

QUAIL CREEK COMMUNITY FACILITIES DISTRICT

June 25, 2007

District Board Meeting

Anamax Park Recreation Center

Pursuant to A.R.S. 38-431.02 notice is hereby given to the public that the District Board of the Quail Creek Community Facilities District will be holding a meeting on Monday, June 25, 2007. The meeting will begin at or after 7:00 p.m. at the Anamax Park Recreation Center, 17501 S. Camino de Las Quintas, Sahuarita, Arizona.

To better serve our community, the meeting location is wheelchair accessible. Any person who by reason of any disability is in need of special services as a result of their disability, such as assistive listening devices, agenda materials printed in Braille or large print, or a signer for the hearing impaired, etc., will be accommodated. These special services are available upon prior request at least ten working days prior to the meeting.

CFD MEETING AGENDA

At or after 7:00 p.m.

1. CALL TO ORDER

2. ROLL CALL

Board Vice-Chair Conklin
Board Member Downs
Board Member Minor
Board Member Moreno
Board Member Oldham
Board Chair Skelton
Board Member Sullivan

4. APPROVAL OF MINUTES-June 11, 2007

5. QUAIL CREEK COMMUNITY FACILITIES DISTRICT RESOLUTION NO. 8, DISCUSSION AND POSSIBLE ACTION AUTHORIZING A REVISED COOPERATIVE PURCHASE AGREEMENT WITH MOHAVE EDUCATIONAL SERVICES COOPERATIVE, INC., ENABLING THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, AS A MEMBER, TO PLACE ORDERS WITH AND MAKE PAYMENT DIRECTLY TO VENDORS.

6. QUAIL CREEK COMMUNITY FACILITIES DISTRICT RESOLUTION NO. 11, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FROM ROBSON RANCH QUAIL CREEK, LLC, FOR THE PURPOSES OF CONSTRUCTING PUBLIC INFRASTRUCTURE; AND AUTHORIZING THE CHAIRPERSON OF THE DISTRICT TO SIGN DEEDS AND OTHER DOCUMENTS NECESSARY TO CONCLUDE SUCH ACQUISITION.

7. PUBLIC HEARING, QUAIL CREEK COMMUNITY FACILITIES DISTRICT RESOLUTION NO. 10, DISCUSSION AND POSSIBLE ACTION REGARDING THE APPROVAL OF THE FINAL BUDGET FOR FISCAL YEAR 2007-2008 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN THE FILED STATEMENTS AND ESTIMATES; PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION AND ORDER TO BE DELIVERED TO THE PIMA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

8. ADJOURNMENT

Action may be taken by the District Board on any item listed on this agenda.

POSTED: _____ DATE: _____ TIME: _____ Office _____ School _____ Basha's _____

QUAIL CREEK COMMUNITY FACILITIES DISTRICT
June 11, 2007
District Board Meeting

1. CALL TO ORDER

Board Chair Skelton called the meeting to order at 7:48 pm.

2. ROLL CALL

Members Present

Board Vice-Chair Conklin
Board Member Downs
Board Member Minor
Board Member Oldham
Board Chair Skelton
Board Member Sullivan

Members Absent

Board Member Moreno (absent)

3. ADMINISTRATION OF LOYALTY OATHS OF OFFICE TO COMMUNITY FACILITIES DISTRICT BOARD MEMBERS.

The Board Clerk administered the loyalty oaths of office to Board Member Minor, Board Member Downs, Vice-Chair Conklin and Board Chair Skelton.

4. APPROVAL OF MINUTES-April 9, 2007

MOTION: To approve the minutes of April 9, 2007. ***Motion: Vice-Chair Conklin; 2nd: Board Member Roger Minor. Motion passed 6-0 (Board Member Moreno absent/excused).***

5. DISCUSSION AND POSSIBLE ACTION REGARDING QUAIL CREEK COMMUNITY FACILITIES DISTRICT RESOLUTION NO. 7, APPROVING A TENTATIVE BUDGET FOR FISCAL YEAR 2007-2008 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; SETTING A PUBLIC HEARING DATE ON SAID TENTATIVE BUDGET; FILING STATEMENTS AND ESTIMATES OF THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT, THE COSTS OF CAPITAL IMPROVEMENTS TO BE FINANCED BY THE APPROVED AD VALOREM TAX LEVY, AND THE AMOUNT OF ALL OTHER EXPENDITURES FOR PUBLIC INFRASTRUCTURE AND ENHANCED MUNICIPAL SERVICES PROPOSED TO BE PAID FROM THE TAX LEVY AND OF THE AMOUNT TO BE RAISED TO PAY GENERAL OBLIGATION BONDS OF THE DISTRICT, ALL OF WHICH SHALL BE PROVIDED FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY IN THE DISTRICT; PROVIDING FOR NOTICE OF FILING THE STATEMENTS AND ESTIMATES AND NOTICE OF A PUBLIC HEARING ON THE PORTIONS OF THE STATEMENTS AND ESTIMATES

**NOT RELATING TO DEBT SERVICE ON GENERAL OBLIGATION BONDS;
AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER
ITS PASSAGE AND APPROVAL ACCORDING TO LAW.**

Jim Stahle, CFD Manager, gave a staff report on this item.

MOTION: To Approve Resolution No. 7. *Motion: Board Member Charles Oldham;
2nd: Board Member John Sullivan. Motion passed 6-0 (Board Member Moreno
absent/excused).*

4. ADJOURNMENT

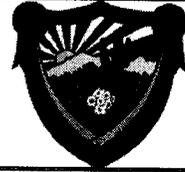
Board Chair Skelton adjourned the CFD meeting at 7:55 pm without objection.

CFD Board Chair Lynne Skelton

Sandra R. Olivas, CMC
Town Clerk

**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: 6/25/2007

DATE PREPARED: 6/14/2007

AGENDA ITEM # CFD-5

TO: Honorable Chairperson and Board Members

FROM: A.C. Marriotti, District Treasurer

SUBJECT: RESOLUTION No. 8, ENTERING INTO A REVISED COOPERATIVE PURCHASE AGREEMENT WITH MOHAVE EDUCATIONAL SERVICES COOPERATIVE, INC., ENABLING THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, AS A MEMBER, TO PLACE ORDERS WITH AND MAKE PAYMENT DIRECTLY TO VENDORS.

DISCUSSION: The District has an existing cooperative purchasing arrangement with the Cooperative. This proposed amendment is being recommended by the Cooperative (see attached letter). This is just an administrative change to streamline the order and payment process.

STAFF RECOMMENDATION: Staff recommends approval of Resolution No. 8.

SUGGESTED MOTION: Move to adopt Resolution No. 8.

QUAIL CREEK COMMUNITY FACILITIES DISTRICT

RESOLUTION NO. 8

A RESOLUTION OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, ENTERING INTO A REVISED COOPERATIVE PURCHASE AGREEMENT WITH MOHAVE EDUCATIONAL SERVICES COOPERATIVE, INC., ENABLING THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, AS A MEMBER, TO PLACE ORDERS WITH AND MAKE PAYMENT DIRECTLY TO VENDORS.

WHEREAS, the Quail Creek Communities Facility District (QCCFD) is a Member of the Mohave Educational Services Cooperative, Inc. (MESC); and

WHEREAS, in the past the QCCFD, as a Member, was required to place orders or make payment to vendors under the MESC, through MESC; and

WHEREAS, MESC has implemented a new process whereby the QCCFD, as a Member, is able to place orders with and make payment directly to the vendors instead of placing orders and making payments through MESC.

NOW, THEREFORE, BE IT RESOLVED by the District Board of the Quail Creek Communities Facility District, Arizona, as follows:

- Section 1. The Quail Creek Community Facilities District is hereby authorized to enter into the Revised Cooperative Purchase Agreement between Mohave Educational Services Cooperative, Inc. and the Quail Creek Communities Facility District, attached hereto as Exhibit "A" and incorporated herein by this reference.
- Section 2. The Chairperson of the District Board of the Quail Creek Communities Facility District is hereby authorized and directed to execute said Agreement on behalf of the Quail Creek Communities Facility District, and the QCCFD staff is hereby authorized and directed to take all steps necessary to implement said Agreement and give it effect.
- Section 3. All resolutions, or motions and parts of resolutions or motions of the district board in conflict with the provisions of this Resolution are hereby repealed, effective as of the effective date of this Resolution.

Section 4. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the District Board of the Quail Creek Communities Facility District, Arizona, this 25th day of June, 2007.

Lynne Skelton
Chairperson, District Board
Quail Creek Community Facilities District

ATTEST:

Sandra R. Olivas
District Clerk
Quail Creek Community Facilities District

APPROVED AS TO FORM:

Daniel J. Hochuli
District Counsel
Quail Creek Community Facilities District

EXHIBIT A

[MESC Cooperative Purchase Agreement]

MOHAVE EDUCATIONAL SERVICES COOPERATIVE, INC.
COOPERATIVE PURCHASE AGREEMENT

625 East Beale Street • Kingman, AZ 86401-5920
(928) 753-6945 Phone • (928) 718-3232 Fax
www.mesc.org

This Agreement entered into the _____ day of _____ 20____, by and between Mohave Educational Services Cooperative, Inc., an Arizona nonprofit corporation and public procurement unit established pursuant to provisions of A.R.S. § 11-952, A.R.S. § 11-952.01, and A.R.S. § 41-2632, hereinafter called "MESC," and _____, a local or public procurement unit, or a governmental public entity that is a political subdivision for purposes of federal income tax, or a nonprofit educational or public health institution that is a political subdivision for purposes of federal income tax or meets the requirements of § 115 of the Internal Revenue Code, hereinafter called the "Member," to permit the Member to purchase materials, services and construction from vendors at the prices and terms contained in contracts between MESC and those vendors. The governing body of any Member may enter into an Agreement with MESC for the purpose of utilization of term contracts by such Member (Arizona State Procurement Code, A.R.S. § 41-2631 *et seq*; A.R.S. § 15-213; Arizona State Board of Education School District Procurement Rules, R7-2-1001 *et seq*).

In consideration of the mutual promises contained in this Agreement, and the mutual benefits to result there from, the parties agree as follows:

1. MESC shall:

- a. Provide the Member with information on contracts, products and services via MESC's website and/or other means as MESC determines appropriate.
- b. Use specifications, terms and conditions for products, materials, services, and construction determined appropriate by MESC.
- c. Conduct the procurement in compliance with the Arizona State Procurement Code and the Arizona State Board of Education School District Procurement Rules (A.R.S. Title 41, Chapter 23 and A.A.C. R7-2-1001 *et seq*). MESC will seek contracts for a variety of materials, services, equipment, and/or construction to enable Members to be/remain in compliance with local, State, or Federal laws or rules, and that promote the overall efficiency, effectiveness and economy of public procurement.
- d. Indicate that all Members will be eligible participants in any solicitation intended for general use by MESC's Members. In addition, MESC may invite Members to participate in specific solicitations. Members indicating an interest in participating in such specific solicitations will be eligible to participate in the resulting contracts.
- e. Hold the Member harmless from any liability which may arise from MESC's action or inaction relating to this Agreement.

2. The Member shall:

- a. Insure that purchase orders issued against MESC contracts are processed in accordance with the processes and procedures established by MESC, and the terms and prices established in said contracts.
- b. Pay for materials, services or construction in accordance with the terms of the applicable MESC contract. Payment for, and inspection and acceptance of materials, services or construction ordered by the Member shall be the exclusive obligation of the ordering Member.
- c. Not use an MESC contract as a method for obtaining additional concessions or reduced prices for similar material or services.
- d. Be responsible for ordering of materials, services or construction under this Agreement. MESC shall not be liable in any fashion for any violation by the Member of this Agreement, and the Member shall hold MESC harmless from any liability, which may arise from action or inaction of the member relating to the Agreement or its subject matter.

MESC Cooperative Purchase Agreement

- e. Pay to MESC an administration fee based upon the cost of ordered materials, services and/or construction (excluding shipping, taxes, bonds, and other ancillary costs specified by MESC), as provided in A.R.S. § 41-2632(5). The amount of the administration fee shall be determined by the MESC Board of Trustees, and shall be remitted to MESC as specified by MESC.
3. The exercise of any rights or remedies by the Member shall be the exclusive obligation of the Member. However, MESC as the contract administrator, and without subjecting itself to any liability, may join in the resolution of any controversy should it so desire.
4. MESC assists Members with purchase verification. However, it is the Member's responsibility to independently verify that quotations and purchase orders comply with the terms of the award of a contract or procurement.
5. MESC may terminate this Agreement without notice if the Member fails to comply with the terms of this Agreement and/or the terms of a MESC contract.
6. The Member may terminate the Agreement without notice if MESC fails to comply with the terms of this Agreement.
7. Either party may terminate this Agreement with at least ninety (90) days written notice to the other party.
8. Termination of this Agreement shall not relieve the Member from Member's exclusive obligation to comply with the terms of any Member purchase order issued prior to termination and payment for materials, services and/or construction so ordered and received.
9. This Agreement shall take effect upon execution by the parties and shall continue until it is terminated. This Agreement supersedes any and all previous Cooperative Purchase Agreements between MESC and the Member.
10. Failure of a Member to secure performance from a vendor in accordance with the terms and conditions of its purchase order does not mean MESC will be required to exercise its own rights or remedies.
11. This agreement may be canceled pursuant to the provisions of A.R.S. § 38-511; and is exempt from the provisions of A.R.S. § 11-952, subsections D, E, and F under the provisions of A.R.S. § 41-2632 and Arizona State Board of Education Rule R7-2-1191.
12. The Member and MESC agree to be in compliance with all State and Federal employment hiring and employee practices. Both parties agree to use arbitration to the extent required in A.R.S. § 12-1518.

IN WITNESS WHEREOF, the parties of this Agreement have caused their names to be affixed.

FOR THE MEMBER

FOR MESC

Signature

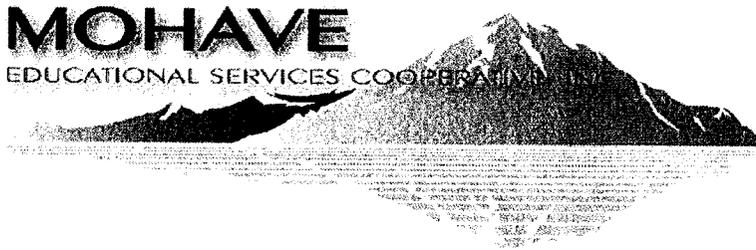
Signature

Printed Name

Printed Name

Title

Title



April 11, 2007

Jim Stahle
Quail Creek Community Facility District
P.O. Box 879
Sahuarita, AZ 85629

Re: Revised Cooperative Purchase Agreement for Mohave Educational Services Cooperative

Dear Member:

Enclosed is a revised Cooperative Purchase Agreement (CPA) for Mohave Educational Services Cooperative, Inc. (Mohave). The completed CPA is the document that enables your agency to purchase materials, services and construction under Mohave contracts. We are requesting that your agency complete the revised CPA and return it to Mohave as quickly as possible.

The revised CPA is required in order for Mohave to implement its announced change for processing member orders and payments. The new CPA enables members to make orders and payments directly to Mohave vendors, rather than using Mohave as an intermediary. This long-requested change is planned for implementation on January 1, 2008.

We have begun the process of obtaining new CPAs early, in order to provide members with time for governing body approval. However, the new CPA is designed for use under both the existing and revised order and payment processes. Therefore, there is no benefit to delaying approval. Additionally, prompt approval will help ensure that your Mohave orders are not delayed when the new process begins on January 1, 2008.

I am available to answer any questions regarding the revised CPA. You may contact me by email, tom@mesc.org, by phone, 928-718-3205, or by fax, 928-718-3238.

We appreciate your prompt attention to this matter.

Sincerely,

Tom Peeler
Executive Director

Enclosure: Revised Mohave CPA

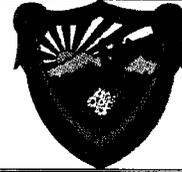
RECEIVED

APR 16 2007

**Town of Sahuarita
Office of Town Manager**

**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: 6/25/2007

DATE PREPARED: 6/14/2007

AGENDA ITEM # CFD-6

TO: Honorable Chairperson and Board Members

FROM: Dan Hochuli, District Counsel
A.C. Marriotti, District Treasurer

SUBJECT: RESOLUTION No. 11, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FROM ROBSON RANCH QUAIL CREEK, LLC FOR THE PURPOSES OF CONSTRUCTING PUBLIC INFRASTRUCTURE AND AUTHORIZING THE CHAIRPERSON OF THE DISTRICT TO SIGN DEEDS AND OTHER DOCUMENTS NECESSARY TO CONCLUDE SUCH ACQUISITION.

DISCUSSION: Pursuant to the general obligation bond debt covenant and the development agreement, this resolution authorizes the District to purchase the park land for the District park in the amount of \$600,000 from Robson Ranch Quail Creek, LLC. The resolution also authorizes the District Chairperson to sign the deeds and other documents needed to close the sale.

STAFF RECOMMENDATION: Staff recommends approval of Resolution No. 11.

SUGGESTED MOTION: Move to adopt Resolution No. 11.

QUAIL CREEK COMMUNITY FACILITIES DISTRICT

RESOLUTION NO. 11

A RESOLUTION OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT AUTHORIZING THE ACQUISITION OF REAL PROPERTY FROM ROBSON RANCH QUAIL CREEK, LLC, FOR THE PURPOSES OF CONSTRUCTING PUBLIC INFRASTRUCTURE AND AUTHORIZING THE CHAIRPERSON OF THE DISTRICT TO SIGN DEEDS AND OTHER DOCUMENTS NECESSARY TO CONCLUDE SUCH ACQUISITION.

WHEREAS, on September 12, 2005, the Mayor and Council of the Town of Sahuarita, Arizona, adopted Resolution No. 2005-86 which, among other things, ordered and declared formation of Quail Creek Community Facilities District (hereinafter called the "District"); and

WHEREAS, on June 21, 2006, the District issued General Obligation Bonds, Series 2006, in the amount of \$12,660,000 for the purposes of constructing and acquiring public infrastructure as shown in Exhibit "A" attached hereto; and

WHEREAS, pursuant to a Development Agreement entered into between the District, Town of Sahuarita, and Robson Ranch Quail Creek, LLC, the District will purchase a 25-acre park site for \$600,000, which amount is a component of the \$1,985,250 Park Public Infrastructure identified in Exhibit "A"

WHEREAS, the legal description of the park land is fully described in Exhibit "B" attached hereto and incorporated herein by this reference; and

WHEREAS, it is necessary to acquire said real property from Robson Ranch Quail Creek, LLC, for such public infrastructure purposes; and

WHEREAS, in order to complete the acquisition of such real property, it is necessary for the District Chairperson to sign certain deeds and documents.

NOW, THEREFORE, BE IT RESOLVED by the District Board of the Quail Creek Community Facilities District as follows:

- Section 1.** The District is hereby authorized to acquire real property for the purposes of constructing public infrastructure on said property, described on Exhibits "A" and "B."
- Section 2.** The Chairperson of the District is hereby authorized and directed to execute any and all documents necessary to conclude the acquisition of said real property, and the District staff is hereby authorized and directed to take all steps necessary and proper to finalize the acquisition of said property.
- Section 3.** The various District officers and employees are authorized and directed to perform all acts necessary or desirable to give effect to this Resolution.
- Section 4.** All resolutions or motions, and parts of resolutions or motions, in conflict with the provisions of this Resolution are hereby repealed, effective as of the effective date of this Resolution.
- Section 5.** If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED by the District Board of Quail Creek Community Facilities District this 25th day of June, 2007.

Lynne Skelton
 Chairperson, District Board, Quail
 Creek Community Facilities District

ATTEST:

Sandra R. Olivas
 District Clerk, Quail Creek
 Community Facilities District

APPROVED AS TO FORM:

Daniel J. Hochuli
 District Counsel, Quail Creek
 Community Facilities District

EXHIBIT A

District Board and Administrative Staff

In accordance with State law, the Mayor and Council of the Town serve as the Chairman and members of the District Board. Additionally, the District Board has appointed James Stahle, the Town Manager, as the District Manager, A.C. Marriotti, the Town Finance Director, as the District Treasurer, Daniel J. Hochuli, the Town Attorney, as the District Counsel and Sandra Olivas, the Town Clerk, as the District Clerk.

THE PUBLIC INFRASTRUCTURE

The information contained in this section relates to and has been obtained from the Developer and neither the District nor the Underwriter (as defined herein) assumes any responsibility for the accuracy or completeness thereof.

The Bond Resolution approved a feasibility report relating to financing from the proceeds of the sale of the Bonds the cost of constructing and acquiring the following public infrastructure (the "*Public Infrastructure*") within the District necessary for development of the hereinafter described Project to thereafter be transferred to the Town:

**TABLE 8
PUBLIC INFRASTRUCTURE**

<u>Description</u>	<u>Estimated Cost (a)</u>	<u>Estimated Completion Date (b)</u>
Campbell Avenue (Public Arterial)	\$1,800,000	6/1/2007
Campbell Avenue Bridge	600,000	3/1/2007
South Boundary Roadway (Public Arterial)	1,750,000	6/1/2007
Landscaping Along Public Streets	400,000	9/1/2007
Drainage Improvements	1,200,000	6/1/2007
Public Sewer System	1,685,000	10/30/2008
Bridges at Wash Crossings	1,800,000	10/30/2008
Park	1,985,250	6/30/2008

(a) Costs for the Public Infrastructure are estimated and, once contracted for, subject to change orders and unforeseen events.

(b) Completion dates for the Public Infrastructure are estimated and, once contracted for, subject to change orders and unforeseen events and other potential delays.

The estimated total acquisition and construction cost of the Public Infrastructure described above is \$11,220,250. The Public Infrastructure will be publicly bid in compliance with the process required by State law and the District. Upon completion of each portion of the Public Infrastructure, the completed portion will be acquired by the District and dedicated to the Town. Any cost not paid from the proceeds of the Bonds will be borne by the Developer or financed by the issuance of additional bonds.

EXHIBIT B

Legal Description

Quail Creek – Park Parcel

March 20, 2006

A parcel of land located in the Northeast Quarter of Section 1, Township 18 South, Range 14 East, of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at the Northeast Corner of said Section 1, a found aluminum cap and rebar;

THENCE Westerly along the North line of the Northeast Quarter of said Section 1, S88°35'10"W, 881.90 feet to the TRUE POINT OF BEGINNING;

THENCE S01°24'50"E, a distance of 156.37 feet;

THENCE S69°15'37"E, a distance of 223.34 feet to the Westerly line of the Old Nogales Highway;

THENCE along said Westerly line S20°44'23"W, a distance of 1184.67 feet to the beginning of a tangent curve, concave Northwesterly, having a radius of 25.00 feet;

THENCE Southwesterly along said curve, through a central angle of 90°00'00", an arc distance of 39.27 feet;

THENCE N69°15'37"W, a distance of 584.87 feet to the beginning of a tangent curve, concave Southerly, having a radius of 1645.00 feet;

THENCE Westerly along said curve, through a central angle of 9°35'31", and arc distance of 275.39 feet;

THENCE N20°44'23"E, a distance of 1132.53 feet to the North line of said Section 1;

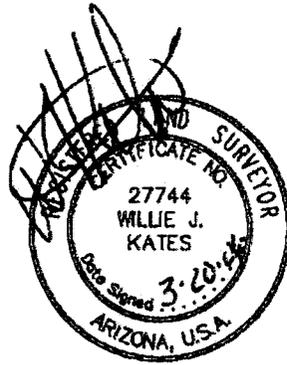
Legal Description

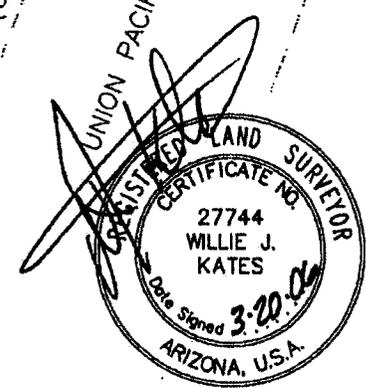
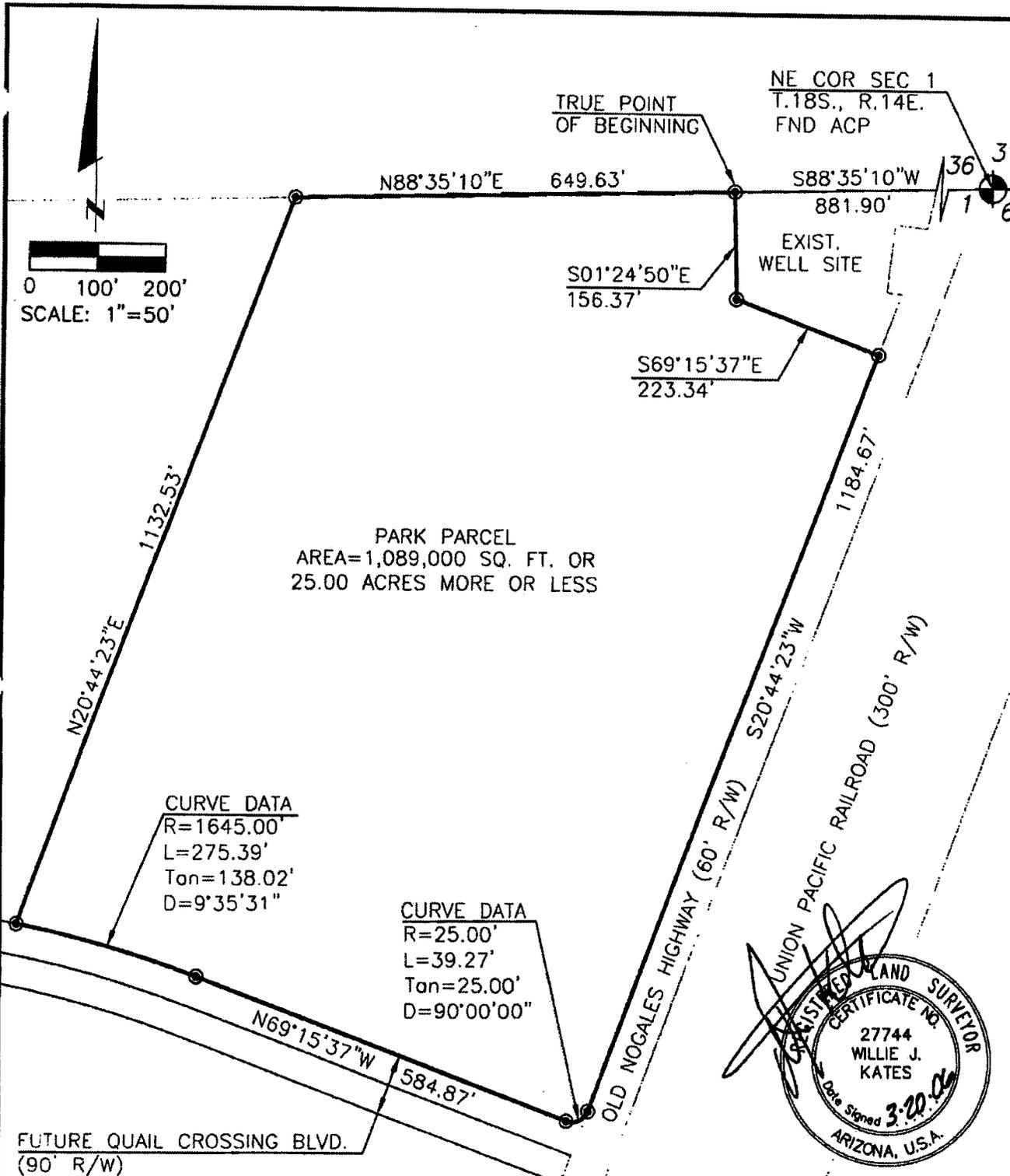
Quail Creek – Park Parcel (cont'd)

March 20, 2006

THENCE along said North line N88°35'10" E, a distance of 649.63 feet to the TRUE POINT OF BEGINNING.

The above described parcel contains 1,089,000 square feet, or 25.00 acres, more or less.





**EXHIBIT TO ACCOMPANY
LEGAL DESCRIPTION OF
PARK PARCEL AT QUAIL CREEK**

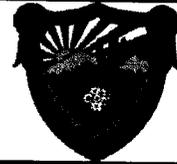
MARCH 20, 2006

B&R ENGINEERING INC.
9666 E. RIGGS RD. SUITE 118
SUN LAKES, ARIZONA 85248
PHONE: (480) 895-0799

CIVIL ENGINEERING LAND DEVELOPMENT

**QCCFD
BOARD
MEETING
INFORMATION**

**QUAIL CREEK
COMMUNITY
FACILITIES DISTRICT**



MEETING DATE: 6/25/2007

DATE PREPARED: 6/14/2007

AGENDA ITEM # CFD-7

TO: Honorable Chairperson and Board Members

FROM: A.C. Marriotti, Treasurer

SUBJECT: PUBLIC HEARING AND APPROVAL OF RESOLUTION No. 10, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2007-2008 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN THE FILED STATEMENTS AND ESTIMATES; PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION AND ORDER TO BE DELIVERED TO THE PIMA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

DISCUSSION: The proposed Quail Creek CFD budget for fiscal year 2007-08 is \$12,143,450. There have been no changes to the tentative budget, which was approved through Resolution No. 7 on June 11, 2007.

The District is a legally separate entity. However, because of the relationship with the Town of Sahuarita (i.e., the Town Council is the District Board), the CFD is a *blended component unit* of the Town and will be incorporated into the Town's financial reporting entity as a special revenue fund. District expenditures, however, are not factored into the Town's alternative expenditure limitation.

This resolution levies a property tax totaling \$3.30 per \$100 of assessed valuation on property within the District boundaries. The property tax rate has two components. The first, at \$3.00 per \$100 of assessed valuation is levied to pay for the District's debt service obligations. The second, at \$0.30 per \$100 of assessed valuation is levied to pay for the District's operations and maintenance.

STAFF RECOMMENDATION: Staff recommends approval of Resolution No. 10.

SUGGESTED MOTION: Move to adopt Resolution No. 10.

QUAIL CREEK COMMUNITY FACILITIES DISTRICT
RESOLUTION NO. 10

A RESOLUTION OF THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT, A COMMUNITY FACILITIES DISTRICT OF ARIZONA, APPROVING A FINAL BUDGET FOR FISCAL YEAR 2007-2008 PURSUANT TO SECTION 48-716, ARIZONA REVISED STATUTES, AS AMENDED; ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT IN AMOUNTS SPECIFIED IN THE FILED STATEMENTS AND ESTIMATES; PROVIDING FOR CERTIFIED COPIES OF THIS RESOLUTION AND ORDER TO BE DELIVERED TO THE PIMA COUNTY BOARD OF SUPERVISORS AND THE ARIZONA DEPARTMENT OF REVENUE; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW

WHEREAS, on September 12, 2005, the Mayor and Council of the Town of Sahuarita, Arizona (the "Town"), adopted Resolution No. 1 forming Quail Creek Community Facilities District ("QCCFD"), a community facilities district in accordance with Section 48-701 et seq., Arizona Revised Statutes, as amended, as described in Exhibit "A" attached hereto and expressly made a part hereof; and

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

WHEREAS, a primary purpose for creating QCCFD was to finance certain public infrastructure needed for the development known as "Quail Creek" through assessment of ad valorem taxes on all real and personal property within QCCFD; and

WHEREAS, in accordance with Sections 48-719 and 48-723, Arizona Revised Statutes, as amended, a special election was held on November 8, 2005, wherein the qualified electors of QCCFD voted to issue general obligation bonds in the maximum amount of \$30,000,000 to cover costs of public infrastructure purposes and to levy and collect an annual ad valorem tax at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation for operation and maintenance expenses of QCCFD; and

WHEREAS, by Resolution No. 5, adopted on June 11, 2007, the District Board of QCCFD (a) approved a tentative budget for FY 2007-2008, (b) filed required statements and estimates of operation and maintenance expenses of QCCFD, the costs of capital improvements to be financed by the authorized ad valorem tax levy, and the amount of all other expenditures for public infrastructure and enhanced municipal services proposed to be paid from the tax levy

and of the amount to be raised to pay general obligation bonds of QCCFD, (c) set a date of June 25, 2007, for a public hearing on the tentative budget and particularly, on the portions of the statements and estimates not relating to debt service on general obligation bonds, and (d) provided for notice of the filing and of the public hearing date; and

WHEREAS, at the conclusion of the public hearing, the District Board of QCCFD voted to adopt the final budget for FY 2007-2008 by this Resolution No. 10, and ordered the fixing, levying and assessment of the amounts to be raised by ad valorem taxes;

NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE QUAIL CREEK COMMUNITY FACILITIES DISTRICT AS FOLLOWS:

1. That certain proposed budget prepared by the QCCFD Treasurer for Fiscal Year 2007-2008, attached hereto and expressly made a part hereof as Exhibit "B," is hereby finally adopted.

2. That it is hereby ORDERED that, in FY 2007-2008, an ad valorem tax be fixed, levied and assessed on the assessed value of all the real and personal property within the boundaries of QCCFD in the amounts set forth in the statements and estimates attached hereto and expressly made a part hereof as Exhibit "C."

3. That certified copies of the Resolution and Order be delivered to the PIMA County Board of Supervisors and to the Arizona Department of Revenue (inasmuch as the tax levy must be filed by the PIMA County Board of Supervisors on or before the third Monday in August).

4. That if any provision in this Resolution is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

5. That this Resolution shall be effective after its passage and approval according to law.

PASSED by the District Board of the QUAIL CREEK Community Facilities District this 25th day of June, 2007.

Lynne Skelton
Chairperson, District Board,
Quail Creek Community Facilities District

ATTEST:

Sandra R. Olivas
District Clerk,
Quail Creek Community Facilities District

APPROVED AS TO FORM:

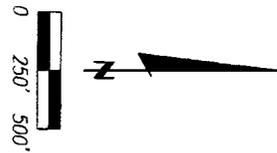
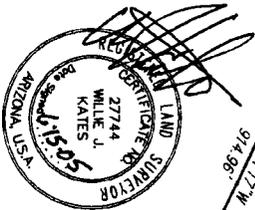
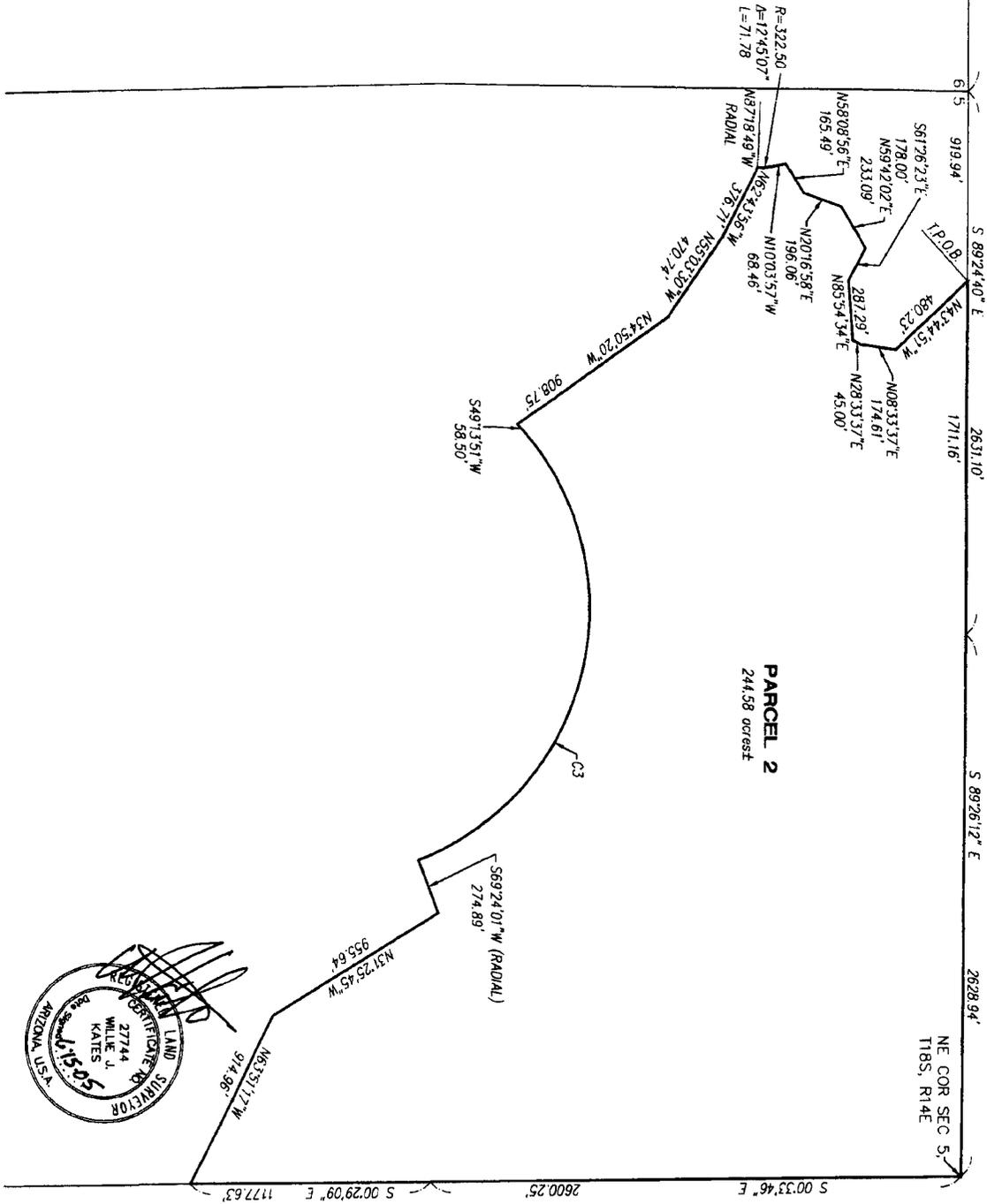
Daniel J. Hochuli
District Counsel,
Quail Creek Community Facilities District

EXHIBIT "A"

QCCFD Map and Legal Description

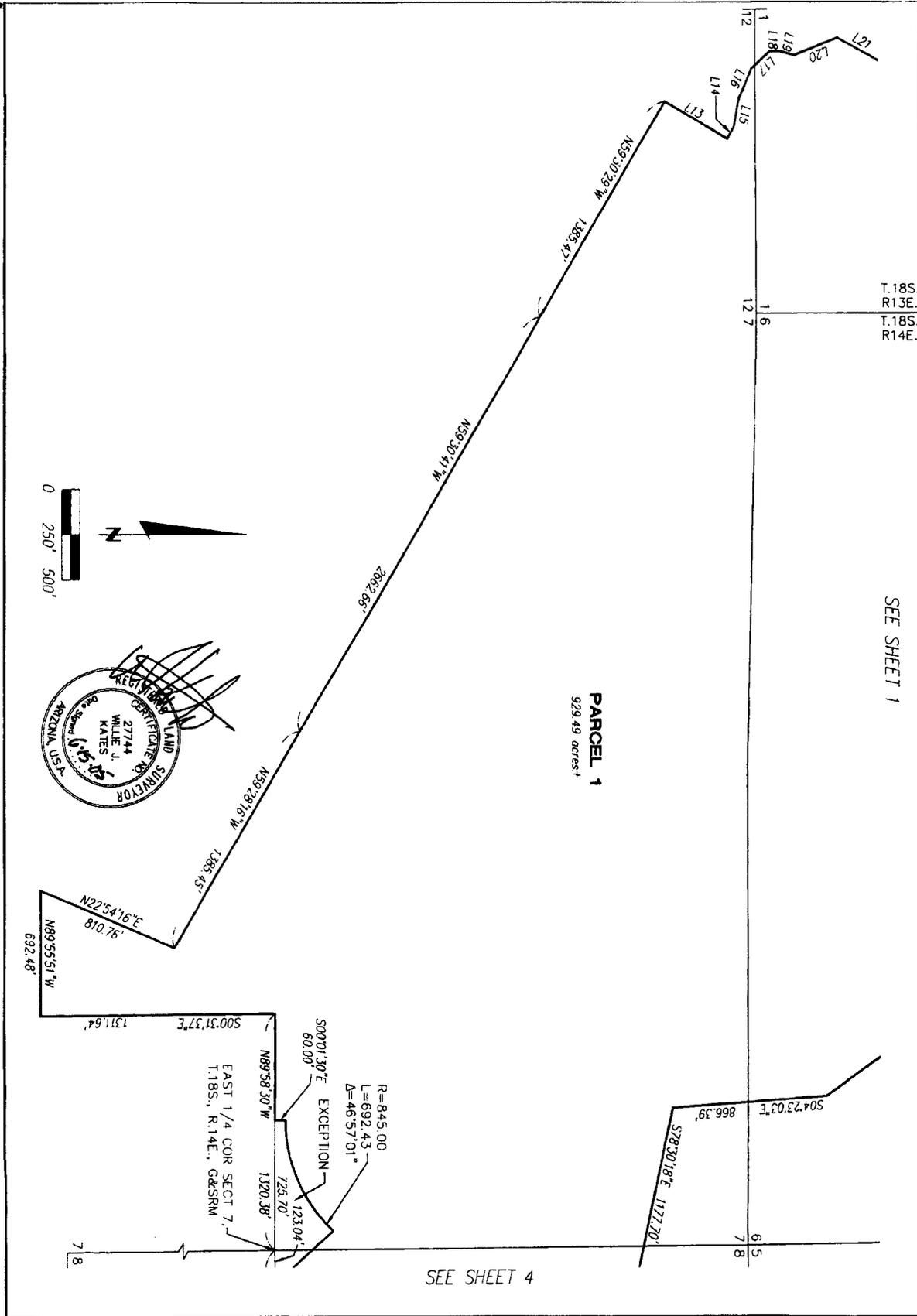
SEE SHEET 1

SEE SHEET 4



ENGINEERING INC. 1966 E. RIGGS RD. SUITE 141 SUN LAKE, ARIZONA 85348 PHONE: (480) 893-0790		QUAIL CREEK CFD LEGAL EXHIBIT	
DATE	DESCRIPTION	BY	APPROVED

DRAWING



T.18S.
R.13E.
T.18S.
R.14E.

SEE SHEET 1

PARCEL 1
929.49 acres±

SEE SHEET 4

DATE: 11.14.2008 3 OF 5	B.D. ENGINEERING INC. 8660 E. ROGGS RD., SUITE 141 SUN VALLEY, ARIZONA 85248 PHONE: (480) 865-0799	QUAIL CREEK					
		CFD LEGAL EXHIBIT					

A-4

LEGAL DESCRIPTION

QUAIL CREEK CFD

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

PARCEL 1

A parcel of land located in Sections 6, 7, and 8, T.18S., R.14E., and Sections 1 and 12, T.18S., R.13E., of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 6, T.18S., R.14E., said point being a found aluminum cap marked "NORTHWEST CORNER SECTION 6";

THENCE along the North line of the Northwest quarter of said Section 6, S89°25'48"E, a distance of 689.37 feet to the POINT OF BEGINNING;

THENCE continuing along said North line, S89°25'48"E, a distance of 1,858.47 feet;

THENCE S89°25'26"E, a distance of 1620.62 feet;

THENCE S17°57'47"W, a distance of 689.75 feet;

THENCE S12°46'24"W, a distance of 115.96 feet,

THENCE S05°53'16"W, a distance of 476.75 feet;

THENCE S79°12'27"W, a distance of 496.86 feet;

THENCE N34°33'43"W, a distance of 297.82 feet;

THENCE S55°26'17"W, a distance of 728.89 feet;

THENCE S17°46'29"E, a distance of 548.81 feet to the Northwesterly corner of lot 150 of Quail Creek Block 1, Lots 1-306 and Common Areas "B", "C", and "D" recorded in Book 43, Page 39, Pima County Recorder;

THENCE S17°46'29"E along the Westerly line of said Quail Creek Block 1, Lots 1-306, a distance of 744.94 feet, to an angle point in said Westerly line;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
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THENCE continuing along said Westerly line S12°52'00"E, a distance of 1037.57 feet, to the Southwesterly corner of lot 174M of said Quail Creek Block 1, Lots 1-306;

THENCE Southeasterly along the Southerly line of said Quail Creek Block 1, Lots 1-306 S85°16'22"E, a distance of 296.51 to the Southeasterly corner of lot 175M;

THENCE leaving said Southerly line S36°46'53"E, a distance of 1,354.26 feet;

THENCE S04°23'03"E, a distance of 866.39 feet;

THENCE S78°30'18"E, a distance of 1,177.70 feet to a point on the centerline of Quail View Loop per the Final Plat of Quail Creek 2, Blocks 1-64 recorded in Book 51, Page 58, Pima County Recorder;

THENCE along the centerline of Quail Range Loop S52°10'00"E, a distance of 476.65 feet to a point of curve to the left, having a radius of 600.00 feet and a central angle of 42°50'00";

THENCE Easterly along the arc of said centerline, a distance of 448.55 feet;

THENCE continuing along said centerline N85°00'00"E, a distance of 376.62 feet to a point of curve to the right, having a radius of 600.00 feet and a central angle of 34°00'00";

THENCE Easterly along the arc of said centerline, a distance of 356.05 feet;

THENCE continuing along said centerline S61°00'00"E, a distance of 522.00 feet to a point of curve to the left, having a radius of 600.00 feet and a central angle of 75°30'00";

THENCE Easterly along the arc of said centerline, a distance of 790.63 feet;

THENCE continuing along said centerline N43°30'00"E, a distance of 227.70 feet to point hereinafter referred to as POINT "B";

THENCE S46°30'00"E, a distance of 45.00 feet, to the beginning of a non-tangent curve, concave to the South, having a radius of 25.00 feet, the center of which bears S46°30'00"E;

THENCE Easterly along said curve through a central angle of 90°00'00", an arc distance of 39.27 feet;

THENCE S46°30'00"E, a distance of 151.15 feet to the beginning of a tangent curve, concave to the Southwest, having a radius of 970.00 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE Southeasterly along said curve, through a central angle of $01^{\circ}49'57''$, an arc distance of 31.02 feet; to the beginning of a non-tangent curve, concave to the Southwest, having a radius of 25.00 feet, the center of which bears $S45^{\circ}19'57''W$;

THENCE Northwesterly along said curve through a central angle of $38^{\circ}42'09''$, an arc distance of 16.89 feet;

THENCE $S43^{\circ}30'00''W$, a distance of 109.65 feet;

THENCE $S41^{\circ}00'38''E$, a distance of 133.26 feet;

THENCE $S32^{\circ}03'46''E$, a distance of 133.52 feet;

THENCE $S23^{\circ}06'22''E$, a distance of 133.52 feet;

THENCE $S08^{\circ}02'24''W$, a distance of 90.35 feet;

THENCE $S51^{\circ}25'37''E$, a distance of 65.18 feet;

THENCE $N78^{\circ}29'36''E$, a distance of 110.00 feet;

THENCE $S11^{\circ}30'24''E$, a distance of 193.54 feet to the beginning of a tangent curve, concave to the Northeast, having a radius of 1,030.00 feet;

THENCE Southeasterly along said curve, through a central angle of $26^{\circ}19'27''$, an arc distance of 473.23 feet;

THENCE $N52^{\circ}10'09''E$, a distance of 60.00 feet, to the beginning of a non-tangent curve, concave to the Northeast, having a radius of 970.00 feet, the center of which bears $N52^{\circ}10'09''E$;

THENCE Southeasterly along said curve through a central angle of $06^{\circ}06'27''$, an arc distance of 103.40 feet;

THENCE $N46^{\circ}03'43''E$, a distance of 122.43 feet;

THENCE $S43^{\circ}56'17''E$, a distance of 66.81 feet;

THENCE $S47^{\circ}11'51''E$, a distance of 100.91 feet;

THENCE $N52^{\circ}28'40''E$, a distance of 131.50 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE N63°52'30"E, a distance of 198.74 feet;
THENCE N45°58'06"E, a distance of 186.86 feet;
THENCE N20°39'25"E, a distance of 80.53 feet;
THENCE N03°23'52"W, a distance of 82.36 feet;
THENCE N36°01'32"E, a distance of 93.31 feet;
THENCE N19°30'26"W, a distance of 43.06 feet;
THENCE N40°58'24"W, a distance of 101.90 feet;
THENCE N50°51'33"W, a distance of 59.43 feet;
THENCE N25°35'36"W, a distance of 36.36 feet;
THENCE N03°28'22"E, a distance of 60.07 feet;
THENCE N27°20'33"E, a distance of 60.58 feet;
THENCE N41°10'36"E, a distance of 212.18 feet to the beginning of a non-tangent curve, concave to the Southwest, having a radius of 1,427.50 feet, the center of which bears S48°54'23"W;
THENCE Northwesterly along said curve through a central angle of 04°10'24", an arc distance of 103.98 feet;
THENCE N44°43'59"E, a distance of 45.00 feet;
THENCE N45°26'32"W, a distance of 9.00 feet;
THENCE N44°22'58"E, a distance of 120.00 feet;
THENCE N37°57'52"E, a distance of 75.65 feet;
THENCE S36°52'18"E, a distance of 721.37 feet to a point on the East line of said Section 8;
THENCE S00°19'00"E, a distance of 811.56 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE S00°19'51"E, a distance of 651.86 feet;

THENCE S89°15'28"W, a distance of 2,642.16 feet;

THENCE S89°16'11"W, a distance of 1,319.79 feet;

THENCE N00°28'48"W, a distance of 655.34 feet;

THENCE S89°18'44"W, a distance of 1,197.28 feet;

THENCE N00°42'14"W, a distance of 72.65 feet;

THENCE N42°10'27"W, a distance of 342.88 feet to the beginning of a non-tangent curve, concave to the Northwest, having a radius of 845.00 feet, the center of which bears N46°55'34"W;

THENCE Southwesterly along said curve through a central angle of 46°57'01", an arc distance of 692.43 feet;

THENCE S00°01'30"W, a distance of 60.00 feet;

THENCE N89°58'30"W, a distance of 594.68 feet;

THENCE S00°31'37"E, a distance of 1,311.64 feet;

THENCE N89°55'51"W, a distance of 692.48 feet;

THENCE N22°54'16"E, a distance of 810.76 feet;

THENCE N59°28'16"W, a distance of 1,385.45 feet;

THENCE N59°30'41"W, a distance of 2,662.66 feet;

THENCE N59°30'29"W, a distance of 1,385.47 feet;

THENCE N30°29'31"E, a distance of 407.54 feet;

THENCE N59°30'29"W, a distance of 75.00 feet;

THENCE N80°03'48"W, a distance of 150.96 feet;

THENCE N66°28'33"W, a distance of 188.76 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE N42°42'29"W, a distance of 137.40 feet;
THENCE N02°09'13"W, a distance of 56.55 feet;
THENCE N14°57'58"E, a distance of 85.47 feet;
THENCE N21°49'39"W, a distance of 258.88 feet;
THENCE N28°55'06"E, a distance of 254.73 feet;
THENCE N61°31'39"E, a distance of 136.53 feet;
THENCE N72°52'39"E, a distance of 422.49 feet;
THENCE N34°44'43"E, a distance of 153.07 feet;
THENCE N71°28'23"E, a distance of 111.45 feet;
THENCE N41°01'44"E, a distance of 137.87 feet;
THENCE N58°21'09"E, a distance of 292.98 feet;
THENCE S80°09'49"E, a distance of 75.00 feet to the point of curve of a non tangent curve to the left, of which the radius point lies N80°09'49"W, a radial distance of 2,000.00 feet;
THENCE Northerly along the arc, through a central angle of 05°14'33", a distance of 183.00 feet
THENCE N04°35'38"E, a distance of 1,046.83 feet;
THENCE S87°03'00"E, a distance of 1,101.85 feet;
THENCE N02°57'00"E, a distance of 99.08 feet;
THENCE N09°58'23"W, a distance of 1,861.54 feet;
THENCE N16°56'59"E, a distance of 280.91 feet;
THENCE N03°22'05"W, a distance of 633.45 feet to the POINT OF BEGINNING.
The above described parcel contains 929.49 acres, more or less.

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

PARCEL 2

A parcel of land located in Section 5, T.18S., R.14E., of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of said Section 5, T18S., R.14E.;

THENCE along the North line of the Northwest quarter of said Section 5, S89°24'40"E, a distance of 919.94 feet to the POINT OF BEGINNING;

THENCE continuing S89°24'40"E, a distance of 1711.16 feet;

THENCE S89°26'12"E, a distance of 2,628.94 feet;

THENCE S00°33'46"E, a distance of 2,600.25 feet;

THENCE S00°29'09"E, a distance of 1,177.63 feet;

THENCE N63°51'17"W, a distance of 914.96 feet;

THENCE N31°25'45"W, a distance of 955.64 feet;

THENCE S69°24'01"W, a distance of 274.89 feet to a point on curve of a non tangent curve to the left, said curve being on the centerline of Quail Range Loop per the Final Plat of Quail Creek 2 Unit 16 recorded in Book 55, Page 62, Pima County Recorder, of which the radius point lies S69°24'01"W, a radial distance of 1,300.00 feet;

THENCE Westerly along the arc of said centerline of Quail Range Loop, through a central angle of 110°10'10", a distance of 2,499.67 feet;

THENCE S49°13'51"W, a distance of 58.50 feet;

THENCE leaving said centerline of Quail Range Loop N34°50'20"W, a distance of 908.75 feet;

THENCE N55°03'30"W, a distance of 470.74 feet;

THENCE N62°43'56"W, a distance of 376.71 feet to the beginning of a non-tangent curve, concave to the West, having a radius of 322.50 feet, the center of which bears N87°18'49"W;

THENCE Northerly along said curve through a central angle of 12°45'07", an arc distance of 71.78 feet;

THENCE N10°03'57"W, a distance of 68.46 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE N58°08'56"E, a distance of 165.49 feet;
THENCE N20°16'58"E, a distance of 196.06 feet;
THENCE N59°42'02"E, a distance of 233.09 feet;
THENCE S61°26'23"E, a distance of 178.00 feet;
THENCE N85°54'34"E, a distance of 287.29 feet;
THENCE N28°33'37"E, a distance of 45.00 feet;
THENCE N08°33'37"E, a distance of 174.61 feet;
THENCE N43°44'51"W, a distance of 480.23 feet to the POINT OF BEGINNING.

The above described parcel contains 244.58 acres, more or less.

PARCEL 3

A parcel of land located in Sections 5 and 8, T.18S., R.14E., of the Gila and Salt River Meridian, Pima County, Arizona, more particularly described as follows:

COMMENCING at the aforementioned POINT "B", described in the legal description of PARCEL 1;

THENCE N43°30'00"E, a distance of 222.29 feet to the beginning of a tangent curve, concave Northwesterly, having a radius of 2600.00 feet;

THENCE Northerly along said curve, through a central angle of 19°23'44", an arc distance of 880.14 feet to the POINT OF BEGINNING;

THENCE N65°53'43"W, a distance of 45.00 feet;

THENCE N17°19'29"W, a distance of 365.55 feet;

THENCE N28°38'24"W, a distance of 319.69 feet;

THENCE N34°52'48"W, a distance of 269.69 feet;

THENCE N41°04'54"W, a distance of 58.17 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE N72°59'01"W, a distance of 888.47 feet;
THENCE S88°08'09"W, a distance of 65.69 feet;
THENCE S22°49'31"W, a distance of 84.90 feet;
THENCE S65°06'02"E, a distance of 40.00 feet;
THENCE S58°18'20"E, a distance of 93.52 feet;
THENCE S53°17'39"E, a distance of 95.03 feet;
THENCE S52°09'00"E, a distance of 127.17 feet;
THENCE S55°16'49"E, a distance of 97.42 feet;
THENCE S31°51'34"W, a distance of 60.44 feet;
THENCE N75°07'27"W, a distance of 30.48 feet;
THENCE N67°08'11"W, a distance of 61.67 feet;
THENCE N41°41'08"W, a distance of 131.83 feet;
THENCE N58°19'02"W, a distance of 73.33 feet;
THENCE N80°40'31"W, a distance of 50.02 feet;
THENCE S75°58'19"W, a distance of 58.64 feet;
THENCE N88°06'15"W, a distance of 52.06 feet;
THENCE N69°07'01"W, a distance of 48.36 feet;
THENCE N48°01'26"W, a distance of 52.87 feet;
THENCE N18°06'05"W, a distance of 74.56 feet;
THENCE N08°25'37"W, a distance of 106.61 feet;
THENCE N09°49'57"W, a distance of 74.86 feet;

LEGAL DESCRIPTION

QUAIL CREEK CFD (Cont.)

August 17, 2004
Revised October 7, 2004
Revised June 15, 2005

THENCE N09°56'55"W, a distance of 186.01 feet;
THENCE N80°03'05"E, a distance of 46.69 feet;
THENCE S68°04'15"E, a distance of 196.72 feet;
THENCE N67°24'03"E, a distance of 64.98 feet;
THENCE N19°01'53"E, a distance of 178.30 feet;
THENCE S70°16'15"E, a distance of 206.75 feet;
THENCE N65°15'48"E, a distance of 101.24 feet;
THENCE S57°59'26"E, a distance of 122.37 feet;
THENCE S52°51'17"E, a distance of 232.85 feet;
THENCE S52°34'38"E, a distance of 213.67 feet;
THENCE S64°12'16"E, a distance of 191.58 feet;
THENCE S64°19'02"E, a distance of 190.06 feet;
THENCE S36°16'11"E, a distance of 297.39 feet;
THENCE S61°27'59"E, a distance of 161.28 feet;
THENCE S65°06'09"E, a distance of 120.17 feet to the beginning of a non-tangent curve,
concave to the West, having a radius of 2,600.00 feet, the center of which bears N81°16'35"W;
THENCE Southerly along said curve through a central angle of 15°22'51", an arc distance of
697.96 feet to the POINT OF BEGINNING.

The above described parcel contains 17.94 acres, more or less.



EXHIBIT "B"

FY 2007-2008 QCCFD Budget

QUAIL CREEK COMMUNITY FACILITIES DISTRICT (QC CFD)
SPECIAL REVENUE FUND
 SOURCES AND USES OF FUNDS

	2005-2006 Actual Amount	2006-2007 Adopted Budget	2006-2007 Amended Budget	2006-2007 Estimated Actual	2007-2008 Adopted Budget
<u>SOURCES</u>					
REVENUES:					
Taxes	\$0	\$0	\$0	\$0	\$110,000
Charges for Services	11,182	65,000	65,000	5,000	28,000
Investment	15,522	75,000	75,000	590,000	250,000
Miscellaneous	0	0	0	0	336,350
Subtotal: Revenues	<u>26,704</u>	<u>140,000</u>	<u>140,000</u>	<u>595,000</u>	<u>724,350</u>
OTHER SOURCES:					
Proceeds of Long-Term Debt	12,660,000	0	0	0	0
BEGINNING FUND BALANCES:					
Restricted for Debt Service	0	0	0	732,100	342,100
Restricted for Capital Outlay	0	11,965,000	11,965,000	11,251,000	11,075,000
Undesignated	0	0	0	0	2,000
Subtotal: Beginning Fund Balances	<u>0</u>	<u>11,965,000</u>	<u>11,965,000</u>	<u>11,983,100</u>	<u>11,419,100</u>
TOTAL SOURCES	<u>\$12,686,704</u>	<u>\$12,105,000</u>	<u>\$12,105,000</u>	<u>\$12,578,100</u>	<u>\$12,143,450</u>
<u>USES</u>					
CURRENT EXPENDITURES:					
General Government	\$11,182	\$65,000	\$65,000	\$5,000	\$30,500
Culture and Recreation	0	0	0	0	7,500
Subtotal: Current Expenditures	<u>11,182</u>	<u>65,000</u>	<u>65,000</u>	<u>5,000</u>	<u>38,000</u>
DEBT SERVICE:					
Principal	0	0	0	0	0
Interest	0	394,000	394,000	389,000	686,350
Other	692,411	1,000	1,000	1,000	1,000
Subtotal: Debt Service	<u>692,411</u>	<u>395,000</u>	<u>395,000</u>	<u>390,000</u>	<u>687,350</u>
CAPITAL OUTLAY (summary)					
Land and Improvements	0	800,000	800,000	600,000	200,000
Infrastructure	0	3,050,000	3,050,000	164,000	7,823,250
Sewer Conveyance System	0	750,000	750,000	0	750,000
Subtotal: Capital Outlay	<u>0</u>	<u>4,600,000</u>	<u>4,600,000</u>	<u>764,000</u>	<u>8,773,250</u>
Subtotal: Current Expenditures, Debt Service, and Capital Outlay	<u>703,593</u>	<u>5,060,000</u>	<u>5,060,000</u>	<u>1,159,000</u>	<u>9,498,600</u>
ENDING FUND BALANCES:					
Restricted for Debt Service	732,101	0	0	342,100	0
Restricted for Capital Outlay	11,251,010	6,985,522	6,985,522	11,075,000	2,639,850
Contingency Reserves	0	59,478	59,478	2,000	5,000
Subtotal: Ending Fund Balances	<u>11,983,111</u>	<u>7,045,000</u>	<u>7,045,000</u>	<u>11,419,100</u>	<u>2,644,850</u>
TOTAL USES	<u>\$12,686,704</u>	<u>\$12,105,000</u>	<u>\$12,105,000</u>	<u>\$12,578,100</u>	<u>\$12,143,450</u>

EXHIBIT "C"

FISCAL YEAR 2007/08 TAX LEVY

JURISDICTION	ASSESSED VALUATION (AV)	TAX LEVY	TAX RATE (PER \$100 AV)
QUAIL CREEK COMMUNITY FACILITIES DISTRICT			
Secondary	\$3,476,566		
Maintenance and Operation		\$ 10,430	\$ 0.3000
Bond Indebtedness		\$ 104,297	\$ 3.0000
TOTAL SECONDARY		<u>\$ 114,727</u>	<u>\$ 3.3000</u>