RESOLUTION NO. 126-87

FOREST TRAILS COUNTY IMPROVEMENT DISTRICT

A RESOLUTION APPROVING AND RECOMMENDING EXECUTION OF INTERGOVERNMENTAL AGREEMENT

WHEREAS, the Forest Trails County Improvement District was formed pursuant to the Laws of the State of Arizona; and

WHEREAS, the Forest Trails County Improvement District wishes to pave roads as set forth in Resolution No. 104-87, the Resolution of Intention for the District; and

WHEREAS, in order to take advantage of economies of scale, the Forest Trails County Improvement District wishes to enter into an Intergovernmental Agreement with three other county improvement districts located within the Heber area of Navajo County, Arizona to allow for one construction contract (one Advertisement for Bids), one construction manager, and one owner's representative; and

WHEREAS, the provisions of A.R.S. 11-952 allow for intergovernmental agreements between municipal corporations;

NOW THEREFORE, BE IT RESOLVED THAT:

The Board of Directors of the Forest Trails County Improvement District hereby approves the Intergovernmental Agreement attached hereto as Exhibit A and authorizes the Chairman to execute the same.

ADOPTED this 21st day of December, 1987.

FOREST TRAILS COUNTY
IMPROVEMENT DISTRICT

BY: _____
Chairman

ATTEST:

BY: _____
Clerk

DZ11/FTRes
12/17/87

INTERGOVERNMENTAL AGREEMENT BETWEEN FOREST TRAILS COUNTY IMPROVEMENT DISTRICT, FOREST TRAILS UNIT TWO COUNTY IMPROVEMENT DISTRICT, HIGH COUNTRY PINES COUNTY IMPROVEMENT DISTRICT, AND MOGOLLON AIRPARK COUNTY IMPROVEMENT DISTRICT, PHASES I, II, AND III AGREEING TO JOINTLY CONTRACT FOR PAVING OF THE ROADS WITHIN THE FOUR DISTRICTS.

THIS AGREEMENT made and entered into this 21st day of December, 1987, by and between Forest Trails County Improvement District (FT), Forest Trails Unit Two County Improvement District (FT Unit Two), High Country Pines County Improvement District (HCP), and Mogollon Airpark County Improvement District Phases I, II, and III (Mogollon).

WHEREAS, all four previously mentioned county improvement districts were validly formed under the provisions of Title 48, Chapter 6, Article 1, Arizona Revised Statutes and are therefore political subdivisions of the State of Arizona; and

WHEREAS, each of the aforementioned Districts has adopted a Resolution of Intention to pave the roads within its boundaries pursuant to the provisions of A.R.S. 48-912; and

WHEREAS, because of economies of scale, the four previously named Districts wish to have the paving construction combined into one project; and

WHEREAS, political subdivisions of the State of Arizona may jointly contract for services under the provisions of A.R.S. 11-952;

THEREFORE, THE PARTIES HEREBY STIPULATE, COVENANT AND AGREE:

1. **PURPOSE.** The purpose of this Agreement is to allow the Districts to realize cost savings by contracting jointly for construction services. This project shall be known as Southern Navajo County Combined County Improvement Districts.

2. **METHODOLOGY.** The construction project consists of paving roads in six separate schedules within FT, FT Unit Two, HCP and Mogollon, Phases I, II and III. There will also be one schedule for FT, FT Unit Two, HCP and Mogollon, combined in one project. This schedule is to be used if a prospective contractor wants to bid to pave the streets in all of the Districts. Each District hereby agrees that the construction contract will be advertised as one project and that one Construction Manager will serve for all paving, whether the contract is let to one contractor or several, as the schedules provide. There will also be one Owner's Representative for the paving and all paving will be inspected as though it was one Project. A prospective contractor may submit bids for any one or all of the districts' paving projects.

3. **DURATION AND TERMINATION.** This Agreement shall remain in full force and effect until all construction is completed and each individual District has accepted the work within its boundaries, as evidenced by passage of a Resolution Accepting the Work, unless the conditions outlined in paragraph 4 of this Agreement occur.

4. **PARTIAL COMPLETION.** In the event that construction is not completed within all of the Districts and accepted by each individual District prior to December 1, 1988, this Agreement shall terminate and each individual District shall be responsible for paving the roads within its boundaries.

5. **MANNER OF FINANCING.** Each individual District, or portion of a District in the case of Mogollon, shall be responsible for all funding of the project within each District's boundaries including but not limited to all costs indicated on the Cost Estimate attached to the respective Resolutions of Intention and attached hereto as Exhibits A, B, C and D. Each District will arrange its own proceedings and make arrangements for assessment of property within its boundaries. Each District or phase, in the case of Mogollon, will have its own construction fund out of which a contractor shall be paid for the work done as well as all incidental expenses as listed on the respective Estimate for work within its boundaries. Each District, or phase, will be responsible for selling its own bonds and for pay-off of those bonds. There will be no intermingling of funds.

6. **ATTORNEYS' FEES AND COSTS.** In the event of any dispute arising hereunder, concerning the operation of this Agreement or its terms, the prevailing party in such dispute shall be entitled to receive its reasonable attorneys' fees and costs incurred in the settlement or litigation of said dispute.

7. **DISPUTE RESOLUTION.** This contract shall be governed by the laws of the State of Arizona and venue for any litigation arising out of this contract shall only be in the Superior Court of the State of Arizona in and for the County of Navajo unless the amount in dispute is less than $2,500.00, in which case jurisdiction and venue shall lie in the Justice of the Peace Court, Holbrook Precinct, Holbrook, Arizona.

Each individual District has approved of this Agreement by Resolution: HCP in Resolution No. 124-87 FT in Resolution No. 126, FT Unit Two in Resolution No. 128, and Mogollon (all three phases) in Resolution No. 122

ADOPTED this 21st day of December, 1987.

FOREST TRAILS COUNTY
IMPROVEMENT DISTRICT

BY: [signature]

ATTEST:

APPROVED AS TO FORM:

Attorney for Forest Trails CID

FOREST TRAILS UNIT TWO COUNTY IMPROVEMENT DISTRICT

BY:

ATTEST:

APPROVED AS TO FORM:

Attorney for Forest Trails Unit Two CID

HIGH COUNTRY PINES COUNTY IMPROVEMENT DISTRICT

BY:

ATTEST:

APPROVED AS TO FORM:

Attorney for High Country Pines CID

MOGOLLON AIRPARK COUNTY IMPROVEMENT DISTRICT PHASES I, II, AND III

BY:

ATTEST:

APPROVED AS TO FORM:

Attorney for Mogollon CID Phases I, II, and III

DZ4/InterGov

Exhibit A

HIGH COUNTRY PINES COUNTY IMPROVEMENT DISTRICT
Cost Estimate of Proposed Improvement

TOTAL DISTRICT CAN SPEND	307,150.00
Total Construction Cost	236,932.00
Engineering Services	17,000.00
Bond Registration and Printing	1,000.00
Financial Advisor	3,072.00
Bond Opinion	6,144.00
Capitalized Interest	30,715.00
Administrative and Legal Costs	12,287.00

Individual assessments may not exceed $1400.00 per lot as per agreement between the County, the Developer, and the District.

DZ10/ExhiCHCP

Exhibit B

FOREST TRAILS COUNTY IMPROVEMENT DISTRICT

Cost Estimate of Proposed Improvement

TOTAL DISTRICT CAN SPEND	$450,720.00
Total Construction Cost	352,800.00
Engineering Services	20,292.00
Bond Registration and Printing	1,000.00
Financial Advisor	4,507.00
Bond Opinion	9,015.00
Capitalized Interest	45,072.00
Administrative and Legal Costs	18,034.00

DZ10/ExhiFTCID1

Exhibit C

FOREST TRAILS UNIT TWO COUNTY IMPROVEMENT DISTRICT

Cost Estimate of Proposed Improvement

TOTAL DISTRICT CAN SPEND	421,755.00
Total Construction Cost	324,345.00
Engineering Services	24,708.00
Bond Registration and Printing	1,000.00
Financial Advisor	4,218.00
Bond Opinion	8,436.00
Capitalized Interest	42,176.00
Administrative and Legal Costs	16,872.00
Total:	$421,755.00
Developer's Share:	114,938.00
	$306,817.00

$306,817.00 is the District's share to be assessed against property owners.

Exhibit D

MOGOLLON AIRPARK COUNTY IMPROVEMENT DISTRICT
PHASES I, II AND III

Cost Estimate of Proposed Improvement

PHASE I

TOTAL DISTRICT CAN SPEND	105,650.00
Total Construction Cost	85,701.00
Engineering Services	5,786.00
Bond Registration and Printing	350.00
Financial Advisor	1,108.00
Bond Opinion	2,214.00
Capitalized Interest	6,065.00
Administrative and Legal Costs	4,426.00

PHASE II

TOTAL DISTRICT CAN SPEND	75,585.00
Total Construction Cost	63,641.00
Engineering Services	2,893.00
Bond Registration and Printing	350.00
Financial Advisor	806.00
Bond Opinion	1,612.00
Capitalized Interest	3,059.00
Administrative and Legal Costs	3,224.00

PHASE III

TOTAL DISTRICT CAN SPEND	141,080.00
Total Construction Cost	102,123.00
Engineering Services	6,321.00
Bond Registration and Printing	350.00
Financial Advisor	1,311.00
Bond Opinion	2,623.00
Capitalized Interest	23,108.00
Administrative and Legal Costs	5,244.00

TOTAL THE DISTRICT CAN SPEND ON ALL PHASES	$322,315.00