

EMRCFD RES 2018-123

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA) APPROVING THE FEASIBILITY REPORT RELATING TO THE ACQUISITION, CONSTRUCTION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITTING THE DISTRICT; DECLARING ITS INTENTION TO FINANCE AND ACQUIRE CERTAIN IMPROVEMENTS DESCRIBED IN THE FEASIBILITY REPORT; FORMING LUCERO ASSESSMENT DISTRICT NO. 1; DETERMINING THAT SPECIAL ASSESSMENT REVENUE BONDS MAY BE ISSUED TO FINANCE THE COSTS AND EXPENSES THEREOF UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO; DECLARING THE IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE COSTS OF SAID IMPROVEMENTS WILL BE ASSESSED UPON THE ASSESSMENT DISTRICT; AND ORDERING THE PUBLIC INFRASTRUCTURE PROJECTS PERFORMED.

WHEREAS, pursuant to Arizona Revised Statutes ("A.R.S.") §48-715, as amended, the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) (the "*District*") has caused the Report (as such term and all other initially capitalized terms are defined herein) to be prepared, relating to certain public infrastructure and public infrastructure purposes provided for in the General Plan of the District and to be financed with the proceeds of the sale of special assessment revenue bonds of the District, which Report includes, among other things, a description of certain public infrastructure and public infrastructure purposes to be acquired and constructed and all other information useful to understand the Project, an estimate of the cost to acquire, operate and maintain the Project, an estimated schedule for completion of the Project, a map or description of the area to be benefited by the Project and a plan and expected method for financing the Project, including the nature and timing of the issuance of bonds, if any, a copy of which is on file with the Clerk; and

WHEREAS, pursuant to A.R.S. § 48-715, as amended, the Clerk has, not less than ten (10) days in advance of the date of public hearing on the Report, (i) published notice of public hearing (the "*Publication*") on the Report and (ii) provided the Report and notice of public hearing on the Report to the Mayor and City Council of the City of Goodyear, Arizona. A public hearing on the Report was held on the date hereof, after provision for publication of notice thereof as provided by law; and

WHEREAS, the District, developer and landowners of the property within the Assessment District have heretofore executed and delivered to the District the Waiver wherein the parties thereto have: (i) waived any and all requirements for notice and time for protests and objections relating to, among other things, the Project and the extent of the Assessment District; (ii) acknowledged that the District shall levy an Assessment pursuant to the Act; and (iii) waived certain procedural requirements;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA) that:

Section 1. **Definitions.** In this resolution, the following terms shall have the following meanings:

"*Act*" shall mean Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended.

"*Assessment District*" shall mean the real property contained within the boundaries described in Exhibit A attached hereto. For a more general description, reference is hereby made to the Assessment District Map attached to this resolution as Exhibit B, which map is on file with the Superintendent of Streets and the Clerk.

"*Assessment District Map*" shall mean the map showing the Assessment District and attached hereto as Exhibit B.

"*Board*" shall mean this Board of Directors of the District.

"*Bond Counsel*" shall mean Gust Rosenfeld P.L.C. and any successor thereto.

"*Bonds*" shall mean the District's Special Assessment Revenue Bonds (Lucero Assessment District No. 1), Series 2018.

"*Clerk*" shall mean the Clerk of the District.

"*Debt Service Reserve*" shall mean the debt service reserve fund funded with the proceeds from the sale of the Bonds, authorized pursuant to the Act.

"*Development Agreement*" shall mean the Development, Financing Participation and Intergovernmental Agreement No. 1 (Estrella Mountain Ranch Community Facilities District), dated as of August 1, 2000, by and among the City of Goodyear, Arizona, the District and Sunchase Estrella Limited Partnership; recorded August 18, 2000 at docket number 2000-0635059 in the office of the Maricopa County Recorder.

"*District*" shall mean the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona).

"*District Engineer*" shall mean initially, the City Engineer of the City of Goodyear, Arizona, and, thereafter, such engineer or firm of engineers as appointed by the District Manager.

"*Estimate*" shall mean the estimate of costs and expenses of the Project described in the Report and this resolution, showing the estimated costs and expenses of acquisition of the Project to be not less than \$6,065,000.00, together with Incidental Expenses (\$350,000.00),

capitalized interest (\$429,800.00), and a Debt Service Reserve (\$565,200.00), and less a developer contribution (\$350,000.00) for a total cost not to exceed \$7,060,500.00, all as described on Exhibit C.

"*Final Plans*" shall include all final plans, specifications and contract documents relating to the design of the Project, as have been approved by the City of Goodyear, Arizona, and on file with the Clerk.

"*Incidental Expenses*" shall mean compensation paid to the Superintendent of Streets, District Engineer, costs of printing, advertising, posting, the expenses of making, administrating and collecting the assessments, appraiser's fees, any underwriter's discount on the Bonds, any paying agent's fees, all legal and financial fees, all expenses and costs incurred in establishing the District, the Assessment District and incurred in connection with the drafting of the proceedings and in connection with the sale of the Bonds, and all capitalized interest, if any, on the Bonds.

"*Project*" shall mean, collectively, the acquisition of public infrastructure and public infrastructure purposes (as such terms are defined in the Act) described in the Report including particularly, the acquisition and/or construction by the District of the public infrastructure described on Exhibit D hereto.

"*Report*" shall mean the Feasibility Report dated October 10, 2018 and on file with the Clerk, prior to the date and time hereof, discussing the matters required by A.R.S. § 48-715, as amended, as such matters relate to the Project.

"*Streets*" or "*streets to be improved*" shall mean the streets listed on Exhibit D and such other streets and public rights-of-way as are shown on the Final Plans.

"*Superintendent of Streets*" shall mean the City Engineer of the City of Goodyear, Arizona, or such person or firm appointed as Superintendent of Streets by the District Manager.

"*Waiver*" shall mean the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) Waiver and Development Agreement Pertaining to the To Be Formed Lucero Assessment District No. 1, by and among the District and NNP III – Estrella Mountain Ranch, LLC, a Delaware limited liability company, dated as of October 1, 2018, and recorded _____, 2018, at docket number 2018-_____ in the office of the Maricopa County Recorder.

Section 2. Approval of the Feasibility Report. The Publication and the notice to the City of the Report and related public hearing are hereby ratified and approved. Based on the review by this Board and the presentation of the Report and testimony presented at the public hearing on October 22, 2018, the Report is hereby adopted and approved in the form submitted to this Board.

Section 3. Resolution of Intent. This Board hereby identifies the public infrastructure of the Project, the areas benefited (all located within the District), the expected

method of financing, including the nature and timing of the issuance of the Bonds, and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Report, for any and all purposes of the Act. This Board hereby declares its intent to proceed with the financing of the acquisition of the Project in substantially the manner presented in the Report and pursuant to the terms of the Development Agreement.

Section 4. Ordering the Performance of the Project. The public interest and convenience require and it is the intention of this Board to order the Project to be acquired and/or constructed and performed as stated herein and contemplated by the Report and in conformance with the Final Plans. In accordance with A.R.S. § 48-579, the Board hereby finds there are no protests against the Project and there are no objections to the extent of the Assessment District. By virtue of the authority vested in the Act, and all amendments thereto, this Board hereby orders the acquisition, construction and performance of the Project at a cost not to exceed the Estimate. When applicable, the District Engineer is authorized to modify the Final Plans to show the as-built condition of the Project. The acquisition of any portion of the Project may be performed upon the sale and delivery of the Bonds in an amount sufficient to pay the costs of acquisition.

Section 5. Determination of Need; Formation of Assessment District. The Assessment District is hereby formed, consisting of the property described on Exhibit A attached hereto. In the opinion of the Board, the Project is of more than local or ordinary public benefit, the Project principally benefits the land within the Assessment District, and the Board hereby orders that amounts due or to become due with respect to financing the costs and expenses of the Project (including capitalized interest), together with the Debt Service Reserve and all Incidental Expenses (the "Assessment"), and less an anticipated developer contribution, shall be chargeable upon the respective lots, pieces and parcels of land within the Assessment District. The amount of the total Assessment shall not be greater than the product of \$13,500.00 times the number of projected developable lots located within the Assessment District.

Section 6. Exclusion of Certain Property. Any public or private street or alley within the boundaries of the Assessment District is hereby omitted from the Assessment District. Any lot, the legal owner of which on this date is the United States, the state, a county, city, school district or any political subdivision or institution of the state or county, which is included within the Assessment District shall be omitted from the assessments hereafter made except as otherwise agreed between the District and such owner. Any acquisition of an assessed parcel by the United States, the state or other political subdivision of this state or charter school after the date hereof shall not be extinguished and shall continue in full force and effect until payment in full.

Section 7. Determination and Notice of Necessity to Issue Bonds. This Board finds that the public convenience requires that the Bonds shall be issued to finance the costs and expenses of the Project (including capitalized interest), the Debt Service Reserve and Incidental Expenses. This Board hereby determines that the Bonds shall be issued in the name of the District payable, however, solely and only out of a special fund collectible from special assessments levied and assessed upon the lots, pieces and parcels of land within the Assessment

District in not to exceed twenty-five (25) annual principal installments from the assessments of twenty-five dollars (\$25.00) or over.

The Bonds shall be issued in fully registered form as to principal and interest in the principal amounts of \$5,000 or any integral multiples of \$1,000 in excess thereof. The Bonds shall mature on the first day of July in the years and in amounts to be set by the Board prior to their issuance; provided, however, the Bonds shall mature not later than July 1, 2043.

The Bonds shall bear interest at rate or rates of not to exceed ten percent (10.0%) per annum, payable on the first day of January and July of each year, commencing on such date as set forth in the resolution authorizing the Bonds. The yield (as determined pursuant to the regulations of the Internal Revenue Code of 1986, as amended) on all of the Bonds shall not exceed ten percent (10.0%). The Board reserves the right to call the Bonds for prior redemption, in whole or in part, on such terms as may hereafter be established by this Board.

Principal installments of each Assessment shall be due on the first day of June immediately preceding the maturity date of any Bonds and installments of interest of each Assessment shall be due on the first day of June and December.

Section 8. Establishment of Grade. The grades and elevations for the Streets are hereby officially changed to correspond with the grades and elevations shown on the Final Plans.

Section 9. Statutory Authority. The Project and all proceedings pertaining thereto shall be acquired and performed under the provisions of the Act.

Section 10. Delegation of Authority. The District Engineer and the Superintendent of Streets are hereby authorized to complete the Final Plans, specifications and any contract documents.

Section 11. Right to Reduce Scope of Work. If, because of pending or threatened litigation concerning any one or more parcels subject to the Assessment, (i) the District receives a written opinion of Bond Counsel stating that the Bonds cannot be issued against such parcel or parcels or (ii) the Assessment District is unable to obtain any right-of-way necessary for the acquisition of the Project, the District may then cause the acquisition or construction contract to be modified to exclude from the applicable contract some or all of the Project which will benefit the parcel or parcels in question, or which was located in the right-of-way which was not obtained. The filing of a certificate and request that no Bonds be issued against any parcel pursuant to A.R.S. § 48-540 and § 48-597, as amended, may be deemed to be threatened litigation.

Section 12. Ratification of Prior Acts. All acts of the District Chairman, District Engineer, the Superintendent of Streets, and any person acting for such official in furtherance of this Resolution are hereby ratified and confirmed, including the engagement by the District of Harding & Associates (with respect to an appraisal of the real property within the boundaries of the Assessment District), and the execution of the Waiver.

PASSED, ADOPTED AND APPROVED by the District Board of Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) on October 22, 2018.

**ESTRELLA MOUNTAIN RANCH
COMMUNITY FACILITIES DISTRICT (CITY
OF GOODYEAR, ARIZONA)**

Chairperson, District Board

ATTEST:

District Clerk

APPROVED AS TO FORM:

Gust Rosenfeld P.L.C.
Bond Counsel

Attachments: EXHIBIT A – Legal Description of Assessment District
EXHIBIT B – Map of District
EXHIBIT C – Estimated Costs
EXHIBIT D – Description of the Project

CERTIFICATE

I hereby certify that the above and foregoing EMRCFD RES 2018-123 was duly passed by the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) at a special meeting held on October 22, 2018, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

District Clerk

EXHIBIT A

LEGAL DESCRIPTION

Estrella Mountain Ranch Community Facilities District
(City of Goodyear, Arizona)
Lucero Assessment District No. 1

[See Following Pages.]

Exhibit A

**ESTRELLA PARCEL 43 (MODIFIED)
ESTRELLA MOUNTAIN RANCH
GOODYEAR, ARIZONA**



November 30, 2012
Job No. 2012-057
Page 1 of 2

THAT PORTION OF SECTIONS 1 AND 12 OF TOWNSHIP 1 SOUTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 1, FROM WHICH THE EAST QUARTER CORNER THEREOF BEARS SOUTH 00 DEGREES 20 MINUTES 27 SECONDS WEST, A DISTANCE OF 2,708.44 FEET;

THENCE SOUTH 00 DEGREES 20 MINUTES 27 SECONDS WEST, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1, A DISTANCE OF 1,222.69 FEET TO A POINT ON THE NORTHWESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY, ACCORDING TO THE MAP OF DEDICATION RECORDED IN BOOK 318 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST OF WHICH THE RADIUS POINT LIES SOUTH 53 DEGREES 36 MINUTES 46 SECONDS EAST, A RADIAL DISTANCE OF 1,665.00 FEET;

THENCE ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE, SOUTHWESTERLY ALONG SAID ARC, THROUGH A CENTRAL ANGLE OF 01 DEGREES 43 MINUTES 14 SECONDS, A DISTANCE OF 50.00 FEET

THENCE NORTH 55 DEGREES 20 MINUTES 01 SECONDS WEST, DEPARTING SAID NORTHWESTERLY RIGHT OF WAY LINE, A DISTANCE OF 172.11 FEET;

THENCE SOUTH 30 DEGREES 23 MINUTES 37 SECONDS WEST, A DISTANCE OF 280.10 FEET;

THENCE NORTH 68 DEGREES 25 MINUTES 52 SECONDS WEST, A DISTANCE OF 190.27 FEET;

THENCE SOUTH 19 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 150.91 FEET;

THENCE SOUTH 01 DEGREES 52 MINUTES 35 SECONDS EAST, A DISTANCE OF 231.91 FEET;

THENCE SOUTH 32 DEGREES 37 MINUTES 39 SECONDS EAST, A DISTANCE OF 129.02 FEET;

THENCE SOUTH 22 DEGREES 14 MINUTES 09 SECONDS WEST, A DISTANCE OF 625.30 FEET;

THENCE SOUTH 70 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 118.19 FEET;

THENCE SOUTH 19 DEGREES 18 MINUTES 57 SECONDS WEST, A DISTANCE OF 39.46 FEET;

THENCE SOUTH 70 DEGREES 40 MINUTES 46 SECONDS EAST, A DISTANCE OF 81.31 FEET TO A POINT ON SAID NORTHWESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY, AS DEPICTED ON THE MAP OF DEDICATION FOR "ESTRELLA, PHASE ONE", RECORDED IN BOOK 318 ON PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, SAID POINT BEING A THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHWESTERLY, OF WHICH THE RADIUS POINT LIES NORTH 70 DEGREES 13 MINUTES 55 SECONDS WEST, A RADIAL DISTANCE OF 4,935.00 FEET;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE OF THE NORTHWESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY, THROUGH A CENTRAL ANGLE OF 08 DEGREES 55 MINUTES 53 SECONDS, A DISTANCE OF 769.28 FEET;

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THENCE SOUTH 28 DEGREES 41 MINUTES 58 SECONDS WEST, A DISTANCE OF 748.50 FEET TO A POINT OF CURVE TO THE RIGHT HAVING A RADIUS OF 5,935.00 FEET;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 30 DEGREES 35 MINUTES 57 SECONDS, A DISTANCE OF 3,169.62 FEET;

THENCE SOUTH 59 DEGREES 17 MINUTES 55 SECONDS WEST, A DISTANCE OF 990.25 FEET TO A POINT OF CURVE TO THE RIGHT HAVING A RADIUS OF 1,535.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 26 DEGREES 42 MINUTES 10 SECONDS, A DISTANCE OF 715.39 FEET;

THENCE SOUTH 86 DEGREES 00 MINUTES 05 SECONDS WEST, A DISTANCE OF 90.53 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 12;

THENCE NORTH 00 DEGREES 26 MINUTES 05 SECONDS EAST, DEPARTING SAID NORTHWESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY, ALONG SAID WEST LINE OF THE NORTHWEST QUARTER OF SECTION 12, A DISTANCE OF 1,510.40 FEET TO THE NORTHWEST CORNER OF SAID SECTION 12, COMMON WITH THE SOUTHWEST CORNER OF SAID SECTION 1;

THENCE NORTH 00 DEGREES 39 MINUTES 31 SECONDS EAST, ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 1, A DISTANCE OF 2,606.11 FEET TO THE WEST QUARTER CORNER THEREOF;

THENCE NORTH 02 DEGREES 11 MINUTES 09 SECONDS WEST, ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 1, A DISTANCE OF 2,694.67 FEET TO THE NORTHWEST CORNER OF SAID SECTION 1;

THENCE NORTH 89 DEGREES 37 MINUTES 46 SECONDS EAST, ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 2,470.11 FEET TO THE SOUTH QUARTER CORNER OF SECTION 36, TOWNSHIP 1 NORTH, RANGE 2 WEST OF SAID GILA AND SALT RIVER BASE AND MERIDIAN;

THENCE NORTH 89 DEGREES 46 MINUTES 21 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 70.32 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 1;

THENCE NORTH 89 DEGREES 46 MINUTES 21 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1, A DISTANCE OF 2,521.97 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINS 24,606,870 SQUARE FEET OR 564.896 ACRES, MORE OR LESS.

**ESTRELLA PARCEL 47a (MODIFIED)
ESTRELLA MOUNTAIN RANCH
GOODYEAR, ARIZONA**

November 30, 2012
Job No. 2012-057
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A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 1 SOUTH, RANGE 2 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A THE NORTHEAST CORNER OF SAID SECTION 11, FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 11 BEARS NORTH 89 DEGREES 39 MINUTES 30 SECONDS WEST, A DISTANCE OF 2649.32 FEET;

THENCE SOUTH 00 DEGREES 26 MINUTES 05 SECONDS WEST ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 11, A DISTANCE OF 1,510.40 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF ESTRELLA PARKWAY, ACCORDING TO THE MAP OF DEDICATION RECORDED IN BOOK 318 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA,;

THENCE CONTINUING ON SAID NORTHWESTERLY RIGHT OF WAY LINE, SOUTH 86 DEGREES 00 MINUTES 05 SECONDS WEST, A DISTANCE OF 867.86 FEET TO A POINT OF CURVE TO THE LEFT HAVING A RADIUS OF 4,165.00 FEET;

THENCE WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 04 DEGREES 12 MINUTES 00 SECONDS, A DISTANCE OF 305.31 FEET;

THENCE SOUTH 81 DEGREES 48 MINUTES 05 SECONDS WEST, A DISTANCE OF 171.02 FEET TO THE EASTERLY RIGHT OF WAY LINE OF COTTON LANE AS DESCRIBED IN DOCUMENT 2006-1679431, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE NORTH 58 DEGREES 53 MINUTES 56 SECONDS WEST, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 95.16 FEET;

THENCE NORTH 02 DEGREES 01 MINUTES 23 SECONDS WEST, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 1,588.40 FEET TO THE NORTH SECTION LINE OF SAID NORTHEAST QUARTER OF SECTION 11;

THENCE SOUTH 89 DEGREES 39 MINUTES 30 SECONDS EAST, ALONG SAID NORTH SECTION LINE A DISTANCE OF 1,487.58 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 2,278,265 SQUARE FEET OR 52.302 ACRES, MORE OR LESS.



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EXHIBIT B

MAP OF THE DISTRICT

LUCERO

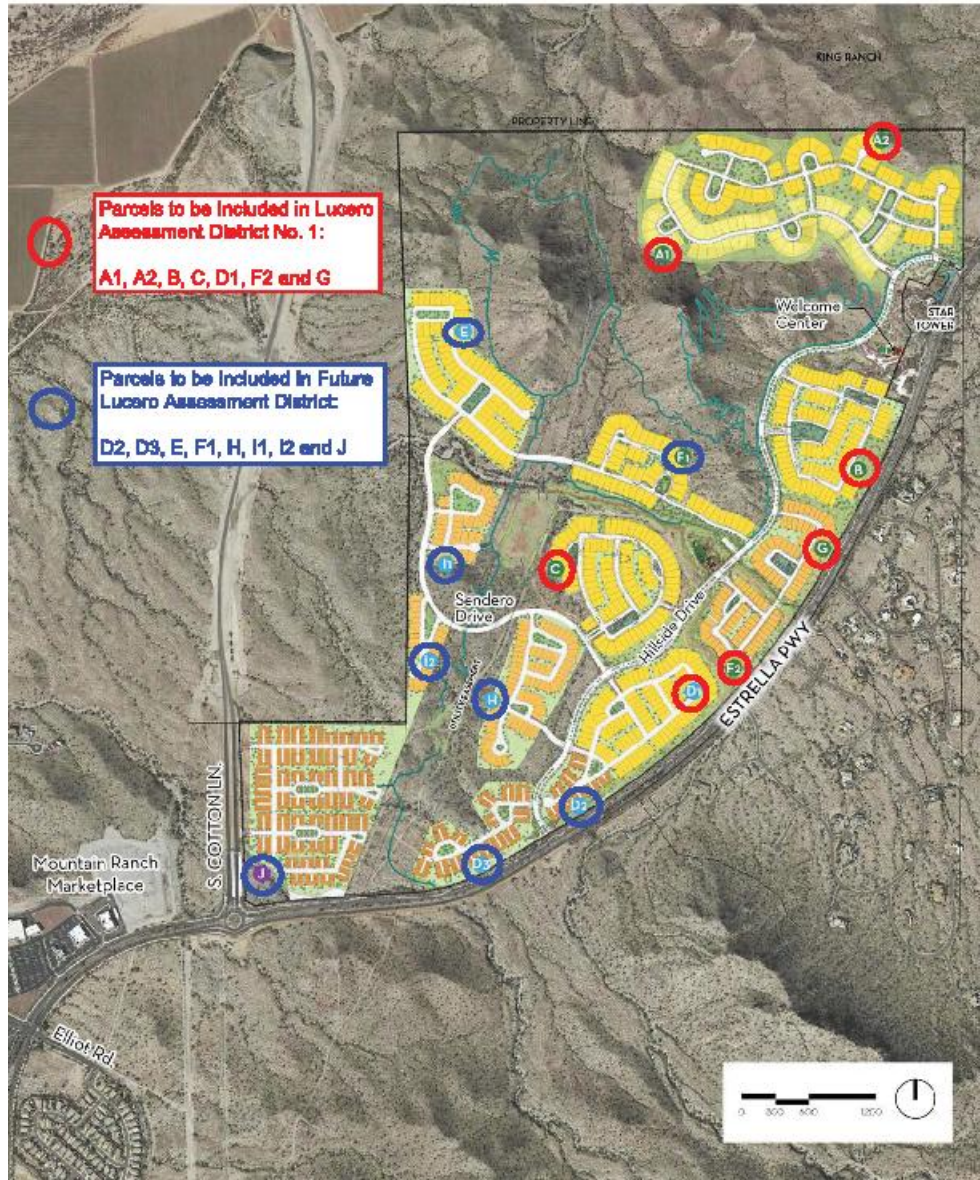


EXHIBIT C

ESTIMATED COSTS

Cost of Public Infrastructure	\$6,065,000.00
Debt Service Reserve Fund	565,200.00
Bond Fund (Cap. Interest)	429,800.00
Incidental Expenses	<u>350,000.00</u>
Total Cost	\$7,410,000.00
 (Less Developer Contribution)	 <u>(350,000.00)</u>
Net Cost	<u>\$7,065,000.00</u>

Total Cost shall not exceed the Engineer's Estimate; provided that the total Assessment is limited in the Waiver to not exceed the product of \$13,500.00 times the number of projected developable lots located within the Assessment District.

EXHIBIT D

DESCRIPTION OF THE PROJECT

The Assessment District will finance the acquisition of the Project consisting of public infrastructure and public infrastructure purposes (as such terms are defined in the Act) described in the Report, including particularly the acquisition by the District of the following:

1. Hillside Drive:

This Project begins approximately 3,200 feet north of the existing intersection of Cotton Lane and Estrella Parkway. Its alignment runs through the Assessment District and extends approximately 7,550 feet. The Hillside Drive alignment terminates just north of the existing Star Tower entry feature for Estrella, which is approximately 9,230 feet north of the existing intersection of Cotton Lane and Estrella Parkway. Costs include engineering design, survey, review fees, construction permits, testing, native plant salvage, blasting, grading, sanitary sewer installation, potable water installation, storm drain installation, curb and gutter placement, sidewalk placement, installation of trails, asphalt pavement placement, landscaping, and streetlight installation. Construction of Hillside Drive began in 2nd quarter of 2017. Blasting and grading are complete. Installation of sanitary sewer, potable water and storm drain began in May 2018. Substantial completion of this project is scheduled for end of June 2019.

2. 16 Inch and 12 Inch Waterlines:

This Project consists of two potable waterlines that will be constructed within or adjacent to the Estrella Parkway alignment. Also included with this project is the installation of a pressure reducing valve. Approximately 3,900 lineal feet of 16 inch potable waterline will be installed approximately just west of existing intersection of Cotton Lane and Estrella Parkway and southernmost intersection of Estrella Parkway and Hillside Drive. Approximately 130 lineal feet of 12 inch potable waterline will be installed between approximately existing intersection of Estrella Parkway and Santa Elizabeth Drive and southeast corner of Lucero Parcel 11.B. The pressure reducing valve will be installed at the southernmost intersection of Estrella Parkway and Hillside Drive. Costs include engineering design, survey, review fees, construction permits, testing, native plant salvage, potable water installation, curb and gutter placement, existing sidewalk removal and replacement, landscaping, and installation of the pressure reducing valve. Construction of this project began in the 2nd quarter of 2018 and is scheduled to be completed by the end of December 2018.

3. Lost Lift Station and Parallel Force Main:

Lost Lift Station consists of improvements to an existing sanitary sewer lift station known as Lost Lift Station which is owned and operated by the City of Goodyear. Lost Lift Station is located approximately 250 feet west of northwest portion of Lucero Parcel 11.C in the TEP (Tucson Electric Power) easement. Costs include engineering, design, survey, review fees, construction permits, testing, installation of a flow meter, a vault, a new back-up generator, an order control system, electrical panels, perimeter wall and gate, force main within lift station facility and water supply line. Also included in the project costs is the installation of approximately 3,250 lineal feet of all-weather road to provide access to the Lost Lift Station. Construction of this project is scheduled to begin in October 2018.

The Parallel Force Main begins at the existing Lost Lift Station. Approximately 4,300 lineal feet of 8" sanitary sewer force main will be installed to a point located approximately 1,450 feet northeast of the existing intersection of Cotton Lane and Estrella Parkway. Costs include engineering design, survey, review fees, construction permits, testing, and installation of the sanitary sewer force main. Construction of this project is scheduled to begin in September 2018.

These Projects will be completed by the end of March 2019.

4. Zone 2 Water System:

This Project is necessary to provide potable water service to Lucero. It includes upgrades to the City of Goodyear Site 13 Zone 2 Booster Pump Station. The upgrades consist of minor demolition, removal of an existing pump, installation of (2) two new 2,000 gallons per minute (gpm) vertical turbine pumps, a variable frequency drive for one of the new 2,000 gpm pumps, new piping and appurtenances on the discharge side of pump manifold, new electrical equipment and instrumentation and a new pressure relief valve. Substantial completion of this project is scheduled for the end of October 2018.

All work to be completed on the referenced Projects will be per the approved plans, MAG Specifications and Details, and the City's Engineering Design Standards.