

# EXHIBIT 1

# STAR VALLEY DEVELOPMENT

## Traffic Impact Analysis

Prepared for

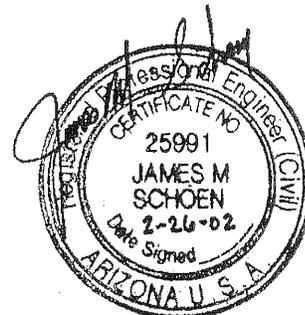
*MMLA*

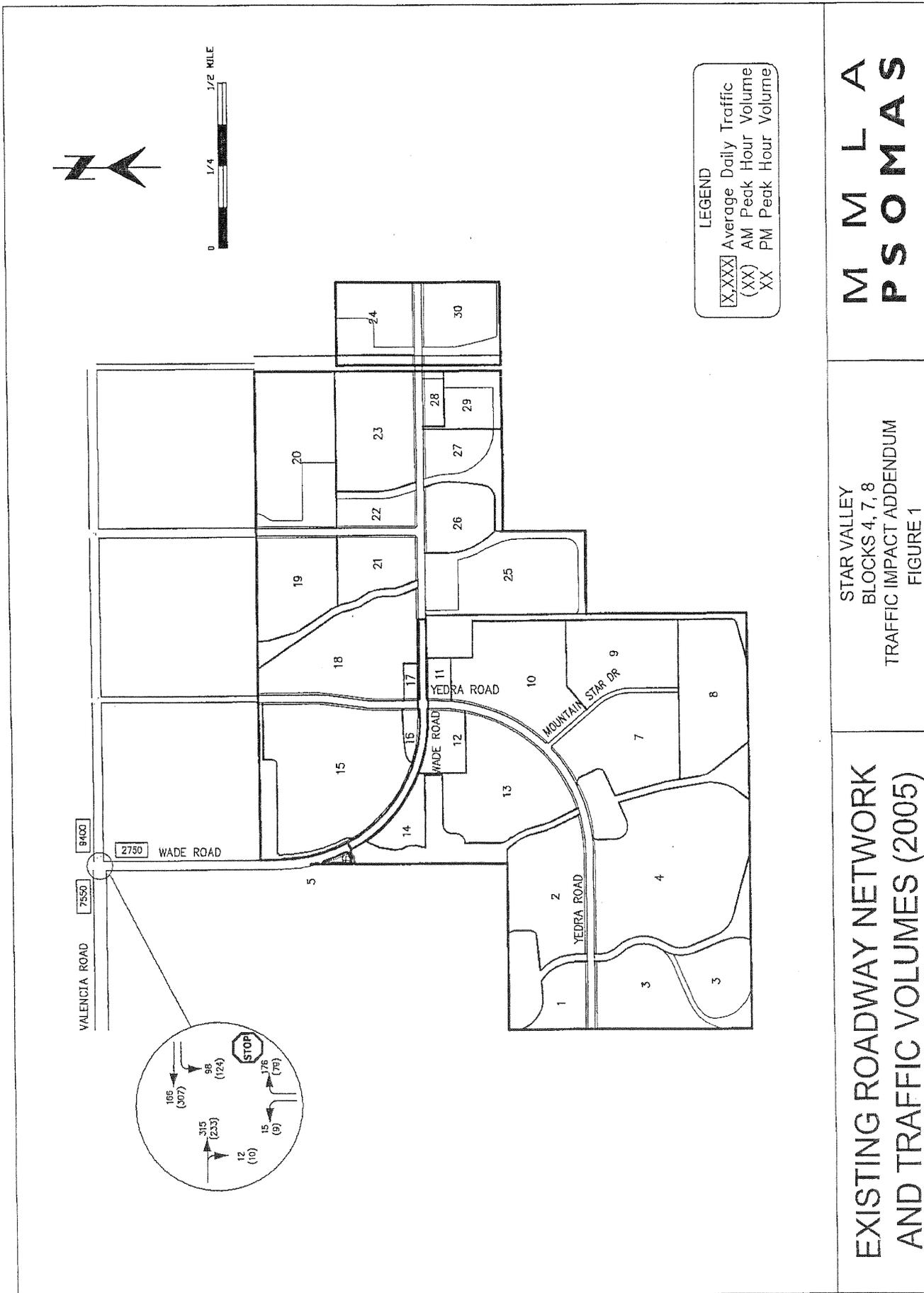
Prepared by

**CEI**

Catalina Engineering, Inc.

February 2002





EXISTING ROADWAY NETWORK  
AND TRAFFIC VOLUMES (2005)

STAR VALLEY  
BLOCKS 4, 7, 8  
TRAFFIC IMPACT ADDENDUM  
FIGURE 1

## 6.4 Site Access

The planned development roadway network will provide good site access and can be implemented in conjunction with the development phasing. Initially, the primary access point into the development will be Wade Road since it currently connects to Valencia Road. As such, the Wade Road/Valencia Road intersection may need to be signalized. Extension of Camino Verde, south of Valencia Road into the site, should be completed early in the development. This connection will enhance access to both Valencia Road and Ajo Highway. Additional site access at Vahalla Road and Viviana Road can be implemented as development extends to the east and west of Camino Verde.

## 6.5 Pedestrian, Bicycle, and Transit Considerations

Provision of alternate mode facilities to accommodate the needs of pedestrians, cyclists, and transit should be included within the development site. This should include bicycle lanes and sidewalks. Widening of Camino Verde and Valencia Road should include multi-use lanes and sidewalks.

## 7. CONCLUSIONS AND RECOMMENDATIONS

Based upon the projected traffic impacts associated with the planned Star Valley development and on other expected development in the surrounding area, improvements to the surrounding roadway network will be required to provide necessary capacity and an appropriate level of safety. Key findings of the traffic analysis and recommendations are listed below.

1. The development is expected to generate some 48,000 daily trips at build-out. It is predicted that 40,000 trips will be external to the development site.
2. Valencia Road, Camino Verde, and Ajo Highway will be the primary arterials that serve the Star Valley development as well as other future developments in the surrounding area. In order to provide sufficient roadway capacity and ensure proper access, the following improvements will need to occur.
  - a. Widen Valencia Road, from Camino Verde to the CAP canal, to a 4-lane cross section. Install a traffic signal at Camino Verde/Valencia Road. Traffic signals may also be required at Wade Road/Valencia Road and at Viviana Road/Valencia Road, depending upon traffic distribution to the site.
  - b. Widen Ajo Way to 4-lanes from Camino Verde to Kinney Road.
  - c. Widen Camino Verde to a 4-lane divided cross section from Valencia Road to Ajo Highway. Install a traffic signal at Camino Verde/Ajo Highway.
3. The proposed internal site roadways (Camino Verde, Wade Road/Los Reales Road, and Viviana Road) should initially be constructed as 2-lanes with left-turn bays at local streets and major driveways. Bicycle lanes and sidewalks should be provided. Ninety feet of right-of-way should be provided for Camino Verde, Wade Road, Los Reales Road, and Viviana Road.

4. Upon construction of Camino Verde, between Yedra Road and Wade Road, Yedra Road should be improved to a 2-lane paved cross section.
5. Roadway cross section standards provided in the Pima County Roadway Design Manual will apply to improvements on Valencia Road and Camino Verde (north of Valencia Road).
6. A sub-area transportation study of the Altar Valley area should be performed by Pima County to identify roadway and drainage improvements required in response to the accelerated development that is anticipated over the next 10 to 20 years.

## 8. IMPLEMENTATION PLAN

Based on the results of the traffic analysis, an implementation plan that addresses cost, funding, sequencing, and monitoring of roadway improvements required to support the projected traffic demand generated by the Star Valley development and future development in the area has been prepared.

### 8.1 Improvement Costs

Planning level cost estimates for the recommended roadway improvements external to the development site are provided in Exhibit 24. The costs represent improvements required to support traffic demand generated by the Star Valley development at buildout and by other developments that may occur in the area.

**Exhibit 24. Roadway Improvement Costs**

	Roadway	Section	Description	Length	Cost (\$ millions)
1	Valencia Road	Camino Verde to CAP crossing	Widen to 4 lanes	1.0 mi	5.0
2	Camino Verde	Valencia Road to Ajo Way	Widen to 4 lanes	1.8 mi	9.0
		Development Boundary to Valencia Road	Construct 4 lanes	0.5 mi	2.5
3	Ajo Highway	Camino Verde to Kinney Road	Widen to 4 lanes	1.5 mi	7.0
4	Viviana Road	Development Boundary to Valencia Road	Construct 4 lanes	0.5 mi	2.5
5	Yedra Road	Vahalla to Development Boundary	Construct 2 lane roadway	0.5 mi	1.0

### 8.2 Funding

Implementation of transportation improvements in the area is expected to be funded from a combination of developer, local, and state sources. Roadways within the development boundary will be constructed by the developer. Construction of the sections of Camino Verde and Viviana Road to provide connections with existing roadways and access to the site will be required as part of the development.

Developer impact fees provide an equitable and flexible method for generating a portion of the funds required for roadway improvements external to the development site. This funding

mechanism ensures that all new development that occurs in the area contributes to the expansion of infrastructure and generates funding based on the amount of development that actually occurs. The Star Valley development is located in the Altar Valley development impact fee area, although the fee process is not currently active. It is anticipated that the upcoming update of the Pima County developer impact fee ordinance will include the Altar Valley area. Based on the current Pima County impact fee of \$1,550 per single family unit, the Star Valley development will generate approximately \$6.7 million of impact fee revenue at build out.

### **8.3 Phasing of Improvements**

Roadway improvements will be implemented as development occurs. Detailed traffic impact studies should be conducted for each phase of the Star Valley development in order to identify needed roadway capacity, access, and traffic control to provide an acceptable level of service and safety. The widening of Valencia Road to 4-lanes and construction of the section of Camino Verde from the development boundary to Valencia Road will need to occur within the first half of the Star Valley development. Implementation of improvements to Camino Verde and Ajo Way will occur as development continues and as determined by traffic studies performed for each phase.

A preliminary phased implementation of necessary roadway improvements, based on the anticipated phasing of the Star Valley development and development of surrounding parcels, is provided in Exhibit 25.

**Exhibit 25. Projected Improvement Phasing**

	Improvement	Implementation Period
1	Widen Valencia Road, CAP to Camino de la Tierra, 4-lanes	Under design; planned construction - 2004/05
2	Signalize Camino de Oeste/Valencia Road	Under design; planned construction - 2002
3	Widen Valencia Road, Camino Verde to CAP, 4-lanes	2005-2010
4	Widen Ajo Hwy., Camino Verde to Kinney Road, 4-lanes	2005-2010
5	Extend Wade Road to Camino Verde, 2-lanes	Under design; planned construction - 2002/03
6	Construct Camino Verde, Wade Road/Los Reales Road to development boundary, 2-lanes	Under design; planned construction - 2002/03
7	Construct Camino Verde, development boundary to Valencia Road, 2-lanes	2005-2010
8	Signalize Camino Verde/Valencia Road	2005-2010, as warranted
9	Signalize Wade Road/Valencia Road	2005-2010, as warranted
10	Signalize Camino Verde/Ajo Hwy.	2005-2010, as warranted
11	Signalize Mark Road/Valencia Road	2005-2010, as warranted
12	Construct Los Reales Road, Camino Verde to Viviana Road, 2-lanes	Under design; planned construction - 2002/03
13	Construct Los Reales Road, Viviana Road to development boundary, 2-lanes	>2010
14	Construct Viviana Road, Los Reales Road to Valencia Road, 2-lanes	>2010
15	Extend Camino Verde to tie into Yedra Road, 2-lanes	Under design; planned construction - 2002/03
16	Improve Yedra Road, Camino Verde to Vahalla Road, 2-lanes	>2010, if required
17	Widen Camino Verde, Valencia Road to Ajo Hwy., 4-lanes	>2010
18	Widen Camino Verde, Wade Road/Los Reales Road to Valencia Road, 4-lanes	>2010
19	Signalize Viviana Road/Valencia Road	>2010, as warranted
20	Signalize Camino Verde/ Los Reales Road	>2010, as warranted

*Pima County*

*Pima County*

**EXHIBIT 2**



**PIMA COUNTY**  
**DEPARTMENT OF TRANSPORTATION AND FLOOD CONTROL DISTRICT**  
201 NORTH STONE AVENUE, THIRD FLOOR  
TUCSON, ARIZONA 85701-1207

KURT WEINRICH, P. E.  
DIRECTOR

(520) 740-6410  
FAX (520) 620-1933

July 8, 2002

Mr. Geoff W. Harris, P.E.  
Project Manager  
MMLA, Inc.  
800 E. Wetmore Rd., Suite 110  
Tucson, AZ 85719

RE: Star Valley Development, Traffic Impact Analysis Report

Dear Mr. Harris,

Thank you and Mr. Lodge for meeting with Ted Payne and myself this morning to discuss the transportation improvement financing and implementation plan for Star Valley. As I mentioned, the traffic analysis section of the report is acceptable to Transportation staff. What remains to be settled is the responsibility for funding the off-site roadway improvements necessary for this project which are listed under "Conclusions and Recommendations" on page 26 and 27 of the subject report.

As we discussed today, Transportation staff recommends that the developer pay for and construct those immediate off-site improvements needed to mitigate the traffic impacts of this development and provide a minimum of LOS D with build out of the first half of the development. These improvements include Viviana Road and Camino Verde connections to Valencia Road, Valencia Road widening and intersection capacity improvements and signalization where needed, and Camino Verde improvements north of Valencia Road. Staff also recommends that the developer contribute funds to offset regional traffic impacts to major routes in the vicinity of the project as build out is completed. Ajo Highway improvements fall outside of Pima County jurisdiction and would need to be coordinated through the Arizona Department of Transportation.

We discussed using development impact fees to help fund all off-site improvements except the Viviana Road and Camino Verde connections to Valencia Road. Transportation staff views those road connections as project-related and not appropriately funded with impact fees.

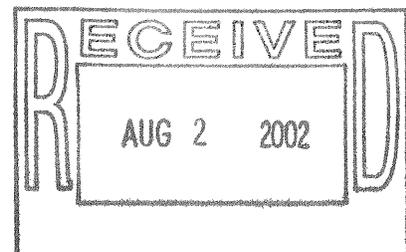
We look forward to working with you to come to an agreement as soon as possible. Please call me at 740-6383 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Crowe".

Jonathan Crowe, AICP  
Principal Planner

c: Ted Payne



**BROADWAY REALTY & TRUST, INC.**  
4855 East Broadway, Suite 103  
Tucson, Arizona 85711

Phone: 520-747-5700 Fax: 520-577-8555  
**FAX MESSAGE**

File No. TGA 1330.4

DATE: August 15, 2002

TO: John Bernal  
Pima County Deputy Administrator  
Public Works Administration  
100 N. Stone Avenue, Suite 300  
Tucson, Arizona 85701

FAX NUMBER: 205-8360

FC: Tom Lodge, MMLA

FAX NUMBER: 292-1290

FC: Hugh M. Caldwell, Jr. Esquire

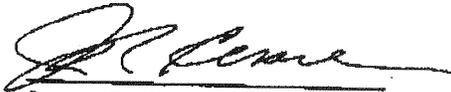
FAX NUMBER: 745-1279

FROM: Joseph R. Cesare

REF: Star Valley Block Plat Recordation

**MESSAGE:**

- 1) By Fax Message on August 9, 2002 we requested that you approve our Traffic Report and cause the Block Plat to be recorded for the above caption; to date we have not had a response and need to know your decision.
- 2) The Board approved the Block Plat on July 15, 2002 and it should have been recorded by now.
- 3) Please communicate with me as to the Recordation Status.

  
Joseph R. Cesare

**THIS FACSIMILE IS THE ONLY COPY YOU WILL RECEIVE. THE ORIGINAL WILL BE KEPT ON FILE AT THIS OFFICE, UNLESS INDICATED ABOVE.**  
Total pages including this page . If you do not receive all pages, call 747-5700.



**John M. Bernal,**  
Deputy County Administrator

**PIMA COUNTY**  
**Public Works Administration**  
100 N. Stone Ave., Suite 300  
Tucson, Arizona 85701

Website: [www.co.pima.az.us](http://www.co.pima.az.us)  
Tel.: 520.205.8350  
fax: 520.205.8360

**August 16, 2002**

**Mr. Joseph R. Cesare**  
**Broadway Realty & Trust, Inc.**  
**4855 East Broadway, Suite 103**  
**Tucson, Arizona 85711**

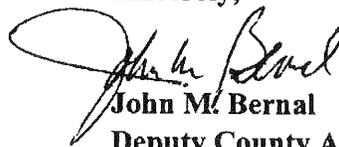
**Re: Star Valley Block Plat**

**Dear Mr. Cesare:**

Your request for approval of the Transportation Improvement Financing Plan and Transportation System Implementation Plan as required by condition 11 D. of the Star Valley Specific Plan Ordinance has not been granted by the Department of Transportation and Flood Control District (DOT&FCD). I have requested that the DOT&FCD staff review the materials submitted with your August 9, 2002 fax, together with the August 2, 2002 letter from MMLA, to determine whether any of the presented information in these communications satisfactorily supplements the previously submitted materials to address the concerns expressed in the DOT& FCD letter of July 8, 2002.

You or your representative will be contacted by the DOT&FCD staff to further review this matter.

Sincerely,



**John M. Bernal**

**Deputy County Administrator—Public Works**

JMB:jgs

c: Kurt Weinrich, Director, Transportation & Flood Control District  
Ben Goff, Deputy Director, Transportation & Flood Control District  
Carmine DeBonis, Director, Development Services



**PIMA COUNTY**  
**DEPARTMENT OF TRANSPORTATION AND FLOOD CONTROL DISTRICT**  
201 NORTH STONE AVENUE, THIRD FLOOR  
TUCSON, ARIZONA 85701-1207

KURT WEINRICH, P. E.  
DIRECTOR

(520) 740-6410  
FAX (520) 620-1933

August 28, 2002

Mr. Joseph R. Cesare  
Broadway Realty & Trust, Inc.  
4855 East Broadway, Suite 103  
Tucson, Arizona 85711

Re: Star Valley Specific Plan

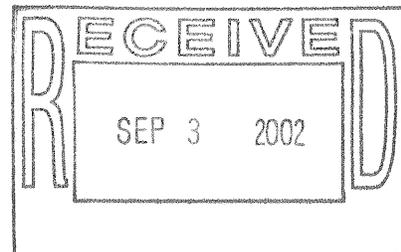
Dear Mr. Cesare:

The Department of Transportation staff as requested by Mr. John M. Bernal, Deputy County Administrator-Public Works, has reviewed your August 9, 2002 fax and the August 2, 2002 letter from MMLA. Both documents indicate your position that the Star Valley development has no responsibility for the construction or funding of off-site roadway improvements except for Wade Road. This position appears to be based on your interpretation of the Star Valley Specific Plan Ordinance and the "Requirements of the Department of Transportation", Transportation Condition 11.D.

Star Valley Specific Plan: Transportation Condition 11.D.

"A transportation improvement financing plan and transportation system implementation plan for the specific plan area shall be required before any subdivision plat is approved. The implementation plan shall address the provision of major routes within the plan area, the provision of capacity and route continuity adjacent to the plan and the areas of responsibility of the County, the primary developer and any subsequent developers."

Transportation staff interprets this transportation condition to require participation by the property developers in any needed roadway improvements that are or will be necessary to accommodate traffic impacts associated with the proposed development. The needed roadway improvements are to offset impacts to existing public roadways that provide access to the developing properties.



The traffic analysis section of the Star Valley Development, Traffic Impact Analysis Report dated February 2002 was approved and accepted by Transportation staff as noted in Mr. Jonathan Crowe's letter of July 8, 2002. The Report notes that Star Valley Development is predicted to generate 40,000 vehicle trips external to the specific plan property. This off-site traffic is expected to have a major impact on the existing public roadway system that provides access to and from the specific plan developments. The Report further notes that off-site roadway capacity improvements will be needed to accommodate traffic from the specific plan development. These noted off-site roadway improvements are anticipated to cost approximately \$27 million. This cost represents how much money is needed to construct the off-site roadway improvements required to support the traffic demand generated by the Star Valley development at build-out and by other developments that may occur in the area.

Developer participation in the construction and/or financing of any needed safety and/or capacity improvements for off-site roadways to address development traffic impacts to existing public roadways has routinely been required by the Department of Transportation as a condition of development approval. The same Transportation Condition was applied to the Santa Rita Ranch Specific Plan (Ordinance #1988-82) that is also starting the development process and has reached a tentative agreement with the Department of Transportation regarding off-site roadway construction and financing. This condition is applied to development as a development exaction even if there was no rezoning. To insure that transportation exactions are fair and satisfy the test of essential nexus and rough proportionality, the Department of Transportation reviews and approves Traffic Impact Analysis Reports prepared by qualified Traffic Engineers for Developers. The intent of these Reports is to analyze the traffic impacts of proposed developments and to determine what, if any, transportation improvements are necessary due to the development. When it is established by an approved Report that transportation improvements are needed because of a development, an implementation plan for the construction and/or financing of the needed transportation improvements is developed.

The Star Valley Traffic Impact Analysis Report notes in its Conclusions and Recommendations Section the need for a number of off-site transportation improvements associated with the proposed development. The estimated cost of these improvements and a project-phasing schedule were also provided. However, the Implementation Plan Section of the Report simply says, "Implementation of transportation improvements in the area is expected to be funded from a combination of developer, local, and state sources." While the Report under the Funding Section refers to developer impact fees providing an equitable and flexible method for generating a portion of the funds required for roadway improvements external to the development, there is nothing in the Report committing the Star Valley development to any participation in the funding or construction of any off-site roadway improvements.

The Department of Transportation cannot approve a Transportation Improvement Financing Plan and System Implementation Plan for the Specific Plan without a commitment to participate in all needed improvements. Further, the Department of Transportation cannot support the notion that the Star Valley Specific Plan was approved by the Board of Supervisors with the understanding that rezoning condition 11.D. implied that the sole transportation obligation of the Star Valley Development was to construct only on-site subdivision roadways and only one access road to serve the development of 4,300 residential units.

Transportation staff recommends that the Star Valley Specific Plan Developer negotiate with the Department of Transportation and reach an agreement regarding construction and/or fair share funding of needed off-site roadway improvements. The Traffic Impact Analysis Report already submitted and reviewed provides the framework for this agreement. In lieu of an agreement, staff recommends the Star Valley Developer request through Development Services Department a Board of Supervisors hearing in order to obtain the Board's interpretation of Transportation Condition 11.D.

Sincerely,



Benjamin H. Goff, P.E.

Deputy Director

Pima County Department of Transportation and Flood Control District

BHG/tjp/tjp

- C:     John M. Bernal, Deputy County Administrator-Public Works  
       Kurt Weinrich, Director, Transportation & Flood Control District  
       ✓ Carmine DeBonis, Director, Development Services

## Ted Payne

---

**From:** Lisa Matthews  
**Sent:** Friday, September 13, 2002 9:57 AM  
**To:** Ted Payne  
**Subject:** Confirmed: Sep. 23 10:00 Star Valley Meeting

The meeting will be held in the 3rd Floor Conference Room, 10:00 a.m., September 23.

-----Original Message-----

**From:** Ben Goff  
**Sent:** Friday, September 13, 2002 9:54 AM  
**To:** Lisa Matthews  
**Subject:** RE: Sep. 23 Star Valley Meeting

Yes, thank you. BHG

-----Original Message-----

**From:** Lisa Matthews  
**Sent:** Friday, September 13, 2002 9:54 AM  
**To:** Ben Goff  
**Cc:** Ted Payne  
**Subject:** Sep. 23 Star Valley Meeting  
**Importance:** High

Sydney from Frank Bangs office called and she said that Joe Cesare, Tom Lodge and Frank Bangs would like to meet with you here on Monday, September 23 (10:00) to discuss Star Valley. I reviewed your calendar and you are available during that time, do you want me to confirm your availability?

-----Original Message-----

**From:** Ted Payne  
**Sent:** Thursday, September 12, 2002 1:30 PM  
**To:** Lisa Matthews  
**Subject:** RE: Sydney (629-4403) - Star Valley Meeting

Sounds good to me. TJP

-----Original Message-----

**From:** Lisa Matthews  
**Sent:** Thursday, September 12, 2002 12:44 PM  
**To:** Ted Payne  
**Cc:** Ben Goff; Lisa Matthews  
**Subject:** Sydney (629-4403) - Star Valley Meeting

I just spoke with Ben...he is going to speak with Joe Caesar first before we set up a meeting with Sydney.

-----Original Message-----

**From:** Ted Payne  
**Sent:** Thursday, September 12, 2002 12:39 PM  
**To:** Lisa Matthews  
**Subject:** RE: Star Valley Meeting

Hi Lisa, I can make all times except Thursday, September 19 2:30-3:30. I am at a DRC meeting Thursday from 1:30 on. TJP

-----Original Message-----

**From:** Lisa Matthews  
**Sent:** Thursday, September 12, 2002 12:33 PM  
**To:** Ted Payne

**Subject:** Star Valley Meeting

Hellooo Ted,

These are the Ben's available times to meet with Sydney at Star Valley, which timeframes will work for you? As soon as I figure a common time, I'll confirm the location/time of the meeting.

Wednesday, September 18: Anytime between 9:00 a.m. and 11:00 a.m.

Thursday, September 19: 2:30-3:30

Monday, September 23: Anytime between 9:00 a.m. and 11:00 a.m.

Tuesday, September 24: Anytime between 9:00 a.m. and 11:00 a.m. or 2:30 p.m. - 3:30 p.m.

-----Original Message-----

**From:** Nicole Burdette  
**Sent:** Thursday, September 12, 2002 11:24 AM  
**To:** Lisa Matthews  
**Subject:** Phone message for Ben (11:15 a.m.)

Sydney @ 629-4403 would like you to call her so she can schedule a meeting with Ben regarding the Star Valley road improvements.

**Nicole Burdette**

Pima County  
Department of Transportation  
Transportation Systems  
(520)740-6403

**LEWIS  
AND  
ROCA**  
LLP  
LAWYERS

**FACSIMILE TRANSMITTAL**

One South Church Avenue Suite 700  
Tucson, Arizona 85701-1611  
Telephone (520) 622-2090  
Facsimile (520) 622-3088

September 23, 2002

To: Receiving Party/Firm	Telephone Number	Facsimile Number
Amelia Craig Cramer/Pima County Attorney's Office	740-5750	620-6556
Mr. Ben Goff/Pima County Department of Transportation & Flood Control	740-6403	620-1933
Mr. John M. Bernal/Pima County Public Works	205-8350	205-8360
Mr. Carmine DeBonis/Pima County Development Services	740-6506	623-5411
Joseph R. Cesare	747-5000	577-8555
Karen Novak, RLA/Novak Environmental, Inc.	206-0591	623-3507
Mr. Thomas C. Lodge/McGovern MacVittie Lodge & Associates, Inc.	292-2300	292-1290

From: Frank S. Bangs, Jr. Direct Telephone: (520) 622-2090

Total Pages Including this page: 3 Direct Facsimile: (520) 879-4701

**Comments: Letter attached regarding Star Valley Specific Plan.**

Document(s) Being Transmitted: Will not be sent

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**LEWIS  
AND  
ROCA**  
LLP  
LAWYERS

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3993 Howard Hughes Parkway  
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Las Vegas, Nevada 89109  
Facsimile (702) 949-8398  
Telephone (702) 949-8200

Frank S. Bangs, Jr.  
Direct Dial: (520) 629-4405  
Direct Fax: (520) 879-4701  
Internet: FBangs@lrlaw.com  
Admitted in Arizona

Our File Number 42149-00001

Via telecopy

September 23, 2002

Amelia Craig Cramer, Esq.  
Deputy County Attorney  
Pima County Attorney's Office Civil Division  
32 North Stone Avenue, Suite 2100  
Tucson, Arizona 85701

Re: Star Valley Specific Plan

Dear Amelia:

Our firm represents USH/SVA Star Valley, LLC, the owner of the land subject to the Star Valley Specific Plan. This letter follows our September 23, 2002 meeting with you, Mr. Ben Goff, Mr. Carmine Debonis, Mr. Jonathan Crowe and Mr. Ted Payne.

Two major issues remain as impediments to recording the Star Valley block plat and obtaining grading permits. They are, respectively: (1) the interpretation of Condition 11D of Ordinance No. 1987-212 adopting the Star Valley Specific Plan, and (2) the application of the NPPO to this project. In an attempt to resolve these issues short of litigation, Mr. Tom Lodge will submit supplemental information to Mr. Jonathan Crowe regarding the transportation improvement financing and implementation plan, and Ms. Karen Novak will submit the requested information on the NPPO to Mr. Carmine DeBonis.

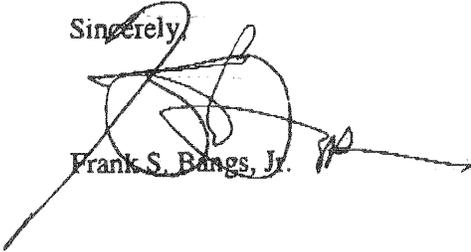
This is to confirm our understanding that the submission of this information by USH/SVA Star Valley in an attempt to resolve these issues and its review by Pima County does not constitute an admission by either party of the validity of the other's legal position on these issues, or a waiver by Pima County or USH/SVA Star Valley of their ability to pursue their respective legal positions in the future. Please let me know immediately if this understanding is incorrect.

LEWIS  
AND  
ROCA  
—LLP—  
LAWYERS

Amelia Craig Cramer, Esq.  
September 23, 2002 Page 2

Thank you for your time and attention to this matter.

Sincerely,

  
Frank S. Bangs, Jr.

FSB/sdl

cc:

Mr. John M. Bernal  
Mr. Ben Goff  
Mr. Carmine Debonis  
Mr. Joseph R. Cesare  
Ms. Karen Novak  
Mr. Thomas C. Lodge  
(All via telecopy)