



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Award Contract Grant

Requested Board Meeting Date: June 19, 2018

** = Mandatory, information must be provided*

or Procurement Director Award

***Contractor/Vendor Name/Grantor (DBA):**

Joel Abrams, a managing member of ABIG Marana LLC and ABIGER Marana LLC ("the Preserve at Twin Peaks"), Richard Neter and Trudy Neter of Twin Peaks Vista ("Twin Peaks Vista"), Gregory Wexler, an authorized agent of Twin Peaks & Lambert Lane 34, LLC ("Twin Peaks & Lambert Lane 34"), and Pima County

***Project Title/Description:**

Sewer Facilities Development Agreement

***Purpose:**

Development Agreement for the construction of the Twin Peaks Blue Bonnet Gravity Sewer Line

***Procurement Method:**

This Development Agreement is a non-procurement contract and not subject to Procurement rules.

***Program Goals/Predicted Outcomes:**

This Development Agreement defines responsibility for efforts to construct and augment portions of the sewer necessary to serve planned developments as well as provide additional capacity for future County needs.

***Public Benefit:**

Public-private partnership to provide wastewater infrastructure. Completion of the gravity line will result in the increased property values, creating an opportunity for additional residential development and other investment opportunities in the region. Wastewater conveyed by the proposed gravity line will be utilized upon treatment in numerous environmental projects for the benefit of Pima County residents.

***Metrics Available to Measure Performance:**

***Retroactive:**

*To: CoB. 6-6-18
Ver. -1
PJS- 37
(1)*

Contract / Award Information

Document Type: CTN Department Code: WW Contract Number (i.e., 15-123): 18-184

Effective Date: 6/19/2018 Termination Date: 6/19/2033 Prior Contract Number (Synergen/CMS): None

Expense Amount: \$ 0 Revenue Amount: \$ 0

***Funding Source(s) required:**

No cost

Funding from General Fund? Yes No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? Yes No

If Yes, is the Contract to a vendor or subrecipient?

Were insurance or indemnity clauses modified? Yes No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? Yes No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

Expense or Revenue Increase Decrease Amount This Amendment: \$ _____

Is there revenue included? Yes No If Yes \$ _____

***Funding Source(s) required:**

Funding from General Fund? Yes No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) Award Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

Match Amount: \$ _____ Revenue Amount: \$ _____

***All Funding Source(s) required:**

*Match funding from General Fund? Yes No If Yes \$ _____ % _____

*Match funding from other sources? Yes No If Yes \$ _____ % _____

*Funding Source: _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Mirela Hromatka

Department: Regional Wastewater Reclamation Department Telephone: 724-6488

Department Director Signature/Date: *John Jenkinson* 6/15/18

Deputy County Administrator Signature/Date: *[Signature]* 6/6/18

County Administrator Signature/Date: *[Signature]* 6/7/18

(Required for Board Agenda/Addendum Items)

Contract No: CTN.WW-18-184 Amendment No: _____

This number must appear on all correspondence and documents pertaining to this contract

SEWER FACILITIES DEVELOPMENT AGREEMENT

The Sewer Facilities Development Agreement (hereinafter "Agreement") by and between Joel Abrams, a managing member of ABIG Marana LLC and ABIGER Marana LLC ("the Preserve at Twin Peaks"), Richard Neter and Trudy Neter of Twin Peaks Vista ("Twin Peaks Vista"), Gregory Wexler, an authorized agent of Twin Peaks & Lambert Lane 34, LLC ("Twin Peaks & Lambert Lane 34"), and Pima County, a body politic (hereinafter "County"), on behalf of its Regional Wastewater Reclamation Department (hereinafter "Department") is entered into as of the date approved by the Pima County Board of Supervisors. The signatories to this Agreement may also be collectively referred to as the Parties.

RECITALS

- A. THE Preserve at Twin Peaks, Twin Peaks Vista, Twin Peaks & Lambert Lane 34, and certain currently unidentified future developers (collectively, the "Participants") are owners of various land developments located in the Town of Marana and in unincorporated Pima County. Legal descriptions of the currently identified land developments (each a "Property" and collectively the "Properties") are set forth in attached **Exhibits A-1 through A-3**.
- B. The Twin Peaks area continues to experience high demand for development with several housing developments currently in the planning stages. Participants intend to develop their respective Properties for primarily residential uses. There is currently no existing public sewer conveyance facilities in the area to serve the Participants' proposed development of the Properties nor is there sufficient projected sewer demand in the area to justify County installation of sewers on a timetable to suit the Participants' needs.
- C. The County has a long-range plan to replace the Tangerine Pump Station with a gravity sewer, with the alignment determined by development growth in the area.
- D. Based on information provided by Participants, County determined that the Properties will produce wastewater flows equivalent to 774 residential units which, as shown on **Exhibit B** hereto, would require a total conveyance capacity of 119,119 gallons per day.

- E. To provide sewer service to the Properties on an expedited basis, the Participants and County wish to enter into an agreement defining responsibility for efforts to construct or augment portions of the sewer necessary to serve the Properties as well as provide additional capacity for future County needs.
- F. County will prepare plans and specifications to construct and install the necessary sewer utility lines and other facilities sufficient to serve the Properties.
- G. Subject to the provisions of paragraph 14.8 below, Phase I of the Improvements is included in the County's current proposed budget (subject to Board of Supervisors approval); County posted the requests for qualifications for the engineering and design of the Improvements February 16, 2018; and County anticipates executing the design-build contract in June 2018 with an anticipated Phase I Improvements completion date during the month of December, 2018.
- H. County intends, pursuant to this Agreement, to complete the new construction and augmentation in two phases to facilitate development of the area containing the Properties. The new and augmented sewer segments covered by this Agreement as well as the phase designations for those segments are depicted on the map attached hereto as **Exhibit C**.
- I. Participants and County enter into this Agreement pursuant to the authority and provisions of Arizona law, including without limitation, A.R.S. § 11-1101, and this Agreement will constitute a "Development Agreement".

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises, terms, covenants, and conditions set forth herein, the Parties agree as follows:

AGREEMENT

1. **PURPOSE.** This Agreement defines the County's commitment to design and construct the sewer improvements ("Improvements") necessary to provide service to the Properties as well as the Participants' commitment to compensate County for the financial burden imposed on it in providing sewer service to the Properties.
2. **TERM.** This Agreement will be effective on the date it is approved by the Pima County Board of Supervisors and will continue for a period of fifteen (15) years following completion of such Phase Improvements unless it is, prior to the expiration of such period, extended, or terminated by agreement of the Parties or terminated pursuant to paragraph 14.8, below.
3. **PHASING.** The Improvements will be constructed by County in two phases pursuant to the schedule attached hereto as **Exhibit D**. For Phase I, completion is anticipated in December 2018;

for Phase II , the schedule will identify approximate phase duration. During those phases, pipe will be installed as follows:

- 3.1. Phase I Improvements, consisting of Segment 2 and approximately 6,600 feet of fifteen inch pipe, will begin southeast of the intersection point of Twin Peaks Road and Blue Bonnet Road and run south along Blue Bonnet Road to the public sewer line S-665-003 in N. Hartman Lane, where it will tie into the existing public sewer at manhole 5175-34.
- 3.2. Phase II Improvements will include the following elements:
 - Segment 1, consisting of approximately 10,500 feet of fifteen inch sewer, will begin at the Tangerine Road Pump Station and run east along W. Tangerine Road to the road intersection with W. Twin Peaks Road then continue south along W. Twin Peaks Road to the connection point with Segment 2.
 - Segment 3, consisting of approximately 7,900 feet of fifteen inch sewer, will augment the existing eight inch line beginning at manhole 5175-34 and running south to the existing eighteen inch public sewer south of the W. Cortaro Farms/N. Hartman Lane intersection.
 - Demolition of Tangerine Road Pump Station.
4. COST OF IMPROVEMENTS. The Parties agree \$5,000,000.00 represents a reasonable estimate of the costs (“Agreed Cost”) of planning, design, and construction of the Improvements. The Participants agree that, should the actual total cost of the Improvements vary downward from the Agreed Cost, they will not seek a reduction in the connection fee surcharge (the “Surcharge”) assessed, pursuant to paragraph 8, against each connected lot within the Properties. In exchange, County agrees that it will not seek an increase in the Surcharge should the total cost of the improvements exceed the Agreed Cost.
5. COST ALLOCATION. The Agreed Cost is allocated between Participants and County pursuant to the calculated percentage of use by each entity of the wastewater flow capacity provided by the Improvements. “Future Users” are those existing and planned developments tributary to the County’s Tangerine Road Pump Station. Currently proposed capacity usage by each Party and by the Future Users is identified in **Exhibit E** hereto. As shown in **Exhibit E**, the County use percentage is estimated at 54.6 % of the total flow with the remaining 45.4 % allocated to Participants and Future Users. Based on this estimated usage, Participants’ and Future Users’ share of the costs is \$5,000,000 times 0.454, or \$2,270,000.
6. COMMERCIAL MULTIPLIER. In determining the allocation of costs between the Participants, use percentages were developed based on flows resulting from the standard residential unit. It is understood that some of the Properties may include commercial development. For purposes of this

- Agreement, the Parties agree that the following equation relating commercial acreage to residential unit flow will be applied: $1,000 \text{ gpd/acre}/(57 \text{ gpcd}*2.7)$, or equivalent 6.5 lots per commercial acre.
7. CHURCHES AND SCHOOLS. Capacity and cost allocations for churches and schools will be determined based on the sewerage design flow for a church or school as shown in the Arizona Department of Environmental Quality's Table 1, Unit Design Flows. For churches and schools, the following equation converts Table 1 Unit Design Flow to standard residential unit flow: $\text{Table 1 unit design flow gpd}/(57 \text{ gpcd}*2.7)$ equals equivalent standard residential units per church or school site.
 8. SURCHARGE. The Participants agree that they will pay, in addition to County Connections Fees as provided by Pima County Code Chapter 13.20, a Surcharge of \$800 for each lot within the Properties connecting to the public sewer system to compensate the County for the financial burden placed on it to complete the Improvements. The Surcharge must be paid prior to or concurrently with the Connection Fee payment due for each connecting lot. The Commercial Surcharge and Churches and Schools Surcharge amount are calculated using the commercial or churches and schools multiplier equation from the previous paragraphs. County agrees that it will not charge less than the Surcharge for any lot using the wastewater flow capacity provided by the Improvements.
 9. CHANGE IN DEVELOPMENT LOT COUNTS. It is understood by the Parties that standard residential unit counts may change. However, the Parties understand and agree that the Surcharge amount will remain \$800 per standard residential unit regardless of changes in standard residential unit counts.
 10. MUTUAL AGREEMENT ON BENEFIT OF COUNTY ACTION AND ADEQUACY OF COMPENSATION. The Parties agree that installation of the Improvements by County results in a beneficial use to the Properties and that the Surcharge bears a reasonable relationship to the burden imposed on the County to provide the Improvements.
 11. SURCHARGE SUNSET. The Surcharge payment requirement in paragraph 8, above, expires with respect to each Phase fifteen (15) years after the completion of the applicable Phase Improvements.
 12. SEWER CONNECTION.
 - 12.1. Sewer Service Agreements. Each Participant will, prior to any on-site activity, enter into a sewer service agreement with the County for the Property owned by the Participant.
 - 12.2. Sewer Capacity Letters. Neither the approval of any Participant to commence construction pursuant to any on-site or off-site sewer construction project, nor the approval by County of any sewer service, capacity, or other sewer-related agreement pertaining to any portion of the Properties, will be delayed, denied, or refused on account of sewer capacity issues,

provided: (a) this Agreement remains in full force and effect; (b) such Participant is not in default hereunder; and (c) with respect to Phases II, the actual construction of the Improvements has been commenced and is underway with reasonable diligence.

12.2.1 Upon execution of this Agreement, Participants may request and will be issued Type II capacity letters for the Properties as provided hereunder for submission to the governing regulatory agency based on the increased downstream sewage conveyance capacity generated by the construction of Phase I Improvements, which letters will be in substantially the form attached hereto as **Exhibit F**.

12.2.2 The County will issue Type III capacity allocation letters upon request to Participants with Property served by the Phase I Improvements that have entered into Sewer Service Agreements with the County and have improvement plans approved by the Town of Marana, which letters will be in substantially the form attached hereto as **Exhibit G**. As the Phase I Improvements are completed, the County will “release” the conveyance capacity generated by the Phase I Improvements. Conditional release of capacity may be issued prior to completion of the Phase I Improvements.

12.2.3 The County will issue Type III capacity allocation letters upon request to Participants with Property served by the Phase II Improvements that have entered into Sewer Service Agreements with the County and have improvement plans approved by the Town of Marana, which letters will be in substantially the form attached hereto as **Exhibit G**. As the Phase II Improvements are completed, the County will “release” the conveyance capacity generated by the Phase II Improvements. Conditional release of capacity may be issued prior to completion of the Phase I improvements.

13. **LIMITATION OF AGREEMENT.** This agreement is executed pursuant the County’s authority under A.R.S. § 11-1101(B)(9) to specify conditions of providing sewer service and does not (i) affect any development agreement Participants have executed with Pima County or the Town of Marana governing the permitted uses of the Properties, or (ii) entitle Participants to develop any lots not otherwise allowed under Participants’ zoning or other applicable regulatory actions.

14. **GENERAL PROVISIONS.**

14.1. **Binding Effect and Recording.** The obligations of the Participants under this Agreement will run with the land and will be binding upon each successor owner of any portion of the Property, without the necessity of any explicit assignment and acceptance. No Participant may assign its rights and obligations hereunder to a person or entity that has not acquired

that Participant's Property or a portion thereof. A Participant will be released from obligations under this Agreement that apply to any portion of the Property conveyed by said Participant to another person. This does not relieve a Participant of any obligations that accrued prior to the conveyance. Upon execution hereof, this Agreement will be recorded in the Office of the Pima County Recorder for Pima County, Arizona. This Agreement shall automatically terminate without the execution or recordation of any further document or instrument as to any lot with a residential dwelling unit constructed thereon that has been finally subdivided and individually (and not in "bulk") sold to the end purchaser or user thereof, or as to any tract or parcel of land that is dedicated or conveyed to any governmental authority, utility provider, irrigation district, school district or property owners association (collectively, 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, provided that no such release of a Public Lot shall release any Party obligated hereunder from such Party's obligations hereunder. Upon the written request of the owner of any Public Lot, the County will execute an instrument in recordable form acknowledging the release of the lien and encumbrance of this Agreement against such Public Lot.

- 14.2. Amendments. This Agreement may be amended, in whole or in part and with respect to all or any portion of the Property, only with the mutual written consent of the Parties to this Agreement and the owners of that portion of the Property. The amendment or cancellation will be recorded in the Office of the Pima County Recorder.
- 14.3. Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. Each Party represents and warrants that it is duly formed and validly existing under the laws of its state of formation and that it is duly qualified to do business in the State of Arizona and is in good standing under applicable state laws. The Participants and the County warrant to each other that the individuals executing this Agreement on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each individual is signing. The Participants individually represent to the County that by entering into this Agreement, the Participant has bound the Property and all persons and entities having any legal or equitable interest therein to the terms of this Agreement.
- 14.4. Waiver. No delay in exercising any right or remedy will constitute a waiver thereof, and no waiver by the County or the participants of the breach of any covenant of this Agreement will be construed as a waiver of any preceding or succeeding breach of the same or any

other covenant or condition of this Agreement.

- 14.5. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. The signature pages from each counterpart will be removed from such counterpart and attached to a single instrument.
- 14.6. Notices. Any notice to be given or served (and any election to be made or delivered) upon any Party hereto in connection with this Agreement must be in writing and must be given either by personal service or by Certified U.S. Mail. Notice will be deemed to have been given and received (or made and delivered) three (3) days after a Certified letter containing such notice (or selection), properly addressed, with postage prepaid, is deposited in the United States mail; or if given by personal service, it will be deemed to have been given (or made) when delivered to and received by the Party to whom it is addressed. Such notice will be given to the Parties at the following addresses:

If to County:

Director, Regional Wastewater Reclamation Department
201 N. Stone, 8th Floor
Tucson, Arizona 85701

If to Participants:

[list]

A Party may change the address at which the Party will receive notice pursuant to this Agreement by giving written notice of such new address in the same manner as any other notice will be given in accordance with this paragraph.

- 14.7. Headings. The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and will not control or affect the meaning or construction of any of the provisions of this Agreement.
- 14.8. Non-Appropriation. Notwithstanding any other provision in this Contract, County may terminate this Agreement if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Agreement. While the County has included the Phase I Improvements in its most current approved capital improvement plan and capital improvement budget and has

authorized sufficient funds to engineer and design and complete Phase I of the Improvements, and the County staff agree to prioritize the Improvements in the next three County budgets, the Participants acknowledge that the funds are subject, at the County's absolute discretion, to re-direction should other wastewater enterprise fund projects require the money.

- 14.9. Exhibits. The exhibits in this Agreement are fully incorporated herein as if set forth at length in the body of this Agreement.
- 14.10. Governing Law. The laws of the State of Arizona will govern the interpretation and enforcement of this Agreement. The Parties agree that venue for any action commenced in connection with this Agreement will be proper only in a court of competent jurisdiction located in Pima County, Arizona, and the Parties hereby waive any right to object to such venue.
- 14.11. Conflict of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511, which are incorporated into this Agreement by this reference.
- 14.12. No Partnership; Third Parties. It is not intended by this Agreement to, and nothing contained in this Agreement will, create any partnership, joint venture, agency, or other arrangement between the Parties hereto. No term or provision of this Agreement is intended to, or will be for the benefit of any non-Party person, firm, organization, or corporation and no such non-Party person, firm, organization, or corporation will have any right or cause of action under this Agreement.
- 14.13. Mediation, Default, and Non-Liability.
- 14.13.1. Mediation. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try to settle the dispute through non-binding mediation before resorting to arbitration, litigation, or some other dispute resolution procedure. In the event that the Parties cannot agree upon the selection of a mediator within seven (7) calendar days of a written demand from a Party invoking this mediation right, any of the Parties may request the presiding judge of the Superior Court of Pima County to assign a mediator from a list of mediators maintained by the Arizona Municipal Risk Retention Pool.
- 14.13.2. Default. Failure or unreasonable delay by any Party to perform any term or provision of this Agreement for a period of thirty (30) days after written notice thereof from another Party will constitute a default under this Agreement. If the default is of a nature which is not capable of being cured within such thirty (30)

day period, the cure, to be timely, must be commenced within the 30-day period, and diligently pursued to completion. The notice must specify the nature of the alleged default and the manner in which the default may be satisfactorily cured. In the event of any default hereunder by any Party, the non-defaulting Party will be entitled to all remedies at both law and in equity, including, without limitation, specific performance and the right to perform the obligation(s) of which the defaulting Party is in default and to immediately seek reimbursement from the defaulting Party of all sums expended in order to cure such default, together with interest on all such sums from the date said sums are expended by the non-defaulting Party for the purpose of curing the default to the date such sums are paid in full at the per annum rate equal to the prime rate plus 1%. A default by any Party shall not constitute a default by any other Party, and the County may only exercise its remedies against the defaulting Party and may not terminate this Agreement as to any non-defaulting Party. For purposes hereof, the "prime rate" means the prime rate published in the "Money Rates" or equivalent section of the Western Edition of The Wall Street Journal or if The Wall Street Journal ceases publishing a prime rate, then the Parties will select a substitute index rate that is based upon comparable information.

- 14.14. Non-Liability of County Officials and Employees. No member, official, or employee of the County will be personally liable to the Participants, or any successor in interest or successor owner of any portion of the Properties, for any obligation of the County under this Agreement, or any default or breach of such an obligation by the County, or for any amount that may become due to the Participants or successors under this Agreement. This does not preclude Participants or a successor from obtaining injunctive relief against the County or a County official through a mandamus or other special action.
15. Sub-agreements. County and Participants hereby acknowledge that the development of the Properties may be accomplished by the Participants through a series of sales, leases, joint ventures, and/or other agreements and arrangements with other experienced developers, investors, and owners of real property. In connection therewith, it is anticipated and contemplated by the Parties that such developers, investors, or owners may desire to negotiate and enter into separate and subordinate development agreements with the County, the Town of Marana, and/or other Participants with respect to infrastructure improvements, uses, plan approvals, and other similar matters which may be the subject of separate agreements between such developers, investors, and owners and the County, the Town of Marana, and/or the Participants. The Parties hereby agree that

any and all development related agreements entered into with any such developer, investor, or owner of any parcels of the Property will be subordinate in all respects to the terms and conditions of this Agreement and, in the event of any conflict or discrepancy between the provisions of any such other agreement and the terms and conditions of this Agreement, this Agreement will govern and control.

16. Construction. The terms and provisions of this Agreement represent the results of negotiations between County and Participants, each of which has been represented by counsel of its own choosing, and none of which have acted under any duress or compulsion, whether legal, economic, or otherwise. Consequently, the terms and provisions of this Agreement will be interpreted and construed in accordance with their usual and customary meanings, and no Party will be deemed to have drafted this Agreement for purposes construing any portion of this Agreement for or against any Party.
17. Severability. If any provision, other than the financing provisions, of this Agreement is declared void or unenforceable, such declaration will have no effect on those portions of the Agreement not declared void.
18. Estoppel. Upon the written request of any Participant, County will promptly certify to a prospective purchaser or lender that the Agreement is in full force or effect, that there are no amendments or modifications to the Agreement except as recorded in the official records of Pima County, Arizona, and that the Participant is not in default under this Agreement (or if the Participant is in default, the nature of such default).
19. Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations, and understandings of the Parties, oral or written, regarding the provision of sewer service to the Properties are hereby superseded and merged herein.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year written below.

PIMA COUNTY

Chair, Board of Supervisors

Date

ATTEST:

Clerk of the Board

Date

APPROVED AS TO FORM:

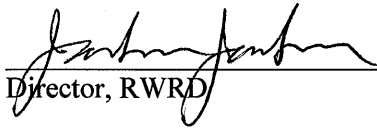


Deputy County Attorney

CHARLES WESSELHOFT

Name (Please Print)

APPROVED AS TO CONTENT:



Director, RWRD

EXHIBIT A-1

Legal Description of 100.26 acres of land known as The Preserve at Twin Peaks



**LEGAL DESCRIPTION
THE PRESERVE AT TWIN PEAKS**

A portion of the West half of Section 12, Township 12 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at a found 5/8" pin tagged "LS 26932" at the South quarter corner of said Section 12;

THENCE N 00°38'29" W, along the East line of the Southeast quarter of the Southwest quarter of said Section 12, a distance 1320.54 feet to a found 1/2" pin tagged "RLS 4680" at the Southeast corner of the North half of the Southwest quarter of said Section 12 and the **POINT OF BEGINNING**;

THENCE N 00°38'55" W along said East line of said North half, a distance of 1320.38 feet to the center of said section 12 being marked with a 1/2" pin;

THENCE N 00°37'13" W along the East line of the South half of the South half the Northwest quarter of said section 12, a distance of 659.28 feet to the Northeast corner thereof;

THENCE S 89°21'44" W along the North line of said South half of the South half, a distance of 1764.51 feet to the Easterly right-of-way line of Camino De Manana;

THENCE S 20°54'01" W along said Easterly line, a distance of 708.84 feet to the North line of the Southwest quarter of said Section 12;

THENCE S 89°21'38" W, along said North line, a distance of 32.25 feet to the former center line of an abandoned portion of Camino De Manana;

THENCE S 20°48'47" W, along said former centerline, a distance of 662.91 feet to the beginning of a tangent curve concave to the Northwest;

THENCE continuing along said former center line, along the arc of said curve to the right, having a radius of 955.40 feet, a central angle of 16°32'02", the chord of which bears S 29°04'49" W, a distance of 274.74 feet, for an arc length of 275.70 feet to a point of non-tangency;

THENCE S 33°01'12" W, continuing along said former centerline, a distance of 189.58 feet;

THENCE S 02°02'18" E, leaving said centerline, a distance of 52.24 feet to a point the Easterly right-of-way line of said Camino De Manana;

THENCE S 33°00'46" W, along said Easterly right-of-way, a distance of 42.03 feet to the beginning of a tangent curve concave to the Northwest;

THENCE along said right-of-way, along the arc of said curve to the right, having a radius of 190.50 feet, a central angle of 17°48'01", the chord of which bears S 41°59'13" W, a distance of 59.43 feet, for an arc length of 59.68 feet to beginning of a non-tangent curve concave to the Southwest on the East right-of-way of Blue Bonnet Lane;

THENCE along said right-of-way, along the arc of said curve to the right, having a radius of 292.00 feet, a central angle of 26°12'06", the chord of which bears S 15°09'38" E, for an arc length of 133.53 feet to a point of tangency marked with a found 5/8" pin tagged "LS25071";

THENCE S 02°04'06" E, along said right-of-way, a distance of 71.63 feet marked with a found 5/8" pin tagged "LS25071";

THENCE N 88°50'19" E, leaving said right-of-way, along the South line North half of the Southwest quarter of said Section 12, a distance of 2567.76 feet to the **POINT OF BEGINNING**;

Containing: 4,367,179 sq. ft. or 100.2566 acres, more or less.

Prepared By:

THE WLB GROUP, INC.

Peter D. Cote, RLS 44121



EXPIRES 3-31-2018

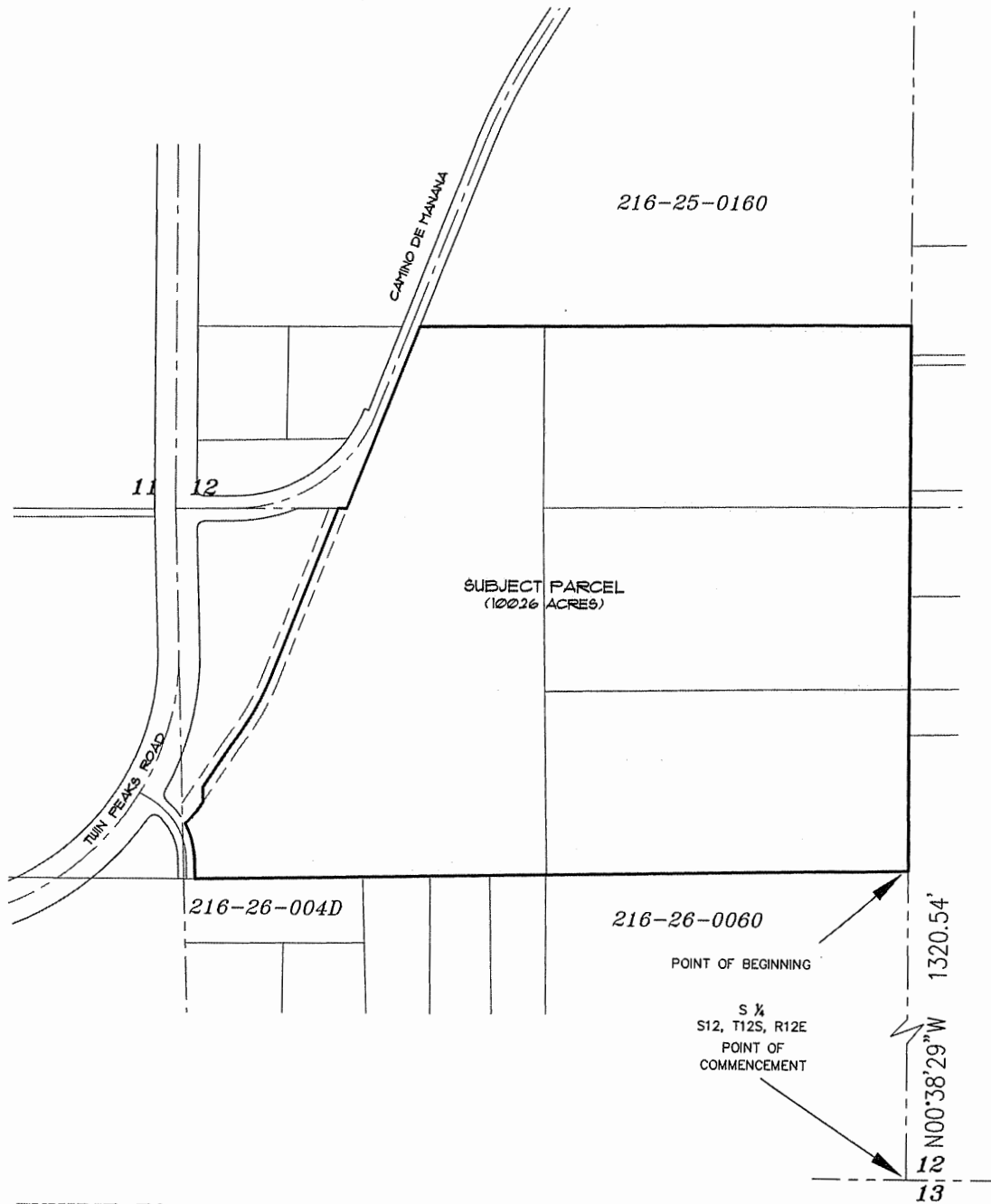


EXHIBIT TO ACCOMPANY DESCRIPTION OF
 PARCEL OF LAND
 THE PRESERVE AT TWIN PEAKS
 SECTION 12 T. 12 S., R. 12 E., G.S.R.M.,
 PIMA COUNTY, ARIZONA

WLB No. 110047-B001-1003
 N:\105047\ALTA 6-2013\description exhibit.dwg



1"=300'
 SHEET 3 OF 3

EXHIBIT A-2

Legal Description of 24.14 acres of land known as Twin Peaks Vista



LEGAL DESCRIPTION

A portion of the Northeast One Quarter (NE1/4) of the Southeast One Quarter (SE1/4) of Section 11, Township 12 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, said portion being described as follows;

COMMENCING at the East One Quarter (E1/4) corner of said Section 11, from which the Southeast corner of the Northeast One Quarter (NE 1\4) of the Southeast Quarter (SE1/4) of said Section 11 bears S 02°02'18" E a distance of 1344.46 feet;

THENCE S 02°02'18" E, along the East line of said Southeast Quarter, a distance of 30.05 feet;

THENCE S 89°40'14" W a distance of 75.03 feet to a point on the Westerly right-of-way line of Twin Peaks Road, said road described in Sequence No. 20111470013 in the office of the Pima County, Arizona Recorder, said point being the **TRUE POINT OF BEGINNING**;

THENCE S 02°02'18" E along said Westerly right-of-way line, a distance of 487.74 feet to the beginning of a curve, concave to the Northwest, having a radius of 880.00 feet;

THENCE Southwesterly along said curve, through a central angle of 66°25'43", a distance of 1020.27 feet to a point of non-tangency, a radial line passing through said point bears S 25°36'35" E, said point also being on the South line of the South One Half (S 1\2) of the Northeast One Quarter (NE1/4) of Southeast Quarter (SE1/4) of said Section 11;

THENCE N 89°55'03" W along said South line, a distance of 671.17 feet to a point on the Easterly right-of-way line of Decker Drive, said Decker Drive established in proceeding number 2806 and recorded in Docket 9406 at Page 1021 in said Recorders Office;

THENCE N 01°21'03" W along said Easterly right-of-way line, a distance of 666.93 feet to a point on the North line of the South One Half (S1/2) of the Northeast One Quarter (NE1/4) of Southeast Quarter (SE1/4) of said Section 11;

THENCE N 89°51'23" E along said North line, a distance of 603.44 feet to the Southwest corner of the Northeast One Quarter (NE1/4) of the Northeast One Quarter (NE1/4) of the Southeast One Quarter (SE1/4) of said Section 11;

THENCE N 01°42'19" W along the West line of said Northeast One Quarter (NE1/4) of the Northeast One Quarter (NE1/4) of the Southeast One Quarter (SE1/4) of said Section 11, a distance of 639.98 feet to a point on a line 30.00 feet Southerly and parallel with the North line of said Northeast One Quarter (NE1/4) of the Northeast One Quarter (NE1/4) of the Southeast One Quarter (SE1/4) of said Section 11;

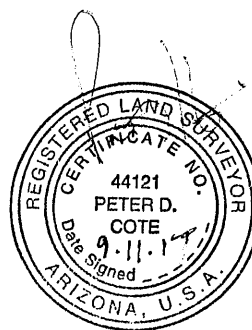
August 30, 2013
Revised September 11, 2017
WLB No. 110047-B-001-1003X
W:\LEGALS\110047\LEGAL DESCRIPTION-PROP_rev_091117.doc

THENCE N 89°40'14" E along said parallel line, a distance of 584.24 feet to the TRUE POINT OF BEGINNING.

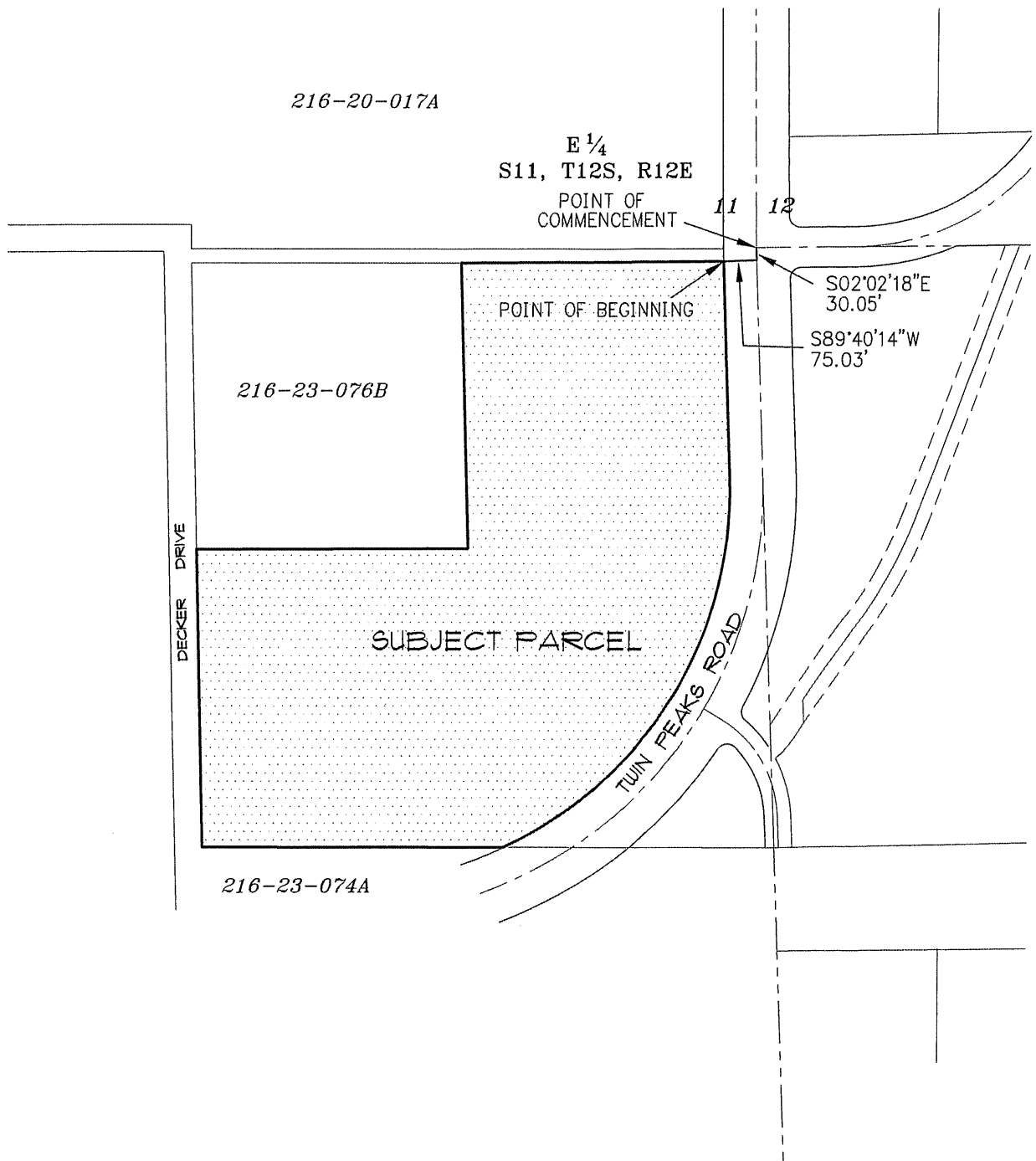
Containing 1,051,381 square feet or 24.14 acres more or less.

Prepared by:
THE WLB GROUP, INC.

Peter D. Cote, RLS 44121



EXPIRES 3-31-2018



*EXHIBIT TO ACCOMPANY DESCRIPTION OF
 PARCEL OF LAND
 TWIN PEAKS VISTA
 SECTION 11 T. 12 S., R. 12 E., G.S.R.M.,
 PIMA COUNTY, ARIZONA*

WLB No. 110047-B001-1003
 N:\105047\ALTA 6-2013\description exhibit.dwg



EXHIBIT A-3

Legal Description of 34.19 acres of land known as Twin Peaks & Lambert Lane 34

September 19, 2017

WLB No. 114013

W:\LEGALS\114013\TP-LL_34_legal.doc



"EXHIBIT A"
LEGAL DESCRIPTION FOR TWIN PEAKS & LAMBERT LANE 34

A portion of the Southeast Quarter of Section 11, Township 12 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, said portion being more particularly described as follows;

COMMENCING at the Southeast corner of said Section 11, from which the East quarter corner of said Section 11 bears N 02°02'12" W (Basis of Bearings) a distance of 2689.10 feet;

THENCE N 02°02'12" W, along the East line of said Southeast quarter of said Section 11, a distance of 30.03 feet to the **POINT OF BEGINNING**;

THENCE N 89°29'33" W along a line 30 feet North of and parallel with the South line of the Southeast Quarter of said Section 11, a distance of 1350.54 feet to a point on the East line of the Southwest Quarter of the Southeast Quarter of said Section 11;

THENCE S 01°21'07" E, along said East line, a distance of 30.01 feet to the Southeast corner of the Southwest Quarter of the Southeast Quarter of said Section 11;

THENCE N 89°29'33" W, along the South line of said Southeast quarter of said Section 11, a distance of 229.31 feet to the beginning of a non-tangent curve concave to the Northwest on the Easterly right-of-way line of Twin Peaks Road;

THENCE Northeasterly along said curve to the left, along said Easterly right-of-way line, having a radius of 1364.00 feet, a central angle of 3°29'34", with a radial bearing in of S 61°19'59" E, a radial bearing out of S 64°49'33" E, for an arc of distance of 83.15 feet to a point of tangency;

THENCE N 25°10'27" E, continuing along said Easterly right-of-way line, a distance of 650.29 feet to the beginning of a tangent curve concave to the Southeast;

THENCE Northeasterly along said curve to the right, continuing along said Easterly right-of-way line, having a radius of 880.00 feet, a central angle of 41°56'15", the chord of which bears N 46°08'34" E, a distance of 629.83 feet, for an arc of distance of 644.11 feet to a point of tangency;

THENCE N 67°06'42" E, continue along said Easterly right-of-way line, a distance of 196.11 feet to the beginning of a tangent curve concave to the Northeast;

THENCE Northeasterly along said curve to the left, continue along said Easterly right-of-way line, having a radius of 1030.00 feet, a central angle of 16°40'49", the chord of which bears N 58°46'17" E, a distance of 298.80 feet, for an arc of distance of 299.86 feet to a point of non-tangency on the North line of the Southeast Quarter of the Southeast Quarter of said Section 11;

THENCE S 89°53'53" E, along said North line, a distance of 327.78 feet to the Northeast corner of the Southeast Quarter of the Southeast Quarter of said Section 11;

THENCE S 02°02'12" E, along the East line of the Southeast Quarter of said Section 11, a distance of 1314.47 feet to the **POINT OF BEGINNING**.

Containing 1,489,205 square feet or 34.1874 acres more or less.

Prepared by:

THE WLB GROUP, INC.

Peter D. Cote, RLS 44121



EXPIRES 3-31-2018

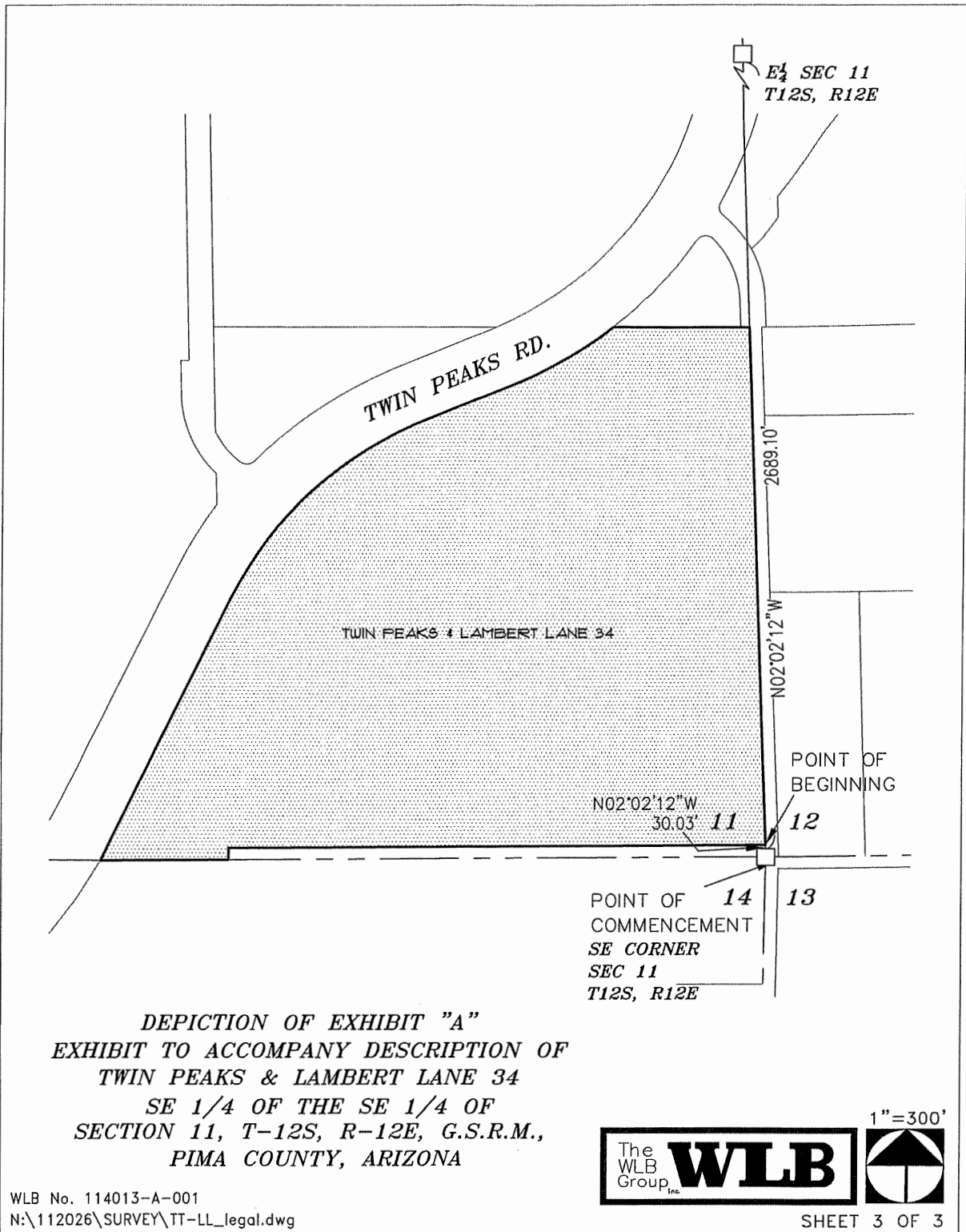


EXHIBIT B

Capacity Demand (gallons per day) per Participant & Future Development

Participants and Future Developments	Number of Residential Lots	Projected Daily Wastewater Flow (gallons per day)
Twin Peaks Estates (participant)	82	12,620
The Preserve at Twin Peaks (participant)	195	30,011
Twin Peaks Vista (participant)	58	8,926
Twin Peaks & Lambert Lane 34	58	8,926
Twin Peaks Gateway/Crossing	348*	53,557
Rancho del Manana	33	5,079
Total	774	119,119

*Includes 170 proposed residential lots plus 27.39 commercial acres converted to 178 residential lots (27.39 acres * 6.5 equivalent lots).

EXHIBIT C

Phase Improvements Map

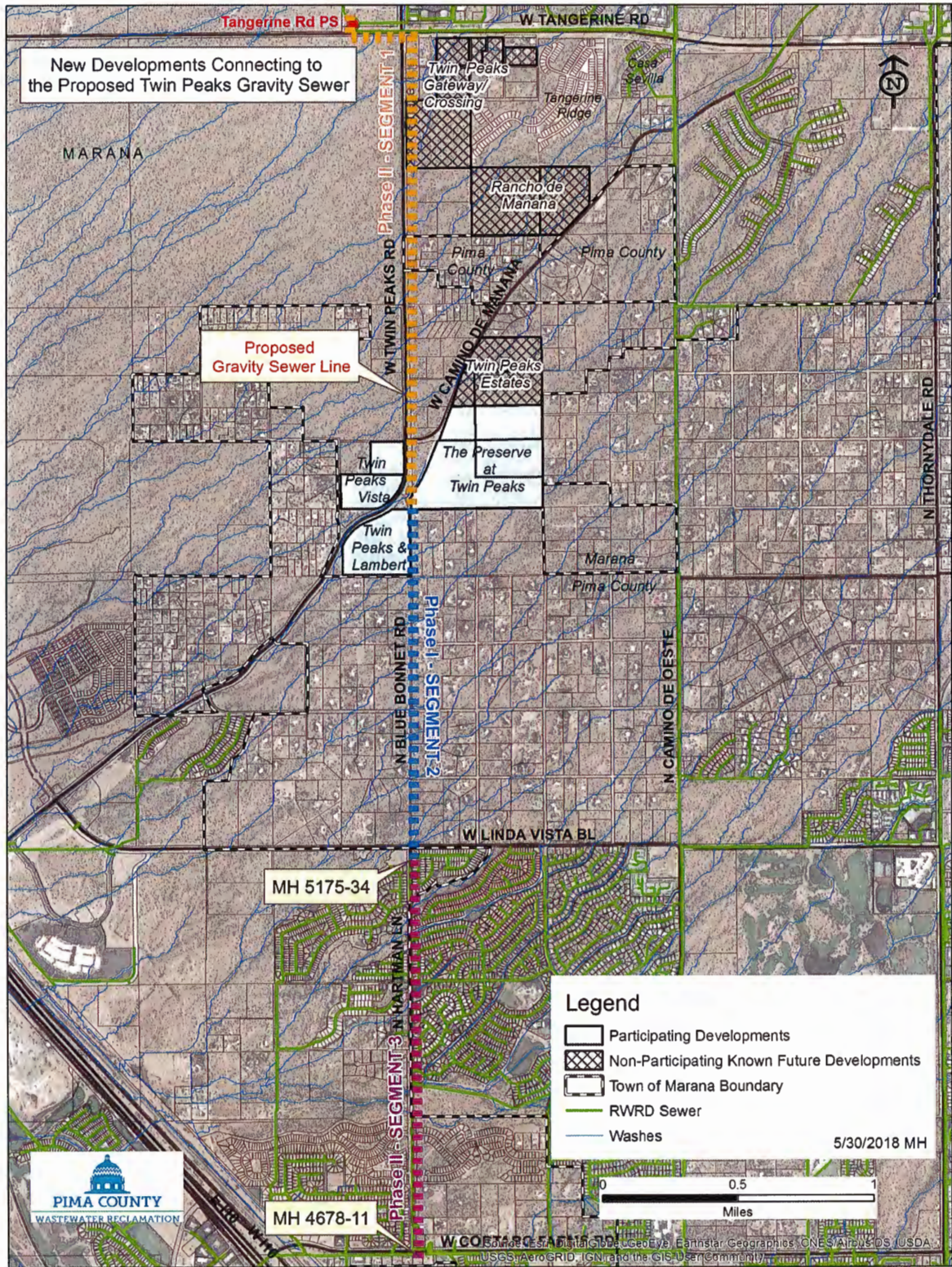


EXHIBIT D

Phase Construction Schedule – Phase I and Phase II

Phase	Start Date	Completion Date
I	September 2018	December 31, 2018
II	January 1, 2019	December 31, 2019

EXHIBIT E

Allocable Shares & Estimated Surcharge Cost

USERS SOUTH OF TANGERINE ROAD	Lots	ADWF (gpd)
Twin Peaks Estates (82 lots)	82	12,620
The Preserve at Twin Peaks (195 lots)	195	30,011
Twin Peaks Vista (58 lots)	58	8,926
Twin Peaks & Lambert Lane 34 (58 lots)	58	8,926
Twin Peaks Crossings (170 lots + 178 lots converted from commercial acres)	348	53,557
Rancho Manana (33 lots)	33	5,079
Future Flow (SOUTH):	774	119,119

TOTAL FLOW (North & South): **ADWF
(gpd)
927,345**

% County Use - Existing Users:	54.6%
PARTICIPANTS & FUTURE USERS:	
% Developer Use - North of Tangerine Rd:	32.5%
% Developer Use - South of Tangerine Rd:	12.8% 45.4%
	100.0%

ALL Future Connections North & South (residential lots): **1,637**
 Full Construction Cost minus Contingency (\$5.6MM - \$600,000): **\$5,000,000**
 % Total Developer Use: **45.4%**

\$742.72
(rounded up to \$800.00)

Cost per Lot:

EXHIBIT F

Type II Capacity Letter

DATE

Name
Company Name
Address
Tucson, Arizona 857xx

Capacity Response No. 2018-xx Type II

**RE: Project name, project type on Parcel xxx-xx-xxxx
Estimated Flow xxxxx gpd (ADWF).**

Greetings:

The above referenced project is tributary to the Tres Rios Water Reclamation Facility via the Cañada Del Oro Interceptor.

Under current conditions, capacity is available for a project this size in the public sewer G-xx-xxx, downstream from manhole xxx-xx.

This letter is not a reservation or commitment of treatment or conveyance capacity for this project. It is not an approval of point and method of connection. It is an analysis of the system as of this date. Allocation of capacity is made by the Type III Capacity Response.

If further information is needed, please feel free to contact us at (520) 724-6642.

Reviewed by: Kurt Stemm, CEA Sr.

EXHIBIT G

Type III Capacity Letter

DATE

Name
Company Name
Address
Tucson, Arizona 857xx

Type III Sewerage Capacity Allocation No. 2018-xx

**RE: Notice of Intent to Discharge for Project name, Parcel xxx-xx-xxxx.
Estimated Flow xxxxx gpd (ADWF).**

This letter is provided to satisfy those submittal requirements under General Aquifer Protection Permit 4.01 for an extension of a sanitary sewer collection system as indicated below:

The above referenced project is tributary to the Tres Rios Water Reclamation Facility via the Canada del Oro Interceptor.

Based on the wastewater flow estimate(s) supplied by your firm, and on my inquiry of the person(s) directly responsible for gathering information about the downstream public sewer system, I affirm that, to the best of my knowledge and belief, the additional wastewater to be discharged from this development to Pima County's public sewer system will not:

- A) Cause any flow or effluent quality limits to be exceeded at the treatment facility.
- B) Cause Pima County's public sewer conveyance system to fail to meet the performance standards of Arizona Administrative Code R18-9-E301(B).

Should the actual wastewater flow and/or contaminant concentrations generated by this development prove to be significantly different than your firm's estimates, this affirmation may be withdrawn.

Capacity is available for this private sewer in the public sewer G-xxxx-xxx, downstream from manhole xxxx-xx.

This letter shall act as a reservation of treatment and conveyance capacity for the above referenced project, if and only if, a Construction Authorization to build the necessary sewer is issued by the Pima County Department of Environmental Quality pursuant to Arizona Administrative Code R18-9-A301(D)(c) within 120 days of the date of this determination. If a Construction Authorization for the proposed sewer is not issued within this 120 day period, this determination shall be considered out of date and no longer valid.

Should a Discharge Authorization for the sewer not be issued by the Arizona or Pima County Department of Environmental Quality before the Construction Authorization expires, the reservation of capacity becomes null and void, canceled and of no further force and effect

Reviewed by: Kurt Stemm, CEA Sr.

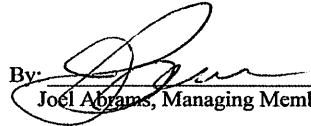
EXHIBIT H

Letter of Authorization

The Preserve at Twin Peaks

This letter shall hereby authorize Joel Abrams as Managing Member of the below named LLC, to sign that certain Twin Peaks Sewer Service Agreement, between Pima County, Arizona, and ABIG Manana L.L.C., dated April __, 2018.

ABIG Manana L.L.C., an Arizona limited liability company

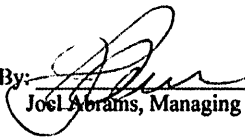
By: 
Joel Abrams, Managing Member

Letter of Authorization

The Preserve at Twin Peaks

This letter shall hereby authorize Joel Abrams as Managing Member of the below named LLC, to sign that certain Twin Peaks Sewer Service Agreement, between Pima County, Arizona, and ABIGER Manana L.L.C., dated April 4, 2018.

ABIGER Manana L.L.C., an Arizona limited liability company

By: 
Joel Abrams, Managing Member

Letter of Authorization

This letter shall hereby authorize Richard Neter (owner) to sign that certain Twin Peaks Sewer Service Agreement, between Pima County, Arizona, and Twin Peaks Vista dated October 10, 2017.

By: Richard Neter

Richard Neter

Letter of Authorization

[Twin Peaks & Lambert]

This letter shall hereby authorize Greg Wexler, as Agent for the property owner referenced below, to sign that certain Twin Peaks Sewer Service Agreement, between Pima County, Arizona, and Chun-Ying Frank Lin dated April __, 2018.

Greg Wexler as agent for Chun-Ying Frank Lin

By: _____

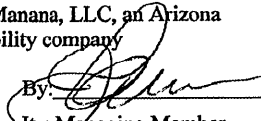
Owner

4/14/18

EXHIBIT I

[The Preserve at Twin Peaks]

ABIGER Manana, LLC, an Arizona
limited liability company

By: 
Its: Managing Member

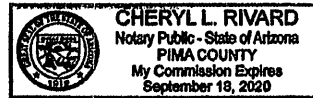
STATE OF ARIZONA)
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me, a notary public, this 4th day of April, 2018, by Joel Abrams, Managing Member of, ABIGER Manana L.L.C, an Arizona limited liability company, on behalf of such company.



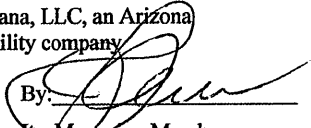
Notary Public

My commission expires: 9-18-2020



[The Preserve at Twin Peaks]

ABIG Manana, LLC, an Arizona
limited liability company

By: 
Its: Managing Member

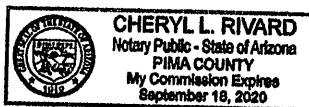
STATE OF ARIZONA)
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me, a notary public, this 4th day of April, 2018, by Joel Abrams, Managing Member of, ABIG Manana L.L.C, an Arizona limited liability company, on behalf of such company.



Notary Public

My commission expires: 9-18-2020



Twin Peaks Vista
Richard and Trudy Neter

Richard Neter
Trudy Neter

STATE OF ARIZONA)
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me, a notary public, this 11 day of April, 2018,
by Richard Neter, Trudy Neter of Twin Peaks Vista.



Glynn Smith 4-11-18
Notary Public

My commission expires: May 19, 2019

Twin Peaks & Lambert Lane 34, LLC, an
Arizona
limited liability company

By: [Signature]
Its: authorized agent

STATE OF ARIZONA)
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me, a notary public, this ___ day of May,
2018, by Gregory Wexler, authorized agent of Twin Peaks & Lambert Lane 34, LLC, an
Arizona limited liability company, on behalf of such company.

Jory Bryn Ryan
Notary Public

My commission expires: 11/17/19

