RESOLUTION NO. 2021-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER UTILITIES COMMUNITY FACILITIES DISTRICT (CITY OF APACHE JUNCTION, ARIZONA) AUTHORIZING THE DISTRICT TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1, THE SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 1 AND THE SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 2 FOR COMMUNITY FACILITIES DISTRICT OPERATIONS, INFRASTRUCTURE AND FINANCINGS.

WHEREAS, the Water Utilities Community Facilities District ("WUCFD") is an Arizona Revised Statutes ("A.R.S.") Title 48 special purpose and tax levying improvement district; and

WHEREAS, the Superstition Mountains Community Facilities District No. 1 ("SMCFD") is a municipal corporation and political subdivision of the State of Arizona formed under A.R.S. Title 48, Chapter 4, Article 6 ("CFD Act"); and

WHEREAS, the Superstition Vistas Community Facilities Districts ("SVCFD") No. 1 & 2 (the "Districts") are community facilities districts expected to be formed by the City of Apache Junction ("City") in accordance with the CFD Act on October 5, 2021; and

WHEREAS, the Districts comprise a total of approximately 2,783 acres ("Property") owned by the Arizona State Land Department ("ASLD") located between Elliott and Ray Avenues from Meridian Drive to Idaho Road; and

WHEREAS, the Districts are authorized to pay for eligible public infrastructure ("EPI") by issuing general obligation and/or special assessment bonds which will be repaid by ad valorem property taxes or special assessments levied on the Property; and

WHEREAS, the Districts may levy additional ad valorem property taxes to pay the operation and maintenance expenses of the Districts; and

WHEREAS, once the Property owners have completed construction of EPI and entered into service agreements, Property owners and/or Districts will transfer title to SMCFD of all wastewater EPI and to WUCFD for all water EPI and the Property

will become part of the WUCFD's and SMCFD's respective service areas; and

WHEREAS, WUCFD, SMCFD, and Districts desire to enter into an intergovernmental agreement to address funding, planning, engineering, design, construction, acceptance and conveyance of the EPI, as well as issues regarding the general bligation and special assessment bonds of the Districts.

NOW, THEREFORE, BE IT RESOLVED BY THE CHAIRMAN AND BOARD OF DIRECTORS AS FOLLOWS:

- 1) The Chairman and Board of Directors approve the form of the Intergovernmental Agreement for community facilities district operations, infrastructure and financings as set forth in Attachment A; and the WUCFD Director is hereby authorized to sign the agreement on behalf of WUCFD.
- 2) The WUCFD Director and/or his designee is authorized to take all steps necessary to carry out the purpose and intent of this resolution and to fulfill all the duties required under the agreement.

PASSED THIS		ADOPTED BY T		CHAIRMAN AND 2021.	BOARD OF	DIRECTORS,
SIGNED	AND	ATTESTED TO	THIS	DAY OF		, 2021.
				WALTER "CHIP"	WILSON	
				Chairman		
ATTEST	:					
				_		
JENNIF	ER F	ENA				
Distri	ct C	Clerk				

APPROVED AS TO FORM:

RICHARD J. STERN
District Attorney

ATTACHMENT A

When recorded return to:

Richard Joel Stern
District Attorney
Superstition Vistas Community Facilities District No. 1
Superstition Vistas Community Facilities District No. 2
300 East Superstition Blvd.
Apache Junction, AZ 85119

INTERGOVERNMENTAL AGREEMENT BY AND AMONG THE APACHE JUNCTION WATER UTILITIES COMMUNITY FACILITIES DISTRICT, THE SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1, THE SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 1 AND THE SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 2 PERTAINING TO COMMUNITY FACILITIES DISTRICT OPERATIONS, INFRASTRUCTURE AND FINANCINGS

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made as of the day of ______ 2021, by and among APACHE JUNCTION WATER UTILITIES COMMUNITY FACILITIES DISTRICT, an Arizona municipal corporation ("WUCFD"), SUPERSTITION MOUNTAINS COMMUNITY FACILITIES DISTRICT NO. 1, an Arizona community facilities district ("SMCFD"), SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 1 ("SVCFD No. 1") and SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 2 ("SVCFD No. 2"), all of which are sometimes referred to herein collectively as the "Parties," or individually as a "Party."

RECITALS

- A. WUCFD is a special purpose district in the context of Article 4, Section 19, Arizona Constitution, a tax levying public improvement district for the purposes of Article 13, Section 7, Arizona Constitution, and a municipal corporation for applications under Title 35, Chapter 3, Arizona Revised Statutes, as amended ("A.R.S."), and, except as otherwise provided in A.R.S. § 48-708(B), is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City of Apache Junction, Arizona (the "City"), formed on August 2, 1994.
- B. SMCFD is a municipal corporation and political subdivision of the State of Arizona formed on July 7, 1992, under the provisions of the Community Facilities District Act of 1988, as amended, constituting A.R.S. Title 48, Chapter 4, Article 6 (the "CFD Act").
- C. SVCFD No. 1 and SVCFD No. 2 (each, a "District" and together, the "Districts") are community facilities districts formed by the City in accordance with the CFD Act on October 5, 2021.

- D. The Districts comprise a total of approximately 2,783 acres (the "Property") owned by the Arizona State Land Department and located between Elliot and Ray Avenues, from Meridian Drive to Idaho Road, as generally depicted on Exhibit A attached hereto.
- E. As used herein, "Eligible Public Infrastructure" or "EPI" shall mean the sewer-related and water-related Public Infrastructure and Public Infrastructure Purposes described in A.R.S. §§ 48-701(13) and (14) located within the Property or necessary to serve the Property.
- F. The Districts are authorized to pay for EPI by issuing general obligation and/or special assessment bonds which will be repaid by *ad valorem* property taxes or special assessments levied on the Property; and the Districts may additionally levy *ad valorem* property taxes to pay the operation and maintenance expenses of the Districts.
- G. The Districts do not intend to offer water or sewer services within the Property. Instead, it is the Parties' understanding that: (1) once the Property owners have completed construction of EPI and entered into Service Agreements (as defined below), the Property owners and/or the Districts will transfer title of all wastewater EPI to SMCFD, and title of all water EPI to WUCFD; and (2) while those transfers of title may occur in phases or segments, once a complete delivery system has been constructed and transferred sufficient for WUCFD or SMCFD to reliably provide service to a discrete portion of the Property, that portion of the Property will thereafter become part of WUCFD's and SMCFD's respective service areas (the "Understanding").
- H. The Parties intend for the EPI to be built in accordance with the Non-Potable Water Infrastructure Master Plan for Superstition Vistas prepared by Wood Patel & Associates and dated September 7, 2021, the Master Water Plan prepared by Hilgart Wilson and dated _______, 2021, the Master Drainage Plan prepared by Hilgart Wilson and dated _______, 2021, and the Wastewater Infrastructure Master Plan for Superstition Vistas prepared by Wood Patel & Associates and dated September 7, 2021 (collectively, the "Master Reports"), and also pursuant to service agreements entered into between the Property owners and each of WUCFD and SMCFD (each a "Service Agreement," and collectively, the "Service Agreements").
- I. This Agreement addresses certain issues regarding the funding, planning, engineering, design, construction, acceptance and conveyance of the EPI, as well as certain issues regarding the general obligation bonds and special assessment bonds of the Districts (collectively, the "Purpose").

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and covenants set forth herein, and for other consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. <u>ACCURACY OF THE RECITALS:</u> The Parties hereby confirm the accuracy of the Recitals set forth above, which are incorporated herein by this reference.

2. OBLIGATIONS OF THE DISTRICTS:

- A. The District Manager of the Districts will communicate promptly with the respective district managers of WUCFD and SMCFD regarding the design, engineering, construction, acquisition and financing of EPI, including any matters related to post-issuance legal compliance pertaining to the Districts' bonds financing EPI that has been conveyed or is to be conveyed to WUCFD and SMCFD. The District Manager of the Districts will, as applicable, appoint a WUCFD or SMCFD engineer as the District Engineer for EPI that is anticipated to be accepted by, and conveyed to, WUCFD or SMCFD, respectively.
- B. As applicable, a portion of annual disbursements from the Districts to the City shall be distributed to WUCFD and/or SMCFD in accordance with City procedures then in effect. If directed by the City, the Districts will make such distributions directly to WUCFD and/or SMCFD.
- C. The District Manager of the Districts will work collaboratively with the respective district managers of WUCFD and SMCFD regarding the process and procedure for the acceptance and conveyance of EPI by and to WUCFD and SMCFD. The mutual intent of the Parties is the Districts will not convey to the City EPI intended to become part of the respective WUCFD or SMCFD utility systems. The Districts will not seek payment or reimbursement from WUCFD or SMCFD for the EPI; provided that this provision does not prohibit any of the Parties from otherwise agreeing to any payment or reimbursement arrangement related to EPI.

3. <u>WUCFD AND SMCFD'S OBLIGATIONS:</u>

- A. With respect to any EPI anticipated to be conveyed to WUCFD or SMCFD, as applicable, WUCFD and SMCFD will make engineers or other authorized representatives available promptly upon request of the District Manager of the Districts to review and approve plans, specifications, designs, bids, contracts, change orders, insurance provisions, and warranties pertaining to such EPI. When applicable, WUCFD and SMCFD engineers or other authorized representatives will, upon the request of the District Manager of the Districts, respond within the periods described in A.R.S. § 48-728.
- B. WUCFD and SMCFD will take reasonable steps to respond promptly to the Districts when presented with an EPI-related question, although neither WUCFD nor SMCFD is required to hold a special board meeting outside of its normal schedule for such meetings.
- C. WUCFD and SMCFD will be responsible for directly collecting from Property owners and subsequent customers any connection, processing, user, or subscription fees as set forth in the Service Agreements. Unless otherwise agreed to by the Parties, the Districts will not have operation, maintenance, repair, or payment obligations related to EPI after such infrastructure is conveyed to WUCFD and SMCFD.

- D. WUCFD and SMCFD will not take any action to challenge the prior formation or, to the extent permitted by law, challenge the ongoing operation of the Districts so long as that operation is generally consistent with the intent of this Agreement. WUCFD and SMCFD will acknowledge and consent to the applicable provisions of the District Development, Financing Participation, Waiver and Intergovernmental Agreement for each District.
- E. To the extent EPI is financed by bonds of the Districts and accepted by and conveyed to, or anticipated to be conveyed to, WUCFD and SMCFD, neither WUCFD nor SMCFD will knowingly take, or cause to be taken, any action which would cause interest on any Districts' bonds to be included in gross income for federal income tax purposes of the Internal Revenue Code of 1986, as amended. In connection with the issuance of bonds by the Districts to finance EPI anticipated to be conveyed to WUCFD and/or SMCFD, authorized representatives of WUCFD and/or SMCFD will execute certificates and other documents as requested by the District Manager of the Districts pertaining to the issuance of the bonds, the tax-exempt nature of such bonds, and the expected uses of the EPI to be conveyed to WUCFD and/or SMCFD.
- F. The respective district managers of WUCFD and SMCFD will each work collaboratively with the District Manager of the Districts regarding the process and procedure for the acceptance and conveyance of EPI by and to WUCFD and SMCFD with the mutual intent that WUCFD and SMCFD will promptly upon request inspect the EPI and will not unreasonably withhold, delay or condition its acceptance of the EPI. The mutual intent of the Parties is that the EPI intended to become part of the respective WUCFD or SMCFD utility systems will not be conveyed to the City.
- G. To the extent either of WUCFD or SMCFD desire to submit a report to the Districts requesting the bond financing of EPI by the Districts, the respective authorized representatives of WUCFD and SMCFD will first communicate such intent to the District Manager of the Districts, and work with appropriate staff and consultants of the Districts prior to submitting any report.
- H. To the extent applicable, both WUCFD and SMCFD will maintain reasonably detailed records pertaining to any EPI conveyed to them. Upon the request of the District Manager of the Districts, WUCFD and SMCFD will provide such records or certify to such records to ensure Property owners will not be reimbursed for the same EPI (or portion thereof) by both proceeds of bonds of the Districts and any cost sharing agreements with Property owners entered into by WUCFD or SMCFD.
- 4. <u>INDEMNIFICATION AND INSURANCE</u>: To the extent permitted by law, each Party (the "Indemnifying Party") covenants and agrees to fully indemnify, defend and hold harmless each other Party and their elected and appointed officers, boards, directors, employees and agents (each an "Indemnified Party") from and against any and all third party suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature relating to this Agreement, including reasonable attorney and expert witness fees, to the extent arising out of any act or omission of the Indemnifying Party or their officers, boards, directors, employees and

agents, and anyone acting under their direction or control, whether reckless, intentional or negligent, in connection with or incident to this Agreement. If any action or claim shall be brought or asserted against a Party or its elected and appointed officers, boards, directors or employees and agents for which indemnity may be sought from the Party, the Indemnified Party seeking indemnification shall promptly notify the Indemnifying Party(ies) in writing. The noticed Indemnifying Party(ies) shall, within ten (10) working days of receiving such notice, assume the defense thereof (including under a reservation of rights), and the payment of all expenses, including reasonable attorneys' fees and all court costs which shall be paid as incurred. The failure of the noticed Indemnifying Party(ies) to timely respond in writing shall be deemed a denial of coverage under the indemnity provisions in this Section. It is understood and agreed that the Parties may elect to self-insure or obtain insurance through their pooling agreement with other governmental entities against any or all of the risks related to this Agreement. This section shall survive the expiration or early termination of this Agreement. If a claim or claims by third parties become subject to this indemnity provision, the Parties shall expeditiously meet to discuss a common and mutual defense, including possible proportionate liability and payment of possible litigation expenses and damages.

- 5. <u>REPRESENTATIONS OF THE DISTRICTS</u>: Each District represents and warrants to WUCFD and SMCFD that:
 - A. It has the full right, power, and authorization to enter into and perform this Agreement, including the obligations and undertakings listed herein, and the execution, delivery, and performance of this Agreement have been made in compliance with the procedural requirements of such District.
 - B. It will take all reasonable actions, including the execution and acknowledgment of documents and instruments necessary to implement, evidence and enforce this Agreement.
 - C. As of the date of this Agreement, it knows of no litigation, proceeding, initiative, referendum, or investigation contesting the powers of such District or its officials, with respect to this Agreement, that has not been disclosed in writing to WUCFD and SMCFD.
 - D. The execution, delivery and performance of this Agreement by such District is not prohibited by, and does not conflict with, any other agreements, instruments or judgments or decrees to which such District is a party or is otherwise subject.
 - E. It has been assisted by counsel of its own choosing in connection with the preparation and execution of this Agreement.
- 6. <u>WUCFD AND SMCFD REPRESENTATIONS</u>: WUCFD and SMCFD, each on its own behalf, represents and warrants to each District, that:
 - A. It has the full right, power, and authorization to enter into and perform this Agreement, including the obligations and undertakings listed herein, and the execution,

delivery, and performance of this Agreement have been duly authorized and agreed to in compliance with its organizational documents.

- B. All consents and approvals necessary to the execution, delivery, and performance of this Agreement have been obtained, and no further action needs to be taken in connection with such execution, delivery, and performance.
- C. It will take all reasonable actions, including the execution and acknowledgement of documents and instruments, to implement, evidence, and enforce this Agreement, although it is not required to hold a special board meeting outside of its normal schedule for such meetings.
- D. As of the date of this Agreement, it knows of no litigation, proceeding, initiative, referendum or investigation contesting its powers, or the powers of its officials, with respect to this Agreement that has not been disclosed in writing to the Districts.
- E. The execution, delivery and performance of this Agreement is not prohibited by, and does not conflict with, any other agreements, instruments or judgments or decrees to which it is a party or is otherwise subject.
- F. It has been assisted by counsel of its own choosing in connection with the preparation and execution of this Agreement.
- 7. <u>DURATION OF AGREEMENT/TERMINATION</u>: This Agreement shall be valid for an initial Term of two (2) years from execution by all of the Parties and such Term shall, unless terminated by agreement of the Parties, automatically be renewed each year thereafter such that this Agreement is coterminous with the existence of the Districts. This Agreement shall automatically terminate upon the repayment in full of all bonds issued by the Districts relating to the EPI, unless the Parties otherwise agree to extend this Agreement.
- 8. <u>NOTICES</u>: Except as otherwise required by law, any notice required or permitted under this Agreement shall be in writing and shall be given by personal delivery, or by deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, addressed to the Parties at their respective addresses set forth below, or at such other address as a Party may designate in writing pursuant to the terms of this Section, or by telefacsimile machine, or by any nationally recognized express or overnight delivery service (e.g. Federal Express or UPS), delivery charges prepaid:

If to Districts:

Superstition Vistas Community Facilities District No. 1 or Superstition Vistas Community Facilities District No. 2

c/o City of Apache Junction Attn: District Manager 300 E. Superstition Blvd.)

Apache Junction, Arizona 85119-2899

Telephone: (480) 474-5066 Facsimile: (480) 474-5110 If to WUCFD:

Water Utilities Community Facilities District

Attn: Water District Director 300 East Superstition Boulevard Apache Junction, AZ 85119 Telephone: (480) 982-6030 Facsimile: (480) 288-6623

If to SMCFD:

Superstition Mountains Community Facilities

District No. 1

Attn: District Manager 5661 South Ironwood Drive Apache Junction, AZ 85120 Telephone: (480) 941-6760 Facsimile: (480) 671-3180

9. <u>SEVERABILITY</u>: The Parties each believe that the execution, delivery and performance of this Agreement are in compliance with all applicable laws. However, in the event that any provision of this Agreement is declared void or unenforceable (or is construed as requiring the Parties to do any act in violation of any applicable laws, including any constitutional provision, law, regulation, or city or district policy or rule), the invalidity or unenforceability of that provision shall not affect the remainder of the Agreement, which shall otherwise remain in full force and effect, and the invalid provision shall be deemed severed from this Agreement. In lieu of any invalid provision, a substitute provision shall apply retroactively which comes as close as possible to that intent which the Parties had or would have had, according to the spirit and purpose of this Agreement.

- 10. GOVERNING LAW, VENUE AND ATTORNEY FEES: The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona. Any action at law or in equity brought by Parties for the purpose of enforcing a right or rights provided for in this Agreement shall be tried in a court of competent jurisdiction in Pinal County, Arizona. The Parties hereby waive all provisions of law providing for a change of venue in such proceeding to any other county. In the event a Party brings suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition in this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs including reasonable attorneys' fees, court costs, expert witness fees, and other litigation-related expenses to be determined by the court in such action.
- 11. <u>SUCCESSORS, ASSIGNMENT & DELEGATION</u>: The obligations and rights created in this Agreement are binding upon and shall inure to the benefit of the Parties and their successors, assigns and legal representatives. Parties shall not assign, sublet or delegate the duties hereunder without the prior written approval of the other Parties. Any such approved successor or assignee shall assume, in writing, all duties and obligations hereunder of the Parties and shall further agree to be bound by and to fully perform the terms of this Agreement.

- 12. FORCE MAJEURE: No Party shall be considered to have failed to perform its obligations under this Agreement in the event of enforced delay (an "Enforced Delay") due to causes beyond its control and without its fault or negligence or failure to comply with applicable laws, including, but not restricted to, acts of God, fires, floods, epidemics, pandemics, quarantines, restrictions, embargoes, labor disputes, unusually severe weather or the delays of subcontractors or materialmen due to such causes, acts of a public enemy, war, terrorism or act of terror (including but not limited to bio-terrorism or eco-terrorism), nuclear radiation, blockade, insurrection, riot, labor strike or interruption, extortion, sabotage, or similar occurrence or any exercise of the power of eminent domain by any governmental body on behalf of any public entity, or a declaration of moratorium or similar hiatus directly affecting the Property (whether permanent or temporary) by any public entity. In no event will an Enforced Delay include any delay resulting from general economic or market conditions, or the unavailability for any reason of particular consultants, subcontractors, vendors or investors desired by Parties in connection with the obligations under this Agreement, or the financial inability of any Party. Parties agree that the Parties alone will bear all risks of delay which are not an Enforced Delay. In the event of the occurrence of any such Enforced Delay, the time or times for performance of the obligations of the Party claiming delay shall be extended for a period of the Enforced Delay; provided, however, that the Party seeking the benefit of the provisions of this Section shall, within thirty (30) calendar days after such Party knows or should know of any such Enforced Delay, first notify the other Parties of the specific delay in writing and claim the right to an extension for the period of the Enforced Delay; and provided further that in no event shall a period of an Enforced Delay exceed ninety (90) days.
- 13. <u>ENTIRE AGREEMENT</u>: This Agreement represents the entire agreement between the Parties and supersedes all prior negotiations, representations or agreements, either express or implied, written or oral among the Parties. It is mutually understood and agreed that no alteration or variation of the terms and conditions of this Agreement shall be valid unless made in writing and signed by the Parties hereto. Written and signed amendments shall automatically become part of the supporting documents, and shall supersede any inconsistent provision therein; provided, however, that any apparent inconsistency shall be resolved, if possible, by construing the provisions as mutually complementary and supplementary.
- 14. <u>CONFLICT OF INTEREST</u>: This Agreement is subject to, and may be terminated by any Party in accordance with, the provisions of A.R.S. § 38-511.
- 15. <u>THIRD PARTY BENEFICIARY</u>: The Parties expressly agree that there are no third party beneficiaries to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

	COM	APACHE JUNCTION WATER UTILITIES COMMUNITY FACILITIES DISTRICT, an Arizona municipal corporation	
	By: Its:	Michael Loggins District Director	
STATE OF ARIZONA) COUNTY OF PINAL)	ss:		
	ael Loggii	was acknowledged before me this day of as, the District Director of Apache Junction Water Arizona municipal corporation.	
		Notary Public	
		(Affix Notary Seal Here)	

	FAC	FACILITIES DISTRICT, NO. 1, an Arizona community facilities district	
	By: Its:	Darron Anglin District Manager	
STATE OF ARIZONA COUNTY OF PINAL)) ss:)		
, 2021, by	Darron Anglia	was acknowledged before me this day or n, the District Manager of Superstition Mountains rizona community facilities district.	
		Notary Public (Affix Notary Seal Here)	

SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 1, an Arizona community facilities district By: Bryant Powell Its: District Manager ATE OF ARIZONA)

	Its:	District Manager
STATE OF ARIZONA)		
COUNTY OF PINAL) ss:		
	well, th	was acknowledged before me this day of ne District Manager of Superstition Vistas Community unity facilities district.
		Notary Public
		(Affix Notary Seal Here)
	DIST	ERSTITION VISTAS COMMUNITY FACILITIES RICT NO. 2, an Arizona community facilities district Bryant Powell
CTATE OF ADIZONA	Its:	District Manager
STATE OF ARIZONA)) ss: COUNTY OF PINAL)		
	well, th	was acknowledged before me this day of the District Manager of Superstition Vistas Community unity facilities district.
		Notary Public

(Affix Notary Seal Here)

COUNSEL APPROVAL AS TO FORM:

into by WUCFD within the powers of and authority granted it under the laws of the State Arizona.						
Richard J. Stern, WUCFD District Attorney	Date					
I have read this Agreement and have determined such Aginto by SMCFD within the powers of and authority granizona.						
Jason L. Cassidy, Counsel for SMCFD	Date					
I have read this Agreement and have determined such Aginto by SVCFD No. 1 and SVCFD No. 2 within the power under the laws of the State of Arizona.	greement is in proper form and is entereders of and authority granted each of them					
Richard J. Stern, SVCFD No. 1 and SVCFD No. 2 District Attorney	Date					

EXHIBIT A

