Deed Book 46142 Pg 129
Filed and Recorded Dec-26-2607 01:35pn
2007-0354470
Real Estate Transfer Tax \$0.00
Cathelene Robinson
Clerk of Superior Court
Fulton County, Georgia

Upon recording return to: Lisa A. Crawford Dorough & Dorough, LLC Two Decatur TownCenter, Suite 520 125 Clairemont Avenue Decatur, Georgia 30030-2551 (404) 687-9977

LIMITED WARRANTY DEED

WITNESSETH THAT, the said Grantor, for and in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS and other good and valuable considerations in hand paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, convey and confirm unto the said Grantee, all that certain tract or parcel of land described in Exhibit "A", attached hereto and made a part hereof, together with all improvements located thereon, including, without limitation, the streetlights, and together with all rights, members and appurtenances in any manner appertaining or belonging to said property ("Property");

TO HAVE AND TO HOLD the Property, with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining, to the only proper use, benefit and behoof of the said Grantee forever in FEE SIMPLE; subject to those matters (hereinafter referred to as "Permitted Exceptions") set out in Exhibit "B", attached hereto and by this reference incorporated herein.

AND THE SAID Grantor will warrant and forever defend the right and title to the Property unto the said Grantee against the claims of any persons owning, holding or claiming by, through or under Grantor, except for claims arising under or by virtue of the Permitted Exceptions.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Grantor has signed and sealed this deed the day and year first above written.

GRANTOR:

RESERVE AT CRABAPPLE

TOWNHOME ASSOCIATION, INC.,

a Georgia nonprofit corporation

By:

Name: Title:

Attest: Name:

Title:

PRESIDE NI

[AFFIX CORPORATE SEAL]

Signed, sealed and delivered in the presence of

My Commission Expires: June 8, 2011

SEAL

LEGIE L CRONK
- Notally Public
- Notally Public
- Notally Public
- Notally Public
- Notally Cauchy
- State of Georgia
- My Commission Supplies Jun B, 2013

:16116115111731Reserve at CrabappleLWD - 10-29-07.doc

EXHIBIT "A"

Property Description

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1281 and 1282 of the 2nd District, 2nd Section, City of Roswell, Fulton County, Georgia, designated as "Skulley Drive (50' AB - Private)" and "Mae Lane (50' AB - Private)", as more particularly shown on that certain Final Plat for Reserve at Crabapple, prepared by Travis Pruitt and Associates, Inc., dated January 30, 2004, last revised September 5, 2007, containing the seal of Ricky B. Gifford, Georgia Registered Land Surveyor No. 3025, recorded in Plat Book 252, Page 87, et seq., Fulton County, Georgia land records, and subsequently revised and re-recorded in Plat Book 257, Page 87, et seq., aforesaid records, and last recorded on October 25, 2007 in Plat Book 331, Page 16, et seq., aforesaid records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

EXHIBIT "B"

Permitted Exceptions

- State and County Ad Valorem taxes for 2007 and subsequent years.
- 2. All matters disclosed on that certain Final Plat for The Reserve at Crabapple, containing the seal of Leonidas B. Sears, III, Georgia Registered Land Surveyor No. 2628, recorded in Plat Book 252, Page 87, et seq., Fulton County, Georgia land records, as re-recorded in Plat Book 257, Page 87, et seq., aforesaid records.
- 3. Declaration of Protective Covenants, Conditions, Restrictions and Basements for Reserve at Crabapple, filed March 30, 2004 and recorded at Deed Book 37315, Page 365, et seq., Fulton County, Georgia land records, as amended by the First Amendment to that certain Declaration of Covenants and Restrictions for Reserve at Crabapple Townhome Association, Declaration of Covenants and Restrictions for Reserve at Crabapple Townhome Association, Inc., filed Pebruary 16, 2007 and recorded at Deed Book 44484, Page 490, et seq., aforesaid records.
 - 4. Basements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated April 5, 1934 and filed February 1, 1935 and recorded at Deed Book 1539, Pages 379 and 380, aforesaid records.
 - 5. Easements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated August 29, 1935 and filed December 17, 1935 and recorded at Deed Book 1571, Page 456, aforesaid records.
 - 6. Easements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated February 21, 1935 and recorded at Deed Book 1539, Page 008, aforesaid records.
 - 7. Easements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated September 9, 1936 and filed October 20, 1939 and recorded at Deed Book 1723, Page 583, aforesaid records.
 - 8. Easements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated August 8, 1953 and filed October 12, 1953 and recorded at Deed Book 2242, Page 140, aforesald records.
 - 9. Basements that may be contained in that certain Right of Way Deed from G. N. Rucker et al., to Fulton County, Georgia dated March 1, 1955 and filed March 21, 1955 and recorded at Deed Book 2978, Page 331, aforesaid records.

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EXHIBIT "B"

Permitted Exceptions

- 10. Easements that may be contained in that certain Order and Judgment in Civil Suit Fulton County v. North Fulton Exchange Partnership et al., File No. 2002CV48430, dated February 1, 2002.
- 11. Sewer Easement from Pulte Home Corporation to Fulton County, Georgia dated October 8, 2003 and filed January 29, 2004 and recorded at Deed Book 36901, Page 690, aforesaid records.
- 12. Owners Indemnification and Maintenance Agreement for Detention Pond by and between Pulte Home Corporation and Fulton County dated March 30, 2004 and filed March 30, 2004 and recorded at Deed Book 37315, Page 361, aforesaid records.
- 13. Atlanta Gas Light Company Easement Agreement by and between Pulte Home Corporation and Atlanta Gas Light Company dated March 22, 2004 and filed April 21, 2004 and recorded at Deed Book 37411, Page 643, aforesaid records.
- 14. Notice of Commencement filed May 27, 2003 and recorded at Deed Book 35024, Page 006, aforesaid records.

RESERVE AGREEMENT

THIS RESERVE AGREEMENT (this "Reserve Agreement"), made and entered into this "Aday of Movember", 2007, by and among RESERVE AT CRABAPPLE TOWNHOME ASSOCIATION, INC., a Georgia nonprofit corporation ("Grantor"), and CITY OF ROSWELL, a political subdivision of the State of Georgia ("Grantee").

WITNESSETH

WHEREAS, Grantor desires to convey to Grantee the private roads serving the Reserve at Crabapple subdivision being identified as Skulley Drive and Mae Lane and located on the Property as defined herein for use as public roads serving the City of Roswell; and

WHEREAS, Grantee desires to accept said Property pursuant to the terms and conditions described in a portion of the minutes of a meeting with the Mayor of the City of Roswell and the City of Roswell Council dated August 20, 2007, attached hereto as Exhibit "B" and by this reference incorporated herein ("Minutes"); and

WHEREAS, pursuant to that certain Limited Warranty Deed, recorded on the 26th day of December, 2007 ("Recording Date") in Deed Book 46142, Page 121, et seq., Fulton County, Georgia land records ("Deed"), Grantor conveyed to Grantee that certain parcel of real property described on Exhibit "A" attached to the Deed, and as further described on Exhibit "A" attached hereto, together with all improvements constructed on, and all personal property utilized in connection with the operation of said real property, including, without limitation, the streetlights and expenses for electricians serving said streetlights, and specifically excluding certain metal corrugated pipes as provided herein (said real property, improvements, and personal property being hereinafter collectively referred to as the "Property"); and

WHEREAS, Grantee and Grantor desire to establish a reserve of certain funds in connection with the future maintenance of the Property as contemplated by this Reserve Agreement and the Minutes.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. Road Maintenance and Repair Costs. Grantor and Grantee acknowledge and agree that Grantor shall establish a reserve account ("Reserve Account"), as described herein, to help fund the future maintenance and repair of "Skulley Drive (50' AE - Private)" and "Mae Lane (50' AE - Private)" (collectively, the "Roads") as further described on Exhibit "A" attached hereto. AE - Private)" (collectively, the "Roads") as further described on Exhibit "A" attached hereto. Grantor and Grantee acknowledge and agree that within Thirty (30) days of the Recording Date, Grantor shall deliver a copy of the recorded Deed to Grantee. Upon receipt of a Recording Date, Grantor shall deliver a copy of the recorded Deed by the Grantee (the "Receipt Date"), Grantor shall deliver and deposit on initial payment of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) into the Reserve Account (the "Initial Deposit") on the first day of the first month immediately following the

Receipt Date. Grantor and Grantee agree that and on the first day of every other month after the Initial Deposit, for a total of ninety-six (96) months from and including the date of the Initial Deposit (the "Payment Period"), Grantor shall deliver and deposit a total of forty-eight (48) consecutive payments of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00) each into the Reserve Account (the "Deposits"). At the end of the Payment Period, the Deposits shall equal a total amount of TWENTY-FOUR THOUSAND AND NO/100 DOLLARS (\$24,000.00) (the "Total Deposit"). Grantor shall hold the Deposits in either an interest bearing or a non-interest bearing account with The Bank of North Georgia (the "Bank"). Interest generated on the Deposits in the Reserve Account, if any, shall be the property of and may be disbursed to Grantor as available and as requested by Grantor from time to time.

- 2. Maintenance and Repair of Metal Corrugated Pipes. Corrugate metal pipes run below the Property and the Roads ("Pipes"). Grantor hereby acknowledges and agrees that it retains ownership of the Pipes and remains obligated and responsible for any maintenance, repair and replacement of the Pipes at its sole cost and expense in compliance with the terms and conditions regarding the Pipes and described in the Minutes. To further comply with the terms and conditions of the Minutes, the provisions of this Section shall survive the termination of this Reserve Agreement.
- 3. Disbursement of Total Deposit. Upon expiration of the Payment Period, and upon the written request of Grantee to Grantor that the Roads require repaying as provided in the Minutes, Grantor shall disburse the Total Deposit to Grantee (the "Disbursement Date"). In the event the Total Deposit is insufficient to cover the costs and expenses required to fund the repairing of the Roads as required in the Minutes, Grantee shall be solely responsible for the costs and expenses due to any shortfall.
- 4. Account Statements. At any time during the Payment Period, and upon the receipt of notice from Grantee, Grantor shall provide Grantee with quarterly account statements from the Bank that show all past activity of Deposits from Grantor into the Reserve Account for the purpose of monitoring Grantor's compliance with this Reserve Agreement.
- 5. Termination. This Reserve Agreement shall terminate upon the earlier to occur of the Disbursement Date of the Total Deposit or such date of which Grantee shall notify Grantor in writing as provided herein. If this Reserve Agreement shall be terminated prior to the Disbursement Date of the Total Deposit pursuant to a written notice to Grantor from Grantee, then the Total Deposit shall be disbursed as set forth in such notice and all rights and obligations of Grantee and Grantor under this Reserve Agreement shall terminate.
- 6. Default; Disputes. Grantor may proceed under this Reserve Agreement unless Grantee shall give to the Grantor written direction to stop further performance of the terms of this Reserve Agreement. If Grantor is in default in the performance of its obligations under this Reserve Agreement for 30 days after the date of written notice of such failure by Grantee to Grantor, Grantee shall have the right (but not the obligation) thereafter to require Grantor to disburse all funds in the Reserve Account, or any portion thereof, to the Grantee upon written notice by Grantee to Grantor. If Grantee is in default in the performance of its obligations under

continue to perform its obligations under this Reserve Agreement, except upon receipt of a mutual written agreement of the parties or upon an appropriate order of court. In the event written notice of dispute is delivered by either party, the Grantor is authorized to deposit the Deposits into a court of competent jurisdiction for a determination as to the proper disposition of said funds. In the event that the Deposits are deposited in court, the Grantor shall be entitled to file a claim in the proceeding for its costs and counsel fees, if any.

- 7. Reserve Account Fees and Other Expenses. Grantor shall not charge for its services hereunder. Grantor shall be responsible for reimbursing the Bank for actual, reasonable fees, hereunder. Grantor shall be responsible for reimbursing the Bank for actual, reasonable fees, charges, and expenses incurred in the maintenance of the Reserve Account, which expenses shall charges, and expenses incurred in the maintenance fees as determined by the Bank, unless include, but not be limited to, annual maintenance fees as determined by the Bank, unless include, but not be limited to, annual maintenance fees as determined by the Bank shall not be deducted by otherwise provided. All fees, charges and expenses paid to the Bank shall not be deducted by otherwise provided. All fees, charges and expenses paid to the Grantee. Additional amounts the Grantor from any funds held in the Reserve Account due to the Grantee. Additional amounts which may become due for any reason shall be promptly paid to the Bank by the Grantor if said which may become due for any reason shall be promptly paid to the Bank by the Grantor if said which may become due for any reason shall be promptly paid to the Bank by the Grantor if said
- 8. Performance of Dutles. In performing any of its duties under this Reserve Agreement, or upon the claimed failure to perform its duties hereunder, Grantor shall not be liable to anyone for any damages, losses or expenses which may occur as a result of Grantor so acting, or failing for any damages, losses or expenses which may occur as a result of Grantor so acting, or failing to act; provided, however, Grantor shall be liable for damages arising out of its willful default or gross negligence under this Reserve Agreement. Accordingly, Grantor shall not incur any such liability with respect to (i) any good faith act or omission upon advice of its counsel given with respect to any questions relating to the dutles and responsibilities of Grantor hereunder, or (ii) respect to any questions relating to the dutles and responsibilities of Grantor hereunder, or (ii) any good faith act or omission in reliance upon any document, including any written notice or any good faith act or omission in reliance upon any document, including any written notice or instructions provided for in this Reserve Agreement, not only as to its due execution and to the instructions provided for in this Reserve Agreement, not only as to its due execution and to the validity and effectiveness of its provisions but also to the truth and accuracy of any information validity and effectiveness of its provisions but also to the truth and accuracy of any information validity and effectiveness of its provisions but also to the truth and accuracy of any information validity and effectiveness of its provisions and to conform with the provisions of this Reserve Agreement.
 - 9, Limitations of Liability. Grantor shall not be liable for any loss or damage resulting from the following:
 - (a) The effect of the transaction underlying this Reserve Agreement including without limitation, any defect in the title to the real estate, any failure or delay in the surrender of possessions of the property, the rights or obligations of any party in possession of the property, possessions of the property, the rights or obligations of any party in possession of the property, the financial status of insolvency of any other party, and/or any misrepresentations of fact made by any other party;
 - (b) The default, error, act or failure by any other party to this Reserve Agreement;
 - (c) Any loss, loss of value or impairment of funds which have been deposited in the Reserve Account while those funds are in the course of collection or while those funds are on deposit in a depository institution if such loss or loss of value or impairment results from the failure, insolvency or suspension of a depository institution;

- (d) Any defects or conditions of title to any property that is the subject of this Reserve Agreement:
- (e) Grantor's compliance with any legal process, including, but not limited to, subpoena, writs, orders, judgments and decrees of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside or reversed.
- 10. Release on Payment. Payment of the funds so held in reserve by the Grantor, in accordance with the terms, conditions and provisions of this Reserve Agreement, shall fully and completely discharge and exonerate the Grantor from any and all future liability or obligations of any nature or character at law or equity to the parties hereto or under this Reserve Agreement.
- 11. Notices. All notices or other communication provided for under this Reserve Agreement shall be in writing, shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, or by private overnight courier service, addressed to the Person to receive such notice or communication at the following address, or by facsimile to the facsimile number for such Person set forth below, and shall be effective upon receipt or refusal to accept delivery:

To Grantor:

Reserve at Crabapple Townhome

Association, Inc.

11735 Pointe Place

Roswell, Georgia 30076

To Grantee:

City of Roswell Roswell City Hall 38 Hill Street

Roswell, Georgia 30075

Alln: CITY ADMINISTRATION

Notice of change of address shall be given by written notice in the manner set forth in this subsection.

- 12. Successors and Assigns. This Reserve Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against the parties hereto and their respective successors and assigns, to the same extent as is specified throughout this Reserve Agreement.
- 13. Counterparts. This Reserve Agreement may be executed in several counterparts, each of which will be deemed an original, and all of such counterparts together shall constitute one and the same instrument.
 - 14. Time of the Essence. Time is of the essence of this Reserve Agreement.
- 15. Governing Law. This Reserve Agreement shall be governed by the laws of the State of Georgia.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Reserve Agreement to be executed under seal as of the date first above written.

GRANTOR:

RESERVE AT CRABAPPLE TOWNHOME ASSOCIATION, INC.,

a Georgia nonprofit corporation

By:

Name: Title:

Attest:

Name: Title:

Signed, sealed and delivered

in the presence of

My Commission Expires: Two 8, 2017

[AFFIX NOTARY SEAL]

LEBLIE L CRONK

Notary Public

Polity in Gounly

State of Georgia [SIGN TURES CONTINUE ON POLLOWING PAGE]

My Commission Expires Jun 8, 2011

GRANTEE:

CITY OF ROSWELL, a political subdivision of the State of Georgia

Ву:

Name: Title:

(SEAL)

City of Roswell

Signed, sealed and delivered in the presence of

P:\Clients\1373\Reservo at Crabapple\Road Conveyance\Reservo Agreement 12-10-07 v6.doo

EXHIBIT "A"

Property Description

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1281 and 1282 of the 2nd District, 2nd Section, City of Roswell, Fulton County, Georgia, designated as "Skulley Drive (50' AE - Private)" and "Mae Lane (50' AE - Private)", as more particularly shown on that certain Final Plat for Reserve at Crabapple, prepared by Travis Pruitt and Associates, Inc., dated January 30, 2004, last revised September 5, 2007, containing the seal of Ricky B. Gifford, Georgia Registered Land Surveyor No. 3025, recorded in Plat Book 252, Page 87, et seq., Fulton County, Georgia land records, and subsequently revised and re-recorded in Plat Book 257, Page 87, et seq., aforesaid records, and last recorded on October 25, 2007 in Plat Book 331, Page 16, et seq., aforesaid records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

EXHIBIT "B"

Resolution 13 of the Regular Agenda of the City of Roswell Council Meeting

<u>Dated August 20, 2007</u>

Regular Meeting August 20, 2007 Page 9 of 19

13. Approval to authorize the Mayor and/or City Administrator to sign a contract and other appropriate legal documents with the president of the board of directors of the Reserve at Crabapple to accept Skulley Drive and Mae Lane as public roads into the City of Roswell for 96 months to pay for a pavement maintenance shortfall.

Mr. Andreou stated that the Reserve at Crabapple was constructed with private streets. Recently the homeowners association requested the City to assume the responsibility and ownership of the maintenance of the right-of-ways and streets. To accomplish that, the City has requested a payment in escrow of \$24,000 for a certain shortfall in the pavement structure in the amount of one-inch of pavement. The \$24,000 will be placed in escrow for the City to use at a later date for maintenance purposes. In addition, the subdivision will have to provide and refile updated community dedication plats and be responsible for the condition of the corrugated metal pipe under the road. The City agrees to take responsibility for the streetlights in the Reserve at Crabapple.

Mr. Andreou confirmed for Mayor Wood that this property was newly annexed into the City of Roswell. He also confirmed the City's practice is to accept streets once they are introduced into the City of Roswell if they meet City standards. These streets fell short of City standards because of the depth of the pavement. It was felt that with \$24,000, the streets could be brought up to City standards. This was saying the City would accept the streets if the homeowners association paid \$24,000 in order to bring them up to City standards. Mr. Andreou confirmed that the Transportation Department recommended that this be approved.

Councilman Orlans questioned if \$24,000 would cover the repaying of the streets at a one-inch depth. Mr. Andreou replied that was what staff had estimated one-inch of asphalt would cost, and he was comfortable with that number. He noted that currently the streets are new and in good shape as far as structure with no defects. There is no need to apply additional asphalt at this time, but placement of the funds in escrow will ensure that if future maintenance work is necessary, there will be adequate funding to accomplish that.

Councilwoman Henry asked about the maintenance of the metal corrugated pipes. She said it was her understanding that the City will not be accepting the pipes because the City's standard is concrete. Mr. Andreou responded that the City will not be accepting the responsibility for the maintenance of the pipes. Councilwoman Henry asked if in 15-20 years one of the corrugated metal pipes fails and the road collapses, would the homeowners association be responsible for the repair. Mr. Andreou answered yes saying it would be incorporated into the agreement. Councilwoman Henry asked where it would be written that the City did not accept the pipes and while it was a public street there was a caveat of maintenance of the pipes by the homeowners association. She commented that if the pipe collapses and the City goes out to repair it and sees that it is a public street, the City would foot the bill for it. Mr. Andreou responded that the City Attorney's office would help them draft an agreement between the City and the homeowners association to ensure that responsibility for repair of any damage to the pipes would not be the City's. Councilwoman Henry asked how the streets could be red flagged so that 15-20 years from now if the pipes fail what could trigger a notification that the City is not responsible for the maintenance of the pipes. Mr. Andreou replied that it could be incorporated into the City's mapping systems or its maintenance plans. He agreed with Councilwoman Henry that the City will have to be diligent to figure out a way to identify those streets to make sure if something happens to the pipes that they are not repaired at City cost, Councilwoman Henry said she would appreciate it if that was done.

Mayor Wood asked if a reference to this was going to be incorporated into the City's GIS system. Mr. Andreou replied that was one way of doing it. Mayor Wood thought Councilwoman Henry had made a good point and that there should be a system developed to track these types of issues. He thought tracking it through the GIS system would probably be the best way because if the map was pulled up years from now, there would be a note on it.

Motion: Councilwoman Winiski moved to authorize the Mayor and/or City Administrator to sign a contract and other appropriate legal documents with the president of the board of directors of the Reserve at Crabapple to accept Skulley Drive and Mae Lane as public roads into the City of Roswell for 96 months to pay for a pavement maintenance shortfall. Mayor Wood asked if the motion was with the condition that the responsibility of the pipes be made note of somewhere. Councilwoman Winiski accepted that condition. Mayor Wood clarified that

Regular Meeting August 20, 2007 Page 10 of 19

the motion was to accept the streets with a condition that the agreement be flagged somewhere that can be found in the future.

Second: Councilwoman Henry seconded the motion.

Public Comment:

Lloyd Flaum, 120 Harper Cove Drive, stated he had no association with this project but did not understand if the City was willing to accept the tax revenue from the people who live along those streets why the City did not bring the streets up to standards; then, if in 20 years the streets collapse, the City would accept responsibility and not worry about a kick-out clause. Mayor Wood responded that there was an agreement reached with the neighborhood association. He did not think they wanted to dig up the galvanized pipe which would be very expensive. Mayor Wood called it a practical approach versus a perfect approach. Mr. Andreou remarked that currently the pipe was in good condition and there was no need to dig it up at this time. Mr. Flaum said if he was a homeowner in that community and the City was willing to accept the tax revenue today, he would want the City to be around in 20 years and not look for a kick-out clause.

Phil Barnet, 11530 Bowen Road, Roswell, asked if the \$24,000 would be earmarked specifically for when it is time to bring the roads up to standards and would it be enough money when it is time to bring them up to standards. Mayor Wood replied that he did not know if it would be enough when it is time to bring them up to standards, but they have told the neighborhood that is their only obligation. Mayor Wood said the City was accepting the responsibility to resurface the roads in the future. He did not know if the money was going to be earmarked but commented that a City with \$20 million in reserves would have the money to fix them, Mr. Andreou confirmed that the money would be placed in escrow. Mr. Barnet, saying that Council woman Henry had brought up a good point, asked if the galvanized pipe was a culvert pipe. Mr. Andreou replied that it was a storm drain pipe that runs under the road. Mr. Barnet asked why not just line it so they would not have to worky about it. Mayor Wood asked if Mr. Andreou if there was anything that could be done as far as lining or coating the pipe that would help extend the life of the pipe and be cost effective. Mr. Andreou replied that the metal pipe was susceptible to corrosion; it could corrode on the outside. He reiterated that the pipe was currently in good condition. Lining the pipe would ensure that the inside of the pipe would not be affected by corrosion, however, depending on the type of material of the pipe, the outside of the pipe could correde. Lining the pipe would help with performance of the pipe to carry water. Mayor Wood asked if Mr. Andreou recommended doing anything to the pipe. Mr. Andreou replied if the homeowners association wanted to line the pipe, he would not object, but that would be an expense of the homeowners association. Mayor Wood asked if coating it would extend the life of the pipe substantially and would it be cost effective. Mr. Andreou did not believe it would extend the life of the pipe substantially and as a representative of the City would not spend the money for it.

There was no further public comment.

Councilwoman Henry wanted to make clear that the City had development projects that often times are gated communities built as private streets. Those developers would not necessarily need to meet the standards the City requires as far as sub-base of the road and often times width of the road. They are approved by the City under the condition that they are private streets and remain private streets. She said the City was not willing to pick up the tab for inferior construction which is often times the case. She said this community was developed as a private street community, and they were asking now for those streets to become public. She wanted to make it clear that the City did not annex someone in and say their taxes were good but their streets were not.

There was no further discussion.

Vote: The motion passed unanimously.

Mayor Wood thanked the people from Reserve at Crabapple who had attended the meeting.