

AGREEMENT

This Cost Sharing and Payback Agreement (the "Agreement") is made and entered into as of the 14th day of April, 2009, by and between Links at Norman, a limited partnership ("LINKS"); Alan Haws, an individual ("HAWS"); Republic Bank and Trust, an Oklahoma limited liability company ("REPUBLIC"); (collectively know as "PARTICIPANTS") and the Norman Utilities Authority, an Oklahoma public trust, (the "NUA").

WITNESSETH:

WHEREAS, the NUA adopted a Wastewater Master Plan in November 2001 herein after referred to as the "Plan" which identified an engineering solution to upgrade and provide sewage service in Norman, and;

WHEREAS, part of the identified solution in the Plan was to construct a new lift station located just north of Post Oak Road and east of U.S. Highway 77 (the Lift Station), and a new force main to convey the wastewater generated in Future Sewer Service Area 13 to the Discharge Point at the northeast corner of the intersection of Ann Braden Blvd. and State Highway 77 in southeast Norman; and

WHEREAS, LINKS is obligated to construct an appropriately sized lift station and approximately 7,335 linear feet (LF) of 8-inch diameter force main to the Discharge Point to provide a sewer solution for the LINKS property, and;

WHEREAS, a new off-site gravity sewer consisting of approximately 3160 LF of 12-inch diameter piping and appurtenances is required to convey wastewater from the LINKS property to the new Lift Station, and a new pressure force main consisting of approximately 9,940 LF of 12-inch diameter piping and appurtenances is required to convey wastewater from the Lift Station to the Discharge Point, and the sum of these improvements is herein after referred to as "the Project", and

WHEREAS, the Project is a common element that is necessary to provide sewage service to certain identified property in the Plan (Future Service Area 13 as shown on Exhibit B) and is consistent with the NORMAN 2025 LAND USE AND TRANSPORTATION PLAN, and;

WHEREAS, the PARTICIPANTS own certain property which would benefit from the construction of the Project providing a partial sewer solution for their property, and;

WHEREAS, other adjacent properties would also benefit from the construction of the Project providing a partial sewer solution for their property, and;

WHEREAS, the PARTICIPANTS will jointly fund the Project, with LINKS funding the shares attributed to other adjacent benefiting properties known as Parcels 4, 5, 6 and 7, and;

WHEREAS, LINKS' funding of the shares attributed to Parcels 4, 5, 6 and 7 is eligible for Payback under Chapter 19, Section 19-209 of the City of Norman Code, and;

WHEREAS, the other benefiting properties would be subject to Utility Line Extension Payback under Section 19-209 of the Norman Code once the project is completed, and;

WHEREAS, LINKS will enter into an agreement with the engineering firm of Crafton, Tull, Sparks, and Associates, Inc. herein after referred to as the "Engineer" to prepare the necessary engineering plans and specifications to construct the Project.

NOW, THEREFORE, in consideration of the mutual benefits, covenants and agreements contained herein, the parties agree as follows:

1. In the event that it becomes necessary to purchase sewer utility easements from other benefited properties to complete the Project, the cost of those easements (and associated administrative and legal fees) will be added to the Project cost and paid back in accordance with Section 19-209 of the City of Norman Code.
2. In the event that it becomes necessary to purchase sewer utility easements to complete the Project from other properties who are not benefited by the Project, the cost of those easements (and associated administrative and legal fees) will be added to the Project cost and shared by the PARTICIPANTS as set forth in item (6) below.
3. The City will assist LINKS Engineer in acquiring necessary utility easements, using its power of eminent domain, if required, to allow construction of the Project in a timely manner.
4. The PARTICIPANTS agree that design and construction administration costs due to Engineer, will be paid jointly by the PARTICIPANTS as set forth in item (6) below. A complimentary set of construction drawings of the sanitary sewer system should be submitted to the Participant's engineers for review and approval, within a reasonable amount of time, prior to the commencement of construction.
5. The NUA and the PARTICIPANTS agree that NUA staff will provide periodic construction inspection services for the Project and that all associated costs will be paid solely by the NUA.
6. Based upon the Engineer's estimate of costs to implement the Project attached hereto as Exhibit A, the PARTICIPANTS agree to contribute a percentage of the actual cost of the Project and provide initial funding as follows:

<u>Participant</u>	<u>Project %</u>	<u>Initial funding</u>
• Parcel 1 (LINKS)	49.344%	\$490,039
• Parcel 2 (HAWS)	25.947%	\$257,727
• Parcel 3 (REPUBLIC)	12.275%	\$121,926
• Parcels 4, 5, 6, and 7 (LINKS)	<u>12.444%</u>	<u>\$123,608</u>
	100.000%	\$993,300

7. For extraordinary expenses that are incurred during completion of the Project in land areas that are south of the LINKS properties, the PARTICIPANTS agree to provide their percentage pro-rata shares of 100% of the cost adjustment based on wastewater flows as shown below. Extraordinary expenses are those unanticipated costs incurred due to unexpected construction related conditions, but shall **not** include price increases in such items as pipe, materials, or labor costs.

• Parcel 1 (LINKS)	38.17%
• Parcel 2 (HAWS)	31.66%
• Parcel 3 (REPUBLIC)	14.98%
• Parcels 4, 5, 6, and 7 (LINKS)	<u>15.19%</u>
	100.00%

8. The PARTICIPANTS agree to encumber to LINKS their percentage pro-rata share the Engineer's estimate of costs to implement the Project attached hereto as Exhibit A within fifteen (15) calendar days after execution of this agreement.
9. The NUA and PARTICIPANTS agree that LINKS will be responsible to contract with a construction contractor to complete the Project. LINKS shall assure that the provisions of the Oklahoma Competitive Bidding Act, the regulations of the Oklahoma Department of Environmental Quality and ordinances of the City of Norman are complied with for the Project. LINKS will bill the PARTICIPANTS for their proportionate share of the payment each time the Engineer or Project Construction Contractor requests a partial payment under their contract. PARTICIPANTS agree to make payment to LINKS fifteen (15) calendar days after receipt of an acceptable payment request.
10. The NUA and the PARTICIPANTS agree that by contributing their pro-rata share of the cost of the Project, the PARTICIPANTS will be assured capacity for wastewater generated from the identified parcels up to the maximum amounts defined in Exhibit C and will be granted priority for such usage over all other benefited properties.
11. The properties benefited as a result of the Project are shown in the shaded areas of Exhibit B. The expected sewage demand and estimated payback amounts for each benefited property is shown on Exhibit C. While the Project is necessary to provide sewer service to the properties identified, it is not adequate in and of itself to fully serve the properties shown. In all cases, other improvements such as gravity sewer mains will be necessary to complete their sewer solution.
12. LINKS agrees to dedicate a sewer utility easement across its property terminating at its western boundary along 24th Avenue SE such that REPUBLIC may connect to LINKS existing sewer system at Republic's sole option and at its own expense. Any cost necessary to increase the capacity of certain sewer lines internal to the LINKS so sufficient capacity exists to serve REPUBLIC's property, shall be paid by REPUBLIC.
 - a) The Links internal sewer system shall be built using the minimum standards of the City of Norman so that the Links internal system can gravity flow into the Regional Sewer System.
 - b) REPUBLIC agrees to pay for any additional costs incurred by The Links with regard to its internal sewer system, including but not limited to increased pipe size or increase pipe depth, which are a result of modifying The Links internal sewer system so that REPUBLIC's property will gravity flow into the Regional Sewer System.
 - c) Any modification of The Links internal sewer system that is to be done at the option of REPUBLIC shall be done at the time The Links first installs its internal sewer system.
 - d) The Links shall provide appropriate connection opportunities (easements which avoid buildings and large amounts of paved surfaces) adjacent to the Section Line road.

- e) The Links shall provide concurrent construction opportunities for sewer connection points as described in Exhibit "D". Republic understands it will be responsible for the costs of extending sewer connection points to the west side of the Section Line road.
 - f) Participant, or their engineer, must review and approve the Links Construction Drawings to confirm compliance with the conditions and requirements of the Regional Sewer Solution as well as the system's design capability to provide for the sewer needs of the Participant's adjacent property.
13. Upon completion of the Project, declaration of a Payback Project, and acceptance by the City of Norman, the Utilities Engineer or his designated agent will prepare a tract map and list including legal descriptions of the benefiting properties and the estimated pro rata share attributable to each tract that remains unpaid. That map and list will be filed in the property records of Cleveland County to permanently identify those benefiting properties subject to payback along with their proportionate share of the Project cost. The proportionate share subject to payback will be based upon the peak wet weather wastewater flow (PWWF) expected from each parcel as tabulated on Exhibit C, and the associated payback for each benefiting property. When the property is developed, the actual payback amount will be based upon the expected PWWF from the development (PWWF = the average daily wastewater flow times a factor of 4). If a property owner proposes a land use that would result in lower wastewater flows, their unused capacity will go into a pool to be allocated to and managed by the NUA. If a property owner proposes a land use that would result in higher wastewater flows, that property owner will be required to either obtain additional capacity from the NUA or engineer a solution, acceptable to the NUA, to accommodate the additional wastewater flow expected from the proposed development. In no case shall a property owner's payback amount be less than the proportionate share of total costs shown in Exhibit C for property that is developed within fifteen (15) years of the date of issuance of the map and list required by Section 19-210 (f) or (g) of the Code of the City of Norman. If excess capacity is generated by a landowner's use of the property, that landowner shall be entitled to reimbursement of that portion of the payback amount paid at such a time as the excess capacity is used by another development. In the event more than one landowner has contributed excess capacity into the pool, all landowners shall be reimbursed in a proportionate manner.
14. The PARTICIPANTS pro rata share as determined under Chapter 19 Section 19-209 of the City of Norman Code shall be satisfied to the extent that the PARTICIPANTS funding will be provided for completion of the Project in accordance with Items (6) and (7) of this agreement.
15. The PARTICIPANTS, other benefiting properties, and the NUA agree that sewer service provided under this agreement is contingent upon NUA approval of a Lift Station Operation, Maintenance, and Replacement Agreement for each property served by the Lift Station.
16. The PARTICIPANTS and the NUA agree that LINKS, as a result of funding the shares of Parcels 4, 5, 6 and 7, may ask the NUA to distribute the additional capacity provided by the Project to any entity whose property can gravity flow to the Lift Station and is willing to payback the pro-rata share of the excess capacity. Said excess capacity is not reserved for only the benefiting properties shown on Exhibit B.

17. In the event that some alternate sewer solution is developed that provides sewer service to some of the properties identified in Exhibit C without using the lines or capacity provided by the Project, those properties that provide sewer service other than that provided by the Project will be exempt from any payback associated with the Project.
18. The following Exhibits are attached hereto and incorporated herein by reference as illustrations of the intent of the parties and the extent of the Project.
 - a) Exhibit A - "Cost Estimate for Post Oak Lift Station Project" dated February 18, 2009 and consisting of 1 text page.
 - b) Exhibit B - "Post Oak Lift Station Project Property Map" dated March 10, 2009 and consisting of one map.
 - c) Exhibit C - "List of Benefited Properties in Post Oak Lift Station Project" dated March 10, 2009 and consisting of one text page.
 - d) Exhibit D - concurrent construction opportunities for sewer connection points.
19. Applicable federal law and the laws of the state of Oklahoma shall govern this agreement.
20. Any communication required by this Agreement shall be made in writing to the addresses below:

LINKS: LINKS at Norman, a Limited Partnership
 01200 East Joyce Blvd
 Fayetteville, AR 72703
 (479) 521-6686

REPUBLIC: Republic Bank and Trust
 401 West Main
 Norman, OK 73069
 405-366-2777

HAWS Alan Haws
 4401 Northridge Road
 Norman, OK 73072
 405-329-2815

NUA: Mark Daniels, P.E.
 Utilities Engineer
 Norman Utilities Authority
 P.O. Box 370
 Norman OK 73070

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of NUA and the Participants.

IN WITNESS WHEREOF, the NUA, LINKS, REPUBLIC, and HAWS have executed this Agreement,

DATED this 14th day of April 2009.

NORMAN UTILITIES AUTHORITY

ATTEST:

By: Cindy Rosenthal
Cindy Rosenthal, Chairman

Brenda Hall
Brenda Hall, Secretary

APPROVED as to form and legality this 8 day of April 2009.
[Signature]
City Attorney

LINKS at Norman, a Limited Partnership
By: [Signature]
Name: SAMUEL E. LINDSEY
Title: MANAGER OF GENERAL PARTNER
Notary or Secretary Attest 1

REPUBLIC
By: [Signature]
Name: Chuck R. Thompson
Title: President
Notary or Secretary Attest

HAWS
By: [Signature]
Name: ALAN HOWE
Title: OWNER
Notary or Secretary Attest



Brenda J. Parks, Secretary

Exhibit A

Cost Estimate for Post Oak Lift Station Project

JOB: THE LINKS @ NORMAN - PHASE I
 DESC.: PUBLIC STREETS, DRAINAGE, WATER, & SEWER

DATE: 2/18/09

CTSA #: 088018-00

ITEM	DESCRIPTION	UNITS	EST. QTY.	UNIT PRICE	TOTAL
REGIONAL LIFT STATION (OPTION A)					
1.0	12" PVC GRAVITY SEWER LINE	LF	3,160	\$45	\$142,200
2.0	MANHOLES	EA	12	\$2,800	\$33,600
3.0	AIR RELEASE VALVE & VAULT	EA	1	\$3,000	\$3,000
4.0	TIE NEW LINE TO EXISTING MANHOLE	EA	1	\$2,000	\$2,000
5.0	PAVEMENT REMOVE & REPLACE	SY	500	\$50	\$25,000
6.0	SIDEWALK REPLACEMENT	SY	300	\$40	\$12,000
7.0	SODDING	SY	10,000	\$3	\$30,000
8.0	DUAL PUMPS AND CONTROLS	LS	1	\$188,000	\$188,000
9.0	BACKUP GENERATOR	LS	1	\$36,000	\$36,000
10.0	LIFT STATION, WET WELL, VALVES, MISC	LS	1	\$70,000	\$70,000
11.0	12" FORCE MAIN	LF	9,940	\$30	\$298,200
12.0	18" BORE	LF	350	\$180	\$63,000

CONSTRUCTION COSTS \$903,000.00
 DESIGN ENGINEERING 6% \$54,180.00
 CONSTRUCTION ENGINEERING 4% \$ 36,120.00

TOTAL COSTS \$ 993,300.00

ITEM	DESCRIPTION	UNITS	EST. QTY.	UNIT PRICE	TOTAL
LOCAL LIFT STATION (OPTION B)					
1.0	AIR RELEASE VALVE & VAULT	EA	1	\$3,000	\$3,000
2.0	TIE NEW LINE TO EXISTING MANHOLE	EA	1	\$2,000	\$2,000
3.0	PAVEMENT REMOVE & REPLACE	SY	470	\$50	\$23,500
4.0	SIDEWALK REPLACEMENT	SY	300	\$40	\$12,000
5.0	SODDING	SY	8,150	\$3	\$24,450
6.0	DUAL PUMPS AND CONTROLS	LS	1	\$90,000	\$90,000
7.0	BACKUP GENERATOR	LS	1	\$12,000	\$12,000
8.0	LIFT STATION, WET WELL, VALVES, MISC	LS	1	\$50,000	\$50,000
9.0	8" FORCE MAIN	LF	7,335	\$24	\$176,040
10.0	14" BORE	LF	350	\$150	\$52,500

CONSTRUCTION COSTS \$445,490.00
 DESIGN ENGINEERING 6% \$26,729.40
 CONSTRUCTION ENGINEERING 4% \$ 17,819.60

TOTAL COSTS \$ 490,039.00

Resolution R-0809-133

Exhibit B

Post Oak Lift Station Payback Project

Parcel	Owner	Address	Legal Description	Acres	ADF	PWWF	Share
1	Tackett Family Limited Partnership	2004 Ridgecrest Road, Edmond, OK 73003	15 8 2W 160 AC NW/4	153.000	184,750	739,000	38.17%
2	D. Alan Haws	4401 Northridge Road, Norman, OK 73072	15-8-2W 142.89 AC SW/4 LS PRT SW/4 W OF HWY BEG SW/C SW/4 E618 NW1331.03 S1178. 52 POB & LS PRT SW/4 BEG W100 SE/C N .	137.900	153,250	613,000	31.66%
3	Republic Bank of Norman c/o Chuck Thompson, President	PO Box 5369, Norman, OK 73070	16-8-2W 61.92 AC NE/4 & SE/4 LYING E HWY77 LS N735.50 ft. NE/4 LYING E HWY 77 (TRS 11,14,15,16,17,18,19,21 & PRT LOTS 12&13	40.358	72,500	290,000	14.98%
4	Yamanouchi Pharma Technologies c/o Paul Sweeney, Vice President, General Counsel and Secretary	3300 Marshall Avenue, Norman, OK 73070	SOUTH LAKE INDUSTRIAL PARK LOT 1 BLK 1	5.447	6,750	27,000	1.39%
5	Randall P. & Bonnie M. Hawkins	1804 Terryton Drive Norman, OK 73071	16-8-2W 8.75AC PRT NE/4 & SE/4 BEG 2599.24' S NE/C NE/4 S1045.83' S 62D W77.90' N 27D W300' N 28D W300.04' N 27D W612.54' E635.17' POB	7.010	12,625	50,500	2.61%
6	Jackie F. Morgan Living Trust, Trustee	2909 E. Post Oak Road, Norman, OK 73071	15-8-2W 6.21+ AC PRT SW/4 BEG 100 ft. WSE/C N363 ft. W750 ft. S363 ft. E750 ft. POB	5.750	375	1,500	0.08%
7	Hattie June Smith Living Trust, c/o Peggy Julian	41270 Yucca Lane, Bermuda Dunes, CA 92201	15-8-2W 160 AC SE/4	48.424	53,750	215,000	11.11%

Exhibit C

List of Benefitted Properties in Post Oak Lift Station Project

Parcel	Owner	Acres	Estimated Population Equivalent	Peak Wet Weather Flow (PWWF)	Parcel Percentage Share of PWWF	Cost Share (%)	Cost Share (\$) Based on Exhibit A	Parcel Percentage Share of Project Costs and Normal Overruns	Parcel Percentage Share of Extraordinary Costs South of Links Project
1	Lindsey	153.00	1,478	739,000	38.17%	49.334%	\$490,039	49.334%	38.17%
2	Alan D. Haws	137.90	1,226	613,000	31.66%	51.211%	\$257,725	25.946%	31.66%
3	Republic Bank	40.36	580	290,000	14.98%	24.227%	\$121,925	12.275%	14.98%
4	Astellas	5.45	54	27,000	1.39%	2.256%	\$11,354	1.143%	1.39%
5	Randy Hawkins	7.01	101	50,500	2.61%	4.219%	\$21,233	2.138%	2.61%
6	Jackie F. Morgan	5.75	3	1,500	0.08%	0.125%	\$628	0.063%	0.08%
7	Hattie June Smith	48.42	430	215,000	11.11%	17.962%	\$90,396	9.101%	11.11%
		244.89	2,394	1,197,000	61.83%	100.000%	\$503,261	100.000%	100.00%
	Totals	397.89	3,872	1,936,000	100.00%		\$993,300		
							Lindsey to pay for Parcels 4, 5, 6, and 7 with potential payback = \$123,611		
							Initial Share for Lindsey = \$613,650		

EXHIBIT D

CONCURRENT CONSTRUCTION OPPORTUNITIES FOR SEWER CONNECTION POINTS

