

**SR-0005– ANTHEM WATER SYSTEM IMPROVEMENTS SPECIAL REFUNDING AREA  
AGREEMENT BETWEEN PULTE HOMES, INC. AND THE CITY OF HENDERSON  
FOR THE ANTHEM WATER SYSTEM IMPROVEMENTS, GENERALLY AT THE TERMINUS OF  
SOUTH EASTERN AVENUE, SOUTH OF GREEN VALLEY PARKWAY**

THIS AGREEMENT made and entered into this 20th day of August, 2012, by and between the CITY OF HENDERSON, a Nevada Municipal Corporation, hereinafter referred to as CITY, and PULTE HOMES, INC., 8345 W. SUNSET ROAD, LAS VEGAS, NEVADA, 89113, hereinafter referred to as OWNER (S).

WHEREAS, OWNER(S) in accordance with and pursuant to Henderson Municipal Code have constructed and/or installed A 54-INCH PIPELINE FROM THE PARKWAY ROFC TO R-19, AND A 42-INCH PIPELINE FROM P-19A TO ANTHEM PARKWAY, generally located at the terminus of South Eastern Avenue, south of Green Valley Parkway, in the City of Henderson, Nevada; and

WHEREAS, the CITY pursuant to said Henderson Municipal Code, has agreed to refund the cost of certain eligible portions of the construction of said facilities to the extent allowed and as provided in said Henderson Municipal Code; and

WHEREAS, OWNER(S) are willing to and does hereby dedicate said improvement(s) to the City of Henderson, Nevada; and

WHEREAS, OWNER(S) has complied with the provisions of Henderson Municipal Code and has sought at least three (3) bids for the project and the CITY has determined that the actual audited cost of \$3,240,734.26 represents a reasonable value of the costs of construction;

In consideration of the foregoing dedication, it is hereby agreed as follows:

**WITNESSETH:**

The CITY shall refund to OWNER(S) the eligible costs of construction as follows:

1. Over a twenty (20) year period up to a maximum equivalent development unit (EDU) of 28,241. Said EDU amount shall be paid only from participation and refunding fees collected by the CITY from other third party developments participating in the SR-0005 Anthem Water System Improvements Special Refunding Area except for those developments that the CITY has prepaid to the OWNER(S). Under no circumstances shall the CITY be required to refund any amount except out of fees collected from other

developers and participants in the Anthem Water System Improvements Special Refunding Area.

OWNER(S) acknowledges and agrees that if for any reason whatsoever the CITY is unable to collect said refunding fees from said developments, then upon the expiration of the twenty (20) year period, the refund set forth herein is extinguished.

OWNER(S) acknowledges the fees and expenses due and owing the CITY prior to the execution of this document; and that collection and reimbursement fees will be withheld pursuant to Henderson Municipal Code as amended. Currently:

A. Initiation, Engineering, and Auditing Expenses and Fees

- (1) An initiation fee of \$950.00 for the administrative, legal, utility services and financial departments to review and set up the agreement and administer it.
- (2) An engineering review and auditing fee, *excluding services covered by plan checking and inspection fees*, of \$22,777.50. These amounts will be collected prior to the execution of this agreement. Any additional fees required to cover the actual cost of the agreement or audit will be deducted from any future refunds.

B. Additional Matters

- (1) All the above fixed monetary amounts shall be indexed to the calendar year gross national product implicit price deflator and shall be adjusted each July 1st to maintain fee equity through the years.
- (2) All fees and expenses shall be added to the basic refunding amount to permit the OWNER(S) to have an opportunity to be reimbursed for all costs and fees.

2. The amount refundable shall be paid quarterly from fees collected by the CITY from properties participating in the Anthem Water System Improvements Special Refunding Area, subject of this Agreement and the exception set forth in paragraph 1 above, until the total amount refundable has been paid or for a period of twenty (20) years, whichever occurs first. The twenty (20) year period during which refunds are due shall commence on the date that the infrastructure covered by the Agreement is completed and accepted by the CITY, which is agreed to be December 31, 1999.

3. In the event any expense is incurred by the CITY due to defective materials or workmanship on any improvement installed by the OWNER(S) within a period of one (1) year after completion of such improvement, the amount of such expense shall be deducted from any refunds which may become due thereafter.
4. Benefit areas and improvement locations are described and delineated on the attached Exhibit 1.
5. Table 1 identifies the various costs incurred by the OWNER(S). Table 2 identifies the available EDUs. Table 3 identifies the cost per EDU. Only said costs not a part of any Local Improvement District, or any other refunding agreement presently in place with the CITY, are eligible for refunding. The OWNER(S) acknowledges that these tables represent the audited costs associated with this project.
  - A. Included with this agreement is Evaluation Audit and Summary of Costs Eligible for Refunding by City of Henderson, Title 14, Section 16 (Ordinance 1440), Anthem Water System Improvements Special Refunding Area SR-0005, Final Audit Report dated January 27, 2009, prepared by Gomez Consulting Group.

END OF TEXT

IN WITNESS WHEREOF, the CITY and OWNER(S) have executed or caused to be executed by their duly authorized representatives, this Agreement, in duplicate, the day and year first above written:

OWNER (S):

*G. Edwards*  
G. Quincy Edwards, P.E.  
PULTE HOMES, INC.

On this 30 day AUGUST of, 2012, before me personally appeared Quincy Edwards whose identity was proved to me on the basis of satisfactory evidence to be the person whose name is subscribed in this instrument, and acknowledged that he executed the same.

*Justin Carlson* (SEAL)  
Notary Public  
My Commission Expires on 9-22-2012



\*\*\*\*\*

CITY OF HENDERSON, NEVADA:

ATTEST:

*J. Snow*  
Jacob L. Snow  
City Manager

*Sabrina Mercadante*  
Sabrina Mercadante, CMC  
City Clerk

APPROVED AS TO AMOUNT:

APPROVED AS TO FORM:

*Dennis B. Porter*  
Dennis B. Porter, P.E.  
Director of Utility Services

*Josh M. Reid*  
Josh M. Reid  
City Attorney

# Exhibit 1

**Table 1**

**Facility Costs  
Anthem Water System Improvements**

<b>PROJECT</b>	<b>PROJECT COST</b>
54-Inch Pipeline (Actual)	\$2,034,600.77
42-Inch Pipeline (Actual)	\$1,206,133.49
<b>TOTALS</b>	<b>\$3,240,734.26</b>

**Table 2**

**Equivalent Development Units (EDUs)  
 Anthem Water System Improvements**

<b>PROJECT</b>	<b>CAPACITY (EDU's)</b>	<b>DEL WEBB DEMANDS (EDU's)</b>	<b>SEVEN HILLS DEMANDS (EDU's)</b>	<b>MADEIRA CANYONS DEMANDS (EDU's)</b>	<b>REMAINING EDUs ELIGIBLE FOR REFUNDING (EDU's)</b>
54-Inch Pipeline	37,211	15,813	650	1,790	18,958
42-Inch Pipeline	27,536	15,813	650	1,790	9,283
<b>TOTAL REMAINING EDU's ELIGIBLE FOR REFUNDING:</b>					<b>28,241 EDU's</b>

## Table 3

### Cost Per Equivalent Development Unit (EDU) Anthem Water System Improvements

<b>PROJECT</b>	<b>TOTAL PROJECT COST</b>	<b>TOTAL EDU's</b>	<b>COST PER EDU</b>
54-Inch Pipeline	\$2,034,600.77	37,211	\$54.67
42-Inch Pipeline	\$1,206,133.49	27,536	\$43.80
<b>FINAL COST PER EDU (ALL ZONES):</b>			<b>\$98.47</b>