this Agreement. Until such acceptance, Developer shall be responsible for the maintenance of the Improvements. The Developer shall provide to the City, at no charge, record drawings as required by Section 4.08 of this Agreement. Final security shall not be released prior to receipt of the record drawings by the City. All Improvements that are public and to be accepted by the City shall be within easements dedicated on the Final Plat. If not dedicated, the City shall be provided an easement, drafted by or approved by the City.

19. CITY ENGINEERING ADMINISTRATION AND CONSTRUCTION OBSERVATION.

The Developer shall pay a fee for engineering administration. City engineering administration will include monitoring of construction observation, consultation with Developer and its engineer on status or problems regarding the project, coordination for final inspection and acceptance, project monitoring during the warranty period, and processing of requests for reduction in security. Fees for this service shall be three percent (3%) of construction costs identified in the Summary of Security Requirements if using a letter of credit, assuming normal construction and project scheduling. The Developer shall pay for construction observation performed by the City's in-house engineering staff or consulting engineer. Construction observation shall include part or full time inspection of proposed public utilities and street construction and will be billed on hourly rates estimated to be five percent (5%) of the estimated construction cost.

20. SANITARY SEWER AREA CHARGE. Property is subject to a storm sewer area charge of **\$25,235.54**. The area charge is based on the gross area of the final plat less the area of the right-of-way of White Street SE (CR 10), Driftwood Drive, Sienna Drive, and Outlot A, and is calculated as follows:

$$6.456 \text{ acres} \times \$3,908.85/\text{acre} = \mathbf{\$25,235.54}$$

The Developer waives any and all procedural and substantive objections to the special assessments, including but not limited to, hearing requirements and any claim that the assessments exceed the benefit to the property. The Developer waives any appeal rights otherwise available pursuant to M.S.A. §429.081.

21. WATERMAIN AREA CHARGE. Property is subject to a watermain area charge of **\$6,154.83**

The area charge is based on the gross area of the final plat less the area of the right-of-way of White Street SE (CR 10), Driftwood Drive, Sienna Drive, and Outlot A, and is calculated as follows:

$$6.456 \text{ acres} \times \$953.35/\text{acre} = \mathbf{\$6,154.83}$$

The Developer waives any and all procedural and substantive objections to the special assessments, including but not limited to, hearing requirements and any claim that the assessments exceed the benefit to the property. The Developer waives any appeal rights otherwise available pursuant to M.S.A. §429.081.

22. CONSTRUCTION ACCESS. Construction traffic access and egress for grading, public utility construction, and public street construction is restricted to access the subdivision via White Street SE (CR 10). No construction traffic is permitted on the adjacent local streets.

23. PARK DEDICATION. The Developer shall pay a cash contribution of \$49,684.00 in satisfaction of the City's park dedication requirements. The charge was calculated as follows:

A. Community Park (5% Gross)	0.30 AC	\$12,000.00
B. Neighborhood Park (1 A/25 Units)	1.00 AC	\$40,000.00
C. Recreational Facilities Fees (\$1,500/Acre)		\$9,684.00
TOTAL		\$49,684.00

24. LANDSCAPING. The Development shall be subject to landscaping requirements as set forth in the Site Plan, and City Code Chapter 28. The Developer shall sod the front yard, boulevard, and side yards to the rear of the structure on every lot. Weather permitting, the trees, sod, and seed shall be planted within sixty (60) days after a home has received a certificate of occupancy. Before a building permit is issued, a cash escrow of \$1,000.00 per lot shall be furnished the City to guarantee compliance with the landscaping requirements. If the landscaping is not completed in a timely manner, the City may enter the lot, perform the work, and apply the cash escrow toward the cost. Upon satisfactory completion of the landscaping the escrow funds, without interest, less any draw made by the City, shall be returned to the person who deposited the funds with the City. All trees shall be warranted to be alive, of good quality, and disease free for twelve (12) months after planting. Any replacements shall be warranted for twelve (12) months from the time of City acceptance, following inspection. The Developer

or property owner is responsible for contacting the City when all the landscaping has been installed to set up an inspection. Fifty percent (50%) of the security will be released when all the landscaping has been installed and inspected by City staff and the remaining fifty percent (50%) will be released one year after the landscaping inspection and any warranty work has been completed.

Landscaping shall be installed in accordance with the approved landscape plan. At the City's discretion, the Developer shall post a \$92,500.00 landscaping security and include that amount in the overall security for the development as required by Section 26. All landscaping requirements shall be completed prior to occupancy of any dwelling unit on the Property or by May 31st following occupancy if occupancy occurs October 1st through April 30th

25. SPECIAL PROVISIONS. The following special provisions shall apply to plat development:

- A. The Developer is required to submit the final plat in electronic format. The electronic format shall be either AutoCAD.DWG file or a .DXF file. All construction record drawings (e.g., grading, utilities, streets) shall be in electronic format in accordance with standard City specifications.
- B. Developer shall provide all street lighting, including poles, arms, wiring, transformers, pedestals, and any other necessary appurtenances according to the street lighting plan designed by Excel Energy Company and approved by the Developer and the City.

26. SUMMARY OF SECURITY REQUIREMENTS. To guarantee compliance with the terms of this Contract, payment of real estate taxes including interest and penalties, payment of special assessments, payment of the costs of all public improvements, and construction of all public improvements, the Developer shall provide, on or before any grading is permitted on the Property, any permit issued for the development, or the release of the Final Plat, whichever occurs first, security in either, in the sole discretion of the City, the form of an irrevocable Letter of Credit ("Letter of Credit") or Cash Escrow ("Cash Escrow")(the Letter of Credit and Cash Escrow collectively the "Security"), subject to review and approval of the City, in an amount that totals 125% of the Developer's actual accepted bids for the Improvements ("security") for \$1,143,457.00 The amount of the security was calculated as shown on attached **Exhibit B:**

The attached breakdown is for historical reference; it is not a restriction on the use of the security. The bank shall be subject to the approval of the City Administrator. The City may draw down the security, on five (5) business days written notice to the Developer, for any violation of the terms of this Contract or without notice if the security is allowed to lapse prior to the end of the required term. If the required public improvements are not completed at least thirty (30) days prior to the expiration of the security, the City may also draw it down without notice. If the security is drawn down, the proceeds shall be used to cure the default. Upon receipt of proof satisfactory to the City that work has been completed and financial obligations to the City have been satisfied, with City approval the security may be reduced from time to time by ninety percent (90%) of the financial obligations that have been satisfied. Ten percent (10%) of the amounts certified by the Developer's engineer shall be retained as security until all improvements have been completed, all financial obligations to the City satisfied, the required "as constructed" plans have been received by the City, a warranty security is provided, and the public improvements are accepted by the City Council. The City's standard specifications for utility and street construction outline procedures for security reductions.

27. SUMMARY OF CASH REQUIREMENTS. The following is a summary of the cash requirements under this Contract which must be furnished to the City prior to the City Council signing the final plat:

A. Park Dedication	\$49,684.00
B. Traffic Control Signs (Actual cost to be billed to developer by City)	\$.00 \$TBD
C. City/Engineering Administration (Escrow – based on estimate)	\$25,000.00
D. Sanitary Sewer Availability Charge	\$25,235.54
E. Watermain Area Charge	<u>\$6,154.83</u>
TOTAL CASH REQUIREMENTS	\$101,074.37

28. WARRANTY. The Developer warrants all improvements required to be constructed by it pursuant to this Contract against poor material and faulty workmanship. The warranty period for streets is one year. The warranty period for underground utilities is two years and shall commence following completion and acceptance by City Council. The one-year warranty period on streets shall commence after the final wear course has been installed and accepted by the City Council. The Developer shall post maintenance bonds in the amount of twenty-five percent (25%) of final certified construction costs to secure the warranties. The City shall retain ten percent (10%) of the

security posted by the Developer until the maintenance bonds are furnished to the City or until the warranty period expires, whichever first occurs. The retainage may be used to pay for warranty work. The City's standard specifications for utility and street construction identify the procedures for final acceptance of streets and utilities.

29. ISSUANCE OF BUILDING AND OCCUPANCY PERMITS. The Developer agrees and understands that no Certificate of Occupancy for any structure to be constructed within the Development will be issued by the City until requirements of the Agreement are completed and after the following minimum improvements have been completed to the satisfaction of the City Engineer:

- (i) grading, sanitary and storm sewers, drainage controls, individual lot sewer and water services, fire hydrants;
- (ii) submission to the City of an as-built grading plan showing that emergency overflows, swales, lots, etc. have been graded in accordance with the approved construction plans;
- (iii) approval of lot grading plan and driveway entrance plan for the lot for which the building permit is being requested; and
- (iv) first lift of bituminous pavement, permanent or temporary, gas, electricity, telephone, lot monumentation, street lighting, street and traffic signs are installed.

Issuance of a building permit shall require compliance with all other building permit requirements and policies of the City, including completion of the building permit application process, payment of sewer and water hook-up and access charges, water meter, and any other charges.

If building permits are requested and issued prior to the completion and acceptance of all public improvements, the Developer assumes all liability and costs resulting from delays in completion of public improvements and damage to public improvements caused by the Developer, its contractors, subcontractors, material suppliers, employees, agents, residential contractors, or third parties. Notwithstanding the forgoing, and other than as herein provided, the Developer will cause no private construction to be made on the property nor will building permits be issued for such construction until all improvements required herein have been made and accepted by the City.

30. UPGRADE TO LIFT STATION, TOTAL SEWER CONNECTIONS. The Developer shall complete upgrades to the City lift station #3 (LS #3) "Sugarbush Lift Station" pursuant to the Sanitary Sewer Plans as shown on attached **Exhibit C**. Until these upgrades have been completed, a full inspection has been

completed by the City Engineer, and the improvements have been accepted by a resolution of the City Council, the City shall issue no more than fifteen (15) building permits for structures connecting to the City sanitary sewer across both THE COVE AT RIVER RIDGE FIRST ADDITION and THE COVE AT RIVER RIDGE SECOND ADDITION. In addition to the fifteen (15) building permits described above, the City can issue building permits for structures connecting to the City sanitary sewer on Lot 1, Block 1 and Lots 1-3, Block 2, in THE COVE AT RIVER RIDGE FIRST ADDITION.

31. RESPONSIBILITY FOR COSTS.

- A. Except as otherwise specified herein, the Developer shall pay all costs incurred by it or the City in conjunction with the development of the plat, including but not limited to Soil and Water Conservation District charges, legal, planning, engineering and construction observation inspection expenses incurred in connection with approval and acceptance of the plat, the preparation of this Contract, review of construction plans and documents, and all costs and expenses incurred by the City in monitoring and inspecting development of the plat.
- B. The Developer shall hold the City and its officers, employees, and agents harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from plat approval and the development of the plat and/or the subdivision. The Developer shall indemnify the City and its officers, employees, and agents for all costs, damages, or expenses which the City may pay or incur in consequence of such claims, including attorneys' fees.
- C. The Developer agrees to pay the total amount of costs, charges, expenses and attorneys' fees incurred or paid at any time by the City in relation to the development of this Project, including but not limited to enforcement of this Contract, a condemnation action, or any action or event of default by Developer, resulting in any suit or proceeding at law or in equity to which the City shall become a party in reference to the Developer's interest in the Property or the Project. The costs set forth in this paragraph may be paid from the Security required by Section 27.
- D. The Developer shall pay, or cause to be paid when due, and in any event before any penalty is attached, all special assessments referred to in this Contract. This is a personal obligation of the

Developer and shall continue in full force and effect even if the Developer sells one or more lots, the entire plat, or any part of it.

- E. The Developer shall pay in full all bills submitted to it by the City for obligations incurred under this Contract within thirty (30) days after receipt. If the bills are not paid on time, the City may halt plat development and construction until the bills are paid in full. Bills not paid within thirty (30) days shall accrue interest at the rate of eighteen percent (18%) per year. Additionally, the Developer shall pay in full all bills submitted to it by the City prior to any reductions in the security for the development.
- F. In addition to the charges and special assessments referred to herein, other charges and special assessments may be imposed such as but not limited to sewer availability charges ("SAC"), City water connection charges, City sewer connection charges, and building permit fees.

32. FAITHFUL PERFORMANCE. The Developer shall fully and faithfully comply with all terms of all contracts entered into by the Developer for the installation and construction of all of Improvements and hereby guarantees the workmanship and materials for a period of two years following the City's final acceptance of all of Improvements. Prior to the commencement of construction, the Developer will furnish and at all times maintain with the City adequate security as required by Section 26 of this Agreement to assure faithful performance of construction and installation of the Improvements.

33. DEVELOPER'S DEFAULT.

- A. Events of Default. The following shall be "**Events of Default**" under this Agreement:
 - i) Failure by the Developer to observe and substantially perform any covenant, condition, obligation or agreement on its part to be observed or performed under the terms of this Agreement.
 - ii) If the Developer shall admit in writing its inability to pay its debts generally as they become due, or shall file a petition in bankruptcy, or shall make an assignment for the benefit of its creditors, or shall consent to the appointment of a receiver of itself or of the whole or any substantial part of the Property.

- iii) If the Developer shall file a petition under the federal bankruptcy laws.
- iv) If the Developer shall fail to begin or complete construction of the Improvements in conformance with this Agreement, and such failures are not due to unavoidable delays as defined in this Agreement.
- v) If the Developer shall, after commencement of the construction of any of the Improvements, default in or violate its obligations with respect to the construction of the same (including the nature and the date for the completion thereof), or shall abandon or substantially suspend construction work, and such act or actions is not due to unavoidable delays hereof and any such default, violation, abandonment, or suspension shall not be cured, ended or remedied within the time provided for in this Agreement.
- vi) The Developer giving notice of intent not to renew the Security required under Section 27 of this Agreement.

B. Notice/Remedies of Default. With the exception of defaults occurring under Section 27 regarding the maintenance of renewal of the Developer's Security, whenever any Event of Default occurs, the City shall give written notice of the Event of Default to Developer by United States mail at Developer's last known address as provided to the City by Developer. If the Developer fails to cure the Event of Default within ten (10) days of the date the notice is mailed, in addition to any other remedy provided in this Agreement, and without waiver of any such right, City may avail itself of any or all of the following remedies for so long as the Developer is in default:

- i) Halt all plat development work and construction of Improvements until such time as the Event of Default is cured.
- ii) Refuse to issue building permits or occupancy permits as to any lot until such time as the Event of Default is cured.
- iii) Apply to a court of competent jurisdiction to enjoin continuation of the Event of Default.
- iv) If the Event of Default is the failure of Developer to complete, construct, install, or correct the Improvements in accordance with this Agreement, the City may perform the work and the

Developer shall reimburse the City for its expenses. This provision shall be a license granted by the Developer to the City to act and does not require the City to obtain any court order, but shall not require the City to take any such action. Developer consents to such action by City and waives any claim Developer may have against City for damages in the event City exercises its rights in accordance with this provision. This remedy is in addition to and not in lieu of the City's right to draw on all security referenced in this Agreement or any other remedy available. The City may also, at its option, specially assess the costs against the Property.

- v) Terminate this Agreement by written notice to Developer at which time all terms and conditions as contained herein shall be of no further force and effect and all obligations of the parties as imposed hereunder shall be null and void.
- vi) Draw upon and utilize Developer funds and/or security in order to cover the costs of the City in order to correct the Event of Default.

34. MISCELLANEOUS.

A. The Developer, as an inducement to the City to enter into this Agreement, hereby represents, warrants, and covenants to the City as follows:

- i) The Developer is a duly organized corporation under the laws of the State of Minnesota in good standing and authorized to do business in the State of Minnesota and is under no restriction to enter into this Agreement.
- ii) The Developer is the owner in fee simple of the property and has marketable title to the real estate described in the plat of The Cove at River Ridge Second Addition.
- iii) The execution, delivery and performance of this Agreement does not and will not result in any breach of, or constitute a default under, any indenture, mortgage, contract, agreement or instrument to which the Developer is a party or by which it, or its property, is bound.
- iv) There are no pending or, to the knowledge of the Developer, threatened actions or proceedings before any court or administrative agency which will adversely affect the financial condition,

business or operation of the Developer or the ability of the Developer to perform its obligations under this Agreement.

- v) The Developer will comply with and promptly perform all of the Developer's obligations under this Agreement and all related documents and instruments.
- B. The Developer represents to the City that the plat complies with all city, county, metropolitan, state, and federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances, and environmental regulations. If the City determines that the plat does not comply, the City may, at its option, refuse to allow construction or development work in the plat until the Developer does comply. Upon the City's demand, the Developer shall cease work until there is compliance.
- C. Third parties shall have no recourse against the City under this Contract.
- D. Breach of the terms of this Contract by the Developer shall be grounds for denial of building permits, including lots sold to third parties.
- E. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Contract is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Contract.
- F. Grading, curbing, and one lift of asphalt shall be installed on all public and private streets prior to issuance of any building permits, subject to approval by the City's Building Official and Fire Chief. The Developer and the builder agree to be solely responsible for setting elevations and placement on these houses and hereby releases and holds the City harmless from any damage associated therewith, including access problems, fire protection, drainage, and erosion. The Developer and/or its assigns also agree that this construction will be done in a manner that will not interfere with the construction of the public improvements, if any. Developer shall be completely responsible for all repair work and clean up required as a result of the construction of model homes. The City agrees to issue building permits for construction of a model upon home by a developer and/or its assigns; however, the Developer warrants that no occupancy will be made of a model home until a Certificate of

Occupancy for such house is issued by the City. However, such model homes shall comply with all other requirements of this Agreement within twelve months of the issuance of the building permit. Model home lots shall be sodded and landscaped pursuant to the terms of this Agreement.

- G. If building permits are issued prior to the acceptance of public improvements, the Developer assumes all liability and costs resulting in delays in completion of public improvements and damage to public improvements caused by the City, Developer, its contractors, subcontractors, material men, employees, agents, or third parties. No sewer and water connections or inspections may be conducted and no one may occupy a building for which a building permit is issued on either a temporary or permanent basis until the streets needed for access have been paved with a bituminous surface and the utilities are accepted by the City Engineer.
- H. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Contract. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by written resolution of the City Council. The City's failure to promptly take legal action to enforce this Contract shall not be a waiver or release.
- I. This Contract shall run with the land and may be recorded against the title to the property. In the event this Contract is recorded, upon request by Developer, the City covenants to provide a recordable Certificate of Completion within a reasonable period of time following the request, upon the completion of the work and responsibilities required herein, payment of all costs and fees required and compliance with all terms of the Contract. A release of this Contract may be provided in the same manner and subject to the same conditions as a Certificate of Completion provided there are no outstanding or ongoing obligations of Developer under the terms of this Contract. The Developer covenants with the City, its successors and assigns, that the Developer is well seized in fee title of the property being final platted and/or has obtained consents to this Contract, in the form attached hereto, from all parties who have an interest in the property; that there are no unrecorded interests in the property being final platted; and that the Developer will indemnify and hold the City harmless for any breach of the foregoing covenants.

J. Insurance. Prior to execution of the final plat, Developer and its general contractor shall furnish to the City a certificate of insurance showing proof of the required insurance required under this Paragraph. Developer and its general contractor shall take out and maintain or cause to be taken out and maintained until six (6) months after the City has accepted the public improvements, such insurance as shall protect Developer and its general contractor and the City for work covered by the Contract including workers' compensation claims and property damage, bodily and personal injury which may arise from operations under this Contract, whether such operations are by Developer and its general contractor or anyone directly or indirectly employed by either of them. The minimum amounts of insurance shall be as follows:

Commercial General Liability (or in combination with an umbrella policy)
\$2,000,000 Each Occurrence
\$2,000,000 Products/Completed Operations Aggregate
\$2,000,000 Annual Aggregate

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage
Personal and Advertising Injury
Blanket Contractual Liability
Products and Completed Operations Liability

Automobile Liability
\$2,000,000 Combined Single Limit – Bodily Injury & Property Damage
Including Owned, Hired & Non-Owned Automobiles

Workers Compensation
Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Employer's Liability with minimum limits are as follows:

- \$500,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$500,000 – Bodily Injury by Accident

The Developer's and general contractor's insurance must be "Primary and Non-Contributory".

All insurance policies (or riders) required by this Contract shall be (i) taken out by and maintained with responsible insurance companies organized under the laws of one of the states of the United States and qualified to do business in the State of Minnesota, (ii) shall name the City, its employees and agents as additional insureds (CGL and umbrella only) by endorsement which shall

be filed with the City and (iii) shall identify the name of the plat. A copy of the endorsement must be submitted with the certificate of insurance.

Developer's and general contractor's policies and Certificate of Insurance shall contain a provision that coverage afforded under the policies shall not be cancelled without at least thirty (30) days' advanced written notice to the City, or ten (10) days' notice for non-payment of premium.

An Umbrella or Excess Liability insurance policy may be used to supplement Developer's or general contractor's policy limits on a follow-form basis to satisfy the full policy limits required by this Contract.

- K. Indemnification. To the fullest extent permitted by law, Developer agrees to defend, indemnify and hold harmless the City, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of Developer's negligence or its performance or failure to perform its obligations under this Contract. Developer's indemnification obligation shall apply to Developer's general contractor, subcontractor(s), or anyone directly or indirectly employed or hired by Developer, or anyone for whose acts Developer may be liable. Developer agrees this indemnity obligation shall survive the completion or termination of this Contract.
- L. Each right, power or remedy herein conferred upon the City is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to City, at law or in equity, or under any other agreement, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power or remedy.
- M. The Developer may not assign this Contract without the written permission of the City Council. The Developer's obligation hereunder shall continue in full force and effect even if the Developer sells

one or more lots, the entire plat, or any part of it, until the City's issuance of a Certificate of Completion and Release.

- N. Retaining walls that require a building permit shall be constructed in accordance with plans and specifications prepared by a structural or geotechnical engineer licensed by the State of Minnesota. Following construction, a certification signed by the design engineer shall be filed with the Building Official evidencing that the retaining wall was constructed in accordance with the approved plans and specifications. All retaining walls identified on the development plans and by special conditions referred to in this Contract shall be constructed before any other building permit is issued for a lot on which a retaining wall is required to be built.
- O. Until all improvements of the Developer have been fully completed, the Developer shall not voluntarily sell, assign or transfer Developer's interest in the project or any part thereof without the written consent of the City, which shall not be unreasonably withheld, with the exception of items (i), (ii), and (iii) below:
- (i) a transfer by the Developer to any corporation, partnership, or limited liability company controlling, controlled by, or under common control with the Developer;
 - (ii) grant or conveyance of a mortgage interest in the Property for the purpose of obtaining financing necessary to enable the Buyer to perform its obligations with respect to the construction of the Project; or
 - (iii) conveyance of any easements necessary for the Project.

Nothing herein shall prevent or apply to the sale, in the ordinary course of business, of lots to individual owners or contractors of individual residences, but such sale shall in no way affect or diminish the obligations of the Developer under this Agreement.

- P. Should the Developer convey any lot or lots in the Development to a third party, the City and the owner of that lot or those lots may amend this Development Contract or other city approvals or agreements for development or use of those lots without the approval or consent of the Developer or other lot owners in the Development. Private agreements between the owners of lots within the

Development for shared service or access and related matters necessary for the efficient use of the Development shall be the responsibility of the lot owners and shall not bind or restrict City authority to approve applications from any lot owner in the Development.

35. NOTICES. Required notices to the Developer shall be in writing, and shall be either hand delivered to the Developer, its employees or agents, or mailed to the Developer by certified mail at the following address: 4655 Nicols Road, Suite 106, Eagan, MN 55122. Notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or mailed to the City by certified mail in care of the City Administrator at the following address: Watertown City Hall, 309 Lewis Avenue S, Watertown, Minnesota 55388.

*[The remainder of this page has been intentionally left blank.
Signature pages follow.]*

CITY OF WATERTOWN

BY: _____
Michael Walters, Mayor

(SEAL)

AND _____
Michael Sommerfeld, City Clerk

STATE OF MINNESOTA)
)ss.
COUNTY OF CARVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Michael Walters and by Michael Sommerfeld, the Mayor and City Clerk of the City of Watertown, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

NOTARY PUBLIC

**FEE OWNER CONSENT
TO
DEVELOPMENT CONTRACT**

_____, _____, fee owners of all or part of the subject property, the development of which is governed by the foregoing Development Contract, affirm and consent to the provisions thereof and agree to be bound by the provisions as the same may apply to that portion of the subject property owned by them.

Dated this ____ day of _____, 2026.

By: _____

By: _____

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by _____, the _____ of _____, a _____, on behalf of said entity.

NOTARY PUBLIC

DRAFTED BY:
CAMPBELL KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, MN 55121
651-452-5000
JSB/mkl

**MORTGAGE CONSENT
TO
DEVELOPMENT CONTRACT**

_____, which holds a mortgage on the subject property, the development of which is governed by the foregoing Development Contract, agrees that the Development Contract shall remain in full force and effect even if it forecloses on its mortgage.

Dated this ____ day of _____, 2026.

By: _____

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by _____, the _____, of _____, a _____, on behalf of said entity.

NOTARY PUBLIC

DRAFTED BY:
CAMPBELL KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, MN 55121
651-452-5000
JSB

**CONTRACT PURCHASER CONSENT
TO
DEVELOPMENT CONTRACT**

_____, which/who has a contract purchaser's interest in all or part of the subject property, the development of which is governed by the foregoing Development Contract, hereby affirms and consents to the provisions thereof and agrees to be bound by the provisions as the same may apply to that portion of the subject property in which there is a contract purchaser's interest.

Dated this ____ day of _____, 2026.

By: _____

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2026, by _____, the _____ of _____, a _____, on behalf of said entity.

NOTARY PUBLIC

DRAFTED BY:
CAMPBELL KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, MN 55121
651-452-5000
JSB

EXHIBIT "A"
TO
DEVELOPMENT CONTRACT

Legal Description of Property Being Final Platted as

THE COVE AT RIVER RIDGE 2ND ADDITION

EXHIBIT "B"
TO
DEVELOPMENT CONTRACT

Engineer's Opinion of Probable Construction Costs for Determining Letter of Credit

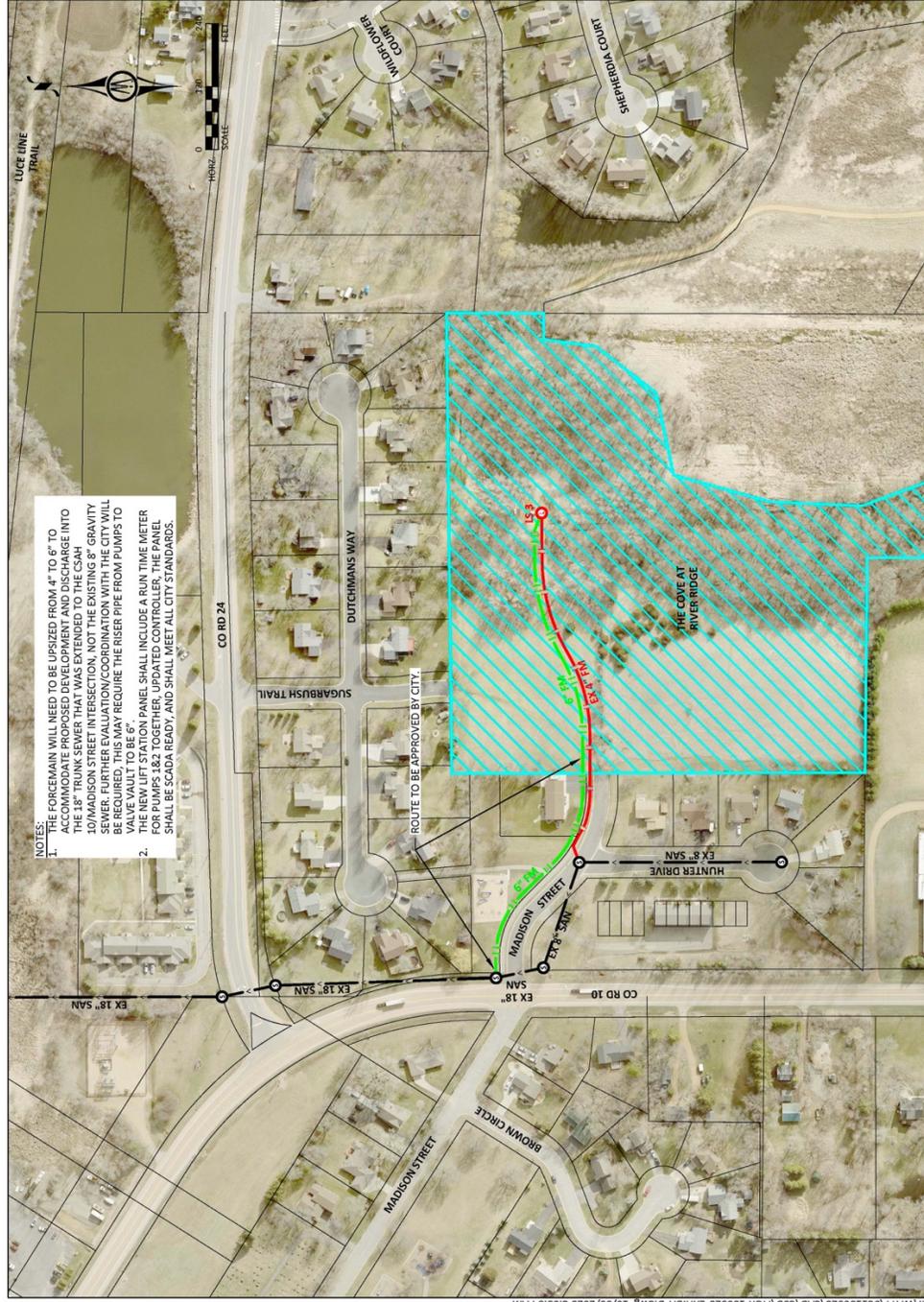
GRADING AND SITE WORK:	\$46,000
STREET WORK:	\$369,005.32
SANITARY SEWER:	\$67,294.00
WATER MAIN:	\$109,150.00
STORM SEWER:	\$66,368.00
LANDSCAPING:	\$92,500.00
SUBTOTAL:	\$914,765.00
TOTAL:	<u>\$1,143,457.00</u> (125%)

EXHIBIT "C" TO DEVELOPMENT CONTRACT

Sanitary Sewer Plans for upgrades to the City lift station #3 (LS #3) "Sugarbush Lift Station"

Exhibit C: Forcemain
BOLTON & MENK
 November 2025

The Cove at River Ridge
 City of Watertown



H:\WATT\0130523\CAD\C3D\HGR-130523-EXHIBIT D.dwg 10/30/2025 8:05:34 AM

[BANK LETTERHEAD]

IRREVOCABLE LETTER OF CREDIT

No. _____

Date: _____

TO: City of Watertown
309 Lewis Avenue South
Watertown, Minnesota 55388

Dear Sir or Madam:

We hereby issue, for the account of Alliant Ventures X, LLC and in your favor, our Irrevocable Letter of Credit in the amount of \$_____, available to you by your draft drawn on sight on the undersigned bank.

The draft must:

a) Bear the clause, "Drawn under Letter of Credit No. _____, dated _____, 2____, of (Name of Bank)";

b) Be signed by the City Administrator of the City of Watertown.

c) Be presented for payment at (Address of Bank), on or before 4:00 p.m. on November 30, 2_____.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Watertown City Administrator that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: Watertown City Administrator, Watertown City Hall, 309 Lewis Avenue South, Watertown, MN 55388, and is actually received by the Finance Director at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein.

This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

[NAME OF BANK]

BY: _____

Its _____