

WASTEWATER TREATMENT AGREEMENT

View Point Estates

THIS WASTEWATER TREATMENT AGREEMENT ("Agreement"), made this ____ day of _____, 2018, by and between Lake Havasu City, an Arizona municipal corporation ("City"), and North Point LHC, LLC, a limited liability company ("Developer").

RECITALS:

A. Developer is developing a residential subdivision in a project known as the View Point Estates (the "Development"), as more particularly described in the attached **Exhibit A**.

B. Developer requests the City to provide wastewater collection and treatment services to the Development. The Development is located outside the City's corporate limits.

C. To meet the wastewater collection and treatment service needs of the Development, certain on-site and off-site wastewater facilities need to be constructed/improved by the Developer (the "Developer-Constructed Facilities"), as more particularly described in the attached **Exhibit B** (collectively, all wastewater facilities, existing and new, necessary to serve the Development are referred to as the "Wastewater Facilities").

D. City agrees to provide wastewater collection and treatment services to the Development on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, including the rights and obligations set forth herein, Developer and City agree as follows:

AGREEMENT:

1. Power, Authority and Capacity to Serve. City has the requisite power and authority to construct, improve, extend, acquire, own, maintain, and operate the Wastewater Facilities to provide wastewater collection and treatment services to the Development. Upon completion of the Wastewater Facilities, City will have sufficient wastewater collection and treatment and other facilities to handle the wastewater flows from and provide wastewater collection and treatment service to the Development.

2. Developer-Constructed Facilities. Developer will design, construct, and install or cause to be designed, constructed and installed, the Developer-Constructed Facilities to provide wastewater collection and treatment service to the Development. Subject to the terms of Section 17 hereof, Developer agrees to pay all of the costs of constructing and installing the Developer-Constructed Facilities and connecting the Developer-Constructed Facilities to the City's Lift Station, including, but not limited to, the costs of engineering, materials, labor, transportation, equipment, necessary permits and approvals, testing and insurance.

3. Service Requirements. The Wastewater Facilities for the Development will be designed, constructed and installed to provide sufficient capacity to accommodate the flows and wastewater treatment service requirements of the Development.

4. Time for Completion. Developer and City will use their best efforts to complete the Wastewater Facilities as expeditiously as possible to allow City to provide wastewater collection and treatment service to the Development.

5. Permits and Approvals. City and Developer will each obtain, and will cooperate with the other in obtaining, as soon as practicable, all requisite easements, rights-of-way, permits, consents, and other approvals required for the design, construction, installation and ownership of the Wastewater Facilities. Developer is responsible for Arizona Department of Environmental Quality (ADEQ) approval. All plans, specifications, construction methods and installation techniques for the Wastewater Facilities will be in accordance with good utility practices; the rules, regulations and requirements of ADEQ, Mohave County and City; and the requirements of all other governmental agencies with jurisdiction over the Wastewater Facilities. Additionally, all plans and specifications for the Developer-Constructed Facilities will be subject to the prior approval of City before construction is commenced, which approval will not be unreasonably withheld, delayed, or conditioned. City shall review the initial plans and specifications for the Developer-Constructed Facilities and provide any comments with respect thereto within a reasonable time of receipt thereof by City.

6. Inspection and Testing. Developer will comply with City's reasonable inspection and testing requirements for the Wastewater Facilities. Developer will give City prior written notice of the completion of the Developer-Constructed Facilities. City shall complete its final inspection of the Developer-Constructed Facilities within a reasonable time after City's receipt of written notice of completion from Developer. After City's final inspection, Developer's engineer shall provide Developer a written report of the result of such inspection and testing and Developer will correct all defects and deficiencies in construction, materials and workmanship relating to the Developer-Constructed Facilities within thirty calendar (30) days thereafter. Developer shall submit to City the ADEQ Approval of Construction Certificate and As-Built drawings (CADD and PDF) sealed by a professional engineer, prior to acceptance for ownership and maintenance. Inspection by the City or acceptance by City of the Developer-Constructed Facilities shall not relieve or limit Developer's responsibility and liability for design, construction, and installation of the Developer-Constructed Facilities in accordance with the terms of this Agreement. Once all conditions of this section are met, the City may provide written acceptance of ownership and maintenance.

7. Ownership and Maintenance. Upon acceptance of the Wastewater Facilities, the City shall own and maintain the Wastewater Facilities existing within easements and rights-of-way. Individual property owners will be responsible for wastewater laterals from the home or structure to the mainline. The City has no ownership or maintenance responsibilities for any of the easements or rights-of-way in which the Wastewater Facilities exist.

8. Wastewater Treatment Capacity Fee. The City will charge a Treatment Capacity Fee for each lot within the Development. Each property owner will be required to pay the

Treatment Capacity Fee as established by the City Council, and amended from time to time, at the time the property owner submits an application for a building permit to Mohave County and prior to connection to the Wastewater Facilities. Developer agrees to advise property owners of this requirement.

9. Wastewater Treatment Fees. Wastewater Treatment Fees. As soon as reasonably practicable after completion of the Wastewater Facilities, City will provide wastewater treatment service to the Development in accordance with: (i) the Treatment Capacity Fees (ii) the wastewater rates and charges, and (iii) the City's normal and customary wastewater treatment service practices for similar developments outside the City's corporate limits. All properties shall pay the Treatment Capacity Fee and the monthly wastewater user fee as determined and adopted by the City, which may be amended from time to time, plus the applicable monthly apportioned sewer charge based on actual flow measured at the sewer flow meter located at the pump station serving the Development. Apportioned sewer billing will be calculated on each property's proportionate share of total water consumption for the Development. Rates and charges are subject to change from time to time by the City. The City reserves the right to calculate individual property water consumption proportion on an annual versus monthly basis.

Currently, the City receives water consumption and customer information from the Development's water service provider by agreement in order to facilitate wastewater service that is outside of the City limits. All lots within the Development that receive water service are automatically included in the City's wastewater service and will receive monthly billing statements based on water consumption information provided by the water service provider. In accordance with the City's agreement with the Development's water service provider, water service may be terminated for failure to pay wastewater treatment fees.

10. Alternative Billing. In the event the water provider for the Development refuses or is unable to provide water consumption information to the City for the purpose of wastewater billing, all properties within the Development shall pay a monthly wastewater user fee as determined by the City, plus the applicable monthly flow charge based on actual flow measured at the sewer flow meter located at the pump station serving the Development, divided by the number of properties connected to the Wastewater Facilities, or as otherwise agreed upon.

11. Notices. Communications will be sent to Developer, addressed as follows:

Los Lagos
5635 Highway 95, Fort Mohave AZ 86427
Attn: Angelo Rinaldi

with a copy to:

2504 Airfield Court, Kingman AZ 86401
Attn: Ray Stadler

or to such other addresses or addressees as Developer may advise City in writing, and to City at:

Lake Havasu City, Attn: City Manager
2330 McCulloch Boulevard North
Lake Havasu City, Arizona 86403

with a copy to:

Lake Havasu City, Attn: City Attorney
2330 McCulloch Boulevard North
Lake Havasu City, Arizona 86403

or to such other addresses or addressees as City may advise Developer in writing.

12. Agency. City is not an agent for Developer and will not incur any costs or expenses on behalf of Developer. Developer is not an agent for City and will not incur any costs or expenses on behalf of City.

13. Governing Law and Venue. This Agreement shall be governed by Arizona law. Venue of any actions filed in state court shall be in the Mohave County Superior Court and venue of any Federal actions which may be filed by the parties relating to or arising out of the terms of this agreement shall be in the U.S. District Court of Arizona located in Phoenix, Arizona.

14. Entire Agreement. This Agreement represents the entire understanding between the parties with respect to its subject matter. There are no oral or collateral agreements concerning the subject matter between the parties. All changes or amendments to this Agreement must be in writing and signed by the parties.

15. Successors and Assigns. This Agreement is binding upon and inures to the benefit of the parties and their respective legal representative, successors and assigns, but no assignment or transfer of this Agreement or any part of it is valid until approved in writing by the City.

16. Additional Actions and Instruments. Each party agrees to take such action and to execute and deliver such instruments as may be reasonably necessary to carry out the intent of this Agreement.

17. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts beyond their control. Such acts shall include, but not be limited to, discovery of unsurpassable underground obstacles such as debris, acts of God, riots, acts of

war, epidemics, governmental regulations imposed after the fact, fire, communication line failures, or power failures.

18. No Third Party Beneficiaries. No term or provision of this Agreement shall benefit any third person or any other firm, organization, or corporation not a party hereto, and no such person, firm, organization, or corporation shall have any right or cause of action hereunder.

19. Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise arising out of this Agreement, or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees, costs, and expenses. "Prevailing Party" includes, without limitation, a party that dismisses an action in exchange for sums allegedly due, or the party determined to be the prevailing party by a court of law, or by arbitration, if the amount in controversy is under the jurisdictional threshold subjecting the matter to arbitration.

20. Counterparts. This Agreement may be executed in one or more counterparts, and each originally executed duplicate counterpart of this Agreement shall be deemed to possess the full force and effect of the original.

21. Captions. The captions used in this Agreement are solely for the convenience of the parties, do not constitute a part of this Agreement and are not to be used to construe or interpret this Agreement.

22. Cancellation of Political Subdivision Contracts. Notwithstanding anything to the contrary herein, this Agreement may be canceled in accordance with A.R.S. Title 38, Chapter 3, Article 8, Section 38-511.

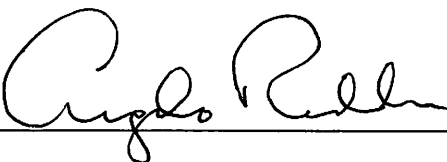
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

LAKE HAVASU CITY, an Arizona
company municipal corporation

North Point LHC, LLC, a limited liability

By: _____

Name: Jess Knudson, City Manager

By:  _____

Name: Angelo Rinaldi
Its: Managing Member

Approved as to Form

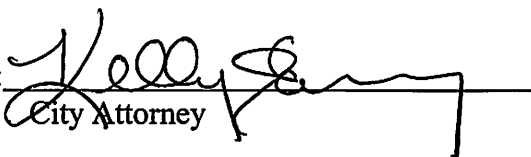
By: 
City Attorney

EXHIBIT A

LEGAL DESCRIPTION

{Attached}

[General Description, Legal Description, and Map]

VIEWPOINT ESTATES TRACT 3711

LEGAL DESCRIPTION:

Viewpoint Estates Tract 3711 as recorded at Reception No. 2017053966 in the Office of the County Recorder, Mohave County, Arizona.

VIEWPOINT ESTATES TRACT 3711

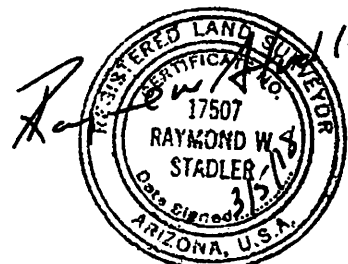
LEGAL DESCRIPTION:

THAT PORTION OF THE NORTH HALF OF SECTION 17, TOWNSHIP 14 NORTH, RANGE 20 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MOHAVE COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SECTION 17;
THENCE NORTH 89°58'57" EAST ALONG THE NORTH SECTION LINE 2,631.434 FEET TO A POINT;
THENCE NORTH 89°54'36" EAST ALONG THE NORTH SECTION LINE A DISTANCE OF 145 FEET TO A POINT;
THENCE SOUTH 32°35'59.46" WEST A DISTANCE OF 268.534 FEET TO A POINT;
THENCE SOUTH 17°22'02.77" WEST A DISTANCE OF 453.547 FEET TO A POINT;
THENCE SOUTH 40°15'44.25" WEST A DISTANCE OF 806.969 FEET TO A POINT;
THENCE SOUTH 57°51'17.13" WEST A DISTANCE OF 777.345 FEET TO A POINT;
THENCE SOUTH 46°25'42.10" WEST A DISTANCE OF 908.791 FEET TO A POINT;
THENCE NORTH 0°0'26" WEST A DISTANCE OF 337.769 FEET TO A POINT;
THENCE SOUTH 89°59'19.28" WEST A DISTANCE OF 658.716 FEET TO A POINT;
THENCE NORTH 0°0'04" EAST A DISTANCE OF 1,976.175 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH QUARTER CORNER OF SAID SECTION 17, BEING A BRASS CAPPED MONUMENT;
THENCE NORTH 89°54'36" EAST ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 17 TOWARD THE NORTH EAST CORNER OF SAID SECTION, BEING A MOHAVE COUNTY BRASS CAPPED MONUMENT, A DISTANCE OF 145.02 FEET TO THE NORTHWESTERLY BOUNDARY OF HAVASU GARDEN ESTATES TRACT 1122 ACCORDING TO THE PLAT RECORDED MAY 1, 1972 AS FEE NO. 72-8711, RECORDS OF MOHAVE COUNTY, ARIZONA;
THENCE ALONG THE WESTERLY BOUNDARY OF SAID HAVASU GARDEN ESTATES EAST THROUGH THE FOLLOWING COURSES AND DISTANCES:
SOUTH 32°35'59" WEST, 268.54 FEET;
THENCE SOUTH 17°22'03" WEST, 453.55 FEET;
THENCE SOUTH 40°15'44" WEST, 806.96 FEET;
THENCE SOUTH 57°51'17" WEST, 777.35 FEET;
THENCE SOUTH 46°25'42" WEST, 908.79 FEET;
THENCE DEPARTING SAID NORTHWESTERLY LINE NORTH 00°00'26" WEST ALONG THE WESTERLY EXTENSION OF THE WEST LINE OF SAID HAVASU GARDEN ESTATES EAST 34.50 FEET;
THENCE PARALLEL WITH AND 75.00 FEET NORTHWESTERLY OF SAID NORTHWESTERLY LINE OF HAVASU GARDEN ESTATES EAST THROUGH THE FOLLOWING COURSES AND DISTANCES:
NORTH 46°25'42" EAST 887.51 FEET;
THENCE NORTH 57°51'17" EAST 775.98 FEET;
THENCE NORTH 40°15'44" EAST 794.28 FEET;
THENCE DEPARTING SAID PARALLEL COURSE NORTH 15°13'31" EAST 187.93 FEET;
THENCE NORTH 17°22'03" EAST 276.05 FEET;
THENCE NORTH 32°35'59" EAST 159.94 FEET;
THENCE SOUTH 89°54'36" WEST PARALLEL WITH AND 70.00 FEET SOUTH OF SAID NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 17 A DISTANCE OF 58.03 FEET;
THENCE SOUTH 89°58'02" WEST PARALLEL WITH AND 70.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 17 A DISTANCE OF 59.53 FEET;
THENCE AT A RIGHT ANGLE, SOUTH 00°01'58" EAST 121.63 FEET;
THENCE SOUTH 44°43'50" WEST 159.79 FEET;
THENCE SOUTH 89°58'02" WEST 96.65 FEET;
THENCE NORTH 00°01'58" WEST 305.51 FEET TO A POINT ON THE SAID NORTH LINE OF THE NORTHWEST QUARTER;
THENCE NORTH 89°58'02" EAST ALONG SAID NORTH LINE 267.23 FEET TO THE POINT OF BEGINNING



EXPIRES 4/30/19

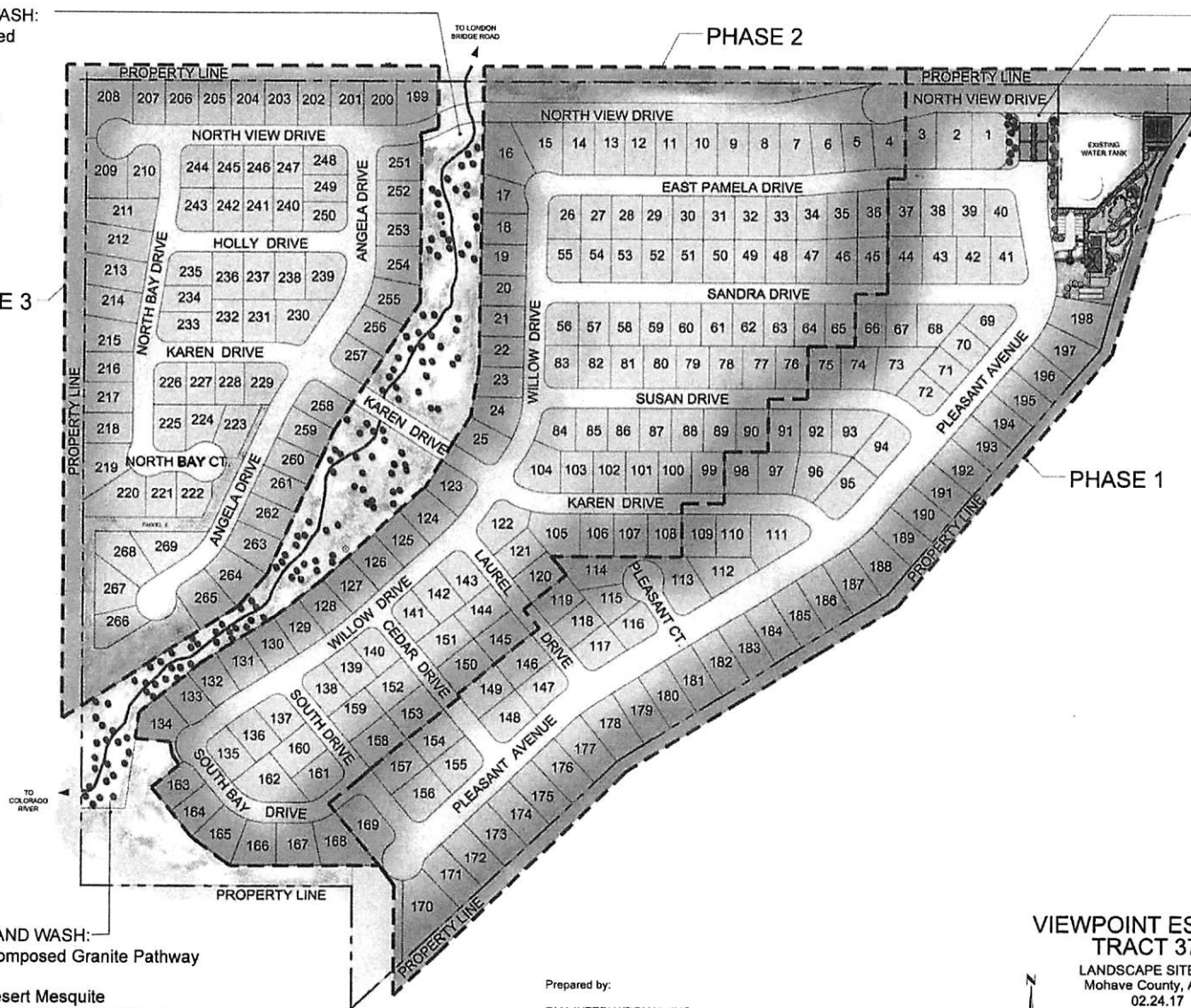
OPEN SPACE AND WASH:

- 5' Wide Decomposed Granite Pathway

LANDSCAPE:

- TREES:
 - Desert Mesquite
- SHRUBS:
 - Desert Sage
 - Salt Bush
 - Desert Milkweed
 - Texas Ranger

PHASE 3



PROJECT ENTRY/EXIT DRIVE:

- Monument Sign Wall
- Colored and Stamped Concrete Paving
- Flowering Landscape Plantings
- 8' Wide Center Median

RECREATION CENTER:

- Clubhouse Building
- Swimming Pool
- Spa with Shade Trellis
- Pickle Ball Courts (2)
- Bocce Ball Courts (2)
- Viewing Deck
- Barbeque Area
- Outdoor Dining Area with Trellis
- Pre-Function Area
- Car Parking Area (10 Stalls)
- ADA Car Parking (2 Stalls)

OPEN SPACE AND WASH:

- 5' Wide Decomposed Granite Pathway

LANDSCAPE:

- TREES: Desert Mesquite
- SHRUBS: Desert Sage, Salt Bush
- Desert Milkweed
- Texas Ranger

Prepared by:

RMA INTERNATIONAL, INC.
Landscape Architecture & Planning
315 3rd St, Suite N, Huntington Beach, CA 92648
Ph : (562) 618-9119
Email : rmalandscape@gmail.com

VIEWPOINT ESTATES TRACT 3711

LANDSCAPE SITE PLAN
Mohave County, Arizona
02.24.17



SCALE 1" = 80'

EXHIBIT B

WASTEWATER FACILITIES

Developer-Constructed Facilities:

Gravity Sewer system