

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

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**INDEX OF DOCUMENTS  
(FORMATION THROUGH ELECTION)**

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2	General Plan (recorded copy)
3	City's Resolution No. 07-07 (February 6, 2007) forming the District; agenda
4	District Resolution No. 01-07 (February 6, 2007) appointing officers
5	Notice of Election (English and Spanish)
6	Affidavit of posting of notice of election
7	Affidavits of publication of notice of election
8	Election ballot (English and Spanish); affidavit of electors
9	Resolution No. 02-07 (April 3, 2007) canvassing election results; certificate of result of election (recorded copy); agenda
10	Required filings: (a) letter to Clerk, Board of Supervisors (b) letter to Maricopa County Assessor (c) letter to Arizona Department of Revenue (d) letter to State Real Estate Department
11	Recorded Notice of Formation of the District
12	Submission to U.S. Justice Department; approval letter
13	Development, Financing Participation and Intergovernmental Agreement No. 1

**PETITION FOR FORMATION  
AND  
PETITION FOR ADOPTION OF RESOLUTIONS  
ORDERING AND DECLARING  
FORMATION OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

STATE OF ARIZONA            )  
COUNTY OF MARICOPA       )  
TOWN OF BUCKEYE            )

The undersigned owner (hereinafter referred to as the "*Petitioner*") of all of the land, hereinafter described by metes and bounds, acting pursuant to the provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*"), respectfully petitions the Honorable Town Council of the Town of Buckeye, Arizona (hereinafter referred to as the "*Town*"), to adopt such resolutions (hereinafter referred to as the "*Resolutions*") as may be necessary to declare its intent to form and order the formation of a tax levying community facilities district (hereinafter referred to as the "*District*") and would respectfully request the proceedings to provide for the following:

A. The name of the District is to be "***MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)***",

B. The District is to be formed, and shall exist, pursuant to the terms and provisions of the Act,

C. The District is to contain an area of approximately 1,794 acres of land, more or less, wholly within the corporate boundaries of the Town and is to be composed of the land described by metes and bounds in *Exhibit A* hereto, which is made a part hereof for all purposes,

D. The District is to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; is, except as otherwise provided in the Act, to be considered a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town, and is to be formed for, and to have, all the purposes and powers of a "District" as such term is defined, and as provided, in the Act,

E. Public convenience and necessity require the adoption of the Resolutions.

NOW THEREFORE, the Petitioner represents, attests and declares that:

1. On the date hereof, as shown on the assessment roll for State and county taxes in Maricopa County, Arizona, all of the land to be in the District, as described in Exhibit A hereto and depicted on the map attached hereto as Exhibit B which is made a part hereof, is owned by Petitioner or, if a person listed on such assessment roll is no longer the owner of the land in the District, that the name of the successor owner has become known and has been verified by recorded deed or other similar evidence of transfer of ownership to be Petitioner and that there are no resident electors on the land to be in the District; and

2. Attached hereto as Exhibit C and made a part hereof, is a certificate of the Tax Assessor of Maricopa County stating who are the owners of the land in the proposed District and listing the tax parcel numbers for the parcels of real property affected by or included within the boundaries of the District; and

3. Attached hereto as Exhibit D and made a part hereof, is a certificate of the Maricopa County Recorder stating who are qualified electors residing on the land in the proposed District; and

4. Based on its own knowledge and the information contained in Exhibits C and D hereto, the Petitioner is the sole owner of the real property described in Exhibit A; no other person having any interest in such real property has filed a written request for copies of any notices under the Act; and there are no qualified electors residing on such real property; and

5. The land to be included in the District: (i) consists of approximately 1,794 acres; (ii) lies wholly within the corporate limits of the Town; and (iii) shall be benefited from the improvements for which the District is proposed to be formed; and

6. This Petition is signed (either as a single document or in counterparts) by the owners of all the land to be in the District, any requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and the adoption of the Resolutions are waived, and the Town may, and is hereby requested to, on receipt of this Petition, declare the District formed without being required to comply with such provisions for posting, publication, mailing, notice, hearing or landowner election; and

7. A "general plan" (as such term is defined in the Act) for the proposed District has been filed with the Town Clerk setting out a general description of the proposed public infrastructure improvements for which the District is proposed to be formed and the general areas to be improved.

**FURTHER**, Petitioner requests that this Petition be properly filed as provided by law; that the Town adopt the Resolutions required to declare and order the District formed without being required to comply with the provisions for posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the Resolutions; and that such other orders, acts, procedures and relief as are proper, necessary and appropriate to the purposes of organizing the District and to the execution of the purposes for

which the District shall be organized be granted as the Honorable Town Council shall deem proper and necessary.

Submitted and effective this 6<sup>th</sup> day of February, 2007.

**CSW SUN VALLEY SOUTH HOLDINGS,  
L.L.C.**, an Arizona limited liability company

By: Communities Southwest Management, Inc.,  
an Arizona corporation  
Its: Manager

By Jami Schulman  
Its V.P. & Secretary

By John F. Suriano  
Its C.F.O.

State of Arizona )  
) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February 2007, by JAMI SCHULMAN as the V.P. & Secretary of Communities Southwest Management, Inc., an Arizona corporation, the Manager of CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company, on behalf thereof.

Donna W. Huck  
Notary Public

My commission expires:

Feb. 13, 2007



State of Arizona )  
) ss.  
County of Maricopa )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February 2007, by JOHN F. SURIANO as the CFO of Communities Southwest Management, Inc., an Arizona corporation, the Manager of CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company, on behalf thereof.

Donna W. Huck  
Notary Public

My commission expires:

Feb. 13, 2007



Attachments:

- Exhibit A: Legal description of property to be included in the District
- Exhibit B: Map of property to be included in the District
- Exhibit C: County Assessor's certificate of owners of property in the District
- Exhibit D: County Recorder's certificate of qualified electors in the District  
Lienholder consent

Exhibit A

Legal Description

**EXHIBIT "A"**

PARCEL NO. 1:

ALL OF SECTION SIX (6) AND A PORTION OF SECTION FIVE (5), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 44 MINUTES 42 SECONDS EAST A DISTANCE OF 2639.76 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 42 MINUTES 06 SECONDS EAST A DISTANCE OF 2640.39 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 6 AND AS THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 50 MINUTES 24 SECONDS EAST A DISTANCE OF 2641.73 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 46 MINUTES 15 SECONDS EAST A DISTANCE OF 2641.37 FEET TO A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 5, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 5 BEARS SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 2653.13 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 5, A DISTANCE OF 819.56 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 43 SECONDS WEST A DISTANCE OF 250.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 2000.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AN ARC LENGTH OF 3141.59 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 1048.05 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 44 SECONDS WEST A DISTANCE OF 416.81 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 16 SECONDS WEST A DISTANCE OF 1474.03 FEET TO A MARICOPA COUNTY ALUMINUM CAP, LS NO. 33307 ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 5;

THENCE NORTH 89 DEGREES 47 MINUTES 53 SECONDS WEST A DISTANCE OF 42.72 FEET TO A GLO BRASS CAP (WITNESS CORNER);

THENCE NORTH 89 DEGREES 43 MINUTES 39 SECONDS WEST A DISTANCE OF 2606.28 FEET TO A GLO BRASS CAP ACCEPTED AS THE CORNER COMMON TO SAID SECTIONS 5, 6 AND 7;

THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 89 DEGREES 18 MINUTES 14 SECONDS WEST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 6 AND THE NORTHWEST CORNER OF SECTION 7;

THENCE NORTH 00 DEGREES 23 MINUTES 51 SECONDS EAST A DISTANCE OF 2642.68 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2639.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

ALL OF SECTION SEVEN (7), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SECTION 7 AND THE SOUTHWEST CORNER OF SECTION 6;

THENCE NORTH 89 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

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THENCE SOUTH 00 DEGREES 28 MINUTES 12 SECONDS WEST A DISTANCE OF 2647.14 FEET TO A GLO BRASS CAP ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 00 DEGREES 23 MINUTES 29 SECONDS WEST A DISTANCE OF 2638.42 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE NORTH 88 DEGREES 34 MINUTES 58 SECONDS WEST A DISTANCE OF 2656.71 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 89 DEGREES 35 MINUTES 31 SECONDS WEST A DISTANCE OF 2541.40 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 17 SECONDS EAST A DISTANCE OF 2641.41 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 03 SECONDS EAST A DISTANCE OF 2644.05 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 16 SECONDS WEST A DISTANCE OF 2666.66 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 8, FROM WHICH A MARICOPA COUNTY ALUMINUM CAP LS NO. 33307 ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 8, BEARS NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST A DISTANCE OF 5304.50 FEET;

THENCE NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST, ALONG THE NORTH SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 2658.53 FEET TO THE CENTER OF SAID SECTION 8;



THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS EAST, ALONG THE EAST WEST MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 502.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2000.00 FEET, THE CENTER OF WHICH BEARS NORTH 71 DEGREES 50 MINUTES 04 SECONDS EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 72 DEGREES 01 MINUTES 05 SECONDS AN ARC LENGTH OF 2513.90 FEET;

THENCE NORTH 89 DEGREES 48 MINUTES 59 SECONDS EAST A DISTANCE OF 250.00 FEET TO THE EAST LINE OF SAID SECTION 8;

THENCE SOUTH 00 DEGREES 11 MINUTES 01 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1282.06 FEET TO THE POINT OF BEGINNING.

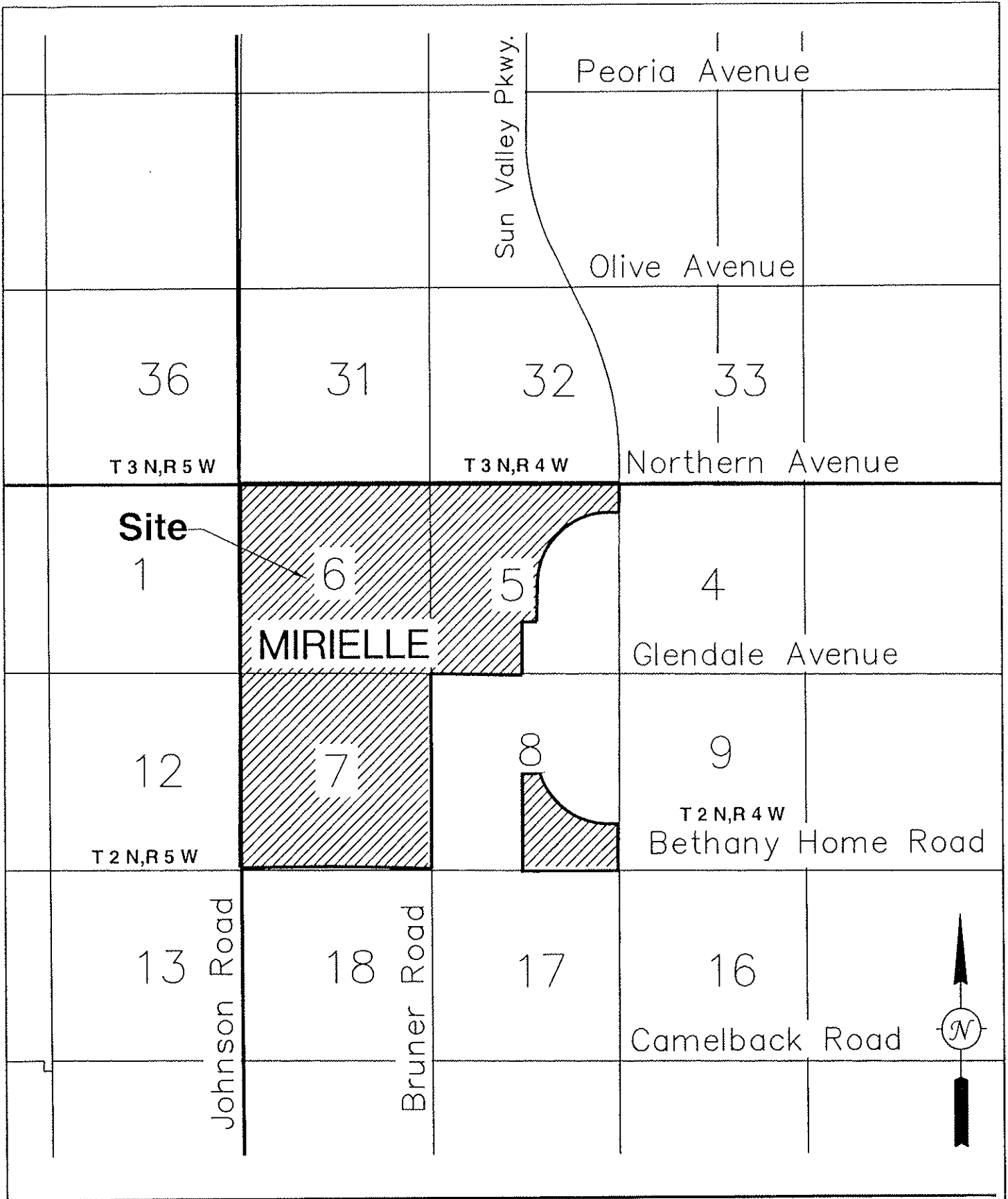
PARCEL NO. 4:

A NON-EXCLUSIVE EASEMENT, 66 FEET IN WIDTH, FOR INGRESS AND EGRESS AS CREATED BY GRANT OF EASEMENTS RECORDED MARCH 7, 1986 AT RECORDERS NO. 86-111065, ALONG THE COMMON SECTION LINES OF SECTIONS 31 AND 32, TOWNSHIP 3 NORTH, RANGE 4 WEST AND SECTIONS 5 AND 6, TOWNSHIP 2 NORTH RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE ALIGNMENT OF NORTHERN AVENUE; AND 33 FEET ON EACH SIDE OF THE SECTION LINES, BEING THE SOUTH LINE OF THE EAST HALF OF SECTION 5 AND THE NORTH LINE OF THE EAST HALF OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE GLENDALE AVENUE ALIGNMENT FROM THE SUN VALLEY PARKWAY TO ITS INTERSECTION WITH A COMMON POINT, BEING THE NORTH QUARTER CORNER OF SAID SECTION 8 AND SOUTH QUARTER CORNER OF SAID SECTION 5;

EXCEPTING THEREFROM ANY PART LYING WITHIN PARCELS 1, 2 AND 3 ABOVE.

Exhibit B

Map of Property



**W R G**  
**DESIGN INC.**

9977 N. 90th Street Suite #360 Scottsdale, AZ, 85268  
 Tel. 602.977.8000 Fax. 602.977.8099

PLANNING • DESIGN • LANDSCAPE ARCHITECTURE • SURVEYING

**VICINITY MAP**  
**MIRIELLE**

**COMMUNITIES SOUTHWEST**  
**BUCKEYE, ARIZONA**

PROJECT NO. CSW4246  
 DATE: 12/11/06  
 BY: GMS  
 SCALE: N.T.S.  
 SHEET NO. 1

Exhibit C

County Assessor's Certificate

MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)

ASSESSOR'S CERTIFICATE

I, the undersigned Maricopa County Assessor, hereby certify that the following persons are the owners of the real property described in Exhibit A hereto as shown on the most recent assessment roll for state and county taxes and owners of the corresponding tax parcels which are included in the area described in Exhibit A hereto.

<u>Parcel #</u>	<u>Owner's Name</u>	<u>Street Address</u>
50404012A	CSW Sun Valley South Holdings	7001 N. Scottsdale Rd, Suite 101, Scottsdale, Arizona 85253
50404013C	CSW Sun Valley South Holdings	7001 N. Scottsdale Rd, Suite 101, Scottsdale, Arizona 85253
50404015	CSW Sun Valley South Holdings	7001 N. Scottsdale Rd, Suite 101, Scottsdale, Arizona 85253
50473005A	CSW Sun Valley South Holdings	7001 N. Scottsdale Rd, Suite 101, Scottsdale, Arizona 85253
50404012B	Sun Valley Assemblage LLC	7001 N. Scottsdale Rd, Suite 101, Scottsdale, Arizona 85253

Dated: 1-31-07

MARICOPA COUNTY ASSESSOR

T. Bruschy, Chief Deputy

SR42015  
TAX YEAR 2007

MARICOPA COUNTY ASSESSOR'S OFFICE  
GR12082006  
REAL PROPERTY ANNEXATION REPORT BY OWNER

PAGE NO 1  
DATE 01/03/2007  
TIME 17:47:49

PARCEL#	XS OWNER'S NAME	STREET ADDRESS	CITY	ST ZIP	COUNTRY	FCV	ASSESSED
50404012A	CSM SUN VALLEY SOUTH HOLDINGS	7001 N SCOTTSDALE RD STE 101	SCOTTSDALE	AZ 85253		31,609	5,057
50404013C	CSM SUN VALLEY SOUTH HOLDINGS	7001 N SCOTTSDALE RD STE 101	SCOTTSDALE	AZ 85253		922,500	159,800
50404015	CSM SUN VALLEY SOUTH HOLDINGS	7001 N SCOTTSDALE RD STE 101	SCOTTSDALE	AZ 85253		32,000	5,120
50423005A	CSM SUN VALLEY SOUTH HOLDINGS	7001 N SCOTTSDALE RD STE 101	SCOTTSDALE	AZ 85253		2,190,000	350,400
50404012B	SUN VALLEY ASSEMBLAGE L L C	7001 N SCOTTSDALE RD STE 101	SCOTTSDALE	AZ 85253		144	23
* * TOTAL FCV PARCELS						3,245,253	519,400
* * TOTAL CVP PARCELS						0	0
TOTAL UNIQUE OWNERS						2	2
GRAND TOTAL FCV						3,245,253	519,400
GRAND TOTAL ASSESSED							

PARCEL SELECTION FORM

Appraiser #:

RMD3451

Date:

12

/ 28

/ 2006

Annexation/Special District: Buckeye Mirielle CFD, Ord/Res.: GR12082006

Book	Map	All or Split	Parcel Begin	Parcel End
504	04	All	012A	----
504	04	All	012B	----
504	04	All	013C	----
504	04	All	015	----
504	73	All	005A	----
			Right of Way (ROW)	

PARCEL NO. 1:

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THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

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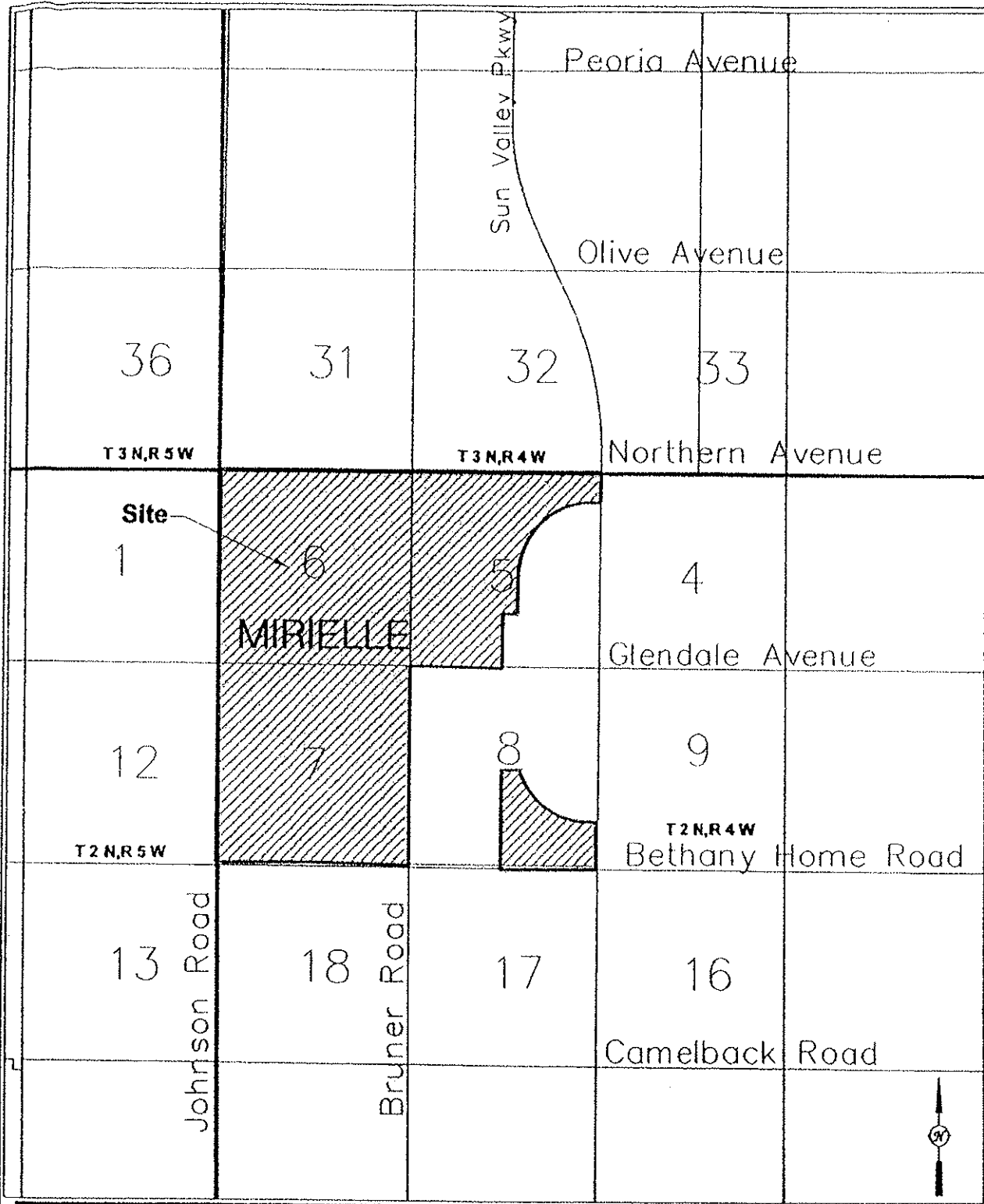
PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

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**W R G**  
**DESIGNING**  
 9877 N. 90th Street 3rd Fl. 85258 Scottsdale, AZ 85258  
 Tel. 480.277.8000 Fax. 480.277.8008  
 PLANNING • DESIGN • LANDSCAPE ARCHITECTURE • CONSTRUCTION

**MIRIELLE**  
**COMMUNITY FACILITY DISTRICT**  
 BUCKEYE, ARIZONA

PROJECT NO. 4044246.00  
 DATE: 02/16/2006  
 BY: GMS  
 SCALE: NTS  
 SHEET NO. 1 OF 1

Exhibit D

County Recorder's Certificate



**Maricopa County**  
Elections Department

**Karen Osborne, Director**

111 S. 3rd Avenue, Suite 102  
Phoenix, Arizona 85003-2235  
Phone: (602) 506-1511  
Fax: (602) 506-3069  
TDD: (602) 506-1517

**CERTIFICATION**

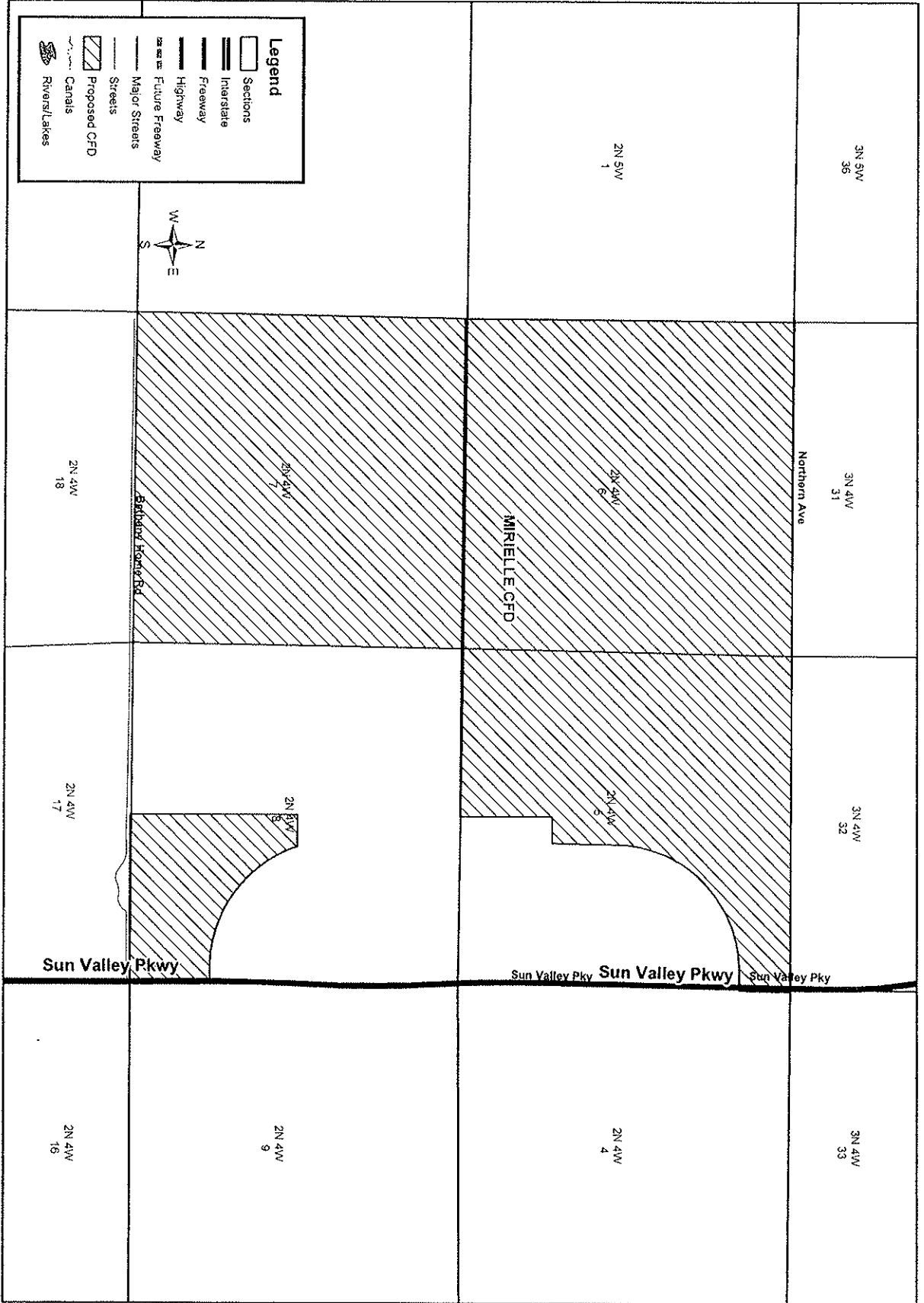
I, **HELEN PURCELL**, County Recorder in and for Maricopa County, State of Arizona, hereby certify that as of December 20, 2006, according to the general register of the voters maintained by the Maricopa County Recorder, there are no qualified electors residing in the area of the Proposed Mirielle Community Facilities District. Witness my hand and seal this 21<sup>st</sup> day of December, 2006.



**HELEN PURCELL**  
**MARICOPA COUNTY RECORDER**

*Jean Penonast, D.C.R.*  
County Recorder

# Mirielle CFD



Qualified Electors Report: Mirielle CFD - as of 12/20/2006

VOTERID	HSENO	HSENOSUF	STDIR	STNAME	STTYPE	STSUF	ZIP
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(0 row(s) affected)

**LIENHOLDER CONSENT TO PETITION AND FORMATION OF THE  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

The undersigned is the lienholder or others with an interest in property proposed to be included in the proposed Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District"). As persons with an interest in the property, the undersigned hereby consents to the submission to the Clerk for the Town of Buckeye of a Petition for Formation and Petition for Adoption of Resolution Ordering and Declaring Formation of Mirielle Community Facilities District (Town Buckeye, Arizona). The undersigned further consent to the waiver by the Town of Buckeye of any and all requirements of posting, publication, mailing, notice, hearing and landowner election with respect to the formation of the District. Beneficiary hereby instructs Trustee to execute this consent, or a counterpart copy hereof.

**SUN VALLEY ASSEMBLAGE L.L.C.,**  
an Arizona limited liability company

By: Sun Valley I, L.L.L.P.,  
an Arizona limited liability limited  
partnership, formerly known as Sun Valley I  
Limited Partnership, Its Executive Member

By:   
\_\_\_\_\_  
Roger L. Smith  
General Partner and authorized  
Executive Member Representative

State of Arizona        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of February, 2007, by Roger L. Smith, as the General Partner and authorized Executive Member Representative of Sun Valley I, L.L.L.P., an Arizona limited liability limited partnership, formerly known as Sun Valley I Limited Partnership, the Executive Member of Sun Valley Assemblage L.L.C., an Arizona limited liability company, on behalf thereof.

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

My commission expires:

Feb. 13, 2007



**CERTIFICATE OF RECEIPT OF  
PETITION FOR FORMATION AND GENERAL PLAN  
FOR THE PROPOSED  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

I, the undersigned Clerk of the Town of Buckeye, Arizona (hereinafter referred to as the "*Town*"), do hereby certify that I received a copy of a Petition for Formation and Petition for Adoption of Resolution Ordering and Declaring Formation of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*"), and a copy of a General Plan for the proposed District and have properly filed such Petition and General Plan in the official records of the Town prior to the adoption of the resolution forming the District and all as of the date hereof and as required by Section 48-702, Arizona Revised Statutes, as amended.

Witness my hand and the seal of the Town of Buckeye, Arizona, this 6<sup>th</sup> day of February, 2007.

  
\_\_\_\_\_  
Clerk, Town of Buckeye, Arizona



OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2007-0186960 02/14/2007 03:11  
00671800112-10-4-3--  
**ELECTRONIC RECORDING**

When recorded return to:

Mr. Scott W. Ruby  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**GENERAL PLAN  
FOR THE PROPOSED  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

To: Clerk, Town of Buckeye, Arizona

For the purposes of Section 48-702(B), Arizona Revised Statutes, as amended, the following is the general plan for the proposed captioned district:

**Article I.**

**GENERAL AREA TO BE IMPROVED WITHIN THE  
PROPOSED CAPTIONED DISTRICT**

All that area described in Exhibit A attached hereto and made a part hereof for all purposes shall comprise the area to be benefited. The public infrastructure improvements shall be constructed in public rights-of-way or easements located both within and outside the Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*") and the areas described in Exhibit A hereto, all for the benefit of the area described in Exhibit A hereto.

**Article II.**

**GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE  
IMPROVEMENTS FOR WHICH THE PROPOSED CAPTIONED  
DISTRICT IS PROPOSED TO BE FORMED:**

**1. INITIAL PUBLIC INFRASTRUCTURE**

The proposed District is to be formed to accomplish the purposes permitted in the Act. It is anticipated that the district initially will construct the public infrastructure described in Exhibit B, which shall be available for use by the public. Future public infrastructure which is

presently contemplated and may be completed include certain water and sewer facilities and road improvements for the District. The map attached as Exhibit C sets forth the general location of the district and the public infrastructure described in Exhibit B.

## 2. ADDITIONAL PUBLIC INFRASTRUCTURE

In addition to the initial public infrastructure described in paragraph 1 above, the proposed District is being formed for accomplishing the following public infrastructure improvements as such improvements are authorized by the governing body of the District in accordance with applicable law and are consistent with the powers of a community facilities district:

(a) Sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge;

(b) Drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge;

(c) Water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements permitted by this article;

(d) Highways, streets, roadways, bridges and parking facilities including all areas for vehicular use for travel, ingress, egress and parking;

(e) Areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking;

(f) Pedestrian malls, parks, recreational facilities other than stadiums and open space areas for the use of the public for entertainment, assembly and recreation;

(g) Landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems;

(h) Public buildings, public safety facilities and fire protection facilities;

(i) Lighting systems;

(j) Traffic control systems and devices including signals, controls, markings and signage;


(k) Equipment, vehicles, furnishings and other personalty related to the items listed in clauses (a) through and including (j) above; and

(l) Operation and maintenance of the items listed in clauses (a) through and including (k) above.

**RECEIPT**

Received and filed in the office of the Clerk of the Town, for the Mirielle Community Facilities District,

DATED: February 6, 2007

  
Linda Garrison, Clerk

ATTACHMENTS:

- EXHIBIT A Legal description of property to be included in the District.
- EXHIBIT B Description of initial public infrastructure to be constructed or installed by the District.
- EXHIBIT C Map showing general areas of the public infrastructure to be constructed or installed by the District.

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY  
TO BE INCLUDED IN THE DISTRICT**

**EXHIBIT "A"**

PARCEL NO. 1:

ALL OF SECTION SIX (6) AND A PORTION OF SECTION FIVE (5), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 44 MINUTES 42 SECONDS EAST A DISTANCE OF 2639.76 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 42 MINUTES 06 SECONDS EAST A DISTANCE OF 2640.39 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 6 AND AS THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 50 MINUTES 24 SECONDS EAST A DISTANCE OF 2641.73 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 46 MINUTES 15 SECONDS EAST A DISTANCE OF 2641.37 FEET TO A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 5, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 5 BEARS SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 2653.13 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 5, A DISTANCE OF 819.56 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 43 SECONDS WEST A DISTANCE OF 250.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 2000.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AN ARC LENGTH OF 3141.59 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 1048.05 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 44 SECONDS WEST A DISTANCE OF 416.81 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 16 SECONDS WEST A DISTANCE OF 1474.03 FEET TO A MARICOPA COUNTY ALUMINUM CAP, LS NO. 33307 ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 5;

THENCE NORTH 89 DEGREES 47 MINUTES 53 SECONDS WEST A DISTANCE OF 42.72 FEET TO A GLO BRASS CAP (WITNESS CORNER);

THENCE NORTH 89 DEGREES 43 MINUTES 39 SECONDS WEST A DISTANCE OF 2606.28 FEET TO A GLO BRASS CAP ACCEPTED AS THE CORNER COMMON TO SAID SECTIONS 5, 6 AND 7;

THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 89 DEGREES 18 MINUTES 14 SECONDS WEST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 6 AND THE NORTHWEST CORNER OF SECTION 7;

THENCE NORTH 00 DEGREES 23 MINUTES 51 SECONDS EAST A DISTANCE OF 2642.68 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2639.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

ALL OF SECTION SEVEN (7), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SECTION 7 AND THE SOUTHWEST CORNER OF SECTION 6;

THENCE NORTH 89 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 88 DEGREES 17 MINUTES 35 SECONDS EAST A DISTANCE OF 2643.06 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON CORNER OF SECTIONS 5, 6 AND 7;

THENCE SOUTH 00 DEGREES 28 MINUTES 12 SECONDS WEST A DISTANCE OF 2647.14 FEET TO A GLO BRASS CAP ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 00 DEGREES 23 MINUTES 29 SECONDS WEST A DISTANCE OF 2638.42 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE NORTH 88 DEGREES 34 MINUTES 58 SECONDS WEST A DISTANCE OF 2656.71 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 89 DEGREES 35 MINUTES 31 SECONDS WEST A DISTANCE OF 2541.40 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 17 SECONDS EAST A DISTANCE OF 2641.41 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 03 SECONDS EAST A DISTANCE OF 2644.05 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 16 SECONDS WEST A DISTANCE OF 2666.66 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 8, FROM WHICH A MARICOPA COUNTY ALUMINUM CAP LS NO. 33307 ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 8, BEARS NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST A DISTANCE OF 5304.50 FEET;

THENCE NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST, ALONG THE NORTH SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 2658.53 FEET TO THE CENTER OF SAID SECTION 8;

THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS EAST, ALONG THE EAST WEST MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 502.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2000.00 FEET, THE CENTER OF WHICH BEARS NORTH 71 DEGREES 50 MINUTES 04 SECONDS EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 72 DEGREES 01 MINUTES 05 SECONDS AN ARC LENGTH OF 2513.90 FEET;

THENCE NORTH 89 DEGREES 48 MINUTES 59 SECONDS EAST A DISTANCE OF 250.00 FEET TO THE EAST LINE OF SAID SECTION 8;

THENCE SOUTH 00 DEGREES 11 MINUTES 01 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1282.06 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 4:

A NON-EXCLUSIVE EASEMENT, 66 FEET IN WIDTH, FOR INGRESS AND EGRESS AS CREATED BY GRANT OF EASEMENTS RECORDED MARCH 7, 1986 AT RECORDERS NO. 86-111065, ALONG THE COMMON SECTION LINES OF SECTIONS 31 AND 32, TOWNSHIP 3 NORTH, RANGE 4 WEST AND SECTIONS 5 AND 6, TOWNSHIP 2 NORTH RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE ALIGNMENT OF NORTHERN AVENUE; AND 33 FEET ON EACH SIDE OF THE SECTION LINES, BEING THE SOUTH LINE OF THE EAST HALF OF SECTION 5 AND THE NORTH LINE OF THE EAST HALF OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE GLENDALE AVENUE ALIGNMENT FROM THE SUN VALLEY PARKWAY TO ITS INTERSECTION WITH A COMMON POINT, BEING THE NORTH QUARTER CORNER OF SAID SECTION 8 AND SOUTH QUARTER CORNER OF SAID SECTION 5;

EXCEPTING THEREFROM ANY PART LYING WITHIN PARCELS 1, 2 AND 3 ABOVE.

## **EXHIBIT B**

### DESCRIPTION OF PUBLIC INFRASTRUCTURE

#### Planning Unit 1:

Some or all of the following: Bethany Home Road, Johnson Road, Bruner Road, collector roads, local streets, sewer system, water system, traffic signals, perimeter walls, trail system, parks, police/fire facility, dry utilities and earthworks.

#### Planning Unit 2:

Some or all of the following: Glendale Avenue, Johnson Road, collector roads, local streets, sewer system, water system, traffic signals, perimeter walls, community center, park, trail system and earthworks.

#### Planning Unit 3:

Some or all of the following: Johnson Road, Northern Avenue, Bruner Road, collector roads, local streets, sewer system, water system, traffic signals, perimeter walls, trail system, parks and earthwork.

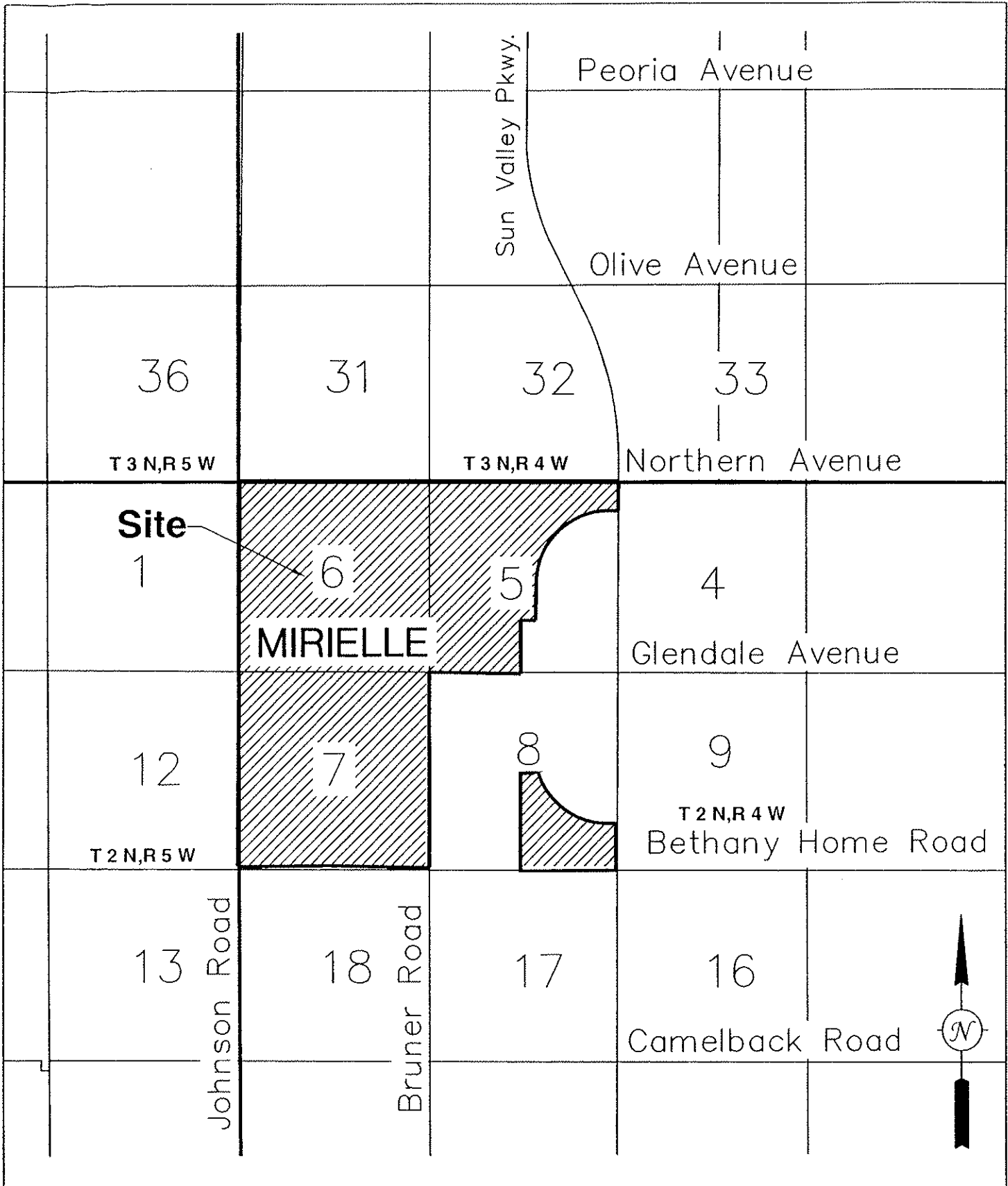
#### Planning Unit 4:

Some or all of the following: Northern Avenue, Bruner Road, collector roads, local streets, sewer system, water system, traffic signals, perimeter walls, trail system, parks and earthwork.



**EXHIBIT C**

MAP SHOWING GENERAL AREAS OF THE  
PUBLIC INFRASTRUCTURE



**W R G**  
**DESIGN INC.**

9977 N. 90th Street Suite #950 Scottsdale, AZ 85268  
 Tel. 602.977.8000 Fax. 602.977.8099

PLANNERS • ARCHITECTS • LANDSCAPE ARCHITECTS • SURVEYORS

**VICINITY MAP**  
**MIRIELLE**

**COMMUNITIES SOUTHWEST**  
**BUCKEYE, ARIZONA**

PROJECT NO. CSW4246  
 DATE: 12/11/06  
 BY: GMS  
 SCALE: N.T.S.  
 SHEET NO. 1

**NOTICE OF POSSIBLE QUORUM OF THE TOWN OF BUCKEYE COMMUNITY DEVELOPMENT BOARD:** PLEASE NOTE THAT THERE MAY BE A QUORUM PRESENT BUT THERE WILL BE NO VOTING TAKING PLACE BY THE TOWN DEVELOPMENT BOARD AT THIS MEETING.

**TOWN OF BUCKEYE  
REGULAR COUNCIL MEETING  
FEBRUARY 6, 2007  
AGENDA**

**Town Council Chambers  
100 N. Apache Road  
Buckeye, AZ 85326  
7:00 p.m.**

*Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623 349-6007) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment. (TTD 623 386-4421)*

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*Members of the Town Council will either attend in person or by telephone conference call or video presentation. Items listed may be considered by the Council in any order.*

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**1. Call to Order/Pledge of Allegiance/Roll Call.**

*Council Action: None.*

**2. Comments from the Public - Members of the audience may comment on any item of interest.**

*Council Action: Open Meeting Law does not permit Council discussion of items not specifically on the agenda.*

**2A. Mayor Bryant to present quarterly Customer Service Award.**

**CONSENT AGENDA ITEMS**

**Approval of items on the Consent Agenda - All items with an (\*) are considered to be routine matters and will be enacted by one motion and vote of the Town Council. There will be no separate discussion of these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence.**

**\*3. Council to consider and if advisable, approve the Minutes of the January 11, 2007 Special Meeting, and the January 16, 2007 Council Workshop and Regular Meeting.**

**\*4. Council to consider and if advisable, approve the invoices due by the Town for payment. Copies of invoices are available at Town Hall.**

**\*5. NEW BUSINESS**

**\*5A. Council to consider and if advisable, to adopt Ordinance 06-07 increasing the corporate limits of the Town of Buckeye, by annexing approximately 11.39 acres of Right of Way contiguous to the existing Town limits of the Town of Buckeye, located at Southern Avenue between Miller Road and 263<sup>rd</sup> Avenue alignment; Rooks Road between Maricopa Road and Baseline Road; and Baseline road between Rooks Road and 261<sup>st</sup> Avenue alignment; and annexing approximately 5.88 acres of property located ¼ mile north of the northeast corner of Baseline Road and Rooks Road. Request by Town of Buckeye for Maricopa County Dept of Transportation. TOWN OF BUCKEYE A06-24**

- \*5B. Council to consider and if advisable, to adopt Resolution 05-07 approving the Map of Dedication to be known as "Roglin Property" located on Watson Road between Southern Avenue and Broadway Road and a portion of Roeser Road west of Watson Road, Section 28, Township 1 North, Range 3 West of the Gila and Salt River Base and Meridian. Request by Woody Scoutten on behalf of Charlotte Roglin. ROGLIN MOD07-01**
- \*5C. Council to consider and if advisable, to adopt Ordinance 07-07 increasing the corporate limits of the Town of Buckeye, by annexing approximately 238.6 acres contiguous to the exiting Town limits of the Town of Buckeye, Arizona, generally located to the northwest corner of Rainbow Road and Broadway Road. Request by Shane Kobialka of SVK Engineering on behalf of Sprawl Development. AUSTIN HEIGHTS A06-08**
- \*5D. Council to consider and if advisable, to adopt Ordinance 08-07 increasing the corporate limits of the Town of Buckeye, by annexing approximately 140 acres contiguous to the existing Town limits of the Town of Buckeye, Arizona, generally located to the northwest corner of Dean Road and Broadway Road. Request by Shane Kobialka of SVK Engineering on behalf of Sprawl Engineering. CASEY ESTATES A06-09**
- \*5E. Council to consider and if advisable, to adopt Ordinance 09-07 amending the Zoning map of the Town of Buckeye on approximately 60.28 acres generally located on the southeast corner of MC 85 and Watson Road from the Rural Residential (RR) Zoning District to the Planned Residential (PR) Zoning District. Request by Denise Lacey of RBF Consulting on behalf of Cotton Pickin Too, L.L.C. COTTON PICKIN RZ05-35**
- \*5F. Council to consider and if advisable, to adopt Ordinance 10-07 amending the Zoning map of the Town of Buckeye on approximately 354 acres generally located at the northwest corner, southwest of Thomas Road and Jackrabbit Trail from Rural Residential (RR) Zoning District to the Planned Residential (PR) Zoning District. Request by Ricardo Toris on behalf of Cliff Barber of Territories West. ARROYO SECO RZ 06-13**
- \*5G. Council to consider and if advisable, to adopt Ordinance 11-07 amending the Zoning Map of the town of Buckeye on approximately 158 acres generally located southwest corner of Thomas Road and 303<sup>rd</sup> Avenue alignment from Rural Residential (RR) Zoning District to the Planned Community (PC0 Zoning district. Request by Stephen Earl on behalf of Stardust Companies. TARTESSO TAIT RZ06-14.**
- \*5H. Council to consider and if advisable, approve a Final Plat for Farallon Unit 1, a single-family residential subdivision consisting of approximately 295 single family lots and 10 tracts, on approximately 76.56 acres generally located in the south portion of the Farallon Development at the southwest corner of Rooks Road and Southern Avenue. Request by Roger Theis of Coe and Van Loo Consultants, Inc. on behalf of Pamela Fox of DR Horton-Dietz-Crane Series. FARALLON UNIT 1 FP06-08**
- \*5I. Council to consider and if advisable, approve a Final Plat Farallon Unit 2, a single-family residential subdivision consisting of approximately 306 single family lots and 14 tracts, on approximately 79.01 acres generally located in the central portion of the Farallon Development at the southwest corner of Rooks Road and Southern Avenue. Request by Roger Theis of Coe and Van Loo Consultants, Inc. on behalf of Pamela Fox of DR Horton-Dietz-Crane Series. FARALLON UNIT 2 FP05-81**
- \*5J. Council to consider and if advisable, approve a Final Plat for Farallon Unit 3, a single-family residential subdivision consisting of approximately 301 single family lots and 11 tracts, on approximately 83.08 acres generally located in the north portion of the Farallon Development at the southwest corner of Rooks Road and Southern Avenue. Request by Roger Theis of Coe and Van Loo Consultants, Inc. on behalf of Pamela Fox of DR Horton-Dietz-Crane Series. FARALLON UNIT 3 FP05-69**

*Council Action: Motion to approve consent agenda items \*3, \*4, \*5A, \*5B, \*5C, \*5D, \*5E, \*5F, \*5G, \*5H, \*5I and \*5J.*

## **6. TABLED ITEMS**

**6A.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to Kimley-Horn and Associates in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6B.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to Brown and Caldwell in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6C.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to Project Engineering Consultants, Ltd. in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6D.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to Dibble and Associates in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion .*

**6E.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to David Evans and Associates in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6F.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to CMX, LLC. in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6G.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to Willdan in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

**6H.** *Tabled from January 16, 2007 Council to consider and if advisable, approve the award of a consulting services contract for On-Call Engineering Services to South West Traffic Engineering in an amount not to exceed \$100,000 per fiscal year.*

*Council Action: Discussion and possible motion.*

## **7. PUBLIC HEARINGS**

**7A.** **A Public Hearing will be conducted to hear citizen input on the request by the Town of Buckeye, on the proposed annexation of approximately 46 acres from Maricopa County to the Town of Buckeye, located at the northwest corner of Monroe Avenue Alignment and Sheperds Trail, 239<sup>th</sup> Avenue alignment. TOWN OF BUCKEYE A06-41**

*Council Action: None.*

**7B.** **A Public Hearing will be conducted to hear citizen input on the request by Denise Lacey of RBF Consulting on behalf of Jack and Paula Shemer on the proposed annexation of approximately 164 acres from Maricopa County to the Town of Buckeye, generally located south of the Interstate 10, and east of the 315<sup>th</sup> Avenue alignment. SHEMER A06-39**

*Council Action: None.*

**7C. A Public Hearing will be conducted to hear citizen input on the request by Howard Cornell, of David Evans & Associates, Inc., and Greg Wolterstoff, of V3 Engineering on behalf of Armando Arjonas, of P.T. Corporation, and Marcy Cork, of the Cork-Shemer Family Trust on the proposed annexation from Maricopa County to the Town of Buckeye, of approximately 425 acres generally located northwest of the intersection of the 315<sup>th</sup> Avenue alignment and the Thomas Road alignment. MAJESTIC ESTATES (NORTH)/CORK-SHEMER A06-10**

*Council Action: None.*

**7D. A Public Hearing will be conducted to hear citizen input on the request by Howard Cornell, of David Evans & Associates, Inc. on behalf of Armando Arjonas of P.T. Corporation, on the proposed annexation from Maricopa County to the Town of Buckeye, of approximately 36 acres generally located northwest of the intersection of the 315<sup>th</sup> Avenue alignment and the Thomas Road alignment. MAJESTIC ESTATES (SOUTH) A05-23**

*Council Action: None.*

**7E. A Public Hearing will be conducted to hear citizen input on the request by Evan Leslie on behalf of Michael Zogby, E. James Ellison, Mark Ellison, Bruno Degiorgi, and Evan Leslie on the proposed annexation from Maricopa County to the Town of Buckeye, of 6 parcels, approximately 7.2 acres generally located east of Watson Road extending east and north of the RID Canal extending approximately 1/10 of a mile north. LESLIE A06-29**

*Council Action: None.*

**7F. A Public Hearing will be conducted to hear citizen input on the request by Stephen Earl on behalf of Stardust companies on the proposed Community Master Plan Amendment No. 2 on the Development Agreement for Tartesso West on approximately 5,554 acres generally located between Sun Valley Parkway and 319<sup>th</sup> Avenue and Glendale Avenue and Interstate-10. TARTESSO WEST AMENDMENT NO. 2/ DEVELOPMENT AGREEMENT CMPA 06-01.**

*Council Action: None.*

## **8. NEW BUSINESS**

**8A. Council to consider and if advisable, to adopt Ordinance 12-07 approving both an amended Development Agreement and amended Community Master Plan for the Development know as Tartesso West, a Master Planned Community by Stardust Development Inc., on approximately 5,554 acres generally located between Sun Valley Parkway and 319<sup>th</sup> Avenue and Glendale Avenue and Interstate-10. TARTESSO WEST AMENDMENT NO. 2/ DEVELOPMENT AGREEMENT CMPA 06-01.**

*Council Action: Discussion and possible motion.*

**8B. Council to consider and if advisable, adopt Ordinance 13-07 correcting a scrivener's error in the legal description for White Fence Farms, project (Case #A04-27) and rescinding Ordinance 14-05. Request by Town of Buckeye. BUCKEYE/WELCH A04-27**

*Council Action: Discussion and possible motion.*

**8C. Council to consider and if advisable, to approve (1) Grant #EMW-2006-FF-04456 from the Department of Homeland Security for six (6) Firefighters in the approximate amount of \$621,000 to be funded from the Fire-Grants Fund, for the period beginning March 21, 2007 and ending March 20, 2012, and (2) Authorize six (6) new FTE firefighters in the Fire Department and transfer \$54,954 Pro Rata over a three (3) month period, to be funded from the General Fund Contingency Fund (Workload Indicator).**

*Council Action: Discussion and possible motion.*

**8D. Council to consider and if advisable, to adopt the Municipal Well Facility Design and Construction Standard for the Town of Buckeye Public Works Department.**

*Council Action: Discussion and possible motion.*

**8E. Council to consider and if advisable, to adopt Resolution 06-07 approving the reallocation of Assessment #10 for the Miller Road Improvement District, modified from the original assessment into four hundred forty one (441) individual assessments with Assessment Numbers 010-02-001 through 010-02-440, with a cost per lot of \$661.09.**

*Council Action: Discussion and possible motion.*

**8F. Council to consider and if advisable, authorize the transfer of budget authority:**

**(1) for the purposes of purchasing a new Town Hall Facility, in the amount of \$2,135,000 to CIP-Facilities for the Temporary Town Hall Project from:**

- (a) CIP-Facilities-Utilities, Legal and Engineering \$850,000;**
- (b) CIP-Facilities Finance and Information Technology \$125,000;**
- (c) CIP-General –Acquisitions \$200,000;**
- (d) General Fund Contingency-“CIP Account” \$598,000;**
- (e) General Fund Contingency-“One Time Account” \$358,237; and**
- (f) General Fund Contingency-“Continuing Account” \$3,763.**

**(2) for the purposes of furniture, fixtures and equipment for the new Town Hall Facility, in the amount of \$483,000 to CIP-Facilities-Temporary Town Hall from:**

- (a) CIP-Facilities-New Buildings FF&E \$250,000;**
- (b) CIP-A&T-Improvements \$115,570, and**
- (c) General Fund Contingency-“Continuing Account” \$117,430.**

*Council Action: Discussion and possible motion.*

**8G. Council to consider and if advisable, convene into executive session pursuant to A.R.S. 38-431.03 (A) (3) and (4) to obtain legal advice, and consider the proposed settlement agreement in the lawsuit filed by Danielle Mills.**

*Council Action: Discussion and possible motion*

**8H. Council to reconvene into the public meeting.**

*Council Action: Discussion and possible motion.*

**8I. Council to consider and if advisable, direct staff regarding Settlement of Claims with Danielle Mills.**

*Council Action: Discussion and possible motion.*

**8J. Council to consider and if advisable, to adopt Resolution No. 07-07 approving a petition received relative to the formation of the Mirielle Community Facilities District and, if deemed advisable, forming such district and entering into a development, financing participation and Intergovernmental Agreement No.1 with such District.**

*Council Action: Discussion and possible motion.*

**9. Town Manager’s Report - The Town Manager may provide a brief summary of current events; however, there can be discussion on the following matters:**

- (1) Manager's update on Council related matters**
- (2) Update on Legislative issues**

**10. Comments from the Mayor and Council - Mayor and Council may present a brief summary on current events. The Council may not propose, discuss, deliberate, or take any legal action on information presented. Council may direct inquiries to staff.**

**11. Adjournment.**

*Council Action: Motion to adjourn.*

OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2007-0186958 02/14/2007 03:11  
00671800112-11-4-1--  
**ELECTRONIC RECORDING**

When recorded, return to:

Mr. Scott Ruby  
Gust Rosenfeld P.L.C.  
201 East Washington Street  
Suite 800  
Phoenix, Arizona 85004

**RESOLUTION NO. 07-07**

**RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, DECLARING INTENT TO FORM A COMMUNITY FACILITIES DISTRICT; ORDERING AND DECLARING FORMATION OF THE TAX LEVYING MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA); APPROVING THE DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH SUCH DISTRICT; AND DECLARING AN EMERGENCY.**



RESOLUTION NO. 07-07

RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, DECLARING INTENT TO FORM A COMMUNITY FACILITIES DISTRICT; ORDERING AND DECLARING FORMATION OF THE TAX LEVYING MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA); APPROVING THE DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH SUCH DISTRICT; AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF BUCKEYE, ARIZONA, as follows:

Section 1. Findings. The mayor and council hereby make the following findings:

A. Prior to the adoption hereof, there was presented to us, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter referred to as the "*Town*"), a petition for formation of a community facilities district and adoption of resolutions declaring formation of the Mirielle Community Facilities District (Town of Buckeye, Arizona), originally submitted and effective April 11, 2006 and re-submitted on September 25, 2006 (collectively, hereinafter referred to as the "*Petition*"), signed by the entity which, on the date of the Petition and on the date hereof, is the owner of all real property as shown on the assessment roll for State and County taxes for Maricopa County, Arizona, or, if such person shown on such assessment roll is no longer the owner of land in the District, is the entity which is the successor owner which has become known and has been verified by recorded deed or similar evidence of transfer of ownership to be the owner of such real property (hereinafter such owner is referred to as the "*Petitioner*") described in the Petition by metes and bounds to be in the community facilities district, the formation of which is requested by the Petitioner in the Petition, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*"). (The proposed district shall be referred to herein as the "*District*".)

B. The Petitioner has represented, attested and declared the following:

1. The name of the District is requested pursuant to the Petition to be "*Mirielle Community Facilities District (Town of Buckeye, Arizona)*",

2. The District is to be formed, and will exist, pursuant to the terms and provisions of the Act,

3. The District is to contain an area of approximately 1,794 acres of land, more or less, wholly within the corporate boundaries of the Town, and is to be composed of the land described by metes and bounds as provided in Exhibit A hereto, which is made a part hereof for all purposes (hereinafter referred to as the "*Property*"),

4. The District is to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; except as otherwise provided in the Act, and is to be considered a municipal corporation and political subdivision of

the State of Arizona separate and apart from the Town; and is to be formed for, and have, all the purposes and powers of a "district" as such term is defined, and as provided, in the Act, and

5. Public convenience and necessity require the adoption of this resolution forming the District.

C. The Petitioner further represented, attested and declared that on the date thereof and hereof, as shown on the assessment roll for State and county taxes in Maricopa County, Arizona, all of the land to be in the District is owned by the Petitioner or, if a person listed on such assessment roll is no longer the owner of the land in the District, that the name of the successor owner has become known and verified by recorded deed or similar evidence of transfer of ownership to the Petitioner and that the land to be included in the District shall be benefited from the improvements for which the District is proposed to be formed and that there are no qualified electors residing on the land to be in the District.

D. After representing, attesting and declaring the preceding, the Petitioner requested that the Petition be properly filed as provided by law and that, as the Petition is signed by the owners of all the land to be in the District, any requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and adoption hereof be waived, and that the Town, upon receipt of the Petition, declare its intention to form the District and thereafter form the District without being required to comply with such provisions for posting, publication, mailing, notice, hearing or landowner election.

E. A Development, Financing Participation and Intergovernmental Agreement No. 1 (the "*Development Agreement*") has been presented to the Mayor and Council, executed by the owners of all the land in the District and it is now in order for the Town to approve such Development Agreement.

**Section 2. Agreements and Further Findings by the Town.** The Mayor and Council hereby agree to and find the following:

A. The Petitioner seeks formation of the District to exercise the powers and functions set forth in the Act.

B. The General Plan (as defined hereafter) has been filed with the Clerk of the Town.

C. The Petition, and all necessary supporting materials, meets the requirements of A.R.S. § 48-707, subsections F and G and has been filed with the Council, and the showings in the Petition are each noticed by us and are hereby incorporated at this place as if set forth in whole.

D. The purposes for which the organization of the District is sought are as described in the Petition and General Plan and are purposes for which a community facilities district created pursuant to the Act may be lawfully formed.

E. The District is to be wholly comprised of the Property and the Property is wholly within the boundaries of the Town.

F. The Property is benefited by the District and the public infrastructure and the public infrastructure purposes set forth in the General Plan.

G. Pursuant to A.R.S. § 48-707, subsections F and G, no hearing on the formation of the District will be held.

H. The Petitioner is the owner of all of the Property and no qualified electors reside on the Property.

I. The public convenience and necessity require the adoption hereof.

**Section 3.** Approval of the General Plan. Prior to the adoption hereof, a "General Plan for the Proposed Mirielle Community Facilities District (Town of Buckeye, Arizona)" for the District was filed with the Clerk of the Town setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved and benefited (hereinafter referred to as the "*General Plan*"). The General Plan is hereby approved in all respects.

**Section 4.** Approval of the Development Agreement. The Development Agreement by and among the Town, the District and the owners of the property within the District, as presented to the Town and on file with the Clerk, is hereby approved. The Mayor is authorized and directed to execute and deliver and the Clerk is authorized and directed to attest, the Development Agreement.

**Section 5.** Intention to Form the District. The Mayor and Council hereby declares, pursuant to the Act, its intention to form the District comprised of the Property as a community facilities district, pursuant to the terms and provisions of, and with the powers and authority established by, the Act, with jurisdiction over the Property. Based on the Petition and the findings set forth herein, all requirements of posting, publication, mailing, notice, hearing and landowner election otherwise required by the Act in connection with the formation of the District and adoption hereof are waived.

**Section 6.** Granting of Petition; Formation of District. The Petition is hereby granted, and the District is hereby formed as a community facilities district pursuant to the terms and provisions of, and with the powers and authority established by, the Act, with jurisdiction over the Property. The Mayor and Council hereby determine March 20, 2007 to be the scheduled election date to submit the question of formation of the District to the qualified electors, if any, who reside within the boundaries of the District. As of the date hereof, which is a date within 50 days immediately preceding such scheduled election date, there are no resident electors or qualified electors residing on the Property, therefore, the submission of the formation of the District to an election of resident electors is hereby found to be unnecessary and no formation election will be held.

**Section 7.** Levy of Taxes. Formation of the District may result in the levy of taxes by the District on all taxable property located within the District to pay the costs of improvements constructed by the District and the administration of the District and for their operation and maintenance and the administration of the District.

**Section 8.** District Board and Officers. The District shall be governed by a "District Board" comprised of the members of the governing body of the Town, ex officio. Gust Rosenfeld P.L.C. may serve as Town Attorney and attorney and bond counsel for the District, and the

**Section 7. Levy of Taxes.** Formation of the District may result in the levy of taxes by the District on all taxable property located within the District to pay the costs of improvements constructed by the District and the administration of the District and for their operation and maintenance and the administration of the District.

**Section 8. District Board and Officers.** The District shall be governed by a "District Board" comprised of the members of the governing body of the Town, ex officio. Gust Rosenfeld P.L.C. may serve as Town Attorney and attorney and bond counsel for the District, and the Town hereby waives any conflict of interest that may exist now or in the future as a result of such dual representation.

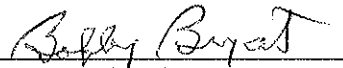
**Section 9. District Boundaries and Map.** The District boundaries are set to be as described in metes and bounds in Exhibit A hereto. The map showing the District boundaries is set forth in Exhibit B hereto and is hereby approved.

**Section 10. Dissemination of This Resolution.** The Town Clerk shall cause a copy of this resolution to be delivered to the County Assessor and the Board of Supervisors of Maricopa County, Arizona, and to the Department of Revenue of the State of Arizona.

**Section 11. No General Liability of or for the Town.** Neither the general fund or any other fund or moneys of the Town, nor that of the State of Arizona or any political subdivision of either (other than the District) shall be liable for the payment or repayment of any obligation, liability, bond or indebtedness of the District, and neither the credit nor the taxing power of the Town, the State of Arizona or any political subdivision of either (other than the District) shall be pledged therefor.

**Section 12. Emergency.** The immediate operation of the provisions of this resolution is necessary for the preservation of the public peace, health and safety and an emergency is hereby declared to exist, and this resolution shall be in full force and effect from and after its passage, adoption and approval by the Mayor and Council of the Town and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

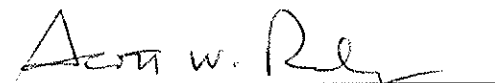
Passed by the Council of the Town of Buckeye, Arizona, on February 6, 2007.

  
Bobby Bryant, Mayor

ATTEST:

  
Linda Garrison, Town Clerk

APPROVED AS TO FORM:

  
Scott Ruby, Town Attorney

**EXHIBIT A**

**LEGAL DESCRIPTION OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

**EXHIBIT "A"**

PARCEL NO. 1:

ALL OF SECTION SIX (6) AND A PORTION OF SECTION FIVE (5), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 44 MINUTES 42 SECONDS EAST A DISTANCE OF 2639.76 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 42 MINUTES 06 SECONDS EAST A DISTANCE OF 2640.39 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 6 AND AS THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 50 MINUTES 24 SECONDS EAST A DISTANCE OF 2641.73 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 46 MINUTES 15 SECONDS EAST A DISTANCE OF 2641.37 FEET TO A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 5, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 5 BEARS SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 2653.13 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 5, A DISTANCE OF 819.56 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 43 SECONDS WEST A DISTANCE OF 250.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 2000.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AN ARC LENGTH OF 3141.59 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 1048.05 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 44 SECONDS WEST A DISTANCE OF 416.81 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 16 SECONDS WEST A DISTANCE OF 1474.03 FEET TO A MARICOPA COUNTY ALUMINUM CAP, LS NO. 33307 ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 5;

THENCE NORTH 89 DEGREES 47 MINUTES 53 SECONDS WEST A DISTANCE OF 42.72 FEET TO A GLO BRASS CAP (WITNESS CORNER);

THENCE NORTH 89 DEGREES 43 MINUTES 39 SECONDS WEST A DISTANCE OF 2606.28 FEET TO A GLO BRASS CAP ACCEPTED AS THE CORNER COMMON TO SAID SECTIONS 5, 6 AND 7;

THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 89 DEGREES 18 MINUTES 14 SECONDS WEST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 6 AND THE NORTHWEST CORNER OF SECTION 7;

THENCE NORTH 00 DEGREES 23 MINUTES 51 SECONDS EAST A DISTANCE OF 2642.68 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2639.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

ALL OF SECTION SEVEN (7), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SECTION 7 AND THE SOUTHWEST CORNER OF SECTION 6;

THENCE NORTH 89 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 88 DEGREES 17 MINUTES 35 SECONDS EAST A DISTANCE OF 2643.06 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON CORNER OF SECTIONS 5, 6 AND 7;

THENCE SOUTH 00 DEGREES 28 MINUTES 12 SECONDS WEST A DISTANCE OF 2647.14 FEET TO A GLO BRASS CAP ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 00 DEGREES 23 MINUTES 29 SECONDS WEST A DISTANCE OF 2638.42 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE NORTH 88 DEGREES 34 MINUTES 58 SECONDS WEST A DISTANCE OF 2656.71 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 89 DEGREES 35 MINUTES 31 SECONDS WEST A DISTANCE OF 2541.40 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 17 SECONDS EAST A DISTANCE OF 2641.41 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 03 SECONDS EAST A DISTANCE OF 2644.05 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 16 SECONDS WEST A DISTANCE OF 2666.66 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 8, FROM WHICH A MARICOPA COUNTY ALUMINUM CAP LS NO. 33307 ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 8, BEARS NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST A DISTANCE OF 5304.50 FEET;

THENCE NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST, ALONG THE NORTH SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 2658.53 FEET TO THE CENTER OF SAID SECTION 8;

THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS EAST, ALONG THE EAST WEST MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 502.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2000.00 FEET, THE CENTER OF WHICH BEARS NORTH 71 DEGREES 50 MINUTES 04 SECONDS EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 72 DEGREES 01 MINUTES 05 SECONDS AN ARC LENGTH OF 2513.90 FEET;

THENCE NORTH 89 DEGREES 48 MINUTES 59 SECONDS EAST A DISTANCE OF 250.00 FEET TO THE EAST LINE OF SAID SECTION 8;

THENCE SOUTH 00 DEGREES 11 MINUTES 01 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1282.06 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 4:

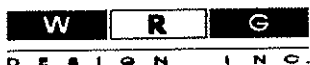
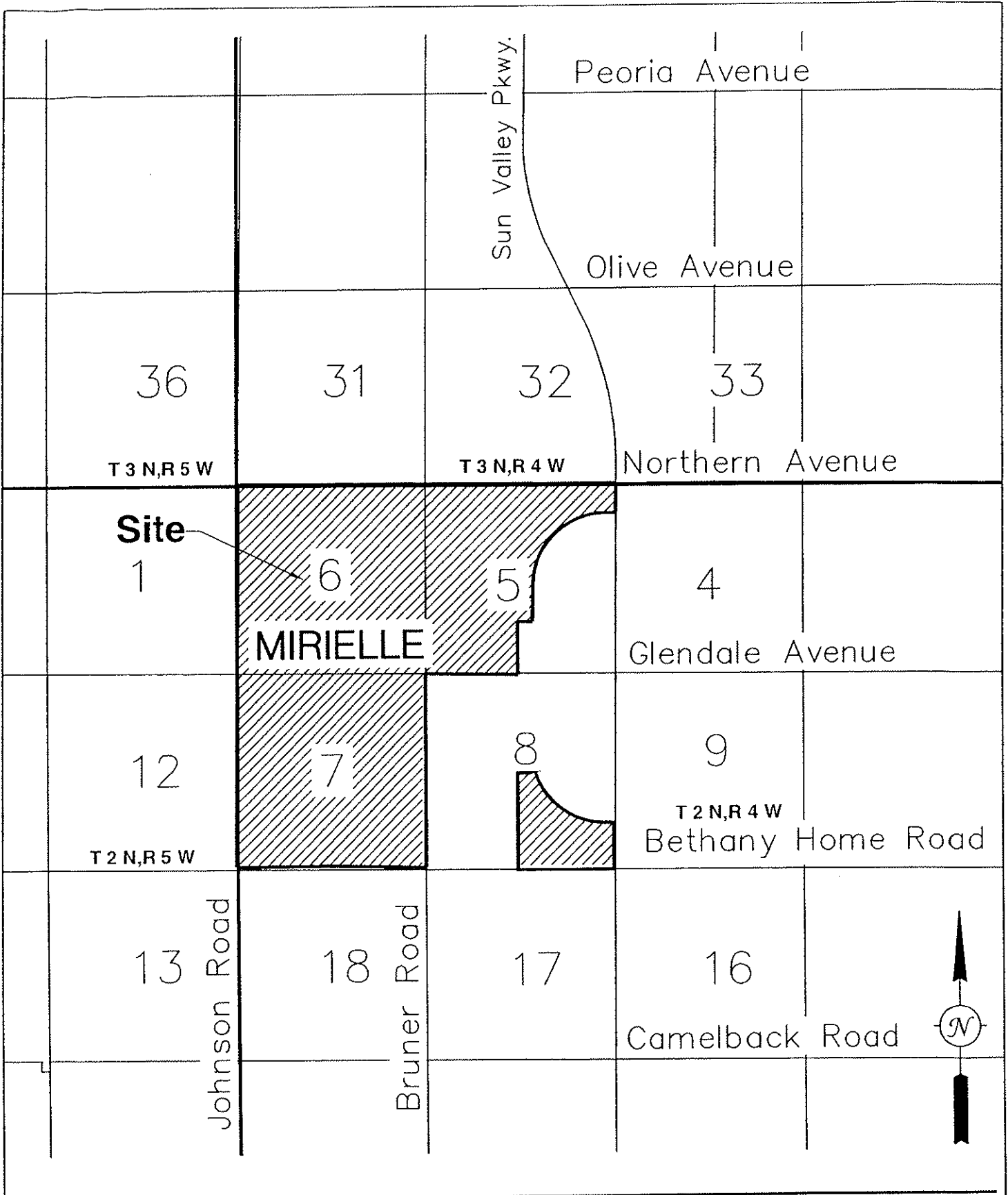
A NON-EXCLUSIVE EASEMENT, 66 FEET IN WIDTH, FOR INGRESS AND EGRESS AS CREATED BY GRANT OF EASEMENTS RECORDED MARCH 7, 1986 AT RECORDERS NO. 86-111065, ALONG THE COMMON SECTION LINES OF SECTIONS 31 AND 32, TOWNSHIP 3 NORTH, RANGE 4 WEST AND SECTIONS 5 AND 6, TOWNSHIP 2 NORTH RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE ALIGNMENT OF NORTHERN AVENUE; AND 33 FEET ON EACH SIDE OF THE SECTION LINES, BEING THE SOUTH LINE OF THE EAST HALF OF SECTION 5 AND THE NORTH LINE OF THE EAST HALF OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE GLENDALE AVENUE ALIGNMENT FROM THE SUN VALLEY PARKWAY TO ITS INTERSECTION WITH A COMMON POINT, BEING THE NORTH QUARTER CORNER OF SAID SECTION 8 AND SOUTH QUARTER CORNER OF SAID SECTION 5;

EXCEPTING THEREFROM ANY PART LYING WITHIN PARCELS 1, 2 AND 3 ABOVE.



**EXHIBIT B**

BOUNDARY MAP OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)



9277 N. 90th Street Suite #350 Scottsdale, AZ 85258  
 Tel. 602.977.8000 Fax. 602.977.8099

PLANNERS • ENGINEERS • LANDSCAPE ARCHITECTS • SURVEYORS

### VICINITY MAP MIRIELLE

COMMUNITIES SOUTHWEST  
 BUCKEYE, ARIZONA

PROJECT NO. CSW4246  
 DATE: 12/11/06  
 BY: GMS  
 SCALE: N.T.S.  
 SHEET NO. 1

RESOLUTION NO. 01-07

**A RESOLUTION OF THE DISTRICT BOARD OF MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) APPOINTING DISTRICT OFFICERS; APPROVING THE GENERAL PLAN; TAKING CERTAIN OTHER ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT; CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT; AND ENTERING INTO A DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH THE TOWN.**

**BE IT RESOLVED BY THE DISTRICT BOARD OF MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:**

**Section 1. Findings.**

A. On February 6, 2007, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "Town"), adopted Resolution No. 07-07 (the "*Resolution*") ordering and declaring formation of Mirielle Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*").

B. All conditions precedent to the formation of the District have been satisfied.

C. As provided by Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), the District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended, and, except as otherwise provided in Section 48-708(B), of the Act, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town.

D. The owner of all real property in the District (the "*Owner*") filed with the Town Clerk the "general plan" for the District, which sets out a general description of the public infrastructure improvements for which the District was formed and the general areas to be improved (hereinafter referred to as the "*General Plan*").

E. Certain matters relating to the organization of the District must be determined by the district board of the District (hereinafter referred to as the "*District Board*") including consideration of a Development, Financing Participation and Intergovernmental Agreement No. 1 by and among the District, the Town and the Owner (the "*Development Agreement*").

F. The Owner may construct or acquire a portion of the "public infrastructure" (as such term is defined in Section 48-701, of the Act) described in the General Plan or has undertaken "public infrastructure purposes" (as such term is defined in Section 48-701, of the Act) related thereto in contemplation of acquisition of such public infrastructure by a community facilities district.

G. (1) The District is authorized by Section 48-719, of the Act, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District.

(2) Such bonds may not be issued unless approved at an election ordered and called to submit to the qualified electors of the District, which qualified electors consist of persons residing in the District who have registered to vote and those persons who are qualified to vote pursuant to Section 48-707(G), of the Act. If no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, of the Act (the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*qualified electors*" ) shall vote on the question of authorizing the District Board to issue such bonds for such purposes.

(3) The District is authorized by Section 48-723, of the Act to levy an ad valorem tax on the assessed value of all real and personal property in the District for the purpose of applying the taxes to the operation and maintenance expenses of the District.

(4) The ad valorem tax for operation and maintenance purposes may not be levied unless approved at an election by the qualified electors of the District.

(5) The District Board deems it necessary and advisable to order and call such an election at this time for the purpose of submitting questions that request authorization to issue general obligation bonds and levy an ad valorem property tax for the District's operation and maintenance expenses, and to establish the procedures whereby such election should be held.

(6) An estimate of the amount of financing necessary to provide for, through acquisition, construction or otherwise, the "public infrastructure purposes", a general description of which are set out in the general plan of the District, has been presented to the District Board.

**Section 2.** Appointment of District Officers. The persons serving as Mayor and Vice Mayor of the Town are hereby appointed "Chairman" and "Vice Chairman," respectively, of the District Board; the person serving as the Town Clerk is hereby appointed "District Clerk"; the person serving as the Town Finance Director is hereby appointed "District Treasurer"; the person serving as the Town Manager is hereby appointed "District Manager". Gust Rosenfeld P.L.C. is hereby retained as the District's bond counsel and special counsel and all conflicts of interest that exist now or in the future between the Town and the District caused by such dual representation are hereby waived. The District Manager is authorized to appoint itself, or such other qualified entity, as District Engineer when such appointment shall be necessary to further the purposes of the District. Except as otherwise provided by resolution of the District, all agreements and other documents to which the District is a party shall be executed on behalf of the District by the District Manager or the designee of the District Manager.

**Section 3.** Posting of Notices. Statements of the District directing where all public notices of the meetings of the District shall be posted in substantially the form attached

hereto as Exhibit A has been filed with the Clerks of Maricopa County and the Town and is hereby approved and ratified for all purposes thereof.

**Section 4.** Preparation of Budget. The District Board hereby instructs the District Treasurer to cause to be prepared a draft of a proposed budget for the District for the ensuing fiscal year to be circulated for consideration at a subsequent meeting of the Board as required by Section 48-716, Arizona Revised Statutes, as amended. Such budget shall include the costs of providing the District, its board members, officers, employees, agents and contractors with adequate insurance coverage.

**Section 5.** Approval of General Plan. The General Plan as submitted to the Town is hereby approved in all respects.

**Section 6.** Call of Election. A special election, in and for the District, be and the same is hereby ordered and called to be held on March 20, 2007 (the "Election"), at which time there shall be submitted to the qualified electors of the District the questions set forth in the form of official ballot attached hereto, marked Exhibit B and incorporated by reference herein. Based upon a certificate of the Maricopa County Recorder, dated a date not more than fifty (50) days prior to the date of the Election, there are no persons registered to vote within the District.

The District Clerk is directed to appoint election workers, election officials and such other necessary persons to the extent required to assist in conducting the election. The District Clerk is further directed to take such other actions as are necessary and appropriate to carry out the purposes of this resolution.

**Section 7.** Posting and Publishing of Matters Relating to Election. The Election shall be called by posting notices in three (3) public places within the boundaries of the District not less than twenty (20) days before the date of the Election in substantially the form hereto attached and marked Exhibit C. Notice shall also be published in the The Republic and The West Valley View, newspapers of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of Exhibit C.

**Section 8.** Polling Place. The polling place and the time the poll shall be opened and closed shall be as provided in Exhibit C.

**Section 9.** Affidavit for Landowners. If the qualified electors are and become the Landowners, prospective electors voting in the Election shall execute an affidavit substantially in the form hereto attached and marked Exhibit D.

**Section 10.** Preparation of Ballots and Affidavits. The District Clerk is hereby authorized and directed to have printed and delivered to the election officers at such polling place such ballots and, if necessary, such affidavits, to be by them furnished to the qualified electors of the District offering to vote at the Election, in substantially the form of Exhibits B and D.

**Section 11.** Compliance with Voting Rights Act 1965. In order to comply with the Voting Rights Act of 1965, as amended, the following shall be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such

proceedings are required, to-wit: Exhibits B, C and D, all absentee voting materials and all instructions at the polling place.

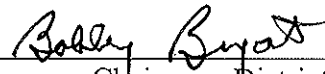
**Section 12.** Applicable Law. The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at such election who are qualified electors of the District. Absentee voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

**Section 13.** Canvass. On April 3, 2007, which is a date within fourteen (14) days after the date of the Election, the District Board shall meet and canvass the returns, and if a majority of the votes cast at the Election is in favor of issuing the bonds and levying an ad valorem property tax for operation and maintenance purposes, the Board shall enter the fact on its minutes.

**Section 14.** Approval of Development Agreement. The Development Agreement by and among the Town, the District and the Owner, as presented to the Board and on file with the District Clerk, is hereby approved. The Chairman of the District Board is authorized and directed to execute and deliver, and the Clerk is authorized and directed to attest, the Development Agreement.

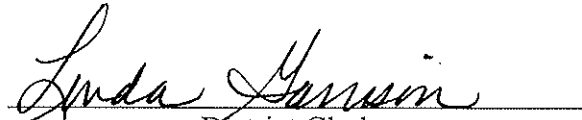
**Section 15.** Effective Date. This resolution shall be effective immediately.

**PASSED** by the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) on February 6, 2007.



Chairman, District Board

ATTEST:



District Clerk

EXHIBITS:

- A - Statements Regarding Posting of Public Meetings
- B - Form of Ballot
- C - Form of Notice of Election
- D - Form of Affidavit of Elector

**EXHIBIT A**

**OPEN MEETING LAW NOTICE**

Notice of Meetings

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

TO THE GENERAL PUBLIC:

PLEASE TAKE NOTICE that the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona), will hold its meetings at the Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326, and that notice of such meetings will be given at least twenty-four (24) hours prior to a meeting and notice will be posted on the bulletin board at the Buckeye Town Hall.

Meetings will be held in conjunction with the meetings of the Town Council of the Town of Buckeye, Arizona.

DATED AND POSTED: \_\_\_\_\_, 2007.

\_\_\_\_\_  
Clerk

**EXHIBIT B**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION  
FOR MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)  
\_\_\_\_\_, 2007**

Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personality related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.



## **EXHIBIT C**

### **NOTICE OF ELECTION**

#### **TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT");**

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on \_\_\_\_\_, 2007, for the District at the polling place hereafter set forth. The District is comprised of real property located within the \_\_\_\_\_ voting precinct.

#### **PRECINCT**

**POLLING PLACE** Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m. The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

*Question No. 1*

*Question No. 2*

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, telephone number (623) 386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

EXHIBIT D

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
MIRIELLE COMMUNITY FACILITIES )  
DISTRICT (TOWN OF BUCKEYE, )  
ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CSW Sun Valley South Holdings, L.L.C. (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Company I so represent owns approximately 1,794 acres in the Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 1,794 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

\_\_\_\_\_  
Affiant

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_, 2007.

\_\_\_\_\_  
Election Board Member

## NOTICE OF ELECTION

### TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on March 20, 2007, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

**PRECINCT** White Tank

**POLLING PLACE** Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m. The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, telephone number (623) 386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

## AVISO DE UNA ELECCION

### A LOS ELECTORES HABILITADOS Y LOS DUEÑOS DE PROPIEDAD EN EL DISTRITO MIRIELLE COMMUNITY FACILITIES (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial y general de bonos financieros y de manejo y mantenimiento de impuestos ad valorem el 20 de marzo de 2007, por el Distrito en los centros de votación nombrados de ahora en adelante. El Distrito se compone de bienes raíces ubicados dentro del recinto electoral White Tank.

**RECINTO ELECTORAL** White Tank

**CENTRO DE VOTACION** Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta directiva de la elección en el centro de votación requerirá al elector presunto firmar un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde. El propósito de la elección es el de permitirles a los electores habilitados del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del efluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenimiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros; (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el

interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

Cuestión Número 2

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.

**DISTRITO MIRIELLE COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE, ARIZONA)**

Número de acres que le pertenecen \_\_\_\_\_

**AFFIDAVIT OF POSTING**

State of Arizona  
County of Maricopa

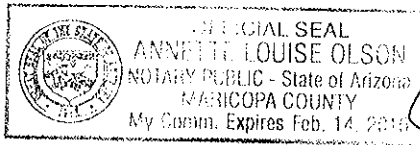
Linda Garrison, being first duly sworn, upon oath, deposes and says:

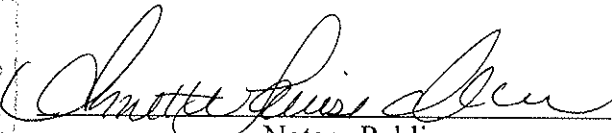
That at the direction of the Board of Directors of Mirielle Community Facilities District (Town of Buckeye, Arizona), the affiant posted copies in both English and Spanish of the attached notice of election held in and for the District on February 28, 2007, in each of three places in the District.

The notices were posted on or before February 28, 2007, which is at least twenty (20) days prior to the election date.

  
\_\_\_\_\_  
Affiant

SUBSCRIBED AND SWORN to before me this 28 day of February, 2007.



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

My commission expires:  
2/14/2010

THE ARIZONA REPUBLIC

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS.

Robert Lane, being first duly sworn, upon oath deposes and says: That he is a legal advertising representative of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, State of Arizona, published at Phoenix, Arizona, by Phoenix Newspapers Inc., which also publishes The Arizona Republic, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

The Arizona Republic/West Zone

02/21/2007
02/28/2007

Handwritten signature: RL 2

Sworn to before me this 28th day of February A.D. 2007



KAREN WAY
Notary Public - Arizona
Maricopa County
Expires 08/31/09

Handwritten signature: Karen Way
Notary Public

NOTICE OF ELECTION TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

public infrastructure purposes... shall be payable from a tax levied and collected annually on all taxable property in the District... public infrastructure purposes... shall be payable from a tax levied and collected annually on all taxable property in the District... shall be payable from a tax levied and collected annually on all taxable property in the District...

incidentales de nueva construcción o existente... incidentales de nueva construcción o existente... incidentales de nueva construcción o existente...

Question Número 1: Shall the district board... Question Número 2: Shall the District Board of Mirelle Community Facilities District... Question Número 3: Shall the District Board of Mirelle Community Facilities District...



# WEST VALLEY BUSINESS

200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

## AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

Town of Buckeye - Gust Rosenfeld  
Public Notice - Notice of Election to the  
qualified electors of and property owners  
in Mirielle Community Facilities District  
(Town of Buckeye, Arizona) (The "District")

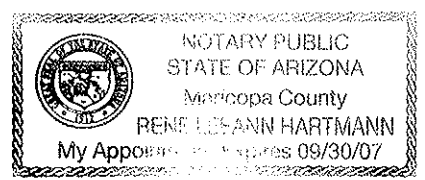
will be has been published on February 16 and 23, 2007.

Elliott Freireich  
Elliott Freireich  
President, West Valley View Inc.

February 16, 2007.  
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE  
16 DAY OF February (Month), 2007 (YEAR)

NOTARY SIGNATURE: Rene Lesann Hartmann



## Public Notice

### NOTICE OF ELECTION TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on March 20, 2007, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

**PRECINCT** White Tank  
**POLLING PLACE** Buckeye  
Town Hall, 100 N. Apache, Suite  
A, Buckeye, Arizona 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m. The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use

for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

#### Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, telephone number (623) 386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised

Statutes, as amended, is on file with the District Clerk at the same location.

### MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)

Published in the West Valley View, and the West Valley Business, on February 16 and February 23, 2007.

# WEST VALLEY BUSINESS

200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

## AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

Pueblo de Buckeye - Gus Rosentald  
Public Notice - Aviso de una Eleccion  
a los electores habilitados y los dueños  
de propiedad en el distrito Mirielle Community  
Facilities (Pueblo de Buckeye, Arizona) (El Distrito)

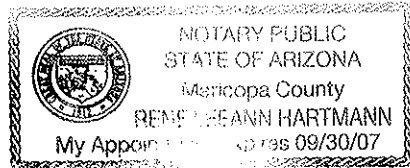
will be / has been published on February 16 and 23, 2007.

Elliott Freireich  
Elliott Freireich  
President, West Valley View Inc.

February 16, 2007.  
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE  
16 DAY OF February (Month), 2007 (YEAR)

NOTARY SIGNATURE: Reve Jean Hartmann



## Public Notice

### AVISO DE UNA ELECCION A LOS ELECTORES HABILITADOS Y LOS DUEÑOS DE PROPIEDAD EN EL DISTRITO MIRIELLE COMMUNITY FACILITIES (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial y general de bonos financieros y de manejo y mantenimiento de impuestos ad valorem el 20 de marzo de 2007, por el Distrito en los centros de votación nombrados de ahora en adelante. El Distrito se compone de bienes raíces ubicados dentro del recinto electoral White Tank.

#### RECINTO ELECTORAL White Tank

**CENTRO DE VOTACION**  
Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta directiva de la elección en el centro de votación requerirá al elector presunto firmar un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde. El propósito de la elección es el de permitirles a los electores habilitados del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"); (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del effluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones

para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenimiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros; (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

#### Cuestión Número 2

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal

en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.

DISTRITO MIRIELLE  
COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE,  
ARIZONA)

Número de acres  
que le pertenecen

Publicado en el West Valley  
View, Inc. y West Valley Business  
en Febrero 16 y Febrero 23,  
2007.

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION  
FOR MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)  
March 20, 2007**

Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter

**BOLETA OFICIAL**

**ELECCION ESPECIAL DE BONOS FINANCIEROS Y DE MANEJO Y MANTENIMIENTO DE  
IMPUESTOS AD VALOREM POR EL DISTRITO  
MIRIELLE COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE, ARIZONA)  
20 de Marzo de 2007**

**Cuestión Número 1**

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del efluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenamiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquirieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros; (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

El votante pondrá una marca en el cuadro al lado de las palabras "Bonos, Sí" o "Bonos, No", cualesquier palabras que expresen la decisión del votante.

BONOS, SI <input type="checkbox"/>
BONOS, NO <input type="checkbox"/>

**Cuestión Número 2**

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.

El votante pondrá una marca en el cuadro al lado de las palabras "Impuesto, Sí" o "Impuesto, No" cualesquier palabras que expresen la decisión del votante.

IMPUESTO, SI <input type="checkbox"/>
IMPUESTO, NO <input type="checkbox"/>

**AVISO A LOS VOTANTES:**

El voto indicará su voto en cada cuestión por poner una marca en el cuadro al lado de la frase que exprese su decisión. El votante comprende que el voto entregado constituirá el voto por todos los acres que le pertenecen.

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
 COUNTY OF MARICOPA )  
 TOWN OF BUCKEYE )  
 MIRIELLE COMMUNITY FACILITIES )  
 DISTRICT (TOWN OF BUCKEYE, )  
 ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CSW Sun Valley South Holdings, L.L.C. (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.

2. The Company I so represent owns approximately 1,794 acres in the Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*").

3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 1,794 acres of land within the District, holding title or evidence of title of record of said acres.

4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

\_\_\_\_\_  
 Affiant

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_, 2007.

\_\_\_\_\_  
 Election Board Member



RESOLUTION NO. 02-07

A RESOLUTION DECLARING THE RESULTS OF AND ADOPTING A CERTIFICATE OF RESULT OF THE GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION HELD IN AND FOR THE DISTRICT AND ORDERING THE RECORDING OF SUCH CERTIFICATE

BE IT RESOLVED BY THE DISTRICT BOARD OF MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:

1. Findings.

A. Mirielle Community Facilities District (Town of Buckeye, Arizona) (hereinafter referred to as the "*District*") is authorized (1) by Section 48-719, Arizona Revised Statutes, as amended, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District [as such terms are defined in Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Act*")]; and (2) by Section 48-723 of the Act to levy an ad valorem tax to provide for the payment of the District's operation and maintenance expenses.

B. Such general obligation bonds may not be issued and such ad valorem tax to pay operation and maintenance expenses may not be levied unless approved at an election ordered and called to submit to the qualified electors of the District (hereinafter referred to as "*qualified electors*") or to those persons who are qualified to vote pursuant to Section 48-707(G), Arizona Revised Statutes, as amended, being, if no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, Arizona Revised Statutes, as amended (hereinafter referred to as the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*Electors*") the question of authorizing the governing board of the District (hereinafter referred to as the "*District Board*") to issue such general obligation bonds for such purposes set forth in the ballot and the question authorizing the District Board to levy such ad valorem tax to pay operation and maintenance expenses.

C. The District Board deemed it necessary and advisable to order and call such an election and to establish the procedures whereby such election should be held; and did so pursuant to Resolution No. 01-07 ordering and calling a general obligation bond and operation and maintenance ad valorem tax election adopted by the District Board on February 6, 2007, which provided that a special election, in and for the District, be held on March 20, 2007 (hereinafter referred to as the "*Election*"). No person had registered to vote within the District within fifty (50) days immediately preceding the Election or at any other time prior to the Election. On March 20, 2007, there was submitted to the Electors of the District the questions set forth in the official ballot described in Resolution No. 01-07.

D. The election board for the Election has filed with the District Board its returns of election and the ballots cast at the polling place, and, within fourteen days after the election, the District Board has canvassed the returns of the Election and determined:

(1) that no persons who would constitute resident qualified electors resided in the District;

(2) that Landowners of the land according to A.R.S. § 48-3043 were eligible to vote;

(3) that the total number of votes eligible to be cast (equal to the number of acres or portions thereof rounded upward to the nearest one-fifth of an acre) equaled 1,794 acres;

(4) that a total of 1 ballot representing all of the acres in the District (1,794 acres) had been cast by Landowners in response to Question No. 1, that 1,794 votes were marked "Bonds, Yes" and 0 votes were marked "Bonds, No";

(5) that a total of 1 ballot representing all of the acres in the District (1,794 acres) had been cast by Landowners in response to Question No. 2, that 1,794 votes were marked "Tax, Yes" and 0 votes were marked "Tax, No";

(6) that the Election had been conducted and the returns thereof made as required by law; and

(7) that only qualified electors (none) and Landowners of land within the District were permitted to vote at the Election.

2. Canvass. After careful examination of the official returns of the Election, it is found and determined by the District Board as follows:

A. That a majority of the votes cast by the Electors voting at the Election voted in favor of the questions shown on Exhibit A attached hereto.

B. That up to and including \$100,000,000 aggregate principal amount of general obligation bonds are therefore authorized to be issued and sold and the District Board, and that the District Board has been authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate of not to exceed thirty cents per one hundred dollars of assessed valuation, such taxes to be applied to the operation and maintenance expenses of the District;

C. That the Chairman of the District Board shall execute, and the District Clerk attest, the "Certificate of Result of Election" attached as Exhibit B hereto; and

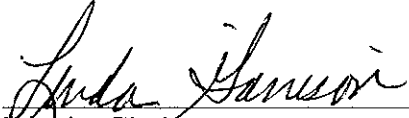
D. That the District Clerk is hereby directed to record the attached "Certificate of Result of Election" in the Office of the County Recorder of Maricopa County, Arizona; to return said copy with the recording date shown therein to the official records of the District; and to provide a copy thereof to the State Real Estate Department.

3. Effective Date. This resolution shall be effective immediately.

PASSED by the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) on April 3, 2007.

**MIRIELLE COMMUNITY FACILITIES  
DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)**

ATTEST:

  
\_\_\_\_\_  
District Clerk

  
\_\_\_\_\_  
Chairman, District Board

APPROVED AS TO FORM

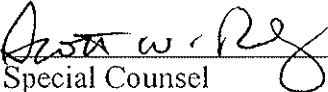
  
\_\_\_\_\_  
Special Counsel

Exhibit A Ballot  
Exhibit B Certificate of Results of Election

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION  
FOR MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)  
March 20, 2007**

Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter

**BOLETA OFICIAL**

**ELECCION ESPECIAL DE BONOS FINANCIEROS Y DE MANEJO Y MANTENIMIENTO DE  
IMPUESTOS AD VALOREM POR EL DISTRITO  
MIRIELLE COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE, ARIZONA)  
20 de Marzo de 2007**

**Cuestión Número 1**

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del efluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenimiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquirieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros; (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

El votante pondrá una marca en el cuadro al lado de las palabras "Bonos, Sí" o "Bonos, No", cualesquier palabras que expresen la decisión del votante.

BONOS, SI <input type="checkbox"/>
BONOS, NO <input type="checkbox"/>

**Cuestión Número 2**

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.

El votante pondrá una marca en el cuadro al lado de las palabras "Impuesto, Si" o "Impuesto, No" cualesquier palabras que expresen la decisión del votante.

IMPUESTO, SI <input type="checkbox"/>
IMPUESTO, NO <input type="checkbox"/>

**AVISO A LOS VOTANTES:**

El voto indicará su voto en cada cuestión por poner una marca en el cuadro al lado de la frase que exprese su decisión. El votante comprende que el voto entregado constituirá el voto por todos los acres que le pertenecen.

When recorded, return to:

Mr. Scott W. Ruby, Esq.  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, Arizona 85004-2327

**CERTIFICATE OF RESULT OF ELECTION BY THE DISTRICT BOARD OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE,  
ARIZONA), RELATIVE TO THE SPECIAL ELECTION HELD ON MARCH 20, 2007.**

The District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona), hereby certifies as follows:

1. Pursuant to the resolution passed and adopted by the District Board on February 6, 2007, an election was duly and regularly held on March 20, 2007, for the purpose of approving the issuance and sale of bonds in the total principal amount of \$100,000,000 and approving the levy of an ad valorem tax for payment of operation and maintenance costs in the District.

2. The election has been conducted and the official returns thereof have been filed as required by law and the total number of votes cast at the special bond election in answer to the question submitted were as follows:

<u>QUESTION NUMBER</u>	<u>VOTES, YES</u>	<u>VOTES, NO</u>
Question 1 - \$100,000,000 General Obligation Bonds	1,794	0
Question 2 -- Operation and Maintenance Tax	1,794	0

3. Each and every person who voted at the special election was a lawful elector of the District.

4. The majority of the votes cast at the election was in favor of the issuance and sale of the bonds described in the official ballot.

5. The majority of the votes cast at the election was in favor of the levy of the ad valorem tax to provide for payment of the operation and maintenance expenses of the District.

**IN WITNESS WHEREOF**, the Chairman of this Board has hereunto placed his hand and caused the same to be attested by the Clerk on April 3, 2007.

---

Chairman, District Board

ATTEST:

---

Clerk

THIS DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, AND A COPY OF THIS DOCUMENT, ONCE RECORDED, SHALL BE FILED WITH THE ARIZONA STATE REAL ESTATE DEPARTMENT.



OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2007-0409408 04/06/2007 01:43  
00671800112A-2-1-1--  
**ELECTRONIC RECORDING**

When recorded, return to:

Mr. Scott W. Ruby, Esq.  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, Arizona 85004-2327

**CERTIFICATE OF RESULT OF ELECTION BY THE DISTRICT BOARD OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE,  
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2. The election has been conducted and the official returns thereof have been filed as required by law and the total number of votes cast at the special bond election in answer to the question submitted were as follows:

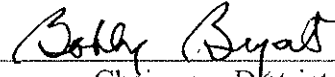
<u>QUESTION NUMBER</u>	<u>VOTES, YES</u>	<u>VOTES, NO</u>
Question 1 - \$100,000,000 General Obligation Bonds	1,794	0
Question 2 – Operation and Maintenance Tax	1,794	0

3. Each and every person who voted at the special election was a lawful elector of the District.

4. The majority of the votes cast at the election was in favor of the issuance and sale of the bonds described in the official ballot.

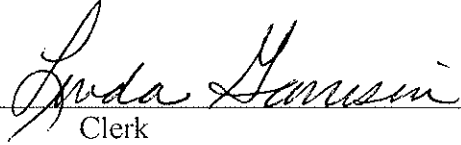
5. The majority of the votes cast at the election was in favor of the levy of the ad valorem tax to provide for payment of the operation and maintenance expenses of the District.

IN WITNESS WHEREOF, the Chairman of this Board has hereunto placed his hand and caused the same to be attested by the Clerk on April 3, 2007.



Chairman, District Board

ATTEST:

  
Clerk

THIS DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, AND A COPY OF THIS DOCUMENT, ONCE RECORDED, SHALL BE FILED WITH THE ARIZONA STATE REAL ESTATE DEPARTMENT.

PLEASE SILENCE ALL ELECTRONIC COMMUNICATION DEVICES (INCLUDING CELL PHONES/PAGERS) BEFORE THE MEETING IS CALLED TO ORDER.  
THANK YOU.

NOTICE OF POSSIBLE QUORUM OF THE TOWN OF BUCKEYE COMMUNITY DEVELOPMENT BOARD OR OTHER COUNCIL APPOINTED BOARD: PLEASE NOTE THAT THERE MAYBE A QUORUM PRESENT BUT THERE WILL BE NO VOTING TAKING PLACE BY THE TOWN DEVELOPMENT BOARD OR OTHER COUNCIL APPOINTED BOARD AT THIS MEETING.

**WATSON ROAD COMMUNITY FACILITIES DISTRICT  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
TOWN OF BUCKEYE, ARIZONA  
APRIL 3, 2007  
AGENDA**

**Town Council Chambers**

**100 N. Apache Road**

**Buckeye, AZ 85326**

**Immediately following the Regular Council meeting of April, 3 2007**

*Accessibility for all persons with disabilities will be provided upon request. Please telephone your accommodation request (623 349-6007) 72 hours in advance if you need a sign language interpreter or alternate materials for a visual or hearing impairment. (TTD 623 349-6400)*

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*Members of the Watson Road and Mirielle Community Facilities District Board will attend either in person or by telephone conference call or video presentations.*

**1. Call to order.**

*Board Action: None*

**2. Approval of Minutes of the March 20, 2007 Watson Road CFD and the February 6, 2007 Mirielle CFD.**

*Board Action: Motion to Approve*

**3. Approve/ratify expenditures for Watson Road CFD and the Mirielle Community Facilities District.**

*Board Action: Motion to Approve*

**4. Watson Road Community Facilities District**

**4A. Board to consider and if advisable, adopt Resolution 02-07 approving the application for Modification of Assessment of Parcel 8 of Watson Road Community Facilities District into 534 individual assessments, numbers 008-02-001 through 008-02-534, \$6,302.55 each lot.**

*Board Action: Motion to Approve*

**5. Mirielle Community Facilities District**

**5A. Canvass results of the election held March 20, 2007 and, if deemed advisable, adopt Resolution 02-07, concerning the results of the election.**

*Board Action: Discussion and possible motion.*

**6. Citizen Comments/Apearances from the Floor**

**7. Adjournment**

*Board Action: Motion to Adjourn.*

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602.257.7495  
FAX: 602.340.1538  
[jgiel@gustlaw.com](mailto:jgiel@gustlaw.com)

February 14, 2007

Fran McCarroll  
Clerk, Board of Supervisors  
Maricopa County  
301 W. Jefferson  
Phoenix, Arizona 85003

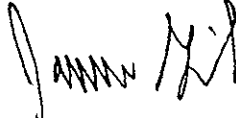
Re: Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

Dear Ms. Carroll:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Mirielle Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 6, 2007. Please provide a copy of such resolution to the members of the Board of Supervisors of Maricopa County and file a copy in the official records of the County.

Please call me if you have any questions or if we can be of any assistance in this

Very truly yours,



James T. Giel  
For the Firm

JTG:jl  
708555  
Enclosure

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602.257.7495  
FAX: 602.340.1538  
*jgiel@gustlaw.com*

February 14, 2007

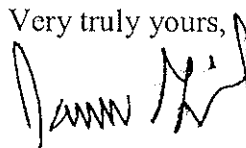
Stella Aparicio  
Property Examiner  
Geographic Information Systems/CVP  
Arizona Department of Revenue  
Central Information Services  
1600 West Monroe Street, Room 420  
Phoenix, AZ 85007

Re: Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

Dear Ms. Aparicio:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Mirielle Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 6, 2007. A map of the District is attached to such resolution as Exhibit B. Please file a copy of such resolution in the official records of the Department.

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,  


James T. Giel  
For the Firm

JTG:jl  
Enclosure  
708585

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602.257.7495  
FAX: 602.340.1538  
[jgiel@gustlaw.com](mailto:jgiel@gustlaw.com)

February 14, 2007

Honorable Keith E. Russell  
Maricopa County Assessor  
301 W. Jefferson  
Phoenix, Arizona 85003

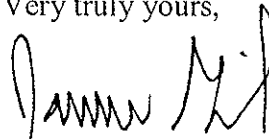
Re: Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

Dear Mr. Russell:

Pursuant to Section 48-708(A), Arizona Revised Statutes, as amended, on behalf of the Mirielle Community Facilities District (Town of Buckeye, Arizona), we enclose a copy of the resolution ordering formation of the referenced District, adopted by the Council of the Town of Buckeye, Arizona, on February 6, 2007. Please file such resolution in the official records of the County Assessor. (The legal description and map of the District are exhibits to such resolution.)

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,



James T. Giel  
For the Firm

JTG:jlh  
708583  
Enclosure

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602.257.7495  
FAX: 602.340.1538  
*jgiel@gustlaw.com*

February 14, 2007

Compliance Information  
State Real Estate Department  
2910 North 44th St., Suite 100  
Phoenix, AZ 85018

Re: Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

Ladies and Gentlemen:

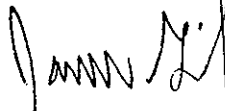
On behalf of the captioned District and pursuant to A.R.S. § 48-718, as amended, we have recorded the following documents with the County Recorder of Maricopa County, Arizona:

- (1) The resolution of the Town of Buckeye, Arizona, forming the District pursuant to A.R.S. § 48-708(A), as amended; and
- (2) The General Plan of the District pursuant to A.R.S. § 48-702, as amended.

Pursuant to A.R.S. § 48-718, as amended, we enclose copies of the recorded instruments indicated in subparagraphs 1 and 2 above.

Please call me if you have any questions or if we can be of any assistance in this matter.

Very truly yours,



James T. Giel  
For the Firm

JTG:jl  
Enclosures  
708592

OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2007-0186959 02/14/2007 03:11  
00671800112-5-4-2--  
**ELECTRONIC RECORDING**

When recorded, return to:

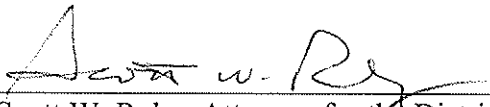
Mr. Scott W. Ruby  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**NOTICE OF FORMATION OF  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

STATE OF ARIZONA  
COUNTY OF MARICOPA

Pursuant to Resolution No. 07-07, Ordering and Declaring Formation of Mirielle Community Facilities District (Town of Buckeye, Arizona), adopted by the Mayor and Council of the Town of Buckeye, Arizona, on February 6, 2007, a community facilities district was formed pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended, over all of the real property described by metes and bounds in Exhibit A attached hereto. For further information, please contact Scott W. Ruby at (602) 257.7432.

DATED: February 13, 2007

  
\_\_\_\_\_  
Scott W. Ruby, Attorney for the District

ATTACHMENT:

Exhibit A - Legal Description of District



**EXHIBIT "A"**

PARCEL NO. 1:

ALL OF SECTION SIX (6) AND A PORTION OF SECTION FIVE (5), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 44 MINUTES 42 SECONDS EAST A DISTANCE OF 2639.76 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 42 MINUTES 06 SECONDS EAST A DISTANCE OF 2640.39 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 6 AND AS THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 50 MINUTES 24 SECONDS EAST A DISTANCE OF 2641.73 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 46 MINUTES 15 SECONDS EAST A DISTANCE OF 2641.37 FEET TO A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 5, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 5 BEARS SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 2653.13 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 5, A DISTANCE OF 819.56 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 43 SECONDS WEST A DISTANCE OF 250.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 2000.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AN ARC LENGTH OF 3141.59 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 1048.05 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 44 SECONDS WEST A DISTANCE OF 416.81 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 16 SECONDS WEST A DISTANCE OF 1474.03 FEET TO A MARICOPA COUNTY ALUMINUM CAP, LS NO. 33307 ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 5;

THENCE NORTH 89 DEGREES 47 MINUTES 53 SECONDS WEST A DISTANCE OF 42.72 FEET TO A GLO BRASS CAP (WITNESS CORNER);

THENCE NORTH 89 DEGREES 43 MINUTES 39 SECONDS WEST A DISTANCE OF 2606.28 FEET TO A GLO BRASS CAP ACCEPTED AS THE CORNER COMMON TO SAID SECTIONS 5, 6 AND 7;

THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 89 DEGREES 18 MINUTES 14 SECONDS WEST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 6 AND THE NORTHWEST CORNER OF SECTION 7;

THENCE NORTH 00 DEGREES 23 MINUTES 51 SECONDS EAST A DISTANCE OF 2642.68 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2639.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

ALL OF SECTION SEVEN (7), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SECTION 7 AND THE SOUTHWEST CORNER OF SECTION 6;

THENCE NORTH 89 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 88 DEGREES 17 MINUTES 35 SECONDS EAST A DISTANCE OF 2643.06 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON CORNER OF SECTIONS 5, 6 AND 7;

THENCE SOUTH 00 DEGREES 28 MINUTES 12 SECONDS WEST A DISTANCE OF 2647.14 FEET TO A GLO BRASS CAP ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 00 DEGREES 23 MINUTES 29 SECONDS WEST A DISTANCE OF 2638.42 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE NORTH 88 DEGREES 34 MINUTES 58 SECONDS WEST A DISTANCE OF 2656.71 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 89 DEGREES 35 MINUTES 31 SECONDS WEST A DISTANCE OF 2541.40 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 17 SECONDS EAST A DISTANCE OF 2641.41 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 03 SECONDS EAST A DISTANCE OF 2644.05 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 16 SECONDS WEST A DISTANCE OF 2666.66 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 8, FROM WHICH A MARICOPA COUNTY ALUMINUM CAP LS NO. 33307 ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 8, BEARS NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST A DISTANCE OF 5304.50 FEET;

THENCE NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST, ALONG THE NORTH SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 2658.53 FEET TO THE CENTER OF SAID SECTION 8;

THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS EAST, ALONG THE EAST WEST MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 502.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2000.00 FEET, THE CENTER OF WHICH BEARS NORTH 71 DEGREES 50 MINUTES 04 SECONDS EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 72 DEGREES 01 MINUTES 05 SECONDS AN ARC LENGTH OF 2513.90 FEET;

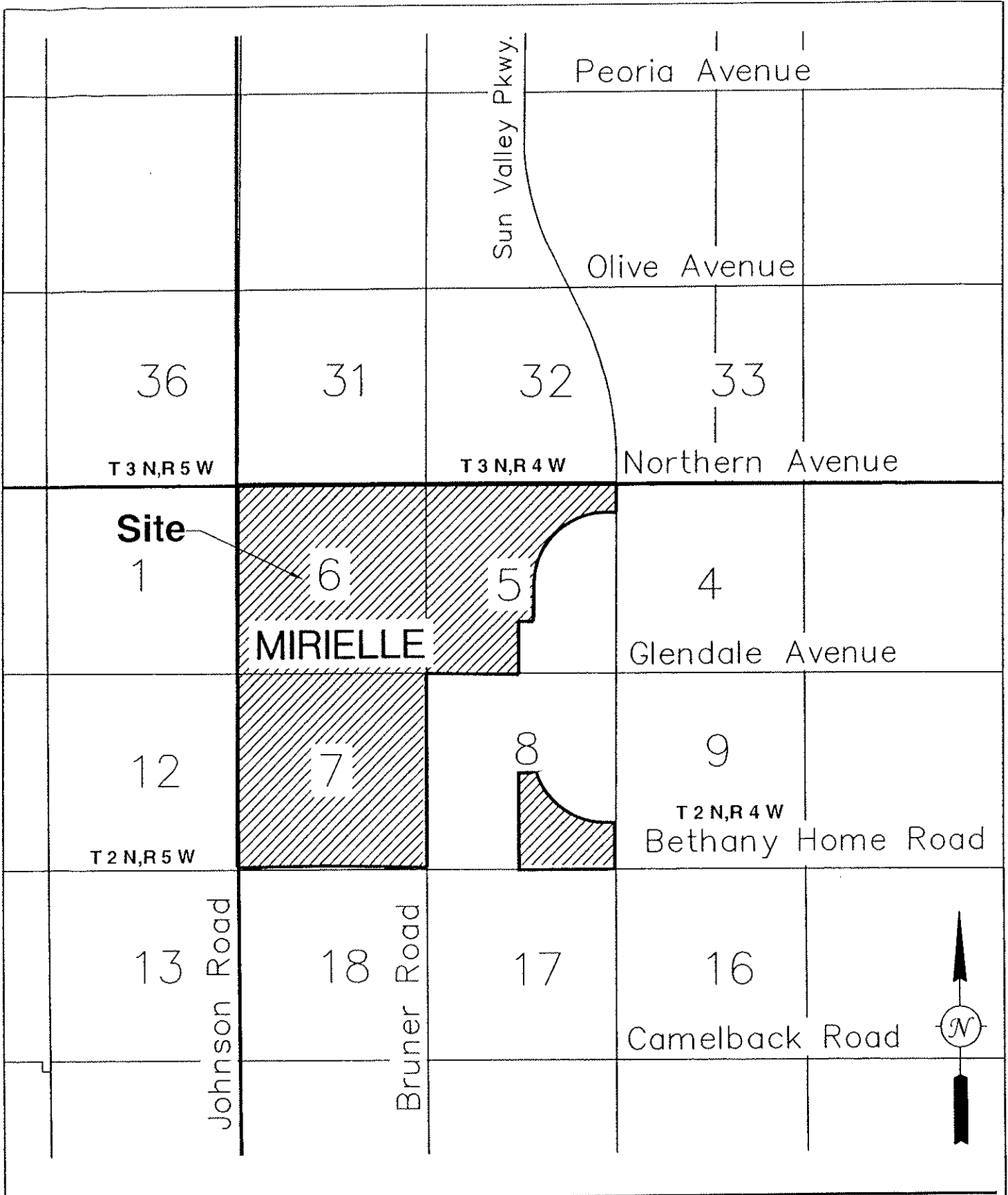
THENCE NORTH 89 DEGREES 48 MINUTES 59 SECONDS EAST A DISTANCE OF 250.00 FEET TO THE EAST LINE OF SAID SECTION 8;

THENCE SOUTH 00 DEGREES 11 MINUTES 01 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1282.06 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 4:

A NON-EXCLUSIVE EASEMENT, 66 FEET IN WIDTH, FOR INGRESS AND EGRESS AS CREATED BY GRANT OF EASEMENTS RECORDED MARCH 7, 1986 AT RECORDERS NO. 86-111065, ALONG THE COMMON SECTION LINES OF SECTIONS 31 AND 32, TOWNSHIP 3 NORTH, RANGE 4 WEST AND SECTIONS 5 AND 6, TOWNSHIP 2 NORTH RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE ALIGNMENT OF NORTHERN AVENUE; AND 33 FEET ON EACH SIDE OF THE SECTION LINES, BEING THE SOUTH LINE OF THE EAST HALF OF SECTION 5 AND THE NORTH LINE OF THE EAST HALF OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE GLENDALE AVENUE ALIGNMENT FROM THE SUN VALLEY PARKWAY TO ITS INTERSECTION WITH A COMMON POINT, BEING THE NORTH QUARTER CORNER OF SAID SECTION 8 AND SOUTH QUARTER CORNER OF SAID SECTION 5;

EXCEPTING THEREFROM ANY PART LYING WITHIN PARCELS 1, 2 AND 3 ABOVE.



9377 N. 90th Street Suite #360 Scottsdale, AZ 85258  
 Tel. 602.977.8000 Fax. 602.977.8099

PLANNERS • DESIGNERS • LANDSCAPE ARCHITECTS • SURVEYORS

VICINITY MAP  
 MIRIELLE

COMMUNITIES SOUTHWEST  
 BUCKEYE, ARIZONA

PROJECT NO. CSW4246  
 DATE: 12/11/06  
 BY: GMS  
 SCALE: N.T.S.  
 SHEET NO. 1

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602.257.7495  
FAX: 602.340.1538  
[jgiel@gustlaw.com](mailto:jgiel@gustlaw.com)

March 26, 2007

Via FedEx

Mr. John Tanner  
Chief, Voting Section  
Civil Rights Division  
Room 7254 - NWB  
U.S. Department of Justice  
1800 G Street, N.W.  
Washington, DC 20006

Re: Submission under Section 5, Voting Rights Act:  
Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

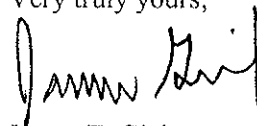
Dear Mr. Tanner:

The Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*") requests approval of voting procedures pursuant to Section 5 of the Voting Rights Act of 1965, as amended (the "*Act*").

This submission is to secure approval by your office of the voting procedures only for the special election as set forth in the Attachment. The voting procedures submitted in this submission will not be used for future general elections. This submission is not in any way to be construed as a waiver of the right to file a subsequent action in the Federal District Court in the District of Columbia pursuant to Section 5 of the Act should you deny the requested procedures.

Any questions relative to this submission should be addressed to the undersigned. If questions arise, please telephone collect to the number on our letterhead.

Very truly yours,



James T. Giel  
For the Firm

JTG:jl  
Attachment  
708632

## ATTACHMENT

### **Election Involved**

Pursuant to Arizona Revised Statutes (A.R.S.) § 48-707, the recently created Mirielle Community Facilities District (the "*District*") of the Town of Buckeye, Arizona (the "*Town*") held a special election on March 20, 2007, to submit to the voters the questions of whether to authorize the District to (1) issue general obligation bonds to obtain funds to construct certain public infrastructure improvements within the District and (2) levy an ad valorem tax on the real and personal property in the District to pay the operation and maintenance costs of the District.

### **General Information**

There are approximately 1,794 acres in the District, which is located in the west portion of Maricopa County within the Town limits. The mailing address of the District is: c/o Manager, Town of Buckeye, Arizona, 100 N. Apache, Suite A, Buckeye, Arizona, 85326, telephone (623) 386-4691. At the time of the submitted election, the District was comprised of vacant desert land. There are no residents in the District and consequently, with the written consent of all of the property owners in the District, no election was required to form the District. Pursuant to a petition signed by 100% of the property owners, the District was formed on February 6, 2007 by Resolution No. 07-07 of the Town Council. After formation, the District Governing Board decided to hold a general obligation bond election and maintenance tax election. The bond and maintenance tax election requires a vote by the residents, if any, and a vote of the property owners. On March 20, 2007, the election date, there were no residents or qualified electors in the District, therefore the election was just a property owner election. All of the property in the District at the time of formation and at the time of the election was owned by CSW Sun Valley South Holdings, L.L.C. (the "*Owner*"). The Owner voted in the election (representing approximately 1,794 acres) and voted in favor of the general obligation bonds and maintenance tax.

### **Election and Incorporation of Voting Procedures**

The March 20, 2007 special election was the District's first election.

The District is a tax levying public improvement district and special purpose district. The District was formed pursuant to A.R.S. §§ 48-701, et seq., which was enacted by the Arizona Legislature as Chapter 320 of Arizona Session Laws 1988 and was approved by the United States Justice Department (the "*Department*") by its letter dated December 23, 1988. See *Exhibit A*. The District conducted its election in accordance with A.R.S. §§ 48-701, et seq., and A.R.S. § 16-191 which was approved by the Department by its letter dated September 12, 1986. See *Exhibit A*. A.R.S. § 16-191 states that the election procedures set forth in Title 16 of Arizona Revised Statutes apply to all elections held in Arizona, unless otherwise provided by statute. Title 16 controls state and county general election procedures. We understand those procedures have already been approved by the Department for such general election purposes and the District adopted them for use in its election unless otherwise noted.

## **Polling Place**

The District lies totally within the White Tank voting precincts in Maricopa County. The map attached hereto as Exhibit B shows the general location of the District. Because there were no residents in the District, the polling place was established at Town Hall for convenience of the Owners.

## **Notice of Election**

This special election was called by the Governing Board of the District on February 6, 2007 by Resolution No.01-07, a copy of which is attached hereto as Exhibit C.

Notice of this special election was given by publishing a notice of special election in substantially the form attached hereto as Exhibit D in both English and Spanish once a week for two weeks prior to the election in *The West Valley View* and *The Arizona Republic*, newspaper of general circulation in the Town and the District, and by posting a copy of the notice of special election in both English and Spanish in at least three public places and at the polling place at least twenty (20) days prior to the election. In addition, the District provided written notice to the property owners of the special election prior to the election date.

It is submitted that the notice procedure does not discriminate on account of race or adversely affect any language minority.

## **Ballots**

Because there was only one voter in the District and, in order to save time and money, paper ballots were used at the election and ballots were available for any voter owning property in the District in substantially the form attached hereto as Exhibit E.

## **Voting Hours**

The polls were open from 9:00 a.m. until 4:00 p.m. The only reason for the voter hours being shorter than those normally used (6:00 a.m. to 7:00 p.m.) was that there was only one voter at the election.

## **Bilingual Procedures**

Section 16-580(G), Arizona Revised Statutes, states as follows:

G. Any registered voter may, at his option, be accompanied and assisted by a person of his own choice or shall be assisted by two election officials, one from each major political party, during

any process relating to voting or during the actual process of voting on a paper ballot, machine or electronic voting system.

The application of this law was as follows: the District had a poll worker available for interpretation but such interpreter would have accompanied the elector who needed assistance only if the person was not accompanied by a person of his choice. The interpreter would have acted as the "person of choice" if requested to do so by the elector. As the special election was non-partisan, officials from the political parties were not available. Therefore, the procedure for using two persons to aid the voter was not used and only one person was available to assist the voter at any time.

In addition to the ballot, notice of election, instructions to voters and informational materials were available in both English and Spanish and those items required to be published, posted or recorded were published, posted or recorded in both languages.

### **Sources of Information**

The information contained herein was obtained from the Manager or Clerk of the Town of Buckeye and the District. The District office is located at 100 N. Apache, Suite A, Buckeye, Arizona 85326; the telephone number is (623) 386-4691.



**EXHIBIT A**

**JUSTICE DEPARTMENT**

**APPROVAL LETTERS**



WBR:MAP:CME:gmb  
DJ 166-012-3  
P7747-7749  
R0127-0149

Washington, D.C. 20530

September 12, 1986

John B. Shadegg, Esq.  
Special Assistant Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

Dear Mr. Shadegg:

This refers to Chapter 320, H.B. No. 2362 (1986), which amends and repeals provisions concerning voter qualifications; provides for special district election dates; specifies procedures for calling, and becoming a candidate in, nonpartisan elections; requires that an affidavit certifying compliance with federal and state election laws be filed by special districts; amends and adds provisions with respect to nomination petitions; establishes procedures with respect to the conduct of special district elections; provides for district election precincts in special districts; provides for the manner in which candidates for the position of presidential elector are to be listed on the ballot; amends the procedure for appointment of election boards and tally boards; provides that the governing body of each election district is responsible for furnishing the necessary supplies for those elections over which the board of supervisors has no responsibility; provides that the code section concerning the hours that polls are opened and closed applies to all elections called pursuant to the laws of the state; amends the procedures for obtaining a ballot in a special district election; amends the procedures with respect to challenging electors; amends the procedures for canvassing returns; amends the procedures by which election laws may be enforced; amends the provision concerning false registration and cancellation of registration; and provides that Title 16 applies to all elections in the state except where different election provisions are set forth by statute in the State of Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act of 1965, as amended, 42 U.S.C. 1973c. We received your submission on July 14, 1986.

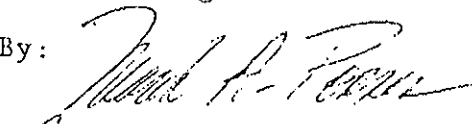
The Attorney General does not interpose any objections to the changes in question. However, we feel a responsibility to point out that Section 5 of the Voting Rights Act expressly provides that the failure of the Attorney General to object does not bar any subsequent judicial action to enjoin the enforcement of such changes. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.48).

The provisions of this Act which provide for special district election dates is viewed as enabling legislation. Therefore, local jurisdictions are not relieved of their responsibility to seek preclearance, pursuant to the requirements of Section 5, of any changes affecting voting (e.g., any changes relating to the selection of a special district election date) adopted as a result of the provisions of this Act. See also 28 C.F.R. 51.14.

Sincerely,

Wm. Bradford Reynolds  
Assistant Attorney General  
Civil Rights Division

By:

  
Gerald W. Jones  
Chief, Voting Section



U.S. Department of Justice

Civil Rights Division

JPT:DBM:PAR:gmh:dvs  
DJ 166-012-3  
W9385  
Y0913-0924

*Voting Section*  
*P.O. Box 66128*  
*Washington, D.C. 20035-0128*

December 23, 1988

John B. Shadegg, Esq.  
Special Assistant Attorney General  
1275 West Washington  
Phoenix, Arizona 85007

Dear Mr. Shadegg:

This refers to Chapter 33, H.B. No. 2396 (1988), relating to registration procedures; Chapter 118, H.B. No. 2277 (1988), which relates to precinct registers; Chapter 138, S.B. No. 1315 (1988), which relates to the method of election and election dates of boards of directors of hospital districts; Chapter 140, S.B. No. 1172 (1988), which relates to the applicability of the 50 foot limit restriction in simulated elections; Chapter 184, S.B. No. 2130 (1988), which relates to the procedures for appointing deputy registrars; Chapter 142, S.B. No. 1034 (1988), which provides for a political party trust fund; Chapter 200, H.B. No. 2308 (1988), which provides for fiscal year designations for irrigation districts; Chapter 233, H.B. No. 2106 (1988), which provides for the creation of rural road improvement districts in certain counties; Chapter 283, H.B. No. 2306 (1988), relating to procedures for formation of pest abatement districts; Chapter 320, H.B. No. 2400 (1988), which authorizes the creation of special community facilities districts; and Chapter 323, S.B. No. 1022 (1988), which prescribes special road district election procedures for the State of Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act of 1965, as amended, 42 U.S.C. 1973c. We received your submission on October 26, 1988.

The Attorney General does not interpose any objections to the changes in question. However, we feel a responsibility to point out that Section 5 of the Voting Rights Act expressly provides that the failure of the Attorney General to object does not bar any

subsequent judicial action to enjoin the enforcement of such changes. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.41).

Sincerely,

James P. Turner  
Acting Assistant Attorney General  
Civil Rights Division

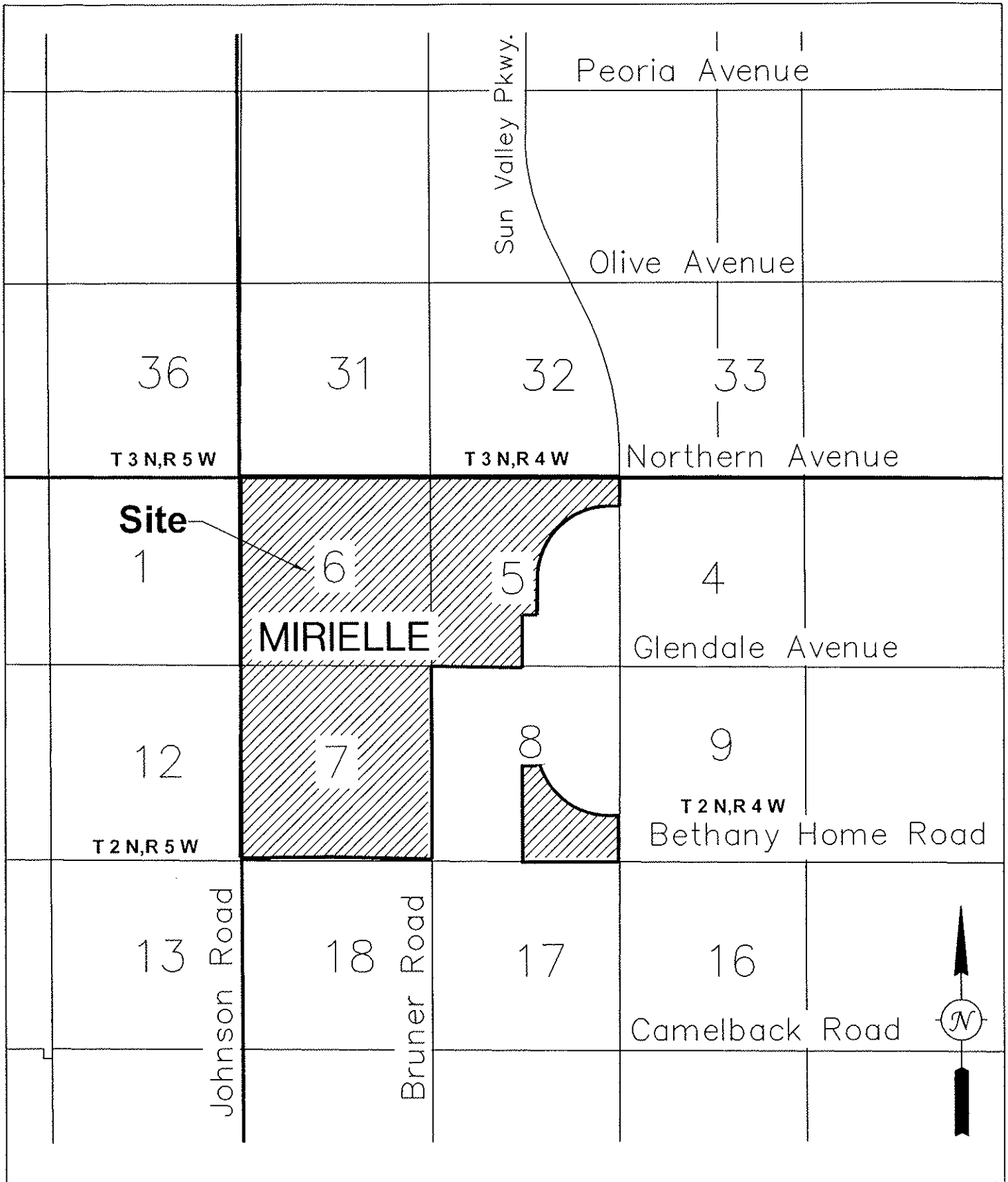
By:

*Howard C. Fredway*

for: Barry H. Weinberg  
Acting Chief, Voting Section

**EXHIBIT B**

**DISTRICT BOUNDARY MAP**



**W R G**  
**DESIGN INC.**  
 9977 N. 90th Street Suite #350  
 Scottsdale, AZ 85258  
 Tel. 602.977.8000  
 Fax. 602.977.8099

**VICINITY MAP**  
**MIRIELLE**  
 COMMUNITIES SOUTHWEST  
 BUCKEYE, ARIZONA

PROJECT NO. CSW4246  
 DATE: 12/11/06  
 BY: GMS  
 SCALE: N.T.S.  
 SHEET NO. 1

**EXHIBIT C**

**GOVERNING BOARD RESOLUTION**

**ORDERING ELECTION TO BE HELD**



RESOLUTION NO. 01-07

A RESOLUTION OF THE DISTRICT BOARD OF MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) APPOINTING DISTRICT OFFICERS; APPROVING THE GENERAL PLAN; TAKING CERTAIN OTHER ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT; CALLING A SPECIAL BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION FOR THE DISTRICT; AND ENTERING INTO A DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 WITH THE TOWN.

BE IT RESOLVED BY THE DISTRICT BOARD OF MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) as follows:

Section 1.     Findings.

A.    On February 6, 2007, the Mayor and Council of the Town of Buckeye, Arizona (hereinafter called the "Town"), adopted Resolution No. 07-07 (the "*Resolution*") ordering and declaring formation of Mirielle Community Facilities District (Town of Buckeye, Arizona) (hereinafter called the "*District*").

B.    All conditions precedent to the formation of the District have been satisfied.

C.    As provided by Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), the District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended, and, except as otherwise provided in Section 48-708(B), of the Act, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Town.

D.    The owner of all real property in the District (the "*Owner*") filed with the Town Clerk the "general plan" for the District, which sets out a general description of the public infrastructure improvements for which the District was formed and the general areas to be improved (hereinafter referred to as the "*General Plan*").

E.    Certain matters relating to the organization of the District must be determined by the district board of the District (hereinafter referred to as the "*District Board*") including consideration of a Development, Financing Participation and Intergovernmental Agreement No. 1 by and among the District, the Town and the Owner (the "*Development Agreement*").

F.    The Owner may construct or acquire a portion of the "public infrastructure" (as such term is defined in Section 48-701, of the Act) described in the General Plan or has undertaken "public infrastructure purposes" (as such term is defined in Section 48-701, of the Act) related thereto in contemplation of acquisition of such public infrastructure by a community facilities district.

G. (1) The District is authorized by Section 48-719, of the Act, to issue and sell general obligation bonds of the District to provide moneys for certain "public infrastructure purposes" consistent with the "general plan" of the District.

(2) Such bonds may not be issued unless approved at an election ordered and called to submit to the qualified electors of the District, which qualified electors consist of persons residing in the District who have registered to vote and those persons who are qualified to vote pursuant to Section 48-707(G), of the Act. If no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, of the Act (the "*Landowners*" and in either case hereinafter referred to as, collectively, the "*qualified electors*" ) shall vote on the question of authorizing the District Board to issue such bonds for such purposes.

(3). The District is authorized by Section 48-723, of the Act to levy an ad valorem tax on the assessed value of all real and personal property in the District for the purpose of applying the taxes to the operation and maintenance expenses of the District.

(4) The ad valorem tax for operation and maintenance purposes may not be levied unless approved at an election by the qualified electors of the District.

(5) The District Board deems it necessary and advisable to order and call such an election at this time for the purpose of submitting questions that request authorization to issue general obligation bonds and levy an ad valorem property tax for the District's operation and maintenance expenses, and to establish the procedures whereby such election should be held.

(6) An estimate of the amount of financing necessary to provide for, through acquisition, construction or otherwise, the "public infrastructure purposes", a general description of which are set out in the general plan of the District, has been presented to the District Board.

**Section 2.** **Appointment of District Officers.** The persons serving as Mayor and Vice Mayor of the Town are hereby appointed "Chairman" and "Vice Chairman," respectively, of the District Board; the person serving as the Town Clerk is hereby appointed "District Clerk"; the person serving as the Town Finance Director is hereby appointed "District Treasurer"; the person serving as the Town Manager is hereby appointed "District Manager". Gust Rosenfeld P.L.C. is hereby retained as the District's bond counsel and special counsel and all conflicts of interest that exist now or in the future between the Town and the District caused by such dual representation are hereby waived. The District Manager is authorized to appoint itself, or such other qualified entity, as District Engineer when such appointment shall be necessary to further the purposes of the District. Except as otherwise provided by resolution of the District, all agreements and other documents to which the District is a party shall be executed on behalf of the District by the District Manager or the designee of the District Manager.

**Section 3.** **Posting of Notices.** Statements of the District directing where all public notices of the meetings of the District shall be posted in substantially the form attached

hereto as Exhibit A has been filed with the Clerks of Maricopa County and the Town and is hereby approved and ratified for all purposes thereof.

**Section 4.** Preparation of Budget. The District Board hereby instructs the District Treasurer to cause to be prepared a draft of a proposed budget for the District for the ensuing fiscal year to be circulated for consideration at a subsequent meeting of the Board as required by Section 48-716, Arizona Revised Statutes, as amended. Such budget shall include the costs of providing the District, its board members, officers, employees, agents and contractors with adequate insurance coverage.

**Section 5.** Approval of General Plan. The General Plan as submitted to the Town is hereby approved in all respects.

**Section 6.** Call of Election. A special election, in and for the District, be and the same is hereby ordered and called to be held on March 20, 2007 (the "Election"), at which time there shall be submitted to the qualified electors of the District the questions set forth in the form of official ballot attached hereto, marked Exhibit B and incorporated by reference herein. Based upon a certificate of the Maricopa County Recorder, dated a date not more than fifty (50) days prior to the date of the Election, there are no persons registered to vote within the District.

The District Clerk is directed to appoint election workers, election officials and such other necessary persons to the extent required to assist in conducting the election. The District Clerk is further directed to take such other actions as are necessary and appropriate to carry out the purposes of this resolution.

**Section 7.** Posting and Publishing of Matters Relating to Election. The Election shall be called by posting notices in three (3) public places within the boundaries of the District not less than twenty (20) days before the date of the Election in substantially the form hereto attached and marked Exhibit C. Notice shall also be published in the The Republic and The West Valley View, newspapers of general circulation in the Town, once a week for two consecutive weeks preceding the Election in substantially the form of Exhibit C.

**Section 8.** Polling Place. The polling place and the time the poll shall be opened and closed shall be as provided in Exhibit C.

**Section 9.** Affidavit for Landowners. If the qualified electors are and become the Landowners, prospective electors voting in the Election shall execute an affidavit substantially in the form hereto attached and marked Exhibit D.

**Section 10.** Preparation of Ballots and Affidavits. The District Clerk is hereby authorized and directed to have printed and delivered to the election officers at such polling place such ballots and, if necessary, such affidavits, to be by them furnished to the qualified electors of the District offering to vote at the Election, in substantially the form of Exhibits B and D.

**Section 11.** Compliance with Voting Rights Act 1965. In order to comply with the Voting Rights Act of 1965, as amended, the following shall be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such

proceedings are required, to-wit: Exhibits B, C and D, all absentee voting materials and all instructions at the polling place.

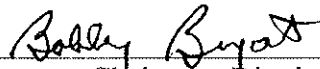
**Section 12.** Applicable Law. The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at such election who are qualified electors of the District. Absentee voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

**Section 13.** Canvass. On April 3, 2007, which is a date within fourteen (14) days after the date of the Election, the District Board shall meet and canvass the returns, and if a majority of the votes cast at the Election is in favor of issuing the bonds and levying an ad valorem property tax for operation and maintenance purposes, the Board shall enter the fact on its minutes.

**Section 14.** Approval of Development Agreement. The Development Agreement by and among the Town, the District and the Owner, as presented to the Board and on file with the District Clerk, is hereby approved. The Chairman of the District Board is authorized and directed to execute and deliver, and the Clerk is authorized and directed to attest, the Development Agreement.

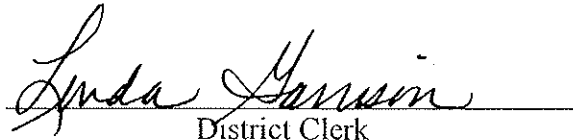
**Section 15.** Effective Date. This resolution shall be effective immediately.

**PASSED** by the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) on February 6, 2007.



Chairman, District Board

ATTEST:



District Clerk

EXHIBITS:

- A - Statements Regarding Posting of Public Meetings
- B - Form of Ballot
- C - Form of Notice of Election
- D - Form of Affidavit of Elector

**EXHIBIT A**

**OPEN MEETING LAW NOTICE**

Notice of Meetings

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

TO THE GENERAL PUBLIC:

PLEASE TAKE NOTICE that the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona), will hold its meetings at the Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326, and that notice of such meetings will be given at least twenty-four (24) hours prior to a meeting and notice will be posted on the bulletin board at the Buckeye Town Hall.

Meetings will be held in conjunction with the meetings of the Town Council of the Town of Buckeye, Arizona.

DATED AND POSTED: \_\_\_\_\_, 2007.

\_\_\_\_\_  
Clerk

**EXHIBIT B**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION  
FOR MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)  
\_\_\_\_\_, 2007**

Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

## EXHIBIT C

### NOTICE OF ELECTION

#### **TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):**

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on \_\_\_\_\_, 2007, for the District at the polling place hereafter set forth. The District is comprised of real property located within the \_\_\_\_\_ voting precinct.

#### **PRECINCT**

**POLLING PLACE** Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m. The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

*Question No. 1*

*Question No. 2*

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, telephone number (623) 386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

**EXHIBIT D**

**AFFIDAVIT OF PROSPECTIVE ELECTOR  
AS TO OWNERSHIP OF LAND OR OTHER  
QUALIFICATION TO VOTE PURSUANT TO  
SECTION 48-3043, ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
TOWN OF BUCKEYE )  
MIRIELLE COMMUNITY FACILITIES )  
DISTRICT (TOWN OF BUCKEYE, )  
ARIZONA) )

**COMES NOW** the undersigned and, being first duly sworn, deposes and says as follows:

1. I am the authorized representative of CSW Sun Valley South Holdings, L.L.C. (the "*Company*"), a limited liability company duly formed and validly existing pursuant to the laws of the State of Arizona.
2. The Company I so represent owns approximately 1,794 acres in the Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "*District*").
3. The Company is qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended, as the bona fide owner of 1,794 acres of land within the District, holding title or evidence of title of record of said acres.
4. As the authorized representative of the Company, I have been designated and authorized by the board of directors of the Company to represent and vote for and on behalf of the Company, in the election being held by the District on the date hereof.

\_\_\_\_\_  
Affiant

SUBSCRIBED AND SWORN to before me on \_\_\_\_\_, 2007.

\_\_\_\_\_  
Election Board Member



**EXHIBIT D**

**NOTICE OF ELECTION**

**(English and Spanish)**

## NOTICE OF ELECTION

### TO THE QUALIFIED ELECTORS OF AND PROPERTY OWNERS IN MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA) (THE "DISTRICT"):

A general obligation bond and an operation and maintenance ad valorem tax special election will be held on March 20, 2007, for the District at the polling place hereafter set forth. The District is comprised of real property located within the White Tank voting precinct.

**PRECINCT** White Tank

**POLLING PLACE** Buckeye Town Hall, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Precinct registers may contain the names of all registered voters in the precinct, and the election board at the polling place shall require a prospective elector to execute an affidavit stating that the elector is a qualified elector of the District.

The polling place will open at 9:00 a.m. and close at 4:00 p.m. The purpose of the election is to permit the qualified electors of the District to vote on the following questions:

#### Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personalty related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

Absentee (early) voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. A qualified elector may vote absentee (early) by contacting the office of the District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, telephone number (623) 386-4691. The "general plan" for the District required by Section 48-702(B), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location.

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

## AVISO DE UNA ELECCION

### A LOS ELECTORES HABILITADOS Y LOS DUEÑOS DE PROPIEDAD EN EL DISTRITO MIRIELLE COMMUNITY FACILITIES (PUEBLO DE BUCKEYE, ARIZONA) (EL "DISTRITO"):

Se celebrará una elección especial y general de bonos financieros y de manejo y mantenimiento de impuestos ad valorem el 20 de marzo de 2007, por el Distrito en los centros de votación nombrados de ahora en adelante. El Distrito se compone de bienes raíces ubicados dentro del recinto electoral White Tank.

**RECINTO ELECTORAL** White Tank

**CENTRO DE VOTACION** Ayuntamiento de Buckeye, 100 N. Apache, Suite A, Buckeye, Arizona 85326

Los registros del recinto electoral pueden contener los nombres de todos los votantes inscritos a votar en el recinto electoral y la junta directiva de la elección en el centro de votación requerirá al elector presunto firmar un affidavit declarando que el elector es un elector habilitado del Distrito.

Se abrirá el centro de votación a las 9:00 de la mañana y se cerrará a las 4:00 de la tarde. El propósito de la elección es el de permitirles a los electores habilitados del Distrito votar por las cuestiones siguientes:

#### Cuestión Número 1

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del efluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenimiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros); (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusives, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el

interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

Cuestión Número 2

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.

**DISTRITO MIRIELLE COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE, ARIZONA)**

Número de acres que le pertenecen .....

**EXHIBIT E**

**BALLOTS**

**(English and Spanish)**

Number of acres owned \_\_\_\_\_

**OFFICIAL BALLOT**

**GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION  
FOR MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)  
March 20, 2007**

Question No. 1

Shall the district board (the "Board") of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed one hundred million dollars (\$100,000,000) to provide monies: (a) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other non-motor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems, (j) traffic control systems and devices including signals, controls, markings and signage; (k) school sites and facilities with the consent of the governing board of the school district for which the site or facilities is to be acquired; and (l) equipment, vehicles, furnishings and other personally related to such items, (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; and (7) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (7), both inclusive, being "public infrastructure purposes"); and (b) for repaying all or part of the amounts advanced by land-owners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES	<input type="checkbox"/>
BONDS, NO	<input type="checkbox"/>

Question No. 2

Shall the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES	<input type="checkbox"/>
TAX, NO	<input type="checkbox"/>

**NOTICE TO VOTERS:**

The vote shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter

**BOLETA OFICIAL**

**ELECCION ESPECIAL DE BONOS FINANCIEROS Y DE MANEJO Y MANTENIMIENTO DE  
IMPUESTOS AD VALOREM POR EL DISTRITO  
MIRIELLE COMMUNITY FACILITIES  
(PUEBLO DE BUCKEYE, ARIZONA)  
20 de Marzo de 2007**

**Cuestión Número 1**

¿Se deberá autorizar a la junta directiva (la "Junta") del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") a emitir bonos financieros de obligación general del Distrito, en las denominaciones, series y formas prescritas por la Junta, y con los vencimientos (no excederán veinticinco (25) años), las fechas de pagar el interés y las tasas de interés, si fijos o variables, no excederán el doce por ciento (12%) por año, establecidos por la Junta y conteniendo tales otros términos, condiciones, convenios y acuerdos tal como la Junta crea apropiados, en la suma máxima que no exceda cien millones de dólares (\$100,000,000) para proveer dinero: (a) (1) para planificar, diseñar, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los mejoramientos siguientes incluyendo trabajo necesario o incidental, si es de construcción nueva, renovada o existente, y todos los accesorios necesarios o descables ("infraestructura pública"): (a) sistemas de alcantarilla, incluyendo la colección, transporte, depósito, tratamiento, dispersión, uso del efluente y descargo; (b) sistemas de drenaje y de control de inundaciones, incluyendo la colección, transporte, desviación, depósito, detención, retención, dispersión, uso y descargo; (c) sistemas de agua para propósitos domésticos, industriales, irrigación, propósitos de protección municipal contra incendios incluyendo la producción, colección, depósito, tratamiento, transporte, entrega, conexión y dispersión, pero no incluyendo instalaciones para propósitos de irrigación agrícola a menos que sea para el reparo o el reemplazamiento de instalaciones existentes cuando sean requeridos por otros mejoramientos descritos aquí dentro; (d) caminos y estacionamientos incluyendo todas las áreas para el uso de vehículos para viajar, entrar, salir y estacionarse; (e) áreas para peatones, jinetes, bicicletas u otros vehículos sin motor para viajar, ingresar, salir y estacionarse; (f) alamedas para peatones, parques y áreas de espacio al aire libre para el uso de los miembros del público para entretenamiento, asambleas y recreo; (g) jardinería incluyendo terraplén, estructuras, lagos y otras características acuáticas, plantas, árboles y sistemas de entrega de agua; (h) edificios públicos, instalaciones de seguridad pública y de protección contra incendios; (i) sistemas de iluminación, (j) sistemas de control del tráfico y aparatos incluyendo semáforos, controles y señales; (k) sitios e instalaciones escolares con el permiso del consejo escolar del distrito escolar para el cual se adquieran el sitio o las instalaciones; y (l) equipo, vehículos, mobiliario y bienes muebles relacionados con tales artículos, (2) adquirir, convertir, renovar o mejorar instalaciones existentes para la infraestructura pública; (3) adquirir intereses en bienes raíces para la infraestructura pública; (establecer reservas para asegurar el pago del servicio de deuda de los bonos financieros; (5) financiar y pagar de los ingresos de los bonos financieros el interés acumulando en los bonos financieros por un período que no exceda tres (3) años de su fecha de emisión; (6) refinanciar cualesquier bonos financieros vencidos o no vencidos con bonos financieros nuevos; y (7) gastos del Distrito incidentales a y razonablemente necesarios para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a e incluyendo (7), ambas inclusivas, siendo "propósitos de la infraestructura pública"; y (b) para pagar toda o parte de las sumas avanzadas por los terratenientes para los propósitos de la infraestructura pública mencionados arriba; tales bonos financieros serán pagaderos de un impuesto exigido y cobrado anualmente sobre toda la propiedad sujeta a impuestos en el Distrito, suficiente para pagar el interés de tales bonos financieros cuando sea pagadero y para redimir tales bonos financieros cuando se venzan, como autorizan la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos Revisados de Arizona, junto con todas las enmiendas y adiciones a eso?

El votante pondrá una marca en el cuadro al lado de las palabras "Bonos, Si" o "Bonos, No", cualesquier palabras que expresen la decisión del votante.

BONOS, SI <input type="checkbox"/>
BONOS, NO <input type="checkbox"/>

**Cuestión Número 2**

¿Se deberá autorizar a la Junta Directa del Distrito Mirielle Community Facilities (Pueblo de Buckeye, Arizona) (el "Distrito") exigir y cobrar un impuesto ad valorem anual en el valor determinado de toda la propiedad real y personal en el Distrito a una tasa que no exceda treinta centavos (30 centavos) por cien dólares (\$100) de valor determinado de toda la propiedad real y personal en el Distrito, tales impuestos serán asignados a los gastos del manejo y mantenimiento del Distrito de acuerdo con la constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos Revisados de Arizona, como enmendados?

Se permitirá la votación del votante ausente (votación temprana) de acuerdo con las provisiones del Título 16, Capítulo 4, Artículo 8, Estatutos Revisados de Arizona, como enmendados. Un elector habilitado puede votar ausente (temprano) por comunicarse con la oficina del District Clerk, 100 N. Apache, Suite A, Buckeye, Arizona 85326, número de teléfono (623) 386-4691. El "plan general" para el Distrito requerido por la Sección 48-702(B), Estatutos Revisados de Arizona, como enmendados, está archivado con el Escribano del Distrito en la misma ubicación.



El votante pondrá una marca en el cuadro al lado de las palabras "Impuesto, Si" o "Impuesto, No" cualesquier palabras que expresen la decisión del votante.

IMPUESTO, SI <input type="checkbox"/>
IMPUESTO, NO <input type="checkbox"/>

**AVISO A LOS VOTANTES:**

El voto indicará su voto en cada cuestión por poner una marca en el cuadro al lado de la frase que exprese su decisión. El votante comprende que el voto entregado constituirá el voto por todos los acres que le pertenecen.

From: Origin ID: DGLA (602)257-7447  
 Joan Uibelhoer  
 Gust Rosenfeld P.L.C.  
 201 East Washington Street  
 Suite 800  
 Phoenix, AZ 85004



CL502230721123

Ship Date: 26MAR07  
 ActWgt: 1 LB  
 System#: 5393814/INET7011  
 Account#: S \*\*\*\*\*

Delivery Address Bar Code



Ref # 006718-00012 - Mirielle  
 Invoice #  
 PO #  
 Dept #

SHIP TO: (212)000-0000 BILL SENDER

**John Tanner, Chief**  
**U.S. Dept. of Justice**  
**Voting Section, Civil Rights Div.**  
**Room 7254 - NWB, 1800 G St., N.W.**  
**Washington, DC 20006**

PRIORITY OVERNIGHT

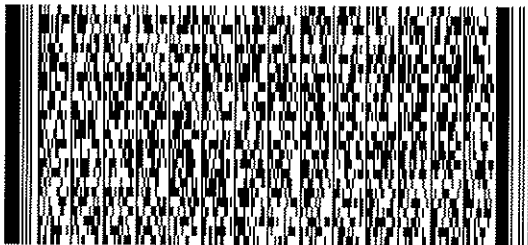
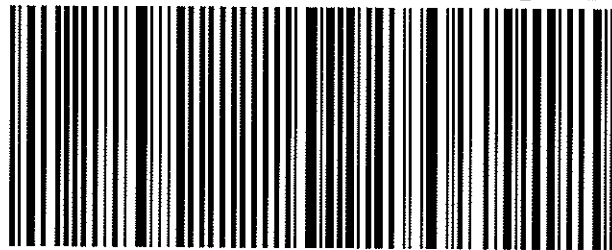
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Deliver By:  
27MAR07

TRK# 7923 1340 9669 FORM 0201

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2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

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END=MAY-17 14:27

FILE NO.=681

STN NO.	COMM.	ABBR NO.	STATION NAME/TEL NO.	PAGES	DURATION
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-GUST ROSENFELD -

\*\*\*\*\* -ID 5721 - \*\*\*\*\* 602 3401538- \*\*\*\*\*

**GUST  
ROSENFELD**  
ATTORNEYS SINCE 1921 P.L.C.

■ FACSIMILE TRANSMITTAL ■

**JAMES T. GIEL 602-257-7495**

201 E. Washington, Suite 800  
Phoenix, AZ 85004-2327  
Telephone 602-257-7422  
Facsimile 602-340-1538

Conf. Rec'd: \_\_\_\_\_  
Time Sent: \_\_\_\_\_  
Date: May 17, 2007  
Original Mailed:  Yes  No

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RECEIVING PARTY AND FACSIMILE NUMBER:

Ms. Rachel Turpe 202.616.9514

FILE NO: 006718-00112  
MATTER: Buckeye/Mirielle CFD  
FROM: James T. Giel  
PAGES (including Cover): 3  
ATTACHMENTS: Supplemental Information Letter  
COMMENTS:

**GUST  
ROSENFELD**  
ATTORNEYS SINCE 1921 P.L.C.

■ FACSIMILE TRANSMITTAL ■

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Telephone 602-257-7422  
Facsimile 602-340-1538

Conf. Rec'd: 2:27

Time Sent: 2:25

Date: May 17, 2007

Original Mailed:  Yes  No

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PAGES (including Cover): **3**

ATTACHMENTS: **Supplemental Information Letter**

COMMENTS:

*GUST  
ROSENFELD*  
ATTORNEYS SINCE 1921 P.L.C.

■ 201 E. WASHINGTON, SUITE 800 ■ PHOENIX, ARIZONA 85004-2327 ■ TELEPHONE 602-257-7422 ■ FACSIMILE 602-254-4878 ■

JAMES T. GIEL  
602-257-7495  
FAX: 602-340-1538  
[jtguel@gustlaw.com](mailto:jtguel@gustlaw.com)

May 17, 2007

**VIA FACSIMILE 202.616.9514**

Ms. Rachel Turpe  
Voting Section  
Civil Rights Division  
Room 7254 - NWB  
U.S. Department of Justice  
1800 G Street, N.W.  
Washington, DC 20006

Re: Supplemental Information regarding Submission  
under Section 5, Voting Rights Act:  
Mirielle Community Facilities District  
(Town of Buckeye, Arizona)  
Our File No. 006718-00112

Dear Ms. Turpe:

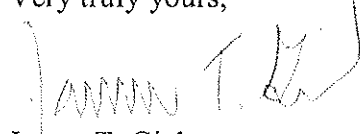
You have requested supplemental information regarding certain matters related to an election held by the Mirielle Community Facilities District (Town of Buckeye, Arizona) (the "District").

First, you have requested the background and experience of the individual performing the Spanish translation. The election notice/ballot were translated into Spanish by Martin H. Durrant, Ph.D. Dr. Durrant has been conducting Spanish translation since 1966 and describes his fluency as "near-native". He received a B.A. from Brigham Young University and received an M.A. and Ph.D in romance languages from Arizona State University. In addition, Dr. Durrant taught Spanish from 1962 to 1999 at Arizona State University, Phoenix College and Mesa Community College. Finally, Dr. Durrant studied under a Fulbright Scholarship in Spain in 1966. Dr. Durrant performed the translation based on his extensive knowledge of the Spanish language and his prior experience performing many Spanish translations as it relates to election issues.

Second, you have requested a description of the Spanish speaking assistance that would be available for both early voting and on election day. In the case of the election at issue, it was a single voter (Pulte Home Corporation) and it did not require any such assistance. In the future, however, to the extent any election involves more than one or more home builders, the District will work with the Town of Buckeye, Arizona to make an interpreter available to any elector at any early voting or election site. In addition, all future election notices and ballots will be published, posted and mailed in both English and Spanish.

Please let me know if you have any questions or require any additional information regarding this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "James T. Giel". The signature is written in a cursive style with some loops and flourishes.

James T. Giel  
For the Firm



U.S. Department of Justice

Civil Rights Division

JKT:MSR:RT:jdh  
DJ 166-012-3  
2007-1985

Voting Section - NWB  
950 Pennsylvania Avenue, NW  
Washington, DC 20530

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MAY 29 2007

May 24, 2007

GUST ROSENFELD

James T. Giel, Esq.  
Gust Rosenfeld  
201 East Washington, Suite 800  
Phoenix, Arizona 85004-2327

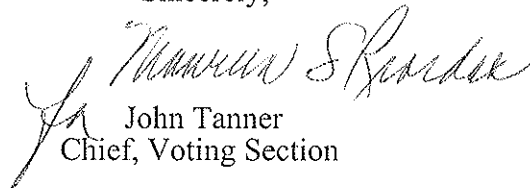
Dear Mr. Giel:

This refers to the creation of the Mirielle Community Facilities District, administration of the District's elections by the Town of Buckeye, the designation of a polling place, Spanish language election procedures, voting method and the procedures for conducting the March 20, 2007, special bond and tax election for Mirielle Community Facilities District in Maricopa County, Arizona, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on March 27, 2007; supplemental information was received on May 17, 2007.

The Attorney General does not interpose any objection to the specified changes. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the changes. Procedures for the Administration of Section 5 of the Voting Rights Act (28 C.F.R. 51.41).

We note there are few, if any, persons in the district whose participation in the electoral process would be made more effective by the provision of written materials or oral assistance or publicity in the Spanish language. It is the view of the Attorney General, as expressed in Sections 55.17, 55.18, and 55.20 of the Interpretative Guidelines for Implementation of the Provisions of the Voting Rights Act Regarding Language Minority Groups (28 C.F.R.) ([www.usdoj.gov/crt/voting/28cfr/55/28cfr55.htm](http://www.usdoj.gov/crt/voting/28cfr/55/28cfr55.htm)) that such a jurisdiction may satisfy the language minority requirements of the Voting Rights Act through a "targeting" system, as explained in those sections.

Sincerely,

  
John Tanner  
Chief, Voting Section

OFFICIAL RECORDS OF  
MARICOPA COUNTY RECORDER  
HELEN PURCELL  
2007-0186961 02/14/2007 03:11  
00671800112-54-4-4--  
**ELECTRONIC RECORDING**

When recorded, return to:

Scott W. Ruby, Esq.  
Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, AZ 85004-2327

**DEVELOPMENT, FINANCING PARTICIPATION  
AND INTERGOVERNMENTAL AGREEMENT NO. 1**

**FOR**

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

**by and among**

**TOWN OF BUCKEYE, ARIZONA**

**and**

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

**and**

**CSW SUN VALLEY SOUTH HOLDINGS, L.L.C.**

**Dated February 6, 2007**



**DEVELOPMENT, FINANCING PARTICIPATION  
AND INTERGOVERNMENTAL AGREEMENT NO. 1  
MIRIELLE COMMUNITY FACILITIES DISTRICT  
(TOWN OF BUCKEYE, ARIZONA)**

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**THIS DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT NO. 1 MIRIELLE COMMUNITY FACILITIES DISTRICT (TOWN OF BUCKEYE, ARIZONA)**, dated February 6, 2007 (the "*Agreement*"), by and among the Town of Buckeye, Arizona, a municipal corporation under the laws of the State of Arizona (the "*Municipality*"), Mirielle Community Facilities District, (Town of Buckeye, Arizona) a community facilities district formed by the Municipality, and duly organized and validly existing, pursuant to the laws of the State of Arizona (the "*District*"), and CSW Sun Valley South Holdings, L.L.C., a limited liability company duly formed and validly existing pursuant to the laws of Arizona and duly authorized to do business in the State of Arizona (the "*Owner*") who owns in fee title all or substantially all of the real property in the District. Other persons owning or having an interest in any real property within the District (collectively, the "*Other Parties*"), have acknowledged and agreed to the terms and provisions of this Agreement and have consented to the recording of this Agreement as a binding encumbrance against their respective property or interest, by the execution of the Consent and Agreement attached hereto.

W I T N E S S E T H :

**WHEREAS**, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "*Act*"), and Section 9-500.05, Arizona Revised Statutes, as amended, the Municipality, the District and the Owner may enter into this Agreement as a "development agreement" to specify, among other things, conditions, terms, restrictions and requirements for "public infrastructure" (as such term is defined in the Act) and the financing of public infrastructure, including, but not limited to subsequent reimbursements or repayments over time; and

**WHEREAS**, with regard to the property described in Exhibit "A" hereto (the "*Property*") which makes up the real property included within the boundaries of the District, the Municipality, the District and the Owner have determined to specify some of such matters in this Agreement, particularly matters relating to the acquisition, construction financing, operation and maintenance of certain public infrastructure by the District, including matters relating to competitive bidding of the construction of the public infrastructure the acceptance thereof by the Municipality, the sale of bonds to finance the costs of the public infrastructure, and, if applicable and approved by the District, the reimbursement or repayment of the Owner with respect thereto, all pursuant to the Act; and

**WHEREAS**, this Agreement as a "development agreement" is consistent with the "general plan" of the Municipality as defined in Section 9-461, Arizona Revised Statutes, as amended, applicable to the Property on the date this Agreement is executed; and

**WHEREAS**, general obligation bonds (the "*G.O. Bonds*") and/or special assessment lien bonds (the "*Assessment Bonds*") of the District may be issued in the sole discretion of the District board of directors (the "*District Board*"), to provide moneys to finance certain "public infrastructure purposes" (as such term is defined in the Act) described in the General Plan of the District (the "*General Plan*") heretofore approved by the Municipality and the District (collectively, the G.O. Bonds and the Assessment Bonds of the District are referred to as the "*Bonds*"); and

**WHEREAS**, the District Board has ordered, called and conducted a general obligation bond election, whereat the persons qualified to vote at such election pursuant to the Act authorized the District Board to issue, in its sole discretion, G.O. Bonds in an amount not to exceed one hundred million dollars (\$100,000,000) to provide moneys for public infrastructure purposes consistent with the ballot, the General Plan and the Act; and

**WHEREAS**, the District Board, pursuant to the procedures prescribed by Sections 48-576 through 48-589, Arizona Revised Statutes, as amended, as nearly as practicable, or such other procedures as the District Board provides, may, in its sole discretion, levy assessments of the costs of any public infrastructure or public infrastructure purpose on any land in the District based on the benefit determined by the District Board to be received by the land, and issue and sell the Assessment Bonds payable from amounts collected from the special assessments; and

**WHEREAS**, pursuant to the Act, the District may enter into this Agreement with the Owner with respect to the advance of moneys for public infrastructure or public infrastructure purposes by the Owner and the repayment of such advances; and

**WHEREAS**, pursuant to the Act and Title 11, Chapter 7, Article 3, Arizona Revised Statutes, as amended (the "*Intergovernmental Agreement Act*"), the District and the Municipality may enter into the specified sections of this Agreement as an "intergovernmental agreement" with one another for joint or cooperative action for services and to jointly exercise any powers common to them and for the purposes of the planning, design, inspection, ownership, control, maintenance, operation or repair of public infrastructure; and

**WHEREAS**, pursuant to Section 48-715, Arizona Revised Statutes, as amended, and the CFD Guidelines and Application Procedures for the Establishment of Community Facilities Districts, as amended from time to time (the "*CFD Guidelines*") before constructing or acquiring any public infrastructure improvements, the District Board is required, in each instance, to cause a report of the feasibility and benefits of the project (the "*Report*") relating to such public infrastructure improvements to be prepared by engineers and other qualified persons, which must include a description of the public infrastructure to be constructed or acquired and all other information useful to understand the project, a map showing, in general, the location of the project, an estimate of the cost to construct, 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 for financing the project; and

**WHEREAS**, nothing contained in this Agreement is intended to limit the District Board in exercising its judgment with respect to the issuance of Bonds during the process of reviewing and approving or rejecting any Report;

**NOW, THEREFORE**, in the joint and mutual exercise of their powers, in consideration of the above premises and of the mutual covenants herein contained and for other valuable consideration, and subject to the conditions set forth herein the parties hereto agree as follows:

## ARTICLE I

### COMMUNITY FACILITIES DISTRICT

**Section 1.1**      **CFD Guidelines.** Except as otherwise specifically provided in this Agreement, the District shall be subject to and governed by the terms and provisions of the CFD Guidelines, as may be amended from time to time.

**Section 1.2**      **District Consulting Costs.** The District may retain an independent financial advisor, legal advisor, underwriter, engineer and such other advisors and consultants as may be necessary to assist the District in its operations, including but not limited to evaluating budgets, reports, financing documents, District construction documents and similar matters ("*District Consulting Costs*"). District Consulting Costs shall be included as District Administrative Expenses, provided, however, certain District Consulting Costs constituting capital expenditures of a project financed by Bonds may, if approved by the District Board, be paid with the proceeds of Bonds.

**Section 1.3**      **Compliance with Law and CFD Guidelines.** The District shall maintain its records and conduct its affairs in accordance with the Act, the laws of the State of Arizona and the CFD Guidelines.

**Section 1.4**      **Payment of Municipality's Costs and Expenses.** The Municipality shall be paid by the District for its costs and expenses relating to the District and the public infrastructure financed by the District as described in Section 7.2(d) of this Agreement. The Municipality will provide the District and the District will provide the Owner with an invoice for the Municipality's costs and expenses. The Owner agrees to pay to the District the amounts owed per Article VII of this Agreement within forty-five (45) days of receipt of the invoice.

**Section 1.5**      **Contracting for District Financial Infrastructure.**

(a)      **Public Bid Requirement.** All infrastructure described in the General Plan that is or expected to be financed with District moneys or District Bond proceeds ("*District Financed Infrastructure*") shall be public infrastructure improvements as described in the Act. Any District Financed Infrastructure shall be publicly bid and awarded pursuant to the provisions of the Arizona Revised Statutes, as amended, and in accordance with the bidding policies of the Municipality, as may be amended from time to time (collectively, the "*Public Bid Requirements*").

(b)      **Notice Inviting Bids.** Commencing on the date of this Agreement, the form of Notice Inviting Bids in *Exhibit "B"* hereto (as the same may be amended from time to time by the engineer for the District) shall be used in substantially the form for such purpose, and the use of such form prior to the execution and delivery of this Agreement is hereby ratified in all respects.

(c) **Certificate of the Engineers.** Compliance with the Public Bid Requirements shall be evidenced by the certification of the engineers of the Owner and the District (collectively, the "*Engineers*") with respect thereto in the form of *Exhibit "C"* hereto (as the same may be amended from time to time by the engineer for the District) (the "*Certificate of the Engineers*").

(d) **Limitation on Recourse.** Each construction or acquisition contract relating to the public infrastructure improvements or purposes shall provide that the respective contractors or vendors shall not have recourse, directly or indirectly, to the Municipality. In the case of any initial financing provided by the Owner of any construction or acquisition contract relating to public infrastructure improvements or purposes for which reimbursement is expected, such contract shall provide that the respective contractors or vendors shall not have recourse, directly or indirectly to the District, for the payment of any costs under such contract or any liability, claim or expense arising therefrom and that the Owner shall have sole liability for payment under such contract of all such amounts.

**Section 1.6 Submission of Reports; Approval or Rejection.** The right to submit one or more Reports to the District Board requesting the construction, acquisition and financing of all or a part of the District Financed Infrastructure or any public infrastructure purpose described in the General Plan, and the corresponding right to request the issuance of Bonds, shall be reserved exclusively (except as specifically provided in the following sentence) to the Owner until 15% or less of the developable acreage within the District is owned by the Owner or its affiliates (the "*Owner Exclusive Period*"). Bonds issued during the Owner Exclusive Period at the request of the Owner are hereinafter referred to as "*Owner Bonds.*" All Bonds that are not Owner Bonds are hereinafter referred to as "*Third Party Bonds.*" From and after the end of the Owner Exclusive Period, any third party owning real property within the District, including the Owner, and the District at any time during or after the Owner Exclusive Period if it is necessary to contain or alleviate a threat to public health and safety of the residents in the District, shall have the right to submit to the District Board one or more Reports pertaining to the issuance of Third Party Bonds to finance the construction, acquisition or installation of all or a part of the public infrastructure improvements described in the General Plan.

The District Board, exercising its sole discretion, may thereafter approve or reject the Report and approve or reject the issuance of Bonds, whether they be Owner Bonds or Third Party Bonds.

**Section 1.7 Withdrawal of Reports.** Notwithstanding Section 1.6 above, Owner shall be permitted to withdraw any Report submitted by Owner from consideration by the District at any time before the conclusion of the hearing thereon. In the event of such a withdrawal, the District Board shall not approve the Report or adopt any resolution which would effect an implementation of any part of the transaction described in such Report. Owner shall be permitted to resubmit any such withdrawn Report or any Report which has been rejected by the District Board and then amended by Owner, at such time as Owner may, in its sole discretion, deem advisable. The Owner is responsible for the costs incurred prior to the withdrawal, including consultant fees.

**Section 1.8**      **Impact Fees and Credits.** The Municipality may impose development fees on the Property pursuant to A.R.S. Section 9-463.05 notwithstanding that Bonds may have been issued to finance public infrastructure within the District of the same type or purpose. The Municipality and District will determine an appropriate credit against such development fees for District Property as specified in the Code of the Municipality and as otherwise required by law.

The Owner on behalf of itself and all other parties having an interest in the Property intends to encumber the Property with the following agreements and waivers. Owner agrees and consents to all the conditions imposed by this Agreement, and by signing this Agreement waives any and all claims, suits, damages, compensation and causes of action for diminution in value to the Property the Owner of the Property may have now or in the future under the provisions of Arizona Revised Statutes Sections 12-1134 through and including 12-1136 resulting from this Agreement or from any "land use law" (as such term is defined in the aforementioned statute sections) permitted by this Agreement or any other development agreement between the Owner and the District regarding District Financed Infrastructure to be enacted, adopted or applied by the Municipality now or hereafter. Owner acknowledges and agrees the terms and conditions set forth in this Agreement cause an increase in the fair market value of the Property and such increase exceeds any possible reduction in the fair market value of the Property caused by any future land use laws, rules, ordinances, resolutions or actions permitted by this Agreement and adopted or applied by the Municipality to the Property.

## ARTICLE II

### CONSTRUCTION OF PROJECTS BY OWNER

#### **Section 2.1**      **Construction by Owner.**

(a)      **At Owner's Expense.** Subject to the other terms and provisions of this Agreement, Owner at its sole cost and expense may, unless the procedure to have the District construct the public infrastructure improvements as described in Article IV hereof is followed, cause the public infrastructure improvements or purposes, including but not limited to those improvements described in the General Plan (collectively, the "*Acquisition Infrastructure*" and as detailed in the General Plan on a project-by-project basis as an "*Acquisition Project*" or the "*Acquisition Projects*") to be provided for pursuant to plans and specifications approved by the Municipality (the "*Plans and Specifications*").

(b)      **Compliance with Applicable Codes, Etc.** Each Acquisition Project shall be constructed in a good and workmanlike manner in compliance with all applicable standards, codes, rules, guidelines or regulations of the Municipality, as in effect from time to time, for the same or comparable construction projects of the Municipality.

**Section 2.2**      **Public Bidding.** Each Acquisition Project shall be bid in one or more parts pursuant to the Public Bid Requirements and the requirements set forth in Section 1.5 of this Agreement. Any contracts for such work shall be hereafter referred to as the

"Acquisition Project Construction Contracts" and individually as an "Acquisition Project Construction Contract". Plans, specifications, bid documents and bidding procedures are subject to review and approval by the District. Bids will be submitted to, or as directed by, the District for opening and review. No award of an Acquisition Project Construction Contract shall be made without the concurrence of the District.

**Section 2.3**      **Project Costs; Change Orders.** The total bid amount of any Acquisition Project Construction Contract plus any other costs of the Acquisition Project that are not required to be bid pursuant to the Public Bid Requirements shall be submitted for review to and if acceptable, approved by the Manager for the District (the "*District Manager*") or his designee and the engineer for the District (the "*District Engineer*"). The total bid amount of any Acquisition Project Construction Contract that is to be paid from Bond proceeds shall not exceed the estimated cost of the Acquisition Project set forth in the approved Report. Any change order to any Acquisition Project Construction Contract shall be subject to approval by the District Engineer and District Manager (which approval shall not be unreasonably withheld or delayed) and shall be certified to in the Certificate of the Engineers; provided, however, that any change order increasing the amount of an Acquisition Project Construction Contract by more than 10% of the original contract amount or modifying significantly the scope of the work otherwise shall be subject to approval by the District Board. Any increase in cost caused by any change order shall be the sole responsibility of Owner provided that such increase in cost caused by an approved change order may be included by Owner in any applicable Segment Price pursuant to Section 3.2 hereof.

**Section 2.4**      **At Owner's Risk.** As between Owner, the Municipality and the District, Owner shall bear all risks, liabilities, obligations and responsibilities under each Acquisition Project Construction Contract and all risk of loss of or damage to any Acquisition Project (or any part thereof) occurring prior to the time of acquisition by the District of such Acquisition Project (or part thereof).

**Section 2.5**      **Prior Conveyance Not a Bar.** The prior conveyance or dedication of easements, rights-of-way or public infrastructure shall not affect or proscribe Owner's right to construct public infrastructure improvements or purposes thereon or to be paid or reimbursed for such construction upon acquisition by the District.

## ARTICLE III

### ACQUISITION OF PROJECTS FROM OWNER

**Section 3.1**      **Acquisition by District.**

(a)      **Purchase.** Subject to the other terms and provisions of this Agreement and after the District Board, exercising its sole discretion, approves a Report pertaining to the applicable Acquisition Project, Owner shall sell to the District, and the District shall acquire from Owner, each Acquisition Project, together with all real property or interests therein necessary to construct, operate and maintain the District Financed Infrastructure (collectively,

the "Necessary Public Property"), as a whole (the entire Acquisition Project) or, if applicable, in completed, discrete portions as determined by the District Engineer and the District Manager and in accordance with the Plans and Specifications (referred to herein as a "Segment") at the price for the Acquisition Project or, if applicable, each Segment (the "Project Price" or the "Segment Price" as applicable) established as provided in Section 3.2 hereof. At the request of the District, the Owner shall convey any acquired Acquisition Project or Segment(s) and the Necessary Public Property, together with a direct assignment of any warranties, guarantees and bonds.

(b) **Financing; Limited Liability.** Any such acquisition shall be financed (i) at any time before the sale and delivery of any of the Bonds only pursuant to Section 5.1(a) hereof and (ii) at any time after the sale and delivery of any of the Bonds only pursuant to Section 5.1(b) hereof. Payment of the Project Price or Segment Price is subject to the availability of proceeds of District Bonds as described in Section 5.1.

(c) **Compensation Limited.** Owner has not been and shall not be compensated for any of the Acquisition Infrastructure except as provided by this Agreement. The District shall not be liable for any payment or repayment to Owner therefor except as provided by this Agreement.

(d) **No Prior Dedication.** As of the date of this Agreement, none of the Acquisition Infrastructure has been dedicated by Owner or accepted by the District or the Municipality or offered for dedication by Owner or acceptance by the District or the Municipality.

### **Section 3.2**      **Determining Project Price.**

(a) **Actual Costs.** The Project Price for an Acquisition Project or the Segment Price for a Segment, as applicable, shall be equal to the sum of the amounts bid (together with or net of any approved change orders), and approved pursuant to Section 2.3 hereof, plus any other amounts that are not required to be bid pursuant to the Public Bid Requirements but are approved pursuant to Section 2.3 hereof, and actually paid by Owner for (1) third-party design and/or engineering of the Acquisition Project or Segment, (2) construction and or installation of the Acquisition Project or Segment pursuant to the Acquisition Project Construction Contract for such Acquisition Project or Segment, (3) inspection and supervision of the construction of the Acquisition Project or Segment by the District for performance under such Acquisition Project Construction Contract and a reasonable third-party construction management fee, and (4) other miscellaneous and incidental costs relating to the construction and/or installation of such Acquisition Project or Segment allowed by the Act and approved in the Report, but not including any Necessary Public Property.

(b) **Certificate of Engineers.** The determination of the Project Price or the Segment Price shall be certified in the Certificate of the Engineers for that Acquisition Project or the applicable Segment.

**Section 3.3**      **Conditions for Payment.** The District shall pay the Project Price or the Segment Price, as applicable, for and acquire from Owner, and Owner shall, subject



to Section 5.1(a)(ii) below, accept the Project Price or the Segment Price for and sell to the District, the Acquisition Project or Segment as provided in Section 3.1 hereof after the approval of the Report and after receipt by the District Manager of the following with respect to the Acquisition Project or Segment, in form and substance reasonably satisfactory to the District Manager:

- (i) the Certificate of the Engineers;
- (ii) the "Conveyance for Segment of Project" either substantially in the form of *Exhibit "D"* hereto or otherwise in form and substance satisfactory to the District Manager (hereinafter referred to as a "Conveyance");
- (iii) evidence that all Necessary Public Property has been conveyed to the Municipality and public access to the Segment or the Acquisition Project, as applicable, has been or will be provided to the Municipality;
- (iv) the assignment of all contractors' and materialmen's warranties and guarantees as well as payment and performance bonds;
- (v) an acceptance letter or such other evidence of acceptance as required by the Municipality, issued by the Municipality and by its terms subject specifically to recordation of the Conveyance of the Acquisition Project or Segment, as applicable, which is the subject of such letter or other evidence of acceptance; and
- (vi) such other documents, instruments, approvals or opinions as may reasonably be requested by the District Manager including, with respect to any Necessary Public Property, title reports, insurance and opinions and evidence satisfactory to the District Manager that any Necessary Public Property to be acquired does not contain environmental contaminants which make such real property unsuitable for its intended use or, to the extent such contaminants are present, a plan satisfactory to the District Manager which sets forth the process by which such Necessary Public Property will be made suitable for its intended use and the sources of funds necessary to accomplish such purpose.

**Section 3.4**      **Conveyance of Necessary Public Property.** The Owner shall convey to the District, or if directed by the District and consented to by the Municipality, dedicate to the Municipality, without cost, all Necessary Public Property required for the operation and maintenance of the Acquisition Project or Segment, as applicable. The Necessary Public Property required shall be similar to the requirements for construction projects of the Municipality similar to the particular Acquisition Project or the particular Segment, as applicable. Nothing contained in this Agreement shall prohibit the submission of a Report requesting reimbursement for land, as may be permitted in the CFD Guidelines.

**Section 3.5**      **Conveyance to Other Governmental Body.** If a Report approved by the District provides for the conveyance of any public infrastructure described therein to a governmental body other than the Municipality, then nothing herein is intended to prohibit or preclude the conveyance of that public infrastructure to such governmental body, and

the applicable provisions of Sections 3.3 and 3.4 above shall be deemed modified to refer to such governmental body, rather than to the Municipality.

## ARTICLE IV

### CONSTRUCTION OF PROJECTS BY THE DISTRICT

#### Section 4.1      Construction by District.

(a)      **Generally.** Subject to the other terms and provisions of this Agreement, the District, after the District Board, exercising its sole discretion, approves a Report, prior to the bidding therefor, may cause any of the public infrastructure described in the General Plan (hereinafter referred to if constructed pursuant to the provisions of this Article IV as collectively the "*Constructed Infrastructure*" and as detailed in the General Plan on a project-by-project basis a "*Construction Project*" or the "*Construction Projects*") to be constructed pursuant to the Plans and Specifications.

(b)      **Similar Requirements.** The Construction Projects shall be constructed in accordance with the requirements for construction projects of the Municipality similar to the Construction Projects unless heretofore agreed otherwise by the Municipality.

**Section 4.2**      **Contracts.** The Construction Projects shall be bid in one or more parts by and in the name of the District pursuant to the Public Bid Requirements, and contracts shall be entered into by the District (hereinafter referred to as collectively the "*Construction Project Construction Contracts*" and as individually a "*Construction Project Construction Contract*").

**Section 4.3**      **Convey Necessary Public Property.** Prior to bidding any contract for the construction of a Construction Project, as a condition to the District proceeding with a Construction Project, the Owner shall convey to the District, without cost, or if directed by the District and consented to by the Municipality, dedicate to the Municipality (or other governmental body identified in the Report approved by the District), without cost, all Necessary Public Property required for the construction, operation and maintenance of the public improvements comprising the Construction Projects. The type, size and terms of the Necessary Public Property required for the construction, operation or maintenance of the Construction Project shall be similar to the requirements for construction projects of the Municipality similar to the Construction Projects. In addition, such conveyance shall occur after receipt by the District Manager of the following with respect to such Necessary Public Property, in form and substance reasonably satisfactory to the District Manager:

(i)      a special warranty deed, plat or map of dedication, or easement from the Owner for such Necessary Public Property executed by an authorized officer of the Owner,

(ii)     such environmental assessments or other evidence satisfactory to the District Manager that such Necessary Public Property does not contain environmental

contaminants which make such Necessary Public Property unsuitable for its intended use or to the extent such contaminants are present, a plan satisfactory to the District Manager which sets forth the process by which such Necessary Public Property will be made suitable for its intended use, a plan for remediation of such contaminants, if required by the District Manager and the sources of funds necessary to accomplish such purpose, and

(iii) such other documents, instruments, approvals or opinions as the District Board may reasonably request including title reports, insurance and opinions.

**Section 4.4** **Limited Compensation.** Owner has not been and shall not be compensated for any costs of any Construction Project except as provided herein.

**Section 4.5** **Approval of Report.** Construction of any Construction Project has not and shall not commence prior to the approval of the Report as required by, and for all purposes of, the Act and conveyance or dedication of a Necessary Public Property as provided in Section 4.3 hereof.

**Section 4.6** **Financing; Limited Liability.** Any such construction or acquisition shall be financed (i) at any time before the sale and delivery of any of the Bonds only pursuant to Section 5.2(a) hereof and (ii) at any time after the sale and delivery of any of the Bonds only pursuant to Section 5.2(b) hereof. Payment of the costs of any Construction Project is subject to the availability of proceeds of District Bonds as described in Section 5.2.

## ARTICLE V

### FINANCING OF PROJECTS

#### **Section 5.1** **Acquisition Projects.**

##### (a) **Before Bond Sale.**

(i) To provide for any acquisition of an Acquisition Project or a Segment occurring before the sale and delivery of any Bonds, the Project Price or, if applicable, the Segment Price(s) for Segment(s) comprising an Acquisition Project shall be paid by Owner subject to payment and acquisition by the District pursuant to the terms of this Agreement and the Conveyance of the Acquisition Project or Segment.

(ii) As soon as possible after the sale and delivery of any Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, the amount of the Project Price for the Acquisition Project or the Segment Price of a Segment paid by the Owner prior to the sale and delivery of the Bonds shall, subject to the requirements of Section 3.3 hereof, be paid to Owner from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment. Neither the District nor the Municipality shall be liable to Owner (or any contractor or assigns under any Contract) for payment of any Project Price or Segment Price except, the District shall be liable to the extent

unencumbered proceeds of the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, are available for such purpose. No representation or warranty is given by the District, or District Board that Bonds will be approved for issuance and sale by the District Board, can be sold by the District, or that sufficient proceeds from the sale of the Bonds shall be available to pay any Project Price or Segment Price. The foregoing is not intended to limit the right of Owner to payment for any amount of the Project Price or Segment Price paid by Owner in excess of the proceeds from the sale of the Bonds if the District thereafter finances such amount from future Bond proceeds, and the District and the Municipality shall reasonably cooperate with Owner in preserving the right to any such future payment.

(iii) Until the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment, the District shall not have any obligation to repay Owner for any payment made by Owner to pay any Project Price or Segment Price.

(b) **After Bond Sale.**

(i) Any acquisition of an Acquisition Project or any Segment occurring after the sale and delivery of any Bonds issued for the purpose of acquiring an Acquisition Project or any Segment shall, subject to the requirements of Section 3.3 hereof, be provided for by the payment of the Project Price or Segment Price from, and only from, the proceeds of the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment.

(ii) Until the sale and delivery of the Bonds issued and sufficient for the purpose of acquiring an Acquisition Project or any Segment, the District shall have no obligation to pay such Project Price or Segment Price. Neither the District nor the Municipality shall be liable to Owner (or any contractor or assigns under any Contract) for payment of any Project Price or Segment Price except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, are available for such purpose. No representation or warranty is given by the District or the District Board that Bonds will be approved for issuance and sale by the District Board, can be sold by the District or that sufficient proceeds from the sale of the Bonds issued for the purpose of acquiring an Acquisition Project or any Segment, shall be available to pay such Project Price or Segment Price. The foregoing is not intended to limit the right of Owner to payment for any deficiency between the proceeds from the sale of the Bonds and the amount of any Project Price or Segment Price paid by Owner if the District thereafter finances such amount from other or future Bonds and the District and the Municipality shall reasonably cooperate with Owner in preserving the right to any such future payment.

(c) **If Sufficient Bonds Not Issued.** If the Bonds are not issued or if the proceeds of the Bonds are insufficient to pay all of the Project Price or Segment Price, there shall be no recourse to the District or the Municipality and the District and the Municipality shall not have liability with respect to, the Project Price or Segment Price, except, the District shall be liable for payment only from the proceeds of the sale of the Bonds, if any. Nothing contained in this Section 5.1 shall obligate the Municipality to pay for any Segment Price or Acquisition

Infrastructure from any monies of the Municipality. The foregoing is not intended to limit the ability of the Owner to payment for any deficiency between the proceeds from the sale of the Bonds for such purpose and the amount of a Project Price or Segment Price, if the District thereafter finances such amount from future Bond proceeds.

**Section 5.2**            **Construction Project.**

(a)    **Before Bond Sale.**

(i) To provide for amounts due pursuant to any Construction Project Construction Contract (including incidental costs relating thereto) (the "*Construction Costs*") after the biddings thereof but before the sale and delivery of any Bonds, such amounts shall be paid by Owner pursuant to the terms of this Agreement. Incidental costs related to a Construction Project Construction Contract shall include, without limitation, permits, staking costs, general conditions, engineering costs, and third-party construction management costs. Each payment of such Construction Costs by the Owner shall be evidenced by a written acknowledgement of the District Manager included as part of the written approval of the District Engineer of each pay request of the contractor for such Construction Project Construction Contract. Notwithstanding the foregoing but subject to payments by the Owner as a member of a group of either taxpayers or assessed parcel owners who, as a result of a uniformly applied tax or assessment methodology, is liable for payments relating to improvements financed in response to a Report submitted by the District, the Owner shall not be obligated to pay the Construction Costs for any public improvements financed by the District in response to a Report submitted by the District or a third party other than the Owner.

(ii) As soon as possible after the sale and delivery of any Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract and sufficient Bond proceeds are reserved to pay the remaining Construction Costs of a Construction Project Construction Contract, the total amounts of the Construction Costs paid by Owner prior to the sale and delivery of the Bonds shall be paid to Owner from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract. Neither the District nor the Municipality shall be liable to Owner (or any contractor or assigns under any Contract) for payment of any such Construction Cost amount except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract are available for such purpose. No representation or warranty is given by the District or District Board that sufficient proceeds from the sale of any Bonds shall be available to pay such amounts of the Construction Costs paid by Owner. The foregoing is not intended to limit the right of Owner to payment for any amount of the Construction Costs paid by Owner in excess of the proceeds from the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract if the District thereafter finances such amount from future Bonds and the District and the Municipality shall reasonably cooperate with Owner in preserving the right to any such future payment.

(iii) Until the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract, the District shall not have any obligation to repay Owner for any payment of a Construction Cost paid by Owner and after the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract such obligation shall be limited to the amount of the proceeds of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract available for such purpose.

(b) **After Bond Sale.**

(i) Any Construction Cost amounts due pursuant to any Construction Project Construction Contract after the sale and delivery of any of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract shall be provided for by the payment of such Construction Cost amounts from, and only from, the proceeds of the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract.

(ii) Until the sale and delivery of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract, the District shall have no obligation to pay such Construction Cost amounts. Neither the District nor the Municipality shall be liable to Owner for payment of any such Construction Cost amount except, the District shall be liable to the extent unencumbered proceeds of the sale of the Bonds issued for the purpose of paying the Construction Costs of a Construction Project Construction Contract are available for such purpose. No representation or warranty is given by the District or District Board that the Bonds can be sold by the District, or that sufficient proceeds from the sale of the Bonds shall be available to pay such Construction Cost amounts.

(c) **If Sufficient Bonds Not Issued.** If the Bonds are not issued or if the proceeds of the sale of the Bonds are insufficient to pay any or all of the amounts described in Subsections (a) or (b), there shall be no recourse to the District or the Municipality and the District and the Municipality shall have no liability with respect to any Construction Project Construction Contract, except, the District shall be liable for payment only from the proceeds of the sale of the Bonds. Nothing contained in this Section 5.2 shall obligate the Municipality to pay for any Construction Cost from any monies of the Municipality.

## ARTICLE VI

### MATTERS RELATING TO THE BONDS AND OTHER OBLIGATIONS OF THE DISTRICT

#### **Section 6.1**      **Bonds Generally.**

(a) **Submission of Report; Approval of Bonds.** Upon the submission of a Report, and upon a date established by the District Manager, the District Board shall, in its sole, unfettered discretion, take all such reasonable action necessary for the District to consider the

approval or rejection of the Report. If the Report is approved, the District Board may take all reasonable action necessary to issue and sell the Bonds pursuant to the terms and conditions as may be established by the District Board in connection with its approval of the Report (the "Approval"), and the provisions of the CFD Guidelines and the Act.

(b) **Sale of Bonds; Amount.** The Bonds may be sold in one or several series, in an amount sufficient (i) to pay the Acquisition Price or the Segment Prices for the Acquisition Infrastructure and all Construction Costs relating to any Construction Project Construction Contract for the Constructed Infrastructure, in each case as established pursuant hereto and in the Approval (hereinafter referred to collectively as the "Work") which shall be based on the estimated costs and expenses indicated in the Report or the Approval (hereinafter referred to as the "Estimate"), (ii) to pay all other amounts indicated in any Report submitted as required by this Agreement, (iii) to pay all relevant issuance costs related to the applicable series of the Bonds, (iv) to pay capitalized interest for a period not in excess of that permitted by the Act and described in the Report or Approval, and (v) to the extent permitted by law, to fund a debt service reserve fund in an amount not in excess of that permitted by the Act and described in the Report or Approval (collectively, the "Financeable Amount").

(c) **Assessment Bonds; Amount.**

(i) Assessment Bonds shall be special assessment lien bonds payable from amounts collected from, among other sources, the hereinafter described special assessment (referred to as originally levied and as thereafter may be reallocated as described herein as the "Assessments").

(ii) The Assessments shall be based on the Financeable Amount indicated in the Report or the Approval. None of the Acquisition Project Construction Contracts or the Construction Project Construction Contracts applicable to the Work shall be required to be bid or awarded as a prerequisite to the levying of the Assessments.

(iii) The Assessments shall be levied pursuant to the procedures prescribed by Sections 48-576 through 48-589, Arizona Revised Statutes, as amended, as nearly as practicable or such other procedures as the District provides.

(iv) In the event of nonpayment of the Assessment, the procedures for collection thereof and sale of the applicable portion of the Property may be established by the District, or the District may adopt the procedures prescribed by Sections 48-601 through 48-607, Arizona Revised Statutes, as amended, as nearly as practicable, except that, under all procedures, neither the District nor the Municipality is required to purchase any of the Property at the sale if there is no other purchaser.

(v) To prepay, from property owner payments, in whole or in part the applicable portion of the Assessment, on any interest payment date, the following shall be paid in cash to the District: (A) the interest on such portion to the next date Bonds may be redeemed plus (B) the unpaid principal amount of such portion rounded up to the next highest multiple of the lowest authorized denomination of the Bonds plus (C) any premium due on such redemption date

with respect to such portion plus (D) any administrative or other fees charged by the District with respect thereto.

(vi) The Owner hereby acknowledges that lenders and other parties involved in financing future improvements on the Property (including mortgages for single family residences) may require that liens associated with the Assessment (or applicable portions thereof) be paid and released prior to accepting a lien with respect to any such financing.

(vii) This Agreement shall be construed to be an express consent by the Owner that (A) the District Board may designate the boundaries of an Assessment area; (B) the District may, with respect to the Property, incur costs and expenses necessary to complete the Work provided that the Work is a part of a Construction Project, and (C) the District may levy and collect the Assessments in amounts sufficient to pay all costs and expenses of the Financeable Amount, including the Work.

## **Section 6.2**      **Requirements for Assessment Bonds.**

(a) **CFD Guidelines Apply.** Proceeds of the Assessment Bonds may be used for any purpose permitted by the Act. The terms and provisions of the Assessment Bonds and the manner of sale shall be established by the CFD Guidelines, except as such CFD Guidelines are modified by or inconsistent with, this Agreement or the Approval.

(b) **Appraisal; Coverage Ratio.** At the time of sale of the Assessment Bonds, an appraisal dated not earlier than six (6) months prior to the date of sale of the Assessment Bonds, in form and substance satisfactory to the District, in its sole and absolute discretion, and prepared by an MAI appraiser (the "*Appraisal*") must show that the wholesale (bulk) value of each assessed parcel or lot in any assessment area securing the Assessment Bonds (as improved by the public infrastructure described in the relevant Report) less five percent (5%), is worth at least six times (in the case of a public sale of Assessment Bonds) and four times (in the case of a sale of the Assessment Bonds to qualified institutional buyers [as defined in Rule 144A of the Securities Act of 1933, as amended], accredited investors [as defined in Rule 501(a), Regulation A of the Securities and Exchange Commission, as amended]) or sophisticated municipal market participants [as defined by the Municipal Securities Rulemaking Board], as much as the principal amount of the Assessment Bonds allocated to each assessed parcel.

(c) **Financial Assurance.** At the time of sale of the Assessment Bonds, and to the extent not already provided by the contractors pursuant to the Public Bid Requirements, Owner shall provide or cause to be provided financial assurances in the form of escrowed cash, bonds, letter of credit or other similar assurances, accessible by the District and in each case in form acceptable to the District Manager, for amounts necessary to pay all costs and expenses associated with providing all the public infrastructure purposes described in the Report as well as any unpaid costs and expenses of any public infrastructure purposes not paid or payable from the proceeds of the sale of the Assessment Bonds because such proceeds are insufficient in amount for such purposes. The foregoing is not intended to limit the right of Owner to reimbursement for any amount advanced in excess of the proceeds from the sale of the Assessment Bonds if the District is able to finance such amount from other or future Assessment Bond proceeds, and the



District and the Municipality shall reasonably cooperate with Owner in preserving the right to any such future reimbursement.

(d) **Reserve Fund.** Unless reduced by the District Board in the Approval, the amount of the Assessment Bonds and the "*sale proceeds*" thereof shall be sized to include an amount sufficient to fund a reserve to secure payment of debt service on the Assessment Bonds. Payment from such reserve shall not effect a reduction in the amount of the Assessment, and any amount collected with respect to the Assessment thereafter shall be deposited to such reserve to the extent the Assessment is so paid therefrom.

### **Section 6.3**      **Requirements for General Obligation Bonds.**

(a) **CFD Guidelines Apply.** Proceeds of G.O. Bonds may be used for any purpose permitted by the Act. The terms and provisions of the G.O. Bonds and the manner of sale shall be established by the CFD Guidelines, except as such CFD Guidelines are modified by, or inconsistent with, this Agreement or the Approval.

(b) **Tax Levy for Bonds.** The District may annually levy and collect an ad valorem tax upon all taxable property in the District which shall be sufficient after giving prudent consideration to other funds available to the District to pay when due the principal of, interest on and premium, if any, on the G.O. Debt (as hereinafter defined) incurred by the District to finance the construction or acquisition of public infrastructure.

(c) **Limit on Tax Levy for Bonds.** No indebtedness (indebtedness shall not include maintenance, administrative or operation expenses) secured by a pledge of ad valorem taxes, including, but not limited to, G.O. Bonds (collectively hereinafter referred to as "*G.O. Debt*"), shall be incurred unless ninety-five percent (95%) of the amount of ad valorem taxes estimated to be collected at a tax rate of not greater than three dollars (\$3.00) per one hundred dollars (\$100.00) of the secondary assessed value of the taxable property within the District, is sufficient to pay the highest combined debt service requirements for the proposed G.O. Debt and any other G.O. Debt outstanding. This limit shall apply instead of the lower limit that may be provided for in the CFD Guidelines. The secondary assessed value of the taxable property shall, for purposes of this paragraph, be equal to the value at the time of the issuance of the proposed G.O. Debt as shown in the records of the County Assessor. Notwithstanding the foregoing or any other provision of this Agreement, G.O. Debt may be authorized by the District Board in its sole discretion, for situations where a tax rate greater than three dollars (\$3.00) per one hundred dollars (\$100.00) of secondary assessed value of taxable property would be necessary to pay the highest combined debt service of the proposed and outstanding G.O. Debt, if other sources of revenue or additional security acceptable to the District Board are pledged to pay debt service on the G.O. Debt in an amount that, when combined with the taxes collected at three dollars (\$3.00) tax rate or less, provides a sufficient amount to pay the highest combined debt service of the proposed and outstanding G.O. Debt.

(d) **Limit on Indebtedness.** At the time of sale of the G.O. Bonds, the full cash value of the taxable property in the District as shown in the records of the County Assessor

shall be at least four (4) times the principal amount of the G.O. Bonds to be issued and the outstanding G.O. Debt.

**Section 6.4** General Requirements. The following requirements are hereby established and required with respect to any financing by the District.

(a) Limited Offering of Bonds; Transfer Restrictions. The District may (but is not required to) impose offering and transfer restrictions with respect to any issue of Bonds. Such restrictions may include but are not limited to the following: Except as permitted below, the Bonds (Assessment Bonds or G.O. Bonds) shall be sold only to accredited investors (as defined in Rule 501(a), Regulation D of the Securities and Exchange Commission, as amended), qualified institutional buyers (as defined in Rule 144A of the Securities Act of 1933, as amended) or sophisticated municipal market participants (as defined by the Municipal Securities Rulemaking Board). Secondary transfers of the Bonds will be permitted upon the execution by the subsequent bondholder of a certificate, in a form satisfactory to the District, which contains at a minimum, the following certifications:

(i) the purchaser of the Bond is either an accredited investor or a qualified institutional buyer or a sophisticated municipal market participant;

(ii) the purchaser of the Bond represents that it is knowledgeable in such investments, and has independently evaluated the factors associated with its investment decision and has not relied on the District or the Municipality for any due diligence or disclosure;

(iii) the purchaser is purchasing the Bond for its own account and not with a view towards distribution; and

(iv) the purchaser of the Bond acknowledges that further transfers of such investment shall require a similar certification;

If any such offering restrictions and/or transfer restrictions are imposed by the District in connection with any issue of Bonds, then such restrictions may terminate at the District's reasonable discretion upon: (1)(a) with respect to G.O. Bonds, the rating of the G.O. Bonds at "A" or higher, and, (b) with respect to Assessment Bonds, the rating of the Assessment Bonds at "A" or higher or the appraised value as required by Section 6.2(b) of the real property subject to assessment results in a value to lien ratio greater than 6 to 1 (including in the amount of the lien overlapping special assessment liens) or (2) the full economic defeasance of the Bonds by an irrevocable escrow or cash or U.S. government securities. If offering restrictions and/or transfer restrictions are required by the District in connection with any issue of Bonds, such offering and/or transfer restrictions shall be set out in the proceedings authorizing the issuance of such Bonds. Nothing herein is intended to preclude the District, in its proceedings authorizing the issuance of any Bonds, from providing for the termination of any transfer and/or offering restrictions on a date that is earlier than the foregoing termination date.

(b) Disclosure of Limited Liability. Any disclosure document prepared in connection with the offer or sale of Bonds must clearly indicate that neither the Municipality nor

the State of Arizona or any political subdivision of either (other than the District) shall be liable for the payment or repayment of any obligation, liability, bond or indebtedness of the District, and neither the credit nor the taxing power of the Municipality, the State of Arizona, or any political subdivision of either (other than the District) shall be pledged therefor.

(c) **Disclosure to Purchasers.** A disclosure document must be provided by Owner or Owner's successor to each potential purchaser of a residential lot within the District disclosing the existence of an Assessment or tax (assuming such Assessment or tax remains at the time of sale to the potential purchaser). Each potential purchaser must acknowledge in writing that the purchaser received and understood the disclosure document. The District shall maintain records of the written acknowledgments. To provide evidence satisfactory to the District Board that any prospective purchaser of land within the boundaries of the District has been notified that such land is within the boundaries of the District and that the Bonds may be then or in the future outstanding, a disclosure pamphlet substantially in the form of Exhibit "E" hereto (the "*Pamphlet*") shall be produced; provided, however, that the Pamphlet may be modified as necessary in the future to adequately describe the District and the Bonds and source of payment for debt service therefor as agreed by the District Board and Owner.

(d) **Continuing Disclosure Undertaking.** Each Obligated Person (as defined in Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934 (the "*Rule*")) shall execute and deliver, and thereafter comply with and carry out all the provisions of, a "*Continuing Disclosure Undertaking*" with respect to the Bonds which shall be in a form satisfactory to the District and the purchaser of the Bonds for such purchaser to comply with the requirements of the Rule.

## ARTICLE VII

### ACCEPTANCE BY THE MUNICIPALITY; MAINTENANCE; APPLICABILITY OF THE INTERGOVERNMENTAL AGREEMENT ACT

**Section 7.1** **Acceptance of Improvements.** Upon satisfaction of the terms for acceptance set forth in this Agreement, and simultaneously with the payment of the related Project Price, Segment Price or Construction Costs of a Construction Project, the Acquisition Project or Segment of Acquisition Infrastructure or the Construction Project, as the case may be, shall be accepted by the Municipality (unless it is to be conveyed to another governmental body pursuant to the terms of the Report approved by the District with respect thereto), subject to the conditions pursuant to which facilities such as the Acquisition Project, Segment or Construction Project, as the case may be, are typically accepted by the Municipality and shall be made available for use by the general public.

**Section 7.2** **District Expenses.**

(a) **District Administrative Expenses.** "*District Administrative Expenses*" shall include all the operating and administrative costs and expenses of the District, including but not limited to, District Consulting Costs, Municipality Services (as hereafter defined) and that

portion of Municipality Overhead (as hereinafter defined) related to operating and administrative functions of the District. District Administrative Expenses will not include any costs or expenses paid by the District from revenues or taxes collected to pay the Debt Service (as such term is defined in the Act) on any Bonds of the District. District Administrative Expenses shall include Municipality Services and Municipality Overhead.

(b) **District Maintenance Expenses.** "*District Maintenance Expenses*" shall include all maintenance and operational costs and expenses, including a Replacement Reserve Amount, of any Segment, Construction Project or other public improvement financed by the District. District Maintenance Expenses shall include Municipality Services and that portion of Municipality Overhead related to the maintenance functions of the District.

(c) **Replacement Reserve Amount.** "*Replacement Reserve Amount*" shall mean an amount calculated in accordance with the District Engineer's determination of the useful life of each component of the public improvements and, in the absence of such determination, in accordance with the statements and pronouncements of the Government Accounting Standards Board. The Replacement Reserve Amount shall include and be limited to a replacement or depreciation reserve for the following improvements financed by the District: (i) water system improvements, other than transmission lines, (ii) sewer treatment plants and facilities, including improvements, other than collection lines, relating to the disposal of solids, and (iii) any other depreciable capital public improvements, provided the Municipality has established and funded similar replacement or depreciation reserves for substantially all like kind capital public improvements elsewhere in the Municipality that were not financed by the District.

With respect to District Maintenance Expenses relating to the water system and sewer system utility enterprises, such applicable District Maintenance Expenses shall be reduced by the amount of water or sewer system revenues received from the consumers located in the District. To the extent that the Municipality or the District establish rates for water or sewer services within the District that are less than rates charged elsewhere in the Municipality, the amount of revenues deemed received from consumers located in the District shall be computed as though the rates charged to such consumers were the same as the rates charged elsewhere in the Municipality.

(d) **Enhanced Maintenance Expenses.** "*Enhanced Maintenance Expenses*" shall mean all District Maintenance Expenses attributable to any Acquisition Project, Segment, Construction Project or other public improvement financed by the District or part thereof, other than water improvements or sewer treatment facilities, that are in excess of the maintenance and operational expenses normally incurred by the Municipality in connection with maintaining or operating a similar public service or improvement (the "*Standard Municipality Expense*"). The Standard Municipality Expense will be established by the Municipality using actual historical costs and expenses and the Municipality's management/accounting practices. By example and not as a limitation, the Municipality will establish its Standard Municipality Expense related to right-of-way landscaping and if the Owner installs enhanced landscaping, other than at the specific request of the Municipality, the costs and expenses in excess of the Standard Municipality Expense incurred to maintain the landscaping shall constitute Enhanced Maintenance Expenses.

In establishing the Standard Municipality Expenses, the Municipality shall annually review its actual costs, excluding the actual costs in the District or any other community facilities district providing enhanced services or public improvements. Enhanced Maintenance Expenses shall not include maintenance and operation expenses attributable to enhanced public service levels or public improvements if such enhanced public service levels or public improvements were imposed on the Owner by the Municipality and the Owner would have not otherwise provided such enhancements.

(e) **Charges of Municipality.** District Administrative Expenses and District Maintenance Expenses shall include a charge by the Municipality to the District for: (i) the reasonable cost of Municipality services provided directly to the District ("*Municipality Services*"), and (ii) Municipality overhead expenses allocated to the District ("*Municipality Overhead*"). Any charge of Municipality Services shall be the cost of those services provided to the District by the Municipality calculated using sound management/accounting principals. Any charge of Municipality Overhead to the District shall be made by the Municipality pursuant to sound management/accounting practices consistently applied by the Municipality in allocating costs, expenses and funded depreciation reserves to its service areas, departments or special projects. Owner shall have the right to review and comment to the Municipality upon the allocation practices and methodologies used in allocating Municipality Services or Municipality Overhead and have the right, at Owner's expense and during normal business hours, to review the Municipality's records to verify the costs and expenses of the Municipality.

(f) **Uniform Application.** District Administrative Expenses, District Maintenance Expenses, Municipality Services and Municipality Overhead shall be applied in accordance with reasonable accounting practices uniformly to all similarly situated public improvements located in similarly situated community facilities districts located within the Municipality.

### **Section 7.3**      **O&M Tax.**

(a) **Amount of O&M Tax.** The District Board shall levy and collect a maintenance and operation ad valorem tax not to exceed thirty cents (\$.30) per one hundred dollars (\$100.00) of assessed valuation on all taxable property within the District ("*O&M Tax*"). To the extent the proceeds from the O&M Tax exceed the expenses and costs described in this Article VII, such O&M Tax shall be reduced to provide a proper matching of proceeds to expenses.

(b) **Use Proceeds of O&M Tax.** The proceeds of the O&M Tax may be used by the District for any lawful maintenance, operational or administrative purpose as provided in the Act. While the Owner is obligated to pay any amounts pursuant to Section 7.4 of this Agreement, the O&M Tax shall be applied only to the following expenses and in the following priority: (i) payment of District Administrative Expenses; (ii) payment of Enhanced Maintenance Expenses; (iii) payment of District Maintenance Expenses, other than District Maintenance Expenses described in Section 7.4(b)(i) below; and (iv) District Maintenance Expenses described in Section 7.4(b)(i) below.

**Section 7.4**      **Owner or HOA Maintenance Obligation.**

(a)      **Landscaping.** Notwithstanding the levy and collection of the O&M Tax or the dedication and acceptance by the District or Municipality of any Acquisition Project, Segment, Construction Project or other public improvement financed by the District, Owner, or a homeowner's association, if such homeowner's association is, to the satisfaction of the District, legally obligated to pay and is comprised of more than one thousand (1,000) homes ("*HOA*") shall maintain, at its expense, all landscaping located within any park (except as otherwise expressly agreed with respect to a public park), right-of-way or public easement within the District or otherwise financed by the District.

(b)      **District Administrative and Maintenance Expenses.** Notwithstanding the levy and collection of the O&M Tax or the dedication and acceptance by the District or Municipality of any Acquisition Project, Segment, Construction Project or other public improvement financed by the District, Owner (or an HOA if, to the satisfaction of the District or Municipality, the HOA is legally obligated and is financially capable of bearing the costs) agrees to pay the following expenses to the extent all or part of such expenses are not paid by the O&M Tax subject to Section 7.4(c) below: (i) the District Administrative Expenses; (ii) the Enhanced Maintenance Expenses; and (iii) the District Maintenance Expenses, other than Enhanced Maintenance Expenses.

Further, notwithstanding the foregoing, the Owner (or HOA, as applicable) shall not be obligated to pay the amounts owing pursuant to Section 7.4(b) for any public improvements financed by the District in response to a Report submitted by the District or a third party other than the Owner, provided however, Owner as a member of a group of either taxpayers or assessed parcel owners who, as a result of a uniformly applied tax or assessment methodology, is liable for payments relating to improvements financed in response to a Report submitted by the District, shall have all rights and obligations established by the proceedings, including the right to protest and the obligation to pay amounts owed.

(c)      **Maintenance Threshold.** The District or Municipality, with the participation of the Owner's engineer, shall establish at the time of the submission of the Report boundaries of the served or benefited area (the "*Benefit Area*") for each Acquisition Project, Segment or Construction Project. The Owner (or HOA, as applicable) shall not be obligated to pay the expenses described in Section 7.4(b) hereof (other than Enhanced Maintenance Expenses) after the date ninety-five percent (95%) of the area benefited by the particular Acquisition Project, Segment, Construction Project or other public improvement financed by the District has been developed, based on the development entitlements in effect from time to time within such benefited area (the "*Maintenance Threshold*"). While the Owner's obligations under Section 7.4(b) are in effect, District Maintenance Expenses shall not include expenses related to street maintenance of streets within a Benefit Area that has satisfied the Maintenance Threshold.

**Section 7.5**      **Intergovernmental Agreement Act.** Notwithstanding any other provision of this Agreement to the contrary, the provisions of Article V, Article VII, Sections 8.1 and 9.3 through 9.19, inclusive, are the only provisions that are effective for, from

and against the Municipality for purposes of the Intergovernmental Agreement Act and as the Intergovernmental Agreement Act is intended to be applied for purposes of this Agreement.

## ARTICLE VIII

### INDEMNIFICATION

#### Section 8.1      Indemnification.

(a) **Generally.** The Owner or such other financially acceptable entity determined by the District Manager (1) shall indemnify and hold harmless the Municipality and the District and each council member, director, trustee, partner, member, officer, official, independent contractor or employee thereof and each person, if any, who controls the Municipality and/or the District within the meaning of the Securities Act of 1933, as amended (hereinafter the Securities Act of 1933 and the Securities Exchange Act of 1934 are referred to as the "*Securities Acts*"), (any such person being herein sometimes called an "*Indemnified Party*") for, from and against any and all losses, claims, damages or liabilities, joint or several, relating to: (i) the formation, activities or administration of the District; (ii) the levy and collection of any tax or assessment; (iii) the offer or sale of any Bonds; (iv) the claims of any contractor, vendor, subcontractor or supplier under any Acquisition Project Construction Contract or Construction Project Construction Contractor, or (v) or the carrying out of the provisions of this Agreement, including particularly but not by way of limitation (A) any Acquisition Project, Acquisition Project Construction Contract, and Construction Project, (B) any claim, loss, lawsuit, administrative action or other challenge to which any such Indemnified Party may become subject, under the Securities Acts or any other statute or regulation at law or in equity or otherwise, including but not limited to, losses, claims, damages or liabilities (or actions in respect thereof) arising out of or based upon any untrue statement or alleged untrue statement of a material fact set forth in any offering document relating to the Bonds, or any amendment or supplement thereto, or arising out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or which is necessary to make the statements therein, in light of the circumstances in which they were made, not misleading in any material respect, or (C) to the extent of the aggregate amount paid in any settlement of any litigation commenced or threatened arising from a claim based upon any such untrue statement or alleged untrue statement or omission or alleged omission if such settlement is effected with the written consent of the Owner (which consent shall not be unreasonably withheld); and (2) shall, subject to the Owner's rights to defend in (c) below, reimburse any legal or other expenses reasonably incurred by any such Indemnified Party in connection with investigating or defending any such loss, claim, damage, liability or action.

(b) **Limitation.** This Section shall not be applicable to matters involving any gross negligence or willful misconduct of any Indemnified Party. Notwithstanding anything herein to the contrary, Section 8.1(a) shall not be applicable to any loss, claim, damage or liability relating to: (i) the activities or administration of the District with respect to public infrastructure improvements in Benefit Areas as to which the Maintenance Threshold has been achieved or with respect to District Financed Infrastructure not constructed by or at the request

of any Owner pursuant to this Agreement, (ii) the levy and collection of any tax or assessment in order to pay District Administrative Expenses or District Maintenance Expenses which the Owners are not obligated to pay or in order to provide for the payment of Third Party Bonds; (iii) the offer or sale of any Third Party Bonds; or (iv) the claims of any contractor, vendor, subcontractor or supplier under any Contract which is not initiated by an Owner pursuant to this Agreement. Nothing in this Section 8.1 is intended to extend any warranty on the public infrastructure improvements nor limit the ability of the District to charge for maintenance pursuant to Section 7.2 of this Agreement.

(c) **Procedure.** Promptly after the receipt of notice of a written threat of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against the Owner, an Indemnified Party shall notify the Owner in writing of the commencement thereof and provide a copy of the written threat received by such Indemnified Party. Failure of the Indemnified Party to give such notice shall reduce the liability of the Owner by the amount of damages attributable to the failure of the Indemnified Party to give such notice to the Owner, but the omission to notify the Owner of any such action shall not relieve the Owner from any liability that it may have to such Indemnified Party otherwise than under this section. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Owner of the commencement thereof, the Owner may, or if so requested by such Indemnified Party shall, participate therein or defend the Indemnified Party therein, with counsel satisfactory to such Indemnified Party and Owner (it being understood that, except as hereinafter provided, the Owner shall not be liable for the expenses of more than one counsel representing the Indemnified Parties in such action), and after notice from the Owner to such Indemnified Party of an election so to assume the defense thereof, the Owner shall not be liable to such Indemnified Party under this section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof; provided, however, that unless and until the Owner defends any such action at the request of such Indemnified Party, the Owner shall have the right to participate at its own expense in the defense of any such action. If the Owner shall not have employed counsel to defend any such action or if an Indemnified Party shall have reasonably concluded that there may be defenses available to it and/or other Indemnified Parties that are different from or additional to those available to the Owner (in which case the Owner shall not have the right to direct the defense of such action on behalf of such Indemnified Party) or to other Indemnified Parties, the legal and other expenses, including the expense of separate counsel, incurred by such Indemnified Party shall be borne by the Owner.

## ARTICLE IX

### MISCELLANEOUS

**Section 9.1 Tax Covenant.** None of the Municipality, the District nor the Owner shall knowingly take, or cause to be taken, any action which would cause interest on any Bond to be includable in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.



**Section 9.2      Pamphlet.**

(a) **Preparation of Pamphlet.** To provide evidence satisfactory to the District Manager that any prospective purchaser of land within the boundaries of the District has been notified that such land is within the boundaries of the District and that the Bonds may be then or in the future outstanding, the Pamphlet shall be produced; provided, however, that the Pamphlet may be modified as necessary in the future to adequately describe the District and the Bonds and source of payment for debt service therefor as agreed by the District Manager and the Owner.

(b) **Distribution of Pamphlet; Disclosure Statement.** The Owner shall require that each homebuilder to whom the Owner has sold land shall:

(i) provide the Pamphlet to any prospective purchaser of land;

(ii) cause any purchaser of land to sign a disclosure statement upon entering into a contract for purchasing such land, such disclosure statement to acknowledge receipt of a copy of the Pamphlet and to disclose the effect of the special assessments on the District of the Bonds in a form reasonably acceptable to the District Manager;

(iii) provide a copy of each fully executed disclosure statement to be filed with the District Manager; and

(iv) provide such information and documents, including audited financial statements to the District, but only to the extent necessary for the District's compliance with Rule 15c2-12 of the Securities Exchange Act of 1934.

**Section 9.3      Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties to this Agreement and their respective legal representatives, successors and assigns; provided, however, that none of the parties hereto shall be entitled to assign its right hereunder or under any document contemplated hereby without the prior written consent of the other parties to this Agreement, which consent shall not be unreasonably withheld or delayed.

**Section 9.4      Further Assurances.** Each party hereto shall, promptly upon the request of any other, have acknowledged and delivered to the other any and all further instruments and assurances reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement.

**Section 9.5      Entire Understanding; Amendment.** This Agreement, by and among the Municipality, the District and the Owner sets forth the entire understanding of the parties as to the matters set forth herein as of the date this Agreement is executed and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties hereto. This Agreement is intended to reflect the mutual intent of the parties with respect to the subject matter hereof, and no rule of strict construction shall be applied against any party.

**Section 9.6**      **Release of Public Lots.** Notwithstanding anything to the contrary contained herein, this Agreement shall terminate without the execution or recordation of any further document or instrument as to any residential lot or residential unit which has been finally subdivided and individually (and not in "bulk") leased (for a period of longer than one year) or sold to the end purchaser or user thereof (a "Public Lot") and thereupon such Public Lot shall be released from and no longer be subject to or burdened by the provisions of this Agreement, but shall continue to be subject to taxes and assessments made or levied before or after such sale and shall continue to be a part of the District. Upon the written request of the Owner or any other person, the District shall execute such documents or instruments as the Owner or such other person shall reasonably request in order to release any Public Lot from the provisions of this Agreement. Costs of the release shall be paid by the person requesting the release.

**Section 9.7**      **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

**Section 9.8**      **Waiver.** The waiver by any party hereto of any right granted to it under this Agreement shall not be deemed to be a waiver of any other right granted in this Agreement nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived under or by this Agreement.

**Section 9.9**      **Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, but all of which taken together shall constitute one of the same instruments.

**Section 9.10**      **Release and Discharge.** This Agreement supersedes all previous written or oral agreements or understandings regarding the subject matter of this Agreement. The Owner knowingly and voluntarily forever releases and discharges the Municipality and all of its past and present elected officials, officers, directors, agents, employees, successors, assigns, attorneys, and representatives from all legal and equitable claims, causes of action, debts, accounts, and damages, known or unknown, asserted or unasserted, and of every nature and extent whatsoever, that the Owner has against the Municipality, and arising from actions, omissions, delays or other events that occurred prior to the date of this Agreement.

**Section 9.11**      **Cancellation; Covenant.** Pursuant to and for purposes of Section 38-511, Arizona Revised Statutes, as amended, the Municipality and the District may, within three years after its execution, cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Municipality or the District, respectively, is, at any time while this Agreement is in effect, an employee or agent of the owner in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement and may recoup any fee or commission paid or due any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Municipality or the District, respectively, from the Owner arising as the result of this Agreement. The Owner has not taken and shall not take any action which would cause any person described

in the preceding sentence to be or become an employee or agent of the Owner in any capacity or a consultant to any party to this Agreement with respect to the subject matter of this Agreement.

**Section 9.12** **Term of Agreement.** The term of this Agreement shall be as of the date of the execution and delivery hereof by each of the parties hereto and shall expire upon the earlier of: (i) the agreement of the District, the Municipality and the Owner to the termination hereof; (ii) the dissolution of the District (which the parties hereto shall, to the extent permitted by applicable law, cause to occur as soon as practicable after the later of the issuance of the Bonds and the payment in full or provision for payment in full of the Bonds) or (iii) June 1, 2057.

**Section 9.13** **Notices.** All notices, certificates or other communications hereunder (including in the Exhibits hereto) shall be sufficiently given and shall be deemed to have been received 48 hours after deposit in the United States mail in registered or certified form with postage fully prepaid addressed as follows:

If to the Municipality:

The Town of Buckeye  
100 N. Apache, Suite A  
Buckeye, Arizona 85325  
Attention: Town Manager

If to the District:

Mirielle Community Facilities District  
100 N. Apache, Suite A  
Buckeye, Arizona 85325  
Attention: District Manager

With a copy to:

Gust Rosenfeld P.L.C.  
201 E. Washington Street, Suite 800  
Phoenix, Arizona 85004-2327  
Scott W. Ruby, District Attorney

If to the Owner:

CSW Sun Valley South Holdings, L.L.C.  
c/o Communities Southwest Management, Inc.  
7001 N. Scottsdale Road, Suite 1015  
Scottsdale, Arizona 85253  
Attention: Jami Schulman, Chief Operating Officer

With a copy to:

Greenberg Traurig, LLP  
2375 E. Camelback Road, Suite 700  
Phoenix, Arizona 85016  
Attention: Lesa J. Storey, Esq.

Any of the foregoing, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

**Section 9.14**      **Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

**Section 9.15**      **Headings and Titles.** The headings or titles of the several Articles and Sections hereof and in the Exhibits hereto, and any table of contents appended to copies hereof and thereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Agreement. All references herein to "Exhibits," "Articles," "Sections," and other subdivisions are to the corresponding Exhibits, Articles, Sections or subdivisions of this Agreement; the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Exhibit, Article, Section or subdivision hereof.

**Section 9.16**      **Obligations Imposed by Law.** This Agreement does not relieve any party hereto of any obligation or responsibility imposed upon it by law.

**Section 9.17**      **Record with County Recorder.** No later than ten (10) days after this Agreement is executed and delivered by each of the parties hereto, the Owner shall on behalf of the Municipality and the District record a copy of this Agreement with the County Recorder of Maricopa County, Arizona.

**Section 9.18**      **Survival of Agreements.** Unless otherwise expressly provided, the representations, covenants, indemnities and other agreements contained herein shall be deemed to be material and continuing, shall not be merged and shall survive any conveyance or transfer provided herein.

**Section 9.19**      **Force Majeure.** If any party hereto shall be unable to observe or perform any covenant or condition herein by reason of "*force majeure*," then the failure to observe or perform such covenant or condition shall not constitute a default hereunder so long as such party shall use its best efforts to remedy with all reasonable dispatch the event or condition causing such inability and such event or condition can be cured within a reasonable amount of time. "*Force majeure*," as used here, means any condition or event not reasonably within the control of such party, including, without limitation, acts of God; strikes, lockouts, or other disturbances of employer/employee relations; acts of public enemies; orders or restraints of any kind of the government of the United States or any State thereof or any of their departments, agencies, or officials, or of any civil or military authority; insurrection; civil disturbances; riots;

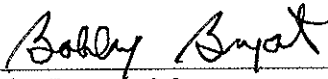
epidemics; landslides; lightning; earthquakes; subsidence; fires; hurricanes; storms; droughts; floods; arrests; restraints of government and of people; explosions; and partial or entire failure of utilities. Failure to settle strikes, lockouts and other disturbances of employer/employee relations or to settle legal or administrative proceedings by acceding to the demands of the opposing party or parties, in either case when such course is in the judgment of the party hereto unfavorable to such party, shall not constitute failure to use its best effort to remedy such a condition or event.

**Section 9.20**      **Consent.** Whenever the consent or approval of any party hereto, or of any agency therefor, shall be required under the provisions hereof, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

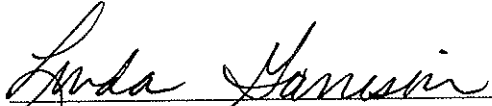
**Section 9.21**      **Other Parties.** The Other Parties join in the execution of this Agreement for the sole purpose of binding their respective interests in lands within the District and consenting to all matters agreed to herein by the Owner, and the Other Parties do not, by joining in the execution of this Agreement, obligate themselves to any of the affirmative obligations set forth herein on the part of the Owner.

IN WITNESS WHEREOF, the officers of the Municipality and of the District have duly affixed their signatures and attestations, and the officers of the Owner their signatures, all as of the day and year first written above.

**TOWN OF BUCKEYE, ARIZONA, a  
municipal corporation**

By   
Bobby Bryant, Mayor

ATTEST:

  
Linda Garrison, Town Clerk

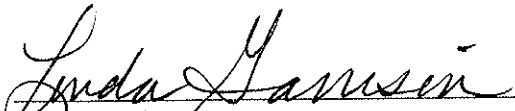
Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the Municipality who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the Municipality.

  
Scott W. Ruby, Town Attorney

**MIRIELLE COMMUNITY FACILITIES  
DISTRICT (TOWN OF BUCKEYE,  
ARIZONA)**

By   
Chairman, District Board

ATTEST:

  
District Clerk

Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the District, who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the District.

*[Signature]*  
District Counsel

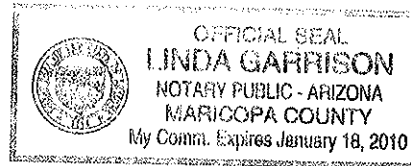
State of Arizona        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of February, 2007, by Bobby Bryant, as Mayor of the Town of Buckeye, Arizona, a municipal corporation under the laws of the State of Arizona.

*[Signature]*  
Notary Public

My commission expires:

January 18, 2010



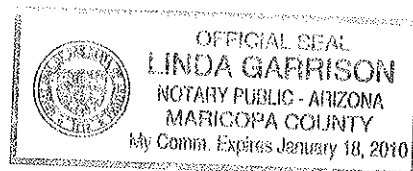
State of Arizona        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 6<sup>th</sup> day of February, 2007, by Bobby Bryant, as Chairman of the District Board of Mirielle Community Facilities District (Town of Buckeye, Arizona), an Arizona community facilities district.

*[Signature]*  
Notary Public

My commission expires:

January 18, 2010



**CSW SUN VALLEY SOUTH HOLDINGS,  
L.L.C., an Arizona limited liability company**

By: Communities Southwest Management, Inc.,  
an Arizona corporation

Its: Manager

By Jam Schulman  
Its VP & Secretary

By J.F. Suriano  
Its C.F.O.

State of Arizona     )  
                                  ) ss.  
County of Maricopa  )

The foregoing instrument was acknowledged before me this 5th day of February, 2007, by JAMI SCHULMAN as the V.P. & Secretary of Communities Southwest Management, Inc., an Arizona corporation, the Manager of CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company, on behalf thereof.

Donna W. Huck  
Notary Public

My commission expires:

Feb. 13, 2007

State of Arizona     )  
                                  ) ss.  
County of Maricopa  )



The foregoing instrument was acknowledged before me this 5th day of February, 2007, by JOHN F. SURIANO, as the CFO of Communities Southwest Management, Inc., an Arizona corporation, the Manager of CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company, on behalf thereof.

Donna W. Huck  
Notary Public

My commission expires:

Feb. 13, 2007






LIENHOLDER  
CONSENT AND AGREEMENT

Reference is made to that certain Development, Financing Participation and Intergovernmental Agreement No. 1 Mirielle Community Facilities District (Town of Buckeye, Arizona), dated as of February 6, 2007, by and among the Town of Buckeye, Arizona, the Mirielle Community Facilities District (Town of Buckeye, Arizona), and CSW Sun Valley South Holdings, L.L.C., to which this Consent and Agreement is attached (the "*Development Agreement*"). All capitalized terms used and not otherwise defined in this Consent and Agreement shall have the meanings set forth in this Development Agreement. The undersigned Sun Valley Assemblage, L.L.C., an Arizona limited liability company ("*Beneficiary*"), is the beneficiary under a Deed of Trust dated March 22, 2005 and recorded March 22, 2005 in Documents No. 2005-0347486 (the "*Deed of Trust*") covering property proposed to be included in this proposed Mirielle Community Facilities District (the "*District*"). Jerry L. Cochran and Cochran & Dahl P.C., now known as Cochran, P.C., an Arizona corporation collectively, the Trustee under said Deed of Trust (the "*Trustee*"). The undersigned, each as one of the "*Other Parties*" having an interest in the real property within the District to the Development Agreement, acknowledges that the Development Agreement shall bind all real property in which the undersigned has an interest and authorizes the recordation of the Development Agreement with respect to all such real property. In no event, however, shall anything in this Consent and Agreement constitute personal assumption by the undersigned of the obligations of the Owner under the Development Agreement.

[SIGNATURE PAGES TO FOLLOW]

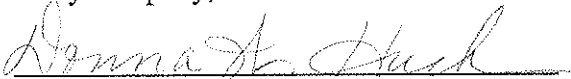
Sun Valley Assemblage L.L.C.,  
an Arizona limited liability company

By: Sun Valley I, L.L.L.P.,  
an Arizona limited liability limited  
partnership, formerly known as Sun Valley I  
Limited Partnership, Its Executive Member

By:   
\_\_\_\_\_  
Roger L. Smith  
General Partner and authorized  
Executive Member Representative

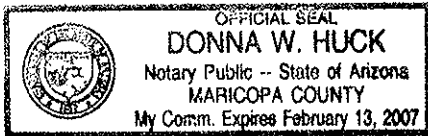
State of Arizona        )  
                                  ) ss.  
County of Maricopa    )

The foregoing instrument was acknowledged before me this 2<sup>ND</sup> day of February, 2007, by Roger L. Smith, as the General Partner and authorized Executive Member Representative of Sun Valley I, L.L.L.P., an Arizona limited liability limited partnership, formerly known as Sun Valley I Limited Partnership, the Executive Member of Sun Valley Assemblage L.L.C., an Arizona limited liability company, on behalf thereof.

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

My commission expires:

Feb. 13, 2007



## ATTACHMENTS

- EXHIBIT A -- Legal Description Of Property To Be Included In The District
- EXHIBIT B -- Form of Notice Inviting Bids
- EXHIBIT C -- Form Of Certificate Of Engineers For Conveyance Of Segment Of Project
- EXHIBIT D -- Form Of Conveyance Of Segment Of Project
- EXHIBIT E -- Form Of Disclosure Pamphlet

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

**EXHIBIT "A"**

PARCEL NO. 1:

ALL OF SECTION SIX (6) AND A PORTION OF SECTION FIVE (5), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 44 MINUTES 42 SECONDS EAST A DISTANCE OF 2639.76 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 6;

THENCE SOUTH 89 DEGREES 42 MINUTES 06 SECONDS EAST A DISTANCE OF 2640.39 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 6 AND AS THE NORTHWEST CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 50 MINUTES 24 SECONDS EAST A DISTANCE OF 2641.73 FEET TO A GLO BRASS CAP ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 5;

THENCE SOUTH 89 DEGREES 46 MINUTES 15 SECONDS EAST A DISTANCE OF 2641.37 FEET TO A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHEAST CORNER OF SAID SECTION 5, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 5 BEARS SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 2653.13 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 5, A DISTANCE OF 819.56 FEET;

THENCE NORTH 88 DEGREES 55 MINUTES 43 SECONDS WEST A DISTANCE OF 250.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 2000.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 90 DEGREES 00 MINUTES 00 SECONDS AN ARC LENGTH OF 3141.59 FEET;

THENCE SOUTH 01 DEGREES 04 MINUTES 17 SECONDS WEST A DISTANCE OF 1048.05 FEET;

THENCE NORTH 89 DEGREES 55 MINUTES 44 SECONDS WEST A DISTANCE OF 416.81 FEET;

THENCE SOUTH 00 DEGREES 04 MINUTES 16 SECONDS WEST A DISTANCE OF 1474.03 FEET TO A MARICOPA COUNTY ALUMINUM CAP, LS NO. 33307 ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 5;

THENCE NORTH 89 DEGREES 47 MINUTES 53 SECONDS WEST A DISTANCE OF 42.72 FEET TO A GLO BRASS CAP (WITNESS CORNER);

THENCE NORTH 89 DEGREES 43 MINUTES 39 SECONDS WEST A DISTANCE OF 2606.28 FEET TO A GLO BRASS CAP ACCEPTED AS THE CORNER COMMON TO SAID SECTIONS 5, 6 AND 7;

THENCE NORTH 88 DEGREES 17 MINUTES 35 SECONDS WEST A DISTANCE OF 2643.06 FEET TO GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 89 DEGREES 18 MINUTES 14 SECONDS WEST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SECTION 6 AND THE NORTHWEST CORNER OF SECTION 7;

THENCE NORTH 00 DEGREES 23 MINUTES 51 SECONDS EAST A DISTANCE OF 2642.68 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 6;

THENCE NORTH 00 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2639.12 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

ALL OF SECTION SEVEN (7), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A GLO BRASS CAP ACCEPTED AS THE NORTHWEST CORNER OF SECTION 7 AND THE SOUTHWEST CORNER OF SECTION 6;

THENCE NORTH 89 DEGREES 18 MINUTES 14 SECONDS EAST A DISTANCE OF 2564.26 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON QUARTER CORNER OF SECTIONS 6 AND 7;

THENCE SOUTH 88 DEGREES 17 MINUTES 35 SECONDS EAST A DISTANCE OF 2643.06 FEET TO A GLO BRASS CAP ACCEPTED AS THE COMMON CORNER OF SECTIONS 5, 6 AND 7;

THENCE SOUTH 00 DEGREES 28 MINUTES 12 SECONDS WEST A DISTANCE OF 2647.14 FEET TO A GLO BRASS CAP ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 00 DEGREES 23 MINUTES 29 SECONDS WEST A DISTANCE OF 2638.42 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 7;

THENCE NORTH 88 DEGREES 34 MINUTES 58 SECONDS WEST A DISTANCE OF 2656.71 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 7;

THENCE SOUTH 89 DEGREES 35 MINUTES 31 SECONDS WEST A DISTANCE OF 2541.40 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTHWEST CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 17 SECONDS EAST A DISTANCE OF 2641.41 FEET TO A GLO BRASS CAP ACCEPTED AS THE WEST QUARTER CORNER OF SAID SECTION 7;

THENCE NORTH 00 DEGREES 20 MINUTES 03 SECONDS EAST A DISTANCE OF 2644.05 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 3:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION EIGHT (8), TOWNSHIP TWO (2) NORTH, RANGE FOUR (4) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 8, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE EAST QUARTER CORNER OF SAID SECTION 8 BEARS NORTH 00 DEGREES 11 MINUTES 01 SECONDS WEST A DISTANCE OF 2648.44 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 16 SECONDS WEST A DISTANCE OF 2666.66 FEET TO A GLO BRASS CAP ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 8, FROM WHICH A MARICOPA COUNTY ALUMINUM CAP LS NO. 33307 ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 8, BEARS NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST A DISTANCE OF 5304.50 FEET;

THENCE NORTH 00 DEGREES 04 MINUTES 16 SECONDS EAST, ALONG THE NORTH SOUTH MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 2658.53 FEET TO THE CENTER OF SAID SECTION 8;

THENCE SOUTH 89 DEGREES 45 MINUTES 10 SECONDS EAST, ALONG THE EAST WEST MID-SECTION LINE OF SAID SECTION 8, A DISTANCE OF 502.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 2000.00 FEET, THE CENTER OF WHICH BEARS NORTH 71 DEGREES 50 MINUTES 04 SECONDS EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 72 DEGREES 01 MINUTES 05 SECONDS AN ARC LENGTH OF 2513.90 FEET;

THENCE NORTH 89 DEGREES 48 MINUTES 59 SECONDS EAST A DISTANCE OF 250.00 FEET TO THE EAST LINE OF SAID SECTION 8;

THENCE SOUTH 00 DEGREES 11 MINUTES 01 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 1282.06 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 4:

A NON-EXCLUSIVE EASEMENT, 66 FEET IN WIDTH, FOR INGRESS AND EGRESS AS CREATED BY GRANT OF EASEMENTS RECORDED MARCH 7, 1986 AT RECORDERS NO. 86-111065, ALONG THE COMMON SECTION LINES OF SECTIONS 31 AND 32, TOWNSHIP 3 NORTH, RANGE 4 WEST AND SECTIONS 5 AND 6, TOWNSHIP 2 NORTH RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE ALIGNMENT OF NORTHERN AVENUE; AND 33 FEET ON EACH SIDE OF THE SECTION LINES, BEING THE SOUTH LINE OF THE EAST HALF OF SECTION 5 AND THE NORTH LINE OF THE EAST HALF OF SECTION 8, TOWNSHIP 2 NORTH, RANGE 4 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, ALSO BEING THE GLENDALE AVENUE ALIGNMENT FROM THE SUN VALLEY PARKWAY TO ITS INTERSECTION WITH A COMMON POINT, BEING THE NORTH QUARTER CORNER OF SAID SECTION 8 AND SOUTH QUARTER CORNER OF SAID SECTION 5;

EXCEPTING THEREFROM ANY PART LYING WITHIN PARCELS 1, 2 AND 3 ABOVE.

**EXHIBIT B**

**FORM OF NOTICE INVITING BIDS  
TO BE USED SHALL BE SUBSTANTIALLY THE FORM OF  
NOTICE USED BY THE TOWN OF BUCKEYE FOR  
WORK BID PURSUANT TO THE  
ARIZONA REVISED STATUTES  
AS MAY BE MODIFIED BY THE DISTRICT**

Sealed bids will be received by \_\_\_\_\_ until 10:00 a.m. MST, on \_\_\_\_\_ at \_\_\_\_\_. At this time, the bids will be publicly opened and read aloud and award will be made to the lowest responsible bidder. Each bid shall be accompanied by a cashier's check or a bid bond acceptable to \_\_\_\_\_ for a sum of not less than ten percent (10%) of the amount of the bid, made payable to \_\_\_\_\_.

No bid will be considered unless it is submitted on the provided bid form. \_\_\_\_\_ reserves the right to reject all or any part of any bid.

Contact \_\_\_\_\_, Construction Coordinator, at \_\_\_\_\_ or \_\_\_\_\_, the District Engineer, for additional information.

Plans, specifications and bid forms may be obtained for the sum of \$ \_\_\_\_\_ from the Construction Coordinator, \_\_\_\_\_, or by calling \_\_\_\_\_. This fee is non-refundable. Construction documents will not be available before \_\_\_\_\_.

For those interested in purchasing plans and specifications by mail, there will be an additional advance charge of \$ \_\_\_\_\_ to cover postage and handling. Therefore, a check made payable to \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ should accompany the request. Please allow four to five days for delivery.

The infrastructure which is the subject of the bids is being bid and constructed pursuant to the terms of Development, Financing Participation and Intergovernmental Agreement No. 1 between CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company and Mirielle Community Facilities District. The successful contractor will not have recourse, directly or indirectly, to the Town of Buckeye or Mirielle Community Facilities District for any costs under any construction contract or any liability, claim or expense arising therefrom.

A pre-bid conference will be held at \_\_\_\_\_, \_\_\_\_\_, at 10:00 a.m. MST. The work consists of construction of:

**[INSERT]**

All bids received in response to this Notice Inviting Bids shall be in conformance with the applicable Arizona State Law.



EXHIBIT C

**FORM OF CERTIFICATE OF ENGINEERS FOR  
CONVEYANCE OF ACQUISITION PROJECT OR SEGMENT OF PROJECT**

CERTIFICATE OF ENGINEERS FOR CONVEYANCE OF SEGMENT OF PROJECT

(insert description of Project/Segment)

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
MIRIELLE COMMUNITY FACILITIES )  
DISTRICT )  
\_\_\_\_\_ )

We the undersigned, being Professional Engineers in the State of Arizona and, respectively, the duly appointed District Engineer for Mirielle Community Facilities District (the "*District*"), and the engineer employed by CSW Sun Valley South Holdings, L.L.C., an Arizona limited liability company (the "*Owner*"), each hereby certify for purposes of the District Development, Financing Participation and Intergovernmental Agreement No. 1 Mirielle Community Facilities District, dated as of February \_\_, 2007 (the "*Agreement*"), by and among the District, the Town of Buckeye, Arizona (the "*Municipality*") and the Owner that:

1. The Acquisition Project or Segment indicated above has been completed in accordance with the Plans and Specifications (as such term and all of the other initially capitalized terms in this Certificate are defined in the Agreement) and the Contract (as modified by any change orders permitted by the Agreement) for such Segment.

2. The Project Price or Segment Price as publicly bid and including the cost of approved change orders for such Acquisition Project or Segment is \$ \_\_\_\_\_.

3. The Owner provided for compliance with the requirements for public bidding for such Acquisition Project or Segment as required by the Agreement (including, particularly but not by way of limitation, Title 34, Chapter 2, Article 1, Arizona Revised Statutes, as amended) or such other applicable law prescribing public bidding requirements in connection with award of the Contract for such Acquisition Project or Segment.

4. The Owner filed all construction plans, specifications, contract documents, and supporting engineering data for the construction or installation of such Acquisition Project or Segment with the Municipality.

5. The Owner obtained good and sufficient performance and payment bonds in connection with such Contract as were required by the Agreement.

DATED AND SEALED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,

\_\_\_\_\_.

By \_\_\_\_\_  
District Engineer

[P.E. SEAL]

By \_\_\_\_\_  
Engineer for the Owner

[P.E. SEAL]

Confirmed for purposes of Sections 1.5, 2.3, and  
3.2 of the Development Agreement by  
MIRIELLE COMMUNITY FACILITIES  
DISTRICT

By \_\_\_\_\_  
\_\_\_\_\_, District Manager

EXHIBIT D

**FORM OF CONVEYANCE OF ACQUISITION PROJECT  
OR SEGMENT OF PROJECT**

(Insert description of Project/Segment)

STATE OF ARIZONA )  
COUNTY OF MARICOPA )  
MIRIELLE COMMUNITY FACILITIES )  
DISTRICT )  
\_\_\_\_\_ )

**KNOW ALL MEN BY THESE PRESENTS THAT:**

\_\_\_\_\_, an Arizona \_\_\_\_\_ (the "Owner"), for good and valuable consideration received by the Owner from Mirielle Community Facilities District, a community facilities district formed by the Town of Buckeye, Arizona (the "Municipality"), and duly organized and validly existing pursuant to the laws of the State of Arizona (the "District"), receipt of which is hereby acknowledged [, **and the promise of the District to hereafter pay the amounts described in the hereinafter described Development Agreement\***], does by these presents grant, bargain, sell and convey to the [Municipality], its successors and assigns, all of the Owner's right, title and interest in and to the following described property, being the subject of a District Development, Financing Participation and Intergovernmental Agreement No. 1 Mirielle Community Facilities District, dated as of February \_\_, 2007, by and among the Owner, the Municipality and the District and more completely described in such Development Agreement:

[Insert description of Project/Segment]

together with any and all benefits, including warranties and performance and payment bonds, under the applicable Contract (as such term is described in such Development Agreement) or relating thereto, all of which are or shall be located within public rights-of-way, public utility or other public easements dedicated or to be dedicated by plat or otherwise free and clear of any and all liens, easements, restrictions, conditions, or encumbrances affecting the same [, **such subsequent dedications not affecting the promise of the District to hereafter pay the amount described in such Development Agreement\***], but subject to all reservations in patents, and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities or other matters of record, any matters that would be disclosed by a

\_\_\_\_\_  
\*Insert with respect to any acquisition financed pursuant to Section 5.1(a) hereof including for any amounts remaining and eligible for reimbursement.

proper inspection or ALTA survey of the above-described property, and such other matters as set forth on Schedule I hereto.

**TO HAVE AND TO HOLD** the above-described property, together with all and singular the rights and appurtenances hereunto in anywise belonging, including all necessary rights of ingress, egress, and regress, subject, however, to the above-described exception(s) and reservation(s), unto the [**Municipality**], its successors and assigns, forever; and the Owner does hereby bind itself, its successors and assigns to warrant and forever defend, all and singular, the above-described property, subject to such exception(s) and reservation(s), unto the [District or Municipality], its successors and assigns, against the acts of all others.

The Owner binds and obligates itself, its successors and assigns, to execute and deliver at the request of the District any other or additional instruments of transfer, bills of sale, conveyances, or other instruments or documents which may be necessary or desirable to evidence more completely or to perfect the transfer to the [**Municipality**] of the above-described property, subject to the exception(s) and reservation(s) hereinabove provided.

This conveyance is made pursuant to such Development Agreement, and the Owner hereby agrees that the amounts specified above and paid [**or promised to be paid**] to the Owner hereunder satisfy in full the obligations of the District under such Development Agreement for such Project or Segment and hereby releases the District from any further responsibility to make payment to the Owner under such Development Agreement.

The Owner, in addition to the other representations and warranties herein, specifically makes the following representations and warranties:

1. The Owner has the full legal right and authority to make the sale, transfer, and assignment herein provided.
2. The Owner is not a party to any written or oral contract which adversely affects this Conveyance.
3. The Owner is not subject to any bylaw, agreement, mortgage, lien, lease, instrument, order, judgment, decree, or other restriction of any kind or character which would prevent the execution of this Conveyance.
4. The Owner is not engaged in or threatened with any legal action or proceeding, nor is it under any investigation, which prevents the execution of this Conveyance.
5. The person executing this Conveyance on behalf of the Owner has full authority to do so, and no further official action need be taken by the Owner to validate this Conveyance.
6. The facilities conveyed hereunder are all located within property owned by the Owner, public rights-of-way, or public utility or other public easements dedicated or to be dedicated by plat or otherwise.

IN WITNESS WHEREOF, the Owner has caused this Conveyance to be executed and delivered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

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

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

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, of \_\_\_\_\_, an Arizona \_\_\_\_\_, on behalf of \_\_\_\_\_.

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

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

[NOTARY SEAL]

**SCHEDULE I  
TO  
CONVEYANCE OF ACQUISITION PROJECT OR SEGMENT OF PROJECT**

(Insert all exceptions and reservations to the Conveyance)

**EXHIBIT E**

**FORM OF DISCLOSURE PAMPHLET**

**GENERAL OBLIGATION BONDS**

**MIRIELLE COMMUNITY FACILITIES DISTRICT  
INFORMATION AND DISCLOSURE STATEMENT**

**[IMPORTANT – READ CAREFULLY]**

Buyer(s): \_\_\_\_\_

Lot: \_\_\_\_\_

Parcel: \_\_\_\_\_

Homebuilder: \_\_\_\_\_

**Mirielle Community Facilities District**

This informational handout and disclosure statement has been prepared by the homebuilders in Mirielle in conjunction with other land owners and developers in the Mirielle community and the Town of Buckeye for the purpose of explaining the concept of Community Facilities District (CFD) financing and the basis for establishing such a district at Mirielle. This handout and disclosure statement will also generally describe the ad valorem (property) tax and district assessment liability for each residential property owner in Mirielle resulting from their inclusion within the District, along with the benefits that each resident will derive because of the District.

**Background**

On September 30, 1988 the Arizona Community Facilities District Act (Act) became effective. The Act, which was passed by the state legislature, was created to allow Arizona municipalities to form special districts for the purpose of financing the acquisition, construction, operation and/or maintenance of public infrastructure. Specifically, a CFD can be created to finance the acquisition, construction, operation and/or maintenance of various types of public infrastructure including:

- Roadways and Parking
- Water Systems
- Sewer Systems
- Parks and Open Space
- Pedestrian Walkways
- Hiking, Biking and Pedestrian Trails
- Landscaping
- Drainage Systems
- Public Lighting
- Public Buildings
- Schools
- Fire Protection
- Public Safety Facilities
- Traffic Safety
- Equipment, Furnishing and Vehicles

As traditional sources of funding public infrastructure have decreased, the use of CFDs has increased as a means of financing the costs of providing and maintaining public infrastructure.

### **How the Mirielle CFD Works**

On \_\_\_\_\_, 2006 the Buckeye Town Council adopted Resolution \_\_\_-06 forming the Mirielle Community Facilities District, which includes all of the area in the Mirielle project. The CFD issues bonds to finance the acquisition and/or construction of public infrastructure including road, water, sewer and storm drainage infrastructure and to provide for operational and maintenance expenses for these improvements. The type of bonds that the CFD will use to finance public infrastructure are called district general obligation bonds. General obligation bonds are repaid by ad valorem, or property taxes on the property within the CFD.

### **Ad Valorem (Property) Taxes of the CFD**

General obligation bonds and the CFD's operation and maintenance expenses are paid from ad valorem (or property) taxes levied against all property within the CFD. At the time this information and disclosure statement was prepared, no general obligations bonds had been issued by the CFD. However, it is anticipated that by 2008 general obligation bonds will be sold to provide financing for additional public infrastructure. Although the specific amount and the associated financial terms of that future general obligation bond or bonds are unknown, it is anticipated that approximately \$3.30 per \$100 of assessed valuation will be added to the property tax rate to repay the general obligation bonds and pay operation and maintenance expenses. Such adjustment to the tax rate could vary depending upon factors including the amount financed with general obligation bonds, the terms of the financing, and the assessed valuation (i.e. for tax purposes) of property within the CFD. Your share of general obligation bond payments and expenses are included as part of your regular Maricopa County property tax statement and are separately shown in addition to taxes levied by the Town of Buckeye and other governmental jurisdictions.

### **What Will Be Financed?**

The Mirielle CFD has been established to initially finance approximately \$\_\_\_\_\_ million in public infrastructure within Mirielle. This public infrastructure includes, but is not limited to, paving, curb and gutter, sidewalk, water storage facilities, wells, sewer lines, manholes, water lines, valves, and street signs. It is anticipated that general obligation bonds will be sold in 2010 and thereafter to finance additional infrastructure improvements including, but not limited to, paving, curb and gutter, sidewalk, water storage facilities, wells, sewer lines, manholes, water lines, valves, and street signs.

### **Benefits to Residents**

All homebuyers in Mirielle will benefit from the public infrastructure improvements that will be financed by the CFD through their usage of the paving, curb and gutter and other improvements. The public improvements will be completed within a short time period, and the property owners



within the District will be assured of accountability because the Town of Buckeye Town Council acts as the Board of Directors for the Mirielle Community Facilities District.

Additionally, if you finance the purchase of your home in Mirielle with a mortgage, you should realize tax benefits due to the CFD. The ad valorem (or property) tax that repays the general obligation bonds will be a part of your property tax bill and both the principal and the interest payments are currently deductible from federal and state taxes. If the developer financed those same public improvements without a CFD, those costs would have been added to the purchase price of the home and the sales price of your home would have been greater. If all of that price increase was financed by a mortgage, only the mortgage interest expense on that incremental portion of your larger home loan (and not the principal) for the cost of those public improvements would be deductible from federal and state taxes. Therefore, because CFD general obligation bonds were used to finance certain public improvements, the entire cost of these public improvements is currently deductible from federal and state taxes.

**Property Owner's Tax Liability**

The obligation to pay the debt service on the general obligation bonds will become the responsibility of any property owner in Mirielle. Beginning in the fiscal year 2008-2009, it is anticipated that the district will levy a total CFD tax of \$3.30 per \$100.00 of secondary assessed value to (i) provide for repayment of general obligation bonds and (ii) provide funds for operation and maintenance expenses of the CFD. The bonds will be structured with the expectation that the debt portion of the tax rate of \$3.00 will be sufficient to provide for the debt service on the general obligation bonds. However, under current law, there is no limit on what this tax rate may be. To protect the homebuyer and maintain a \$3.00 debt tax rate, the developers may be contractually obligated to provide monies to maintain the \$3.00 debt tax rate until such time as monies from the \$3.00 tax levy are sufficient to provide for the debt service on the general obligation bonds.

The following diagram illustrates the additional, projected annual liability imposed by the CFD, based on varying residential values within Mirielle:

<u>Estimated Home Price</u>	<u>Estimated Annual General Obligation Bonds and Expense Payment (1) (2)</u>
\$275,000	\$744
\$300,000	\$812
\$325,000	\$879
\$350,000	\$947

Footnotes:

- (1) Represents the repayment of the CFD general obligation bonds and operation and maintenance expenses based upon a tax rate of \$3.30 per \$100 of secondary assessed value.

- (2) All of the taxes and charges described above are in addition to any taxes, fees and charges imposed by the Town of Buckeye or other governmental jurisdictions and are in addition to any assessments or fees imposed by any homeowners association.

**Property Taxes in Mirielle**

The following table lists the various property tax rates applicable in Mirielle, as well as the estimated property taxes for a house with a sales price of \$300,000:

<b><u>Buckeye Property Taxes</u></b>		
(Assumes: Home Sales Price of \$300,000, Full Cash Value of \$246,000 and Limited Cash Value of \$225,000)		
	<b>Mirielle</b>	
	<b>Tax Rate</b>	<b>Taxes</b>
<b>Primary</b>		
State and County	\$1.1794	\$ 265
Community College District	0.8815	198
Unified School District	0.8045	181
Town	1.6570	373
<b>Total Primary</b>	<b>\$4.5224</b>	<b>\$1,017</b>
<b>Secondary</b>		
State and County	\$0.5006	\$ 123
Community College District	0.1831	45
Unified School District	0.5512	136
Town	0.1714	42
Joint Technological Education District	0.0500	12
General Obligation Bond	3.3000	812
<b>Total Secondary</b>	<b>\$4.7563</b>	<b>\$1,170</b>
<b>Total Tax Rate / Taxes</b>	<b>\$9.2787</b>	<b>\$2,187</b>

**Homeowner's Acknowledgements**

By signing this disclosure statement, you as a contract purchaser of a lot located within the Mirielle Community Facilities District (i) acknowledge receipt of this disclosure; and (ii) agree that you have been granted an opportunity to review the material contained in this Disclosure.

Your signature below acknowledges that you have received, read and understood this document at the time you have signed our purchase contract and agree to its terms.

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

Date: \_\_\_\_\_, 200\_\_

Date: \_\_\_\_\_, 200\_\_

## FORM OF DISCLOSURE PAMPHLET

### SPECIAL ASSESSMENT BONDS

#### MIRIELLE COMMUNITY FACILITIES DISTRICT OF THE TOWN OF BUCKEYE, ARIZONA

The following information has been prepared by \_\_\_\_\_, an Arizona \_\_\_\_\_, for the purpose of explaining community facilities districts (“CFDs”) in general and specifically the basis for establishing a CFD at the development known as “Mirielle”. This information also describes financing completed by the CFD at Mirielle and *the approximate special assessment liability for each resident of Mirielle resulting from inclusion within the CFD at Mirielle* along with the benefits that each resident will derive because of the CFD at Mirielle.

#### BACKGROUND

On September 30, 1988, the Arizona Community Facilities District Act became effective. The Act, which was passed by the State legislature, was created to allow Arizona municipalities to form CFDs for the purpose of, among others, financing certain public infrastructure purposes, including that related to developments such as Mirielle.

#### HOW THE CFD WORKS

On \_\_\_\_\_, 2006 the Buckeye Town Council (“Town”), formed the CFD at Mirielle. Special assessment lien bonds have been issued by the CFD at Mirielle to finance the acquisition and construction of public infrastructure. The public infrastructure will be dedicated, as appropriate, to the Town after acquisition or construction of such public infrastructure at Mirielle for perpetual operation and maintenance.

#### WHAT WAS FINANCED?

The CFD at Mirielle has financed approximately \_\_\_\_\_ in public infrastructure within Mirielle including costs related to the financing thereof.

#### BENEFITS TO RESIDENTS

The bonds issued by the CFD at Mirielle will benefit all residents within Mirielle by providing the following infrastructure:

These benefits were taken into account by the developer of Mirielle in connection with establishing the price of the lots on which the homes in Mirielle are to be or were built. Each lot owner within the CFD at Mirielle will participate in the repayment of the bonds in the form of a

special assessment which will take the form of a lien on the lot on which their home was built, the amount secured thereby being payable in annual principal installments with semiannual interest accrual (as well as accrual for certain administrative expenses of the CFD at Mirielle) and payment until the full principal amount has been repaid.

Date \_\_\_\_\_

\_\_\_\_\_  
Homeowner