

**EMRCFD #1 RES 05-035**

**RESOLUTION OF THE BOARD OF DIRECTORS OF ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA), APPROVING THE FEASIBILITY REPORT RELATING TO THE ACQUISITION, CONSTRUCTION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITING THE DISTRICT; DECLARING ITS INTENTION TO ACQUIRE AND/OR CONSTRUCT CERTAIN IMPROVEMENTS AS DESCRIBED IN THE FEASIBILITY REPORT RELATING TO SUCH IMPROVEMENTS; DETERMINING THAT NOT TO EXCEED \$5,100,000 GENERAL OBLIGATION BONDS WILL BE ISSUED TO FINANCE THE COSTS AND EXPENSES THEREOF UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO.**

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

**WHEREAS**, pursuant to Section 48-715, A.R.S., as amended, a public hearing on the Report was held on the date hereof, after provision for publication of notice thereof as provided by law;

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

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

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

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

"*Bonds*" shall mean the District's General Obligation Bonds, Series 2005.

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

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

"Project" shall mean the acquisition or construction of public infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition and/or construction by the District of the improvements described on Exhibit A hereto.

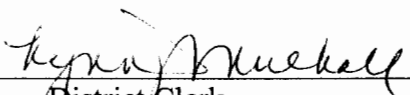
"Report" shall mean the Feasibility Report dated April, 2005, pertaining to the Project on file with the Clerk prior to the date and time hereof, discussing the matters required by A.R.S. Section 48-715, as amended, as such matters relate to the Project.

**Section 2. Approval of Feasibility Report.** Published notice of the public hearing on the Report has been provided by the Clerk not less than ten (10) days in advance of the date of the public hearing on the Report and such publication is hereby ratified and approved. The Clerk has provided the Report and notice of public hearing on the Report to the City of Goodyear, Arizona, not less than ten (10) days in advance of the date of the public hearing. Based on the review by the Board and the presentation of the Report at the public hearing on May 23, 2005, the Report is hereby adopted and approved in the form submitted to the Board.

**Section 3. Resolution of Intent.** This Board hereby identifies the public infrastructure of the Project, the areas benefited, the expected method of financing and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Report, for any and all purposes of the Act. Any portion of the costs of the Project not financed by the proceeds of the Bonds shall remain eligible to be financed through the sale of future bonds of the District.

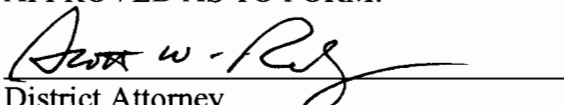
**Section 4. Preliminary Approval to Issue and Sell Bonds.** The Board hereby declares its intent to proceed with the financing of the Project in substantially the manner presented in the Report and hereby declares its intent to issue not to exceed \$5,100,000 principal amount of Bonds to finance the costs of the Project.

**PASSED, ADOPTED AND APPROVED** on May 23, 2005.

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

  
\_\_\_\_\_  
Chairman

APPROVED AS TO FORM:

  
\_\_\_\_\_  
District Attorney

Attachments: Exhibit A - Description of Improvements

## CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) at a regular meeting held on May 23, 2005, and that a quorum was present thereat and that the vote thereon was 5 ayes and 0 nays; 2 did not vote or were absent.



Hyron A. McCall  
Clerk

## **EXHIBIT A**

"Project" shall mean the acquisition of public infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition by the District of the following:

- (1) the 16" water line
- (2) the 24" effluent line
- (3) the Lum lift station
- (4) Estrella Parkway phase 3A extension.

**CITY OF GOODYEAR  
CFD BOARD ACTION FORM**

<b>SUBJECT: Estrella Mountain Ranch Community Facilities District #1 Board to conduct a Public Hearing on a Feasibility Report and to consider adopting resolution EMRCFD#1 RES 05-035 approving the Feasibility Report.</b>	<b>STAFF PRESENTER:</b> Sheila K. Mills, CFD Administrator <b>COMPANY</b> <b>CONTACT:</b> Scott Ruby, Esquire - Gust Rosenfeld PLC
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**RECOMMENDATION:**

1. The Estrella Mountain Ranch Community Facilities District #1 Board is to conduct a Public Hearing for the Feasibility Report submitted in connection with the proposed issuance of not to exceed \$5,100,000 of general obligation bonds ("GO Bond Series 2005").
  - a. Open Public Hearing
  - b. Staff Presentation
  - c. Received Public Comment
  - d. Close Public Hearing
2. Estrella Mountain Ranch Community Facilities District #1 Board will consider for adoption Resolution EMRCFD#1 RES 05-035 approving the Feasibility Report for the issuance of the not to exceed \$5,100,000 of general obligation bonds ("GO Bond Series 2005").

**COMMUNITY BENEFIT:**

The proposed general obligation bond "(GO Bond Series 2005)" will benefit the community by facilitating the acquisition of completed projects and allowing the developer to accelerate the construction of additional major public infrastructure permitting the ultimate housing products to remain affordable, and assisting in the growth of the City's property tax base.

**DISCUSSION:**

Formation of the Estrella Mountain Ranch Community Facilities District #1 was approved by the City on November 22, 1999 at the request of SunChase Estrella Limited Partnership ("SunChase"), a Delaware Limited Partnership. Residential Funding Corporation, a Delaware Corporation, consented to the formation of the District as a holder of a lien interest in such land. Subsequently, in 2003, SunChase conveyed Estrella Mountain Ranch and assigned its interest in the CFD agreements to Sun M P, LLC, (the "Developer"), a limited liability company formed in connection with a restructuring and a new capital investment in Estrella Mountain Ranch by an unrelated party. In October, 2003, the City and the CFD consented to the assignment of SunChase's interest to Sun M P, LLC, which is now the current owner and developer of Estrella Mountain Ranch.

This is the second general obligation bond issuance for the Estrella Mountain Ranch Community Facilities District #1. The first general obligation bond issuance was the Estrella Mountain Ranch Community Facilities District General Obligation Bond Series 2001 ("GO Bond Series 2001") in the amount of \$200,000. The District has accumulated excess funds in the GO Bond Series 2001 bond debt service account from prior years' tax collections sufficient to redeem in full the outstanding GO Bond Series 2001 on July 15, 2005. The District expects to so redeem the GO Bond Series 2001 in the remaining principal amount of \$176,000 and the CFD Administrator has contacted the District Paying Agent to call all outstanding GO Bond Series 2001 in full.

The feasibility report hearing is required by law and notice of the hearing was published once in the newspaper prior to the hearing, allowing the public to comment, if desired. No public comment is anticipated. Upon completion of the hearing, a resolution will be presented to the District Board, to consider adoption of Resolution EMRCFD#1 RES 05-035 approving the feasibility report and the continuation of the financing proceedings.

### **FISCAL IMPACT:**

The maximum secondary property tax levy of \$1.30 (\$1.00 for debt service and \$0.30 for operations and maintenance) per \$100 of secondary assessed value will be levied on all taxable property within the District with the budget for Fiscal Year 2005-2006. At this tax rate, assuming a 95% collection rate and the preliminary secondary assessed value of the property within the District as reported by the Maricopa County Assessor's Office in February 2005, the additional ad valorem tax collections are anticipated to be sufficient to meet the debt service obligations related to the GO Bond Series 2005. Should this amount be insufficient to meet the debt service requirements of the GO Bond Series 2005, the Developer, pursuant to the terms of a Standby Contribution Agreement, will make the additional necessary payments. The Standby Contribution Agreement will be released after the tax collections proved to be sufficient to support the GO Bond Series 2005 debt service per CFD Policy.

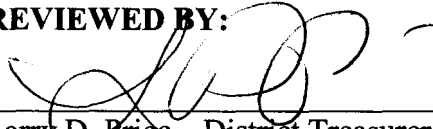
The District will utilize the GO Bond Series 2005 bond proceeds, to the extent available, to facilitate the acquisition of the completed 16" water line and the 24" effluent line improvements, and to acquire the Lum lift station and the Estrella Parkway phase 3a extension upon their completion. The aforementioned projects are described in detail within the Feasibility Report for the issuance of Estrella Mountain Ranch Community Facilities District General Obligation Bond Series 2005.

The Developer will pay all costs of issuance related to the GO Bond Series 2005.


### **Attachments**

Feasibility Report  
EMRCFD#1 RES 05-035

**REVIEWED BY:**

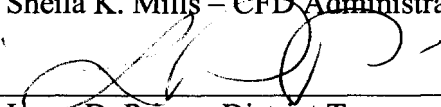
  
\_\_\_\_\_  
Larry D. Price – District Treasurer


\_\_\_\_\_  
Scott Ruby – District Counsel

  
\_\_\_\_\_  
Stephen S. Cleveland – District Manager

**PREPARED BY:**

  
\_\_\_\_\_  
Sheila K. Mills – CFD Administrator

  
\_\_\_\_\_  
Larry D. Price – District Treasurer

  
\_\_\_\_\_  
Brian Dalke – Deputy District Manager

## **EXHIBIT A**

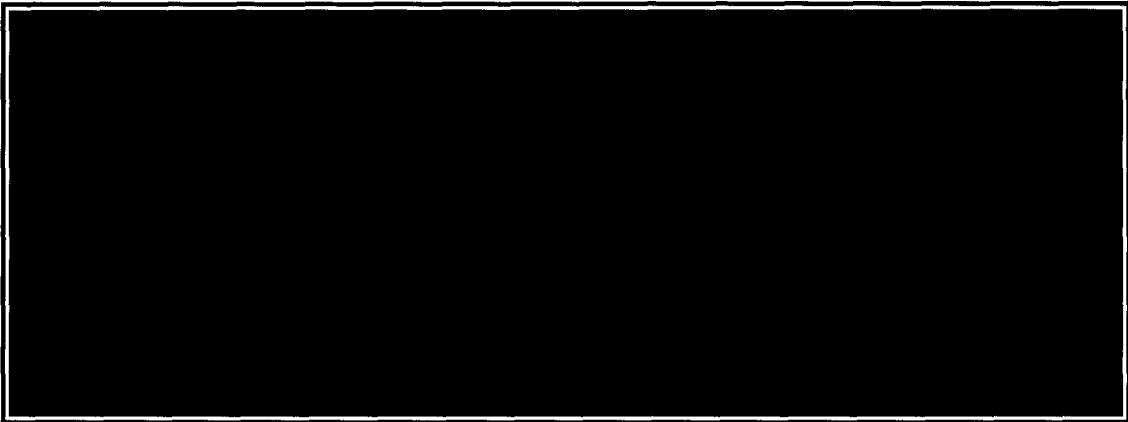
"Project" shall mean the acquisition of public infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition by the District of the following:

- (1) the 16" water line
- (2) the 24" effluent line
- (3) the Lum lift station
- (4) Estrella Parkway phase 3A extension.



# **FEASIBILITY REPORT**

**For The Issuance of**



**April 2005**

**Sun MP, LLC  
c/o Mr. Wayne Hancock  
3010 East Camelback Road  
Suite 100  
Phoenix, AZ 85016**

**Estrella Mountain Ranch  
Community Facilities District  
District General Obligation Bonds  
Series 2005**

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**SECTION ONE**

**INTRODUCTION; PURPOSE OF  
FEASIBILITY REPORT  
AND GENERAL DESCRIPTION OF DISTRICT**

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## INTRODUCTION

The Feasibility Report (this "Report") has been prepared for presentation to the Board of Directors (the "Board") of the Estrella Mountain Ranch Community Facilities District (the "District") in connection with the proposed issuance by the District of District General Obligation Bonds Series 2005 (the "Series 2005 Bonds") in approximate principal amount not to exceed \$5,100,000 pursuant to the Community Facilities Act of 1989, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes, as amended ("A.R.S." and collectively, the "Act").

### PURPOSE OF FEASIBILITY REPORT

This Report has been prepared for consideration of the feasibility and benefits of the public infrastructure (as defined in A.R.S. §48-701) to be financed by the Bonds (the "Projects") and of the plan for financing the Projects in accordance with the provisions of A.R.S. §48-715. Pursuant to A.R.S. §48-715, this Report includes (i) a description of the Projects which are to be acquired (Section Two); (ii) a map showing, in general, the location of the Projects (Section Three), (iii) an estimate of the cost to construct and acquire the Projects (Section Four); (iv) an estimated schedule for completion of the Projects (Section Five); (v) a map or description of the area to be benefited by the Projects (Section Six); and (vi) a plan for financing the Projects (Section Seven). Additionally, this Report includes a legal description of the District [Appendix A]; Engineer's Cost Estimates [Appendix B], an analysis of the effect on District tax rates [Appendix C] and a Form of Disclosure Pamphlet [Appendix D].

This Report has been prepared for the Board's exclusive consideration. It is not intended or anticipated that this Report will be relied upon by other persons, including, but not limited to, purchasers of the Bonds. This Report does not attempt to address the quality of the Bonds as investments or the likelihood of repayment of the Bonds. In preparing this Report, engineers, staff of the City of Goodyear, Arizona ("City"), legal counsel and other experts have been consulted as deemed appropriate. **THIS REPORT IS NOT INTENDED TO BE A "FINANCIAL FEASIBILITY REPORT OR STUDY" AS THAT TERM IS CUSTOMARILY USED.**

### GENERAL DESCRIPTION OF DISTRICT

Formation of the District was approved by the City upon the request of SunChase Estrella Limited Partnership, a Delaware limited partnership ("SunChase") as the owner of all the land within the District upon formation on November 22, 1999. Residential Funding Corporation, a Delaware Corporation, consented to the formation of the District as a holder of a lien interest in such land. The District is located within the municipal boundaries of the City.

Subsequent to the formation of the District, a Development, Financing Participation, and Intergovernmental Agreement No. 1 ("District Development Agreement") was entered into between the District, the City, SunChase and Residential Funding Corporation. The initial and subsequent public infrastructure was described in the General Plan which was recorded on November 23, 1999 as document no. 99-1063338. Ryland Group, Inc. (who subsequently

obtained a contractual interest in property contained within the District) consented and agreed to the District Development Agreement.

In 2003, SunChase conveyed Estrella Mountain Ranch and assigned its interests in the CFD agreements to Sun MP, LLC (the "Applicant"), a limited liability company formed in connection with a restructuring and a new capital investment in Estrella Mountain Ranch by an unrelated party. In October, 2003, the City and the CFD consented to the assignment of SunChase's interests to Sun MP, LLC.

This represents the second general obligation bond issuance for Estrella Mountain Ranch Community Facilities District. The first general obligation bond issuance was the Estrella Mountain Ranch Community Facilities District General Obligation Series 2001 (the "Series 2001 Bond") in the amount of \$200,000. The Series 2001 Bond is currently in the process of being called by the District with excess bond funds at the disposal of the District.

This District was created to finance the construction and acquisition of public infrastructure described in the General Plan, including particularly the Projects, which are part of the Development, a residential, commercial and golf course master planned community. A legal description of the District has been included as [Appendix A] to this Report. Although the number of acres devoted to each particular type of land use may ultimately vary from those presented, at the time the land use plan was prepared the build-out of the Development was expected to include the following:

**Estrella Mountain Ranch  
Community Facilities District  
Land Use Plan**

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<b><u>Type of Development</u></b>	<b><u>Acres Within the District</u></b>
Residential	5,183
Commercial	362
Mixed Use	303
Water/Sewer	37
Schools	315
Equestrian Center	10
Town Center	35
Municipal Uses	35
Open Space	3,301
Parks	<u>190</u>
Total Acreage	<u>9,771</u>

New residents of the Development will be advised of the formation of the District and the proposed issuance of the Bonds by way of a disclosure pamphlet.

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**SECTION TWO**

**DESCRIPTION OF THE PROJECTS**

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## DESCRIPTION OF THE PROJECTS

The Projects to be acquired by the District include: (1) the 16" water line and (2) the 24" effluent line. The Projects to be constructed by the Applicant and acquired by the District include: (3) the Lum lift station, and (4) Estrella Parkway phase 3a extension.

### ***(1) 16" Water Line***

The 16" water line consists of the acquisition of the 16" water line from Estrella Parkway to the existing water storage reservoir at Estrella Mountain Ranch. The purpose of this construction was to convert the existing 16" water line in Estrella Parkway from a water distribution line into a water transmission line. This 16" water line conveys potable water from the City of Goodyear's water production facilities to the existing water storage reservoir in Estrella Mountain Ranch.

The area of benefit for the 16" water line is limited by the finite quantity of water which can be conveyed through the line. The 16" water line can provide approximately 3.3 million gallons of water per day, or roughly enough water for the northern half of the District. See attached maps for location of 16" water line and the corresponding area of benefit. The 16" water line costs and related expenditures are in conformance with the City CFD Policy Guidelines ("Guidelines"). Costs and expenses of the 16" water line improvements include water improvements, fees and testing.

**ACTUAL COSTS AND EXPENSES FOR THE 16" WATER LINE ARE EVIDENCED BY PAID INVOICES WHICH WILL BE PROVIDED WHEN THE REQUEST IS FILED. A CFD IMPROVEMENT MAP INDICATING THE PROJECT LOCATION HAS BEEN INCLUDED WITH THIS REPORT. THE SUMMARY OF COSTS AND EXPENSES IS AS FOLLOWS:**

### **16" Water Line**

<b><u>Description</u></b>	<b><u>Total Cost</u></b>
16" Water Line	<u>\$289,091</u>
<b>Total Cost</b>	<b><u>\$289,091</u></b>

***(2) 24" Effluent Line***

The 24" effluent line conveys effluent from the Corgett water reclamation facility to the effluent transmission line at Elliot Road, which is part of the community's overall non-potable water system. The community's non-potable water system is used for irrigation purposes and for construction water. The area of benefit for the 24" effluent line is limited by the finite quantity of effluent which can be conveyed by the line. The 24" effluent line can provide enough effluent for approximately 5,000 acres, or roughly the northern half of the District. See the attached maps for the location of the 24" effluent line and the corresponding area of benefit. The 24" effluent line and related improvements are in conformance with the Guidelines.

Costs and expenses of the 24" effluent line improvements include sewer improvements, fees and testing.

**ACTUAL COSTS AND EXPENSES FOR THE 24" EFFLUENT LINE ARE EVIDENCED BY PAID INVOICES WHICH WILL BE PROVIDED WHEN THE REQUEST IS FILED. A CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION HAS BEEN INCLUDED WITH THIS REPORT. THE SUMMARY OF COSTS AND EXPENSES IS AS FOLLOWS:**

**24" Effluent Line**

<u>Description</u>	<u>Total Cost</u>
24" Effluent Line	<u>\$532,773</u>
<b>Total Cost</b>	<u><b>\$532,773</b></u>

***(3) Lum Lift Station***

The Lum lift station improvements consist of the construction of the 650 gallon-per-minute lift station which is required to pump wastewater from a low point in the Estrella Mountain Ranch community to a required elevation at which the wastewater can be conveyed by gravity to the wastewater treatment facility. This site-specific facility is strategically located to provide service to a geographic area which includes 20 residential subdivisions and the elementary school site, all of which are located within the existing Golf Village at Estrella Mountain Ranch. See attached maps for location of Lum lift station and the corresponding



area of benefit. The lift station and related improvements are in conformance with the Guidelines.

Costs and expenses of the Lum lift station improvements include sewer improvements, design fees, plan review fees and construction observation.

**ESTIMATES OF THE COSTS AND EXPENSES FOR THE LUM LIFT STATION IMPROVEMENTS WERE PREPARED BY GRIMM, INC. AND ARE SUPPORTED BY EXECUTED CONTRACTS AND ACTUAL PAID INVOICES INCURRED TO DATE. A CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION HAS BEEN INCLUDED WITH THIS REPORT. THE SUMMARY OF COSTS AND EXPENSES IS AS FOLLOWS:**

**Lum Lift Station Improvements:**

<u>Description</u>	<u>Total Cost</u>
Lum Lift Station	\$589,004
Design Engineering	4,500
Plan Review Fees	11,455
Construction Observation	<u>30,198</u>
<b>Total Cost</b>	<b><u>\$635,157</u></b>

***(4) Estrella Parkway Phase 3a Extension***

The Estrella Parkway phase 3a extension consists of the extension of pavement from the current terminus located on the south side of Estrella Foothills High School extending 3,574 linear feet and consists of paving, curb, gutters, landscaping and a traffic loop.

Estrella Parkway phase 3a is being constructed to provide access for the benefit of the next to be developed village called Coronado Village and the adjacent Village (as yet to be named). Subsequent segments of Estrella Parkway will be constructed to provide access to other parts of the community as market conditions warrant. See attached maps for location of Estrella Parkway phase 3a extension and the corresponding area of benefit. The costs are in accordance with the Guidelines.

**ESTIMATES OF THE COSTS AND EXPENSES FOR THE ESTRELLA PARKWAY PHASE 3A EXTENSION WERE PREPARED BY CMX, LLC AND ARE SUPPORTED BY EXECUTED CONTRACTS AND ACTUAL PAID INVOICES INCURRED TO DATE. A CFD IMPROVEMENT MAP SHOWING THE PROJECT LOCATION HAS BEEN INCLUDED WITH THIS REPORT. THE SUMMARY OF COSTS AND EXPENSES IS AS ON THE FOLLOWING PAGE:**

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**SECTION THREE**

**LOCATION OF THE PROJECTS**

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**16" Water Transmission Line**

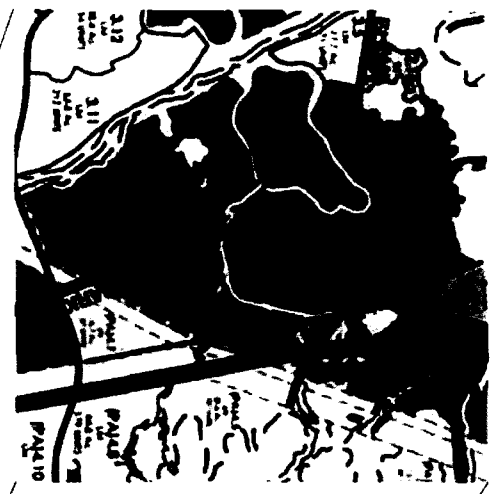
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**LOCATION MAP**  
**16" WATER TRANSMISSION LINE**



16" WATER TRANSMISSION LINE



PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY ROAD

ESTRELLA PKWY  
COTTON LANE

SARIVA  
163RD AVE.

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**24" Effluent Line**

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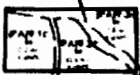
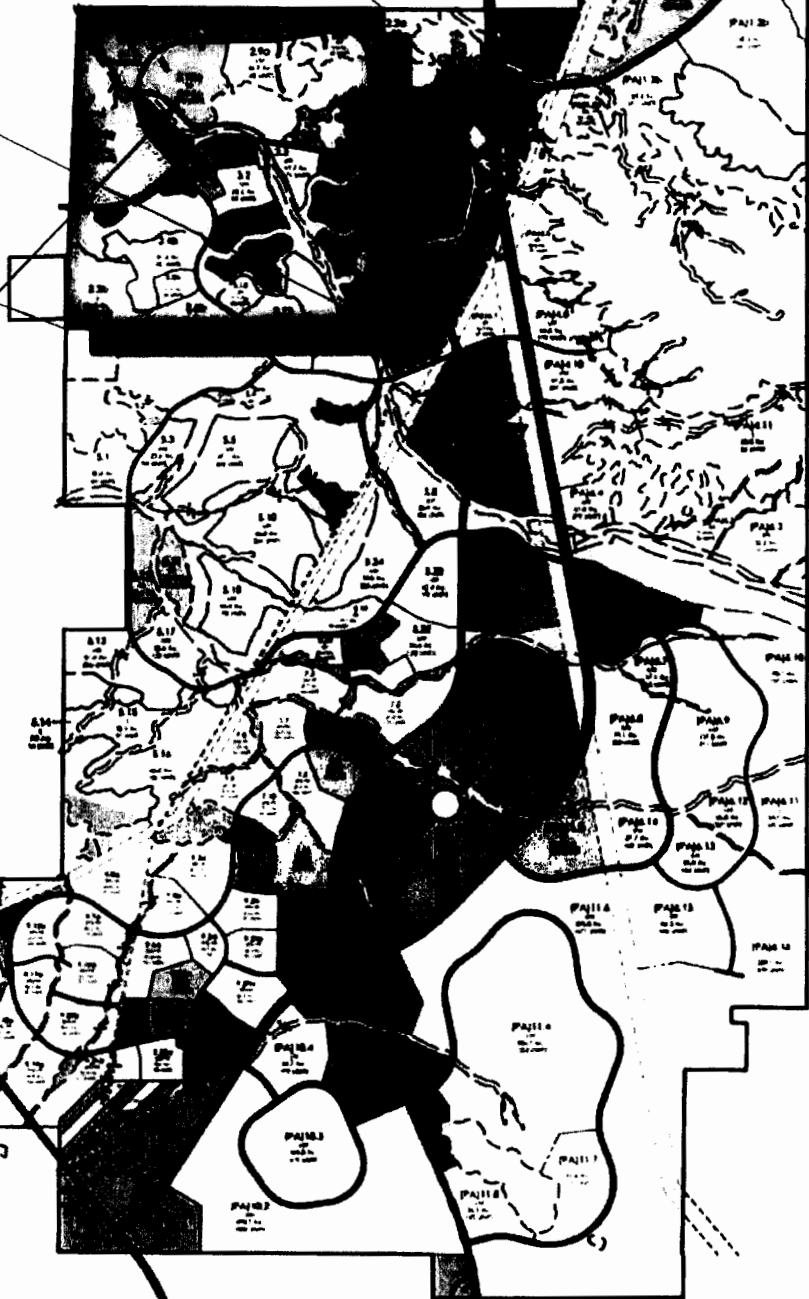
PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

SARIVA  
163RD AVE.

PERRYVILLE ROAD  
187TH AVE.



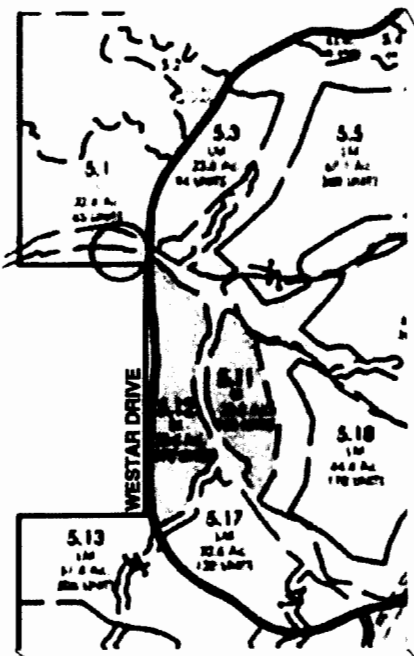
LOCATION MAP  
24" EFFLUENT LINE



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**Lum Lift Station**

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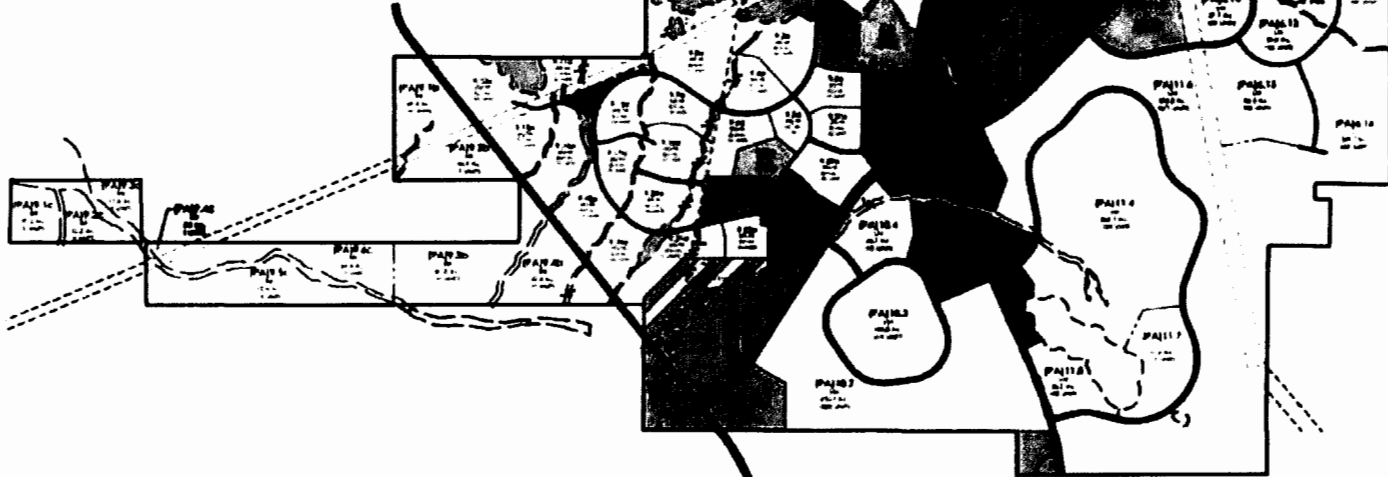
PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

SARIVA  
163RD AVE.

LUM LIFT STATION



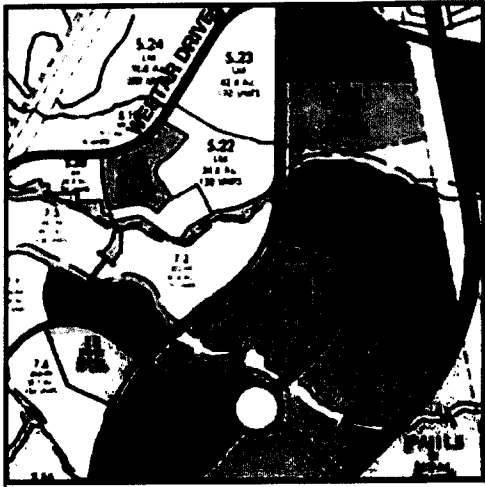
LOCATION MAP  
LUM LIFT STATION



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**Estrella Parkway Phase 3a Extension**

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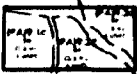
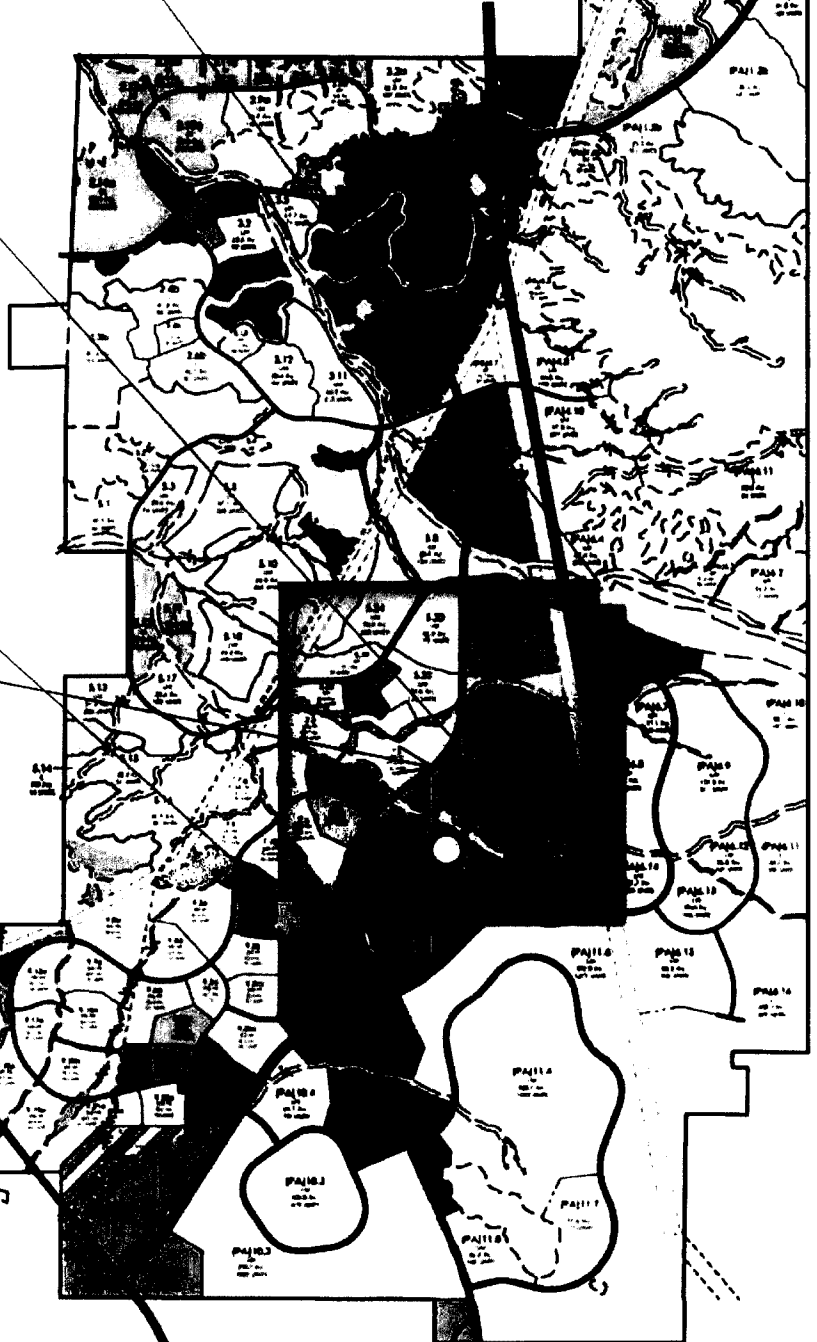
PERRYVILLE ROAD  
187TH AVE

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

SARIVA  
163RD AVE

ESTRELLA PARKWAY  
PHASE 3A



**LOCATION MAP  
ESTRELLA PARKWAY  
PHASE 3A**



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**SECTION FOUR**

**ESTIMATED COST OF THE PROJECTS**

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## ESTIMATED COST OF THE PROJECTS

Shown below is a summary of the actual and/or estimated costs and expenses of the Projects. These amounts represent either actual construction costs or preliminary construction cost estimates and as such are subject to the results of public bidding. The Project total expended construction costs and Project cost estimates are shown in [Appendix B] to this Report.

Upon the acquisition of the Projects, the District will dedicate the Projects to the City. Accordingly, the District will have no operating and/or maintenance expenses in conjunction with the Projects. District administrative expenses will be paid as described in the District Development Agreement. To the extent that bond proceeds are not sufficient to fund the construction of the Projects, the Applicant will advance such shortfalls and such shortfalls may be reimbursed by later bond issues, if any.

**Estrella Mountain Ranch  
Community Facilities District  
Series 2005 General Obligation Bonds  
Estimated Costs of Projects**

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<u>Project Description</u>	<u>Amount</u>	<u>Costs Incurred As of 3/31/05</u>
1. 16" Water Line	\$ 289,091	\$ 289,091
2. 24" Effluent Line	532,773	532,773
3. Lum Lift Station	635,157	268,058
4. Estrella Parkway Phase 3a Extension	<u>4,692,004</u>	<u>48,478</u>
<b>Total</b>	<b><u>\$ 6,149,025</u></b>	<b><u>\$ 1,138,400</u></b>

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**SECTION FIVE**

**TIMETABLE FOR COMPLETION OF THE PROJECTS**

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**TIMETABLE FOR COMPLETION  
OF PUBLIC INFRASTRUCTURE**

The following represents the best estimates for the completion of the Projects.

**Estrella Mountain Ranch  
Community Facilities District  
Series 2005 General Obligation Bonds  
Timetable For Completion of Public Infrastructure**

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<b>Description</b>	<b>Estimated Start Date</b>	<b>Estimated Completion Date</b>	<b>Status of Projects If Currently Under Construction</b>
1. 16" Water Line	Completed	Completed	100%
2. 24" Effluent Line	Completed	Completed	100%
3. Lum Lift Station	January 2005	June 2005	42%
4. Estrella Parkway Phase 3a Extension	April 2005	November 2005	1%

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**SECTION SIX**

**DESCRIPTION AND MAP OF AREAS TO BE BENEFITED**

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## DESCRIPTION OF AREAS TO BE BENEFITED

### **16" Water Line**

The 16" water line conveys potable water from the City of Goodyear's water production facilities to the existing water storage reservoir in Estrella Mountain Ranch. The area of benefit for the 16" water line is limited by the finite quantity of water which can be conveyed through the line. The 16" water line can provide approximately 3.3 million gallons of water per day, or roughly enough water for the northern half of the District. See attached area of benefit map.

### **24" Effluent Line**

The 24" effluent line conveys effluent from the Corgett water reclamation facility to the effluent transmission line at Elliot Road, which is part of the community's overall non-potable water system. The community's non-potable water system is used for irrigation purposes and construction water. The area of benefit for the 24" effluent line is limited by the finite quantity of effluent which can be moved through the line. The 24" effluent line can provide effluent for approximately 5,000 acres, or roughly the northern half of the District. See attached area of benefit map.

### **Lum Wastewater Pumping Station**

The Lum wastewater pumping station pumps wastewater flows from a specific low point in the District up to an elevation that is high enough to continue flowing via gravity wastewater lines to the water reclamation facility. This site-specific facility is strategically located to provide service to a geographic area, which includes 20 residential subdivisions and the elementary school site, all of which are located within the existing Golf Village at Estrella Mountain Ranch. See attached area of benefit map.

### **Estrella Parkway Phase 3a**

Estrella Parkway will initially be the main north/south roadway in Estrella Mountain Ranch. Estrella Parkway phase 3a is being constructed to provide access for the benefit of the next to be developed Village called Coronado Village and the adjacent Village (as yet to be named). Subsequent segments of Estrella Parkway will be constructed to provide access to other parts of the community as market conditions warrant. See attached area of benefit map.



PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

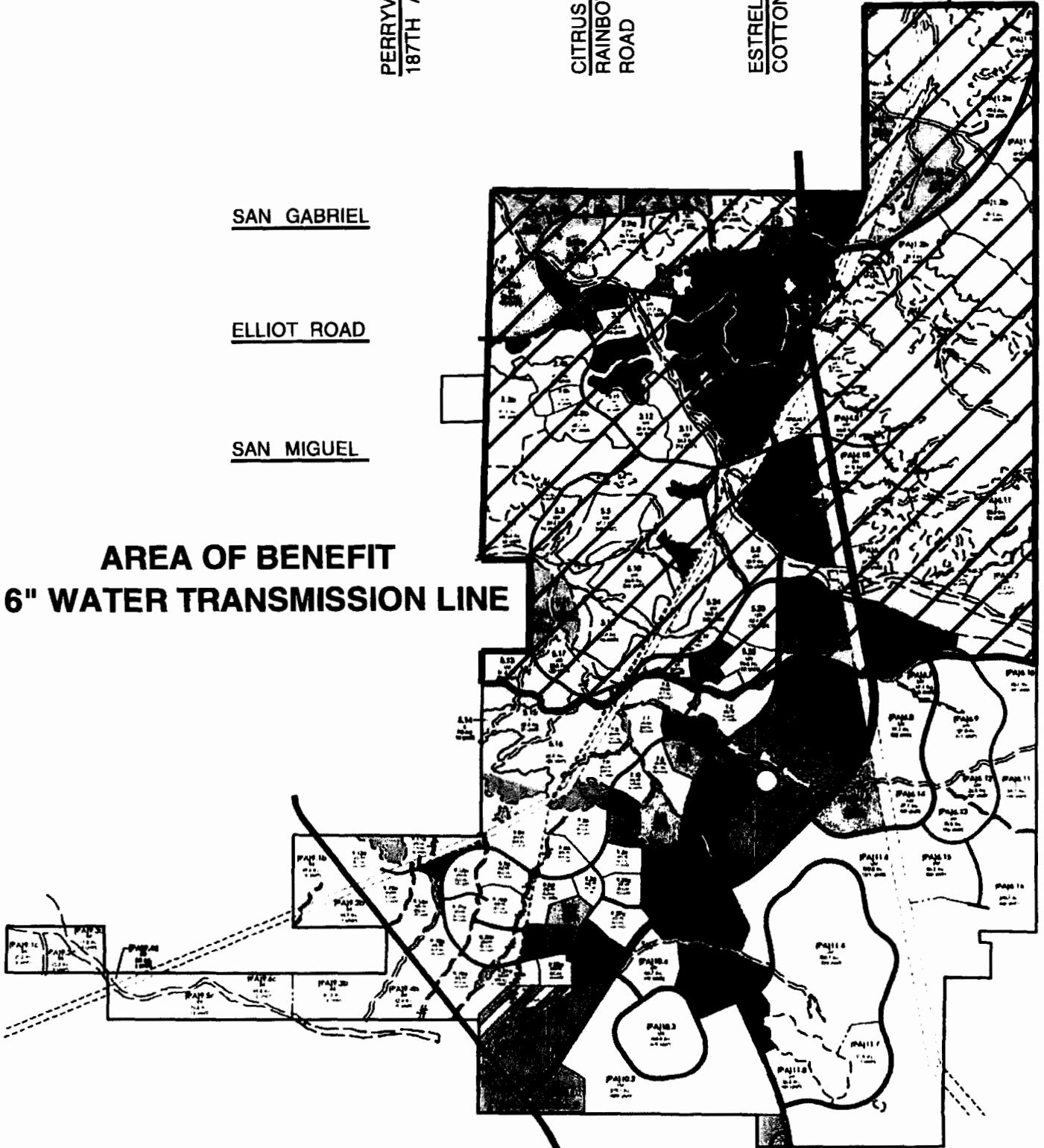
SARIVA  
163RD AVE.

SAN GABRIEL

ELLIOT ROAD

SAN MIGUEL

**AREA OF BENEFIT**  
**16" WATER TRANSMISSION LINE**



PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

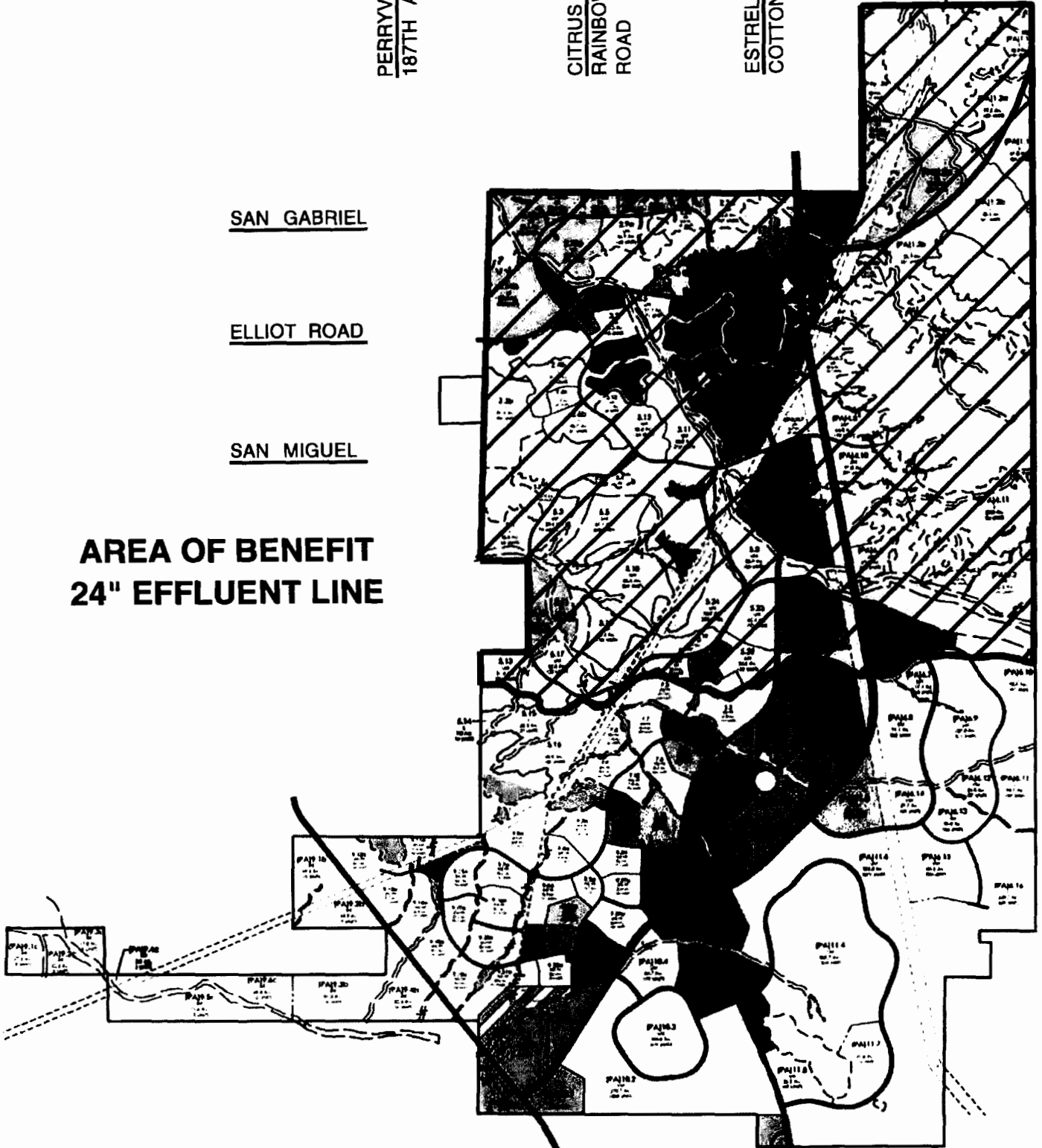
SARIVA  
163RD AVE.

SAN GABRIEL

ELLIOT ROAD

SAN MIGUEL

# AREA OF BENEFIT 24" EFFLUENT LINE



# AREA OF BENEFIT LUM LIFT STATION

SAN GABRIEL

ELLIOT ROAD

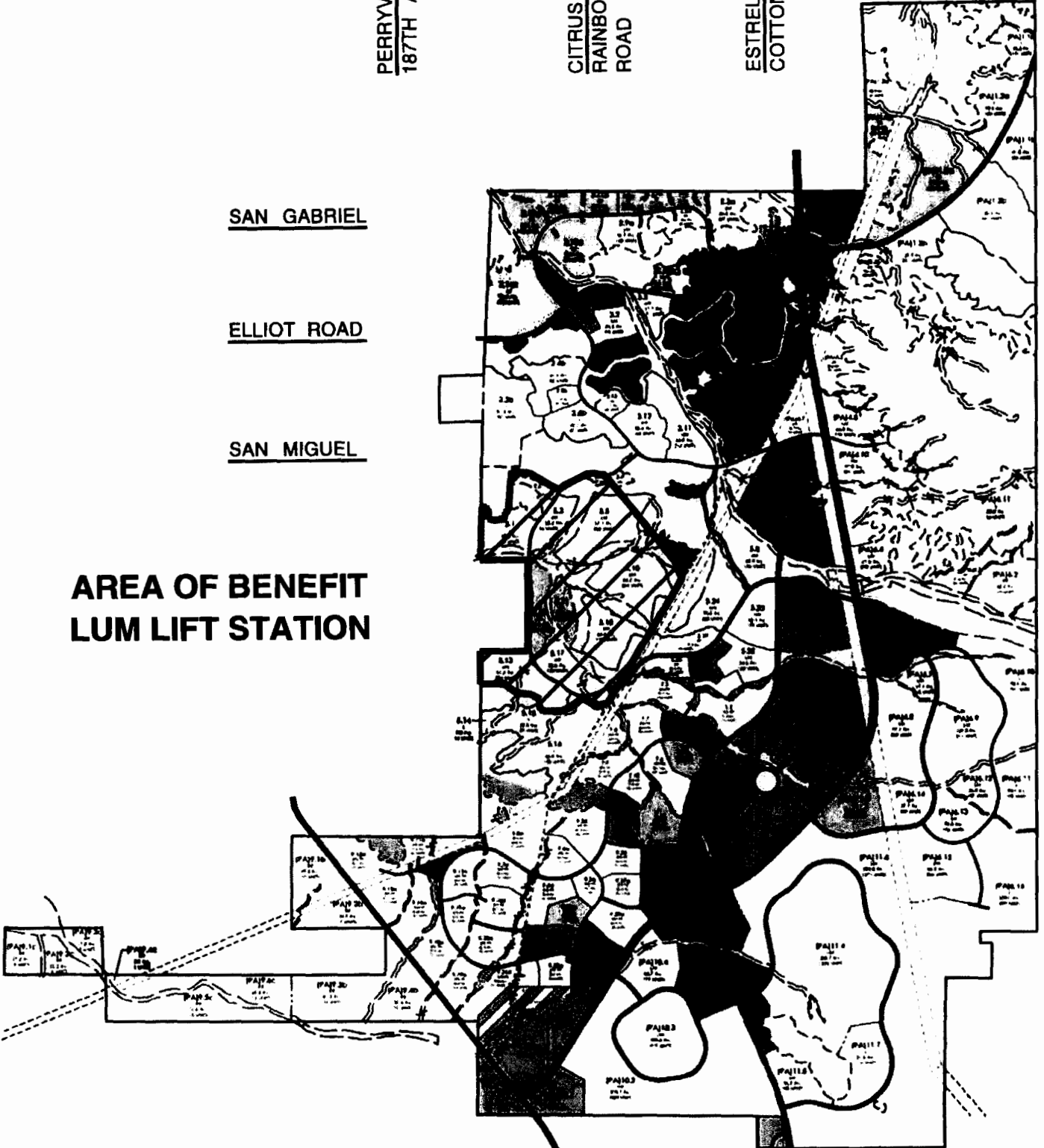
SAN MIGUEL

PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

SARIVA  
163RD AVE.



PERRYVILLE ROAD  
187TH AVE.

CITRUS ROAD  
RAINBOW VALLEY  
ROAD

ESTRELLA PKWY  
COTTON LANE

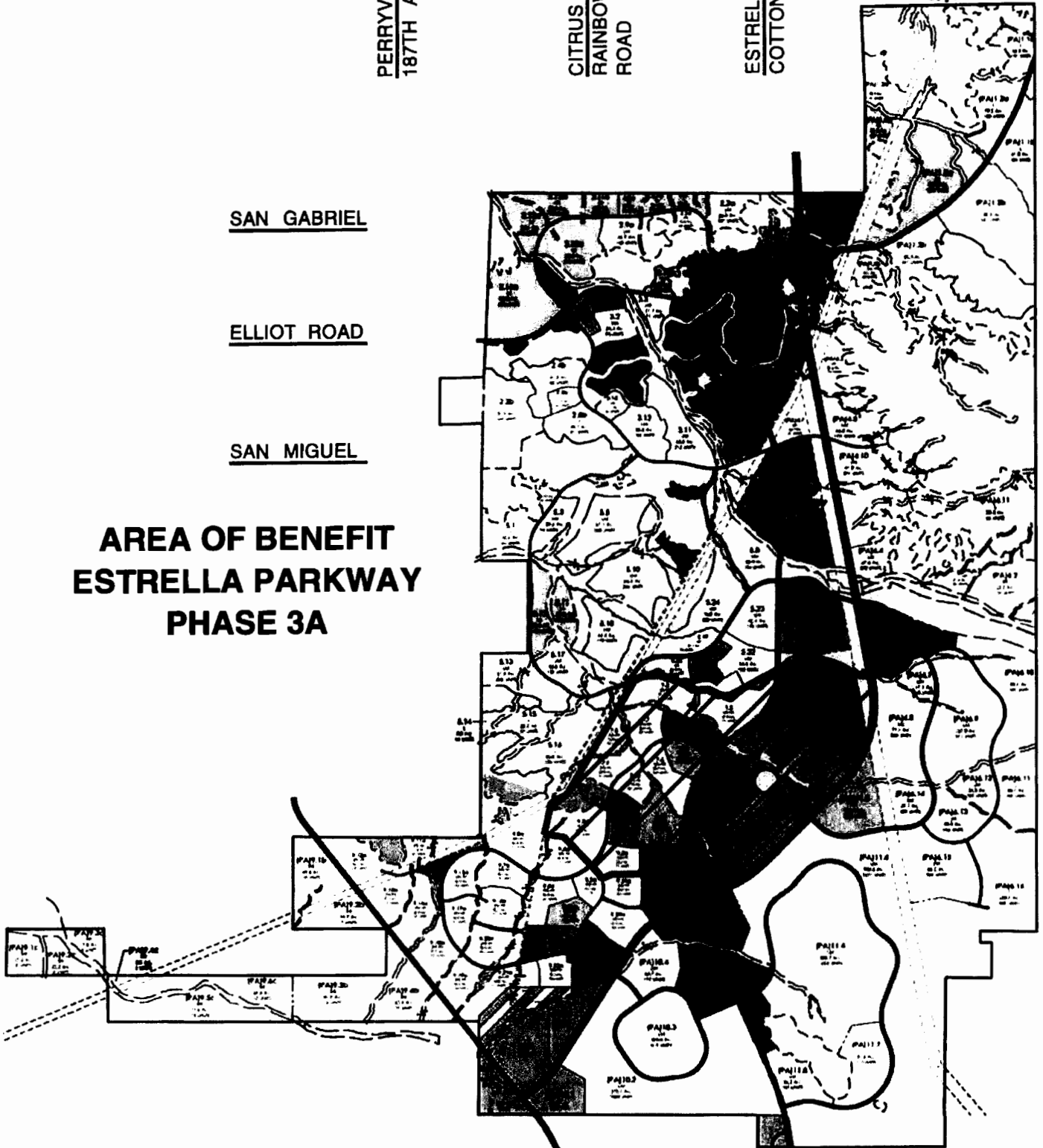
SARIVA  
163RD AVE.

SAN GABRIEL

ELLIOT ROAD

SAN MIGUEL

**AREA OF BENEFIT  
ESTRELLA PARKWAY  
PHASE 3A**



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**SECTION SEVEN**

**PLAN OF FINANCE**

---

## PLAN OF FINANCE

The Projects will be acquired by the District by way of a Plan of Finance herein described. This Plan of Finance is subject to change based on market conditions and requirements necessary to comply with Federal and State Law.

- (1) The City Council, in response to a petition from SunChase as owner of all of the property within the District, adopted a resolution forming the District on November 22, 1999. The District also adopted a General Plan describing the public infrastructure to be financed by the District.
- (2) No residents were living in the District at the time, so the landowner (SunChase) and Residential Funding Corporation voted on December 13, 1999 to authorize an amount not to exceed \$200,000,000 of general obligation bonds to be issued in series over time by the District.
- (3) This is the second general obligation bond issuance for Estrella Mountain Ranch Community Facilities District. The first general obligation bond issuance was the Series 2001 Bonds in the amount of \$200,000. The Series 2001 Bond is currently in the process of being called by the District with excess funds at the disposal of the District.
- (4) The costs of the 16" water line, and the 24" effluent line Projects were provided through an advancement of funds by the Applicant pursuant to the District Development Agreement. Upon the reimbursement of the 16" water line and the 24" effluent line, the remaining Bond proceeds of \$4,193,136 (\$5,015,000 - \$821,864) will be utilized to acquire discernable segments of the remaining eligible Projects (i.e. the Lum lift station and the Estrella Parkway phase 3a extension) pursuant to the terms of the District Development Agreement. Project costs necessary to complete the Projects in excess of the \$4,193,136 will be advanced for the benefit of the District by the Applicant, to be reimbursed from future bond issues.
- (5) The construction contracts for all the public infrastructure have been and will continue to be bid and awarded pursuant to the public bid process of Title 34 of the Arizona Revised Statutes and administered in conformance to applicable law.
- (6) The District is requested to issue the Bonds in a par amount not to exceed \$5,100,000 to finance eligible costs of the Projects as described in Section Four. The Bonds will be issued in June of 2005.

- (7) The Sources and Uses of Funds from proceeds of the sales of the Bonds (exclusive of accrued interest if any) will be:

**Estrella Mountain Ranch  
Community Facilities District  
Series 2005 General Obligation Bonds  
Sources and Uses of Funds <sup>(1)</sup>**

---

**Sources:**

Series 2005 Bond Issue	\$5,015,000
Developer Contribution To Cost of Issuance	162,000
Series 2001 Bond Tax Collection <sup>(2)</sup>	<u>176,000</u>

**Total Sources of Funds** **\$5,353,000**

**Uses:**

Public Infrastructure Improvements	\$5,015,000
Series 2001 Bond Payoff <sup>(2)</sup>	<u>176,000</u>

**Costs of Issuance**

Bond Counsel	\$ 25,000	
Underwriter Counsel	17,000	
Trustee	5,000	
Printing	5,000	
City Financial Advisor	15,000	
Underwriter Discount	<u>95,000</u>	
Subtotal		<u>\$ 162,000</u>

**Total Uses of Funds** **\$5,353,000**

**Footnotes**

(1) With the exception of the Public Infrastructure, all figures are estimates. The total bond to be issued will not exceed \$5,100,000 in principal however; some of these amounts may change when the final amount of the bond is determined.

(2) Estimate provided by City.

- (8) As of February 10, 2005, the Maricopa County Treasurer's office has reported a pre-certified secondary assessed valuation of the property contained within the boundaries of the Estrella Mountain Ranch Community Facilities District to be \$42,942,628. Given the redemption of the Series 2001 Bonds and the levy of the maximum secondary property tax levy of \$1.30 (\$1.00 for debt service and \$.30 for operations and maintenance) per \$100 of secondary assessed value on all taxable property within the District, assuming a 95 percent collection rate, the additional ad

valorem tax collections are anticipated to be sufficient to meet the debt service obligations related to the Series 2005 Bond.

- (9) In the event the certified secondary assessed valuation of the property contained within the boundaries of the Estrella Mountain Ranch Community Facilities District is insufficient to support the debt service, the Applicant, pursuant to the terms of a Standby Contribution Agreement, will make the additional necessary payments. The Standby Contribution Agreement will be released after tax collections prove to be sufficient to support the Bonds.
- (10) The Bonds will have a 25 year maturity and the principal will be amortized over a 25 year period. The Bonds will be unrated and will not be credit-enhanced and/or subsidized in any manner. The Bonds will be subject to transfer restrictions (see attached Qualified Investor Criteria). The Bonds will not be sold in a public offering for purposes of A.R.S. 48-719.
- (11) At the \$1.30 level, assuming an average home price of \$285,000, the tax bill for a homeowner would equal approximately \$26 per month or approximately \$312 annually.



## QUALIFIED INVESTOR CRITERIA

Among other things, purchasers of the Bonds will certify that they are one of the following:

- 1) a bank as defined in Section(a)(2) of the Securities Act of 1933, or savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act of 1933, whether acting in its individual or fiduciary capacity; broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; insurance company as defined in Section 2 (13) of the Securities Act of 1933; investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2 (a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; plan established and maintained by a state, its political subdivision; or any agency or instrumentality of a state or its political subdivision, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3 (21) of such Act, which is either bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- 2) a private business development company as defined in Section 202 (a)(22) of the Investment Advisers Act of 1940;
- 3) an organization described in Section 501(c)(3) of the Internal Revenue Code with total assets in excess of \$5,000,000;
- 4) a natural person whose individual net worth, or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000;
- 5) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with the person's spouse in excess of \$300,000 in each of those years and who reasonably expects reaching the same income level the current year;
- 6) any director, executive officer, or manager of Sun MP, LLC or a related entity;
- 7) any officer, or member of Sun MP, LLC or a related entity; or
- 8) an entity in which all of the equity owners, either directly or indirectly, are of the type described under paragraphs (1), (2), (3), (4), (5), (6) and (7) above.

# EXHIBIT A

ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT  
 DISTRICT GENERAL OBLIGATION BONDS,  
 SERIES 2005 (ASSUMES \$60,000 AVAILABLE EXCESS FUNDS)

-----  
 Debt Service Schedule  
 -----

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
1/15/ 6			156,710.75	156,710.75	
7/15/ 6	145,000.00	6.250000	156,710.75	301,710.75	450,437.50
1/15/ 7			152,107.50	152,107.50	
7/15/ 7	95,000.00	6.250000	152,107.50	247,107.50	399,375.00
1/15/ 8			149,210.75	149,210.75	
7/15/ 8	100,000.00	6.250000	149,210.75	249,210.75	398,437.50
1/15/ 9			146,093.75	146,093.75	
7/15/ 9	105,000.00	6.250000	146,093.75	251,093.75	397,107.50
1/15/10			142,012.50	142,012.50	
7/15/10	110,000.00	6.250000	142,012.50	252,012.50	395,625.00
1/15/11			139,375.00	139,375.00	
7/15/11	120,000.00	6.250000	139,375.00	259,375.00	398,750.00
1/15/12			135,625.00	135,625.00	
7/15/12	125,000.00	6.250000	135,625.00	260,625.00	396,250.00
1/15/13			131,710.75	131,710.75	
7/15/13	135,000.00	6.250000	131,710.75	266,710.75	398,437.50
1/15/14			127,500.00	127,500.00	
7/15/14	140,000.00	6.250000	127,500.00	267,500.00	395,000.00
1/15/15			123,125.00	123,125.00	
7/15/15	150,000.00	6.250000	123,125.00	273,125.00	396,250.00
1/15/16			118,437.50	118,437.50	
7/15/16	160,000.00	6.250000	118,437.50	270,437.50	396,075.00
1/15/17			113,437.50	113,437.50	
7/15/17	170,000.00	6.250000	113,437.50	283,437.50	396,075.00
1/15/18			108,125.00	108,125.00	
7/15/18	180,000.00	6.250000	108,125.00	290,125.00	396,250.00
1/15/19			102,500.00	102,500.00	
7/15/19	190,000.00	6.250000	102,500.00	292,500.00	395,000.00
1/15/20			96,562.50	96,562.50	
7/15/20	205,000.00	6.250000	96,562.50	301,562.50	398,125.00
1/15/21			90,156.25	90,156.25	
7/15/21	215,000.00	6.250000	90,156.25	305,156.25	395,312.50
1/15/22			83,437.50	83,437.50	
7/15/22	230,000.00	6.250000	83,437.50	313,437.50	396,075.00
1/15/23			76,250.00	76,250.00	
7/15/23	245,000.00	6.250000	76,250.00	321,250.00	397,500.00
1/15/24			68,593.75	68,593.75	
7/15/24	260,000.00	6.250000	68,593.75	320,593.75	397,107.50
1/15/25			60,460.75	60,460.75	
7/15/25	275,000.00	6.250000	60,460.75	335,460.75	395,937.50
1/15/26			51,075.00	51,075.00	
7/15/26	295,000.00	6.250000	51,075.00	346,075.00	398,750.00
1/15/27			42,656.25	42,656.25	
7/15/27	310,000.00	6.250000	42,656.25	352,656.25	395,312.50
1/15/28			32,960.75	32,960.75	
7/15/28	330,000.00	6.250000	32,960.75	362,960.75	395,937.50
1/15/29			22,656.25	22,656.25	
7/15/29	350,000.00	6.250000	22,656.25	372,656.25	395,312.50
1/15/30			11,710.75	11,710.75	
7/15/30	375,000.00	6.250000	11,710.75	386,710.75	398,437.50

	5,015,000.00	4,968,437.50	9,983,437.50
ACCRUED			
	5,015,000.00	4,968,437.50	9,983,437.50
	-----	-----	-----

Dated 7/15/ 5 with Delivery of 7/15/ 5  
 Bond Years 79,495.000  
 Average Coupon 6.250000  
 Average Life 15.951446  
 N I C % 6.250000 % Using 100.000000  
 T I C % 6.250000 % From Delivery Date

Prepared by Peacock, Hislop, Staley & Given, Inc.

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## **Appendix A**

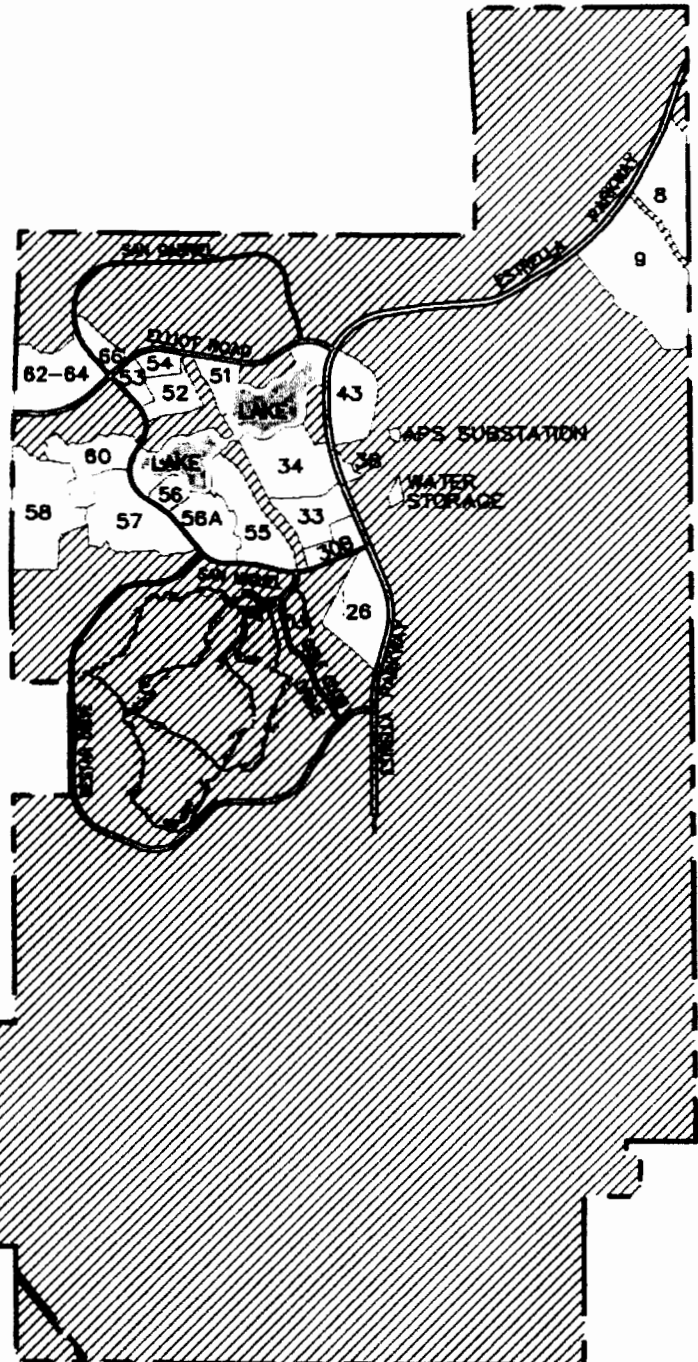
**Legal Description for the**

**Estrella Mountain Ranch  
Community Facilities District**

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**EXCEPTION PARCELS:**

- A) ESTRELLA PARCEL 8, ACCORDING TO BOOK 318 OF MAPS, PAGE 39, RECORDS OF MARICOPA COUNTY, ARIZONA.
- B) LOTS 22, 23, 24, 28-32, 38, 39, 75, AND TRACTS A, B, C, & D OF ESTRELLA PARCEL 9, ACCORDING TO BOOK 318 OF MAPS, PAGE 40, RECORDS OF MARICOPA COUNTY, AZ.
- C) SUNCHASE AT ESTRELLA PARCEL 33, ACCORDING TO 451 OF MAPS, PAGE 21, INSTRUMENT NO. 97-0697454 RECORDS OF, MARICOPA COUNTY, ARIZONA.
- D) ESTRELLA PARCEL 34, ACCORDING TO BOOK 329 OF MAPS, PAGE 34, RECORDS OF MARICOPA COUNTY, ARIZONA.
- E) ESTRELLA MOUNTAIN RANCH PARCEL 43, ACCORDING TO BOOK 482 OF MAPS, PAGE 50, INSTRUMENT NO. 98-0938131 RECORDS OF MARICOPA COUNTY, ARIZONA.
- F) ESTRELLA PARCEL 51, ACCORDING TO BOOK 325 OF MAPS, PAGE 41; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 90-387749 RECORDS OF MARICOPA COUNTY, ARIZONA.
- G) ESTRELLA PARCEL 55, ACCORDING TO BOOK 325 OF MAPS, PAGE 42, AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-475003 RECORDS OF MARICOPA COUNTY, ARIZONA.
- H) ESTRELLA PARCEL 56, ACCORDING TO BOOK 329 OF MAPS, PAGE 33, RECORDS OF MARICOPA COUNTY, ARIZONA.
- I) ESTRELLA PARCEL 56A, ACCORDING TO BOOK 419 OF MAPS, PAGE 42 IN INSTRUMENT NO. 96-0488725, RECORDS OF MARICOPA COUNTY, AZ.
- J) ESTRELLA PARCEL 57 AMENDED, ACCORDING TO BOOK 329 OF MAPS, PAGE 12, RECORDS OF MARICOPA COUNTY, ARIZONA.
- K) ESTRELLA PARCEL 58, ACCORDING TO BOOK 321 OF MAPS, PAGE 31; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-303317, RECORDS OF MARICOPA COUNTY, ARIZONA.
- L) ESTRELLA PARCEL 60, ACCORDING TO BOOK 321 OF MAPS, PAGE 30; AND AFFIDAVIT OF CORRECTION RECORDED IN INSTRUMENT NO. 89-336248, RECORDS OF MARICOPA COUNTY, AZ.
- M) SUNCHASE AT ESTRELLA PARCELS 62-64, ACCORDING TO BOOK 438 OF MAPS, PAGE 42 IN INSTRUMENT NO. 97-0236401, RECORDS OF MARICOPA COUNTY, ARIZONA.
- N) SUNCHASE AT ESTRELLA PARCEL 66, ACCORDING TO BOOK 442 OF MAPS, PAGE 03 IN INSTRUMENT NO. 97-0339182.
- O) PARCEL 30B, IN INSTRUMENT NO. 89-0098746 RECORDS OF MARICOPA COUNTY, AZ.
- P) PARCEL 30B, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474763, RECORDS OF MARICOPA COUNTY, AZ.
- Q) PARCEL 38, IN INSTRUMENT NO. 88-571563 RECORDS OF MARICOPA COUNTY, AZ.
- R) PARCEL 38, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474764, RECORDS OF MARICOPA COUNTY, AZ.
- S) PARCEL 53, IN INSTRUMENT NO.90-387712 RECORDS OF MARICOPA COUNTY, AZ.
- T) PARCEL 53, LANDSCAPE TRACT IN INSTRUMENT NO. 94-474765, RECORDS OF MARICOPA COUNTY, AZ.
- U) NORTH LAKE & SOUTH LAKE, IN INSTRUMENT NO. 90-538581, RECORDS OF MARICOPA COUNTY, AZ.
- V) LAKES COMMON AREA, IN INSTRUMENT NO. 94-474760, RECORDS OF MARICOPA COUNTY, AZ.
- W) LAKES COMMON AREA, IN INSTRUMENT NO. 94-481850, RECORDS OF MARICOPA COUNTY, AZ.
- X) PARCEL 54 (BALLFIELD), IN INSTRUMENT NO. 97-0911325, RECORDS OF MARICOPA COUNTY, AZ.
- Y) APS SUB-STATION, IN INSTRUMENT NO. 88-618019, RECORDS OF MARICOPA COUNTY, AZ.
- Z) ESTRELLA PARCEL 52 AMENDED, ACCORDING TO BOOK 512 OF MAPS, PAGE 31, INSTRUMENT NO. 99-0878298, RECORDS OF MARICOPA COUNTY, ARIZONA.
- AA) PARCEL 26 ACCORDING TO BOOK 508 OF MAPS, PAGE 38, INSTRUMENT NO. 99-072948, RECORDS OF MARICOPA COUNTY, ARIZONA.
- BB) LAND DESCRIBED AS TAX PARCEL 400-03-022N AND ANY OTHER REAL PROPERTY INCLUDING RIGHTS-OF-WAY OWNED BY THE CITY OF GOODYEAR OR ANY OTHER GOVERNMENTAL AGENCY.
- CC) LAND DESCRIBED AS TAX PARCEL 400-52-211R.



**COMMUNITY FACILITIES EXHIBIT B**  
**ESTRELLA MOUNTAIN RANCH**



**CMX GROUP INC.**  
 1515 E. MISSOURI, #115  
 PHOENIX, AZ 85014  
 PH (602)279-8436

February 27, 1997

LEGAL DESCRIPTION  
ESTRELLA - LEGAL 3

PARCEL 1

That part of Sections 1, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 27, 28, 31, 32, 33, 34, 35 and 36, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Northeast Corner of said Section 1, as shown on the "Estrella Phase One, Map of Dedication", as recorded in Book 318 of Maps, Page 38, Maricopa County Records;

Thence South  $00^{\circ}20'21''$  West (measured), South  $00^{\circ}20'03''$  West (record), along the East line of said Section 1, a distance of 2,710.50 feet (measured), 2708.61 feet (record) to the East Quarter Corner of said Section 1;

Thence South  $00^{\circ}13'59''$  West (measured), South  $00^{\circ}14'18''$  West (record), continuing along the East line of said Section 1, a distance of 2,640.94 feet (measured), 2641.11 feet (record) to the Northeast Corner of said Section 12;

Thence South  $00^{\circ}28'03''$  West (measured), South  $00^{\circ}28'10''$  West (record), along the East line of said Section 12, a distance of 2,641.29 feet (measured) 2641.01 feet (record) to the East Quarter Corner of said Section 12;

Thence South  $00^{\circ}13'23''$  West (measured), South  $00^{\circ}13'30''$  West (record), continuing along the East line of said Section 12, a distance of 2,646.70 feet to the Northeast Corner of said Section 13;

Thence South  $00^{\circ}07'53''$  West, along the East line of said Section 13, a distance of 2,644.87 feet to the East Quarter Corner of said Section 13;

Thence South  $00^{\circ}13'33''$  West, continuing along the East line of said Section 13, a distance of 2,617.62 feet to the Northeast Corner of said Section 24;

Thence South  $00^{\circ}13'33''$  West, along the East line of said Section 24, a distance of 2,653.28 feet to the East Quarter Corner of said Section 24;

Thence South  $00^{\circ}17'47''$  West, continuing along the East line of said Section 24, a distance of 2,643.64 feet to the Northeast Corner of said Section 25;

Thence South  $00^{\circ}08'16''$  West, along the East line of said Section 25, a distance of 2,640.90 feet to the East Quarter Corner of said Section 25;

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 2 of 8

Thence South  $00^{\circ}12'04''$  West, continuing along the East line of said Section 25, a distance of 2,633.25 feet to the Northeast Corner of said Section 36;

Thence North  $89^{\circ}13'00''$  West, along the North line of said Section 36, a distance of 1,624.40 feet to the Northwest Corner of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence South  $00^{\circ}31'11''$  West, along the West line of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 332.14 feet to the Southwest Corner thereof;

Thence South  $89^{\circ}15'58''$  East, along the South line of the Northeast Quarter of the Northeast Quarter of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 325.17 feet to a point on the East line of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence South  $00^{\circ}28'07''$  West, along said East line, a distance of 995.59 feet to the Southeast Corner of the Northwest Quarter of the Northeast Quarter of said Section 36;

Thence North  $89^{\circ}24'51''$  West, along the South line of the Northwest Quarter of the Northeast Quarter of said Section 36, a distance of 1,304.25 feet to a point on the North-South mid-section line of said Section 36;

Thence South  $00^{\circ}40'22''$  West, along said North-South mid-section line, a distance of 3,968.88 feet to the South Quarter Corner of said Section 36;

Thence North  $89^{\circ}36'54''$  West, along the South line of said Section 36, a distance of 2,638.53 feet to the Southeast Corner of said Section 35;

Thence North  $89^{\circ}36'09''$  West, along the South line of said Section 35, a distance of 2,633.38 feet to the South Quarter Corner of said Section 35;

Thence North  $89^{\circ}34'19''$  West, continuing along the South line of said Section 35, a distance of 2,644.84 feet to the Southeast Corner of said Section 34;

Thence North  $89^{\circ}29'43''$  West, along the South line of said Section 34, a distance of 2,637.81 feet to the South Quarter Corner of said Section 34;

Legal Description for  
Estrella - Legal 3  
February 27, 1997  
Page 3 of 8

Thence North  $89^{\circ}29'43''$  West, continuing along the South line of said Section 34, a distance of 964.18 feet to a point on the Northeasterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence North  $37^{\circ}50'26''$  West, along the Northeasterly right-of-way line of said "Rainbow Valley Road," a distance of 2,704.64 feet to a point on the East line of said Section 33;

Thence North  $00^{\circ}21'07''$  East, along said East line, a distance of 564.43 feet to the East Quarter Corner of said Section 33;

Thence North  $89^{\circ}49'56''$  West, along the East-West mid-section line of said Section 33, a distance of 442.93 feet to a point on the Northeasterly right-of-way line of said "Rainbow Valley Road";

Thence North  $37^{\circ}50'26''$  West, along said Northeasterly right-of-way line of "Rainbow Valley Road," a distance of 6,709.50 feet to a point on the East-West mid-section line of said Section 28;

Thence South  $89^{\circ}27'48''$  East, along said East-West mid-section line, a distance of 4,600.62 feet to the West Quarter Corner of said Section 27;

Thence North  $00^{\circ}28'09''$  East, along the West line of said Section 27, a distance of 2,657.12 feet to the Southwest Corner of said Section 22;

Thence North  $00^{\circ}14'06''$  East, along the West line of said Section 22, a distance of 2,630.12 feet to the West Quarter Corner of said Section 22;

Thence South  $89^{\circ}51'29''$  East, along the East-West mid-section line of said Section 22, a distance of 1,319.81 feet to the Southeast Corner of the West Half of the Northwest Quarter of said Section 22;

Thence North  $00^{\circ}11'40''$  East, along the East line of the West Half of the Northwest Quarter of said Section 22, a distance of 2,641.50 feet to the Northeast Corner of the West Half of the Northwest Quarter of said Section 22;

Thence North  $89^{\circ}24'39''$  West, along the North line of the West Half of the Northwest Quarter of said Section 22, a distance of 1,321.54 feet to the Southwest Corner of said Section 15;



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Estrella - Legal 3  
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Thence North  $00^{\circ}03'52''$  East, along the West line of said Section 15, a distance of 2,651.85 feet to the West Quarter Corner of said Section 15, said point also being the Southwesterly Boundary Corner of said "Estrella Phase One, Map of Dedication;"

Thence North  $01^{\circ}27'57''$  East (measured), North  $01^{\circ}27'59''$  East (record), continuing along the West line of said Section 15, a distance of 2,614.84 feet (measured), 2,614.86 feet (record) to the Southwest Corner of said Section 10;

Thence North  $02^{\circ}27'13''$  East (measured), North  $02^{\circ}27'17''$  East (record), along the West line of said Section 10, a distance of 2,633.92 feet (measured), 2,633.92 feet (record) to the West Quarter Corner of said Section 10;

Thence North  $02^{\circ}22'18''$  East (measured), North  $02^{\circ}22'31''$  East (record), continuing along the West line of said Section 10, a distance of 2,635.09 feet (measured), 2,635.54 feet (record) to the Northwest Corner of said Section 10;

Thence South  $89^{\circ}13'00''$  East (measured), South  $89^{\circ}12'35''$  East (record), along the North line of said Section 10, a distance of 2,650.33 feet (measured), 2,650.49 feet (record) to the North Quarter Corner of said Section 10;

Thence South  $89^{\circ}22'02''$  East (measured), South  $89^{\circ}21'52''$  East (record), continuing along the North line of said Section 10, a distance of 2,638.74 feet (measured), 2,639.03 feet (record) to the Northwest Corner of said Section 11;

Thence South  $89^{\circ}31'04''$  East (measured), South  $89^{\circ}31'03''$  East (record), along the North line of said Section 11, a distance of 2,649.70 feet (measured), 2,649.92 feet (record) to the North Quarter Corner of said Section 11;

Thence South  $89^{\circ}39'41''$  East (measured), South  $89^{\circ}39'05''$  East (record); continuing along the North line of said Section 11, a distance of 2,649.36 feet (measured), 2,649.51 feet (record) to the Southwest Corner of said Section 1;

Thence North  $00^{\circ}39'36''$  East (measured), North  $00^{\circ}39'46''$  East (record), along the West line of said Section 1, a distance of 2,606.21 feet (measured), 2,606.59 feet (record) to the West Quarter Corner of said Section 1;

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Thence North  $02^{\circ}11'20''$  West (measured), North  $02^{\circ}10'59''$  West (record), continuing along the West line of said Section 1, a distance of 2,694.65 feet (measured), 2,694.49 feet (record) to the Northwest Corner of said Section 1;

Thence North  $89^{\circ}37'33''$  East (measured), North  $89^{\circ}37'44''$  East (record), along the North line of said Section 1, a distance of 2,470.13 feet (measured) to the Southeast Corner of Section 36, Township 1 North, Range 2 West of the Gila and Salt River Meridian, Maricopa County, Arizona;

Thence North  $89^{\circ}43'37''$  East (measured), North  $89^{\circ}37'44''$  East (record), continuing along the North line of said Section 1, a distance of 70.26 feet (measured) to the North Quarter Corner of said Section 1;

Thence North  $89^{\circ}43'37''$  East (measured), North  $89^{\circ}46'12''$  East (record), continuing along the North line of said Section 1, a distance of 2,521.98 feet (measured), 2,521.62 feet (record) to the Point of Beginning.

Containing 10,067.869 Acres more or less.

#### PARCEL 2

That part of the Southwest Quarter of Section 34, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Southwest Corner of said Section 34;

Thence North  $00^{\circ}21'07''$  East, along the West line of said Section 34, a distance of 1,991.83 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence South  $37^{\circ}50'26''$  East, along the Southwesterly right-of-way line of "Rainbow Valley Road," a distance of 2,539.67 feet to a point on the South line of said Section 34;

Thence North  $89^{\circ}29'43''$  West, along said South line, a distance of 1,570.30 feet to the Point of Beginning.

Containing 35.902 Acres more or less.

#### PARCEL 3

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That part of the Southwest Quarter of Section 28, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the Southwest Corner of said Section 28;

Thence North  $00^{\circ}08'04''$  East, along the West line of said Section 28, a distance of 2,641.56 feet to the West Quarter Corner of said Section 28;

Thence South  $89^{\circ}27'48''$  East, along the East-West mid-section line of said Section 28, a distance of 583.08 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road," as recorded in Book 10 of Road Maps, Page 25 & 26, Maricopa County Records;

Thence South  $37^{\circ}50'26''$  East, along the Southwesterly right-of-way line of said "Rainbow Valley Road," a distance of 3,329.90 feet to a point on the South line of said Section 28;

Thence South  $89^{\circ}51'39''$  West, along the South line of said Section 28, a distance of 2,632.04 feet to the Point of Beginning.

Containing 97,276 Acres more or less.

#### PARCEL 4

That part of the North Half of Section 33 and the South Half of the North Half of Section 32, Township 1 South, Range 2 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Beginning at the East Quarter Corner of said Section 32;

Thence North  $89^{\circ}48'26''$  West, along the East-West mid-section line of said Section 32, a distance of 5,208.80 feet to a point on the Easterly right-of-way line of "Tuthill Road," as recorded in Book 33 of Road Maps, Page 39 and Instrument #92-109925, Maricopa County Records, said line being parallel with and 40.00 feet Easterly, as measured at right angles, from the West line of said Section 32;

Thence North  $01^{\circ}01'17''$  West, along the Easterly right-of-way line of said "Tuthill Road," a distance of 1,338.76 feet to point on the North line of the South Half of the North Half of said Section 32;

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February 27, 1997  
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Thence South  $89^{\circ}39'25''$  East, along the North line of the South Half of the North Half of said Section 32, a distance of 5,241.38 feet to the Northwest Corner of the South Half of the Northwest Quarter of said Section 33;

Thence South  $89^{\circ}59'09''$  East, along the North line of the South Half of the Northwest Quarter of said Section 33, a distance of 2,644.85 feet to a point on the North-South mid-section line of said Section 33;

Thence North  $00^{\circ}31'52''$  East, along said North-South mid-section line, a distance of 1,310.78 feet to a point on the Southwesterly right-of-way line of "Rainbow Valley Road";

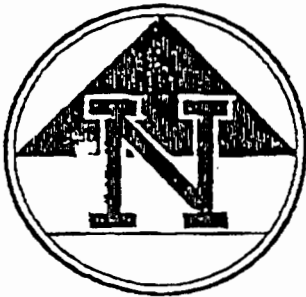
Thence South  $37^{\circ}50'26''$  East, along the Southwesterly right-of-way line of said "Rainbow Valley Road", a distance of 3,353.83 feet to a point on the East-West mid-section line of said Section 33;

Thence North  $89^{\circ}49'56''$  West, along said East-West mid-section line, a distance of 4,723.13 feet to the Point of Beginning.

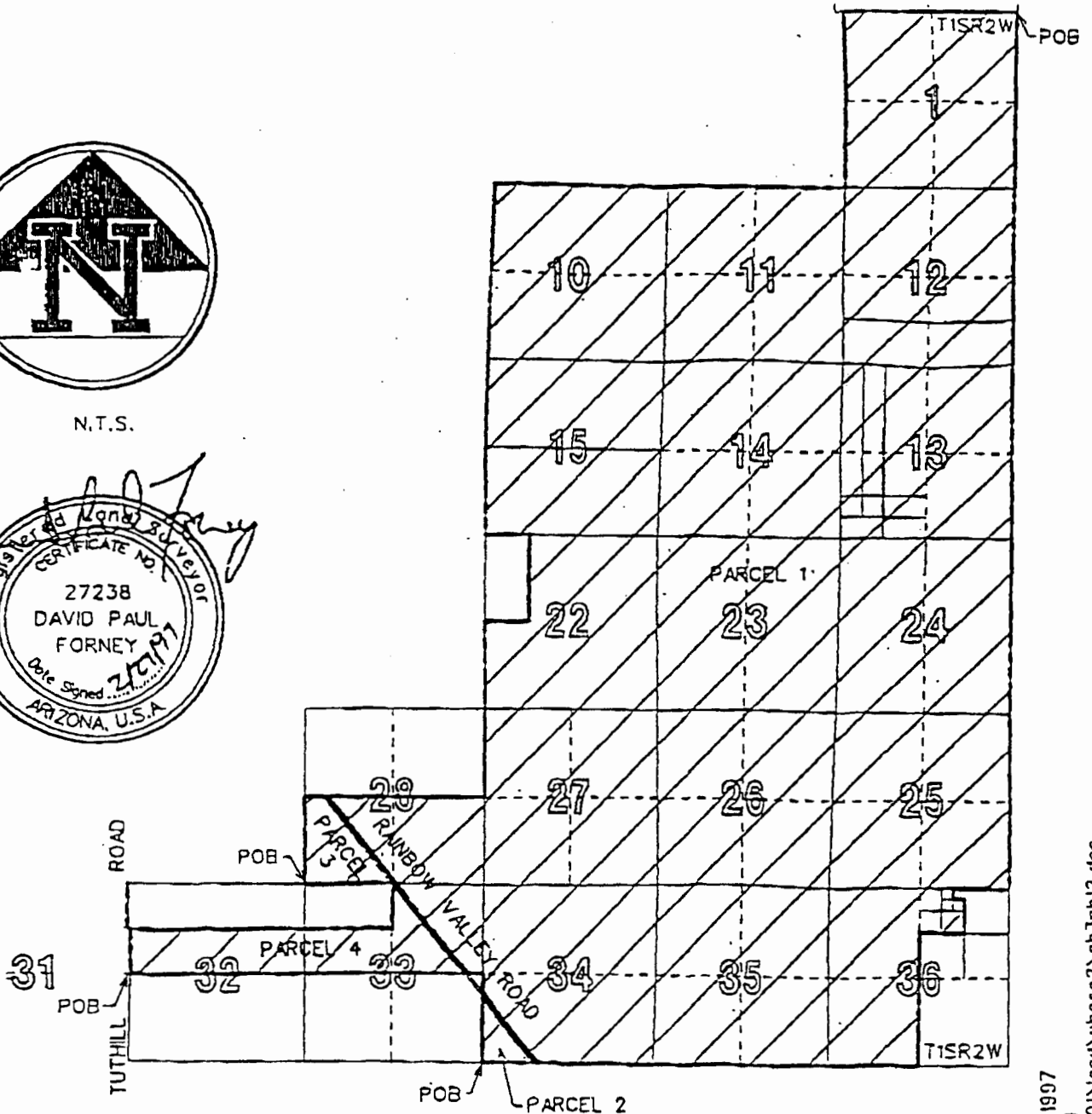
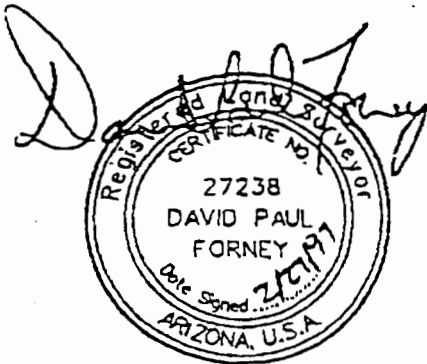
Containing 303.465 acres more or less.

Containing 10,504.512 acres total more or less.

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Estrella - Legal 3  
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N.T.S.



DATE: Feb. 26, 1997  
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EXHIBIT

ESTRELLA - LEGAL 3

JOB NO

46002501

4550 NORTH 12TH STREET  
PHOENIX, ARIZONA 85014

COE & VAN LOO

SHEET

4 4

**EXCEPT** the following parcels, legally described as follows:

- a) Estrella Parcel 8, according to Book 318 of Maps, Page 39, Records of Maricopa County, Arizona.
- b) Lots 22, 23, 24, 28 - 32, 38, 39, 75, and Tracts A, B, C and D of Estrella Parcel 9, according to Book 318 of Maps, Page 40, Records of Maricopa County, Arizona.
- c) Sunchase at Estrella Parcel 33, according to 451 of Maps, Page 21, Instrument No. 97-0697454 Records of Maricopa County, Arizona.
- d) Estrella Parcel 34, according to Book 329 of Maps, Page 34, Records of Maricopa County, Arizona.
- e) Estrella Mountain Ranch Parcel 43, according to Book 482 of Maps, Page 50, Instrument No. 98-0938131 Records of Maricopa County, Arizona.
- f) Estrella Parcel 51, according to Book 325 of Maps, Page 41; and Affidavit of Correction recorded in Instrument No. 90-387749 Records of Maricopa County, Arizona.
- g) Estrella Parcel 55, according to Book 325 of Maps, Page 42, and Affidavit of Correction recorded in Instrument No. 89-475003 records of Maricopa County, Arizona.
- h) Estrella Parcel 56, according to Book 329 of Maps, Page 33, records of Maricopa County, Arizona.
- i) Estrella Parcel 56A, according to Book 419 of Maps, Page 42 in Instrument No. 96-0488725 records of Maricopa County, Arizona.
- j) Estrella Parcel 57 amended, according to Book 329 of Maps, Page 12, records of Maricopa County, Arizona.
- k) Estrella Parcel 58, according to Book 321 of Maps, Page 31; and Affidavit of Correction recorded in Instrument No. 89-303317, records of Maricopa County, Arizona.
- l) Estrella Parcel 60, according to Book 321 of Maps, Page 30; and Affidavit of Correction recorded in Instrument No. 89-336248, records of Maricopa County, Arizona.
- m) Sunchase at Estrella Parcels 62-64, according to Book 438 of Maps, Page 42 in Instrument No. 97-0236401, records of Maricopa County, Arizona.
- n) Sunchase at Estrella Parcel 66, according to Book 442 of Maps, Page 03 in Instrument No. 97-0339182.
- o) Parcel 30B, in Instrument No. 89-0098746 records of Maricopa County, Arizona.
- p) Parcel 30B, landscape tract in Instrument No. 94-474763, records of Maricopa County, Arizona.
- q) Parcel 38, in Instrument No. 88-571563 records of Maricopa County, Arizona.

- r) Parcel 38, landscape tract in Instrument No. 94-474764, records of Maricopa County, Arizona.
- s) Parcel 53, in Instrument No. 90-387712, records of Maricopa County, Arizona.
- t) Parcel 53, landscape tract in Instrument No. 94-474765, records of Maricopa County, Arizona.
- u) North Lake and South Lake, in Instrument No. 90-538581, records of Maricopa County, Arizona.
- v) Lakes common area, in Instrument No. 94-474760, records of Maricopa County, Arizona.
- w) Lakes common area, in Instrument No. 94-481850, records of Maricopa County, Arizona.
- x) Parcel 54 (ballfield), in Instrument No. 97-0911325, records of Maricopa County, Arizona.
- y) APS sub-station, in Instrument No. 88-618019, records of Maricopa County, Arizona.
- z) Estrella Parcel 52 amended, according to Book 512 of Maps, Page 31, Instrument No. 99-0878298, records of Maricopa County, Arizona.
- aa) Parcel 26 according to Book 508 of Maps, Page 38, Instrument No. 99-072948, records of Maricopa County, Arizona.
- bb) Land described as tax parcel 400 – 03 – 022N and any other real property including rights-of-way owned by the City of Goodyear or any other governmental entity.
- cc) Land described as tax parcel 400-52-211R.



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## **Appendix B**

**Project Costs and Project Cost Estimates**

**Estrella Mountain Ranch  
Community Facilities District**

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**16" Water Line**

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Note: Actual costs and expenses for the 16" water line are evidenced by paid invoices which will be provided when the request is filed.

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**24" Effluent Line**

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Note: Actual costs and expenses for the 24" effluent line are evidenced by paid invoices which will be provided when the request is filed.

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**Lum Lift Station**

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CONTRACT

THIS AGREEMENT, made and entered into this 1<sup>st</sup> day of November, 2004, by and between Sun MP, LLC, organized and existing under and by virtue of the laws of the State of Arizona, party of the first part, hereinafter designated the Owner, and Grimm, Inc., an Arizona corporation, DBA Protelum General Contracting, party of the second part, hereinafter designated the Contractor.

WITNESSETH: That the said Contractor has covenanted, and agreed, for and in consideration of the payments made as provided for in the proposal and specifications, to the Contractor by the said Owner, and under the penalty expressed in the bonds hereto attached, at his proper cost and expense to do all the work and furnish all materials, tools, labor, and all appliances and appurtenances called for by the Agreement, free from all claims, liens and charges whatsoever, in the manner, and under the conditions hereinafter specified, that are necessary for the construction of: **LUM Wastewater Pumping Station** for the sum of: Five Hundred Eighty Nine Thousand Four and no/100 Dollars (\$589,004.00).

The work done and materials and equipment furnished shall be strictly pursuant to and in conformity with the specifications and plans. The specifications and drawings furnished by the Contractor with his proposal and the additional drawings or prints and other information to be furnished by the Contractor in accordance with the specifications are made a part of this Agreement when and as approved by Sun MP, LLC are intended to be complementary and all specifications, plans, drawings, or prints furnished by the Contractor and approved by Sun MP, LLC shall be complementary therewith. Any work appearing in or upon the one and not mentioned in the others shall be executed according to the true intent and meaning of the said specifications and plans, drawings, or prints the same as though the said work were contained and described in all.

The Notice to Contractors, Information for Bidders, General Conditions, Special and Technical Provisions, Proposal, Bid Bond, Payment Bond, Performance Bond, Certificate of Insurance, Appendix, Plans and Addenda thereto, are hereby understood to be a part of this Contract.

It is further covenanted and agreed that the work shall be executed under the direction and supervision of Sun MP, LLC, or its properly authorized agents, and that all work must be accepted or rejected by both Sun MP, LLC and the City of Goodyear.

Sun MP, LLC shall have full power to reject or condemn all materials furnished or work performed under this contract which do not conform to the terms and conditions herein expressed.

To prevent all disputes and litigation, it is further agreed by and between the said Sun MP, LLC, and said Contractor, that Sun MP, LLC, shall determine all questions in relation to the work and the construction thereof, and it shall in all cases decide all questions which may arise relative to the execution of the work under this contract on the part of the said

Contractor and its estimates and decisions shall be final and conclusive; and such estimates and decisions, in case any question may arise, shall be a condition precedent to the right of said Contractor to receive any money or compensation for anything done or furnished under this contract.

IN WITNESS WHEREOF, two (2) identical counterparts of this contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the date and year first herein written.

PARTY OF THE FIRST PART  
(OWNER)

SUN MP, LLC, an Arizona limited liability company

By: SunChase Goodyear Properties, LLC,  
an Arizona limited liability company

Administrative Member

By: *Stephen E. Renneckar*  
Its STEPHEN E. RENNECKAR,

MANAGER

Date: 11-19-04

PARTY OF THE SECOND PART  
(CONTRACTOR)

GRIMM, INC.

an Arizona corporation

DBA Protelum General Contracting

By: *Patrick Baker*  
Its \_\_\_\_\_

Date: 11/10/04

WOMEN-OWNED/MINORITY BUSINESS [  ] YES [  ] NO

CITY OF GOODYEAR TRANSACTION PRIVILEGE TAX NO. 20041738-4

FEDERAL TAXPAYER ID NO. 37-1429051



**SUN MP LLC**

**PROJECT SPECIFICATIONS AND  
CONTRACT DOCUMENTS**

**LUM WASTEWATER PUMPING STATION**

Project No. 065003

SEPTEMBER 2004

SUN MP LLC  
3010 E. CAMELBACK ROAD  
PHOENIX, ARIZONA 85016  
602-468-0800

**PROJECT SPECIFICATIONS AND CONTRACT DOCUMENTS**

**LUM WASTEWATER PUMPING STATION**

# LUM WASTEWATER PUMPING STATION

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**SUN MP LLC  
NOTICE TO CONTRACTORS  
ADVERTISEMENT FOR BIDS**

Sealed bids shall be either mailed or hand-delivered to Sun MP LLC c/o the City of Goodyear, City Clerk's Office, 190 North Litchfield Road, Goodyear, Arizona, 85338, for furnishing all plant, material, equipment and labor, and to complete construction of the: **LUM WASTEWATER PUMPING STATION** in Golf Village at Estrella Mountain Ranch, Goodyear, AZ.

Sealed bids shall be either mailed or hand-delivered to the City of Goodyear, City Clerk's Office, 190 North Litchfield Road, Goodyear, Arizona, 85338. Bids must be received by the City Clerk of the City of Goodyear no later than 3:30 p.m. on Wednesday October 20, 2004. Any bid received after that time will not be opened or considered and will be returned to the bidder. All submittals shall be clearly marked "**Lum Wastewater Pumping Station**" on the **outside of all packaging material**. The bids will be publicly opened and read aloud in the City of Goodyear City Hall Building Main Conference Room #117, 190 North Litchfield Road, Goodyear, Arizona. The responsible bidder submitting the lowest bid, inclusive of bid alternates, if any, selected at the Owner's discretion, will be recommended to Sun MP LLC for award.

Plans, specifications and contract documents may be examined, and copies may be obtained at the office of Sun MP LLC, 3010 E. Camelback Road Suite #100, Phoenix, Arizona 85016 Monday through Friday, (excluding holidays), between the hours of 8:00 a.m. and 5:00 p.m., (Arizona Time) on and after Wednesday September 29, 2004. Any questions regarding this project should be addressed to Larry McDonough, at 602-468-0800.

Each bid shall be in accordance with the plans, specifications and contract documents, and shall be set forth and submitted on the BID DOCUMENTS included with the project specifications book. The BID DOCUMENTS may be removed from the project specifications book and submitted independently of such book. Each bid shall be accompanied by a proposal guarantee, in the form of a certified or cashier's check or bid bond for ten percent (10%) of the amount of bid, made payable to the order of the Sun MP LLC, to insure that the successful bidder will enter into the contract, if awarded to him, and submit the required Certificate of Insurance, Payment Bond and Performance Bond. All proposal guarantees, except those of the three lowest qualified bidders, will be returned following the opening and checking of proposals. The proposal guarantees of the three lowest qualified bidders will be returned after the contract documents have been executed by the successful bidder. The proposal guarantee shall be declared forfeited as liquidated damages if the successful bidder refuses to enter into said contract or submit the Certificate of Insurance, Payment Bond and Performance Bond after being requested to do so by Sun MP LLC.

Sun MP LLC reserves the right to reject any or all bids or waive any informality in a bid. No bidder may withdraw his bid for a period of fifty (50) days after opening and reading of the bids.

Sun MP LLC is an equal opportunity employer and minority business enterprises and women's business enterprises are encouraged to submit bids.

Published: September 29, 2004  
October 6, 2004  
West Valley View

### INFORMATION FOR BIDDERS

1. **ELIGIBILITY OF CONTRACTORS:** When calling for bids for contracts for public work to be performed on behalf of the State or any political subdivision thereof, which will be paid for from public funds, no bid shall be considered for performance of a contract, including construction work which is not submitted by a bidder duly licensed as a contractor in this State.
  
2. **PROPOSAL:** Bids to receive consideration shall be made in accordance with the following instructions:
  - (a) Before submitting a bid, bidders shall carefully examine the plans and specifications and contract documents, visit the site of the work, fully inform themselves as to all existing conditions and limitations.
  
  - (b) Bids shall be submitted on the "PROPOSAL" forms provided and delivered to the City of Goodyear City Clerk's Office on or before the day and hour set in the "NOTICE TO CONTRACTORS," as published. Bids shall be enclosed in a sealed envelope marked on the outside lower right-hand corner indicating:
    1. The bidder's name and address.
    2. The project number.
    3. The title of the project.
    4. The time and date the bids are to be received.
  
  - (c) It is the sole responsibility of the bidder to see that his bid is received in proper time. Any bids received after the scheduled closing time for receipt of bids will be returned to the bidder unopened.
  
  - (d) The signatures of all persons shall be in longhand. Any interlineations, alterations, or erasures must be initialed by the signer of the bid.
  
  - (e) Bids shall not contain any recapitulations of the work to be done. No oral, facsimile, telephonic, or modified proposals will be considered.
  
3. **BID SECURITY:** Each proposal shall be accompanied by a certified or cashier's check or bid bond, with a properly executed Power of Attorney attached, in an amount equal at least to ten percent (10%) of the proposal payable without condition to Sun MP LLC. The proposal guarantee shall guarantee that the bidder, if awarded the contract, will, within ten (10) working days after the award, execute such contract in accordance with the proposal and in manner and form required by the contract documents, and will furnish good and sufficient bond for the faithful performance of the same, a payment bond and a certificate of insurance. The bid securities of the three (3) lowest bidders will be retained until the contract is awarded, or other disposition made thereof. The bid securities of all bidders, except the three (3) lowest, will be returned promptly after the canvass of bids. In the event the Contractor fails, within ten (10) working days after the award, to execute said Contract and deliver the Performance and Labor and Material Payment Bonds and the Certificate of Insurance, the Bid Security shall become the property of Sun MP LLC.

4. **WITHDRAWAL OF BID:** Any bidder may withdraw his bid, either personally, by facsimile or by written request, at any time prior to the scheduled closing time for receipt of bids. No bid may be withdrawn by telephone. Any bid withdrawn will not be opened and will be returned to the bidder. After opening and reading of the bids, no bidder may withdraw his bid for a period of fifty (50) days from the date of opening and reading.

5. **LATE BIDS:** Bids received after the scheduled closing time for receipt of bids, as contained in the "Notice to Contractors," will not be considered and will be returned to the bidder.

6. **AWARD OR REJECTION OF BIDS:** The contract will be awarded to the lowest and best qualified responsive bidder complying with these instructions and with the "NOTICE TO CONTRACTORS". Sun MP LLC, however, reserves the right to accept or reject any or all bids or to waive any or all informalities or irregularities in the bid. Alternates may be accepted depending upon the availability of Sun MP LLC funds. Accepted alternates will be considered in determining the lowest responsive and responsible bidder.

7. **BIDDERS INTERESTED IN MORE THAN ONE BID:** No person, firm or corporation shall be allowed to make, file, or be interested in more than one (1) bid for the same work unless alternate bids are called for in the specifications or any addenda. A person, firm, or corporation who has submitted a sub-proposal to a bidder, or who has quoted prices on materials to a bidder is not thereby disqualified from submitting a sub-proposal or quoting prices to other bidders.

8. **CONTRACT AND BONDS:** The form of contract, which the successful bidder as Contractor will be required to execute, and the forms of bonds and insurance form which he will be required to furnish are included in the contract documents and should be carefully examined by the bidder. The successful bidder shall use the forms provided or such other forms as are acceptable by Sun MP LLC. The contract, bonds and insurance form will be executed in four (4) original counterparts. "All bonds shall be issued by companies licensed with the Arizona Department of Insurance and authorized to issue such bonds in this state. **NO BONDS ISSUED BY INDIVIDUAL SURETIES WILL BE ACCEPTED.** The company issuing any bond shall have a **rating of not less than A-** and **no less than category VIII** per the A.M. BEST rating available at the time this project was let to bid.

**A Non-Collusion Affidavit as provided in A.R.S. 34-243 is required for all bidders and failure of a bidder to provide an Affidavit with its bid is grounds for disqualification of the bid.**

9. **INSURANCE:** Without limiting any of their obligations or liabilities, the CONTRACTOR, at his own expense, shall purchase and maintain the minimum insurance specified below with companies duly licensed or otherwise approved by the State of Arizona, Department of Insurance, and in form reasonably satisfactory to Sun MP LLC. Each insurer shall have a current A.M. Best Company, Inc. rating of not less than A- and a category rating of not less than "8." Use of alternative insurers requires prior approval from Sun MP LLC. Insurance provided by CONTRACTOR shall be primary.

#### A. General Clauses

1. **Additional Insured.** The insurance coverage, except Workers' Compensation and in Professional Liability, required by this contract, shall name Sun MP LLC, its agents, representatives, directors, officials, employees, and officers, as additional insured.

2. **Coverage Term.** All insurance required herein shall be maintained in full force and effect

until Services required to be performed under the terms of the Contract are satisfactorily completed and formally accepted; failure to do so may constitute a material breach of this Contract, at the sole discretion of Sun MP LLC.

3. **Primary Coverage.** The CONTRACTOR's insurance, except Worker's Compensation and Professional Liability, shall be primary insurance as respects Sun MP LLC and any insurance or self insurance maintained by Sun MP LLC shall be excess of the CONTRACTOR'S insurance and shall not contribute to it.
4. **Claim Reporting.** Any failure to comply with the claim reporting provisions of the policies or any breach of a policy warranty shall not affect coverage afforded under the policy to protect Sun MP LLC.
5. **Waiver.** The policies, except Workers' Compensation and Professional Liability, shall contain a waiver of transfer rights of recovery (subrogation) against Sun MP LLC, its agents, representatives, directors, officers, and employees for any claims arising out of the work of the CONTRACTOR.
6. **Deductible/Retention.** The policies set forth in these requirements may provide coverage which contain deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to Sun MP LLC . CONTRACTOR shall be solely responsible for any such deductible or self-insured retention amounts. Sun MP LLC , at its option, may require CONTRACTOR to secure payment of such deductible or self-insured retention by surety bond or irrevocable and unconditional Letter of Credit.
7. **Certificates of Insurance.** Prior to commencing services under this Contract, CONTRACTOR shall furnish Sun MP LLC with Certificates of Insurance, or formal endorsements as required by the Contract, issued by CONTRACTOR'S insurer(s), as evidence that policies providing the required coverages, conditions, and limits required by this Contract are in full force and effect. Such certificates shall identify this Contract number and shall provide for not less than thirty (30) days advance Notice of Cancellation, Termination, or reduction in limit of liability or scope of coverage. Such certificates shall be sent directly to Lesle Sweeney, Sun MP LLC Project Administrator 3010 E. Camelback Road Suite #100 Phoenix, Arizona 85016.

#### B. Workers' Compensation

The CONTRACTOR shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONTRACTOR employees engaged in the performance of the Services.

In case services are subcontracted, the CONTRACTOR will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as provided by CONTRACTOR.

#### C. Automobile Liability

Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damages of not less than \$1,000,000 regarding any owned, hired, and non-owned vehicles assigned to or used in performance of the CONTRACTOR services. Coverage will be at

least as broad as coverage Code 1 "any auto" (Insurance Service Office policy form CA 0001 1/87 or any replacement there of).

#### D. Commercial General Liability

Commercial General Liability insurance with limit of not less than \$1,000,000, for each occurrence and \$2,000,000 in the aggregate. The policy shall include coverage for bodily injury, property damage, personal injury, products and contractual covering, but not limited to, the liability assumed under the indemnification provisions of this Contract (Section: Supplement General Conditions: 6.INDEMNIFICATION), which coverage will be at least as broad as Insurance Service Office policy form CG 001 1-11-88 or any replacement thereof. The certificate of insurance for the Commercial General Liability insurance policy shall expressly cover CONTRACTOR'S obligation of indemnification required of this agreement.

A general liability insurance policy may not be written on a "claims made" basis.

#### E. Umbrella/Excess Liability

Umbrella/Excess Liability insurance with an limit of not less than \$5,000,000 per occurrence combined limit Bodily Injury and Property Damage, that "follows form" and applies in excess of the Commercial General Liability, Automobile Liability, and Employer's Liability, as required above. Primary per occurrence coverage may be used to fulfill this requirement.

Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claims period for such insurance is retroactive to the effective date of this contract. In the event the Contractor fails to provide such certificate of coverage retroactive to the beginning date of this contract, Sun MP LLC may, but shall not be required to, purchase insurance, if available to protect itself against any losses which would have been covered by the errors and omissions policy Contractor is required to maintain under this article. If Sun MP LLC elects to purchase the insurance under this provision, Contractor shall be liable to Sun MP LLC for all costs incurred by Sun MP LLC for purchasing such insurance.

The Contractor shall submit to Sun MP LLC a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph within ten (10) days of award of this contract. Insurance evidenced by the certificate shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to Sun MP LLC, and a statement to that effect must appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer.

10. INTERPRETATION OF PLANS AND DOCUMENTS: If any person contemplating a bid for proposed contract is in doubt as to the true meaning of any part of the plans, specifications, or other proposed contract documents, or finds discrepancies in or omissions from the plans and specifications, he may submit to Sun MP LLC, a written request for an interpretation or correction thereof. The person submitting the request will be responsible for its prompt delivery. Questions received less than ninety-six (96) hours before the bid opening time may not be answered. Any interpretation or correction of the documents will be made only by Addendum, duly issued and a copy of such Addendum will be mailed or delivered to each person receiving a set of such documents. Sun MP LLC will not be responsible for any other explanations or interpretations of the proposed documents.

11. **CHANGES TO PLANS AND DOCUMENTS:** Any changes to the plans and documents shall be made only by Addendum. No verbal or other changes to the plans and documents will be valid. A copy of each Addendum will be mailed or delivered as provided in Section 12 below.

12. **ADDENDUM:** Any addenda will be faxed, mailed or delivered to all who are known by Sun MP LLC to have received a complete set of bid documents, and to offices where bid documents have been filed for review purposes. It is the responsibility of each bidder to ascertain that he has received all addenda issued by telephoning the office identified in the Notice to Contractors at the location where bid documents are available prior to submitting his bid.

Bidders shall acknowledge all addenda in the appropriate location on the "PROPOSAL" form. Failure to acknowledge receipt of Addenda shall render the bid proposal non-responsive and it will be rejected.

13. **ASSIGNMENT OF CONTRACT:** No assignment by the Contractor of any contract to be entered into hereunder, or any part thereof, or of funds to be received thereunder by the Contractor, will be recognized by Sun MP LLC unless such assignment has had prior approval of Sun MP LLC, and the Surety has been given due notice of such assignment in writing and has consented thereto in writing.

14. **PLANS AND SPECIFICATIONS TO SUCCESSFUL BIDDER:** The successful bidder may obtain five (5) sets of plans and specifications for this project from Sun MP LLC at no cost.

15. **TIME OF COMPLETION:** The Contractor shall commence work under this project on or before the tenth day following receipt of the notice to proceed for that project from Sun MP LLC and shall fully complete all work under the project within **Sixty (120) consecutive calendar days from and including the date of receipt of such notice to proceed.** Time is of the essence in the completion of all work required under this contract. The Contractor shall, at all times, during the continuance of the contract, prosecute the work with such force and equipment as is sufficient to complete all work within the time specified.

16. **CITY OF GOODYEAR TRANSACTION PRIVILEGE TAX:** The City of Goodyear transaction privilege tax shall **NOT** be waived under the conditions of this contract. The current privilege tax rate can be obtained from the City of Goodyear Finance Department. The Contractor shall be responsible for reporting and payment of all city, county, state or federal taxes.

17. **ALTERNATES:** Alternate proposals will not be considered unless called for in the documents or any addenda thereto. When alternates are requested, all requested alternates or alternate bid items, unless otherwise stated, shall be bid. If no change in the base bid will occur with the alternate, enter "No Change."

18. **APPROVAL OF SUBSTITUTIONS:** The materials, products and equipment described in the Documents and Addenda establish a standard or required function, dimension, appearance and quality to be met by any proposed substitution. No substitute will be considered, before bid opening, unless written request for approval has been received by Sun MP LLC at least ten (10) working days prior to the scheduled closing time for receipt of bids. Each such request shall include the name of the material or equipment for which it is to be substituted and a complete description of the proposed substitute including any drawings, cuts, performance and test data and any other information necessary for

evaluation of the substitute. Bidder shall not be entitled to approval of a substitute.

If a substitute is approved, the approval shall be set forth in an Addendum. Bidders shall not rely upon approvals made in any other manner.

19. USE OF "EQUALS": When the specifications for materials, articles, products and equipment state "or equal," contractor may bid upon, and use materials, articles, products and equipment which will perform equally the duties imposed by the general design. Sun MP LLC will have the final approval of all materials, articles, products and equipment proposed to be used as an "equal." It shall not be purchased or installed without the prior written approval from Sun MP LLC .

Approvals for "equals," before bid opening, may be requested in writing to Sun MP LLC for approval. Requests must be received at least ten (10) days prior to the date set for opening the Bid Proposals. The request shall state the name of the material, article, product or equipment for which the item is sought to be considered an equal and a complete description of the proposed equal including any drawings, cuts, performance and test data and any other information necessary for approval of the equal. All approvals will be issued in the form of an addendum.

20. EXAMINATION OF CONTRACT DOCUMENTS AND VISIT SITE: Before submitting a Bid Proposal, bidders should carefully examine the Contract Documents, visit the site of the work, fully inform themselves as to all existing conditions and limitations. No consideration will be granted for any alleged misunderstanding of the material, articles or piece of equipment to be furnished or work to be done. It is understood that the tender of the Bid Proposal carries with it the agreement to all items and conditions referred to herein or indicated in the Contract Documents.

21. BIDDERS IN DEFAULT: No bid will be awarded to any person, firm or corporation that is in arrears or is in default to Sun MP LLC upon any debt or contract, or that is a defaulter as surety or otherwise upon any obligation to Sun MP LLC , or has failed to faithfully perform any previous contract with Sun MP LLC.

**\*\*\* END OF INFORMATION FOR BIDDERS \*\*\***



### SUPPLEMENTAL GENERAL CONDITIONS

1. **GENERAL:** All construction shall be in compliance with the "Uniform Standard Specifications for Public Works Construction," which are sponsored and distributed by the Maricopa Association of Governments, the City of Goodyear Engineering Specifications and Policies Manual, and Arizona Department of Transportation, (ADOT), Standard Specifications for Road and Bridge Construction. These documents, with revisions, are hereby made a part of these Contract Documents.

Whenever in the Uniform Standard Specifications, the words "The Contracting Agency" are used, the meaning shall be Sun MP LLC.

In all cases where ASTM, AASHTO, AWWA, USAG, Federal, City of Phoenix, MAG Specifications, Maricopa County, Arizona State Highway, City of Goodyear Engineering Specifications and Policies Manual, or other standard specifications are referred to, unless otherwise stated, revisions, supplements or addenda issued on or before the date of this contract, shall prevail. In the event of any conflict between these project specifications and the requirements of the plans, detail drawings, MAG Standard Details and Specifications, these project specifications shall prevail.

2. **DEFINITIONS:** The following terms, as used in or pertaining to the Contract Documents, are defined as follows:

**SUN MP LLC:** The word "Sun MP LLC" means the owner of this project and the contracting party to this contract. The official representative of said Sun MP LLC shall be the Director of Land Development.

**CITY:** The word "City" refers to the City of Goodyear, Arizona.

**CONTRACTOR:** The word "Contractor" means the person, firm, or corporation with whom the Contract is made by Sun MP LLC .

**MATERIALS:** The term "Materials" includes, in addition to materials incorporated in the project, equipment and other material used and/or consumed in the performance of the work.

**SUBCONTRACTOR:** The word "Subcontractor" includes those having a direct contract with the Contractor and those who furnish material worked to a special design according to the plans and/or specifications for this work, but does not include those who merely furnish materials not so worked.

**ENGINEER:** The word "Engineer" means a person, firm or corporation duly authorized by Sun MP LLC , to act for Sun MP LLC in staking out the work, inspecting materials and construction, and interpreting plans and specifications.

**CONTRACT DOCUMENTS:** The words "Contract Documents" mean the Notice to Contractors, Information for Bidders, "Uniform Standard Specifications for Public Works Construction," Supplemental General Conditions, Special Provisions, Supplemental Specifications, Proposal, Contract, Payment Bond, Performance Bond, Certificates of Insurance, Plans and Addenda thereto.

3. **PROPOSAL QUANTITIES:** It is expressly understood and agreed by the parties hereto that the quantities of the various classes of work to be done and material to be furnished under this Contract, which have been estimated as stated in the Proposal, are only approximate and are to be used SOLELY for the purpose of comparing, on a consistent basis, the proposals offered for the work under this Contract; and the Contractor further agrees that Sun MP LLC will not be held responsible if any of the quantities shall be found incorrect; and the Contractor will not make any claim for damages or for loss of profits because of a difference between the quantities of the various classes of work as estimated and the work actually done. If any error, omission, or mis-statement is found to occur in the estimated quantities, the same shall not invalidate this Contract or release the Contractor from the execution and completion of the whole or any part of the work in accordance with the specifications and the plans herein mentioned, or for the prices herein agreed upon and fixed therefore, or excuse him from any of the obligations or liabilities hereunder, or entitle him to any damages or compensation except as may be provided for in this Contract.

4. **WITHDRAWAL OF PROPOSALS:** No proposal shall be withdrawn following the opening and reading of the bids for a period of 50 days from the date of opening without the consent of the contracting agency through the body or agent duly authorized to accept or reject the proposal.

5. **RESPONSIBILITY FOR DAMAGE CLAIMS:** The Contractor shall indemnify and hold harmless Sun MP LLC and its officers, agents and representatives from all suits, actions, loss damage, expense, cost or claims of any character or nature brought on account of any injuries or damages sustained by a person or property arising out of the work done in fulfillment of the construction of the improvement under the terms of this agreement, or on account of any act or omission by the Contractor or his agents, or from any claims or amounts arising or recovered under Workmen's Compensation Laws or any other law, bylaw, ordinance, or order or decree.

6. **INDEMNIFICATION:** The Contractor shall indemnify and hold harmless Sun MP LLC and any of its departments, agencies, officers, employees and representatives from all damages, claims or liabilities and expenses (including attorney's fees) arising out of or resulting in any way from the performance or failure to perform the services for Sun MP LLC required of the Contractor hereunder or in connection therewith and caused by a negligent error, omission or act of the Contractor, its officers, employees, Contractor or others for whose acts the Contractor may be legally liable. The amount of insurance required of Contractor hereafter shall not be a limit on the liability of Contractor under this indemnity.

7. **DUST PREVENTION:** The Contractor shall take whatever steps, procedures or means required to prevent abnormal dust conditions due to his construction operations in connection with this contract. The dust control measures shall be maintained at all times during construction of the project, to the satisfaction of Sun MP LLC, in accordance with the requirements of the "Maricopa County Health Department Air Pollution Control Regulations" which have been adopted pursuant to the authority granted by Section 36-779, Arizona Revised Statutes.

Sun MP will obtain the necessary permit from the Maricopa County Air Pollution Control Bureau, 1001 N. Central Ave., Phoenix, Arizona 85004 - telephone (602) 506-6727.

8. **EXCESS MATERIAL:** Excess material shall be removed from the work site and wasted at a location approved by Sun MP LLC .

9. **STOCKPILE OF MATERIALS:** The Contractor may place or stockpile materials in the public right-of-way, if approved by the City of Goodyear, provided they do not prevent access to adjacent properties or prevent compliance with traffic regulations.

Traffic shall not be required to travel over stockpiled materials, and proper dust control shall be maintained.

10. **REFUSE COLLECTION ACCESS:** At any time the project construction shall require the closure or disruption of traffic in any roadway, alley, or refuse collection easement such that normal refuse collection will be interfered with, the Contractor shall, at least 48 hours prior to causing such closure or disruption, make arrangements with the Public Works Department in order that refuse collection service can be maintained.

11. **CLEAN-UP:** After all work under this contract is completed, the Contractor shall remove all loose concrete, lumber, wire, reinforcing, debris, and other materials not incorporated in the work, from the site of the work. Clean-up shall include the removal of all excess pointing mortar materials within pipes and removal of over-size rocks and boulders left after finish grading. The contractor shall provide for the legal disposal of all waste products, debris, etc., and shall make necessary arrangements for such disposal.

12. **SHOP DRAWINGS:** The Contractor shall provide shop drawings as may be necessary for the prosecution of the work as required by the contract documents. The Engineer shall promptly review all shop drawings. The Engineer's approval of any shop drawing shall not release the Contractor from responsibility for deviations from the contract documents. The approval of any shop drawing which substantially deviates from the requirements of the Contract Documents shall be evidenced by a change order.

When submitted for the Engineer's review, shop drawings shall bear the contractor's certification that he has reviewed, checked, and approved the shop drawings and that they are in conformance with the requirements of the contract documents.

Portions of the work requiring a shop drawing or sample submission shall not begin until the shop drawing or sample submission has been approved by the Engineer. A copy of each approved shop drawing and each approved sample shall be kept in good order by the Contractor at the site and shall be available to the Engineer.

13. **PROTECTION OF FINISHED OR PARTIALLY FINISHED WORK:** The Contractor shall properly guard and protect all finished or partially finished work, and shall be responsible for the same until the entire contract is completed and accepted, in writing, by the City of Goodyear. The Contractor shall turn over the entire work in full accordance with the specifications before final settlement shall be made.

14. **STATUS OF EMPLOYEES:** Contractor shall be responsible for assuring the legal working status of its employees and its subcontractor's employees.

15. **LAWS AND REGULATIONS:** This Contract shall be governed by and constructed in accordance with the laws of the State of Arizona. The Contractor shall keep himself fully informed of all existing and future City of Goodyear and County Ordinances and Regulations and State and Federal Laws and Occupational Safety and Health Standards (OSHA) in any manner affecting the work herein

specified. He shall at all times observe and comply with said Ordinances, Regulations, or Laws.

16. PERMITS: Sun MP LLC will obtain certain required permits which are included in the project specifications, but it will be the duty of the Contractor to determine that all the necessary permits have been obtained. The Contractor shall obtain all required permits which have not been furnished by Sun MP LLC. The cost of these permits shall be billed under the "Allowance for Permits" line item on the Proposal Form. (Also see Paragraph 7. Dust Prevention.)

17. ELECTRIC POWER AND WATER: The Contractor shall make his own arrangements for electric power and water. Subject to the convenience of Sun MP LLC, he may be permitted to connect to existing facilities where available, but he shall meter and bear the cost of such power or water. Potable water is generally not available for construction purposes. Non-potable water will be made available at project specific locations through the non-potable distribution system within Estrella Mountain Ranch. It will be the Contractor's responsibility to coordinate the installation of the required non-potable water meter(s) with Sun MP LLC representatives. Installation and removal of meters should be scheduled at least forty-eight (48) hours in advance through Sun MP LLC's representative. The cost of the water is at the prevailing rate.

18. SURVEY CONTROL POINTS AND MONUMENTS: Existing survey monuments indicated on the plans or found during construction shall be protected by the Contractor, and in the event removal is necessary, removal and replacement shall be performed by permission of the Engineer, under direct supervision of the Engineer or his authorized representative. Survey monuments shall be constructed to conform to the requirements of MAG Specifications, Section 405, and Standard Details.

19. EXISTING UTILITIES: The Contractor is hereby advised that the location of all utilities, as shown on the plans, may not be complete nor exact and the Contractor shall satisfy himself as to the exact location of the utilities by contacting Blue Stake or the utility companies before bidding or proceeding with the work. After the underground utilities are located by Blue Stake or the utility company, the contractor shall excavate in a careful and prudent manner to prevent damage to the underground utilities.

In the event an existing underground utility line, that has been properly identified, is damaged by the Contractor, the owning utility company shall be responsible for the repairs at the Contractor's expense.

The exact location of all existing underground service utilities, whether or not indicated on the plans, shall be determined by the Contractor at no expense to Sun MP LLC, and he shall conduct his work so as to prevent interruption of service or damage to them.

The Contractor shall protect existing utility services and be responsible for their replacement if damaged by him, or to make necessary adjustment in their location, if required, in order to complete the work for his Contract.

Utility companies and other interested parties have been provided with construction plans and the construction schedule for this project. The Contractor shall comply with MAG Specifications 105.6 to cooperate with the utility companies.

20. MAINTENANCE OF IRRIGATION FACILITIES: Where irrigation facilities interfere with construction, the Contractor shall remove and replace the affected irrigation facilities to its original

condition. Final acceptance of replaced facilities will depend upon final approval of the Engineer.

21. OVERHEAD UTILITY LINES AND POLES: Contractor is advised that when work around overhead lines and poles is required on a project, he is required to coordinate with Utility Companies who own and operate overhead lines and poles. The coordination may include, but not be limited to the following activities: pole bracing, de-energizing of lines, and temporary relocations. Contractor is responsible to contact the applicable Utility Company representative and discuss his proposed construction methods; in order to determine what actions the Utility Company must take and the costs related to those actions. The Contractor shall include these costs in the applicable bid items for this project.

The primary and the backup representatives for this review and cost determinations are as follows:

Arizona Public Service:	Mr. Bobby Garza	602-371-7989
Qwest:	Mr. Matt Phillips	602-630-1393
Cox Communications:	Mr. Walter Coombs	623-322-7288
Southwest Gas:	Mr. Gene Florez	602-484-5302

22. SOUTHWEST GAS FACILITIES EXPOSED DURING CONSTRUCTION: The Contractor, upon exposing a gas line during construction, shall call SOUTHWEST GAS at 602-271-4277. The Southwest Gas patrolman will respond, usually within an hour, to inspect the line. Minor cuts or abrasions to the pipe coating will be rewrapped and tracer wire will be reconnected at no cost to Sun MP LLC .

23. UNDERGROUND UTILITIES' BEDDING: All water, sewer, storm drain, irrigation and other conduits installed within the City of Goodyear shall be bedded from bottom of excavation to one foot above the pipe with granular bedding material meeting the requirements of Section 601.4.6 of MAG Uniform Standard Specifications. The initial bedding under the pipe is required for pipe having an inside diameter of 12 inches or larger, and in all cases where rock larger than 1-1/2" is encountered in the trench bottom.

24. SEWER SERVICE LINES: The Contractor shall be responsible for locating, and protecting from damage during construction, all sewer service lines within the project which are not owned by the City. Contractor will be permitted to review the "as-builts" to assist Contractor in locating the non-City owned sewer service lines. These "as-builts" were prepared, and supplied to the City, by private developers or contractors who installed the non-City owned sewer service lines. Therefore, the City does not guarantee or warranty the accuracy of such "as-builts" and the contractor, as a condition for being allowed to review such "as-builts", hereby agrees to hold the City harmless for any and all damages or other expenses contractor may incur as a result of any inaccuracies or incorrect information in these "as-builts".

25. RIGHTS-OF-WAY: Sun MP LLC will provide rights-of-way and easements for all work specified in this Contract, and the Contractor shall not enter or occupy with man, tools, equipment or materials any private ground outside the property of the Sun MP LLC , without the consent of the Owner.

26. SUBCONTRACTS: Subcontracts shall be in accordance with, and the Contractor shall be bound by, the following provisions:

All subcontracts shall be subject to the approval of Sun MP LLC .

All subcontracts shall be in writing and shall provide that all work to be performed thereunder shall be performed in accordance with the terms of the Contract.

Certified copies of any and all subcontracts shall be furnished to Sun MP LLC ; however, prices may be omitted.

Subcontracts shall conform to the regulations governing employment of labor.

The subcontracting of any part of the work will in no way relieve the Contractor of his responsibility under the Contract.

27. **PRE-CONSTRUCTION CONFERENCE:** After completion of the Contract Documents, to include bonds, insurance and signatures, and prior to the commencement of any work on the project, the Project Manager may schedule a Pre-Construction Conference. Time and place to be determined and confirmed via phone call and a letter via U.S. mail.

The purpose of this Conference is to establish a working relationship between the Contractor, Utility Companies, and the Engineer. The agenda will include critical elements of the construction schedule, procedures for handling shop drawings and other submittals, cost breakdown of major lump sum items, payment application and processing, coordination with the involved utility companies, emergency telephone numbers for all representatives involved in the course of construction, and establishment of the Notice to Proceed date.

Minimum attendance by the Contractor shall be a responsible official of the company/corporation, who is authorized to execute and sign documents on behalf of the company/corporation.

28. **OVERTIME:**

Regular Work Hours: The work required to be performed by the Plans and Specifications for the Project shall be performed only during regular working hours, unless Sun MP LLC has authorized overtime work in accordance with the procedures set forth below. Regular working hours shall be defined as one 8-1/2 hour shift per day, Monday through Friday, or, upon prior approval of Sun MP LLC , one 10-1/2 hour shift per day on a compressed four day work week during Monday through Friday. Regular working hours shall not include Saturdays, Sundays or recognized legal holidays.

Authorization and Costs: If the Contractor desires to schedule work for times other than regular work hours (overtime), the Contractor shall make a written request to Sun MP LLC at least two business days prior to the scheduled overtime. Sun MP LLC reserves the right to deny the request to work overtime based on the best interest and needs of Sun MP LLC . If an overtime request is denied, Sun MP LLC may, at its sole discretion, extend the contract time at no additional costs to Sun MP LLC .

In the event the Contractor does perform work overtime, with or without the prior approval of Sun MP LLC , the Contractor shall be responsible to Sun MP LLC for all additional costs that may be incurred by Sun MP LLC as a result of the Contractor's overtime work, including costs for engineering, inspections, testing, surveying and construction administration, all in accordance with MAG Section 108.5. However,

the Contractor shall not be responsible for Sun MP LLC 's costs incurred as a result of overtime work requested by Sun MP LLC or overtime work resulting from an emergency which is not the responsibility of the Contractor or its employees, subcontractors or suppliers. Sun MP LLC 's cost will be billed directly to the Contractor or may, at Sun MP LLC 's option, be deducted from monies due the Contractor.

29. **CONTRACTOR'S CONSTRUCTION SCHEDULE:** Concurrently, with the execution of the contract and prior to the pre-construction conference, the Contractor shall submit a preliminary schedule for Sun MP LLC 's acceptance. The schedule shall be in sufficient detail to allow Sun MP LLC to determine if the proposed schedule will conform to an approved program of construction operations, as determined by Sun MP LLC . Within ten calendar days after the preliminary schedule, described above, has been approved by Sun MP LLC, the Contractor shall submit a progress schedule, utilizing the critical path method scheduling technique, showing the order in which he proposes to carry out the work, the dates on which he will start each phase of the work, and the contemplated date for completion of each phase. The Contractor shall not be permitted to commence construction until the schedule complying with this paragraph has been submitted to Sun MP LLC . The Contractor will not be granted any extension to the contract time or compensation for any damages as a result of Sun MP LLC 's refusal to allow Contractor to commence construction until the critical path method progress schedule has been submitted and approved by Sun MP LLC .

The critical path method (CPM) scheduling technique requires a breakdown of the entire work into individual tasks and an analysis of the number of days required to perform each task. The schedule submitted to Sun MP LLC should highlight and identify the critical path for the project. After the work is in progress, the Contractor shall submit supplementary progress schedules, using the critical path method technique, of the progress to date and projection for completion. The supplementary progress schedules shall be submitted with each pay request in accordance with the paragraph, "Payments to Contractors," of these Supplemental General Conditions. The progress schedules shall be subject to the approval of Sun MP LLC. In the event the Contractor fails to submit a supplementary progress schedule acceptable to Sun MP LLC , Sun MP LLC may withhold further progress payments to the Contractor until the Contractor submits an acceptable supplementary progress schedule, which is approved by Sun MP LLC , to Sun MP LLC . Schedule changes requiring an increase in Sun MP LLC 's personnel on the project shall not be put into effect until Sun MP LLC has approved such increase and made arrangements for the required additional personnel.

30. **CHARACTER OF WORKMEN:** None but skilled foremen and workmen shall be employed on work requiring special qualifications. When required by Sun MP LLC , the Contractor shall discharge any person who is, in the opinion of Sun MP LLC, disorderly, dangerous, insubordinate, incompetent, or otherwise objectionable. The Contractor shall keep Sun MP LLC harmless from damages or claims for compensation that may occur in the enforcement of this section of the specifications.

31. **HINDRANCES AND DELAYS:** Except as otherwise provided herein, no charge shall be made by the Contractor for hindrances or delays from any cause during the progress of the work embraced in this Contract; but such delays, if due to no fault or neglect of the Contractor, shall entitle the Contractor to an extension of time allowed for completing the work, sufficient to compensate for the delay, the amount of the delay to be determined by Sun MP LLC , provided the Contractor shall give Sun MP LLC immediate notice in writing of the cause of such delay.

31.1 **Delay:** In the event of a delay for which Sun MP LLC is solely responsible, which is unreasonable

under the circumstances and which was not within the contemplation of Sun MP LLC and Contractor at the time this Contract is executed, Sun MP LLC and Contractor shall negotiate, in good faith, a payment by Sun MP LLC to Contractor for the expenses incurred by Contractor as a result of such delay. This provision shall not be construed to void any provision in the contract which requires notice of delay or provides for liquidated damages. However, if the delay is the result of any act or neglect of a third party, including the architect, engineer or other contractor employed by Sun MP LLC, or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably foreseeable, unavoidable casualties, or any causes beyond the Contractor's control, the Contractor shall not be entitled to any payments or compensation for expenses incurred as a result of such delay, but the Contract Time shall be extended by Change Order for such reasonable time as Sun MP LLC may determine. No extension or compensation will be granted for any delay which is the result, wholly or partially, of any act or neglect of Contractor or any Subcontractor hired by Contractor.

### 32. LIQUIDATED DAMAGES:

32.1 The Contractor acknowledges that failure to substantially complete the work within the Contract Time will in fact cause damage to Sun MP, but that it may be difficult or impossible to calculate damages resulting from the Contractor's failure to substantially complete the work within the Contract Time. Accordingly, as liquidated damages and not as a penalty, Sun MP shall be entitled to deduct from any monies due the Contractor the liquidated damages in the amount of \$1,000.00 for each calendar day that any part of the Work remains substantially uncompleted after the expiration of the Contract Time, as may be extended as provided for above, and if no money is due the Contractor Sun MP shall be entitled to recover said sum or sums from Contractor, from its surety, or both.

The Contractor will not be charged with liquidated damages or any excess cost when the delay in substantial completion of work is due to unforeseeable cause beyond the control and without the fault or negligence of the successful Bidder, such as acts of God, or of the public enemy, acts of the Owner, fires, floods, epidemics, quarantine restrictions, unforeseeable strikes, freight embargoes, and unusually severe weather.

As a condition of any extension of time, the Contractor will be required, within one (1) day from the beginning of any delay, to notify the Owner, in writing, of the delay and the contract time extension requested due to the delay.

32.2 The date of substantial completion shall be the date when the work is sufficiently complete, in accordance with the contract documents, so the owner can fully occupy and utilize the work or designated portion thereof for the use for which it is intended, with all the project's parts and systems operable as required by the contract documents and all the work is complete, accessible, operable, and usable by the owner for its intended purpose(s), and all parts, systems and sitework are 100% complete and cleaned for the owner's use. Only incidental corrective work and final cleaning (if required), beyond cleaning needed for the owner's full use, may remain for final completion.

33. PAYMENTS TO CONTRACTOR: Not later than the 21st day of each calendar month the Owner will make partial payment to the Contractor on the basis of the work completed the preceding calendar month. This amount of work is to be documented and presented to the Owner for verification in the form of a valid invoice. All invoices submitted shall be accompanied by Contractor's, (and subcontractor's), completed and fully executed conditional lien waiver(s) for the current payment request and unconditional lien waivers for previous payments. The submittal of these lien waivers is a condition of verification of a valid invoice. Invoices must be received by no later than the last day of the month, any



## SPECIAL PROVISIONS

## 1. SCOPE OF WORK:

A. The proposed work will consist of all work shown on the plans and required in these Instructions to Bidders for the construction of the Lum Wastewater Pumping Station located at Estrella Mountain Ranch within the City of Goodyear. All work is to be accomplished in accordance with the approved plans and City of Goodyear and MAG specifications. Owner anticipates that after construction has been completed portions of the project may be acquired by either the Community Facilities District or the City of Goodyear or, collectively, the Public Entities. The Public Entities are not responsible for or liable for any obligations of the Owner, including any of the Owner's obligations under the Contract for construction of this project.

The plans to be used for bidding purposes are the LUM Wastewater Pumping Station Plans as prepared by Coe & Van Loo Engineers pages G 1&2, C 1&2, M 1&2, E 1-5, and I 1&2, marked "Bid Set" and dated April 9, 2004, and the LUM Wastewater Pumping Station Technical Specifications book revised May 7, 2004.

B. This bid shall include all work required for complete construction of the pumping station as depicted on the plans; and the start up and testing as required to secure the MCESD Certificate of Completion of Construction.

C. Contractor shall be responsible for any grading, excavation, and backfill required for placement of all components of the Wastewater Pumping Station including site grading, perimeter walls, wet-well and vaults, and entrance driveway from Westar Drive to the Wastewater Pumping Station. Contractor will be responsible for providing positive drainage during final fine grading within the perimeter walls of this pumping station to the drain holes in the perimeter wall. A site will be provided within ¼ mile of the Wastewater Pumping Station site for disposal of excess excavated material.

D. Contractor will be responsible for the construction of the driveway leading from Westar Drive to the Wastewater Pumping Station per the approved Plans.

E. Contractor will be responsible for the construction of the site utilities including APS, Quest, and Southwest Gas facilities required for this Wastewater Pumping Station. Plans for the work from these utility companies are not currently available. The stubs for each of these utilities will be installed in conjunction with the utility work associated with the construction of Westar Drive Phase 3. Unit quantities have been provided in the proposal form for the anticipated units of work that will be required to extend these facilities from Westar Drive to the APS Transformer Pad and the Generator Pad. The balance of the utility work shown on the plans will be included in the Electrical and Instrumentation work line item on the Proposal Form. Contractor will be responsible for coordinating establishment of utility company service(s) for this wastewater pumping station with the appropriate utility provider. Owner will be responsible for any "hook-up" fees required by the serving utility companies.

Contractor will be responsible for placing 2 each, 6" sleeves under the driveway parallel to Westar Drive.

F. Construction water will be made available from the non-potable water line within Westar Drive Phase 3. Contractor will be responsible for all costs associated with using construction water including any deposits or fees required for the City of Goodyear to install necessary meters.

invoices received after the last day of the month will not be processed for payment until the last day of the following month.

The pay estimate shall be accompanied by an updated progress schedule as required by these Supplemental General Conditions and a cash flow report when required by the Special Provisions. Approval of progress payments shall be conditional upon submittal of progress schedules and cash flow reports, when required, which are acceptable to the Engineer.

The Owner may retain 10% of each invoice, as retention, until such time as all work has been accepted, in writing, by the Owner, and the City of Goodyear, and the contractor has proven that all bills for labor and materials incorporated in the work have been paid.

Upon 100% completion and acceptance of the project, and with the request for final payment, the Contractor shall complete and submit the "Contractor's Affidavit Regarding Settlement of Claims" form which is included in these specifications. Before final payment and release of retention, Contractor must arrange for its Surety to provide Sun MP LLC with a fully executed AIA Consent of Surety form. To avoid delays in the final payment, the Surety may send the Consent of Surety directly to Sun MP LLC via fax at (602) 468-1633, attention Project Administrator, and mail the original to the Sun MP LLC 3010 E. Camelback Road Suite #100 Phoenix, Arizona 85016.

34. **WARRANTY PERIOD:** In accordance with Section 108.8 of the Maricopa Association of Governments, Uniform Standard Specifications for Public Works Construction, all work shall be guaranteed against defective workmanship or materials for a period of one year from the date of acceptance. In the event defects develop within the warrantee period, you are required to initiate repairs within fourteen (14) days of receipt of written notice.

**\*\*\* END OF SUPPLEMENTAL GENERAL CONDITIONS \*\*\***

Cost of construction water is to be included in unit prices. Contractor is to contact Owner's Project Manager, Pete Teiche, at (602) 329-2806 to make arrangements for construction water.

G. Notice to Proceed for this Project is anticipated to be given to Contractor immediately upon award.

H. Bidder's attention is called to the fact that the Army Corps of Engineers has issued Section 404 Permit #9740-52500-CJL, (a copy of which is included in this Request for Bids) concerning impacts to waters of the United States within Estrella Mountain Ranch. Contractor will be required to comply with all provisions of this permit and will be responsible for any and all sanctions levied by the Corps due to non-compliance with any provisions of the Permit by the Contractor, Sub-Contractor's, or Contractor's representatives.

Notification to the Corps of impacts on any 404 washes associated with the construction of this Wastewater Pumping Station has been completed by Sun MP LLC.

I. The Owner will provide a survey control point at the beginning of construction of this Wastewater Pumping Station. It will be the Contractor's responsibility to preserve this control point throughout the construction of this Wastewater Pumping Station. The Contractor will be responsible for all additional survey/staking required for the construction of this Wastewater Pumping Station. Contractor shall make no claim against Owner or Engineer regarding alleged inaccuracy of survey control point set by Engineer unless the survey control point is maintained intact and can be verified as to its origin.

J. Owner will pay for necessary and customary inspections and testing the first time. The Contractor will be responsible for all costs associated with re-tests due to Contractor's incorrect or incomplete work. It is the responsibility of the Contractor to coordinate and schedule inspections and testing with the appropriate agency(s) and notify Owner's representative of all scheduled inspections at the time of setting the inspection. The full and complete cooperation of the Contractor regarding any inspection or testing is a requirement of this Contract. The Owner has hired Construction Inspection and Testing for the required soils testing and special inspections and has hired CVL Construction Services for the general oversight of the construction of this pumping station.

K. No Landscaping is to be included in this Proposal except for the ABC and decomposed granite called for in the interior of the pump station walls. No gravity sewer lines or force mains, other than those shown on the approved Wastewater Pumping Station Plans, is included in this Proposal. Any Landscaping or sewer lines or force main lines required in conjunction with the construction of the Wastewater Pumping Station will be constructed by others under separate contracts, except for those segments of the gravity sewer line and the force main shown on the approved Wastewater Pumping Station Plans.

L. Start Up- Contractor will be responsible for coordinating, attending, and managing the required start up and testing meeting with the Owner, Engineer(s), Manufacturers Representatives, and City of Goodyear personnel. Contractor will be responsible for providing the first 500 gallon tank of odor control agent for start up.

## 2. DEFINITIONS:

A. Section: Reference to a Section on the plans or in these Specifications shall mean a Section of the Uniform Standard Specifications for Public Works Construction, sponsored and distributed by Maricopa

Association of Governments (MAG), latest revision. The provisions of MAG Uniform Standard Specifications and Details for Public Works Construction, which are not altered or modified by the drawings or by these Special Provisions or by any subsequently issued Addendum, shall apply to the contract even though the Contractor's attention is not specifically drawn to such provisions.

B. Standard Detail: Reference to a MAG Standard Detail (MAG S.D.) on the plans or in these specifications shall mean a standard detail drawing in the latest revision of the Uniform Standard Specifications for Public Works Construction, sponsored and distributed by Maricopa Association of Governments. City of Goodyear Standard Detail (C.O.G. S.D.) shall mean a standard detail drawing in the City of Goodyear Engineering Design Standards and Policy Manual, latest revision. City of Phoenix Standard Detail (C.O.P. S.D.) shall mean a standard detail drawing in the Phoenix Supplemental Standard Details for Public Works Construction, latest revision.

3. **LINES AND GRADES**: The Owner will provide a survey control point at the beginning of construction of this Wastewater Pumping Station. The Contractor will be responsible for all additional survey/staking required for the construction of this Wastewater Pumping Station. Contractor shall make no claim against Owner or Engineer regarding alleged inaccuracy of survey control point set by Engineer, unless survey control point is maintained intact and can be verified as to its origin. If in any area of any discrepancy, the survey control point is missing, moved or disturbed, the Contractor shall be responsible for the costs incurred to remove and replace that portion of project where the discrepancy occurs.

The Contractor shall be responsible for checking construction stakes for line and grade. If any discrepancies are found, between staking and approved plans, the Contractor shall notify the Engineer in writing prior to construction of any portion of work which discrepancy would affect in order to field check the staking and to make any adjustments and restaking of that portion of work.

4. **SUSPENSION OF WORK**: The Engineer reserves the right to suspend the work wholly or in part if deemed necessary for the best interest of Sun MP LLC. This suspension will be without compensation to the Contractor, other than to adjust the contract time in accordance with Section 108.

5. **COMPLIANCE WITH MANUFACTURER'S INSTRUCTIONS**: In all instances wherein the item and/or specifications require installation or construction in accordance with either manufacturer's or supplier's recommendations and/or instructions, said recommendations and/or instructions shall be submitted with the applicable portions clearly marked for approval prior to the commencement of work on that item or portion of the contract.

6. **TRAFFIC REGULATIONS**:

6.1 Westar Drive will not be open to the public until the City of Goodyear accepts all of the improvements for this roadway. Therefore traffic control will be limited to providing and maintaining construction access through the Wastewater Pumping Station site. The Wastewater Pumping Station Contractor shall be responsible for barricading the Wastewater Pumping Station site to prevent accidents from other construction trades people and others that may be working in this area.

7. **ENERGIZED AERIAL ELECTRICAL POWER LINES**: The utility company may maintain energized aerial electrical power lines in the immediate vicinity of this project. Do not consider these lines to be insulated. Construction personnel working in proximity to these lines are exposed to an extreme hazard from electrical shock. Contractors, their employees, and all other construction personnel

working on this project must be warned of the danger and instructed to take adequate protective measures, including maintaining a minimum ten (10) feet clearance between the lines and all construction equipment and personnel. (See: OSHA Standard 1926.550(a)15.) As an additional safety precaution, Contractors should also be instructed to call the utility company to arrange, if possible, to have these lines de-energized or relocated when the work reaches their immediate vicinity. The cost of such temporary arrangements would be borne by the Contractor. The utility company can often respond to such requests if two days advance notice is given, but some situations may require up to sixty (60) days lead time for relocation or other arrangements.

8. CONCRETE GUTTER WATER TESTING: The MAG Uniform Standard Specifications, Section 340.3, CONSTRUCTION METHODS, shall be modified as follows: The 1/2 inch referenced in Paragraph 16 beginning, "When required by the Engineer, gutter having a slope of 0.8 foot....," shall be changed to 1/4 inch.

9. RECORD DRAWINGS: The Contractor shall maintain one set of contract drawings with all changes, deviations, additions and deletions clearly marked thereon. Upon completion of the work, this set of drawings, shall be marked "RECORD DRAWINGS," dated, and delivered to the Engineer prior to approval of the Contractor's final payment request.

10. SOILS REPORT: The soils report for this Wastewater Pumping Station, as prepared by Construction Inspection & Testing is available for this project and is included in this bid package. Sun MP LLC makes no warranties, express or implied, as to the subsurface conditions of the project. The Contractor will accomplish the project under whatever condition he finds at the contract price.

**\*\*\* END OF SPECIAL PROVISIONS \*\*\***

PROPOSAL

Place October 20, 2004  
Date

Proposal of Grimm, Inc., a Corporation organized and existing under the laws of the State of AZ; a partnership consisting of \_\_\_\_\_; or an individual trading as \_\_\_\_\_.

To Sun MP LLC

Gentlemen:

The undersigned hereby proposes and agrees to furnish any and all required labor, materials, construction equipment, transportation and services for the construction of the: LUM Wastewater Pumping Station, in strict conformity with the plans and specifications for the following unit prices:

(Extension of these unit prices on the basis of estimated quantities and the totaling of these extensions are for the purpose of comparing bids only. The mathematics of such extensions and totaling will be checked and corrected by Sun MP LLC, before evaluating the bids, and the lowest of such corrected and checked totals will determine the lowest bids.)

RECEIVED BY CITY CLERK  
OCT 20 2004

## PROPOSAL FORM

PROJECT NAME: LUM Wastewater Pumping Station  
BIDDER

Bidder will complete the work required for the full construction of the LUM Wastewater Pumping Station in accordance with the Bid Documents and accept in full payment for the Work items listed below, the following bid prices.

Task Number	Task Description	Quantity	Unit	Bid Price
P-1	Allowance for Permits	1	l.s.	25000
S-1	Survey	1	l.s.	6,503
S-2	Sitework	1	l.s.	74,074
S-3	Perimeter Wall	230	l.f.	51,290
S-4	12' Gates	2	ea.	9,008
S-5	2" AC on 6" ABC Paved Driveway	311	sq.yd.	15,239
U-1	Joint Trench for Elec, Phone, & Gas	120	l.f.	4,560
U-2	2" APS Conduit	360	l.f.	1,440
U-3	4" Phone Conduit	120	l.f.	2,400
U-4	APS Transformer Pad Complete	1	ea.	3,398
U-5	2 each 6" Sleeves	40	l.f.	4,200
CS-1	Concrete Structural Work	1	l.s.	86,644
P-1	Piping Work	1	l.s.	65,497
M-1	Mechanical Work	1	l.s.	90,845
E-1	Electrical and Instrumentation Work	1	l.s.	97,564
OC-1	Odor Control System	1	l.s.	22,503
T&S-1	Testing & Start-Up	1	l.s.	5,709
Total of above tasks				565,874
Sales Tax				17,733
Bond Premiums				5,397
Grand Total of This Bid (written in numbers)				589,004

Grand Total bid (written in letters) five hundred eighty nine thousand four dollars

Submitted by (Bidder's Company Name)

Grimm, Inc.

Address 5421 N. Pajaro Ct. Litchfield Park, AZ 85340

Phone (623) 217-4262 Fax (623) 374-2829

by (Individual's Name) Patrick Baker

attested by (signature of authorized representative of Bidder, printed name, and title)  
Tanya Baker Tanya Baker President

The undersigned hereby declares that he has visited the site(s) and has carefully examined the contract documents relating to the work covered by the above bid or bids.

Upon receipt of notice of the acceptance of this bid, we will execute the formal contract attached within ten (10) days, and will deliver a one hundred percent (100%) Performance Bond for the faithful performance of this Contract, together with a one hundred percent (100%) Payment Bond and Certificate of Insurance.

The bid security attached, with endorsement, in the sum of ten percent (10%) of the total bid, is to become the property of Sun MP LLC, in the event the Contract and Bonds are not executed within the time set forth, as liquidated damages for the delay and additional work caused thereby.

The undersigned has checked carefully all the above figures and understands that Sun MP LLC will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

The undersigned understands that Sun MP LLC reserves the right to reject any or all bids or to waive any informalities in the bid.

Respectfully submitted,

Patrick Baker

Contractor

Arizona Contractor's  
Classification and  
License No.

ROC 200474

By: Grimm, Inc (Patrick Baker)  
Print Name

5421 N. Pajaro Ct.  
Litchfield Park, AZ 85340  
Complete Business Address

Telephone Number: 623-217-4262

Fax Number: 623-374-2829

Bidder shall signify receipt of all Addenda here (if any):



Addendum #1 dated 10/19/04  
Addendum #2 dated 10/20/04

Failure to acknowledge receipt of all addenda shall render the bid proposal non-responsive and will be rejected:

Acknowledged by: *Rafael Fahn*

SUN MP LLC

Subcontractor Listing and Certification of Contract Compliance

PROJECT - LUM Wastewater Pumping Station

The undersigned contractor hereby submits the following list of firms to be employed as subcontractors on the above referenced project:

SUBCONTRACTOR	WORK ELEMENTS	DBE(Y/N)*	AGENCY**
Weekly Electric	Electrical/Inst.	N	N/A
C+L Asphalt	Asphaltic Paving	N	N/A
A-O painting	Protective Coatings	Yes	City of Phoenix City of Tucson

The undersigned hereby certifies that all subcontracts shall be in writing and shall provide that all work to be performed shall be in accordance with the terms of the Contract. All subcontracts shall be subject to approval by Sun MP LLC. Certified copies of all subcontracts shall be furnished to Sun MP LLC; however, prices may be omitted. Subcontracts shall conform to the regulations governing employment of labor.

Name of Firm Grimm, Inc.

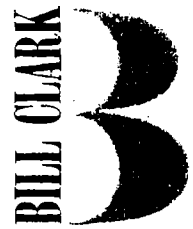
DBE?(Y/N)\*: ~~Y~~ <sup>PB</sup> N

Agency\*\* Currently in Application Process for WBE certification w/ COP.

Signature Patrick Baker

Title Vice President

\*Firms certified as Disadvantaged Business Enterprises. \*\*Indicate certifying agency, e.g., ADOT, MCHD, COP, etc. This information is requested for information purposes only. Sun MP LLC is an equal opportunity employer and minority business enterprises and women's business enterprises are encouraged to submit bids.



**& ASSOCIATES**

**SURETY BONDS & INSURANCE**

Enclosed is our executed Bid Bond for you use in connection with the following project:

Project: SUN MP LLC.  
LUM Wastewater Pumping Station

Date: 10/16/04

---

TO: Grimm, Inc. d/b/a Protelum General Contracting  
5421 N. Pajaro Court  
Litchfield Park, AZ 85340

Bid Date: October 20, 2004

Please Note:

**STATUTORY BID BOND**  
**PURSUANT TO TITLE 34, CHAPTER 2, ARTICLE 1**  
**OF THE ARIZONA REVISED STATUTES**  
(Penalty of this bond must not be less than 10% of the bid amount)

KNOW ALL MEN BY THESE PRESENTS:

That we, GRIMM, INC. DBA PROTELUM GENERAL CONTRACTING  
(hereinafter "Principal") as Principal, and  
UNITED FIRE & CASUALTY COMPANY, (hereinafter called the Surety) a corporation organized and  
existing under the laws of the State of Iowa, with its principal offices in the City of \*, as  
Surety, are held and firmly bound unto Sun MP LLC (hereinafter "Obligee") in the amount of  
Ten Percent (10%) of the \*\* Dollars (\$ ) for the payment whereof, the said  
Principal and Surety bind themselves, and their heirs, administrators, successors and assigns, jointly and  
severally, firmly by these presents.

WHEREAS, the said Principal has submitted a bid for the: **LUM Wastewater Pumping Station**

NOW, THEREFORE, if the Obligee shall accept the proposal of the Principal and the Principal shall  
enter into a contract with the Obligee in accordance with the terms of the proposal and give the Bonds and  
Certificates of Insurance as specified in the Standard Specifications with good and sufficient Surety for the  
faithful performance of the Contract and for the prompt payment of labor and material furnished in the  
prosecution of the contract, or in the event of the failure of the Principal to enter into such contract and give  
the Bonds and Certificates of Insurance, if the Principal pays to the Obligee the difference not to exceed the  
penalty of the bond between the amount specified in the Proposal and such larger amount for which the  
Obligee may in good faith contract with another party to perform the work covered by the Proposal, then this  
obligation is void. Otherwise, it remains in full force and effect provided, however, that this bond is executed  
pursuant to the provisions of Section 34-201, Arizona Revised Statutes, and all liabilities on this bond shall  
be determined in accordance with the provisions of the section to the extent as if it were copied at length  
herein.

Witness our hands this 20th day of October, 2004.

Attest:

By: Dana Baker / Resident

\* Cedar Rapids  
\*\* Total Amount of the Bid

GRIMM, INC. DBA PROTELUM GENERAL CONTRACTING  
5421 N. Pajaro Court, Litchfield Park, AZ 85340

PRINCIPAL SEAL

By: Jatak Bala

UNITED FIRE & CASUALTY COMPANY

BY: B. R. Clark  
SURETY SEAL B. R. Clark  
Attorney-In-Fact

AGENCY OF RECORD

Bill Clark & Associates, Inc.  
1660 S. Albion Street, Suite 907  
Denver, Colorado 80222

UNITED FIRE & CASUALTY COMPANY  
HOME OFFICE - CEDAR RAPIDS, IOWA  
CERTIFIED COPY OF POWER OF ATTORNEY  
(Original on file at Home Office of Company - See Certification)

KNOW ALL MEN BY THESE PRESENTS, That the UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Iowa, and having its principal office in Cedar Rapids, State of Iowa, does make, constitute and appoint

B. R. CLARK, INDIVIDUALLY of DENVER CO

its true and lawful Attorney(s)-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature as follows: Any and All Bonds

and to bind UNITED FIRE & CASUALTY COMPANY thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of UNITED FIRE & CASUALTY COMPANY and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

The Authority hereby granted is continuous and shall remain in full force and effect until revoked by UNITED FIRE & CASUALTY COMPANY.

This power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by Board of Directors of the Company on April 18, 1973.

"Article V - Surety Bonds and Undertakings"

Section 2, Appointment of Attorney-in-Fact. "The President or any Vice President, or any other officer of the Company may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby, such signature and seal, when so used, being adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed. Such attorneys-in fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President, the Board of Directors or any other officer of the Company may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the UNITED FIRE & CASUALTY COMPANY has caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 4th day of August, 2004

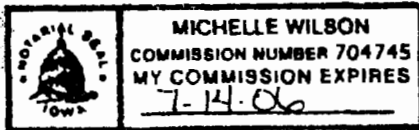


UNITED FIRE & CASUALTY COMPANY

By *Randy A. Ramlo* Vice President

State of Iowa, County of Linn, ss:

On 4th day of August, 2004, before me personally came Randy A. Ramlo to me known, who being by me duly sworn, did depose and say; that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of the UNITED FIRE & CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



*Michelle Wilson*  
Notary Public  
My commission expires: 07/14/2006

I, the undersigned officer of the UNITED FIRE & CASUALTY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the by-laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Company this 20th day of October 20 04.



*Paul A. [Signature]* Secretary

**NON-COLLUSION AFFIDAVIT**

State of AZ)

County of Maricopa) ss

Patrick Baker, Affiant,

the Vice President of Grimm, Inc.  
(Title) (Contractor)

the individual or person representing the corporation or company who makes the accompanying Proposal, having first been duly sworn, deposes and says:

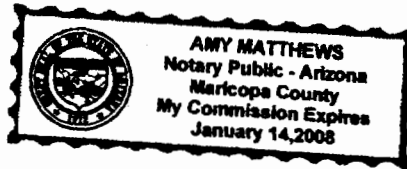
1. That such Proposal is genuine and not sham or collusive, nor made in the interest or behalf of any person not herein named;
2. That the Bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding;
3. That the Bidder has not in any manner sought by collusion to secure for itself an advantage over any other bidder,

Patrick Baker  
Vice President  
(Title)

SUBSCRIBED AND SWORN TO before me this 20 day of Oct ~~2000~~ 2004

Amy Matthews  
Notary Public

My Commission Expires:  
14 Jan 2008



**INDIVIDUAL SURETIES WILL NOT BE ACCEPTED**  
**STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34,**  
**CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES**  
 (Penalty of this bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That \_\_\_\_\_ (hereinafter called the Principal), as Principal, and \_\_\_\_\_, a corporation organized and existing under the laws of the State of \_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, (hereinafter called the Surety), as Surety, are held and firmly bound unto Sun MP LLC, (hereinafter called the Obligee), in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), for the payment whereof; the said Principal and Surety bind themselves, and their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, The Principal has entered into a certain written contract with the Obligee, dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, to construct the **LUM Wastewater Pumping Station**, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all undertakings, covenants, terms, conditions and agreements of said contract during the original term of said contract any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the contract and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title, Chapter, and Article, to the extent as if it were copied at length herein.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the court or a judge thereof.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Principal Seal

By \_\_\_\_\_

\_\_\_\_\_  
 Surety Seal

\_\_\_\_\_  
 Agency of Record

Agency Address

Telephone Number: \_\_\_\_\_

**INDIVIDUAL SURETIES WILL NOT BE ACCEPTED**  
**STATUTORY PAYMENT BOND PURSUANT TO TITLE 34,**  
**CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES**  
**(Penalty of this bond must be 100% of the Contract Amount)**

KNOW ALL MEN BY THESE PRESENTS:

That, \_\_\_\_\_ (hereinafter called the Principal), as Principal, and \_\_\_\_\_, a corporation organized and existing under the laws of the State of \_\_\_\_\_ with its principal office in the City of \_\_\_\_\_ (hereinafter called the Surety), as Surety, are held and firmly bound unto Sun MP LLC, (hereinafter called the Oblige), in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), for the payment whereof; the said Principal and Surety bind themselves, and their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, The Principal has entered into a certain written contract with the Oblige, dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, to construct the **LUM Wastewater Pumping Station**, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall promptly pay all monies due to all persons supplying labor or materials to him or his subcontractors in the prosecution of the work provided for in said Contract, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond having been required of the said Principal in order to comply with the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, all rights and remedies on this bond shall inure solely to such persons and shall be determined in accordance with the provisions, conditions, and limitations of said Title, Chapter and Article, to the same extent as if they were copied at length herein.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the court or a judge thereof.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Principal

Seal

By

Surety

Seal

\_\_\_\_\_  
Agency of Record

Agency Address

Telephone Number: \_\_\_\_\_



06:00.3

Sun MP LLC  
Certificate of Insurance

The IRG Underwrites LLC  
certifies that the following insurance policies have been issued on behalf of:

Name of Insured Grimm Incorporated  
Address of Insured 5421 Pajaro Ct, Litchfield Park, AZ 85340

Name and Address of Additional Named Insured:  
Sun MP LLC  
3010 E. Camelback Road  
Suite #100  
Phoenix, Arizona 85016

Type of Insurance	Carrier	Policy No.	Effect. Date	Min Amt of Coverage	Expiration Date	Limits of Liability
(1) Workmen's Compensation						Statutory
(2) Contractor's Protective Bodily Injury				\$1,000,000 \$2,000,000		Each Occurrence Aggregate
(3) Contractor's Protective Property Damage				\$500,000 \$500,000		Each Accident Aggregate
(3) Contractual Bodily Injury	James River	TBA	11-12-04	\$1,000,000 \$2,000,000	11-12-05	Each Occurrence Aggregate
(3) Contractual Property Damage	James River	TBA	11-12-04	\$1,000,000 \$2,000,000	11-12-05	Each Occurrence Aggregate
(4) Automobile Bodily Injury & Property Damage				\$1,000,000 \$2,000,000		Each Occurrence Aggregate
(5) Owner's Liability				\$1,000,000		Each Occurrence

When the project includes construction of a new, or modification of an existing building (in addition to the above types):

- (6) Fire and Extended Coverage plus Vandalism and Malicious Mischief for the full amount of the contract, with Sun MP LLC named as an additional insured.

Policy No.	Expiration Date	Amount

(7) Umbrella Coverage

	Policy No.	Expiration Date	AMOUNT
JAMES RIVER	TBA	11-12-05	\$5,000,000 Each Occurrence

Policy includes coverage for:

- (A) 1. Damage caused by blasting
- 2. Damage caused by collapse or structural injury
- 3. Damage to underground utilities
  
- (B) Liability assumed in construction agreements and other types of contracts or agreements in effect in connection with insured operations.
  
- (C) All owned, hired or non-owned automotive equipment used in connection with the insured operation.
  
- (D) Owner's Liability Policy shall remain in effect from date of final acceptance until the time limit for filing against the project has passed. Prior to final acceptance, Contractor shall provide an executed Certificate of Insurance extending the policy to this date.

It is agreed that none of these policies will be canceled or changed so as to affect this certificate until ten (10) days written notice of such cancellation or change has been delivered to Sun MP LLC.

It is further agreed that:

These policies shall not expire until all work has been completed and the project has been accepted by the City of Goodyear. (If a policy does expire during the life of the Contract, a renewal Certificate of the required coverage must be sent to Sun MP LLC not less than five (5) days prior to expiration date.)

This certificate is not valid unless countersigned by an authorized representative of the Insurance Company.

Date:

11-17-04

Countersigned by:

ANITA I. MCINTYRE

Anita I. McIntyre  
Signature

7991 Schaffer Parkway #11  
Agency Address  
Littleton CO 80127  
Telephone 303-972-6633



November 24, 2004

Sun MP, LLC  
3010 East Camelback Road  
Suite 100  
Phoenix, AZ 85016

Attn: Lesle Sweeney, Project Administrator  
Subject: Lum Wastewater Pumping Station  
Re: Payment & Performance Bond

Ladies and Gentlemen:

Find the attached original payment and performance bond for the LUM WWPS.

Call with any questions (623-217-4262)

Sincerely,  
Grimm, Inc.



Patrick Baker  
President

CC: Files

RECEIVED  
DEC 14 2004

**INDIVIDUAL SURETIES WILL NOT BE ACCEPTED**  
**STATUTORY PAYMENT BOND PURSUANT TO TITLE 34,**  
**CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES**  
(Penalty of this bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

Bond No. 148435

GRIMM, INC.

That, DBA PROTELUM GENERAL CONTRACTING (hereinafter called the Principal), as Principal, and UNITED FIRE & CASUALTY COMPANY, a corporation organized and existing under the laws of the State of Iowa with its principal office in the City of Cedar Rapids, (hereinafter called the Surety), as Surety, are held and firmly bound unto Sun MP LLC, (hereinafter called the Obligee), in the amount of Five Hundred Eighty Nine Thousand\* Dollars (\$ 589,004.00), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, The Principal has entered into a certain written contract with the Obligee, dated the 1st day of November, 20 04, to construct the LUM Wastewater Pumping Station, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall promptly pay all monies due to all persons supplying labor or materials to him or his subcontractors in the prosecution of the work provided for in said Contract, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond having been required of the said Principal in order to comply with the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, all rights and remedies on this bond shall inure solely to such persons and shall be determined in accordance with the provisions, conditions, and limitations of said Title, Chapter and Article, to the same extent as if they were copied at length herein.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the court or a judge thereof.

Witness our hands this 1st day of November, 20 04.

\*Four and no/100.

Principal GRIMM, INC DBA Seal  
PROTELUM GENERAL CONTRACTING

By Patrick Baker  
Patrick Baker, President

UNITED FIRE & CASUALTY COMPANY  
Surety Seal

By: B. R. Clark  
Agency of Record B. R. Clark, Attorney-in-Fact

Agency Address 1660 S. Albion, #907  
Denver, CO 80222  
Telephone Number: 303-759-1449

**INDIVIDUAL SURETIES WILL NOT BE ACCEPTED**  
STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34,  
CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES  
(Penalty of this bond must be 100% of the Contract Amount)

Bond No. 148435

KNOW ALL MEN BY THESE PRESENTS:

GRIMM, INC

That DBA PROTELUM GENERAL CONTRACTING (hereinafter called the Principal), as Principal, and UNITED FIRE & CASUALTY COMPANY a corporation organized and existing under the laws of the State of IA with its principal office in the City of CEDAR\*, (hereinafter called the Surety), as Surety, are held and firmly bound unto Sun MP LLC, (hereinafter called the Obligee), in the amount of Five Hundred Eighty Nine Thousand Four and no/100 Dollars (\$589,004.00), for the payment whereof; the said Principal and Surety bind themselves, and their heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, The Principal has entered into a certain written contract with the Obligee, dated the 1st day of November, 2004, to construct the LUM Wastewater Pumping Station, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform and fulfill all undertakings, covenants, terms, conditions and agreements of said contract during the original term of said contract any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the contract and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of said Title, Chapter, and Article, to the extent as if it were copied at length herein.

The prevailing party or any party which recovers judgment on this bond shall be entitled to such reasonable attorney's fees as may be fixed by the court or a judge thereof.

Witness our hands this 1st day of November, 2004.

\*RAPIDS, IOWA

Principal GRIMM, INC DBA Seal  
PROTELUM GENERAL CONTRACTING

By Patrick Baker, President  
Patrick Baker, President

UNITED FIRE & CASUALTY COMPANY  
Surety Seal

By: B. R. Clark  
Agency of Record B. R. Clark, Attorney-in-Fact

Agency Address 1660 S. Albion, #907  
Denver, CO 80222  
Telephone Number: 303-759-1449

UNITED FIRE & CASUALTY COMPANY  
HOME OFFICE - CEDAR RAPIDS, IOWA  
CERTIFIED COPY OF POWER OF ATTORNEY  
(Original on file at Home Office of Company - See Certification)

KNOW ALL MEN BY THESE PRESENTS, That the UNITED FIRE & CASUALTY COMPANY, a corporation duly organized and existing under the laws of the State of Iowa, and having its principal office in Cedar Rapids, State of Iowa, does make, constitute and appoint

B. R. CLARK, INDIVIDUALLY of DENVER CO

its true and lawful Attorney(s)-in-Fact with power and authority hereby conferred to sign, seal and execute in its behalf all lawful bonds, undertakings and other obligatory instruments of similar nature as follows: Any and All Bonds

and to bind UNITED FIRE & CASUALTY COMPANY thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of UNITED FIRE & CASUALTY COMPANY and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

The Authority hereby granted is continuous and shall remain in full force and effect until revoked by UNITED FIRE & CASUALTY COMPANY.

This power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by Board of Directors of the Company on April 18, 1973.

"Article V - Surety Bonds and Undertakings"

Section 2, Appointment of Attorney-in-Fact. "The President or any Vice President, or any other officer of the Company may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. The signature of any officer authorized hereby, and the Corporate seal, may be affixed by facsimile to any power of attorney or special power of attorney or certification of either authorized hereby; such signature and seal, when so used, being adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed. Such attorneys-in fact, subject to the limitations set forth in their respective certificates of authority shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The President or any Vice President, the Board of Directors or any other officer of the Company may at any time revoke all power and authority previously given to any attorney-in-fact.

IN WITNESS WHEREOF, the UNITED FIRE & CASUALTY COMPANY has caused these presents to be signed by its vice president and its corporate seal to be hereto affixed this 4th day of August, 2004

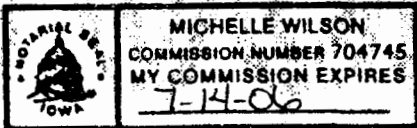


UNITED FIRE & CASUALTY COMPANY

By *Randy A. Ramlo* Vice President

State of Iowa, County of Linn, ss:

On 4th day of August, 2004, before me personally came Randy A. Ramlo to me known, who being by me duly sworn, did depose and say; that he resides in Cedar Rapids, State of Iowa; that he is a Vice President of the UNITED FIRE & CASUALTY COMPANY, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



*Michelle Wilson*  
Notary Public  
My commission expires: 07/14/2006

I, the undersigned officer of the UNITED FIRE & CASUALTY COMPANY, do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the by-laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON FILE IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

In testimony whereof I have hereunto subscribed my name and affixed the corporate seal of the said Company this 1st day of November 20 04



*Paul A. Joyce* Secretary

## Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Please print or type	Name (See Specific Instructions on page 2.)	
	Business name, if different from above. (See Specific Instructions on page 2.) <i>Grumm, Inc.</i>	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	Address (number, street, and apt. or suite no.) <i>5421 N. Pajaro Ct.</i>	Requester's name and address (optional)
	City, state, and ZIP code <i>Litchfield Park, AZ 85340</i>	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 2.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number	or
	Employer identification number
	3   7   1   4   2   9   0   S   T

List account number(s) here (optional)

---

**Part II For U.S. Payees Exempt From Backup Withholding** (See the instructions on page 2.)

**Part III Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

Sign Here	Signature of U.S. person ▶ <i>Fatrah Blum</i>	Date ▶ <i>11/10/04</i>
-----------	-----------------------------------------------	------------------------

**Purpose of Form**

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**Use Form W-9 only if you are a U.S. person** (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

If you are a foreign person, use the appropriate Form W-8. See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**What is backup withholding?** Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- You do not certify your TIN when required (see the Part III instructions on page 2 for details), or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate Instructions for the Requester of Form W-9.

**Penalties**

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.



**CMX, L.L.C.**

**WORK ORDER  
FOR  
PROFESSIONAL SERVICES**

Client: SUN MP, LLC  
Project Name: EMR Miscellaneous Services  
CMX Project No. 6235.01  
Billing Group No. 322, Lum Wash Lift Station  
Consultant Coordination  
**\*\* BUDGET INCREASE \*\***

Date: 21 February 2004  
Work Order No. 17

General Description: Budget Increase to Prepare Site Plan for Lum Wash Lift Station Site as requested by the Client (Sun MP, LLC).

This Work Order outlines the Scope of Services and associated fees for said services to be provided by CMX, L.L.C. (CMX) to Sun MP, LLC (Client). The services described below shall be provided under the terms and conditions of the Professional Services Agreement between CMX and Sun MP, LLC in accordance with the Estrella Mountain Ranch Master Agreement for Consulting Services dated 13 February 2002.

**Scope of Services**

The services pertaining to this Work Order are as follows:

The original scope of services for this task will be expanded to include preparation of a Site Plan for the Lum Wash Lift Station Site as requested by Larry McDonough of Sun, MP. The Site Plan will be submitted to the City of Goodyear for review and approval by Larry McDonough. CMX will revise the site plan in accordance with review comments from the City of Goodyear, if applicable. CMX will continue to coordinate with Coe & Van Loo Consultants (CVL) as necessary during the design process for the Lum Wash Lift Station and sewage force main.

**EXHIBIT A**





## Fees

The fees pertaining to this Work Order are as follows:

### BG 322: Lum Wash Lift Station – Consultant Coordination

Original Budget	\$3,000.00
<b>Budget Increase</b>	<b>\$1,500.00</b>
<b>Total Revised Budget</b>	<b>\$4,500.00</b>

The above fee is an estimate of the services required and is subject to revision based on Client request and complexity of tasks required. CMX will not exceed this estimated fee without prior authorization from the Client.

## Schedule

The Site Plan for the Lum Wash Lift Station was completed and sent to Client for submittal to the City of Goodyear by January 28, 2004. Revisions due to City comments may extend services until February 29, 2004. Additional coordination with CVL will be ongoing through May 2004.

## AGREEMENT

Submitted:  
**CMX, L.L.C.**

By: \_\_\_\_\_

Dean J. Pehrson, P. E.

Title: Senior Project Manager

Approved and Authorized:

**SUN MP, LLC**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Task Order**  
to  
**Master Agreement For Consulting Services**  
(Estrella Mountain Ranch – Lum Lift Station)

Number: Twelve

This Task Order is made this 8<sup>th</sup> day of April, 2004 pursuant to and under the provisions of that certain Master Agreement For Consulting Services dated as of **November 11, 2003**, (the "Master Agreement") by and between CMX, L.L.C., an Arizona limited liability company ("Consultant") and Sun MP, LLC, an Arizona limited liability company ("Owner").

1 **Work.** Owner desires to engage Consultant during the term of this Task Order to perform the services set forth below (the "Work") in connection with the following described Project at Estrella Mountain Ranch in Goodyear, Arizona:

Consultant to revise the current Site Plan for the Lum Wash Lift Station Site in accordance with review comments from the City of Goodyear. Consultant will also coordinate with Coe & Van Loo Consultants (CVL) as necessary during the design process for the Lum Wash Lift Station and sewage force main as more particularly described in Exhibit A attached hereto (which is attached solely for the purpose of describing the scope of Consultant's services; the terms of this Task Order and the Master Agreement shall control any contrary provisions).

2 **Project Schedule.** Consultant agrees to complete the Work as follows:

Consultant will complete the above scope of work as directed by Owner.

3 **Compensation.** Owner shall pay Consultant an additional compensation in the amount of Fifteen Hundred and no/100 Dollars (\$1,500.00) in accordance with Section 3 of the Master Agreement in a lump sum fee not to exceed the Maximum Contract Amount of Forty Five Hundred and no/100 Dollars (\$4,500.00) for this work.

4 **Reimbursable Costs.** Owner shall reimburse Consultant for the costs of the following specified items and no others at the actual cost of such items without markup:

Consultant will be reimbursed at cost with no mark up, any reprographics, delivery services, submittal and plan review fees, costs for maps, records and/or other documents relating to the project, mileage, long distance telephone charges, computer color plots, etc., and any other reimbursable expenses as approved by owner.

5 **Personnel And Time Requirements.** The representatives of Consultant assigned to the Project and the anticipated time requirements are:

Consultant will dedicate the staff and resources necessary to meet the project schedule.

6 **Term.** The obligations under this Task Order shall commence upon the execution hereof by Owner and Consultant and shall be in effect until terminated in accordance with the provisions of the Master Agreement.

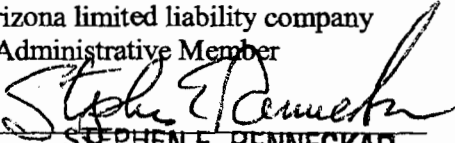
7 **Miscellaneous Provisions**

None

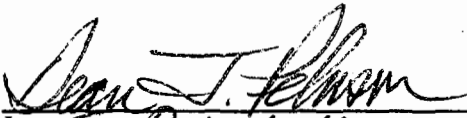
Consultant and Owner acknowledge and agree that this Task Order is subject to the terms and conditions contained in the Master Agreement. In the event of a conflict between the terms and conditions of the Master Agreement and the terms hereof, the terms and conditions of the Master Agreement shall control. All capitalized terms used herein shall have the meaning ascribed to them in the Master Agreement. NO PART OF ANY ATTACHMENT TO THIS TASK ORDER IS INTENDED TO VARY THE TERMS OTHERWISE CONTAINED IN THIS TASK ORDER AND THE MASTER AGREEMENT; THE ONLY INTENT OF ANY SUCH ATTACHMENT IS TO DESCRIBE WHAT IS INCLUDED IN THE WORK.

IN WITNESS WHEREOF both parties hereto have caused this Task Order to be executed as of the day and year first written above.

SUN MP, LLC,  
an Arizona limited liability company  
By: SunChase Goodyear Properties, LLC,  
an Arizona limited liability company  
Administrative Member

By:   
Its: STEPHEN E. RENNECKAR,  
MANAGER

CMX, L.L.C.  
an Arizona limited liability company

By:   
Its: Sr. Project Manager

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OCT 14 2004

**Task Order**  
to  
**Master Agreement For Consulting Services**  
(Additional Services for the Lum Wastewater Pump Station)

Number: Twenty-Five

This Task Order is made this 12<sup>th</sup> day of October, 2004 pursuant to and under the provisions of that certain Master Agreement For Consulting Services dated as of **December 15, 2003**, (the "Master Agreement") by and between Coe & Van Loo Consultants, Inc., an Arizona corporation ("Consultant") and Sun MP, LLC, an Arizona limited liability company ("Owner").

1 **Work.** Owner desires to engage Consultant during the term of this Task Order to perform the services set forth below (the "Work") in connection with the following described Project at Estrella Mountain Ranch in Goodyear, Arizona:

Consultant shall provide the following services for the Estrella Mountain Ranch Lum Wastewater Pump Station, all as more particularly described in Exhibit A attached hereto (which is attached solely for the purpose of describing the scope of Consultant's services; the terms of this Task Order and the Master Agreement shall control any contrary provisions):

1. Design of a chemical feed system using magnesium hydroxide.
2. Coordination with CMX.
3. Site plan review required by the City of Goodyear.
4. Coordinate with MCESD.

2 **Project Schedule.** Consultant agrees to complete the Work as follows:

As directed by Owner's Project Manager.

3 **Compensation.** Owner shall pay Consultant the following compensation on a lump sum fee basis accordance with Section 3 of the Master Agreement in an amount not to exceed the following Maximum Contract Amount of ELEVEN THOUSAND FOUR HUNDRED FIFTY FIVE AND NO/100 DOLLARS (\$11,455.00).

4 **Reimbursable Costs.** Owner shall reimburse Consultant for the costs of the following specified items and no others at the actual cost of such items without markup:

Consultant will be reimbursed at cost with no mark up, any reprographics, delivery services, submittal and plan review fees, costs for maps, records and/or other documents relating to the project, mileage, long distance telephone charges, computer color plots, etc., and any other reimbursable expenses as approved by owner.

5 **Personnel And Time Requirements.** The representatives of Consultant assigned to the Project and the anticipated time requirements are:

Consultant will dedicate the staff and resources necessary to meet the project schedule.

6 **Term.** The obligations under this Task Order shall commence upon the execution hereof by Owner and Consultant and shall be in effect until terminated in accordance with the provisions of the Master Agreement.

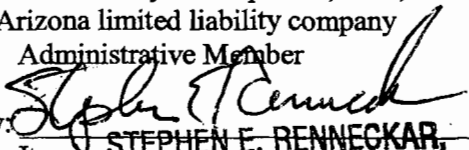
7 **Miscellaneous Provisions**

None

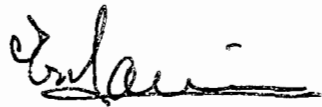
Consultant and Owner acknowledge and agree that this Task Order is subject to the terms and conditions contained in the Master Agreement. In the event of a conflict between the terms and conditions of the Master Agreement and the terms hereof, the terms and conditions of the Master Agreement shall control. All capitalized terms used herein shall have the meaning ascribed to them in the Master Agreement. NO PART OF ANY ATTACHMENT TO THIS TASK ORDER IS INTENDED TO VARY THE TERMS OTHERWISE CONTAINED IN THIS TASK ORDER AND THE MASTER AGREEMENT; THE ONLY INTENT OF ANY SUCH ATTACHMENT IS TO DESCRIBE WHAT IS INCLUDED IN THE WORK.

IN WITNESS WHEREOF both parties hereto have caused this Task Order to be executed as of the day and year first written above.

SUN MP, LLC,  
an Arizona limited liability company  
By: SunChase Goodyear Properties, LLC,  
an Arizona limited liability company  
Administrative Member

By:   
Its STEPHEN E. RENNECKAR,  
MANAGER

COE & VAN LOO CONSULTANTS, INC.,  
an Arizona corporation

By:   
Its: Associate / Project Manager



RECEIVED

SEP 16 2004

September 14, 2004

Larry McDonough  
Project Manager  
Sun MP LLC  
3010 E. Camelback Rd., Suite 100  
Phoenix, AZ 85016

Re: Lum Wastewater Pump Station  
Request for Additional Fees  
CVL Project No.: 46-0066-01

Dear Mr. McDonough:

This letter will serve to summarize our request for additional fees for tasks performed outside the work scope outlined in CVL's April 9, 2003 letter. These tasks are principally associated with the long plan review process with MCESD and the addition of an odor control facility for the wastewater pump station. Specific work tasks performed are described as follows:

1. Design of a chemical feed system using magnesium hydroxide:
  - Site visit to City of Goodyear WWTP to observe existing facility.
  - Sizing of feed system, coordination with manufacturer, review of technical literature, calculations.
  - Preparation of plan and elevation views on CAD drawings.
  - Integration of control system in wastewater pump station, revision to P&ID and electrical one-line diagrams.
2. Coordination with CMX:
  - FM routing and length; sizing recommendations.
  - Westar Drive access driveway to site.
  - Resolution of utility connections to facility: water, sewer, and gas from Westar Drive.
3. The City of Goodyear required that a site plan review of the wastewater pump station be performed. CVL obtained a site plan from CMX and completed an application for the client's submission to the City.
4. Coordinate with MCESD

The MCESD has taken an aggressive approach to the review and approval of the wastewater pump station plans. CVL submitted plans to MCESD on January 16, 2004 for first review and the project is not yet approved. During this time period, CVL has been asked to attend several

**EXHIBIT A**

meetings with MCESD representatives, prepare responses to questions raised during the review process and assist the client in resolving outstanding issues:

- MCESD Meetings:
  - June 10, 2004
  - July 30, 2004 (with Goodyear representatives)
- Response to MCESD comments:
  - April 27, 2004 CVL letter
  - June 3, 2004 Sun MP letter, response to June 1<sup>st</sup> MCESD letter
  - July 23, 2004 Sun MP letter, response to July 15<sup>th</sup> MCESD letter
- Client Assistance
  - FM routing
  - Response plan concepts
  - Regulatory sewage flow factors comparison
  - Research ADEQ permit rules
  - Peaking factor calculations and review of collection system capacity as well as wet well sizing.
  - Odor control system justification
  - Costing of wet well/storage alternatives

The value of the work performed above is \$9,455. This is work in addition to that presented in the original proposal.

We note that CVL is obligated to provide services during the bidding phase as outlined in items 12 and 13. This work cannot be performed until MCESD approves the plans and issues an ATC. The value of these remaining tasks is \$2,000.

We hereby request that Sun MP increase the project's budgeted limit by \$11,455 from \$29,470 to \$40,925. A Work Authorization is attached for your review and approval.

Do not hesitate to call me should there be any questions on these matters.

Respectfully Submitted,

COE & VAN LOO  
Consultants, Inc.



Eric T. Laurin, P.E.  
Associate, Project Manager

ETL:ba

Enclosure

# Coe & Van Loo Consultants, Inc.

4550 North 12th Street  
Phoenix, Arizona 85014-4291  
Phone: (602)264-6831 Fax: (602)264-0928

## WORK AUTHORIZATION

Larry McDonough  
Sun MP LLC  
3010 E. Camelback Rd., Ste. 100  
Phoenix, AZ 85016

Fax Number: (602) 468-1633  
Project Name: Lum Wastewater Pump  
Project Number: 46-0066-01

This is to confirm our discussion regarding the above-referenced project.

We are proceeding on your verbal authorization to complete the work listed below.

Phase Number (a)	Description	Billing Type (b)	Fee
6	Extra Services – MCESD	4	\$9,455
7	Project Completion	4	\$2,000

(a) The phase number listed on this authorization will be the same phase number that will be referred to on the monthly invoice.

(b) Billing Type

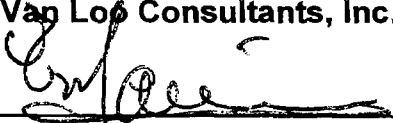
- 1 Professional services on a time and materials basis.
- 2 Professional services for the not-to-exceed fee listed.
- 4 Professional services for the lump sum fee listed.
- 5 Phase-fixed fee.
- 19 Professional services on a time and materials basis for the estimated fee listed:

**Note:** All work will be billed in accordance with the fee schedule on the reverse side of this authorization.

If this meets with your approval, please sign on the space provided below and return the yellow copy to the undersigned.

Coe & Van Loo Consultants, Inc.

Sun MP LLC

  
By: Eric Laurin, P.E.  
Title: Associate/Project Manager  
Date: September 14, 2004

By: Larry McDonough  
Title: Project Manager  
Date: \_\_\_\_\_



# COE & VAN LOO CONSULTANTS, INC.

## CURRENT FEE SCHEDULE - 2003

### A. PERSONNEL SERVICES

#### 1. Regular Time

CLASSIFICATION	RATE/HOUR
<b>ENGINEERING</b>	
Principal Engineer .....	\$125.00
Director .....	120.00
Project Manager .....	120.00
Senior Project Engineer .....	100.00
Project Engineer/Assistant Project Manager .....	95.00
Staff Engineer .....	85.00
<b>PLANNING/LANDSCAPE ARCHITECTURE</b>	
Principal Planner/Principal Landscape Architect .....	125.00
Director .....	120.00
Project Manager .....	120.00
Senior Project Planner/Senior Project Landscape Architect .....	100.00
Project Planner/Project Landscape Architect/Assistant Project Manager .....	95.00
Staff Planner/Staff Landscape Architect .....	85.00
<b>ENGINEERING/PLANNING/LANDSCAPE ARCHITECTURE</b>	
Senior Designer .....	85.00
Project Designer .....	75.00
Designer .....	70.00
Senior Drafter .....	65.00
Project Drafter .....	55.00
Drafter .....	50.00
<b>CONSTRUCTION SERVICES</b>	
Director .....	120.00
Senior Manager .....	100.00
Manager .....	85.00
Supervisor .....	70.00
Observer .....	60.00
<b>SURVEYING</b>	
Survey Manager .....	115.00
Senior Land Surveyor .....	85.00
Project Land Surveyor .....	80.00
Staff Land Surveyor/Crew Chief .....	75.00
3-Person Regular Survey Crew .....	135.00
GPS Equipped Survey Crew .....	190.00
<b>SPECIAL</b>	
Project Coordinator .....	\$55.00/hour
Typist/Clerical (identifiable work, legal descriptions, reports, specifications, etc.) .....	45.00/hour
Plans Coordinator/Expediter .....	50.00/hour
Deliveries .....	35.00/hour
Deliveries (by outside service) .....	At Actual Cost
Court Testimony (1 day minimum, in court time, depositions, preparation, etc.) .....	\$1,000.00/day
Wastewater Composite Sampler .....	50.00/day
Wastewater Flow Meter .....	50.00/day

#### 2. Overtime Premium

Regular time fees apply to all client authorized overtime except for overtime work performed by non-exempt employees and Survey crews, which will be billed at 1.4 times the regular time rate per hour.

### B. TRAVEL & TRANSPORTATION EXPENSES

1. Travel expenses, lodging and subsistence..... At Actual Cost
2. Auto or Truck .....
3. Equipment Rental .....

### C. OTHER REIMBURSABLE COSTS

1. Long distance communications and postage..... At Actual Cost
2. Filing fees and permits .....
3. Prints, reproductions and photo work .....
4. Special stenographic and drafting supplies .....

### D. OUTSIDE CONSULTANTS

All outside consultants required in the course of the work will be charged at actual cost plus 15%

### E. SALES TAX

The above fees and charges do not include sales tax in those states where sales tax applies to professional services or gross receipts. The amount of applicable sales tax, if any, is additive to gross charges.

Fees and all other charges will be billed monthly as the work progresses, and the amount of each billing shall be due and payable ten (10) days after the date of such billing. Any portion of a billing not paid within thirty (30) days of the billing shall be considered delinquent and shall bear a delinquency charge of one and one-half (1 ½) percent per month (annual percentage rate 18 percent) on the unpaid balance, but in no event shall said delinquency charge or the payment thereof extend the due date.

Should legal action be necessary to enforce the provisions of any contract or agreement entered into in which this schedule is a part, the client agrees to pay all attorney's fees and court costs incurred in the prosecuting of thereof.

All fees set forth in any contract or agreement entered into, in which this schedule is a part, are subject to reasonable escalation as required to offset inflationary increases in our cost of doing business.

# CVL Construction Services, LLC

November 11, 2004

RECEIVED  
NOV 15 2004

Larry McDonough  
Sun MP, LLC  
3010 E. Camelback Rd., Ste. 100  
Phoenix, AZ 85016

Re: **LUM Wastewater Pumping Station**  
**CVL Construction Services**  
**Project No. 03-4019-02**

Dear Mr. McDonough:

As we discussed briefly after the preconstruction meeting in our offices last week, we have reviewed our June, 2003 Proposal and September, 2003 Contract, and we have found several areas of concern:

- A. Our original Proposal was prepared without benefit of any construction documents. Now that the construction documents are nearly complete, our review has confirmed that we did not have an accurate scope.
- B. Our detailed examination of the documents has revealed an increased scope for shop drawing review (27 drawing sets versus the 14 previously assumed).
- C. Based on other similar projects that we have administered over the past year, we believe:
  - C1) The original Proposal anticipated 2 RFIs and 2 Change Orders (13 hours) versus the 5 RFIs and 2 Change Orders (25 hours) that should be necessary for this project.
  - C2) The original Proposal anticipated four (4) site visits over the construction duration and start-up (30 hours) versus the 8 visits (63 hours) that should be necessary for this project.
  - C3) The Record Drawing and Operation and Maintenance Manual preparation forecasts were also under estimated (22 hours versus 28 hours).
  - C4) The current plans require MCESD certification for sewer and water (28 hours) versus the originally anticipated sewer only (14 hours).
- D. Our June, 2003 Proposal included a 2003 wage rate schedule which has since had one increase for 2004 and will have another effective December 1, 2004.
- E. Since our June, 2003 Proposal, our Subconsultant's fee has increased as a result of wage increases, and the same scope refinement described above.

- F. Our original Proposal failed to include the monthly invoice administration required for our Subconsultant (6 hours).
- G. Our revised Proposal now includes invoice administration as requested (8 hours).

For your information and reference, we are attaching copies of the original and revised estimate spreadsheets, which account for all of the above described items. Further, our revised estimate has used the 2004 wage rates and is not including any newer rates for 2005. With all of these items accounted for, we estimate that the lump sum fee Proposal for this project should be \$30,198 for the following scope of services.

#### **SCOPE OF WORK:**

1. CCS and their subconsultants will review and recommend the appropriate action on drawings, product data samples and manufacturer's O&M Manuals submitted by the Contractor for design intent and conformance with the Contract Documents. The shop drawing review will be by Coe and Van Loo Consultants, Inc. (CVL) (mechanical, piping, site, and process) and DARcor and Associates (electrical, power, lighting, and controls). The Subconsultant's approval of a specific item shall not indicate approval of an assembly of which the item is a component. A maximum of up to twenty seven (27) shop drawings have been assumed.
2. Interpretation of Contract Documents – It is assumed that five (5) RFIs (Requests for Information) will be submitted by the Contractor.
3. Prepare Change Orders – Two (2) change order are assumed.
4. Field Visits – It is assumed that eight (8) site visits during project milestones will be performed by CCS. Project meetings will be held as needed during these visits.

Visits will coincide with the following Contractor's activities:

- a) Site improvements, including the wall foundation and wall construction, swing gates, wet well and valve vault; and equipment base installations (4)
  - b) Yard piping, flow meter and valve installations (2)
  - c) Pump and motor installations (1)
  - d) Electrical equipment and system installation and testing (1)
  - e) Punchlist preparation and approval (2)
  - f) Pre-final startup (1)
5. Subconsultant Administration – All required administration between CVL, DARcor, the Contractor and City of Goodyear personnel will be provided, including RFIs, Field Changes, Change Orders, etc. to assure the complete conformance of this electrical and mechanical observation Subconsultant contracts.
  6. Start-Up and Final Acceptance – Includes a final walk-through and sign-off of the project, including City of Goodyear acceptance of the Work.

**CVL Construction Services, LLC**

7. Record Drawing Preparation – CCS will issue reproducible copies of record drawings prepared from redlined field modifications submitted by the Contractor to the Owner and City of Goodyear as required.
8. CCS will review all tests and reports submitted by the Contractor, and together with record drawings (by others), will prepare and submit the regulatory forms for the Maricopa County Environmental Services Department (MCESD) Approval of Construction and/or Verification of General Permit Conformance requirements.

In preparing this Scope Of Work, the following assumptions were made and are included as part of our Proposal contract:

1. Construction staking is not included.
2. All Civil/Mechanical Engineering services will be performed by CVL as subconsultant to CCS.
3. All Electrical Engineering services for instrumentation, controls, and power systems will be performed by DARcor as Subconsultant to CCS.
4. The Client will be responsible for all bidding, award, and construction management of the wastewater pumping station.

The construction phase is scheduled to commence after final drawing approval on or about November 15, 2004 and will be completed in accordance with the attached 11-04-04 Grimm, Inc. LUM Wastewater Pumping Station Classic Schedule Layout.

As a further note for your consideration, our original Proposal included a supplementary fee to observe and certify the installation and testing of approximately 5,000 L.F. of sanitary sewer force main for a lump sum fee of \$1,870. We have also re-evaluated that original scope and reconsidered the wage rate revisions that were described for the WWPS above. We believe that an increase of that Alternate to a lump sum amount of \$3,700 is necessary.

Your consideration of this contract revision will be greatly appreciated. In the meantime, we are proceeding with our original contract to fully serve your needs.

Please advise if we can help you further in the analysis.

Sincerely,

**CVL Construction Services, LLC**



Russell E. Ewers, P.E.  
Director

REE:tb  
Enclosure

**CVL Construction Services, LLC**

**ESTRELLA MOUNTAIN RANCH  
LUM WWPS**

**CVL CONSTRUCTION SERVICES, LLC**

**REVISED PROPOSAL WWPS AND FORCE MAIN**

TASK	DESCRIPTION	QTY.	TOTAL HOURS	CCS PROJECT MANAGER	CVL PROJECT ENGR	CCS CONSTR MANAGER	CVL DRAFTER	CLERICAL OFFICE	TASK TOTAL \$\$\$						
CONSTRUCTION DOCUMENTATION, CONFORMANCE, OBSERVATION AND CERTIFICATION -															
1.0	Preconstruction Conference	-	11	-	4	-	2	-	4	-	0	-	1	\$ 1,140	
2.0	Shop Drawing Review	-	54	-	8	-	13	-	22	-	0	-	11	\$ 5,018	
3.0	Interpretation of CDs (RFI)	5	13	0.25	1	1.00	5	1.00	5	-	0.25	1	1	\$ 1,194	
4.0	Prepare Change Orders	2	12	0.25	1	2.00	4	3.00	6	-	0.50	1	1	\$ 1,095	
5.0	Field Visits - Lift Station	1	8	3.00	2	4.00	4	3.00	24	-	0.50	5	5	\$ 3,286	
6.0	Subcontract Administration	5	Mo.	6	1.00	5	-	0	0.00	0	-	0	0.25	1	\$ 688
	Contract Administration	5	Mo.	8	0.25	1	-	0	1.00	5	-	0	0.25	1	\$ 719
7.0	Start-up and Final Acceptance	1	2	28	2.00	2	8.00	8	8.00	16	-	0	0.25	2	\$ 2,710
8.0	Record Drawings (MCESD & City)	6	21	0.25	2	0.00	0	1.00	6	2.00	12	0.25	2	\$ 1,583	
	Operation & Maintenance Manuals	2	1	7	0.25	1	2.00	2	1.00	3	-	0	0.25	2	\$ 859
9.0	Certification (MCESD - Water & Sewer)	-	14	-	2	-	0	-	8	-	0	-	4	\$ 1,250	

TOTAL HOURS	208													
RATE			\$125	\$95	\$100	\$60	\$50							
SUBTOTAL CCS FEE			\$3,594	\$3,586	\$9,925	\$720	\$1,513							

SUBTOTAL CCS / CVL LABOR	\$ 19,338
MECHANICAL HVAC SUBCONSULTANTS COSTS	
ARCHITECTURAL SUBCONSULTANT COSTS	
ELECTRICAL SUBCONSULTANT COSTS	\$ 9,700
DIRECT COSTS	\$ 1,160
<b>TOTAL FEE</b>	<b>\$ 30,198</b>

1. Includes field observation of WWPS for Sewer MCESD certification
2. Client to provide geotechnical testing and reports
3. Subconsultant: DARcor for Electrical

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**Estrella Parkway Phase 3a Extension**

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# ESTRELLA MOUNTIAN RANCH

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## ESTRELLA PARKWAY PHASE 3

### ANTICIPATED DESIGN AND CONSTRUCTION COSTS FOR PHASES 3A

Prepared By:  
CMX, LLC  
7740 North 16th Street  
Phoenix, Arizona 85020  
602-567-1900

December 28, 2004  
CMX Project No. 7006.01





**MEMO**

**DATE:** February 9, 2005

**TO:** CFD File

**FROM:** Larry M. McDonough

**RE:** Cost Estimates for Estrella Parkway Phase 3A

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The cost estimates prepared by CMX , LLC for the above referenced segment of Estrella Parkway were prepared based on the total anticipated costs associated with the planning, design, approvals, and construction of this segment of roadway.

It is assumed that the costs for the Dry Utilities for this segment of roadway will not be considered for reimbursement under the CFD. As such these costs need to be backed out of the total cost estimate.

Cost Estimate Total	\$ 4,979,537.95
Dry Utilities	<u>&lt;287,534.00&gt;</u>
CFD Cost Estimate	\$ 4,692,003.95



**Estrella Parkway Phase 3**

PHASE 3A  
Goodyear, Arizona  
Sun MP, LLC

Area (acres) : 13.95  
Prepared Date: December 28, 2004  
ROW Width: 65  
Centerline Length: 3574

**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>1.00 PLAN REVIEW AND PROCESSING FEES</b>				
1.10 CITY PLANNING FEES				
Map of Dedication	1	LS	\$ 1,500.00	\$ 1,500.00
TOTAL CITY PLANNING FEES				\$ 1,500.00
1.20 CITY ENGINEERING FEES				
Drainage Report	1	LS	\$ 7,000.00	\$ 7,000.00
Paving Plans	54	SH	\$ 120.00	\$ 6,480.00
Water and Sewer Plans	70	SH	\$ 180.00	\$ 12,600.00
Storm Drain Plans	34	SH	\$ 180.00	\$ 6,120.00
TOTAL CITY ENGINEERING FEES				\$ 32,200.00
1.30 COUNTY HEALTH DEPT. FEES (Engr.)				
Plan Review	1	LS	\$ 1,000.00	\$ 1,000.00
Approval to Construct	1	LS	\$ 490.00	\$ 490.00
TOTAL COUNTY HEALTH DEPT. FEES (Engr.)				\$ 1,490.00
<b>TOTAL PLAN REVIEW AND PROCESSING FEES</b>				<b>\$ 35,190.00</b>
<b>2.00 PERMIT FEES</b>				
2.10 CITY PERMIT FEES				
City Permits	1	LS	\$ 105,118.00	\$ 105,118.00
2.20 COUNTY HEALTH DEPT. FEES (Air Qual.)				
Dust Control Permit	1	LS	\$ 110.00	\$ 110.00
	13.95	AC	\$ 36.00	\$ 502.20
TOTAL COUNTY HEALTH DEPT. FEES (Air Qual.)				\$ 612.20
<b>TOTAL PERMIT FEES</b>				<b>\$ 105,730.20</b>
<b>3.00 BUY INS (NOT INCLUDED)</b>				
<b>4.00 LANDSCAPE DESIGN</b>				
4.10 LANDSCAPE DESIGN FEES				
Project Landscape Design	15%	OF	\$ 392,044.00	\$ 58,806.60
<b>TOTAL LANDSCAPE DESIGN</b>				<b>\$ 58,806.60</b>

### Estrella Parkway Phase 3

PHASE 3A  
Goodyear, Arizona  
Sun MP, LLC

Area (acres) : 13.95  
Prepared Date: December 28, 2004  
ROW Width: 65  
Centerline Length: 3574

#### ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>5.00 STREETLIGHT DESIGN</b>				
5.10 STREETLIGHT DESIGN	3574	LF	\$ 1.00	\$ 3,574.00
<b>TOTAL STREETLIGHT DESIGN</b>				<b>\$ 3,574.00</b>
<b>6.00 MISCELLANEOUS ELECTRICAL DESIGN (NOT INCLUDED)</b>				
<b>7.00 CONSULTANT SERVICES</b>				
7.20 ENGINEERING Engineering Design	1	LS	\$ 81,308.00	\$ 81,308.00
7.30 CONSTRUCTION STAKING Roadway Construction Staking	3,574	LF	\$ 14.00	\$ 50,036.00
<b>TOTAL CONSULTANT SERVICES</b>				<b>\$ 131,344.00</b>
<b>8.00 MISCELLANEOUS STUDIES / SERVICES (NOT INCLUDED)</b>				
<b>9.00 CONSTRUCTION TESTING</b>				
9.10 SOIL /COMPACTION TESTING Offsite Testing	3,574.00	LF	\$ 16.00	\$ 57,184.00
<b>TOTAL CONSTRUCTION TESTING</b>				<b>\$ 57,184.00</b>
<b>10.00 UTILITY COMPANY FEES (NOT INCLUDED)</b>				
<b>11.00 MISCELLANEOUS REMOVALS</b>				
11.70 SAWCUT AND REMOVE AC	257	SY	\$ 10.00	\$ 2,570.00
<b>TOTAL MISCELLANEOUS REMOVALS</b>				<b>\$ 2,570.00</b>

## Estrella Parkway Phase 3

PHASE 3A  
Goodyear, Arizona  
Sun MP, LLC

Area (acres) : 13.95  
Prepared Date: December 28, 2004  
ROW Width: 65  
Centerline Length: 3574

### ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>12.00 GRADING AND PAVING</b>				
12.05 SITE GRADING				
Clear & Grub (L.S.E. to L.S.E.)	13.95	AC	\$ 800.00	\$ 11,160.00
Rough Grade (No Rock)	27185	CY	\$ 2.25	\$ 61,166.25
Clean Up Grading Operation (Pave qty)	3574	LF	\$ 3.00	\$ 10,722.00
TOTAL SITE GRADING				\$ 83,048.25
12.10 PAVING				
4" AC on 12" ABC	31417	SY	\$ 19.00	\$ 596,923.00
Thickened (Maricopa) Edge	359	LF	\$ 6.00	\$ 2,154.00
TOTAL PAVING				\$ 599,077.00
12.20 VALVE / MANHOLE ADJUSTMENTS & SURVEY MONUMENTS				
Adjust Valve	49	EA	\$ 250.00	\$ 12,250.00
Adjust Stormdrain Manhole	6	EA	\$ 270.00	\$ 1,620.00
Survey Monument, Type "A"	5	EA	\$ 200.00	\$ 1,000.00
Hydrant Marker	7	EA	\$ 17.00	\$ 119.00
TOTAL VALVE / MANHOLE ADJUSTMENTS & SURVEY MONUMENTS				\$ 14,989.00
<b>TOTAL GRADING AND PAVING</b>				<b>\$ 697,114.25</b>
<b>13.00 WATER SYSTEM IMPROVEMENTS (NOT INCLUDED)</b>				
<b>14.00 WET UTILITIES</b>				
14.10 WATER				
16" DIP Irrigation line	3563	LF	\$ 48.00	\$ 171,024.00
8" DIP Irrigation line	432	LF	\$ 25.00	\$ 10,800.00
16" DIP Waterline	4515	LF	\$ 48.00	\$ 216,720.00
12" DIP Waterline	48	LF	\$ 45.00	\$ 2,160.00
8" DIP Waterline	486	LF	\$ 25.00	\$ 12,150.00
16" Valve, Box and Cover (Butterfly)	12	EA	\$ 2,000.00	\$ 24,000.00
12" Valve, Box and Cover (Gate)	1	EA	\$ 1,250.00	\$ 1,250.00
8" Valve, Box and Cover (Gate)	8	EA	\$ 1,000.00	\$ 8,000.00
Fire Hydrants w/Bypass Assembly	7	EA	\$ 19,000.00	\$ 133,000.00
Connect to Existing	3	EA	\$ 750.00	\$ 2,250.00
Tapped Cap/Blowoffs	14	EA	\$ 650.00	\$ 9,100.00
Vertical Realignment	9	EA	\$ 3,000.00	\$ 27,000.00
Air Release	11	LF	\$ 1,700.00	\$ 18,700.00
TOTAL WATER				\$ 636,154.00

**Estrella Parkway Phase 3**  
 PHASE 3A  
 Goodyear, Arizona  
 Sun MP, LLC

Area (acres) : 13.95  
 Prepared Date: December 28, 2004  
 ROW Width: 65  
 Centerline Length: 3574

**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>14.20 SEWER</b>				
12" PVC Sewerline (12' to 16')	206	LF	\$ 40.00	\$ 8,240.00
Sewer Plug	2	EA	\$ 250.00	\$ 500.00
Camera Test Sewer	206	LF	\$ 0.50	\$ 103.00
<b>TOTAL SEWER</b>				<b>\$ 8,843.00</b>
<b>14.30 STORM DRAIN</b>				
18" RGRCP CL IV	264	LF	\$ 50.00	\$ 13,200.00
24" RGRCP CL IV	556	LF	\$ 60.00	\$ 33,360.00
30" RGRCP CL IV	629	LF	\$ 70.00	\$ 44,030.00
36" RGRCP CL IV	885	LF	\$ 90.00	\$ 79,650.00
Storm Drain Manholes	6	EA	\$ 1,800.00	\$ 10,800.00
<b>TOTAL STORM DRAIN</b>				<b>\$ 181,040.00</b>
<b>TOTAL WET UTILITIES</b>				<b>\$ 826,037.00</b>
<b>15.00 DRAINAGE CHANNELS</b>				
<b>15.10 CONCRETE BOX CULVERTS</b>				
4 Barrel - 10' x 4' (Wingwalls Included)	200	LF	\$ 1,650.00	\$ 330,000.00
3 Barrel - 8' x 3' (Wingwalls Included)	212	LF	\$ 1,250.00	\$ 265,000.00
2 Barrel - 10' x 4' (Wingwalls Included)	190	LF	\$ 1,140.00	\$ 216,600.00
1 Barrel - 10' X 10' (Wingwalls Included)	200	LF	\$ 920.00	\$ 184,000.00
<b>TOTAL CONCRETE BOX CULVERTS</b>				<b>\$ 995,600.00</b>
<b>TOTAL DRAINAGE CHANNELS</b>				<b>\$ 995,600.00</b>
<b>16.00 IRRIGATION (INCLUDED IN WET UTILITES)</b>				
<b>17.00 DRYWELLS (NOT INCLUDED)</b>				
<b>18.00 DRY UTILITIES</b>				
<b>18.10 DRY UTILITY TRENCHING AND CONDUIT</b>				
Backbone Trench and Conduit (Infra)	5361	LF	\$ 47.00	\$ 251,967.00
Traffic Signal Intertie Major	3574	LF	\$ 8.00	\$ 28,592.00
Traffic Signal Conduit	906	LF	\$ 5.00	\$ 4,530.00
PVC Irrigation Sleeves	489	LF	\$ 5.00	\$ 2,445.00
<b>TOTAL DRY UTILITIES</b>				<b>\$ 287,534.00</b>

**Estrella Parkway Phase 3**  
**PHASE 3A**  
 Goodyear, Arizona  
**Sun MP, LLC**

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**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>19.00 CONCRETE</b>				
19.10 CONCRETE				
6" Vertical Curb & Gutter	7944	LF	\$ 7.50	\$ 59,580.00
6" Vertical Curb & Gutter (Depressed Lip)	7833	LF	\$ 7.50	\$ 58,747.50
8' Meandering Sidewalk	62728	SF	\$ 2.10	\$ 131,728.80
Sidewalk Ramps (Mid Block)	1	EA	\$ 450.00	\$ 450.00
Sidewalk Ramps	6	EA	\$ 450.00	\$ 2,700.00
Catch Basins	9	EA	\$ 3,800.00	\$ 34,200.00
Headwall w/ Trash Rack	5	EA	\$ 3,500.00	\$ 17,500.00
Bleed-Off System	3	EA	\$ 1,700.00	\$ 5,100.00
Loose Rip Rap D50=6" (Weirs)	441	SY	\$ 40.50	\$ 17,860.50
Loose Rip Rap D50=6"	1151	SY	\$ 40.50	\$ 46,615.50
Parkway Grading	15777	LF	\$ 0.20	\$ 3,155.40
Handrail	200	LF	\$ 60.00	\$ 12,000.00
<b>TOTAL CONCRETE</b>				<b>\$ 389,637.70</b>
<b>20.00 STREETLIGHTS AND AREA LIGHTING</b>				
20.05 STREETLIGHTS				
250 W, 30000 Lumen, 35'	18	EA	\$ 2,000.00	\$ 36,000.00
<b>TOTAL STREETLIGHTS AND AREA LIGHTING</b>				<b>\$ 36,000.00</b>
<b>21.00 WALLS AND MONUMENT (NOT INCLUDED)</b>				
<b>22.00 WATER FEATURES (NOT INCLUDED)</b>				
<b>23.00 RECREATIONAL AMENITIES (NOT INCLUDED)</b>				
<b>24.00 LANDSCAPING</b>				
24.10 LANDSCAPING				
Median Landscaping	130367	SF	\$ 1.15	\$ 149,922.05
R/W and Tract Landscaping	171552	SF	\$ 1.15	\$ 197,284.80
Retention Area Landscaping	38989	SF	\$ 1.15	\$ 44,837.35
<b>TOTAL LANDSCAPING</b>				<b>\$ 392,044.20</b>

### Estrella Parkway Phase 3

PHASE 3A  
Goodyear, Arizona  
Sun MP, LLC

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#### ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>25.00 CONCRETE REMOVAL AND REPLACEMENT (NOT INCLUDED)</b>				
<b>26.00 SIGNAGE AND STRIPING</b>				
26.10 SIGNAGE AND STRIPING				
Striping - Major Arterial (with median curb)	3574	LF	\$ 4.50	\$ 16,083.00
Street Sign Bases	17	EA	\$ 170.00	\$ 2,890.00
Traffic Signs	17	EA	\$ 155.00	\$ 2,635.00
Barricade 130-B	150	LF	\$ 30.00	\$ 4,500.00
Stop Signs	3	EA	\$ 85.00	\$ 255.00
Street Signs	3	EA	\$ 95.00	\$ 285.00
<b>TOTAL SIGNAGE AND STRIPING</b>				<b>\$ 26,648.00</b>
<b>27.00 MISCELLANEOUS CLEANUP</b>				
27.10 HYDRO-VAC SEWER	206	LF	\$ 0.50	\$ 103.00
27.20 SUPPLEMENTAL DUST CONTROL	3574	LF	\$ 1.00	\$ 3,574.00
27.40 IMPLEMENT SWPPP	3574	LS	\$ 5.50	\$ 19,657.00
27.60 STREET CLEANING	3574	LF	\$ 1.00	\$ 3,574.00
27.70 STORM WATER PREVENTION PLAN	13.95	AC	\$ 200.00	\$ 2,790.00
27.80 CLEAN UP FOR CITY FINAL WALK	3574	LF	\$ 2.00	\$ 7,148.00
<b>TOTAL MISCELLANEOUS REMOVALS</b>				<b>\$ 36,846.00</b>
<b>28.00 PRINTING / REIMBURSABLES</b>				
28.10 PRINTING / REIMBURSABLES	1	LS	\$ 5,000.00	\$ 5,000.00
<b>TOTAL PRINTING / REIMBURSABLES</b>				<b>\$ 5,000.00</b>
<b>29.00 ONE YEAR WARRANTY COSTS (NOT INCLUDED)</b>				

**Estrella Parkway Phase 3**

PHASE 3A  
Goodyear, Arizona  
**Sun MP, LLC**

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**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>30.00 SALES TAX</b>				
30.10 SALES TAX (ITEMS 11 - 27)	5.590%	OF	\$3,690,031.15	\$ 206,272.74
<b>TOTAL SALES TAX</b>				<b>\$ 206,272.74</b>
<b>31.00 BOND (NOT INCLUDED)</b>				
31.10 CONTRACTOR BOND	1	LS	\$ 36,900.31	\$ 36,900.31
<b>TOTAL BOND</b>				<b>\$ 36,900.31</b>
<b>32.00 CONTINGENCY</b>				
32.10 CONTINGENCY	15.00%	LS	\$4,330,033.00	\$ 649,504.95
<b>TOTAL CONTINGENCY</b>				<b>\$ 649,504.95</b>
<b>TOTAL ANTICIPATED DEVELOPMENT COSTS (PRIOR TO CREDITS)</b>				<b>\$ 4,979,537.95</b>
<b><u>PROJECT CREDITS (NO PROJECT CREDITS ARE ANTICIPATED FOR THIS BUDGET)</u></b>				
<b>TOTAL ANTICIPATED DEVELOPMENT COST (INCLUDING CREDITS)</b>				<b>\$ 4,979,537.95</b>



**MEMO**

**DATE:** February 9, 2005

**TO:** CFD File

**FROM:** Larry M. McDonough

**RE:** Cost Estimates for Estrella Parkway Phase 3A

---

The cost estimates prepared by CMX , LLC for the above referenced segment of Estrella Parkway were prepared based on the total anticipated costs associated with the planning, design, approvals, and construction of this segment of roadway.

It is assumed that the costs for the Dry Utilities for this segment of roadway will not be considered for reimbursement under the CFD. As such these costs need to be backed out of the total cost estimate.

Cost Estimate Total	\$ 4,979,537.95
Dry Utilities	<u>&lt;287,534.00&gt;</u>
CFD Cost Estimate	\$ 4,692,003.95



**Estrella Parkway Phase 3**  
 PHASE 3A  
 Goodyear, Arizona  
 Sun MP, LLC

Area (acres) : 13.95  
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**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>1.00 PLAN REVIEW AND PROCESSING FEES</b>				
1.10 CITY PLANNING FEES				
Map of Dedication	1	LS	\$ 1,500.00	\$ 1,500.00
TOTAL CITY PLANNING FEES				\$ 1,500.00
1.20 CITY ENGINEERING FEES				
Drainage Report	1	LS	\$ 7,000.00	\$ 7,000.00
Paving Plans	54	SH	\$ 120.00	\$ 6,480.00
Water and Sewer Plans	70	SH	\$ 180.00	\$ 12,600.00
Storm Drain Plans	34	SH	\$ 180.00	\$ 6,120.00
TOTAL CITY ENGINEERING FEES				\$ 32,200.00
1.30 COUNTY HEALTH DEPT. FEES (Engr.)				
Plan Review	1	LS	\$ 1,000.00	\$ 1,000.00
Approval to Construct	1	LS	\$ 490.00	\$ 490.00
TOTAL COUNTY HEALTH DEPT. FEES (Engr.)				\$ 1,490.00
<b>TOTAL PLAN REVIEW AND PROCESSING FEES</b>				<b>\$ 35,190.00</b>
<b>2.00 PERMIT FEES</b>				
2.10 CITY PERMIT FEES				
City Permits	1	LS	\$ 105,118.00	\$ 105,118.00
2.20 COUNTY HEALTH DEPT. FEES (Air Qual.)				
Dust Control Permit	1	LS	\$ 110.00	\$ 110.00
	13.95	AC	\$ 36.00	\$ 502.20
TOTAL COUNTY HEALTH DEPT. FEES (Air Qual.)				\$ 612.20
<b>TOTAL PERMIT FEES</b>				<b>\$ 105,730.20</b>
<b>3.00 BUY INS (NOT INCLUDED)</b>				
<b>4.00 LANDSCAPE DESIGN</b>				
4.10 LANDSCAPE DESIGN FEES				
Project Landscape Design	15%	OF	\$ 392,044.00	\$ 58,806.60
<b>TOTAL LANDSCAPE DESIGN</b>				<b>\$ 58,806.60</b>

**Estrella Parkway Phase 3**  
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 Goodyear, Arizona  
 Sun MP, LLC

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**ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS**

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>5.00 STREETLIGHT DESIGN</b>				
5.10 STREETLIGHT DESIGN	3574	LF	\$ 1.00	\$ 3,574.00
<b>TOTAL STREETLIGHT DESIGN</b>				<b>\$ 3,574.00</b>
<b>6.00 MISCELLANEOUS ELECTRICAL DESIGN (NOT INCLUDED)</b>				
<b>7.00 CONSULTANT SERVICES</b>				
7.20 ENGINEERING Engineering Design	1	LS	\$ 81,308.00	\$ 81,308.00
7.30 CONSTRUCTION STAKING Roadway Construction Staking	3,574	LF	\$ 14.00	\$ 50,036.00
<b>TOTAL CONSULTANT SERVICES</b>				<b>\$ 131,344.00</b>
<b>8.00 MISCELLANEOUS STUDIES / SERVICES (NOT INCLUDED)</b>				
<b>9.00 CONSTRUCTION TESTING</b>				
9.10 SOIL /COMPACTION TESTING Offsite Testing	3,574.00	LF	\$ 16.00	\$ 57,184.00
<b>TOTAL CONSTRUCTION TESTING</b>				<b>\$ 57,184.00</b>
<b>10.00 UTILITY COMPANY FEES (NOT INCLUDED)</b>				
<b>11.00 MISCELLANEOUS REMOVALS</b>				
11.70 SAWCUT AND REMOVE AC	257	SY	\$ 10.00	\$ 2,570.00
<b>TOTAL MISCELLANEOUS REMOVALS</b>				<b>\$ 2,570.00</b>

## Estrella Parkway Phase 3

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Goodyear, Arizona  
Sun MP, LLC

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### ESTIMATE OF ANTICIPATED DEVELOPMENT COSTS

DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
<b>12.00 GRADING AND PAVING</b>				
12.05 SITE GRADING				
Clear & Grub (L.S.E. to L.S.E.)	13.95	AC	\$ 800.00	\$ 11,160.00
Rough Grade (No Rock)	27185	CY	\$ 2.25	\$ 61,166.25
Clean Up Grading Operation (Pave qty)	3574	LF	\$ 3.00	\$ 10,722.00
TOTAL SITE GRADING				\$ 83,048.25
12.10 PAVING				
4" AC on 12" ABC	31417	SY	\$ 19.00	\$ 596,923.00
Thickened (Maricopa) Edge	359	LF	\$ 6.00	\$ 2,154.00
TOTAL PAVING				\$ 599,077.00
12.20 VALVE / MANHOLE ADJUSTMENTS & SURVEY MONUMENTS				
Adjust Valve	49	EA	\$ 250.00	\$ 12,250.00
Adjust Stormdrain Manhole	6	EA	\$ 270.00	\$ 1,620.00
Survey Monument, Type "A"	5	EA	\$ 200.00	\$ 1,000.00
Hydrant Marker	7	EA	\$ 17.00	\$ 119.00
TOTAL VALVE / MANHOLE ADJUSTMENTS & SURVEY MONUMENTS				\$ 14,989.00
<b>TOTAL GRADING AND PAVING</b>				<b>\$ 697,114.25</b>
<b>13.00 WATER SYSTEM IMPROVEMENTS (NOT INCLUDED)</b>				
<b>14.00 WET UTILITIES</b>				
14.10 WATER				
16" DIP Irrigation line	3563	LF	\$ 48.00	\$ 171,024.00
8" DIP Irrigation line	432	LF	\$ 25.00	\$ 10,800.00
16" DIP Waterline	4515	LF	\$ 48.00	\$ 216,720.00
12" DIP Waterline	48	LF	\$ 45.00	\$ 2,160.00
8" DIP Waterline	486	LF	\$ 25.00	\$ 12,150.00
16" Valve, Box and Cover (Butterfly)	12	EA	\$ 2,000.00	\$ 24,000.00
12" Valve, Box and Cover (Gate)	1	EA	\$ 1,250.00	\$ 1,250.00
8" Valve, Box and Cover (Gate)	8	EA	\$ 1,000.00	\$ 8,000.00
Fire Hydrants w/Bypass Assembly	7	EA	\$ 19,000.00	\$ 133,000.00
Connect to Existing	3	EA	\$ 750.00	\$ 2,250.00
Tapped Cap/Blowoffs	14	EA	\$ 650.00	\$ 9,100.00
Vertical Realignment	9	EA	\$ 3,000.00	\$ 27,000.00
Air Release	11	LF	\$ 1,700.00	\$ 18,700.00
TOTAL WATER				\$ 636,154.00

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20.05 STREETLIGHTS				
250 W, 30000 Lumen, 35'	18	EA	\$ 2,000.00	\$ 36,000.00
<b>TOTAL STREETLIGHTS AND AREA LIGHTING</b>				<b>\$ 36,000.00</b>
<b>21.00 WALLS AND MONUMENT (NOT INCLUDED)</b>				
<b>22.00 WATER FEATURES (NOT INCLUDED)</b>				
<b>23.00 RECREATIONAL AMENITIES (NOT INCLUDED)</b>				
<b>24.00 LANDSCAPING</b>				
24.10 LANDSCAPING				
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<b>TOTAL SIGNAGE AND STRIPING</b>				<b>\$ 26,648.00</b>
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27.10 HYDRO-VAC SEWER	206	LF	\$ 0.50	\$ 103.00
27.20 SUPPLEMENTAL DUST CONTROL	3574	LF	\$ 1.00	\$ 3,574.00
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27.60 STREET CLEANING	3574	LF	\$ 1.00	\$ 3,574.00
27.70 STORM WATER PREVENTION PLAN	13.95	AC	\$ 200.00	\$ 2,790.00
27.80 CLEAN UP FOR CITY FINAL WALK	3574	LF	\$ 2.00	\$ 7,148.00
<b>TOTAL MISCELLANEOUS REMOVALS</b>				<b>\$ 36,846.00</b>
<b>28.00 PRINTING / REIMBURSABLES</b>				
28.10 PRINTING / REIMBURSABLES	1	LS	\$ 5,000.00	\$ 5,000.00
<b>TOTAL PRINTING / REIMBURSABLES</b>				<b>\$ 5,000.00</b>

**29.00 ONE YEAR WARRANTY COSTS (NOT INCLUDED)**

**Estrella Parkway Phase 3**

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Goodyear, Arizona  
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DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL ITEM COST
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30.10 SALES TAX (ITEMS 11 - 27)	5.590%	OF	\$3,690,031.15	\$ 206,272.74
<b>TOTAL SALES TAX</b>				<b>\$ 206,272.74</b>
<b>31.00 BOND (NOT INCLUDED)</b>				
31.10 CONTRACTOR BOND	1	LS	\$ 36,900.31	\$ 36,900.31
<b>TOTAL BOND</b>				<b>\$ 36,900.31</b>
<b>32.00 CONTINGENCY</b>				
32.10 CONTINGENCY	15.00%	LS	\$4,330,033.00	\$ 649,504.95
<b>TOTAL CONTINGENCY</b>				<b>\$ 649,504.95</b>
<b>TOTAL ANTICIPATED DEVELOPMENT COSTS (PRIOR TO CREDITS)</b>				<b>\$ 4,979,537.95</b>

**PROJECT CREDITS (NO PROJECT CREDITS ARE ANTICIPATED FOR THIS BUDGET)**

**TOTAL ANTICIPATED DEVELOPMENT COST  
(INCLUDING CREDITS) \$ 4,979,537.95**

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# **Appendix C**

**Effect on the District Tax Rate**

**Estrella Mountain Ranch  
Community Facilities District**

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# ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT

## EFFECT ON THE DISTRICT TAX RATE 2005-2015

Fiscal Year	Projected Secondary Assessed Valuation <sup>(1)</sup>	Principal <sup>(2)</sup>	Interest Per Period		Estimated Annual Bond Debt Service <sup>(2)</sup>	Anticipated CFD Tax Rate <sup>(3)</sup>
			Interest	Interest <sup>(2)</sup>		
2005/06	\$ 42,942,628	\$ 85,000	\$ 156,718.75	\$ 313,437.50	\$ 398,437.50	\$ 0.98 <sup>(4)</sup>
2006/07	\$ 42,942,628	\$ 95,000	\$ 152,187.50	\$ 304,375.00	\$ 399,375.00	\$ 0.98
2007/08	\$ 42,942,628	\$ 100,000	\$ 149,218.75	\$ 298,437.50	\$ 398,437.50	\$ 0.98
2008/09	\$ 42,942,628	\$ 105,000	\$ 146,093.75	\$ 292,187.50	\$ 397,187.50	\$ 0.97
2009/10	\$ 42,942,628	\$ 110,000	\$ 142,812.50	\$ 285,625.00	\$ 395,625.00	\$ 0.97
2010/11	\$ 42,942,628	\$ 120,000	\$ 139,375.00	\$ 278,750.00	\$ 398,750.00	\$ 0.98
2011/12	\$ 42,942,628	\$ 125,000	\$ 135,625.00	\$ 271,250.00	\$ 396,250.00	\$ 0.97
2012/13	\$ 42,942,628	\$ 135,000	\$ 131,718.75	\$ 263,437.50	\$ 398,437.50	\$ 0.98
2013/14	\$ 42,942,628	\$ 140,000	\$ 127,500.00	\$ 255,000.00	\$ 395,000.00	\$ 0.97
2014/15	\$ 42,942,628	\$ 150,000	\$ 123,125.00	\$ 246,250.00	\$ 396,250.00	\$ 0.97

**FOOTNOTES:**

(1) **Source:** Maricopa County Assessor's Office, February 10, 2005 per preliminary net secondary assessed valuation.

(2) Assumes 25 year, average interest rate of 6.25%. **Source:** Peacock, Hislop, Staley & Given, Inc.

(3) Represents the anticipated tax rate required to support the debt service on the \$5,015,000 Series 2005 general obligation bonds and a 95% tax levy collection.

(4) Assumes \$60,000 debt service fund balance off-set 2005/6 tax levy.

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## **Appendix D**

**Form of Disclosure Pamphlet**

**Estrella Mountain Ranch  
Community Facilities District**

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## **APPENDIX D**

### **FORM OF DISCLOSURE PAMPHLET ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT GENERAL OBLIGATION BONDS**

The following information has been prepared by Sun MP, LLC, an Arizona Limited Liability Company, for the purpose of explaining community facilities districts ("CFD's") in general and specifically the basis for establishing a CFD at the development known as "Estrella Mountain Ranch". This information also describes financing completed by the CFD at Estrella Mountain Ranch and *the approximate General Obligation liability for each resident of Estrella Mountain Ranch resulting from inclusion within the CFD at Estrella Mountain Ranch* along with the benefits that each resident will derive because of the CFD.

#### **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 Estrella Mountain Ranch.

#### **HOW THE CFD WORKS**

On November 22, 1999, the City Council of the City of Goodyear, Arizona (the "City") formed the CFD at Estrella Mountain Ranch, which includes 9,771 acres of the residential and commercial area in Estrella Mountain Ranch. An election was held on December 13, 1999 at which the owners of the property within the CFD voted to authorize \$200,000,000 of ad valorem tax bonds to be issued over time by the CFD to finance the acquisition of public infrastructure including but not limited to, roadway, lighting, drainage, public facilities, public recreational facilities, water and sewerage improvements. The public infrastructure will be dedicated, as appropriate, to the City of Goodyear, for perpetual operation and maintenance.

#### **WHAT WAS FINANCED?**

The CFD at Estrella Mountain Ranch has been authorized to finance \$200,000,000 in roadways, drainage projects, public buildings, public recreation facilities, water improvements as well as sewer improvements within Estrella Mountain Ranch including costs related to the financing thereof.

## BENEFITS TO RESIDENTS

The bonds issued by the CFD at Estrella Mountain Ranch will benefit all residents within Estrella Mountain Ranch by providing the following infrastructure: arterial roadways, water and sewer mains along with their related improvements, pump stations, drainage improvements, public facilities, public recreational facilities as well as other public facilities. These benefits were taken into account by the developer of Estrella Mountain Ranch in connection with establishing the price of the lots on which the homes in Estrella Mountain Ranch are to be constructed. Each resident residing within the boundaries of the CFD at Estrella Mountain Ranch will participate in the repayment of the bonds in the form of an addition to his or her annual property tax bill. This added tax is currently deductible for the purpose of calculating Federal and State income taxes.

The obligation to retire the bonds will become the responsibility of any property owner in the CFD at Estrella Mountain Ranch through the payment of property taxes collected by Maricopa County Treasurer with all other property tax payments.

Beginning in fiscal year 2000, the CFD caused to be levied a \$1.30 per \$100.00 of secondary assessed valuation tax rate to provide for repayment of the bonds and the payment of certain administrative expenses associated therewith.

Although the level of the tax rate is not limited by law, the tax rate of the CFD is not expected to exceed \$1.30 (\$1.00 debt service, \$0.30 administration expenses) per \$100.00 of secondary assessed valuation while the bonds are outstanding. The tax rate will be maintained initially at the \$1.30 level by means of collateral as well as the timing of the subsequent bond issues.

The following illustrates the additional annual tax liability imposed by the CFD, based on varying residential values within Estrella Mountain Ranch and a \$1.30 tax rate:

<b><u>Market Value Of Residence</u></b>	<b><u>Estimated Annual Additional Tax Liability (1)</u></b>
\$250,000	\$267
\$275,000	\$293
\$300,000	\$320
\$325,000	\$346
\$350,000	\$373
\$375,000	\$400
\$400,000	\$426

(1) General Obligation bond debt service only assuming a \$1.30 increase in the ad valorem property tax rate per \$100 of assessed value. The estimated annual additional tax liability will vary depending upon the final terms of the General Obligation Bonds.

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

*file w/  
Res. EMRCFD  
05-035*

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

GWYNE M. HENNING  
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ghenning@gustlaw.com

May 3, 2005

Ms. Dee Cockrum, City Clerk  
City of Goodyear  
190 North Litchfield Road  
Goodyear, Arizona 85338

Re: Estrella Mountain Ranch Community Facilities District  
(City of Goodyear, Arizona) District General Obligation  
Bonds, Series 2005  
Our File Number 0006724-00075

Dear Dee:

Pursuant to law, enclosed for your files is a copy of the notice of feasibility hearing regarding the referenced district.

If you have any questions or comments, please give me a call.

Very truly yours,



Gwyne M. Henning  
Paralegal

Enclosure  
578761

## **NOTICE OF PUBLIC HEARING**

**TO THE GENERAL PUBLIC AND THE MEMBERS OF THE BOARD OF DIRECTORS OF ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA):**

**NOTICE IS HEREBY GIVEN** that the Board of Directors of the Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona) will meet on May 23, 2005, commencing promptly at 5:00 p.m. and will be held in the Goodyear Justice Facility, 986 South Litchfield Road, Goodyear, AZ 85338, to conduct a public hearing on, and to consider and review a feasibility report relative to the proposed projects to be financed by the issuance of not to exceed \$5,100,000 of general obligation bonds of the District. A copy of the feasibility report may be reviewed at the office of the District Clerk, 190 North Litchfield Road, Goodyear, AZ 85338.

Publish once no later than May 12, 2005.