

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 18 day of

June 1998

by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Charles R. & Ann F. Lumpkins, (hereinafter, the "Developer")

RECORDING FEE 0.00  
TOTAL 0.00

Charles R. & Ann F. Lumpkins, (hereinafter, the "Owner") and

Maryland Bank and Trust, (hereinafter, the "Lender #1"),

Maryland Bank and Trust, (hereinafter, the "Lender #2", Letter of Credit holder),

Res:SM03 Rcpt:999999  
EWA KEB B11:147  
Oct 03, 2002 08:41 am

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Fifth (5th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit B, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Lumpkin's Subdivision, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

**WHEREAS**, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

**WHEREAS**, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

**WHEREAS**, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit    A    \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit    C    \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 20,892.30 \_\_\_\_\_ conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A \_\_\_\_\_, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Inspection Charges:** \$731.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall

pay to the Commission the difference.

**Connection Charges:** \$150.00 based upon \$50.00

\_\_\_\_\_ per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Debt Service Charge:** \$102.72 per month based upon \$ 3 4 . 2 4

\_\_\_\_\_ per EDU per month, or N/A per front foot per year based on N/A \_\_\_\_\_ front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service is made available, whichever occurs first).

**Sewer Impact Fees:** \$180.00 based upon \$60.00

per lot or EDU, applied for future upgrade of the Forrest Run Pump Station. This fee is levied because this section of the project lies entirely out of the designed service area for the above mentioned pump station.

**Sewer Service Charge:** \$39.24 per month based upon \$13.08 p e r

month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials

necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 18 day of June 1998

ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

Alton J. King

Secretary

By: Francis L. Williams

Francis L. Williams  
Chairman

ATTEST:

Deanne Bryan

DEVELOPER

By: Charles R. Lumpkins  
Anne F. Lumpkins  
Charles R. Lumpkins  
Anne F. Lumpkins

PROPERTY OWNER

By: Charles R. Lumpkins  
Anne F. Lumpkins  
Charles R. Lumpkins  
Anne F. Lumpkins

Kimberly Dove

LENDER #1 Maryland Bank & Trust

By: Robert C. Swartz  
Robert C. Swartz, Senior V.P.

Kimberly Dove

LENDER #2 Maryland Bank & Trust

By: Robert C. Swartz  
Robert C. Swartz, Senior V.P.

EXHIBITS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 18th day of June, 1998

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Francis Leroy Williams Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the

foregoing instrument to be the act and deed of the St. Mary's County Metropolitan

Commission.

WITNESS my hand and Notarial Seal

Louisa J. Byron Notary Public

My Commission Expires: 02/01/00.

(DEVELOPER)STATE OF

Maryland

COUNTY OF

Charles

to wit:

I HEREBY CERTIFY that on this 15<sup>th</sup> day of June, 1998 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared Charles R.

Lumpkin + Anne Lumpkin and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Michaela B. Brown Notary Public

My Commission Expires: 12-1-99

(OWNER)STATE OF Maryland

COUNTY OF Charles to wit:

I HEREBY CERTIFY that on this 15<sup>th</sup> day of June, 1998 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Charles R. Lumpkins and and Anne F. Lumpkins and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Michaelina B. Corrick Notary Public

My Commission Expires: 12-1-99

(LENDER #1)

STATE OF Maryland

COUNTY OF Charles to wit:

I HEREBY CERTIFY that on this 15<sup>th</sup> day of June, 1998 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Robert C. Smith and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Michaelina B. Corrick Notary Public

My Commission Expires: 12-1-99

(LENDER #2)

STATE OF Maryland

COUNTY OF Charles to wit:

I HEREBY CERTIFY that on this 15<sup>th</sup> day of June, 1998 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Robert C. Smith and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Michael B. Corwin Notary Public

My Commission Expires: 12-1-99

EXHIBIT A

STATEMENT OF  
PROPOSED SEWER FACILITIES  
AND PHASING

PROJECT NAME: Lumpkins Subdivision

TOTAL # OF PHASES: One

DEVELOPER: Charles R. and Anne F. Lumpkins

PHASE I:

PLAT REF: \_\_\_\_\_ # LOTS TO BE SERVED: 3

PROJECTED CONSTRUCTION START DATE: June 1998

PROJECTED CONSTRUCTION COMPLETION DATE: December 1998

FACILITIES TO BE CONSTRUCTED\*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 06/11/98

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMMISSION PARTICIPATION: NONE

\*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

WASTEWATER TREATMENT PLANTS: Storage lagoons, physical plants influent and effluent lines, lift stations, generators, together with all sites on which they are situated and 20' access to the same; FOR COLLECTION SYSTEMS: Collector and lateral sewers, force mains, sewer house service lines, air release valves, together with 20' permanent easements over the same for maintenance and modifications of connection to these facilities, along with any and all other facilities or appurtenances which in any way could be construed as part of the sewerage system.

Commission: *JL*

(Initials)

Developer: *Charles R. Lumpkin* *ccx*  
*Anna L. Lumpkin*

(Initials)

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 13 day of February 1997, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"), DnA Companies/Thomas Homes, Inc., (hereinafter, the "Developer"), DnA Companies/Thomas Homes, Inc., (hereinafter, the "Owner") and Key Bank and Trust (hereinafter, the "Lender #1", Letter of Credit holder),

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Third (3rd) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit B, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Wilderness Run, Section Three, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duiy appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives

RECORDING FEE 0.00  
DUAL 0.00  
RECEIVED REC-14999999  
MAR 10 2002 11:50 AM

or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 148,919.10 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit D \_\_\_\_\_ hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer

presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Review Fees:** \$1,440.00 based upon \$45.00  
           per residential lot, or EDU and N/A per commercial lot or EDU, payable upon execution of this Agreement.

**Inspection Charges:** \$5212.17 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less, than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total



Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

**Connection Charges:** \$3008.00 based upon \$94.00 per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Water Service Charge:** \$326.40 per month based upon \$10.20 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.70/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:** N/A per EDU for development without supply (wells) that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

**Water Storage Fees:** N/A per EDU for developments without storage facilities that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

**WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:**

WITNESS the hands and seals of the parties hereto, this 13 day of Feb 1977

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN  
COMMISSION

Stevens L. King

By: Joseph I. Russell

Secretary

Joseph I. Russell  
Chairman

ATTEST:

Herbert W. Howard

*DNA Companies/Thomas Homes, Inc*  
DEVELOPER

By: [Signature]  
Thomas Devenney, President

*DNA Companies/Thomas Homes, Inc*  
PROPERTY OWNER

By: [Signature]  
Thomas Devenney, President

Raymond Douglas

LENDER #1 *Key Bank and Trust*  
By: [Signature]  
George Wachter, Vice President

EXHIBITS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(COMMISSION)

STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 13<sup>th</sup> day of February 1997

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Joseph Russell Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Joseph Russell

Commission Expires  
5/8/00

Notary Public

Jacqueline Denise Turkmen

(DEVELOPER)

STATE OF

Maryland

COUNTY OF

St. Mary's to wit:

I HEREBY CERTIFY that on this 10<sup>th</sup> day of February, 1997 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_

Thomas Devenney and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Sarrita W. Foxworth

Notary Public

My Commission Expires: 10/23/99

(OWNER)

STATE OF

Maryland

COUNTY OF

St. Marys

to wit:

I HEREBY CERTIFY that on this 10<sup>th</sup> day of February 1997 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Thomas Devenney and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Lerita W. Senesch

Notary Public

My Commission Expires: 10/23/99

(LENDER #1)

STATE OF

Maryland

COUNTY OF

Baltimore

to wit:

I HEREBY CERTIFY that on this 4<sup>th</sup> day of February 1997 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared George G. Wacker and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Kathy W. Snyder  
KATHY W. SNYDER

Notary Public

My Commission Expires: 12-1-98

EXHIBIT A

STATEMENT OF

PROPOSED WATER FACILITIES

AND PHASING

PROJECT NAME: Wilderness Run, Section Three

TOTAL # OF PHASES: One

DEVELOPER: \_\_\_\_\_

PHASE I:

PLAT REF: \_\_\_\_\_ # LOTS TO BE SERVED: 32

PROJECTED CONSTRUCTION START DATE: 01 February, 1997

PROJECTED CONSTRUCTION COMPLETION DATE: 30 September, 1997

FACILITIES TO BE CONSTRUCTED\*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 27 January, 1997

COMMISSION PARTICIPATION: NONE

\*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks, hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission: AK

(Initials)

Developer: TD

(Initials)

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 18 day of

September 1997, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

RECORDING FEE 0.00  
TOTAL 0.00  
Res: SM03 Rcpt: 999999  
EWA LP Bk: 195  
Oct '04, 2002 11:51 am

Dean Family Partnership, (hereinafter, the "Developer")

Dean Family Partnership, (hereinafter, the "Owner") and

First National Bank of St. Mary's, (hereinafter, the "Lender #1", Letter of Credit holder),

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit C, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Three Notch Estates, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction



of the Facilities; and,

**WHEREAS**, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

**WHEREAS**, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit B \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 33,137.50 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required

interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A \_\_\_\_\_, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property, and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and

specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit B, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Inspection Charges:** \$1,159.81 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

Connection Charges: \$390.00 based upon \$78.00

\_\_\_\_\_ per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Water Service Charge:** \$51.00 per month based upon \$10.20 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.70/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:** \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed,  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. \*

**Water Storage Fees:** \$450.00 per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed,  
or
2. Payment in full anytime between the date of this Agreement and up to

365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. \*

\* If this option is selected, a bond in the amount of 110% of the amount due (\$3,500.00) will be required.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of

construction and warranty of the Facilities.

5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND

YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 18 day of Sept 1977

ATTEST:

ST.MARY'S COUNTY METROPOLITAN  
COMMISSION

*Almond King*

By: *Francis L. Williams*

Secretary

Francis L. Williams  
Chairman

ATTEST:

*Franklin W. Dean*

DEVELOPER  
*Dean Family Partnership*

By: *Franklin W. Dean*  
Frank Dean, Partner

PROPERTY OWNER *Dean Family Partnership*

By: *Franklin W. Dean*  
Frank Dean, Partner

*Dan Kubican*

LENDER #1 *FIRST NATIONAL BANK OF ST MARY'S*

By: *Dan Kubican*  
Dan Kubican, Sr. Vice President

LENDER #2

By: \_\_\_\_\_

EXHIBITS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 18th day of September 1997

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared Francis L. Williams Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian J. Bryan Notary Public

My Commission Expires: 02/01/00

(DEVELOPER)STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 12 day of August, 1997 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Frank Dean and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Theresa Weir Notary Public

My Commission Expires: 7-1-99



(OWNER)STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 12 day of August, 19 97 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Frank Dean and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

*Thomas J. Westford* Notary Public

My Commission Expires: 7-1-99

(LENDER #1)

STATE OF Maryland

COUNTY OF St. Mary's to wit:

I HEREBY CERTIFY that on this 12 day of August, 19 97 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Dan Kubican and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

*Thomas J. Westford* Notary Public

My Commission Expires: 7-1-99

STATEMENT OF  
PROPOSED WATER FACILITIES  
AND PHASING

PROJECT NAME: Three Notch Estates  
TOTAL # OF PHASES: One  
DEVELOPER: Dean Family Partnership

PHASE I:

PLAT REF: MRB 115/406 # LOTS TO BE SERVED: 5  
PROJECTED CONSTRUCTION START DATE: October 1997  
PROJECTED CONSTRUCTION COMPLETION DATE: May 1998

FACILITIES TO BE CONSTRUCTED\*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 19 Feb. 1997.

COMMISSION PARTICIPATION: NONE

\*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same;  
FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,



PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 24 day of

May 1999, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Kingston, L L P, (hereinafter, the "Developer"),

Kingston, L L C, (hereinafter, the "Owner") and

N/A, (hereinafter, the "Lender #1"),

Maryland Bank and Trust, (hereinafter, the "Lender #2", Letter of Credit holder),

RECORDING FEE 0.00  
TOTAL 0.00  
Res#SM03 Rcpt#999999  
EWA LP Bk#195  
Oct 04, 2002 11:52 am

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Third (3rd) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit C, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Kingston Subdivision, Section I, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction

of the Facilities; and,

**WHEREAS**, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

**WHEREAS**, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit B \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 197,410.00 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required

interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A \_\_\_\_\_, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and

specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit B, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Inspection Charges:**            \$6,909.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

Connection Charges: \$2,808.00 based upon \$78.00

\_\_\_\_\_ per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Water Service Charge:** \$360.72 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:** \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. \*

**Water Storage Fees:** \$450.00 per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to



365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. \*

\* If this option is selected, a bond in the amount of 110% of the amount due (\$27,720.00) will be required.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of

construction and warranty of the Facilities.

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5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection

with said proposed conveyances.

TWELFTH: This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 24 day of May 1999

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

Lillian J. Bryan

By: Floyd B. Derby

Secretary

Floyd B. Derby  
Chairman

ATTEST:

DEVELOPER  
Kingston, L L P, by  
Wexcol, L L P

Charles E. Harms, Jr.

By: John E. Harms, Jr.  
John E. Harms, Jr., Partner

PROPERTY OWNER  
Kingston, L L C

Debbly M. Smith

By: Edmund C. Cammack  
Edmund C. Cammack, Partner

M. Claire Cammack

By: Claire Cammack  
Claire A. Cammack, Partner

Joseph W. Cammack

By: Joseph W. Cammack  
Joseph W. Cammack, Partner  
By: Claire A. Cammack  
Claire A. Cammack, Attorney-In-Fact  
Claire A. Cammack POA

Wynn Edlacher

LENDER #1  
MARYLAND BANK & TRUST CO. N.A.  
By: Marshall Gibson  
marshall gibson

LENDER #2

By: \_\_\_\_\_

EXHIBITS: \_\_\_\_\_

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 24 day of May 19 99

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Aloyd B. Derby Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the

foregoing instrument to be the act and deed of the St. Mary's County Metropolitan

Commission.

WITNESS my hand and Notarial Seal

Deborah Settle Notary Public

My Commission Expires: 12/15/02

(DEVELOPER)STATE OF

MARYLAND

COUNTY OF

ST. MARY'S

to wit:

I HEREBY CERTIFY that on this 5<sup>th</sup> day of MAY, 19 99 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_

JOHN E. HARMS, JR and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Maura J. Tucker Notary Public

My Commission Expires: JUNE 4, 2002

(OWNER)STATE OF MARYLAND

COUNTY OF ST. MARY'S to wit:

I HEREBY CERTIFY that on this 5<sup>th</sup> day of MAY, 19 99 before me, the  
EDWARD C. CAMMACK  
subscriber, a Notary Public in the county aforesaid, personally appeared CLARA A. CAMMACK

CLARA A. CAMMACK AS POA FOR  
JOSEPH W. CAMMACK and that he/she/they acknowledged the foregoing Public Works Agreement to be  
his/her/their act.

WITNESS my hand and Notarial Seal.

Maura J. Dukerson Notary Public

My Commission Expires: June 4, 2002

(LENDER #1)

STATE OF MARYLAND

COUNTY OF CALVERT to wit:

I HEREBY CERTIFY that on this 5<sup>th</sup> day of MAY, 19 99 before me, the  
subscriber, a Notary Public in the county aforesaid, personally appeared MARSHALL  
GIBSON and that he/she/they acknowledged the execution of the foregoing Public Works  
Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Rita A. Steen Notary Public

My Commission Expires: 12/1/01

STATEMENT OF  
PROPOSED WATER FACILITIES  
AND PHASING

PROJECT NAME: Kingston Subdivision (Section I)  
TOTAL # OF PHASES: One  
DEVELOPER: Kingston, L L P

PHASE I:

PLAT REF: \_\_\_\_\_ # LOTS TO BE SERVED: 36

PROJECTED CONSTRUCTION START DATE: 05/01/99


PROJECTED CONSTRUCTION COMPLETION DATE: 03/01/00

FACILITIES TO BE CONSTRUCTED\*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 4 Dec., 1998.

COMMISSION PARTICIPATION: NONE

\*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,

hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.

Commission: 

(Initials)

Developer: 

(Initials)



# Maryland Bank & Trust

Exhibit B

Company, N.A.

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POST OFFICE BOX 248 WALDORF, MARYLAND 20604-0248

TELEPHONE (301) 645-5644  
<http://www.mdbank.com>

March 26, 1999

St. Mary's County Metropolitan Commission  
21801 North Shangri-La Drive Suite F  
Lexington Park MD 20653

Re: IRREVOCABLE LETTER OF CREDIT NO 559  
Water & Sewer Construction  
Kingston L. L. P. Phase 1

Dear Sir:

*MSG*  
We hereby authorize you or your transferee to draw on us at sight up to an aggregate amount of One Hundred Ninety Thousand Four Hundred Ten and 00/100 dollars (US\$197,410.00) to insure compliance with the Water & Sewer Construction Agreement by and between Kingston L.L.P. and the St. Mary's County Metropolitan Commission.

This Letter of Credit is irrevocable and transferable. It may be transferred without charge one or more times upon receipt of your written instructions. It will expire, unless renewed upon your written request, on March 26, 2000.

This Letter of Credit sets forth in full the terms of our obligation to you and such undertakings shall not in any way be modified or amplified by any agreement to which this letter relates, and any such reference shall not be deemed to incorporate herein by reference, any agreement.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation.

Very truly yours,

MARYLAND BANK & TRUST COMPANY

By: *Marshall S. Gibson*  
Marshall S. Gibson  
Vice President

MSG/mh

DEPOSITS INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION

LIGER 1115 FOLIO 556

Assessed value of 100ac = \$245,902.00  
D&M 96-R227

50

THIS DEED, Made this 10th day of December in the year one thousand nine hundred and ninety-six, by and between ROBERT E. CAMMACK and PATRICIA W. CAMMACK, husband and wife, Grantors, of the first part, and KINGSTON DEVELOPMENT, L.L.C., Grantee of the second part.

Witnesseth, That in consideration of the sum Seven Hundred Fifty Thousand Dollars (\$750,000.00), receipt of which is hereby acknowledged, the said ROBERT E. CAMMACK and PATRICIA W. CAMMACK, do grant and convey unto the said KINGSTON DEVELOPMENT, L.L.C., its successors and assigns, in fee simple, all that lots, tracts or parcels of land situate, lying and being in the Third Election District of St. Mary's County, Maryland and described as follows:

All that property more specifically described on Schedule A attached hereto which is incorporated herein.

SUBJECT TO Covenants, Restrictions, right of way, easements and other conditions contained in deeds and instruments forming the chain of title to the captioned property.



TOGETHER WITH the buildings and improvements thereupon erected, made or being and all and every the rights, alleys, ways, waters, privileges, appurtenances and advantages, to the same belonging, or anywise appertaining.


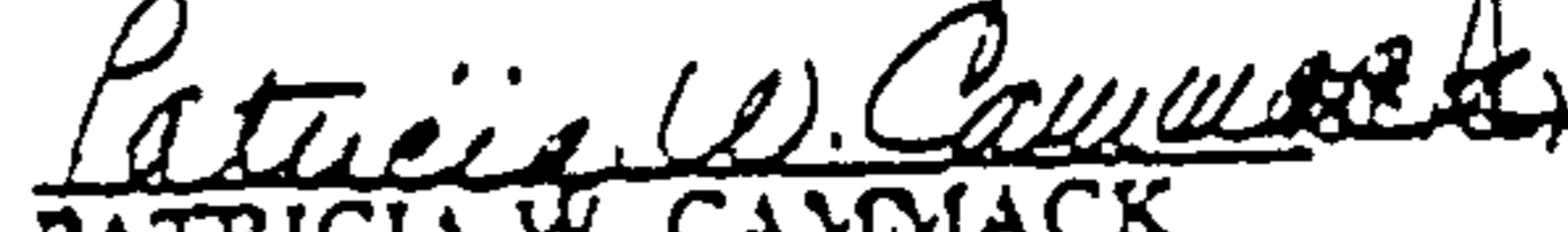
To Have and to Hold the said lot of ground and premises, above described and mentioned, and hereby intended to be conveyed; together with the rights, privileges, appurtenances and advantages thereto belonging or appertaining unto and to the proper use and benefit of the said KINGSTON DEVELOPMENT, L.L.C., its successors and assigns, in fee simple.

And the said parties of the first part hereby covenant that they have not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that they will warrant specially the property granted and they will execute such further assurances of the same as may be requisite.

Witness the hands and seals of said grantors:

TEST:

  
ROBERT E. CAMMACK  
  
PATRICIA W. CAMMACK

IMP FD SURE \$ 5.00  
RECORDING FEE 28.32  
RECORDATION T 4,958.82  
TR TAX COUNTY 2,459.82  
TR TAX STATE 3,758.88  
TOTAL 11,184.82  
Rec# 5482 Rec# 13667  
(SEAL) MAB Blk # 495  
Dec 19, 1996 84:23 PM

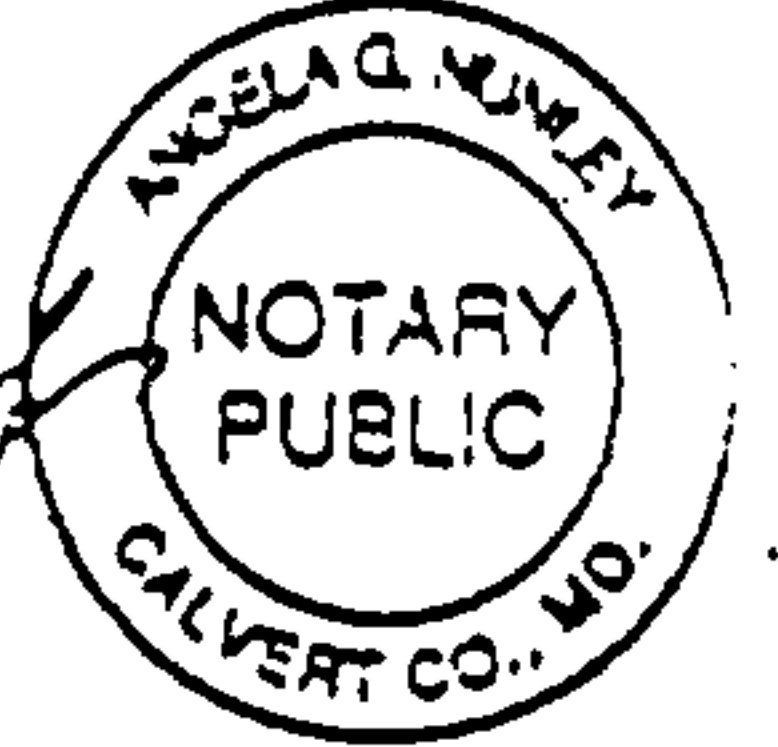
RETURN TO  
NAME: SMA/lee  
ADDRESS: Lee

STATE OF MARYLAND, ST. MARY'S County, to wit:

I HEREBY CERTIFY that on this 10th day of December, in the year one thousand nine hundred and ninety-six, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Calvert, personally appeared ROBERT E. CAMMACK and PATRICIA W. CAMMACK, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the within instrument, who acknowledged that they executed the same for the purposes therein contained.

As Witness my hand and Notarial Seal.

*Angela G. Murrey*  
NOTARY PUBLIC  
My Commission expires: 9-1-97

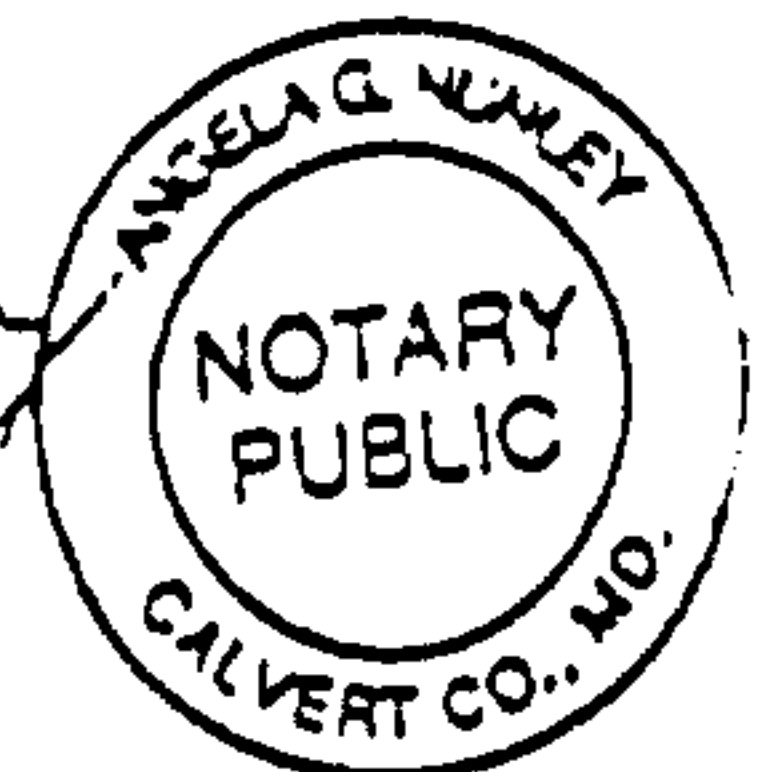


STATE OF MARYLAND, ST. MARY'S County, to wit:

I HEREBY CERTIFY that on this 10th day of December, in the year one thousand nine hundred and ninety-six, before me, the subscriber, a Notary Public of the State of Maryland, in and for the County of Calvert, personally appeared ROBERT E. CAMMACK, known to me (or satisfactorily proven) to be the persons whose names are subscribed to the following deeds: (1) that deed dated September 13, 1990 from Robert E. Cammack to Robert E. Cammack and Patricia W. Cammack recorded among the Land Records of St. Mary's County, Maryland at Liber M.R.B. No. 561, Folio 210; and (2) that deed dated September 13, 1990 from Robert E. Cammack to Robert E. Cammack and Patricia W. Cammack recorded among the Land Records of St. Mary's County, Maryland at Liber M.R.B. No. 561, Folio 208, and acknowledged that he executed the aforesaid deeds for the purposes therein contained.

As Witness my hand and Notarial Seal.

*Angela G. Murrey*  
NOTARY PUBLIC  
My Commission expires: 9-1-97



I hereby certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

*Bill D. McKissick, Jr.*  
Bill D. McKissick, Jr.

AGRI. TRANSFER TAX PAID  
*Janette P. Kossick*  
ST. MARY'S COUNTY TREASURER

\\Bryan-pc\forms\REAL\ST.ATE\DEEDS\New to LLC-Cammack.doc  
12/10/96 10:27 AM

RECEIVED FOR TRANSFER  
State Department of  
Assessments & Taxation  
for St. Mary's County

Declaration of Intent  
Filed 12-13-96

*Debra L. Handley* 12-14-96

THIS IS TO CERTIFY THAT ALL  
TAXES ON THIS PROPERTY HAVE  
BEEN PAID THROUGH December 30, 1997  
*Janette P. Kossick* TREASURER  
ST. MARY'S COUNTY, MD  
03-004392  
03-004368  
03-004384

Signature *Debra L. Handley*

## PARCEL ONE:

All that tract or parcel of land in the Third Election District of St. Mary's County, Maryland, upon which the school house No. 6, now or formerly stood, containing one acre, more or less, and running with the following courses, to wit: Beginning at a cedar tree upon the road side marked A upon the plot near a spring and running thence N.  $40 \frac{1}{4}$  East 12.65 perches to a cedar tree at 1; thence  $49 \frac{3}{4}$  W 12.65 perches to a cedar post at 2; thence  $49 \frac{1}{4}$  W 12.65 perches at a cedar post on the road side at 3; thence with the road straight to the beginning at A.

BEING that same property conveyed to Robert E. Cammack and Patricia W. Cammack by deed from The County Commissioners of St. Mary's County, Maryland, dated March 12, 1974 and recorded on March 19, 1974 among the Land Records of St. Mary's County, Maryland at Liber D.B.K. No. 207, Folio 243.

## PARCEL TWO:

All that tract or parcel of land, lying and being in the Third Election District of St. Mary's County, Maryland, adjoining other lands of the Grantor herein and supposed to contain 103 acres more or less as shown and described on a Plat prepared by J.R. McCrone, Jr., Loc. under date of June 29, 1962, and recorded among the Land Records of St. Mary's County, Maryland at Plat Liber C.B.G. No. 6, Folio 56.

BEING that same property conveyed to Robert E. Cammack and Patricia W. Cammack from J. Maguire Mattingly, et al, by Deed dated August 30, 1973 and recorded on October 2, 1973 among the Land Records of St. Mary's County, Maryland at Liber D.B.K. No. 198, Folio 248.

## PARCEL THREE:

All that tract or parcel of land shown and described as Parcel 6 on a boundary survey entitled "Boundary Survey, Property of Robert E. Cammack" prepared by W.L. Meekins, Registered Land Surveyor and dated April 23, 1969 and more specifically described as follows:

BEGINNING for the same at an iron pipe marking a common front corner of the aforesaid land of Cammack (Liber 114, Folio 144) and the land now or formerly of James Bertram Cryor and Jessie May Cryor (Liber CBG 14, Folio 335), said iron pipe being in the Northerly right of way line of Maryland Route 244 (40.00 feet wide), said iron pipe also being

N 82 deg. 51 min. 00 sec. E, 123.96 feet from the end of the 9<sup>th</sup> (or N 82 deg. 51 min. 00 sec. E, 21.78 feet) line of that property of Cammack described as Parcel One in the aforesaid boundary survey of W.L. Meekings dated April 23, 1969; thence with said right of way line of Maryland Route 244

N 41 deg. 05 min. 30 sec. W, 1156.22 feet to a point of curvature; thence

10.38 feet along the arc of a curve deflecting to the left, having a radius of 2520.00 feet and a long chord bearing and distance of N 41 deg. 12 min. 35 sec. W, 10.38 feet to an iron pipe (said iron pipe being located S 44 deg. 00 min. 37 sec. E, 235.88 feet from the end of the 2<sup>nd</sup> or S 21 deg. 02 min. 10 sec. E, 345.24 feet line of the below described Parcel 5); thence leaving said right of way line N 10 deg. 42 min. 50 sec. E, 5.61 feet to an iron pipe; thence with the land now or formerly of the Board of Education of St. Mary's County (Liber J.H. 12, Folio 122)

N 39 deg. 42 min. 50 sec. E, 182.16 feet to a Cedar stake thence with the land now or formerly of Joseph M. Mattingly, et al., (see Plat Book CBG 6, Plat 56)

N 80 deg. 12 min. 50 sec. E, 137.94 feet to an iron pipe; thence

N 79 deg. 27 min. 50 sec. E, 96.36 feet to an iron pipe; thence

N 65 deg. 57 min. 50 sec. E, 192.91 feet to an iron pipe; thence

N 77 deg. 42 min. 50 sec. E, 142.91 feet to an iron pipe; thence

S 65 deg. 32 min. 10 sec. E, 75.38 feet to an iron pipe; thence

S 39 deg. 02 min. 10 sec. E, 195.55 feet to an iron pipe; thence

S 84 deg. 32 min. 10 sec. E, 258.20 feet to an iron pipe; thence

N 54 deg. 12 min. 50 sec. E, 202.70 feet to an iron pipe; thence

N 80 deg. 27 min. 50 sec. E, 95.00 feet to an iron pipe; thence

S 65 deg. 02 min. 10 sec. E, 128.48 feet to an iron pipe; thence

S 82 deg. 47 min. 10 sec. E, 242.58 feet to an iron pipe; thence

S 49 deg. 32 min. 10 sec. E, 21.78 feet to an iron pipe; thence

N 47 deg. 27 min. 50 sec. E, 475.00 feet to an iron pipe; thence with the said land now or formerly of Mattingly and the land now or formerly of William Wise

S 19 deg. 47 min. 10 sec. E, 594.00 feet to an iron pipe; thence continuing with said land now or formerly of Wise

N 80 deg. 51 min. 20 sec. E, 755.18 to a stone; thence with the land now or formerly of William Paul Wise, Jr. et ux (Liber CBG 31, Folio 352).

S 25 deg. 47 min. 30 sec. W, 708.83 feet to a Cedar stake; thence continuing with said last mentioned land of Wise and the aforesaid land of Cryer

S 82 deg. 51 min. 00 sec. W, 1981.44 feet to the point of beginning;

CONTAINING 2,312,098 square feet or 53.0785 Acres.

BEING part of that property conveyed to Robert E. Cammack and Patricia W. Cammack from Robert E. Cammack by deed recorded on October 9, 1990 among the Land Records of St. Mary's County, Maryland in Liber M.R.B. No. 561, Folio 210.

PARCEL FOUR:

Kingston Development, L.L.C. Schedule A-2

All that tract or parcel of land shown and described as Parcel 4 on a boundary survey entitled "Boundary Survey, Property of Robert E. Cammack" prepared by W.L. Meekins, Registered Land Surveyor and dated April 23, 1969 and more specifically described as follows:

BEGINNING for the same at an iron pipe marking the common front corner of the aforesaid land of Cammack (Liber 144, Folio 407) and the land now or formerly of Jane G. Martingly (Liber 114, Folio 426), said iron pipe being in the Northernly right of way line of Maryland Route 244 (40.00 feet wide); thence with lines of possession between the aforesaid land of Cammack and the land of Martingly, and with the general course of a fence:

N 88 deg. 13 min. 20 sec. E, 211.31 feet to a fence post; thence  
 N 07 deg. 19 min. 20 sec. E, 280.28 feet to an iron pipe in the fence line at the base of a 12 inch Cedar; thence  
 N 03 deg. 36 min. 50 sec. E, 375.58 feet to an iron pipe; thence with lines of possession between the land of Cammack and the land, now or formerly, of James E. Bogle, et ux (Liber 91, Folio 497), and with the general course of the remains of a fence  
 S 84 deg. 03 min. 50 sec. E, 628.73 feet to a post; thence  
 S 83 deg. 47 min. 30 sec. E, 216.32 feet to an iron pipe; thence  
 S 84 deg. 08 min. 00 sec. E, 222.42 feet to an iron pipe; thence  
 S 81 deg. 42 min. 10 sec. E, 289.77 feet to an iron pipe; thence  
 S 82 deg. 32 min. 30 sec. E, 412.68 feet to an iron pipe at base of a twin 10 inch Tulip Poplar; thence  
 S 86 deg. 34 min. 30 sec. E, 411.66 feet to a Cedar stake; thence  
 S 82 deg. 33 min. 00 sec. E, 2877.21 feet to a stone; thence with lines of possession between the land of Cammack and the land, now or formerly, of William Wise, and with the general course of a fence  
 S 14 deg. 50 min. 40 sec. W, 839.92 feet to an iron pipe; thence  
 S 13 deg. 11 min. 40 sec. W, 93.10 feet to an iron pipe; thence  
 S 17 deg. 33 min. 10 sec. W, 38.60 feet to an iron pipe; thence  
 S 07 deg. 29 min. 30 sec. W, 150.01 feet (passing in transit a Cedar stake 134.99 feet from the beginning of this line) to a point; thence with the land now or formerly of Joseph M. Martingly, at al (see Plat Book CBG 6, Plat 56),  
 N 66 deg. 38 min. 10 sec. W, 1669.63 feet to a point; thence  
 S 46 deg. 35 min. 30 sec. W, 232.27 feet to a point; thence  
 N 63 deg. 20 min. 20 sec. W, 308.67 feet to a point; thence  
 S 38 deg. 33 min. 20 sec. W, 373.20 feet to a point; thence  
 S 08 deg. 26 min. 40 sec. E, 330.00 feet to an iron pipe; thence  
 S 82 deg. 49 min. 35 sec. W, 135.29 feet to an iron pipe; thence  
 S 64 deg. 35 min. 05 sec. W, 138.27 feet to an iron pipe; thence  
 S 72 deg. 10 min. 35 sec. W, 153.48 feet to an iron pipe; thence  
 S 56 deg. 48 min. 05 sec. W, 236.52 feet to an iron pipe; thence  
 N 71 deg. 39 min. 25 sec. W, 162.08 feet to an iron pipe; thence  
 N 85 deg. 32 min. 40 sec. W, 189.08 feet to a Cedar stake; thence  
 S 21 deg. 15 min. 10 sec. E, 291.72 feet to a Cedar stake; thence with the land, now or formerly of Robert M. Beall (Liber CBG 18, Folio 149)

S 42 deg. 42 min. 50 sec. W, 192.28 feet to an iron pipe; thence with the land, now or formerly of James R. Owens (Liber 92, Folio 16)

N 47 deg. 02 min. 10 sec. W, 208.72 feet to an iron pipe; thence

S 42 deg. 42 min. 50 sec. W, 207.18 feet to an iron pipe; thence with the aforesaid Northerly right of way line of Maryland Route 244,

N 47 deg. 13 min. 40 sec. W, 802.39 feet to a point of curvature; thence

102.67 feet along the arc of a curve deflecting to the left, having a radius of 15,020.00 feet, and a long chord bearing and distance of N 47 deg. 25 min. 25 sec. W, 102.67 feet to a point of tangency; thence

N 47 deg. 37 min. 10 sec. W, 303.67 feet to a point of curvature; thence

292.59 feet along the arc of a curve deflecting to the right, having a radius of 1,980.00 feet and a long chord bearing and distance of N 43 deg. 23 min. 10 sec. W, 292.32 feet to a point of tangency; thence

N 39 deg. 09 min. 10 sec. W, 614.17 feet to a point of curvature; thence

194.63 feet along the arc of a curve deflecting to the right, having a radius of 1117.97 feet, and a long chord bearing and distance of N 34 deg. 09 min. 55 sec. W, 194.39 feet to the point of beginning;

CONTAINING 6,568,582 square feet or 150.7939 Acres.

BEING part of that property conveyed to Robert E. Cammack and Patricia W. Cammack from Robert E. Cammack by deed recorded on October 9, 1990 among the Land Records of St. Mary's County, Maryland in Liber M.R.B. No. 561, Folio 208.

#### PARCEL FIVE

All that tract or parcel of land shown and described as Parcel 5 on a boundary survey entitled "Boundary Survey, Property of Robert E. Cammack" prepared by W.L. Meekins, Registered land Surveyor and dated April 23, 1969 and more specifically described as follows:

BEGINNING for the same at an iron pipe marking a common front corner of the aforesaid land of Cammack (Liber 144, Folio 407) and the land now or formerly of Robert M. Beall (Liber CBG 18, Folio 149), said iron pipe being in the Northerly right of way line of Maryland Route 244 (40.00 feet wide), said iron pipe also being located

S 47 deg. 13 min. 40 sec. E, 709.63 feet from the end of the 29th (or S 42 deg. 42 min. 50 sec. W, 207.18 feet) line of the above described Parcel Four; thence with said land now or formerly of Beall

N 42 deg. 22 min. 10 sec. E, 152.28 feet to an iron pipe; thence with the land now or formerly of Joseph M. Mattingly, et al (see Plat Book CBG 6, Plat 56).

S 21 deg. 02 min. 10 sec. E, 345.24 feet to an iron pipe; thence with the aforesaid Northerly right of way line of Maryland Route 244

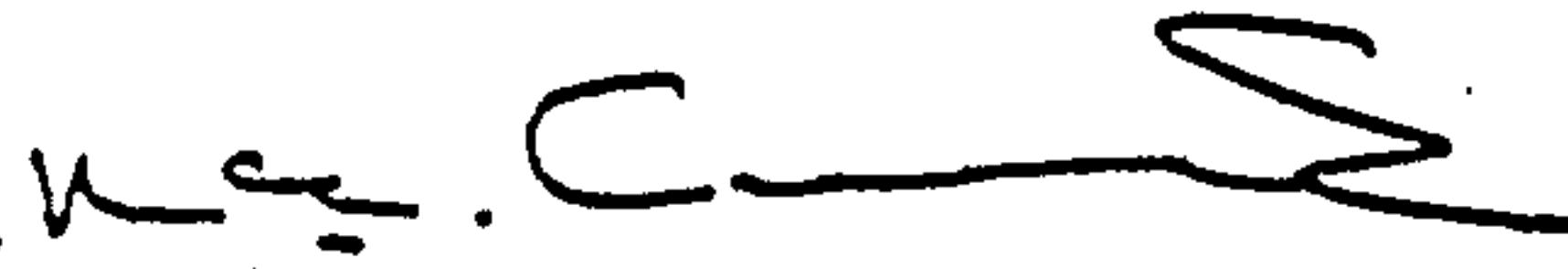
23.53 feet along the arc of a curve deflecting to the left, having a radius of 2,520.00 feet and a long chord bearing and distance of N 46 deg. 57 min. 37 sec. W, 23.53 feet to a point of tangency; thence

N 47 deg. 13 min. 40 sec. W, 285.18 feet to the point of beginning;

CONTAINING 23,491 square feet or 0.5393 acres.

BEING part of that property conveyed to Robert E. Cammack and Patricia W. Cammack from Robert E. Cammack by deed recorded on October 9, 1990 among the Land Records of St. Mary's County, Maryland in Liber M.R.B. No. 561, Folio 208.

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12/10/96 9:12:00 AM

  
Patricia W. Cammack

Kingston Development, L.L.C. Schedule A-5



PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 2 day of

July 1999

by and between the ST, MARY'S COUNTY

METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Bay Ridge Development, Inc.

(hereinafter, the "Developer"),

Bay Ridge Development, Inc.

(hereinafter, the "Owner") and

First National Bank of St. Mary's, (hereinafter, the "Lender #1"),

First National Bank of St. Mary's, (hereinafter, the "Lender #2", Letter of Credit holder),

RECORDING FEE 0.00  
TOTAL 0.00  
Res#SM03 Rcpt#999999  
EWA LP Blk#197  
Oct 04, 2002 11:54 am

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit D, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Bay Ridge Estates, Section III, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction

of the Facilities; and,

**WHEREAS**, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

**WHEREAS**, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A \_\_\_\_\_ and/or Exhibit B \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit C \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 138,957.50 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A \_\_\_\_\_, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit C, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Inspection Charges:** \$4,860.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall

pay to the Commission the difference.

**Connection Charges:** \$2,652.00 based upon \$78.00  
           per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Debt Service Charge:** \$580.21 per month based upon N/A per EDU per month, or \$2.04 per front foot per year based on 3413 front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service is made available, whichever occurs first).

**Sewer Impact Fees:** \$2,040.00 based upon \$60.00  
per lot or EDU, applied for future upgrade of the Forrest Run Pump Station. This fee is levied because this section of the project lies entirely out of the designed service area for the above mentioned pump station.

**Sewer Service Charge:** \$532.10 per month based upon \$15.65 per month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

**Water Service Charge:** \$340.68 per month based upon \$10.02 per month per meter for service and N/A per month per meter for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:** N/A per EDU for development without supply

(wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. \*

**Water Storage Fees:**       N/A       per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. \*

**Treatment Capacity Charge:**       \$500.00       per EDU for the allocation of capacity at the Pine Hill Run Waste Water Treatment Plant, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed

365 days after date of execution of this Agreement. \*

\* If this option is selected, a bond in the amount of 110% of the amount due (\$18,700.00) will be required.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard

specifications.

6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.

7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** Upon completion and acceptance by the Commission of the facilities as set forth in paragraph SECOND above, the Developer when requested to do so by the Commission, agrees to convey all of the facilities with the appropriate sites, easements, and rights-of-way to the Commission for the nominal sum of One Dollar (\$1.00) and to provide all documentation and assurances of title as are requested by the Commission in connection with said proposed conveyances.

**TWELFTH:** This Agreement shall be binding upon and inure to the benefit of the



heirs, successors, personal representatives and assigns of the parties hereto.

**THIRTEENTH:** It is understood that the developer intends to Phase this project. Phase I consists of the first 200 feet +/- of Skipjack Drive and all of Skipjack Court. Phase II consists of the remainder of Skipjack Drive and all of Kingfisher Court. Upon completion and acceptance of the facilities associated with Phase I, Connection Permits may be issued for lots served by these facilities. Connection Permits may be issued for lots 1 thru 4 of Phase I prior to the facilities being completed. However, it is understood that Certificates of Occupancy will not be approved until all facilities have been accepted for service.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 2 day of July 1997

ATTEST:

ST.MARY'S COUNTY METROPOLITAN COMMISSION

Susan Hendry

Secretary

By: F B Derby

Floyd B. Derby  
Chairman

ATTEST:

L F Gray

DEVELOPER  
Bay Ridge Development, Inc.  
By: R. Courtney Good, Vice President  
By: Eugene N. St. Clair, President

PROPERTY OWNER  
Bay Ridge Development, Inc.  
By: Eugene N. St. Clair, President  
By: R. Courtney Good, Vice President

Frank Weiland

LENDER #1 First National Bank of St. Mary's  
By: L F Gray  
Leonard F. Gray V.P.

Frank Weiland

LENDER #2 First National Bank of St. Mary's  
By: L F Gray  
Leonard F. Gray V.P.

EXHIBITS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this FIRST day of SEPTEMBER 19 99

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

FLOYD B. DERBY Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Susan Leakey Notary Public

My Commission Expires: 05/08/00

(DEVELOPER)STATE OF

MARYLAND

COUNTY OF

ST MARY'S

to wit:

I HEREBY CERTIFY that on this 2d day of July, 1999 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared EUGENE N. STCLAIR and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

L. Fray Notary Public

My Commission Expires: 03/01/2001

(OWNER)STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_ to wit:

I HEREBY CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ before me, the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_ and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

(LENDER #1) ✓

STATE OF

MARYLAND

COUNTY OF

ST. MARY'S to wit:

I HEREBY CERTIFY that on this 2nd day of July, 19 77 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared L.F. GRAY, SR and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Thomas W. Wood Notary Public

My Commission Expires: 7-1-03

(LENDER #2) ✓

STATE OF MARYLAND

COUNTY OF ST. MARY'S to wit:

I HEREBY CERTIFY that on this 2nd day of July, 19 99 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared L.F. GRAY, JR and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Thomas A. Wood Notary Public

My Commission Expires: 7-1-03

EXHIBIT A

STATEMENT OF

PROPOSED WATER FACILITIES

AND PHASING

PROJECT NAME: Bay Ridge Estates, Section III

TOTAL # OF PHASES: Two

DEVELOPER: Eugene N. St. Clair

PHASE I:

PLAT REF: \_\_\_\_\_ # LOTS TO BE SERVED: 34

PROJECTED CONSTRUCTION START DATE: 01 Jul 99

PROJECTED CONSTRUCTION COMPLETION DATE: 01 Jul 00

FACILITIES TO BE CONSTRUCTED\*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 28 April, 1999

\_\_\_\_\_  
\_\_\_\_\_

COMMISSION PARTICIPATION: NONE

\*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks,



EXHIBIT B

STATEMENT OF  
PROPOSED SEWER FACILITIES  
AND PHASING

PROJECT NAME: Bay Ridge Estates, Section III

TOTAL # OF PHASES: Two

DEVELOPER: Eugene N. St. Clair

PHASE I:

PLAT REF: \_\_\_\_\_ # LOTS TO BE SERVED: 34

PROJECTED CONSTRUCTION START DATE: 01 Jul 99

PROJECTED CONSTRUCTION COMPLETION DATE: 01 Jul 00

FACILITIES TO BE CONSTRUCTED\*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 28 April, 1999.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMMISSION PARTICIPATION: NONE

\*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR



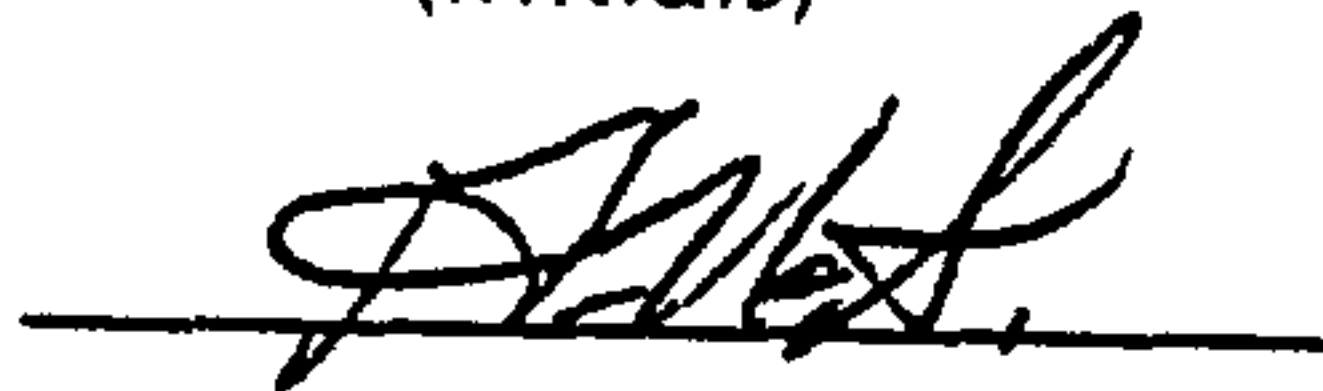
WASTEWATER TREATMENT PLANTS: Storage lagoons, physical plants influent and effluent lines, lift stations, generators, together with all sites on which they are situated and 20' access to the same; FOR COLLECTION SYSTEMS: Collector and lateral sewers, force mains, sewer house service lines, air release valves, together with 20' permanent easements over the same for maintenance and modifications of connection to these facilities, along with any and all other facilities or appurtenances which in any way could be construed as part of the sewerage system.

Commission:



(Initials)

Developer:



(Initials)

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 2 day of

September 1999

by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Essex South General Partnership, (hereinafter, the "Developer"),

Essex South General Partnership, (hereinafter, the "Owner") and

Maryland Bank and Trust Co., (hereinafter, the "Lender #1", Letter of Credit holder),

RECORDING FEE 0.00

TOTAL 0.00

Res#SM03 Rcpt#999999

EWA CSS 31k#229

Oct 07, 2002 12:16 PM

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Fifth (5th) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit C, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Tall Pines Subdivision, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

**WHEREAS**, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

**WHEREAS**, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A \_\_\_\_\_, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit B \_\_\_\_\_, payable to the Commission, its successors and assigns, in an amount of \$ 46,086.50 \_\_\_\_\_ conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project,

including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit N/A \_\_\_\_\_, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

**WHEREAS**, Lender #2, if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that

final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "As-Built Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit **B**\_\_\_\_, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Review Fees:** \$930.00 based upon \$30.00 per residential lot, or EDU and N/A per commercial lot or EDU, payable upon execution of this Agreement.

**Inspection Charges:** \$1,613.00 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total

Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

**Connection Charges:** \$1,550.00 based upon \$50.00  
           per connection payable upon execution of this Agreement or at the time a connection permit is issued.

**Debt Service Charge:** \$469.96 per month based upon \$ 1 5 . 1 6  
           per EDU per month, or N/A per front foot per year based on N/A             
front feet, payment beginning at the time the Clark Road Sewer Project is declared Ready for Service.

**Sewer Impact Fees:** \$1,860.00 based upon \$60.00  
           per lot or EDU, applied for future upgrade of the Forest Run Pump Station.  
This fee is levied because this section of the project lies entirely out of the designed service area for the above mentioned pump station.

**Sewer Service Charge:** \$485.15 per month based upon \$15.65 per  
month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

**Water Service Charge:** N/A per month based upon  
\$10.02 per month per meter for service and N/A per month per meter  
for Ready-to-Serve charge, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.67/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:**       N/A       per EDU for development without supply (wells) that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this agreement. \*

**Water Storage Fees:**       N/A       per EDU for developments without storage facilities that utilize the public water system, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. \*

**Treatment Capacity Charge:**   \$520.00   per EDU for the allocation of capacity at the Pine Hill Run Waste Water Treatment Plant, payable as set forth below:

1. Payment in full at the time this Public Works Agreement is executed;  
or
2. Payment in full anytime between the date of this Agreement and up to 365 days thereafter with a deferment charge of 10% per annum pro

rated per diem to the date of payment. Payment date not to exceed 365 days after date of execution of this Agreement. \*

\* If this option is selected, a bond in the amount of 110% of the amount due (\$17,732.00) will be required.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.



5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 2 day of Sept 1999

ATTEST:

ST. MARY'S COUNTY METROPOLITAN COMMISSION

\_\_\_\_\_

By: Floyd B. Derby

Secretary

Floyd B. Derby  
Chairman

ATTEST:

DEVELOPER  
*Essex South general Partnership*

Valerie L. Buckner

By: Thomas B. Watts

Thomas B. Watts, Partner  
*Essex South general Partnership*  
PROPERTY OWNER

Valerie L. Buckner

By: Thomas B. Watts  
Thomas B. Watts, Partner

LENDER #1 *Maryland Bank & Trust Co.*

By: Jeff Taylor  
Jeff Taylor, V.P.

EXHIBITS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(COMMISSION)STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 2<sup>nd</sup> day of September 1999

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Floyd B. Derby Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Deborah Settle

Notary Public

My Commission Expires: 12-15-02

(DEVELOPER)STATE OF

md

COUNTY OF

St Marys to wit:

I HEREBY CERTIFY that on this 11 day of August, 1999 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_

Thomas B. Watts and that he/she/they acknowledged the foregoing Public Works

Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buckner

Notary Public

My Commission Expires:

Valerie L. Buckner  
Notary Public State of Maryland  
My Commission Expires May 1, 2002

(OWNER)STATE OF md

COUNTY OF St Marys to wit:

I HEREBY CERTIFY that on this 11 day of August, 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Thomas B. Walls and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buchner Notary Public

*Valerie L. Buchner*  
My Commission Expires: **Notary Public State of Maryland**  
**My Commission Expires May 1, 2002**

(LENDER #1)

STATE OF md

COUNTY OF St Marys to wit:

I HEREBY CERTIFY that on this 11 day of August, 1999 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Jeffrey Taylor and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Valerie L. Buchner Notary Public

My Commission Expires: *Valerie L. Buchner*  
**Notary Public State of Maryland**  
**My Commission Expires May 1, 2002**

EXHIBIT A  
STATEMENT OF  
PROPOSED SEWER FACILITIES  
AND PHASING

PROJECT NAME: Tall Pines Subdivision

TOTAL # OF PHASES: ONE

DEVELOPER: Essex South General Partnership

PHASE I:

PLAT REF: WA 1255/590 # LOTS TO BE SERVED: 31

PROJECTED CONSTRUCTION START DATE: 01 Sept. 1999

PROJECTED CONSTRUCTION COMPLETION DATE: 01 Sept. 2000

FACILITIES TO BE CONSTRUCTED\*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMMISSION PARTICIPATION: NONE

\*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR

WASTEWATER TREATMENT PLANTS: Storage lagoons, physical plants influent and effluent lines, lift stations, generators, together with all sites on which they are situated and 20' access to the same; FOR COLLECTION SYSTEMS: Collector and lateral sewers, force mains, sewer house service lines, air release valves, together with 20' permanent easements over the same for maintenance and modifications of connection to these facilities, along with any and all other facilities or appurtenances which in any way could be construed as part of the sewerage system.

Commission: 

(Initials)

Developer: 

(Initials)

PUBLIC WORKS AGREEMENT

THIS PUBLIC WORKS AGREEMENT, executed this 24 day of April 1996, by and between the ST, MARY'S COUNTY METROPOLITAN COMMISSION (hereinafter, the "Commission"),

Interstate General Company, L.P., (hereinafter, the "Developer"),

Interstate General Company, L.P. & Westbury Community Association Inc., (hereinafter, the "Owner") and

Frontier Insurance Company, (hereinafter, the <sup>SURETY</sup> "Lender-#1", Surety Bond Holder),

WITNESSETH

WHEREAS, the Commission is responsible for all water and sewerage projects in the Eighth (8) Sanitary District of St. Mary's County, Maryland (the "County"); and,

WHEREAS, Owner is the owner in fee simple of all that lot, tract or parcel of land located in St. Mary's County, Maryland, subject to this Agreement, more particularly described at Exhibit C, attached hereto and incorporated herein, (hereinafter referred to as the "Property"); and,

RECORDING FEE 0.00  
TOTAL 0.00  
Res#SM03 Rcpt#999999

WHEREAS, the Developer is developing the Property situated within said Sanitary District of St. Mary's County, Maryland, known and further described as Westbury Resubdivision, Carmen Woods, hereinafter referred to as the "Project"; and,

WHEREAS, the Developer, either by requirement of St. Mary's County or by choice, desires to construct certain central sewage facilities and/or central water facilities (the "Facilities"), to serve the Project; and,

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Oct 07, 2002 12:17 PM

WHEREAS, the Developer seeks the approval of the Commission for the construction of the Facilities; and,

WHEREAS, the Concept Plan for the development of the Project has been submitted to and approved by the Board of County Commissioner of St. Mary's County or their duly appointed agent; and,

WHEREAS, Developer has designed the Facilities in accordance with the St. Mary's County Standard Specifications for Water and Sewerage Construction, the Comprehensive Water and Sewerage Plans for St. Mary's County and any other rules, regulations, directives

or special instructions issued by the Commission for the State of Maryland and the Federal Government; and,

**WHEREAS**, Developer has submitted a statement(s) included as Exhibit A and Exhibit B, attached hereto and incorporated herein, setting forth a proposed phasing for the construction of the Facilities and a proposed schedule of completion for said phase or phases, said statement having been approved by the Commission. The Developer has also submitted an itemized engineer's estimate which has been approved by the Commission.

**WHEREAS**, Developer has furnished a Performance and Payment bond or Irrevocable Letter of Credit which has been approved by the Commission, a copy of which appears at Exhibit D, payable to the Commission, its successors and assigns, in an amount of \$39,240.30 conditioned that the Developer shall well and truly perform and fulfill the covenants, conditions and terms of this Agreement, and shall assure payment for all materials utilized and work performed, all of which shall remain in force until the expiration of the warranty period as set forth in Paragraph EIGHTH.

**WHEREAS**, Developer has conveyed unto the Commission any and all required interest in the real property subject to development of the Facilities within the Project, including necessary interest in fee, as well as easements, rights of entry and other rights of way, as required by the Commission, more particularly set forth in Exhibit C, hereinafter referred to as "Commission Property"; and,

**WHEREAS**, Lender #1 is the holder of a recorded security interest in the Property; and,

*MS*  
*SA*  
**SURETY**

**WHEREAS**, ~~Lender #2~~; if any, and Owner, if different from Developer, have joined in the execution of these presents to acknowledge the obligations of the Developer set forth herein;

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**FIRST:** The Commission shall grant unto Developer a right of entry onto the Commission Property for the purpose of construction and maintenance of the Facilities, provided, however, that Developer hold the Commission harmless for and indemnifies the Commission against any and all losses or damages incurred by the Commission during such time as Developer occupies such Commission Property, and further provided that Developer



presents evidence of insurance coverage satisfactory to the Commission, including the naming the Commission as an additional insured, protecting all interests of the Commission.

**SECOND:** Developer shall construct all of the Facilities according to the schedule and in the phase or phases of construction as set forth herein, and in the case of multi-phased projects, no phase beyond the first shall be commenced until the Facilities under any of the previous phases have been approved and accepted by the Commission.

**THIRD:** Developer shall construct the Facilities in accordance with final plans and specifications, and amendments thereto, as approved by the Commission. In the event that final plans and specifications have not been approved at the time of execution of this Agreement, no work in connection with the construction of the Facilities shall be commenced prior to the approval by the Commission of such plans and specifications. Furthermore, within sixty (60) days after the construction of any phase of the Facilities is completed and approved, a completed set of "Mylar Drawings" shall be submitted to the Commission.

**FOURTH:** Developer shall maintain the Performance and Payment Bond or Letter of Credit provided in Exhibit D, for the period of construction of the Facilities, and for the period of the required warrantee as set forth herein.

**FIFTH:** Developer shall make available the Property to duly authorized representative of the Commission at all reasonable times for purposes of inspecting construction of the Facilities.

**SIXTH:** Developer shall pay the following fees and charges:

**Inspection Charges:** \$1,373.41 based upon 3.5% of the Performance and Payment Bond or Irrevocable Letter of Credit, payable upon execution of this Agreement. Said amount shall be placed in an account by the Commission and shall be drawn upon from time to time to reimburse the Commission for the direct and indirect cost of said Inspection service, and if said cost is less than the Inspection Charge initially collected, the remaining balance shall be returned to the Developer or, if the total Inspection cost is more than the Inspection Charge initially collected, the Developer shall pay to the Commission the difference.

**Debt Service Charge:** \$221.33 per month based upon front foot per year based on

1562.31 front feet, payment beginning at the time capacity allocation is made (Planning Commission approval or service, whichever occurs first).

**Sewer Service Charge:** \$309.75 per month based upon \$12.39 per month per EDU beginning when the service is utilized. This Service Charge reflects the currently approved rate and is subject to change.

**Water Service Charge:** \$252.00 per month based upon \$10.08 per month per meter for service, beginning when the service is utilized. The meter will be read on a quarterly basis with an allowance of 18,000 gallons per quarter. \$1.68/1,000 gallons will be charged over the 18,000 gallon limit. This Service Charge reflects the currently approved rate and is subject to change.

**Water Supply Fees:** \$250.00 per EDU for development without supply (wells) that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

**Water Storage Fees:** \$450.00 per EDU for developments without storage facilities that utilize the public water system, payable upon the first of the following to occur:

1. Issuance of a Connection Permit, or
2. Sale of an individual lot or lots, or
3. 365th day after the execution of this Agreement.

**SEVENTH:** No premises within the Project to be connected to the Facilities shall be occupied or used for any purpose whatsoever prior to the Facilities being accepted by the Commission without the express written prior approval of the Commission.

**EIGHTH:** Developer shall warrantee all mechanical, electrical and control Facilities for a period of twelve (12) months and all earthwork and associated underground construction for a period of eighteen (18) months after approval and acceptance by the Commission. The warranties shall cover the cost of labor, equipment and materials necessary to correct any problems with the Facilities.

**NINTH:** The Parties hereto expressly acknowledge that the following shall constitute events of Default of this Agreement:

1. Failure of Developer to construct the Facilities according to the schedule and in the phase or phases as set forth herein.
2. Failure of Developer to construct the Facilities in accordance with the approved plans and specifications approved by the Commission, as set forth herein.
3. Failure of Developer to provide a complete set of "Mylar Drawings" pursuant to ¶ **THIRD** above.
4. Failure of Developer to maintain the required bond for the period of construction and warranty of the Facilities.
5. Failure of Developer to prosecute work according to standard specifications.
6. Failure of Developer to respond to requests to honor warranties within a reasonable time schedule, such schedule to be established by the Commission.
7. Failure of Developer to perform any of the terms and conditions of this Agreement.

**TENTH:** The parties hereto acknowledge and agree that in an event of Default the Commission may take any or all of the following actions:

1. Notify Developer to Stop Work.
2. Demand that Developer vacate Commission Property.
3. Notify Developer of intention to call bond.

The Commission may, in its sole discretion and for the benefit of the project, give Developer a reasonable period to cure an event of Default. Failure of Developer to cure Default during such cure period shall constitute an event of continuing Default, with all remedies available to the Commission. Forbearance by the Commission shall not constitute a waiver of its rights to declare subsequent default.

**ELEVENTH:** This Agreement shall be binding upon and inure to the benefit of the heirs, successors, personal representatives and assigns of the parties hereto.

**TWELFTH:** This Agreement replaces two previously recorded Public Works Agreements between the Commission and the Developer covering the property discussed herein, namely Carmen Woods of Tosca PUD and Tosca Townhouses.

**WITNESS THE HANDS AND SEALS OF THE PARTIES HERETO THE DAY AND**

YEAR FIRST ABOVE WRITTEN:

WITNESS the hands and seals of the parties hereto, this 27<sup>th</sup> day of SEPTEMBER 1995

.ATTEST:

ST.MARY'S COUNTY METROPOLITAN  
COMMISSION

*Steven J. King*

Secretary

By: *Joseph Russell*  
Joseph Russell

Chairman

ATTEST:

*Edwin H. Kelly*  
Edwin H. Kelly, Senior Vice President

DEVELOPER *Interstate Commercial Company, Inc.*

By: *Stephen Rigelohy*  
Stephen Rigelohy, Vice President

PROPERTY OWNER  
*Interstate Commercial Company, Inc.*

By: *Stephen Rigelohy*  
Stephen Rigelohy, Vice President (Inc.)  
Bank Member (W.C.A.)

LENDER #1

By: \_\_\_\_\_

*David R. Summerall*  
DAVID R. SUMMERALL

EXHIBITS: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LENDER #2 SURETY FRONTIER INSURANCE  
COMPANY

By: *Michael Olive*  
MICHAEL OLIVE, ATTORNEY-IN-FACT

(COMMISSION)

STATE OF MARYLAND

COUNTY OF ST. MARY'S,

to wit:

I HEREBY CERTIFY that on this 24th day of April 1996

before me a Notary Public in and for the County of St. Mary's aforesaid personally appeared

Joseph I. Russell Chairman of the St. Mary's

County Metropolitan Commission, and on behalf of said Commission did acknowledge the foregoing instrument to be the act and deed of the St. Mary's County Metropolitan Commission.

WITNESS my hand and Notarial Seal

Lillian G. Bryan  
Notary Public *my commission expires 2/1/00*

(DEVELOPER)

STATE OF

MARYLAND

COUNTY OF

BALTIMORE

to wit:

I HEREBY CERTIFY that on this 27th day of September, 1998 before me,

the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_

Stephen Ryzalsky and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

Douglas R. [Signature]

Notary Public

My Commission Expires: 9/1/98

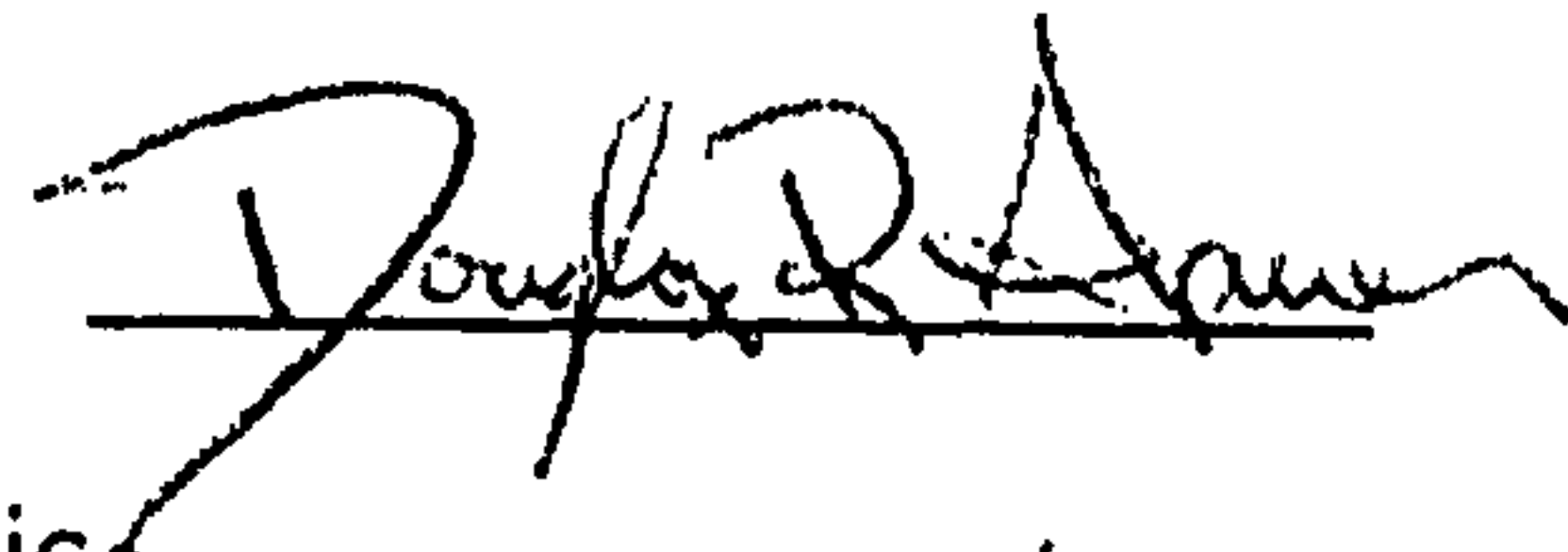
(OWNER)

STATE OF MARYLAND

COUNTY OF BALTIMORE to wit:

I HEREBY CERTIFY that on this 27<sup>th</sup> day of September, 19 95 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared Stephen Ruggell and that he/she/they acknowledged the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

My Commission Expires: 9/1/98

(LENDER #1)

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_ to wit:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ before me, the subscriber, a Notary Public in the county aforesaid, personally appeared \_\_\_\_\_ and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.

\_\_\_\_\_

Notary Public

My Commission Expires: \_\_\_\_\_

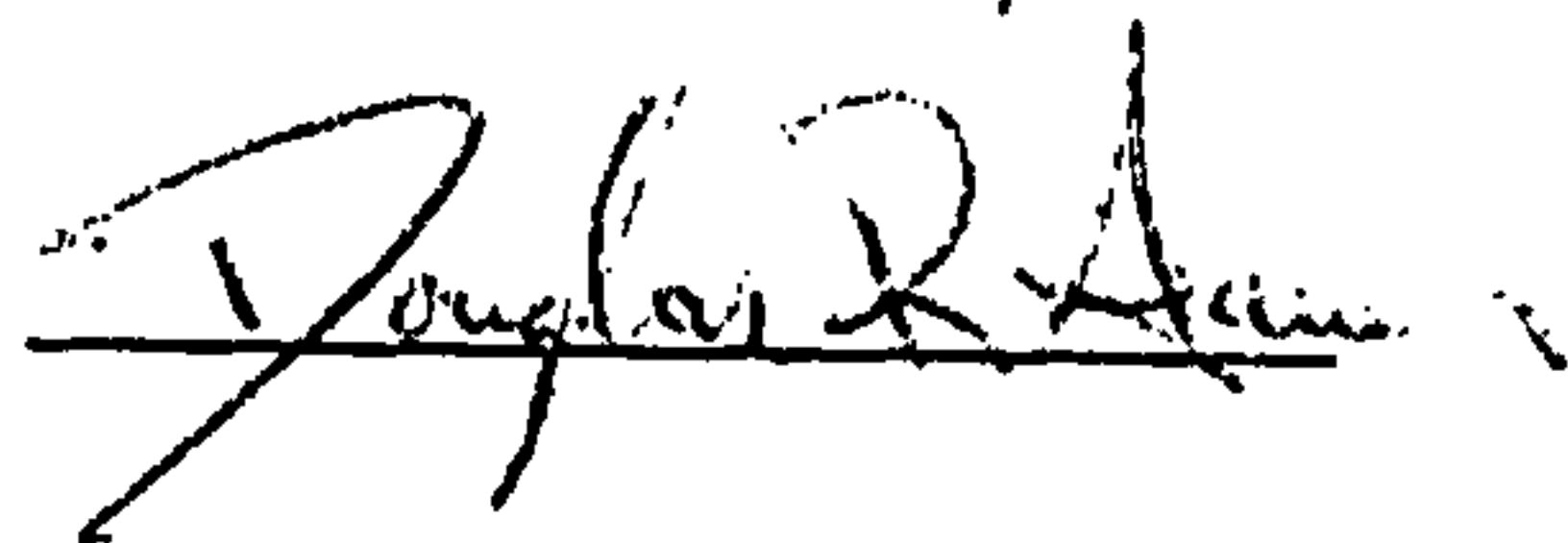
(LENDER #2) SURETY

STATE OF MARYLAND

COUNTY OF BALTIMORE to wit:

I HEREBY CERTIFY that on this 27<sup>th</sup> day of SEPTEMBER, 19 95 before me, the subscriber, a Notary Public in the county aforesaid, personally appeared MICHAEL S. OLIVE and that he/she/they acknowledged the execution of the foregoing Public Works Agreement to be his/her/their act.

WITNESS my hand and Notarial Seal.



Notary Public

My Commission Expires: 9/1/98

**EXHIBIT A**  
**STATEMENT OF**  
**PROPOSED WATER FACILITIES**  
**AND PHASING**

PROJECT NAME: Westbury Resubdivision, Carmen Woods  
TOTAL # OF PHASES: One  
DEVELOPER: Interstate General Company L.P.

**PHASE I:**

PLAT REF: liber382 folio 79, liber 917 folio 054, liber 511 folio 278

# LOTS TO BE SERVED: -25-

PROJECTED CONSTRUCTION START DATE: October 1995

PROJECTED CONSTRUCTION COMPLETION DATE: October 1, 1996

FACILITIES TO BE CONSTRUCTED\*: Water distribution system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 12 June 1995.

COMMISSION PARTICIPATION: None

\*The facilities listed also include FOR WATER PUMPING STATION: Wells, pumps, controls, generators, chlorinators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same; FOR WATER STORAGE TANKS: Elevated storage tanks, standpipes, ground storage tanks, hydropneumatic tanks and surge tanks as required by the Commission, together with all sites on which they are situated and 20' access to the same: FOR DISTRIBUTION SYSTEMS: Mains, fire hydrants, valves and valve boxes, fittings, blow offs, water house connections, water house service lines, curb stops, curb stop boxes, water meter settings and appurtenances, together with 20' permanent easements over the same for maintenance and modifications of and connection to these facilities; along with any and all other facilities or appurtenances which in any way could be construed as part of the water system.



Commission: AK

(Initials)

Developer: AD

(Initials)

SURETY: MA

**EXHIBIT B**  
**STATEMENT OF**  
**PROPOSED SEWER FACILITIES**  
**AND PHASING**

PROJECT NAME: Westbury Resubdivision, Carmen Woods  
TOTAL # OF PHASES: One  
DEVELOPER: Interstate General Company

**PHASE I:**

PLAT REF: liber382 folio 79, liber 917 folio 054, liber 511 folio 278

# LOTS TO BE SERVED: -25-

PROJECTED CONSTRUCTION START DATE: October 1995

PROJECTED CONSTRUCTION COMPLETION DATE: October 1, 1995 <sup>1996-31</sup>

FACILITIES TO BE CONSTRUCTED\*: Sewerage collection system with all appropriate appurtenances in accordance with the definition below and per the approved construction plans as signed by the Metropolitan Commission's Chief Engineer on 12 June 1995. COMMISSION PARTICIPATION: None

\*The facilities also include for WASTEWATER PUMPING STATIONS: pumps, wet wells, generators, compressors, meters, valves, interior and exterior piping and appurtenances, together with all sites on which they are situated and 20' access to the same. FOR WASTEWATER TREATMENT PLANTS: Storage lagoons, physical plants influent and effluent lines, lift stations, generators, together with all sites on which they are situated and 20' access to the same; FOR COLLECTION SYSTEMS: Collector and lateral sewers, force mains, sewer house service lines, air release valves, together with 20' permanent easements over the same for maintenance and modifications of connection to these facilities, along with any and all other facilities or appurtenances which in any way could be construed as part of the sewerage system.

Commission: JK

(Initials)

Developer: SR

(Initials)

SURETY: Nil

FRANFY & PARR INSURANCE LTD.

P. O. BOX 4310  
CAPITOL HEIGHTS, MARYLAND 20791-4310  
(301) 459-0055

BOOK 0012 PAGE 0100

Exhibit D

BOND NO. 82920

KNOW ALL MEN BY THESE PRESENTS,

That INTERSTATE GENERAL COMPANY, L.P., as Principal, and FRONTIER INSURANCE COMPANY, a corporation of the State of NEW YORK, having its executive office in ROCK HILL, NY, as Surety, are held and firmly bound unto ST. MARY'S COUNTY METROPOLITAN COMMISSION, hereinafter referred to as Oblige, in the penal sum of THIRTY NINE THOUSAND TWO HUNDRED FORTY AND 30/100 DOLLARS (\$39,240.30) for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written agreement with the Oblige entitled WESTBURY RESUBDIVISION, CARMEN WOODS, PUBLIC WORKS AGREEMENT, which agreement is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, THAT IF SAID Principal shall fully indemnify and reimburse the Oblige for any loss he (they, it) may suffer through the failure of the Principal faithfully to observe and perform each and every obligation and duty imposed upon the Principal by the said agreement, at the item and in the manner therein specified, then this obligation to be void; otherwise to remain in full force and virtue in law.

IN WITNESS WHEREOF, the said Principal and Surety have signed and sealed this instrument this 22nd day of SEPTEMBER, 1995.

WITNESS:

INTERSTATE GENERAL COMPANY, L.P.

Patricia M. Brocco  
NAME

[Signature]  
Principal Stephen P. Ryalsky, Vice President

Brenda L. Patterson  
NAME Brenda L. Patterson

FRONTIER INSURANCE COMPANY  
[Signature]  
Michael S. Olive, Attorney-in-Fact

EXHIBIT D

**POWER OF ATTORNEY**

Know All Men By These Presents: That FRONTIER INSURANCE COMPANY, a New York Corporation, having its principal office in Rock Hill, New York, pursuant to the following resolution, adopted by the Board of Directors of the Corporation on the 4th day of November, 1985:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

This Power of Attorney is signed and sealed in facsimile under and by the authority of the above Resolution.

DOES HEREBY MAKE, CONSTITUTE AND APPOINT: **WILLIAM G. FRANEY, KENNETH W. ROBERTS**  
**JOHN R. MUHA, II, BRENDA L. PATTERSON, SHIRLEY A. HARKINS, DOUGLAS R. SAUER, MICHAEL S. OLIVE**  
of **LANHAM**, in the State of **MARYLAND**  
its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred in its name, place and stead to sign, execute, acknowledge and deliver in its behalf, and as its act and deed, without power of redelegation, as follows:

Bonds guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts other than insurance policies; and executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed; IN AN AMOUNT NOT TO EXCEED THREE MILLION FIVE HUNDRED THOUSAND (\$3,500,000.00) DOLLARS; and to bind FRONTIER INSURANCE COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of FRONTIER INSURANCE COMPANY, and all the acts of said Attorney(s)-in-Fact pursuant to the authority herein given are hereby ratified and confirmed.

In Witness Whereof, FRONTIER INSURANCE COMPANY of Rock Hill, New York, has caused this Power of Attorney to be signed by its President and its Corporate seal to be affixed this **14th** day of **APRIL**, 19 **94**

FRONTIER INSURANCE COMPANY



BY: *Walter A. Rhulen*  
WALTER A. RHULEN, President

State of New York  
County of Sullivan ss.:

On this **14th** day of **APRIL**, 19 **94**, before the subscriber, a Notary Public of the State of New York in and for the County of Sullivan, duly commissioned and qualified, came WALTER A. RHULEN of FRONTIER INSURANCE COMPANY to me personally known to be the individual and officer described herein, and who executed the preceding instrument, and acknowledged the execution of the same, and being by me duly sworn, deposed and said, that he is the officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of the Company, and the Corporate Seal and signature as an officer were duly affixed and subscribed to the said instrument by the authority and direction of the Corporation, and that the resolution of the Company, referred to in the preceding instrument, is now in force.

In Testimony Whereof, I have hereunto set my hand, and affixed my official seal at Rock Hill, New York, the day and year above written.



*Christine I. Lane*  
CHRISTINE I. LANE  
Notary Public State of New York  
Sullivan County Clerk's No. 1996  
Commission Expires May 2, 1996

**CERTIFICATION**

I, JOSEPH P. LOUGHLIN, Secretary of FRONTIER INSURANCE COMPANY of Rock Hill, New York, do hereby certify that the foregoing Resolution adopted by the Board of Directors of this Corporation and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolution and the Powers of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the facsimile seal of the corporation this **22nd** day of **September**, 19 **95**



*Joseph P. Loughlin*  
JOSEPH P. LOUGHLIN, Secretary