AGREEMENT
Between
SHELBY COUNTY GOVERNMENT
And
SPRING CREEK, LLC

THIS AGREEMENT entered into this _____ day of _____, 2007 by and between the Shelby County Government (hereinafter referred to as "County") and Spring Creek, LLC (hereinafter referred to as "Spring Creek").

WHEREAS, the County has received reports from residents that septic systems are failing in the Cotton Creek area of southeast Shelby County located in the Town of Collierville Annexation Reserve; and

WHEREAS, the County has performed an engineering study that confirms the existence of septic system failures; and

WHEREAS, the County has determined that a low pressure sewer system (LPSS) which collects solid material in individual septic tanks and conveying the liquid waste to the Town of Collierville Publicly Owned Treatment Works at Shelton Road by connection to the sewer lift station operated by the Town of Collierville on behalf of Spring Creek is the most efficient and cost effective system to alleviate the environmental problems associated with these failing septic tanks; and

WHEREAS, the sewer lift station was constructed by forces under contract with Spring Creek which holds remaining capacity rights in agreement with the Town of Collierville (hereinafter referred to as "Town"); and

WHEREAS, Spring Creek has agreed to the conditional use of the excess capacity of the lift station and force main by County for Cotton Creek residents only.

NOW, THEREFORE, in consideration of these premises the parties agree as follows:

1. The County will undertake engineering design and construction of the LPSS for the Cotton Creek area (the "Project"). The Project will consist of construction of low pressure sewer pipes, pumps, and replacement septic tanks, as necessary.
2. The LPSS will transport the liquid waste to the Spring Creek collection system. From this point, it will be carried by the existing Collierville-Arlington Road force main line to the Town of Collierville Publicly Owned Treatment Works on Shelton Road. The Town has agreed to process all liquid waste from the LPSS that is transported to the connection of the LPSS to the Collierville-Arlington Road force main line. The Town has consented to the LPSS being connected to the Collierville-Arlington Road force main line, subject to the County obtaining the approval of Spring Creek and its developer Boyle North Company, L.L.C.
3. A revolving maximum of One Hundred and two (102) residential lots will be eligible for connection to the system ("System Users") during the term of this Agreement. A list of the

initial addresses and initial System Users is attached hereto as Exhibit "A" and incorporated fully herein by reference. Additional connections in excess of the revolving maximum of 102 residential lots are not permitted.

4. The County will provide engineering plans to Spring Creek for review and approval by Spring Creek prior to approval by the County Engineer. During construction, Spring Creek personnel will be authorized to access the construction site of the Project to perform quality assurance inspections of the Project.

5. The County will assure that construction is performed in such a manner that service to residences in Spring Creek Ranch planned development is not interrupted.

6. The County will return all areas disturbed to their pre-construction conditions. This will include but not be limited to all landscaping, irrigation, signage, lighting, fencing, pavement, etc. at no expense to Spring Creek.

7. The County shall pay to Spring Creek $98,400.00 for capital costs incurred by Spring Creek within ten (10) days of the date upon which the County awards the construction contract for completion of the Project to a general contractor.

8. The County also agrees to a pro-rata share of the up to Forty thousand dollar ($40,000.00) liability assigned to Spring Creek in agreement with the Town of Collierville, a copy of which contract is attached hereto as Exhibit A. The County accepts no other liability or obligations set forth in the attached contract.

9. Term. The term of this Agreement (the "Term") will commence upon the execution of this Agreement and continue through annexation by the Town of Collierville of the Cotton Creek area.

10. Notices. Any notices required or permitted to be given under the provisions of this Agreement shall be effective only if in writing and delivered either in person to the County's authorized agent or by First Class or U.S. Mail to the addresses set forth below, or to such other person or address as either party may designate in writing and deliver as herein provided:

COUNTY: Shelby County Engineering Department
160 N. Main Street, Suite 350
Memphis, Tennessee 38103
Attn.: Michael Oakes, Shelby County Engineer

and

Shelby County Government
Contract Administration
160 N. Main St., Suite 550
Memphis, Tennessee 38103

SPRING CREEK: Attn: Scott Nottowich
Stanford Group Company
6075 Poplar Avenue, Suite 300
Memphis, Tennessee 38119

and

Attn: Gary Thompson
Boyle North Company, L.L.C.
5900 Poplar Avenue, Suite 100
Memphis, Tennessee 38119

11. Subject to Funding and Termination. This Agreement is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Agreement are not appropriated by Shelby County Government for any of its fiscal period during the Term hereof, then the Project and this Agreement will be terminated. If funding has not occurred by December 10, 2011, then this Agreement shall automatically terminate and shall be of no further force or effect. Additionally, this Agreement shall immediately terminate should County be unable to obtain one hundred percent (100%) participation of potential System Users.

12. Relationship of Parties. In the exercise of their respective rights and obligations under this Agreement, each Party acts in an independent capacity, and neither is to be considered the agent of any other.

13. Miscellaneous.

    A. This Agreement shall not be assigned by the County or Spring Creek without the consent of both Parties

    B. Wherever the singular or masculine is used in this Agreement, it shall be construed as meaning the plural or the feminine or the body corporate or politic where the context or the parties so require.

    C. If any section or lesser portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the invalidity of such section or portion shall not affect the validity of the remainder.

    D. This Agreement shall inure to the benefit of and be binding upon the parties, their respective heirs, executors, administrators, successors and permitted assigns.

    E. This Agreement may be executed in any number of counterparts, all of which shall together be deemed to be an original and together such counterparts shall constitute one agreement. Execution of this Agreement may be made on copies transmitted by facsimile transmission and executed copies may be sent by facsimile transmission, and transmission of an executed copy shall be deemed to constitute communication of execution and acceptance of this Agreement.

    F. This Agreement will be interpreted in accordance with the laws of the State of Tennessee. By execution of this Agreement, the Town agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this Agreement will be instituted and litigated in the courts of the State

of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this Agreement submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

14. All terms of this Agreement are contingent upon approval by the Shelby County Board of County Commissioners and the Town of Collierville Board of Mayor and Aldermen

APPROVED AS TO LEGAL FORM, EFFICACY AND PROPRIETY

By:_____
Shelby County Contract Administrator/
Assistant County Attorney

FOR THE COUNTY

By: _____
A C Wharton, Jr., Mayor
Shelby County Government

By: _____
Ted Fox, Director
Shelby County Public Works

By: _____
Michael E. Oakes, P.E.
Shelby County Engineer

FOR SPRING CREEK, L.L.C.

By: Ross Meyer chief manager

By: Scott Notbauch - chief manager

By:_____